

FAREHAM BOROUGH
HOUSING NEEDS SURVEY
FINAL REPORT
2004



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1 EXECUTIVE SUMMARY

1.1 Housing Needs Survey

- 1.1.1 This report contains a summary of the results from an assessment of housing needs conducted by DCA on behalf of Fareham Borough Council.
- 1.1.2 The purpose of the study was to examine the housing requirements (needs, aspirations and demands) for the communities and households of the Borough.
- 1.1.3 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;
- 1.1.4 Co-ordinate housing and community care strategies.
- 1.1.5 In this summary you will find the main findings from a study undertaken through:-
- ◆ A postal questionnaire to 6,000 households in 15 wards across the Borough;
 - ◆ Face-to-face interviews with 400 households in the Borough, utilising the same questionnaire as the postal survey;
 - ◆ 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

- ◆ 91% of households live in accommodation suitable for their needs. Satisfaction ranges from 97% in the owner occupied no mortgage sector to 72% in the private rented sector;
- ◆ Affordability is a major issue, particularly for new forming households; flats and terraced houses (the lower quartile stock) cost on average £105,027 and £153,566 respectively.
- ◆ There are a total of 2,802 concealed households within the Borough, and a net level of 443 concealed households are considered to form each year;
- ◆ Home ownership is beyond the reach of 95% of concealed households; 85% of concealed households cannot afford private rental. Only 15% of them earn over £25,000, below the national average;
- ◆ The social stock is now 7.4%, this is less than half the national average of 19.3% in the 2001 Census and provides only 215 re-let units each year;
- ◆ Annually 710 affordable housing units are needed, 495 more than existing supply from re-lets; this represents a supply requirement of over nine times current delivery levels. To address the scale of need will require an increase in overall housing numbers;
- ◆ There is a requirement to develop a more balanced housing stock in both the owner occupied and the social housing sectors with a need for more small units, flats and terraced houses, particularly in the private sector;
- ◆ The retired population will increase by 47% by 2021. There is an inextricable link between ageing and disability and currently over a third of those with a support need are over 75. Just over half of all people with a disability have a walking difficulty.

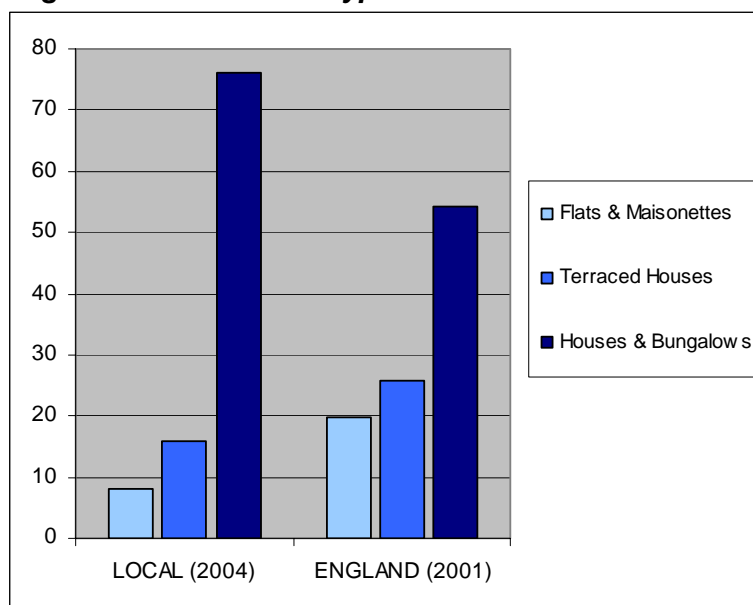
1.2 The Housing Stock

1.2.1 Figure 1-1 shows the characteristics of the Borough stock in 2004, compared to the national average level at the 2001 Census in each category.

1.2.2 Locally, the proportion of houses and bungalows (76%) is well above the national average of 54%.

1.2.3 Small units, flats (9.8%) and terraced houses (19.4%) are significantly below the national average levels of 20% and 25% respectively.

Figure 1-1 House Types Local : National



1.3 The Borough Population – Future Projections

1.3.1 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.

1.3.2 What about the future?

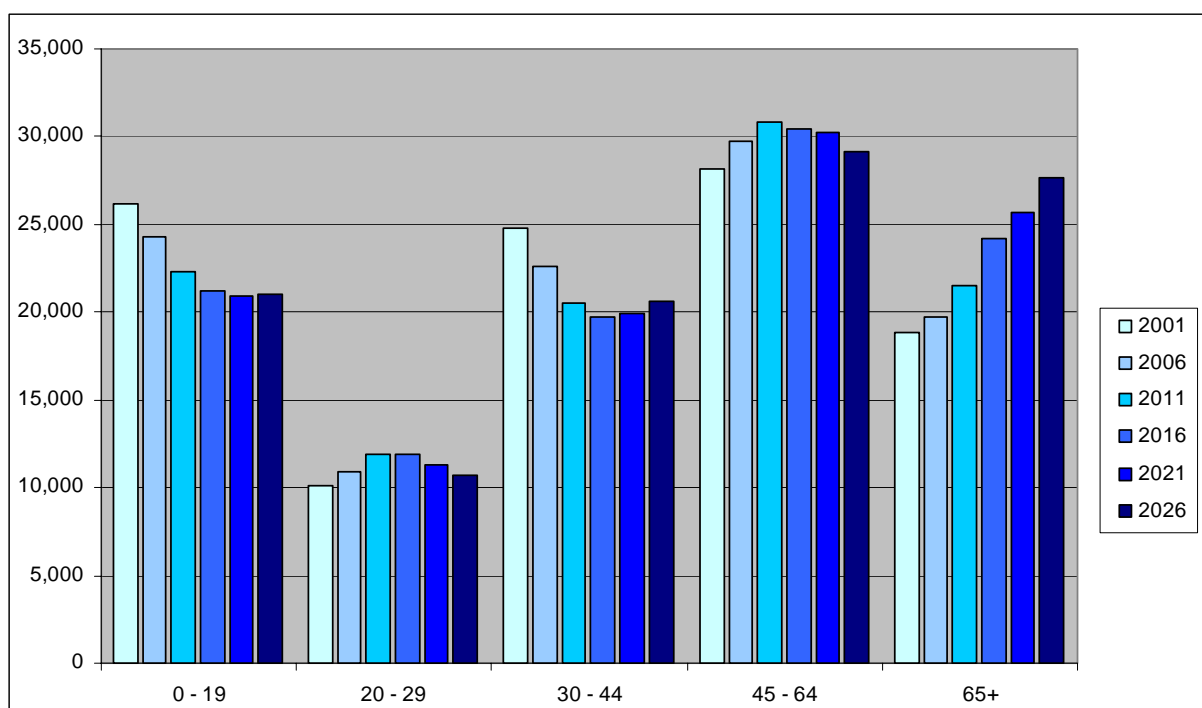
1.3.3 The population data provided by Hampshire County Council are the Chelmer Model based Population projections (May 2004). The 2001 Census data has been taken into consideration in the production of these projections.

1.3.4 The projections indicate that the population will increase by approximately 1,142 people, 1.1% over the 25 years to 2026, rising to 109,110 increasing at an average annual rate of approximately 0.04%. The vital aspect of demographic change is that within age bands:-

- ◆ The 0-19 age range shows a large decrease overall (5,212; 19.9%). A fall is seen up to 2021 (5,320; 20.3%), with a small rise seen for the remaining forecast period (108; 0.5%).
- ◆ Numbers in the 20-29 age group are projected to increase slightly overall (640; 6.3%). As this age range comprises new households forming this will have implications for future affordable housing need both in the short and longer term.
- ◆ The 30-44 age group, the main economically active group, decreases in numbers, with 4,151 less individuals. A fall is seen up to 2016 (5,054; 20.4%), with a rise seen for the remaining forecast period (903; 4.6%).
- ◆ The 45-64 age group shows an overall increase in numbers. Over the forecast period there is a rise of 990 people (3.5%). Numbers fluctuate throughout the whole forecast period, with the largest increase occurring between 2001 and 2006 (1,628; 5.8%).

- ◆ The most significant feature here is the growth of the population in the over 65 age group. A large increase of 8,875 individuals (47.2%) is seen over the forecast period, the largest increase is seen between 2011 and 2016 (2,658; 12.3%).
- ◆ The "older" retirement group, those 80 and over grows by 80.1%, 3,822 more people by 2026. This group represents 8,596 people in the area by 2026 who are much more likely to have care and support needs which should now be assessed in detail.

Figure 1-2 Population Change Age Band Forecast



1.4 The Housing Market

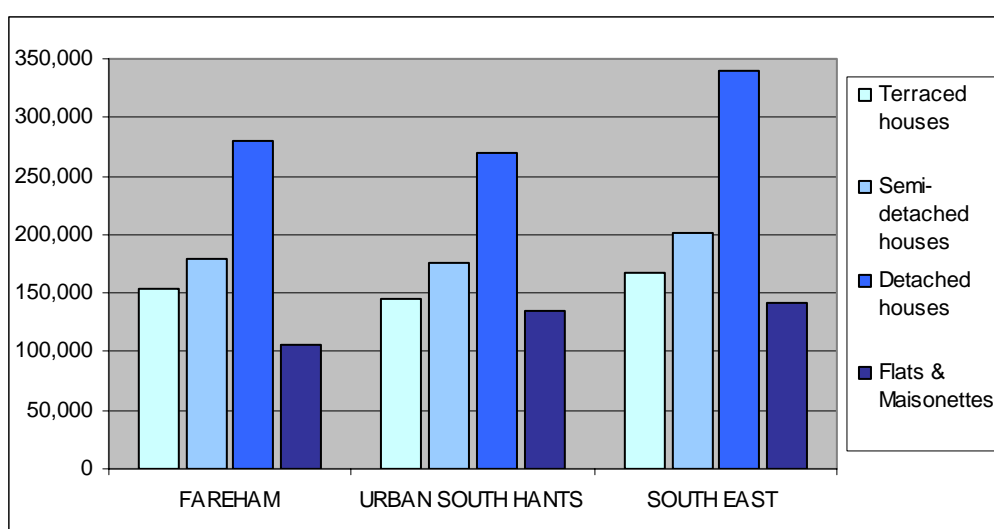
- 1.4.1 The housing market is the context against which all the housing needs of the area are set. In particular, house price information is the basis on which the "affordability" of housing is measured for low-income households. In essence, we are seeking to establish who cannot afford to enter into 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 through the entry level stock, the lowest quartile properties available.
- 1.4.2 **National and Regional Context**
- 1.4.3 UK house price inflation for the year ending 30th June 2004 was recorded by the Halifax House Price Index at 21.5% and the Land Registry at 17.9%. House price inflation in the second quarter of 2004 accelerated in most regions with an overall increase of 5.9%, above the 5.1% gain in the first quarter of 2004.
- 1.4.4 House prices in the South East Region show a rise, increasing by 3.2% during the second quarter of 2004. The annual rate of house price inflation recorded in the Halifax Index for the South East Region at 30th June 2004 was 12.2%, well below the UK average of 21.5% and the market in the Region is clearly slowing.

1.4.5 The Borough Housing Market

1.4.6 The evaluation of the market in the Borough is based on specially prepared information taken directly from the Land Registry database for the year to 30th June 2004 and an analysis of local estate agency sales looking at entry level (the lowest quartile) properties. The Land Registry recorded the average price for all dwellings in the Borough at £200,882.

1.4.7 The average semi-detached dwelling was sold for £179,514, the third highest in comparison with the other Urban South-Hants Authorities (Gosport, Fareham, Eastleigh, Southampton, Havant & Portsmouth). The graph shows semi-detached house prices in the Borough are lower than the average for the South East Region. However, Fareham prices generally are higher than corresponding properties, with the exception of flats / maisonettes, in the surrounding Urban South-Hants Authorities.

Figure 1-3 2004 Average House Prices



1.4.8 Based on 95% mortgage availability and 3-times gross income to lending ratio, a household income of £30,450 is required to buy a one bedroom flat in Fareham, rising to £41,950 in Titchfield. A two bedroom flat requires an income of £31,600 in Fareham rising to £50,650 in Hill Head / Stubbington. Terraced properties require an income of £44,350 in Fareham.

1.4.9 We assess terraces to be the main access property for first time buyers in view of their lower cost and high volume of sales. 95% have inadequate income to be able to buy and 85% cannot afford to rent privately smaller flats and terraces, the lowest quartile stock. Additionally, private rent is not the housing preference of the majority of households and even where this is the case lack of supply may cause some households to have to leave the Borough to meet their requirements.

1.5 Key Findings from the Household Survey

1.5.1 The fieldwork for the study took place in August 2004 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 6,000 households in 15 wards across the Borough. The final overall postal response of 36.4% was good with 2,184 questionnaires returned and 400 interviews conducted, giving a total response of 2,584 which is over double the 1,250 level in the ODPM guidance.

1.5.2 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 a summary of the key findings from the survey with a particular emphasis on the needs of concealed households.

