



ASHFORD  
BOROUGH COUNCIL

# 2005 Housing Needs Survey



Summary Report  
by



HOUSING • PLANNING  
REGENERATION • CONSULTANTS

# HOUSING NEEDS SURVEY

This report contains a summary of the results from an assessment of housing needs conducted by DCA on behalf of Ashford Borough Council.

The purpose of the study was to examine the housing requirements (needs, aspirations and demands) for the communities and households of the Borough.

The overall aims of the project were to:-

- ▶ Determine the levels of housing supply and demand in the Borough;
- ▶ Support the annual HIP bid and development of the Housing Strategy;
- ▶ Provide robust information at a local level in accordance with PPG3, to guide the location of new provision and support policies in the Local Developmental Framework;
- ▶ Co-ordinate housing and community care strategies.

In this summary you will find the main findings from a study undertaken through:-

- ▶ A postal questionnaire to 6,300 households in 9 Ward / Parish areas across the Borough;
- ▶ A housing market survey utilising the Land Registry and Halifax House Price databases and a telephone survey of estate agents on the supply and cost of private rented housing;
- ▶ Secondary data analysis drawing upon HIP and Housing Register data on the flow of social stock and need, the 2001 Census, household and population projections and other national research.

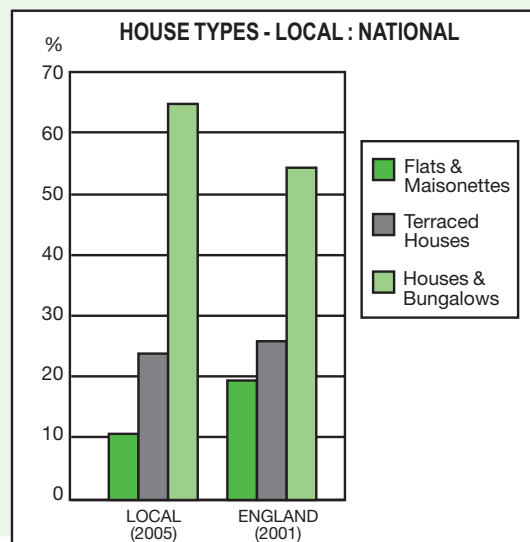
## KEY FINDINGS OF THE SURVEY

- ▶ 87% of households live in accommodation suitable for their needs. Satisfaction varies from 96% in the owner occupied (no mortgage) sector to 67% in the private rented sector;
- ▶ The average price of flats and terraced houses are £130,276 and £155,883 respectively and affordability is a major issue, particularly for new forming households;
- ▶ 67% cannot afford private rental and home ownership is beyond the reach of 79% of concealed households, even though around 35% of them earn over £27,300 pa, the national average;
- ▶ The social stock is now 15.3%, lower than the national average of 19.3% and provides 372 net re-let units each year.
- ▶ Annually 1,027 affordable housing units are needed, 655 more than existing re-lets and new supply, a requirement nearly seven times current delivery levels;
- ▶ The retired population will increase by 62% by 2021. There is an inextricable link between ageing and disability. Over 57.7% of those with a support need are over the age of 60, and over half of these households contain a person with a walking difficulty (52%).

## THE HOUSING STOCK

The chart shows the characteristics of the Borough stock in 2005, compared to the national average level at the 2001 Census in each category.

Locally, 65% of the stock is houses and bungalows, well above the national average of 54%. Small units, flats (10%) and terraced houses (24%) are both below the national average levels of 20% and 25% respectively.