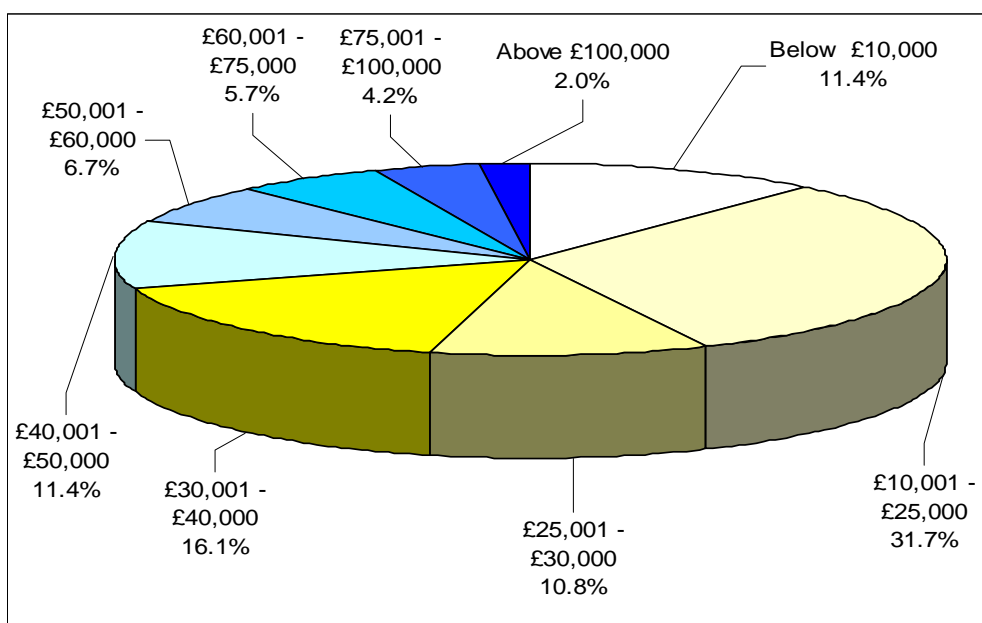
1.5.3 Adequacy of the Existing Stock

- ◆ 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 91% of households say that their accommodation is adequate for their needs.
- ◆ 9% (3,939 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 (89%). Of those requiring a move 63% (2,428 implied) indicated that the dwelling was too small.
- ◆ Based on a calculation of existing household occupants to bedroom numbers, under-occupation affects approximately 50% of all households and over-occupation affects 2%.
- ◆ This figure does not account for current pregnancy requiring larger accommodation. Levels of over crowding are much higher in the social sector stock with Council (6.5%) and HA (14%). The Council rented over-occupation level (6.5%) and Housing Association are significantly higher than the UK average over-occupation figure (3%) and the overall level in the Borough on the basis of our survey (2%).

1.5.4 Costs of Present Housing and Household Income

- ◆ Around 18% of rented households pay less than £50 per week and some 66% less than £80. Of those with a mortgage 82% pay less than £600 per month and 4% pay in excess of £1,000 per month.
- ◆ Over 11% of households have gross incomes below £10,000, below the corresponding UK figure (21%). 40% of households in the Borough have incomes above £30,000 above the UK average level of 32%.

Figure 1-4 Average Income of Existing Households



- ◆ 24% of households were in receipt of financial support (10,518 implied), of whom 20% (2,910 implied) were in receipt of Housing Benefit.

1.5.5 Moving Households

- ◆ 2,826 existing households and 2,403 new households will be moving within the Borough in the next five years.
- ◆ 3,036 existing and 1,926 new forming households anticipate moving away from the Borough. In the case of existing households moving, the single most common reason given by existing households moving outside the Borough was nearness to family (33%) but employment and retirement were mentioned by a quarter of respondents. In the case of concealed households, as might be expected for a younger group, moving choices were focused mainly on employment issues (38%) and lack of affordable housing (30%).

1.5.6 Supported Housing Needs

- ◆ 18% of households in the Borough contain somebody with a support need, of which 14% had two members affected. 68% of members were over 60; 37% are 75+ and 16% are under 45.
- ◆ The largest group affected by a named support need were those with a walking difficulty but who do not use a wheelchair, representing 53% of those with a support need.
- ◆ Around 10% of these households contained someone who was a wheelchair user, suggesting around 741 households in the Borough. Only 25% of wheelchair users households live in a property with suitable adaptation.
- ◆ Of household members with support needs, some 18% (683 implied) felt they needed care or support which is not currently provided.
- ◆ 10% of all dwellings have been adapted to meet the needs of a disabled person. In terms of the nature of adaptations, 52% have handrails / grabrails, 40% have bathroom adaptations and 34% ground floor toilet adaptations.

1.6 Concealed Households

1.6.1 Concealed households are people who could not afford to be in the housing market and are living within another household. The survey found that around 8.9% of households contained one or more households seeking independent accommodation giving a total of 2,802 cases over the next five years to 2009. Over 91% are the adult children of existing Borough residents.

1.6.2 In the concealed households group:-

- ◆ 60% of the people in these concealed households are between 20 and 29 years of age and 14% are over 30.
- ◆ 1,776 (63%) of households are being formed with a partner living in a separate household elsewhere in the Borough.
- ◆ 22% of concealed households moving within the year were registered on a housing waiting list, 95% of them on the Fareham Borough Council Housing Register.

1.6.3 Their needs and preferences for specific house types were:-

Type	Need %	Preference %	Current Stock %
Flat	45.6	29.0	9.8
Terraced	25.8	29.0	19.4
Semi-detached	10.0	21.9	26.0

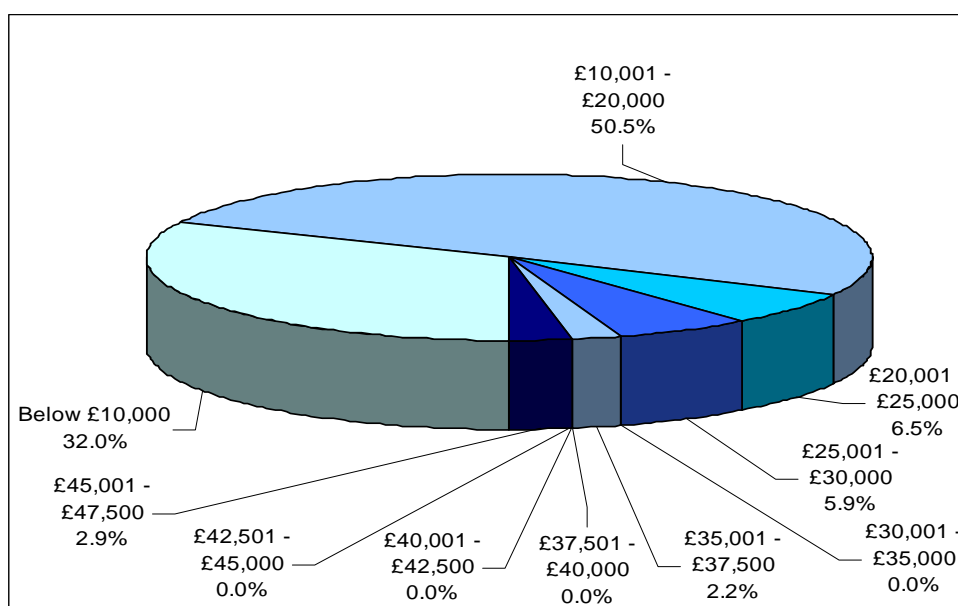
Size	Need %	Preference %	Current Stock %
One bed	46.5	10.7	6.2
Two bed	45.6	61.3	21.2
Three bed	7.9	27.5	47.1

- ♦ Important differences exist between the levels of preference expressed for property types and their stock supply levels, especially the higher preference for flats and terraces and for one and two bedroom units than are present in the existing stock.
- ♦ 65% of the concealed households want to owner occupy, 10% prefer private rent and 5% shared ownership. 20% of concealed households expressed a preference for low cost social rented housing, 15% prefer council rent and 5% HA rent.

1.6.4 **Concealed Households' Housing Costs and Incomes**

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

- ♦ Of those preferring to rent, 29% say they could afford a weekly rent of no more than £60 and a further 30% no more than £70;
- ♦ Of those preferring to owner occupy, 59% say they could not afford a mortgage cost of more than £400 per month;
- ♦ The proportion of concealed households with annual incomes above the approximate UK annual household income of £25,000 was 11%; 32% indicated annual incomes below £10,000.

Figure 1-5 Current Income of Concealed Households

1.6.6 Affordability and Access 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, i.e. the lowest quartile stock, mainly flats and terraced houses.
- ◆ Although the average price of terraces according to the Land Registry survey is £179,514, entry level prices vary across the Borough with the lowest prices, for a 2-bed property, starting at around £140,000 in Fareham, rising to £151,850 in Portchester.
- ◆ The survey findings indicate that around 95% of the concealed households have inadequate income levels to be able to buy at lower quartile properties in the local market.

1.6.7 Housing Stock Balance Analysis (Dwelling 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 in the Dwelling Balance Analysis Report 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.

1.6.8 House Type Preferences / Supply

- ◆ Table 1-1 reflects the differing levels of existing supply against demand from new households and the impact in actual sales levels created by stock availability and turnover.
- ◆ Both preference and need for flats at 29.0% and 45.6% respectively are much higher than the stock level of 9.8% reflecting the impact of changing household formation and preferences and lower price levels.
- ◆ However, preference for terraces is higher than the stock supply but lower than current sales turnover, reflecting changing household preferences. Sales of terraces are higher because they are the stock type to which there is currently the greatest supply of lower cost housing.

Table 1-1 Dwelling Type Demand / Stock Supply / Market Sales

	Demand		Census 2001 Stock Supply *	Sales
	New Household Need %	New Household Preference %		All Buyers %
Flats	45.6	29.0	9.8	7.8
Terraces	25.8	29.0	19.4	27.1

* © Crown Copyright (Census)

- 1.6.9 Compared to the average of 45% nationally, the current Borough stock of small units has only 29.2% of all units in terraces and flats. Future planning policies should promote the delivery of these housing types, which are significantly under represented in the stock compared to national average levels, in line with the principles in PPG3 issued in March 2000, to provide a more balanced housing stock.

1.6.10 Property, Type and Size Recommendation

- ◆ Provide a mix of house types in both market and social sectors but mainly small units, particularly flats and terraced houses to meet the needs of new households, address the shortages in the stock and provide for a more balanced housing market.

1.7 Affordable Housing Need Summary

- 1.7.1 The following summary highlights the annual scale of affordable need, the flow of existing stock re-lets and the net new unit requirement from either conversions or new build.

Table 1-2 Affordable Need Summary

	N^{os} of units
Total Annual Need	710
Existing Stock Re-lets	215
Net New Units	495

1.8 Affordable Rented Accommodation

- 1.8.1 The local relationship between house prices and incomes is such that the majority of new forming households are unable to purchase in their own right depending on location. Social rented stock is only 7.4% of housing in the Borough, less than half the national level of 19.3%. The availability of rented stock through re-lets is only 215 units a year, a low level relative to the expectation that existing stock flows should address 90% to 95% of need. The largest proportion of additional affordable units is required as rented properties, both for new forming households and existing families.

1.9 Low Cost Market Housing

- 1.9.1 Concealed households express a need (42%; 1,174 implied) or preference (65%; 1,807 implied) for owner occupation but generally around 95% of them have incomes inadequate to be able to purchase. The sustained period of high house price inflation, however, has impacted on new forming households' ability to buy and only around 22 each year have adequate income to buy.
- 1.9.2 There is an expressed need for around 200 Shared Ownership units from either new forming or existing households over the next five years, 40 each year.
- 1.9.3 The relationship between current incomes and house prices suggests that low cost market housing will require discounts of 50% to be able to meet the mortgage capability of concealed households forming. Annually, between 22 and 53 households could access the market for one and two bed units based on 50% shared ownership. On a 70% shared equity structure, a lower number, between 4 and 38 households could access similar units.

1.10 Discounted Market Rent

- 1.10.1 289 new households and 141 existing households express a preference for private rental over the next five years, around 85 a year. Additionally, 85% have incomes below private rent thresholds and initiatives to deliver discounted market rent could well assist households, including Key Workers unable to afford full market costs. Quality housing provided in this sector could also address the short term needs of Key Worker and other lower income households expressing interest in shared ownership.

1.11 Recommendations

1.11.1 In the light of the findings of the Housing Needs Survey we make the following recommendations for consideration in relation to planning and delivery:-

1.11.2 Targets

- ◆ The Council should continue to negotiate with prospective developers towards achieving subsidised affordable homes from all suitable sites coming forward for planning consent over the period of the Local Plan. Each site will need to be assessed individually, targets being subject to wider planning, economic viability, regeneration and sustainability considerations and will require a flexible approach to specific site negotiation.
- ◆ Planning should be providing for balanced communities, which acknowledge the need for social compatibility. The scale of affordable housing need exceeds the whole housing allocation of 316 units a year and our significant experience of affordable subsidised housing in mixed developments leads us to recommend that 40% of new units negotiated should be the target level applied from the total of all sites negotiated.
- ◆ This proportion includes both affordable housing for rent and subsidised low cost market housing to meet the needs of low income households, key workers and those on average incomes unable to purchase.
- ◆ Both the affordable housing target and the tenure balance within it should be subject to individual location analysis and may therefore vary above and below this level on a site by site basis.

1.11.3 Site Thresholds

- ◆ The analysis in the Housing Sites Position Statement 2004 Review shows that 16 of the 25 identified and allocated housing sites have a capacity of between 10 and 24 dwellings. A reduction in the threshold to 10 dwellings would therefore significantly improve the provision of affordable housing. The potential to achieve a further increase in the provision of affordable dwellings by reducing the threshold to 5 dwellings should be investigated. Draft revisions to PPG3 propose that a threshold set below 15 units will need to be justified.

1.11.4 Low Cost Market Housing

- ◆ The current definition in the Plan Review June 2000 has potential to confuse and should be clarified in the next stage of the Local Development Framework.

1.11.5 Needs Assessment Updating

- ◆ The needs assessment process will be essential to the monitoring of ongoing need and delivery within future LDF policy. It is recommended that the Assessment is updated annually as a desk exercise between the four to five year full update process.

1.11.6 In addition to the scale of affordable housing to meet general household's requirements, there are specific needs which should also be addressed. These are highlighted in the following paragraphs.

1.12 Sheltered Housing

- 1.12.1 In total, the data suggests a combined requirement for sheltered accommodation over the next 5 years to 2009 from older people currently living in the Borough (133 households) and those who may in-migrate to be beside their family (697 households). Of these 830 units, 340 are in the affordable sector and 490 in the private sector.
- 1.12.2 Some of this requirement will be addressed by flow of the existing sheltered stock, but acceptability of existing stock to meet today's standards will need to be assessed in calculating the scale of new delivery.
- 1.12.3 The significantly higher level of elderly accommodation for people moving into the Borough is common to other DCA surveys. Generally the forecast is being made by their children who assist in the moving process. Conversely the indigenous older population prefer to continue in the area/surroundings they know and within their own home as long as possible.

1.13 Supported Housing

- 1.13.1 The survey identified a need for 27 units of independent accommodation with a visiting support worker over the next five years to 2009.

1.14 Disabled Households

- 1.14.1 The data suggested that in only 25.1% of cases (149 of the 593 at Table 6-7), a wheelchair user lives in a suitably adapted property suggesting a major mismatch between houses adapted and those where wheelchair users lived. By extension, it would appear that households (82%) did not live in suitably adapted premises. Therefore the Council should continue to promote disabled adaptations in order to improve the ratio of suitably adapted properties for disabled people.
- 1.14.2 Develop a register of adapted property and disabled people needing adapted accommodation in order to facilitate better matching.

1.15 Older People

- 1.15.1 It is recommended that the Council should develop a Strategy to address the current and future growth in elderly and frail elderly households across all tenures, and their related care and support needs to:-
 - assess and prioritise the need for support services and adaptation required to keep people in their own home;
 - re-assess existing sheltered stock in meeting today's housing standards and preferences;
 - assess the need for 'extra care' accommodation for the frail elderly population.

2 SURVEY METHODOLOGY

2.1 Purpose, Aims and Objectives

- 2.1.1 Fareham Borough Council formally commissioned DCA in July 2004 to carry out a Borough-wide Housing Needs Study.
- 2.1.2 The purpose of the study was to examine the housing requirements (needs, aspirations and demands) for the communities and households of Fareham Borough.
- 2.1.3 The aims and objectives were to:-
- ◆ determine the overall level of housing need in the Borough;
 - ◆ provide detailed information on the type of housing needed, including size, type of dwelling, tenure, location and affordability;
 - ◆ provide information on the need for specialised accommodation;
 - ◆ assist the Council in developing housing policies in the Local Development Framework, particularly policies relating to the provision of affordable and key worker housing;
 - ◆ establish whether the existing strategic housing requirement for additional housing in the Borough is likely to meet the overall local housing need;
 - ◆ assist the Fareham Local Strategic Partnership in developing its vision for the future of the Borough to be included in the Community Strategy;
 - ◆ assist the Council to make informed decisions about the targeting of housing resources and determining spending priorities.
 - ◆ The Final Report will provide the information to update Fareham's Housing Strategy 2004 – 2009, inform the preparation of a new Affordable Housing Strategy, inform the review of the local Supporting People Strategy, inform the preparation of the new Supplementary Planning Document on Affordable Housing and the emerging Local Development Framework.

2.2 Promotion

- 2.2.1 A comprehensive promotion campaign was agreed with the Council to create awareness of the survey, and its importance to the Council. All councillors in the Borough were contacted to inform them of the survey and enlist their assistance in publicising the survey and maximising the response rate.
- 2.2.2 Posters were prepared for display in public places in all wards throughout the Borough and a press release was issued to publicise the postal survey, both on the weekend of the survey being received and the final weekend for responses.

2.3 Methodology

2.3.1 The study consisted of the following elements:-

- i. A postal questionnaire to 6,000 households in 15 Wards;
- ii. Face-to-face interviews with 400 households across the Borough, utilising the same questionnaire as the postal survey;
- iii. A housing market survey utilising the Land Registry and Halifax databases and a telephone survey of estate agents on the cost of access level property and on the supply and cost of private rented housing;
- iv. Secondary data analysis drawing upon HIP and Housing Register data on the flow of social stock and need, 2001 Census, household and population projections and other national research.

2.3.2 The questionnaire was designed in consultation with officers of Fareham Borough Council and based upon tried and tested questionnaires used in previous comparable assessments.

2.3.3 In our view, a large-scale postal survey is the most cost-effective means of identifying the general needs, aspirations and intentions of the population at ward level. Nearly all the housing needs studies undertaken by DCA have utilised postal questionnaire surveys as one means of primary data collection.

2.3.4 The questionnaire was in three parts. Part One sought information about the existing housing situation including:-

- ◆ house type and number of bedrooms;
- ◆ adequacy of current housing to meet the households needs;
- ◆ property repair and improvement requirements;
- ◆ forms of heating and energy efficiency facilities;
- ◆ housing costs and income;
- ◆ employment and travel to work;
- ◆ support and adaptation needs;
- ◆ household composition by gender, age and ethnicity.

2.3.5 Part Two of the questionnaire collected information on the existing household's moving intentions and Part Three collected information on the moving intentions of new forming or concealed households. Questions in these two sections included:-

- ◆ when people expect to move;
- ◆ who is forming new households;
- ◆ how much they can afford;
- ◆ preferred tenure, type, size and location of the housing they require;
- ◆ support requirements.

2.3.6 The Postal and Interview questionnaires are provided as an Appendix to this report.

2.4 Sampling

- 2.4.1 Sample size depends on two key factors: the degree of accuracy we require for the sample and the extent to which there is variation in the population with regard to key characteristics. The most important points to note about these issues are:-
- ◆ beyond a certain sample size, there is no benefit in a bigger sample in terms of accuracy;
 - ◆ the size of the population is largely irrelevant for the accuracy of the sample. It is the absolute size of the sample that is important.
- 2.4.2 Our Survey is structured to achieve a 95% confidence rate and that our results reflect the population. Using simple random sampling, the confidence interval with a sample size of 1,580 households is in the region of 2% at Borough level.
- 2.4.3 This means, for example, that if 53% of respondents in a survey do not have central heating then we can be 95% confident that 53% of households plus or minus 2% do not have central heating (i.e. 51% - 55%).
- 2.4.4 The postal sample was stratified into 15 Wards and selected by random probability from the Electoral Roll.
- 2.4.5 The sample was 13.3% of resident households, determined to ensure statistical validity within each Ward. As we see in 2.6.4, based on a 15 Ward structure and a high response rate, a finer level of $\pm 1.57\%$ was achieved in this survey.
- 2.4.6 The main issue is whether non-respondents are different in some crucial way to responders (e.g. low education, older etc.). However, increasing the sample size does not necessarily alleviate this problem if some groups of people systematically do not respond. We check for bias and re-weight where necessary by comparing known characteristics in the population with our findings.

2.5 Interview Survey Fieldwork

- 2.5.1 Mill Field Services, an independent research company, was commissioned to conduct fieldwork in Fareham Borough by David Couttie Associates (DCA). The aim was to carry out 400 general face-to-face interviews with respondents in Fareham Borough.
- 2.5.2 Mill Field Services were provided with a questionnaire by DCA, utilising the same questionnaire as the Postal Survey with an additional section on the Local Area. The responses from the interviews and the Postal sample were then combined to make one data file.
- 2.5.3 The fieldwork for this project began on Monday 23rd August and was completed by Sunday 29th August.
- 2.5.4 Only 13 refusals were dealt with via DCA prior and during fieldwork, the others were encountered on the doorstep. Refusal rates were low on this survey.

2.5.5 All interviews were carried out within the MRS code of conduct. The results of the interviews by ward are highlighted in Table 2-1 below.

Table 2-1 Interview Results by Ward

Ward	Addresses Issued	Interviews achieved	Empty	Refusals	Addresses not used	Non Contacts
Fareham East	40	20	0	1	5	14
Fareham North	40	20	0	4	6	10
Fareham North West	40	20	0	3	4	13
Fareham South	40	20	1	3	5	11
Fareham West	40	20	0	2	8	10
Portchester East	100	50	2	10	16	22
Portchester West	100	50	0	4	28	17
Hill Head	50	25	0	2	10	13
Stubbington	50	25	0	1	13	11
Titchfield (Village)	20	10	0	0	7	3
Titchfield (Segensworth)	20	10	2	1	3	4
Titchfield (Catisfield)	20	10	0	1	4	5
Locks Heath	50	25	2	3	11	9
Park Gate	50	25	1	2	8	14
Sarisbury Whiteley	20	10	0	1	4	5
Sarisbury South of M27	20	10	0	0	5	5
Titchfield Common	50	25	2	2	14	8
Warsash	50	25	0	2	11	12
Total	800	400	10	42	162	186

2.5.6 Overall an interview response rate of 64% was achieved in Fareham Borough.

2.5.7 Mill Field services always conduct a minimum 10% 'back check'. In doing this, they can guarantee the validity of all interviews completed and ensure that high standards are met. Mill Field services check that the interview took place, verify the answers to key questions and check that the respondent was happy with the way the interview was carried out.

2.6 Postal Survey Process and Response

2.6.1 The sample survey of 6,000 questionnaires was dispatched for delivery on the 17th August. The return deadline was 7th September allowing respondents a period of twenty two days including three weekends for completion and return. Six questionnaires were returned marked "gone away" making a final sample of 5,994 questionnaires across the Borough.

- 2.6.2 Bearing in mind that the survey was conducted in the main holiday season, the final postal response rate of 36.4% was very good with 2,184 questionnaires returned and 400 interviews conducted, giving a total response of 2,584 which is 300 greater than our target level and over double the 1,250 level recommended in the ODPM Guidance providing a robust sample for analysis.
- 2.6.3 The highest response level was achieved in Fareham East with 41.2%. The three areas of Fareham West, Portchester West and Hill Head all achieved over 40%. A further six areas achieved over 35%. The remaining areas all achieved over 30% with the exception of Fareham South, which had the lowest response of 26.7%.
- 2.6.4 All Wards reached response levels based on household numbers adequate to ensure statistical validity at a confidence level of 95%. The confidence interval ranged from $\pm 5.59\%$ to $\pm 6.76\%$ at Ward level and was $\pm 1.57\%$ at Borough level.
- 2.6.5 5.7% of all resident households in Fareham Borough will have taken part in the survey. The response rate analysis by Ward is detailed in Table 2-2 below.

Table 2-2 Response Rate by Ward

Ward	House-holds	Postal Sample	Postal Responses	Postal Response Rate %	Interview Responses	Total Responses	Confidence Interval \pm %
Fareham East	3,022	449	185	41.2	20	205	5.59
Fareham North	2,880	448	170	37.9	20	190	5.80
Fareham North West	2,910	450	155	34.4	20	175	6.05
Fareham South	2,936	450	120	26.7	20	140	6.76
Fareham West	2,869	450	180	40.0	20	200	5.66
Portchester East	4,766	375	131	34.9	50	181	5.95
Portchester West	2,849	375	150	40.0	50	200	5.66
Hill Head	3,151	374	151	40.4	25	176	6.03
Stubbington	2,918	375	145	38.7	25	170	6.14
Titchfield (Village)	1,017	375	142	37.9	10	172	6.10
Titchfield (Segensworth)	508				10		
Titchfield (Catisfield)	1,325				10		
Locks Heath	2,835	375	135	36.0	25	160	6.32
Park Gate	2,965	374	125	33.4	25	150	6.53
Sarisbury Whiteley	1,235	375	124	33.1	10	144	6.67
Sarisbury South of M27	1,263				10		
Titchfield Common	2,821	375	135	36.0	25	160	6.32
Warsash	2,705	374	136	36.4	25	161	6.30
Total	44,975	5,994	2,184	36.4	400	2,584	1.57

2.7 Survey Weighting

- 2.7.1 We check the data file against the 2001 Census Tenure data and the Council's Housing Strategy Statistical Appendix for bias and re-weight the data where necessary. A copy of the weighting carried out in this survey is provided with the Survey data Tables.
- 2.7.2 Given the nature of the random sample of households within agreed sub-areas embodied in the postal and interview survey, we would expect tenure type to provide the main validation of the representativeness of the sample.
- 2.7.3 The data set out on tenure at Table 2-3, based on the Council Tax Register number of occupied dwellings has been re-weighted to be broadly in line within Local Area Census 2001, adjusted for three years growth in the private sector. The social sector data has been weighted to the actual 2004 HIP return stock levels.
- 2.7.4 The overall data set is therefore representative of the Borough population and is the basis for the calculation of all the subsequent tables i.e. all responses are given the weight appropriate to the actual tenure balance in the Borough.