# THE BOROUGH POPULATION - FUTURE PROJECTIONS

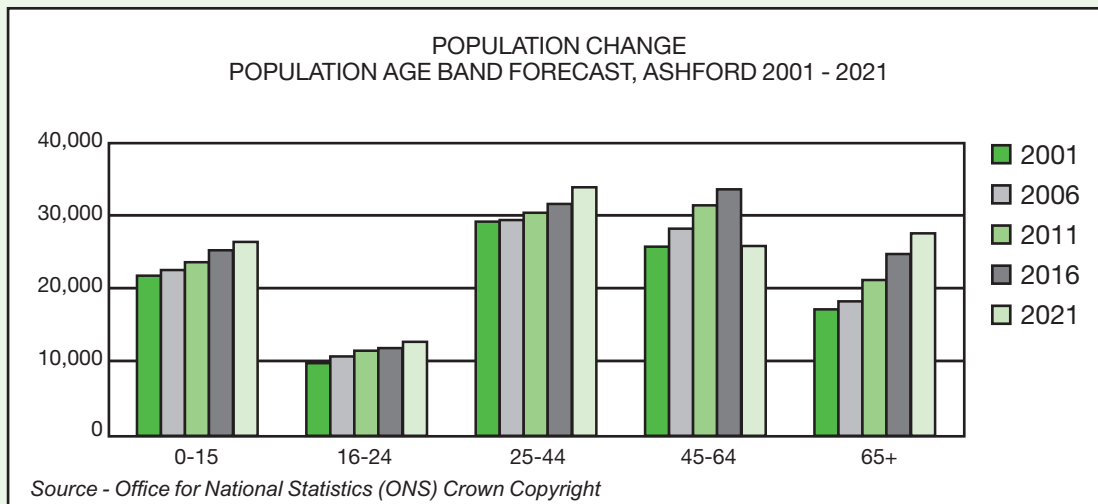
An important feature in measuring housing needs is to forecast what is likely to happen over the next decade or so in order that provision for new housing can be planned. Population change in an area results from a number of factors - numbers of births and deaths, how the population is ageing, and the migration of people into and out of the area. The number of households rises and falls over time in response to these and is also affected by changes in the pattern of marriages and divorces and the general economic climate.

## What about the future?

The general demographic projections in the tables in this section have been provided by Kent County Council. They are revised strategy-based forecasts which replace the previous V19 2004 forecasts and are based on Deposit Kent and Medway Structure Plan Policy HP1.

The projections indicate that the population will increase by approximately 33,100 people, 32% over the 20 years to 2021, rising to 136,100 by 2021, increasing at an average annual rate of approximately 1.6%.

- ▶ The 0-15 age range shows an increase overall (5,100; 24%). A steady rise is seen throughout the forecast period, with the largest increase of 1,600 people occurring between 2011 and 2016 (7%).
- ▶ The 16-24 age range comprises new households forming and will have implications for future affordable housing need both in the short and longer term. Overall this age group shows a rise (2,900; 30%), with the most significant decrease seen between 2001 and 2006 (900; 9%).
- ▶ The 25-44 age group, the main economically active and household forming and moving group shows a increase overall (4,800; 17%). Numbers rise steadily throughout the forecast period, with the largest increase between 2016 and 2021 (2,600; 8%).
- ▶ The 45-64 age group shows a significant increase of 10,300 people (39%) to 2021. There is a steady rise throughout the forecast period, with an increase of 5,300 people between 2001 and 2011 (21%).
- ▶ The most significant feature here is the growth of the population in the over 65 age group with a large increase of 10,600 people (62%) seen over the forecast period. Numbers rise throughout the forecast period, with a rise of 3,900 (23%) occurring in the current decade to 2011.
- ▶ Numbers in the 85+ age group show a 92% increase in numbers throughout the forecast period. The over 85 year old group will grow by 2,200 to 4,600 people in the area by 2021 whose care and support needs should now be assessed in detail.



The housing market is the context against which all the housing needs of the area are set. In particular, house price information is the basis on which the “affordability” of housing is measured for low-income households. In essence, we are seeking to establish who cannot afford to enter into the market. This data is then related to the problems faced by the “concealed households” in the area, i.e. households living with friends and relatives unable to gain access to the housing market.

## National and Regional Context

UK house price inflation for the year ending 31st December 2004 was recorded by Halifax Index at 15.1% and the Land Registry at 11.7%. House price inflation in the fourth quarter of 2004 slowed in most regions with an overall increase of 0.1%, well below the 2.7% gain in the third quarter of 2004. House prices in the South East Region show a slight fall, decreasing by 1.6% during the fourth quarter of 2004. The annual rate of house price inflation recorded in the Halifax Index for the South East Region at 31st December 2004 was 7.2%, well below the UK average of 15.1%, reflecting the lower level of increases in the South generally last year.

## The Ashford Borough Housing Market

The evaluation of the market in Ashford is based on specially prepared information taken directly from the Land Registry database for the year to 31st December 2004 and an analysis of local estate agency sales looking at access level (the cheapest available) properties.