Table 2-3 Tenure of Present Households
Question 1

Tenure	2004 Survey %	Survey Group %	N^{os} implied	Local Area Census 2001 *
Council rented	5.5	7.4	2,426	5.7
HA rented	1.9		848	2.0
Private rented	4.0	5.5	1,790	3.8
Tied to employment / other	1.5		648	2.5
Owner occupier - mortgage	50.3	87.1	22,292	49.8
Owner occupier - outright	36.6		16,213	35.7
Shared ownership	0.2		96	0.5
Total	100.0	100.0	44,313	100.0

* © Crown Copyright (Census)

- 2.7.5 The UK Local Area Census figures for Fareham for 2001 relate to a total figure of 43,577 dwellings with residents and 826 dwellings which are vacant or are second homes, as compared with 44,313 resident households in our data based on HIP records. The net increase of 736 dwellings (1.7%) implied since the 2001 Census has mainly been in the owner occupied sector with a small fall in social sector stock and a rise in private rental.
- 2.7.6 The proportion of owner occupiers has increased from 86% to 87.1%; social rented accommodation has fallen from 7.7% to 7.4% since 2001.

2.8 Definitions

- 2.8.1 The Housing Needs Study has been undertaken in line with the ODPM research Local Housing Needs Assessment: A Guide to Good Practice in assessing people's preferences as well as their needs.
- 2.8.2 DCA work to a definition of housing requirements that encompasses demand, need and preferences. Households that can enter the general market without intervention of any sort can be defined as demand, whereas those households that are unable to enter the general market without some form of intervention can be defined as having a housing need. Our methodology enables us to identify this distinction by asking for both a household's characteristics in terms of size, current property condition and income and a household's views on suitability of current housing and preferences for moving or modification.
- 2.8.3 Affordability in our view is defined by the relationship between local incomes and the local general housing market. Our definition of affordable housing is as follows:-
- Affordable housing is that provided, with subsidy, for people who are unable to resolve their housing requirements in the general housing market because of the relationship between local housing costs and incomes.*
- 2.8.4 The issue of affordability is central to our approach. Within the project, we capture a range of data on actual incomes and costs of housing and the likely level of incomes and the accessible costs of housing for moving or newly forming households. We also examine secondary data on incomes, house prices and rent levels. Thus a reliable indicator of affordability is derived that leads towards the identification of real options for meeting housing need.

2.9 Survey Household Data

- 2.9.1 It should be noted that the "numbers implied" column inserted in some of the tables is our assessment of the total numbers to be derived after applying a weighting factor calculated by Ward responses to that Ward household numbers. Where multiple choice is not involved, this will generally equate to the household population of the Local Authority as a whole but some individual questions may not be answered by all respondents, giving a marginally lower total.
- 2.9.2 Where multiple choice questions are involved, we have included two percentage columns. The first percentage column relates each heading to the total number of actual responses. Those responses are set out at sub-area level in our accompanying data tables and are the basis of the 'numbers implied' column in the report. The second percentage column relates the same numbers to the number of households, which in the case of a multiple choice question is likely to give a total in excess of 100% depending on the level of multiple choice made.
- 2.9.3 All tables included in this report are extracted from the DCA Housing Survey data for the Fareham Borough, unless otherwise indicated. We also provide a comparison for many results throughout this Report to the average of over 150 DCA Surveys nationally.

3 THE BOROUGH HOUSING MARKET

3.1 Introduction

- 3.1.1 Three data searches were commissioned to provide information on house price and sales volumes across the Fareham Borough:-
- ◆ from the Halifax, as the largest mortgage lender, analysing lending in the Region;
 - ◆ from the Land Registry, providing data on all sales in the area for the past year;
 - ◆ Estate Agency survey to assess access prices for new households in each sub-area.
- 3.1.2 The records include house price information by categories of dwellings, also included in the analysis is information about the volumes of sales of each type of dwelling.
- 3.1.3 As explained in 3.1.2 above, these indices are not absolutely comparable. Land Registry increase levels tend to be lower because they include cash transactions but they are less reliable on a quarterly basis because they only calculate actual transactions and the figures are affected by changes in the mix of properties between the current and previous periods. Halifax data measures a constant mix of properties by type and size which removes the changing mix factor but does not of course include lower price cash transactions and is only available regionally.
- 3.1.4 This information sets the context for the key issue of the affordability of housing in the area, and in particular we can relate the analysis to the problems of low income evaluated through the household postal survey, tested against access level house prices by area from the Estate Agency survey.

3.2 National Picture

- 3.2.1 House price inflation in the second quarter of 2004 accelerated in most regions with an overall increase of 5.9%, above the 5.1% gain in the first quarter of 2004. However, this still remains well below the peak record in 1988 (34%). The overall sound UK economic background and the lowest mortgage rates since the 1950s have boosted housing demand in the first quarter of 2004 although this is expected to reduce following further interest rate increases.
- 3.2.2 UK house price inflation for the year ending 30th June 2004 was recorded by Halifax Index at 21.5% and the Land Registry at 17.9%.

3.3 Regional Picture

Table 3-1 House Price Inflation

	Increase over year to 30th June 2004 %	Increase over quarter to 30th June 2004 %
South East ¹	12.2	3.2
Hampshire ²	8.3	0.3

Source ¹ Halifax House Price Index, © Copyright HBOS plc.

Source ² Land Registry Index, © Crown Copyright (Land Registry)

- 3.3.1 The annual rate of house price inflation recorded in the Halifax Index for the South East for the year to 30th June 2004 was 12.2%, significantly below the UK average of 21.5%.

- 3.3.2 House prices in the South East show an increase of 3.2% during the second quarter of 2004.
- 3.3.3 House prices in Hampshire rose over the last year to 30th June 2004 by 8.3% as calculated by the Land Registry, with a rise of 0.3% in the second quarter of 2004.

3.4 The Housing Market

- 3.4.1 The regional market prices are shown in the Table 3-2 below, which details the prices paid for the main categories of house types for the whole of the South East Region with comparisons against a different source of house price index data.
- 3.4.2 The Halifax data is based on actual sales of mortgaged properties and the information is a real indication of actual prices prevailing in the purchases being made in the South East Region. The Land Registry data incorporates all transactions, at county level in Hampshire and more specifically in the Fareham Borough.

Table 3-2 Average South East Region House Prices - All Buyers 2004

Property Type	Land Registry Average Price (£)	Halifax Average Price (£)
Terraced	166,583	182,787
Semi-detached	201,541	222,429
Detached	339,824	400,728
Bungalows	*	235,713
Flats & maisonettes	140,987	146,296
All properties	213,828	244,042

Source: Halifax House Price Index, 2nd Quarter 2004, © Copyright HBOS plc.
Land Registry Residential Property Price Report, 2nd Quarter 2004
© Crown Copyright (Land Registry)

* Land Registry figures do not identify bungalows separately.

- 3.4.3 Prices vary between the different data sources and we would expect the Land Registry figures to be lower in all cases given that these figures include non-mortgaged sales.
- 3.4.4 The table below shows a comparison of average house prices and volume of sales for Fareham Borough and Hampshire County recorded by the Land Registry.

Table 3-3 Average House Prices (£) and Sales (%) - All Buyers 2004

Property Type	Land Registry Fareham Borough Average Price	Land Registry % of sales in Fareham Borough	Land Registry Hampshire Average Price	Land Registry % of sales in Hampshire
Terraced	153,566	27.1	161,445	28.2
Semi-detached	179,514	30.9	197,286	24.8
Detached	279,718	34.2	311,831	30.5
Flats & maisonettes	105,027	7.8	146,684	16.5
All properties	200,882	100.0	213,768	100.0

Source: Land Registry Residential Property Price Report, 2nd Quarter 2000 / 2nd Quarter 2004
© Crown Copyright (Land Registry)

- 3.4.5 At the 30th June 2004, the largest volume of sales in the Borough were for detached houses (34.2%) selling at an average price of £279,718. Semi-detached houses average £179,514 and account for 30.9% of sales. Terraced houses average £153,566 and account for 27.1% of sales. Flats / maisonettes account for just 7.8% of sales with an average price of £105,027. Terraced houses are assessed to be the main access property for first time buyers in view of their lower cost and high volume of sales in the Borough.
- 3.4.6 The survey data shows that 994 households plan to leave the Borough because of a lack of affordable housing, 552 of which are concealed households. There are also 2,531 households who said they wished to move but could not do so because they could not afford to move / buy a house and 822 who said they were unable to move due to a lack of affordable rented housing. The table below examines average house prices for Fareham, against the surrounding Urban South-Hants Authorities of Eastleigh, Havant, Gosport, Southampton and Portsmouth, recorded by the Land Registry.

Table 3-4 Average House Prices and Sales - All Buyers 2004

Property Type	Land Registry Fareham Average Price	Land Registry Eastleigh Average Price	Land Registry Havant Average Price	Land Registry Gosport Average Price	Land Registry Southampton Average Price	Land Registry Portsmouth Average Price
Terraced	153,566	165,497	138,219	129,321	146,221	145,722
Semi-detached	179,514	195,571	174,804	160,781	165,398	183,175
Detached	279,718	286,161	268,064	263,008	241,330	292,125
Flats & maisonettes	105,027	141,343	107,777	121,196	145,317	126,356
All properties	200,882	201,652	178,850	152,724	161,680	151,190

Source: Land Registry Residential Property Price Report, Q2 2004, © Crown Copyright

- 3.4.7 Average prices of properties in Fareham (£200,882) are the second highest compared to the surrounding areas in Table 3-4 above; the highest average price is in Eastleigh (£201,652) and the lowest is in Portsmouth (£151,190). The average price of terraced houses in Fareham (£153,566) is 18.7% higher than in Gosport and 11.1% higher than in Havant, but 7.8% lower than in Eastleigh where an average terraced house costs £165,497.
- 3.4.8 Fareham has the lowest average price of flats and maisonettes (£105,027) across these urban areas, with the average price for this property type being, for example, 38.4% and 34.6% higher in Southampton and Eastleigh, respectively, compared to Fareham.

3.5 Housing Market Sub-Areas

- 3.5.1 In order to analyse house prices in the area at a local level the Borough has been divided into 5 market sub areas and these are listed below.

Table 3-5 Sub-Areas

Sub-Areas
Fareham
Portchester
Hill Head / Stubbington
Titchfield Including Titchfield Village, Titchfield Segensworth and Titchfield Catisfield
Western Wards Including Locks Heath, Park Gate, Sarisbury Whiteley, Titchfield Common and Warsash

3.6 Entry Level Prices in the Borough

- 3.6.1 DCA have undertaken a survey of the local estate agents to ascertain the cost of the cheapest range of units available both for private rent and for sale in each of the five sub-areas. Due to the lack of supply available in the current housing market, some samples are small and therefore should not be taken as an average.
- 3.6.2 Although the average price of terraced properties according to the Land Registry survey is £200,882, entry sales levels vary across the Borough. The lowest prices, for a 2-bed terraced property, start at around £140,000 in Fareham. 3-bed terraced properties start at £136,350 in Fareham rising to £171,500 in Hill Head / Stubbington.
- 3.6.3 Flat prices are £88,315 in Portchester, rising to £132,450 in Titchfield, for a 1 bed unit. Entry levels for 2-bed flats start at £99,800 in Fareham, rising to £160,000 in Hill Head / Stubbington.

Table 3-6 Entry Level Prices in the Borough – October 2004 (£)

Property Type	Fareham	Portchester	Hill Head / Stubbington *
1-Bed Flat	96,100	88,315	113,000
2-Bed Flat	99,800	125,650	160,000
2-Bed Terraced	140,000	151,850*	148,650
3-Bed Terraced	136,350	161,250	171,500
2-Bed Semi	160,500	156,700	156,800
3-Bed Semi	153,650	172,500	171,600

Property Type	Titchfield *	Western Wards	Borough-Wide
1-Bed Flat	132,450	123,600	113,030
2-Bed Flat	- nd -	123,500	127,238
2-Bed Terraced	144,950	149,450	146,980
3-Bed Terraced	157,650	165,850	158,520
2-Bed Semi	163,300	159,000	159,260
3-Bed Semi	181,400	161,300	168,090

-nd- no data available

* (low volume of data)

Source: DCA House Price Survey October 2004.

3.7 Purchase Income Thresholds

- 3.7.1 The cheapest entry level prices of the lowest quartile stock units were assessed to enable threshold income levels to be calculated. These are based on 95% mortgage availability and a 3x gross income lending ratio in line with the SEERA Good Practice Guidance (2004). Table 3-7 below outlines the household income ranges needed to enter the market in the main settlements in the Borough.

Table 3-7 Purchase Income Thresholds

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed Terrace
Fareham	30,450	31,600	44,350
Portchester	27,970	39,800	48,100*
Hill Head / Stubbington *	35,800	50,650	47,100
Titchfield *	41,950	- nd -	45,900
Western Wards	39,150	39,100	47,300

-nd- no data available

* (low volume of data)

3.8 Private Sector Rent Levels

- 3.8.1 A telephone survey of the main private renting agencies operating in the Borough was undertaken in order to assess the costs of property at the lower end of the private rented market. From the estate agency sources approached, we set out below the prevailing private sector rent levels.

Table 3-8 Average and Entry Rent Levels in the Borough 2004 (per month £)

Property Type	Fareham		Portchester		Hill Head / Stubbington	
	Average	Entry	Average	Entry	Average	Entry
1-Bed Flat	494	400	443	395	474	400
2-Bed Flat	595	500	544	450	581	525
2-Bed Terraced	604	575	588	500	575	525
3-Bed Terraced	638	550	623	550	636	575
2-Bed Semi-detached	594	550	590	500	615	550
3-Bed Semi-detached	689	650	667	550	663	595

Property Type	Titchfield		Western Wards		Borough-wide	
	Average	Entry	Average	Entry	Average	Entry
1-Bed Flat	539	500	475	400	485	419
2-Bed Flat	584	525	599	475	580	495
2-Bed Terraced	644	550	601	550	602	540
3-Bed Terraced	668	575	714	650	656	580
2-Bed Semi-detached	627	565	621	595	609	552
3-Bed Semi-detached	715	650	744	695	696	628

Source: DCA Housing Market Survey October 2004 Access to Private Rent

- 3.8.2 Entry level rental costs in the private rented sector vary by location within the Borough. The private rented sector can be accessed at a rent of £395 a month in Portchester, £400 in Fareham, Hill Head / Stubbington and Western Wards, and £500 in Titchfield (see Table 3-8) for a one bedroom flat, the smallest unit. For a 2-bed flat, rents range from £450 in Portchester, £500 in Fareham and up to £525 in Hill Head / Stubbington.
- 3.8.3 In the case of 2-bed terraced houses, entry rent levels were found to range from £500 p.m. in Portchester, to £575 p.m. in Fareham. 3-bed terraced properties can be rented from £550 p.m. in Fareham and Portchester to £650 in Western Wards.
- 3.8.4 Semi-detached property rents range from £500 for a 2-bed property to a maximum of £595 for a 2-bed property and £695 for a 3-bed property.
- 3.8.5 Concealed households gave details of how much rent per week they could afford to pay. This data was examined to see if those who had specified their preferred tenure as Private Rent could actually access the market price levels that were identified in the Estate Agents Survey.
- 3.8.6 We found preference for private rented housing in concealed households generally quite low. Of those expressing interest in private rent 77% say they could not pay more than £350 pm, less than the cheapest rent level in this sector.
- 3.8.7 9.4% could afford to pay between £351 and £430 a month which would allow them access to the cheapest 1 bed flats. 5.5% could afford to pay between £431 and £650 a month which would allow them access to the majority of property types. Only 1.0% of concealed households could afford to pay between £651 and £865 a month which would allow them access to the average priced properties across the Borough. The data shows that the vast majority of concealed households in Fareham are priced out of the private rental market.
- 3.8.8 Agents commented that landlords would not normally accommodate Housing Benefit / Income Support cases, however the decision does rest with the individual landlord concerned.
- 3.8.9 A range of property types are available in the sector as a whole and are found in a variety of locations within the Borough, although supply of flats is limited in the rural areas. The difference in rent level between furnished and unfurnished property is marginal with agents indicating they do charge slightly more for furnished accommodation, although many agencies do not deal with furnished property due to the fire regulations involved.

3.9 Rental Income Thresholds

- 3.9.1 The cheapest rental prices of the smallest units were assessed in order to calculate the rental income threshold levels. These are based on rent at 25% of gross income (equivalent to 30% of net income). Table 3-9 below shows the income levels needed to access the lowest priced units in the private rented market in the Borough.

Table 3-9 Rental Income Thresholds

Area	Income Thresholds (£)		
	1 bed Flat	2 bed Flat	2 bed Terrace
Fareham	19,200	24,000	27,600
Portchester	18,960	21,600	24,000
Hill Head / Stubbington	19,200	25,200	25,200
Titchfield	24,000	25,200	26,400
Western Wards	19,200	22,800	26,400

3.10 Summary of the Housing Market

- ◆ The annual rate of house price inflation recorded in the Halifax Index for the South East for the year to 30th June 2004 was 12.2%, significantly below the UK average of 21.5%.
- ◆ The Land Registry data for average price for all dwellings in Fareham Borough during the year was around £200,882.
- ◆ The largest volume of sales in the Borough were for detached houses (34.2%) selling at an average price of £279,718. Semi-detached houses average £179,514 and account for 30.9% of sales. Terraced houses average £153,566 and account for 27.1% of sales. Flats / maisonettes account for just 7.8% of sales with an average price of £105,027. Terraced houses are assessed to be the main entry level property for first time buyers in view of their lower cost and high volume of sales in the Borough.
- ◆ Prices vary across the Borough; a 1-bed flat cost £96,100 in Fareham, rising to £132,450 in Titchfield. 2-bed flats cost £99,800 in Fareham, rising to £160,000 in Hill Head / Stubbington.
- ◆ A household income of £30,450 is required to buy a one bedroom flat in Fareham, rising to £41,950 in Titchfield. A two bedroom flat requires an income of £31,600 in Fareham rising to £50,650 in Hill Head / Stubbington. Terraced properties require an income of £44,350 in Fareham and £48,100 in Portchester.
- ◆ The key fact is that, based on local house price / income relationship assumptions, entry to home ownership is beyond the reach of 95% of the concealed households identified in the DCA survey on any realistic assessment of availability of lowest quartile properties. In some settlements none of the concealed households will be able to purchase in the area they currently live in and wish to remain.
- ◆ Mortgage interest rates have been at their lowest level for over 45 years and people who cannot enter the market under these circumstances may never be able to do so, short of some collapse in the market or a significant change in their income level. Further house price increases above wage inflation in 2004 would make entry to market housing more difficult to achieve and would impact on households with marginal incomes most significantly.
- ◆ Similar cost variation applies in the private rented sector across the Borough. Based on rent at 25%, the gross income needed to rent a one bed flat ranges from £18,960 per annum in Portchester to £24,000 p.a. in Titchfield. The cost of renting a 2-bed flat would need an income of £21,000 in Portchester, up to £25,200 in Hill Head / Stubbington and Titchfield. A 2-bed terraced house requires an income of between £24,000 p.a. and £27,600 p.a.
- ◆ The private rented sector makes only a limited contribution to access affordable housing (85% of concealed households cannot afford to live in the housing they need in this sector) and this almost certainly underlies the problem of concealment that exists in the Borough.

4 CURRENT HOUSING IN THE BOROUGH

4.1 The Existing Stock

4.1.1 Table 4-1 below indicates the type of accommodation occupied by existing households responding to the question.

Table 4-1 *Type of Accommodation*
Question 2

Type	2004 Survey %	Survey Group %	N ^{os} implied	Local Area Census 2001 *
Semi-detached house	26.0	75.6	11,495	70.3
Detached house	29.6		13,058	
Bungalow	20.0		8,813	
Terraced	16.0	16.0	7,077	19.4
Flat / maisonette	7.6	8.0	3,374	9.8
Bedsit / studio / room only	0.4		168	
Caravan / mobile home	0.4	0.4	191	0.5
Total	100.0	100.0	44,176	100.0

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4.1.2 The sample shows only a small variance with the dwelling type structure in the 2001 census, with more semi detached and detached houses from 70.3% to 75.6%, and a lower proportion of terraced houses (3.4%). There are also a lower proportion of flats (1.8%). Our analysis of concealed households in Section 5 of this report found 45.6% of expressed need to be for flats / maisonettes.

Table 4-2 *Form of Tenure by Property Type (%)*
Question 2 by Q.1

Type	Owner occupier with mortgage	Owner occupier no mortgage	Private rented	Council rented	HA rented	Shared ownership*	Tied to employment*	Total %
Semi-detached	59.8	30.4	3.0	3.5	1.1	0.4	1.8	100.0
Detached	62.7	34.9	1.3	0.3	0.0	0.0	0.8	100.0
Terraced	59.6	22.1	7.0	5.0	4.1	0.2	2.0	100.0
Bungalow	28.1	63.1	3.4	4.0	0.2	0.3	0.9	100.0
Flat / maisonette	15.4	24.8	12.3	35.8	10.4	0.0	1.3	100.0
Bedsit / studio / room only	0.0	5.7	15.9	45.4	17.5	0.0	15.5	100.0
Caravan / mobile home	0.0	68.3	20.2	0.0	0.0	0.0	11.5	100.0

(* Low volume of data).

4.1.3 A cross-tabulation relating form of tenure to property type indicated that 59.8% of flat / maisonette accommodation was in the rented sector; 77.3% of which was in the social rented sector. In terms of new demand, our analysis of concealed households in the Borough found 53.3% of demand for flats / maisonettes was in the rented sector; of which 45% is for the social rented sector.

- 4.1.4 63.1% of bungalow accommodation was in the owner-occupied no mortgage sector, perhaps reflecting the older age of respondents in that sector.
- 4.1.5 Respondents were asked when their property had been built. 4.6% did not know when their home was built. 20.3% of homes in the Borough had been built before 1945; 28.3% after 1980.

Table 4-3 Date Property Built

Question 3

Date	%	N ^{os} implied
Before 1919	5.5	2,397
1919 - 1944	14.7	6,376
1945 - 1959	15.3	6,615
1960 - 1979	31.6	13,691
1980 - 2000	25.4	10,984
After 2000	2.9	1,242
Don't know	4.6	1,981
Total	100.0	43,286

- 4.1.6 Respondents were asked to indicate the number of bedrooms in their current home.

Table 4-4 Number of Bedrooms

Question 5

Bedrooms	%	N ^{os} implied
Bedsit	0.4	179
One	5.8	2,545
Two	21.2	9,379
Three	47.1	20,817
Four	22.0	9,723
Five or more	3.5	1,567
Total	100.0	44,210

- 4.1.7 The average across the stock in the Borough was 3 bedrooms, just above the level found in other recent DCA surveys 2.8. The breakdown of size by number of bedrooms in percentage terms as between the ownership and rental sectors was accessed by cross-tabulation with the following results:-

Table 4-5 Number of Bedrooms by Tenure

Question 5 by Q1

Tenure	Bedsit	One	Two	Three	Four	Five+	Total
Properties owned	0.0	3.0	19.6	48.4	24.9	4.1	100.0
Properties rented	3.0	24.5	32.5	38.2	1.8	0.0	100.0
Council rented only	3.6	37.4	30.1	28.1	0.8	0.0	100.0

- 4.1.8 As might be expected, some 98.9% four (or more) bedroom properties were in the owner occupied sector. 95% bedsit / one bedroom properties were in the rented sector.

Table 4-6 Access to Basic Facilities

Question 6

H/IF	All tenures %	Owner occupier with mortgage	Owner occupier no mortgage	Private rented	Council rented	HA rented	Shared ownership*	Tied to employment / other
CH-F	88.8	92.0	86.5	72.4	87.4	80.6	100.0	92.6
CH-P	6.6	5.0	8.0	19.8	2.8	9.5	0.0	7.4
DG-F	84.6	85.9	85.4	65.1	86.5	69.3	77.1	84.1
DG-P	8.9	8.3	9.3	17.5	6.0	9.3	22.9	9.4
LI	82.3	87.5	85.3	61.2	44.4	38.8	100.0	72.5
HWTI	62.2	63.1	68.6	48.0	33.0	31.5	56.3	52.1
WPI	52.2	55.6	55.6	31.5	26.1	24.5	64.6	32.5
CWI	45.4	43.9	50.5	31.9	49.7	20.4	33.3	21.4
DP	22.5	25.5	21.7	14.6	10.9	14.0	0.0	14.6

(* Low volume of data).

Heating / Insulation facilities:-

CH-F (central heating -full), CH-P (central heating -partial), DG-F (double glazing -full), DG-P (double glazing -partial), LI (loft insulation), HWTI (hot water tank insulation), WPI (water pipes insulated), CWI (cavity wall insulation), DP (draught proofing).