The Land Registry recorded the average price for all dwellings in the Borough at £195,115. The average semi-detached dwelling was sold for £175,960, lower than the Kent average of £195,277. The graph shows semi-detached house prices in the Borough are lower than the average for Kent and for the South East Region, reflecting the level of prices for all property types in the Borough. The graph also shows that flat prices in the Borough are lower than the average for Kent and the South East.

Whilst the overall house prices in the Borough have risen by 83% since 2000, the price of entry level stock, terraced houses and flats / maisonettes, have increased by 125% and 101% respectively between 2000 and 2004.

Based on a 95% mortgage availability and a 3-times gross income to lending ratio, an income of £28,300 is required to buy a one bedroom flat in Ashford Urban, rising to £52,300 in parishes surrounding the Southern boundary of Ashford. A two bedroom flat requires an income of £30,600 in Ashford Urban and up to £43,900 in Tenterden. Terraced properties require an income of £57,000 in Tenterden.

We relatively assess terraced houses and flats to be the main access properties for first time buyers in view of their lower cost and availability through a higher volume of sales. 95% of concealed households have inadequate income to be able to buy and 75% cannot afford to rent privately. Additionally the private rented sector is the housing preference of only around 10% of households but even where this is the case lack of supply may cause some households to have to leave the Borough to meet their requirements.



## KEY FINDINGS FROM THE HOUSEHOLD SURVEY

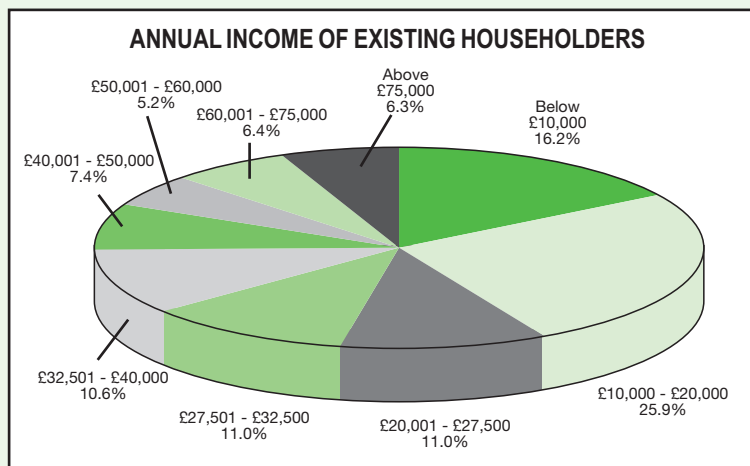
The fieldwork for the study took place in February 2005 and provides a detailed picture of the current and future housing needs and preferences in the Borough. The study consisted of a postal questionnaire to 6,300 households in 9 ward / parish areas across Ashford Borough. 2,005 responses were achieved, providing statistical confidence at 95% ± 1.79% confidence interval. Over 4% of all households in the Borough participated in the survey. The “implied” numbers are our assessment of the total numbers after applying a sub area weighting factor to represent the total population. Below we present in summary form the key findings from the survey with a particular emphasis on the needs of concealed households.

### Adequacy of the Existing Stock

- ▶ The vast majority of households have access to all the basic amenities and the perception of most residents is that their homes are well maintained and not in need of improvement.
- ▶ Some 87% of households say that their accommodation is adequate for their needs. 13% (5,916 implied) say that it is inadequate. The largest single issue for those reporting an inadequacy which could be resolved in-situ (without moving) was that the dwelling needed improvement / repairs (87%). Of those requiring a move 81% (4,332 implied) indicated that the dwelling was too small.
- ▶ Based on a calculation of occupants to bedroom numbers, under-occupation affects approximately 19% of all households in the Borough and over-occupation affects 2%.

### Costs of Present Housing and Household Income

- ▶ Around 25% of rented households pay less than £60 per week and some 51% less than £70. Of owner-occupiers, with a mortgage 50% pay less than £250 per month. Around 6% of owner-occupier households pay in excess of £1,250 per month. The level of payment was well spread across the bands up to £1,000 per month.
- ▶ Over 16% of households have incomes below £10,000, well below the corresponding UK figure (28%). 41% of households in the Borough have incomes above £30,000 well above the UK average (25%).