- 4.1.9 Respondents in the survey indicated a high level of access to basic facilities. Households with full or partial central heating at 95.4% was well above the national average in the 2001 Census (91.5%). At local area level, 94.5% of households in Fareham had central heating in 2001, suggesting a growth of 0.9% since that time.
- 4.1.10 In the case of Council rented accommodation alone, 90.2% had some form of central heating, just below the all tenure average. The Stock Condition survey shows higher levels of both heating and insulation levels than reported by tenants in the survey sample.
- 4.1.11 One particularly significant pattern to emerge from the cross tenure analysis was that private rented accommodation had a far lower level of access to all the nominated facilities than the all tenure average. Full central heating was available in 72.4% of properties; full double glazing in only 65.1% with very low levels of insulation.

4.2 Adequacy of the Existing Stock

- 4.2.1 Respondents were asked if their current accommodation was adequate for their needs. 91.1% indicated that their accommodation was adequate; 8.9% (3,939 implied) that it was inadequate. A level in the region of 89% has been a typical result in recent DCA surveys. The Guidance test of inadequacy causing a housing need is based on those households who need to move to another dwelling. 2,405 households living in unsuitable housing plan to move.
- 4.2.2 From a cross-tabulation some discrepancy in satisfaction by tenure was evident but this was fairly consistent with the results of other recent DCA surveys. The satisfaction level for Council rented accommodation (85.1%) was above the average emerging for social rented accommodation from recent DCA surveys (81%). Satisfaction in the private rented sector (71.5%) was below the all tenure average, as might be expected from the comments at 4.1.11 above.

Table 4-7 Adequacy by Tenure

Question 7a by Q.1

Tenure	% adequate
Owner occupied with mortgage	90.3
Owner occupied no mortgage	96.6
Private rented	71.5
Council rented	85.1
HA rented	67.2
Shared ownership*	81.3
Tied to employment / Other	90.4

(* Low volume of data).

- 4.2.3 Responses on the reason for inadequacy were invited on two bases - 'in-house' solutions (improvements/repairs or cost of heating) and other solutions. Respondents could reply in both categories on a multiple-choice basis.
- 4.2.4 43.2% (1,702 implied) of the group indicated an 'in-house' solution. The results in response to a multiple choice question are shown in Table 4-8 below. 98.3% of these households selected need for repair or improvement.

Table 4-8 Reason For Inadequacy of Present Accommodation Where an "In House" Solution May Be Possible

Reasons	% responses	% households	N^{os} implied (all choices)
Needs repair / improvement	88.9	98.3	1,672
Too costly to heat	11.1	12.2	208
Total	100.0		1,880

Table 4-9 Reason for Inadequacy of Present Accommodation Likely to Require a Move

Reasons	% responses	% households	N^{os} implied (all choices)
Too small	63.3	73.5	2,428
Too large	8.8	10.3	339
Housing affecting health	8.7	10.0	332
Tenancy insecure	5.8	6.7	222
Rent / mortgage too expensive	13.4	15.6	515
Total	100.0		3,836

- 4.2.5 83.9% (3,304 implied) of the group indicated a solution requiring a move. The largest single issue was that the home was too small, referred to by 73.5% of households indicating a solution likely to require a move, and implying 2,428 cases in the Borough as a whole.

- 4.2.6 The bedroom standard test for overcrowding at 4.3.8 suggests that around 880 households are currently in this situation. Households may however be expecting an addition to the family or have an elderly parent coming to live with them creating an imminent overcrowding situation, but this potential situation for around 1,500 households has been discounted in our Assessment Model calculation. There is however concern that families may be trapped in property that is too small for their needs and unable to move due to high and rising local house prices.
- 4.2.7 Other choices were spread fairly evenly between property being too large (10.3%), tenancy insecure (6.7%), housing affecting health (10.0%) and rent / mortgage too expensive (15.6%).
- 4.2.8 We set out in the next few paragraphs some inadequacy issues relating to those in specific respondent groups indicating inadequacy.

Table 4-10 Repair Needed / Tenure
Question 7bi / Question 1

	% of all households in sample	% households with a repair need	N ^{os} implied
Owner occupier with mortgage	50.3	53.7	897
Owner no mortgage	36.6	15.5	259
Council rented	5.5	12.5	211
Private rented	4.0	9.4	156
HA rented	1.9	7.8	131
Shared ownership	0.2	1.1	18
Tied to employment / other	1.5	0.0	0
Total	100.0	100.0	1,672

- 4.2.9 In terms of tenure, repair need was disproportionately high among tenants with particularly high levels of inadequacy among Council tenants relative to stock proportions. Levels of inadequacy were low among owner occupiers without a mortgage but slightly higher than expected amongst owners with a mortgage.

Table 4-11 Repair / Household Income
Question 7bi / Question 15c

	% of all households in sample	% households with a repair need	N ^{os} implied
Below £10,000	11.4	15.4	199
£10,000 - £25,000	31.7	30.3	393
£25,001 - £30,000	10.8	11.4	147
£30,001 - £40,000	16.1	13.4	174
£40,001 - £50,000	11.4	12.8	168
£50,001 - £60,000	6.7	6.8	88
£60,001 - £75,000	5.7	6.1	78
£75,001 - £100,000	4.2	3.8	49
Above £100,000	2.0	0.0	0
Total		100.0	1,296

- 4.2.10 We found no clear correlation between low income and higher repair need, although a slightly higher proportion of those with incomes below £10,000 were found to have a repair need.

Table 4-12 Repair / Age Groups

Question 7bi / Question 13d

Age groups	% of all households in sample	% households with a repair need	N ^{os} implied
20 - 29	5.2	9.9	159
30 - 44	24.0	43.8	706
45 - 59	30.6	24.9	401
60 - 74	25.2	14.4	233
75+	14.9	7.0	113

- 4.2.11 Repair need was disproportionately found in particular among households where the head of household was aged 30 – 44. Repairs were apparently not a particular problem for those above 60 years of age.
- 4.2.12 10% of households with a disability felt their home was inadequate (compared to 8.9% among all households). Of respondents with a disability, 75.2% of those saying their home was inadequate also said they had a repair need, compared to 88.9% of all respondents. The data showed that although the level of inadequacy was marginally higher, repair need was lower among households with a disability. The nature of the disability for those with a repair need is shown in Table 4-13 below on the basis of a multiple choice question.

Table 4-13 Disabled Households / Repair Needs

Question 7bi / Question 9c

Disability	% of all households (in sample of 8,951)	% households with a repair need (in sample of 577)	N ^{os} implied
Walking difficulty	51.7	57.7	333
Limiting long term illness	30.4	36.6	211
Asthmatic / respiratory problems	19.9	41.6	240
Other physical disability	17.6	31.0	179
Visual / hearing impairment	19.1	7.8	45
Wheelchair user	9.2	3.3	19
Mental health problem	6.9	9.5	55
Learning difficulty	4.7	3.5	20
Total			1,102

- 4.2.13 Repair need was disproportionately found among households with asthmatic / respiratory problems, those with walking difficulties, limiting long term illness, and other physical disability.

- 4.2.14 As would be expected “housing effecting health” was a significantly more important issue for households with a disability than for all households in the sample; 35.2% of disabled households indicating that their home was inadequate gave housing effecting health as one of their reasons. This compared to just 10% among all households indicating inadequacy.

Table 4-14 Rent / Mortgage too Expensive / Income

Question 7bii / Question 15c

Income	% of all households in sample	% households rent / mortgage too expensive	N ^{os} implied
Below £10,000	11.4	27.4	114
£10,000 - £25,000	31.7	35.5	148
£25,001 - £30,000	10.8	0.0	0
£30,001 - £40,000	16.1	14.5	60
£40,001 - £50,000	11.4	19.0	79
£50,001 - £60,000	6.7	0.0	0
£60,001 - £75,000	5.7	0.0	0
£75,001 - £100,000	4.2	3.6	15
Above £100,000	2.0	0.0	0
Total	100.0	100.0	416

- 4.2.15 On the basis of a relatively low number of respondents indicating that the rent / mortgage was too expensive, there appeared to be some co-relation between incomes and cost. The most significant problems were found among households with incomes below £10,000.
- 4.2.16 Arguably, the main finding from the basic question on adequacy is the high degree of satisfaction expressed but some caveat has to be drawn in relation to the degree to which respondents maybe reluctant to describe their accommodation as unsuitable.
- 4.2.17 The next question in the section sought to identify which aspects of a given range of work respondents felt were required on their property.
- 4.2.18 44% (19,522 implied) of the sample responded to the question. Responses were again on multiple choice basis with respondents making around 1.6 choices on average.

Table 4-15 Repairs / Improvements Required

Question 7c

Improvements	% responses	% households	N ^{os} implied
Additional security	17.1	27.1	5,291
Window repairs	26.7	42.3	8,253
Insulation	11.1	17.6	3,436
Re-wiring	12.2	19.4	3,776
Improved heating	15.2	24.1	4,700
Roof repairs	14.1	22.3	4,352
Damp proofing	3.6	5.7	1,111
Total	100.0		30,919

- 4.2.19 Additional security (27.1%) has often been the most popular choice in recent DCA surveys where it has been included as a category. In the case of Fareham however, window repairs (42.3%) is the single most popular choice. Other choices were well spread across most of the categories.

Table 4-16 Work Required on the Property by Tenure

Question 7c by Q.1

Work required	Owner occupier with mortgage	Owner occupier no mortgage	Private rented	Council rented	HA rented	Shared ownership*	Tied to employment / other
Additional security	29.6	24.3	13.3	20.4	43.8	45.0	45.3
Improved heating	24.8	22.1	40.3	16.3	53.8	0.0	9.9
Re-wiring	15.0	26.0	19.6	21.8	19.1	0.0	31.8
Damp proofing	3.3	3.4	25.9	17.0	48.6	0.0	6.2
Roof repairs	20.5	24.1	33.8	17.9	28.2	0.0	38.2
Window repairs	43.3	36.9	53.0	48.0	54.9	100.0	50.6
Insulation	18.5	15.9	11.2	13.8	51.9	0.0	24.8

(* Low volume of data)

- 4.2.20 Overall requirements in the Council rented sector were generally a little higher than the all tenure average in the case of rewiring, damp proofing and window repairs. This is compatible with our comments at 4.1.11 and 4.2.9 above.
- 4.2.21 In the private rented sector, the profile was also compatible with our comments at 4.1.11 and 4.2.9 above, in that a higher average work requirement was identified in all categories other than additional insulation.
- 4.2.22 Respondents were also asked what repairs / improvements they planned to carry out over the next 5 years. Responses were received from an implied 14,449 households, or 74% of those with a repair need in Table 4-16 above.

Table 4-17 Repairs / Improvements Planned

Question 7d

Improvements	% responses	% households	N ^{os} implied
Additional security	19.4	27.6	3,993
Window repairs	28.8	40.8	5,891
Insulation	10.8	15.4	2,219
Re-wiring	9.7	13.7	1,981
Improved heating	14.9	21.2	3,062
Roof repairs	14.6	20.8	2,999
Damp proofing	1.8	2.4	342
Total	100.0		20,487

4.3 Existing Household Composition and Household Profile

- 4.3.1 Large amounts of data were collected about the structure of the households and we have constructed a summary table to show the basic pattern of household types. It is based on the categories used by the ONS to construct their 'Social Trends' statistical series but is not exactly similar due to the manner in which the different data sets are collected.

Table 4-18 Family Composition

Question 13c & d

Family Composition	%	Group %	Local Area Census 2001 *
1 adult over 60	21.4	25.9	26.0
1 adult under 60	3.2		
1 adult + other	1.3		
Couple no child	41.2	71.1	69.4
Couple 1-2 children	23.0		
Couple 3+ children	4.8		
Couple + others	2.1		
Single parent	3.0	3.0	4.6
Total	100.0	100.0	100.0

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- 4.3.2 Our survey indicated some change from the Local Area Census 2001 with a small shift to couple households away from single adult and single parent families.

Table 4-19 Population Age Groups

Question 13d

Age Group	%	Cum %	Local Area Census 2001 *
0 - 10	11.2	11.2	19.6
11 - 15	6.4	17.6	
16 - 19	5.2	22.8	4.7
20 - 29	7.8	30.6	9.4
30 - 44	19.2	49.8	22.9
45 - 59	23.2	73.0	20.7
60 - 74	18.1	91.1	14.8
75+	8.9	100.0	7.9
Total	100.0		100.0

* © Crown Copyright (Census)

- 4.3.3 Table 4-19 shows the ages of all household members in the sample. Our figures show little deviation from the 2001 local area Census data, there appears to have been little change in the population structure over time. In comparison with the 2001 Census there was a slightly greater concentration of persons in our data in the 75+ age groups (8.9%) as compared with 7.9% in the 2001 Census.
- 4.3.4 Other recent DCA surveys have shown an ageing of the population with the percentage by which the 45 - 74 age groups increase and the 16 - 44 age groups decrease has commonly been 6 - 8 percentage points. In the case of Fareham the 45 - 74 age group has increased by 5.8% and the 16 - 44 age group has fallen by 4.8%.

Table 4-20 Number in Household

Question 13a

Number in household	%	N ^{os} implied
One	23.4	10,373
Two	41.8	18,532
Three	14.8	6,539
Four	13.4	5,946
Five	4.9	2,161
Six	1.3	596
Seven	0.3	115
Eight	0.1	52
Nine or more	0.0	0
Total	100.0	44,314

- 4.3.5 The profile emerging from our survey equated to some 2.4 persons per household on average – identical to the UK average of 2.4 (as endorsed by 2001 Census data) but below the Borough 1991 Census figure of 2.5.

Table 4-21 Numbers in Household by Tenure

Question 13a by Q.1

Tenure	N ^{os} in household
Owner occupier with mortgage	2.9
Owner occupier no mortgage	1.9
Private rented	2.3
Council rented	1.9
HA rented	2.5
Shared ownership*	3.0
Tied to employment / other*	2.6

(* Low volume of data).

- 4.3.6 The owner occupied with mortgage sector would be expected to have a relatively high proportion of families. The Council rented sector figure was close to the average for that sector in our survey experience, with a somewhat higher level of single person households (50.7%) than found on average in recent surveys (43%). 87.2% of the owner-occupier no mortgage households contained no more than two persons, reflecting the higher average age in this form of tenure and the fact that children will in the main have left home. 13.6% of the owner-occupier with mortgage households were single person households, just below the average in recent DCA surveys (15%).
- 4.3.7 We offer below a broad assessment of 'under-occupation' and 'over-occupation' based on a detailed analysis of the family composition data. We established the number of bedrooms required in each household allowing for age and gender of occupants. In the case of over-occupation any dwelling without sufficient bedrooms to meet that requirement has been categorised as over-occupied. In the case of under-occupation, any dwelling with two or more 'spare' bedrooms above requirement has been categorised as under-occupied.
- 4.3.8 Our overall over-occupation level (2.0%) was below the average UK level indicated by the Survey of English Housing 2001/2 (3%). We have no comparable data against which to measure our overall under-occupation figure of 50.5% but recent DCA surveys suggest that this is close to the average.
- 4.3.9 The assessment of under / over occupation by tenure revealed some disparity between tenure types as indicated at Table 4-22 below.

Table 4-22 Under / Over Occupation by Tenure

Question 13a by Q.5 & Q.1

Tenure	% under occupied	% over occupied
Owner occupied with mortgage	50.7	2.2
Owner occupied no mortgage	58.5	0.7
Private rented	21.2	6.1
Council rented	11.3	6.5
HA rented	4.7	14.0
Shared ownership*	16.7	0.0
Tied to employment / other	23.1	0.0
Other private rent	21.4	7.1

(* Low volume of data).

- 4.3.10 The Council rented over-occupation level (6.5%) and Housing Association are significantly higher than the UK average over-occupation figure (3%) and the overall level in the Borough on the basis of our survey (2%).
- 4.3.11 Under occupation within the owner occupied no mortgage sector (58.5%), which will include a higher proportion of elderly households, was close to the average level found in recent DCA surveys. Council rented under-occupation was low at just 11.3% recorded in our data in contrast to the all-tenure average and the owner occupied forms of tenure set out in Table 4-22.

Table 4-23 Employment Status of Head of Household
Question 13e

	%	N ^{os} implied
Wholly retired	34.8	14,889
Full-time employee (30+ hours)	35.9	15,363
Part-time employee (up to 30 hours)	14.5	6,180
Self-employed	4.9	2,079
Looking after the home	6.8	2,912
Permanently sick / disabled	2.0	860
Unemployed / available for work	1.0	437
In full-time education	0.1	49
On Government training scheme	0.0	13
Total	100.0	42,782

- 4.3.12 96.5% or so of Heads of Households responded to the question on employment. 55.3% of Heads of Household indicated that they were in employment, as compared with the 60% average identified for Heads of Household in the Survey of English Housing 2001/2. 34.8% were retired – a fairly typical level in our survey experience. 1% indicated that they were unemployed and available for work, similar to our recent survey experience in which the average has been between 1 - 2%.

Table 4-24 Occupation Type of Head of Household
Question 13f

	%	N ^{os} implied
Professional	24.3	9,709
Managerial / technical	13.2	5,264
Skilled, non manual	4.3	1,712
Skilled, manual	5.5	2,189
Partly skilled	2.7	1,072
Unskilled	3.6	1,450
Other	7.3	2,916
Retired	39.1	15,609
Total	100.0	39,921

- 4.3.13 In the case of occupation type 90% of the sample responded. 39.1% indicated that they were retired.

Table 4-25 Public Sector Employment of Head of Household
Question 13g

	%	N ^{os} implied
Local Authority	28.5	1,902
Health	32.1	2,146
Education	33.2	2,216
Police	5.1	339
Fire	1.1	76
Total	100.0	6,679

- 4.3.14 28.2% of those indicating they were in employment were working in public sector employment, 33.2% of whom were in education, 32.1% in the Health service.

Table 4-26 Workplace of Head of Household
Question 13h

	%	N ^{os} implied
Within Fareham Borough	38.1	8,823
Gosport	6.7	1,560
Portsmouth	18.3	4,243
Southampton	11.7	2,716
Elsewhere in Hampshire	10.9	2,520
Elsewhere in South East	3.5	820
Elsewhere in UK	3.7	851
Abroad	0.3	77
Work at home	6.8	1,571
Total	100.0	23,181

- 4.3.15 38.1% of heads of household work within Fareham.
- 4.3.16 In the case of ethnic origin the breakdown at Table 4-27 below refers only to 'Self' which we take in the main to be the Head of Household. 99% respondents answered the ethnic origin question. The 2001 Census percentages are provided for broad comparison as they relate to population and not households.

Table 4-27 Ethnic Origin (Head of Household)
Question 13b

	%	N ^{os} implied	Local Area Census 2001 *
White British	97.2	42,684	96.5
White Irish	0.5	255	0.4
Other White	1.3	548	1.3
White & Black Caribbean	0.0	21	0.1
White & Black African	0.1	39	0.1
White & Asian	0.0	10	0.2
Other mixed	0.2	71	0.2
Black Caribbean	0.2	83	0.1
Black African	0.0	0	0.1
Black other	0.0	0	0.0
Bangladeshi	0.0	0	0.1
Indian	0.2	73	0.3
Pakistani	0.0	0	0.0
Asian other	0.1	34	0.1
Chinese	0.1	44	0.3
Other ethnic group	0.1	26	0.2
Total	100.0	43,888	100.0

* © Crown Copyright (Census)

- 4.3.17 The final question in this section asked how many cars respondents have in their household. 17.1% have no car based on a response rate of 99.4%.

Table 4-28 Number of Cars in Household
Question 14

	%	N ^{os} implied
One	39.9	17,577
Two	35.6	15,693
Three or more	7.4	3,275
None	17.1	7,543
Total	100.0	44,088

4.4 Costs of Present Housing and Income

- 4.4.1 The next group of tables relate to the cost of accommodation and household incomes, beginning with a question on weekly rent paid which was answered by 11.6% of households (5,159 implied) – or 90% of households indicating a rented tenure in Table 2-3 above.

Table 4-29 Weekly Rent Paid for Present Accommodation
Question 15a

Weekly rent	%	Cum %
Under £50 pw / £215 pm	18.4	18.4
£50 - £61 pw / £215 - £260 pm	16.9	35.3
£61 - £70 pw / £261 - £300 pm	17.7	53.0
£71 - £80 pw / £301 - £350 pm	12.9	65.9
£81 - £100 pw / £351 - £430 pm	10.1	76.0
£101 - £150 pw / £431 - £650 pm	17.0	93.0
£151 - £200 pw / £651 - £865 pm	5.6	98.6
£201 - £250 pw / £866 - £1,080 pm	1.0	99.6
Above £250 pw / £1,080 pm	0.4	100.0

- 4.4.2 The table indicates that 18.4% of renters in the sample paid less than £50 per week; 53% less than £70 per week. Table 2-3 shows that around 57.3% of those renting were in the social rented sector.
- 4.4.3 From cross-tabulation the percentage breakdown of rent levels for the three main rental tenures was as follows:-

Table 4-30 Rent Level / Tenure
Question 15a by Q.1

Weekly rent	Private rented	Council rented	HA rented
Under £50 pw / £215 pm	8.0	29.9	8.3
£50 - £60 pw / £215 - £260 pm	8.2	24.8	12.3
£61 - £70 pw / £261 - £300 pm	6.7	25.0	29.0
£71 - £80 pw / £301 - £350 pm	3.9	15.2	29.1
£81 - £100 pw / £351 - £430 pm	7.3	3.5	19.3
£101 - £150 pw / £431 - £650 pm	49.3	0.0	2.0
£151 - £200 pw / £651 - £865 pm	14.1	1.6	0.0
£201 - £250 pw / £866 - £1,080 pm	2.5	0.0	0.0
Above £250 pw / £1,080 pm	0.0	0.0	0.0
Total	100.0	100.0	100.0

- 4.4.4 Around 22.9% of private sector rents appeared to be relevant to households on lower incomes (i.e. under £70 per week), compared to 79.7% of Council rents and 49.6% of Housing Association rents. 29.9% of Council rents were below £50 per week. HA rents continue to be significantly higher than Council rents.

- 4.4.5 The next table shows that, of the 79.5% (35,232 implied) responding as homeowners in the sample (some 91.3% of owner occupiers in Table 2-3 above), 46.4% had no mortgage and a further 17.5% paid less than £350 per month.

Table 4-31 Monthly Mortgage Paid for Present Accommodation

Question 15b

Monthly mortgage	%	Cum %
Nil	46.4	46.4
Below £250	9.6	56.0
£250 - £350	8.0	64.0
£351 - £450	7.2	71.2
£451 - £600	10.4	81.6
£601 - £750	7.8	89.4
£751 - £1,000	6.9	96.3
£1,001 - £1,250	2.0	98.3
Above £1,250	1.7	100.0

- 4.4.6 75.8% of owners indicated that they had equity in their home, 67.2% of whom had equity of over £100,000, implying 19,647 households in the Borough.

Table 4-32 Amount of Equity in the Home

Question 15d

	Households %	N ^{os} implied
Below £10,000	3.5	1,016
£10,000 - £20,000	3.6	1,040
£20,001 - £30,000	3.0	872
£30,001 - £50,000	6.3	1,831
£50,001 - £75,000	5.8	1,729
£75,001 - £100,000	10.6	3,114
Above £100,000	67.2	19,647
Total	100.0	29,249

- 4.4.7 The next question probed for information about household income, the results are set out in Table 4-33.

Table 4-33 Gross Annual Income of Households

Question 15c

Annual income	%	Cum %	UK 2002 - 2003 *
Below £10,000	11.4	11.4	21.6
£10,000 - £25,000	31.7	43.1	48.4
£25,001 - £30,000	10.8	53.9	
£30,001 - £40,000	16.1	70.0	30.0
£40,001 - £50,000	11.4	81.4	
£50,001 - £60,000	6.7	88.1	
£60,001 - £75,000	5.7	93.8	
£75,001 - £100,000	4.2	98.0	
Above £100,000	2.0	100.0	

Source: DWP Family Resources Survey 2002-2003

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- 4.4.8 The response rate to the income question was 70.9% and should give a good picture of the income levels in the Borough. The table shows only 11.4% of households had incomes below £10,000, well below the corresponding UK figure (28.3%). The total proportion in the Borough earning below the approximate national average household income of £27,300 per annum was 48.1%, well below the average for the UK as a whole (63.6%). 46% of the households in the Borough on the basis of the survey data had incomes above £30,000 per annum, well above the UK average (30.0%).
- 4.4.9 Cross-tabulation produced the following split of income levels by tenure for the five main tenure types.

Table 4-34 Annual Income by Tenure

Question 15c by Q.1

Tenure	Below £10k	£10k - £25k	£25k - £30k	£30k - £40k	£40k - £50k	£50k - £60k	£60k - £75k	£75 - £100	Above £100k	Total
Owner occupier – mortgage	2.2	21.1	11.6	21.1	16.1	10.3	8.8	5.9	2.9	100.0
Owner occupier – outright	20.5	48.9	10.5	9.2	4.2	2.0	2.2	1.8	0.7	100.0
Private rented	17.5	31.6	12.0	21.6	10.5	0.0	0.0	6.8	0.0	100.0
Council rented	53.4	44.2	0.0	1.6	0.0	0.8	0.0	0.0	0.0	100.0
HA rented	60.3	23.8	8.3	5.1	2.5	0.0	0.0	0.0	0.0	100.0

- 4.4.10 The profiles were largely as would be expected as between owner-occupiers and renters, especially bearing in mind that a significant proportion of owner-occupiers without mortgage would be people with limited pension income. Council rented sector incomes were concentrated (53.4%) below £10,000 per annum. Private rented sector incomes were generally much higher than Council rented sector incomes although 17.5% were still below £10,000 per annum. HA rented incomes were lower than Council rented incomes with 60.3% having incomes below £10,000 suggesting many will be dependent on housing benefit to pay higher rents, in line with our comment at 4.4.4 above.