- ▶ 31% of households were in receipt of financial support (14,097 implied), of whom 34% (4,745 implied) were in receipt of Housing Benefit.

### Moving Households

- ▶ 4,718 existing households and 2,133 new households will be moving within Ashford Borough in the next three years.
- ▶ 3,351 existing and new forming households anticipate moving away from the Borough. The single most common reason given by existing households moving outside the Borough was to move to a better area (56%), followed by retirement (29%) and employment / better access to work (23%). In the case of concealed households moving, choices were more focused on employment reasons (48%) and better education facilities (30%).

## A SUMMARY OF THE MAIN FINDINGS

### Support Issues

- ▶ 19% of households in the Borough contain somebody with a support need (8,256 households implied), of which 21% had two members affected. 58% of all household members were over 60; 35% over 75.
- ▶ The largest group (4,257 implied) affected by a named support need were those with a walking difficulty but who do not use a wheelchair, representing 52% of those with a support need.
- ▶ Around 10% of these households contained someone who was a wheelchair user, suggesting around 805 in Ashford Borough as a whole. 28% of wheelchair user households live in a property with suitable adaptation.
- ▶ Of household members with support needs, some 20% (972 implied) felt they needed care or support which is not currently provided.
- ▶ 11% of all dwellings (5,045 implied) have been adapted to meet the needs of a disabled person. In terms of the nature of adaptations, 52% have ground floor toilet adaptations.

### CONCEALED HOUSEHOLDS

Concealed households are people who could not afford to be in the housing market and are living within another household. We found that around 5% of households contained one or more households seeking independent accommodation giving a total of 2,133 cases over the next three years to 2008. Over 90% are the adult children of existing Ashford residents.

In the concealed households group:-

- ▶ 66% of the people in these concealed households are between 20 and 29 years of age and 12% are over 30;
- ▶ 45% of households are being formed with a partner living in a separate household elsewhere in the Borough;
- ▶ 19% of concealed households moving within the next year were registered on a housing waiting list; 67% being on the Ashford Borough Council list;
- ▶ 188 households already contain one child (15) or two children (173).

Their needs and preferences for specific house types were:-

Type	Need %	Preference %	Current Stock %
Flat	50.2	28.2	10.1
Terraced	19.0	29.0	23.9
Semi-detached	23.8	28.1	27.2

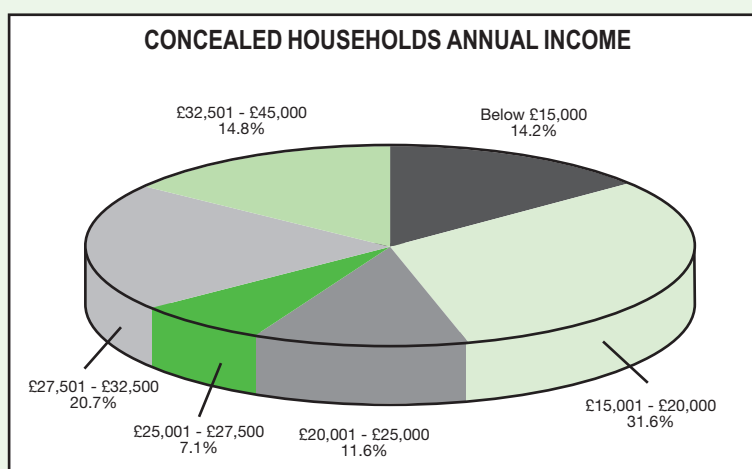
Size	Need %	Preference %	Current Stock %
One Bed	41.8	5.2	8.6
Two Bed	52.5	64.8	24.0
Three Bed	5.7	30.0	43.5

- ▶ Important differences exist between the levels of preference expressed for property types and their stock supply levels, especially the higher preference for flats and semi-detached houses, and to a lesser degree terraced houses, than are present in the existing stock.

## Concealed Households Housing Costs and Incomes

Key factors relating to immediately forming households' ability to meet housing costs are that:-

- ▶ 30% of those wishing to rent could afford a weekly rent of no more than £70 and a further 22% no more than £80;
- ▶ 43% wanting to buy could not afford a mortgage of more than £400 per month;
- ▶ 14% have household incomes below £15,000 per annum, 32% earn between £15,001 - £20,000 and a further 19% between £20,001 and £27,500;
- ▶ 79% have inadequate income to be able to buy and 67% cannot afford to rent the cheapest flats and terraced houses in the private sector.



## Affordability and Entry to Market Housing

The data indicates strongly that there is an affordability problem arising from the relationship between local incomes and the realistic supply of the cheapest stock available.

Based on 95% mortgage availability and a 3-times gross income to lending ratio as recommended in the Good Practice Guidance 2000 and the 2004 SEERA Guidance it is estimated that a new purchaser would need an annual income of £28,300 to buy a one bedroom flat in Ashford Urban, rising to £52,300 in parishes surrounding the Southern Boundary of Ashford. A two bedroom flat requires an income of £30,600 in Ashford Urban rising to £43,900 in Tenterden.

Although the average price of terraced properties according to the Land Registry survey is £155,883, entry sales levels vary across the Ashford Borough. Terraced properties require an income of £38,600 in Great Chart and Singleton and £57,000 in Tenterden.

The survey findings indicate that access to home ownership is beyond the reach of 79% of the concealed households identified in the DCA Survey based on entry level stock in the seven Sub Areas.

## Housing Stock Balance Analysis

The nature and turnover of the existing housing stock is vitally important in meeting current and future housing demand in all tenures. The information gained from a separate detailed stock flow analysis will be of major benefit to the development of site development briefs for the delivery of both private sector and affordable sectors, balancing housing markets and in longer-term business planning.

## CONCLUSIONS

- ▶ Although a considerable spread of incomes is evident, a number of people live on relatively low incomes. Consequently, the two most important issues are the problem of affordability and the level of “concealed” households living within an existing household, the vast majority of whom are not recorded on a register of housing need.
- ▶ The house price and income study shows that 69% of these “concealed” households are not able to afford to rent even the cheapest available private housing in the Borough and 79% cannot access owner occupation, even though 35% of them earn above the national average income of £27,300.
- ▶ Most concealed household demand is for the smaller and affordable type of housing, particularly flats and terraced houses. There is a shortfall of flats in the existing stock which should be addressed to ensure there is a mix of house types and sizes available in line with the principles in PPG3 Housing and to provide balanced housing markets.
- ▶ The assessment of annual affordable housing need and supply reveals the following:-

Total annual need	1,027
Total Supply from re-lets	372
Net annual outstanding need	655

The total affordable housing need annually is for 1,027 units. Re-lets of the existing social stock average 372 units and is the major means of addressing the scale of need identified. Even after allowing for this level of supply, there will still be an annual affordable housing shortfall of 655 units which projected over the six year period to 2011 is a total of 3,930 units.

- ▶ Based on the average new supply of around 98 units over the last three years, this level of annual need is nearly 7 times the number of units likely to be able to be delivered from new delivery and conversions resulting in growing levels of unmet need each year. However, it is vital to attempt to deliver as many units as possible and a target of 35% of new units from the total of all sites in the Borough should form the basis for negotiation as subsidised affordable housing.
- ▶ A significant finding from the study is the projected 62% increase in the retired population and 92% in the over 85 year old population between 2001 and 2021. In view of the relationship between increasing age and dependency, consideration will need to be given to the related housing and care needs of this particular sector if the needs of this group of people are to be effectively addressed.
- ▶ Existing and concealed elderly households express a need for 58 sheltered units over the three years to 2008. Additionally there is a potential in-migration of 620 elderly households moving to be beside their family in the Borough, 307 are in the affordable sector and 371 in the private sector. There may be some similar out-migration and the flow of the existing sheltered stock should address some of the need.
- ▶ The Survey identified a need for 68 units of independent accommodation with visiting support worker and 9 units of independent accommodation with a live in carer over the next three years to 2008, but generally data was at too low a level to allow meaningful analysis.
- ▶ To address the requirements of disabled people there is a need to:-
  - ▶ Continue to promote disabled adaptations in order to improve the ratio of suitably adapted properties for disabled people;
  - ▶ Develop a register of adapted property and disabled people needing adapted accommodation in order to facilitate better matching.

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