- 4.4.11 Our findings are also broadly consistent with the findings of the Family Spending Review 2000/01. The review found the average gross income of owners without a mortgage to be £21,944 compared to £36,712 for those with a mortgage. Lowest incomes were found among local authority tenants (£12,168) and housing association tenants (£13,468). 54.8% of households with incomes in the lowest income group (up to 5,564 per year) were social housing tenants; 24.4% were outright owners.
- 4.4.12 23.7% of households were in receipt of financial support (10,518 implied), close to the average found in recent DCA surveys (23%). The results from those responding to a multiple-choice question are set out in Table 4-35 below. On average, each respondent indicated 1.4 forms of financial support.

Table 4-35 Financial Support

Question 15e

	Responses %	Households %	N ^{os} implied
Housing Benefit	20.3	27.7	2,910
Working Family Tax Credit	26.3	35.7	3,754
Income Support	13.8	18.8	1,974
Disability Allowance	18.1	24.6	2,588
Job Seekers Allowance	2.1	2.9	302
Other	19.4	26.4	2,772
Total	100.0		14,300

- 4.4.13 27.7% of households responding were in receipt of Housing Benefit (2,910 implied) or 50.9% of renters in the sample – a relatively low level in our survey experience.

4.5 Migration

- 4.5.1 This section looks at the patterns of in and out migration for the Fareham area. In the first part of the section we asked the 13,595 implied households (30.7% of the sample) who had moved in the last 5 years where they had moved from. 49.9% of the respondents to the question had previously lived within Fareham. 11.4% had moved to the Borough from elsewhere within UK (i.e. from outside Hampshire and the South East). 85% (556 implied) of moves to Council rented accommodation came from households already living in Fareham.

Table 4-36 Location of Previous Dwelling

Question 4b

	%	N ^{os} implied
Within Fareham Borough	49.9	7,628
Eastleigh	2.5	383
Gosport	7.0	1,073
Portsmouth	8.8	1,341
Southampton	4.8	737
Winchester	1.5	221
Elsewhere in Hampshire	5.4	830
Elsewhere in South East	7.4	1,123
Elsewhere in the UK	11.4	1,743
Abroad	1.3	205
Total	100.0	15,284

- 4.5.2 Those who had moved within the last 5 years were then asked what the most important reason was for moving home. 14,117 implied households responded to the question. 26.8% of households moving in the last 5 years moved to get more space.

Table 4-37 Reason for the Moving Within Last 5 Years

Question 4c

	%	N ^{os} implied
Needed more space	26.8	3,785
Needed less space	7.3	1,028
Wanted to buy	9.6	1,358
Family breakdown	10.0	1,409
To be near family	8.6	1,219
To move to a cheaper home	4.1	578
New job	9.6	1,349
Closer / easier to commute to work	5.8	822
Retirement	5.7	805
New relationship	4.0	561
Health reasons	5.3	748
Education	3.2	455
Total	100.0	14,117

- 4.5.3 The reasons for moving for those moving into the Borough were accessed through a cross tabulation with the following results.

Table 4-38 Reason For The Moving Within Last 5 Years, For Those Moving Into The Borough

Question 4c / 4b

	%	N ^{os} implied
Needed more space	17.7	1,259
Needed less space	4.3	303
Wanted to buy	7.8	555
Relationship / Family breakdown	6.4	454
To be near family	15.5	1,099
To move to a cheaper area	3.7	262
New job	17.7	1,258
Closer / easier to commute to work	10.3	735
Retirement	5.4	385
New relationship	4.0	287
Health reasons	3.2	227
Education	4.0	281
Total	100.0	7,105

- 4.5.4 Employment is commonly the most popular reason given for moving into the Borough in our surveys. In Fareham however needing more space and new job were equally important (17.7%).

- 4.5.5 Out migration accounted for 51% (4,962 implied) of all intended moves for both existing and concealed households over the next 5 years. Out migration is expected to account for 51.8% (3,036 implied) of all existing households moving and 44.5% (1,926 implied) of all concealed households moving.
- 4.5.6 Those moving out of the Borough were asked their reasons for moving away. 2,698 implied existing households, 95.5% of those intending to move out of the Borough, and 1,823 implied concealed households, 65% of those intending to move outside the Borough, responded to a multiple choice question, offering around 1.4 choices in the case of existing households and 1.2 in the case of new households.

Table 4-39 Reason for Moving Out of Fareham Borough
Question 16d

	Existing Households		Concealed households	
	% households	N ^{os} implied	% households	N ^{os} implied
Better shops / leisure facilities	15.2	412	5.1	82
Family / carer	33.0	690	0.5	10
Better employment	22.2	598	38.4	1,064
Better access to work	7.7	209	11.4	208
Safety / fear of crime	7.3	167	0.0	0
Lack of affordable housing	14.9	404	30.3	552
Better education facilities	7.5	201	13.7	247
To start a family	5.3	170	0.4	63
Lack of high quality housing facilities	5.8	159	0.0	0
Retirement	27.0	730	2.6	52
Total		3,740		2,278

- 4.5.7 The single most common reason given by existing households moving outside the Borough was to be closer to family / carer (33%), retirement was given as a reason by 27% of respondents and 22.2% choose better employment. In the case of concealed households moving, choices were more focused on lack of affordable housing (30.3%) and better employment 38.4%, this is typical in our experience of a younger group.
- 4.5.8 Those moving out of the Borough were asked where they were thinking of moving to. In this case 2,945 implied existing households, and 1,912 implied concealed households, responded to the question. Respondents made an average of 1.1 choices in the case of both existing moving households and new households.

Table 4-40 Location of Move for those Moving Outside Fareham Borough

Question 16c

Location	Existing households		Concealed households	
	%	N ^{os} implied	%	N ^{os} implied
Elsewhere in Hampshire	20.0	589	10.4	199
Elsewhere in South East	12.7	375	9.7	185
Elsewhere in the UK	41.2	1,214	54.9	1,049
Abroad	15.5	456	5.0	96
Eastleigh	2.4	70	0.0	0
Gosport	4.9	144	5.9	112
Portsmouth	1.3	38	13.8	263
Southampton	6.9	203	7.6	145
Winchester	3.9	115	1.4	26
Total		3,204		2,075

- 4.5.9 In the case of both existing and concealed households, the main interest was elsewhere in the UK with some 41.2% of existing households moving and 54.9% of concealed households moving giving that location.

4.6 Summary of Current Housing

4.6.1 The Housing Stock

- ◆ Locally, the proportion of houses and bungalows (76%) is well above the national average of 54% at the 2001 Census.
- ◆ Small units, flats (9.8%) and terraced houses (19.4%) are significantly below the national average levels of 20% and 25% respectively.

4.6.2 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 91% of households say that their accommodation is adequate for their needs.
- ◆ 9% (3,939 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 (89%). Of those requiring a move 63% (2,428 implied) indicated that the dwelling was too small.
- ◆ Based on a calculation of existing household occupants to bedroom numbers, under-occupation affects approximately 50% of all households and over-occupation affects 2%.
- ◆ This figure does not account for current pregnancy requiring larger accommodation. Levels of over crowding are much higher in the social sector stock with Council (6.5%) and HA (14%). The Council rented over-occupation level (6.5%) and Housing Association are significantly higher than the UK average over-occupation figure (3%) and the overall level in the Borough on the basis of our survey (2%).

4.6.3 Costs of Present Housing and Household Income

- ◆ Around 18% of rented households pay less than £50 per week and some 66% less than £80. Of those with a mortgage 82% pay less than £600 per month and 4% pay in excess of £1,000 per month.
- ◆ Over 11% of households have gross incomes below £10,000, below the corresponding UK figure (21%). 40% of households in the Borough have incomes above £30,000 above the UK average level of 32%.

5 FUTURE HOUSING REQUIREMENTS

5.1 Moving Households within Fareham Borough

- 5.1.1 Moving intentions and behaviour were tested in several sections of the questionnaire with an emphasis on future plans to move within the Borough for existing households and also a more focused study on concealed households who represent an existing pent up demand for housing.
- 5.1.2 Respondents were asked to say whether they or any members of the household were currently seeking to move or will do so in the next five years. We found that 21.7% of all households responding (9,593 implied) planned a move. A further 5.7% (2,517 implied) indicated that they wished to move but were unable to do so.
- 5.1.3 The majority (73.6%) was not intending to move in this time scale, whether able to do so or not. The scale of movement implied, at an average of around 7.2% per annum, was higher than that found in other recent surveys carried out by DCA in which an average figure of around 4.6% has emerged. This proportion would rise to 9.1% if all those wishing to move in the period were able to do so.
- 5.1.4 Those indicating a wish to move but an inability so to do offered the following reasons for not being able to move. Respondents offered around 1.3 choices on average. However, the number of implied households responding was 3,539, not 2,517 as indicated by the basic responses on moving referred to at 5.1.2 above. We assume that some households experiencing a difficulty in moving in the shorter term also answered this question even though they expected to move some time in the next five years.
- 5.1.5 It would seem clear from Table 5-1 below that affordability was by far the most important single factor with 71.5% saying they were unable to afford to move / buy another house; 23.2% mentioned a lack of affordable rented housing.

Table 5-1 Reasons Preventing a Move

Question 16e

	% responses	% households	N ^{os} implied
Unable to afford to move / buy a home	54.2	71.5	2,531
Lack of affordable rented housing	17.6	23.2	822
Family reasons	7.4	9.8	347
Location of employment	7.5	9.9	350
Local education choices	2.5	3.3	116
Other	10.8	14.3	506
Total	100.0		4,672

5.2 Housing Needs of Existing Households Moving Within the Fareham Borough

5.2.1 The percentages in all tables in this section (except cross tabulations) have been applied to the control total of 2,826 implied existing household moving within the Borough, corresponding to the total number of households responding to question 17b asking about the nature of the move.

5.2.2 The first table in this section looks at the current tenure of existing households moving within the Borough. 76.9% of the group were owners; 3.9% were Council rented sector tenants as compared with 12% on average on recent DCA surveys.

Table 5-2 Current Tenure of Existing Households Moving Within Fareham Borough

Question 16b by Q.1

Tenure	% of moving households	N ^{os} implied
Owner occupier with a mortgage	61.4	1,736
Owner occupier no mortgage	15.5	437
Private rented	14.2	400
Council rented	3.9	109
HA rented *	2.4	68
Shared ownership	0.0	0
Tied to employment / other *	2.6	76
Total	100.0	2,826

Table 5-3 When is the Accommodation Required

Question 17

Time accommodation required	%	N ^{os} implied
Within 1 year	29.0	820
Within 1 - 2 year	35.3	998
2 - 3 years	15.7	444
3 - 5 years	20.0	564
Total	100.0	2,826

5.2.3 The table shows that 29% of potential movers sought to do so within one year; 64.3% within 2 years. 20% of the respondents indicated an intention to move in the longer term (i.e. 3 - 5 years from now).

Table 5-4 Type of Accommodation Required

Question 18

Type	%	N ^{os} implied
Detached	40.2	1,136
Semi-detached	28.1	794
Terraced	2.4	68
Flat / maisonette	5.7	161
Bungalow	19.5	551
Supported housing	2.7	76
Bedsit / studio / room only	1.4	40
Caravan / mobile Home	0.0	0
Total	100.0	2,826

- 5.2.4 Table 5-4 indicates that 40.2% of respondents felt that they required detached houses – above the average for this group found in recent DCA surveys (32%). Interest in flats / maisonettes at 5.7% was below that found in recent DCA surveys even though interest in flats from existing households moving has typically only been around 8%.

Table 5-5 Number of Bedrooms Required

Question 20

Bedrooms	%	N ^{os} implied
One	6.2	175
Two	19.5	551
Three	47.0	1,328
Four	25.0	707
Five or more	2.3	65
Total	100.0	2,826

- 5.2.5 66.5% of existing household moving respondents indicated that they required two or three bedroom accommodation. The requirement for one bedroom accommodation (6.2%) was lower than that found in other recent surveys carried out by DCA in which 8% has been around the average, as would be expected given the lower than average level of interest in flats / maisonettes indicated at 5.2.4 above.
- 5.2.6 We ran a cross-tabulation relating type of property required to size required in terms of bedrooms with the following results.

Table 5-6 Type Required by Size Required
Question 20 by Q.18

Type	One bed		Two bed		Three bed		Four beds		Five + bed		Total
	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	N ^{os}
Semi-detached	0.0	0	17.2	137	66.5	527	16.3	129	0.0	0	793
Detached	0.0	0	7.9	89	33.4	435	48.0	544	5.8	66	699
Terraced	0.0	0	24.6	17	75.4	51	0.0	0	0.0	0	68
Flat / maisonette	46.0	65	43.4	61	10.6	15	0.0	0	0.0	0	141
Bungalow	6.5	34	35.0	184	52.7	277	5.9	31	0.0	0	526
Bedsit / studio / room only	100.0	40	0.0	0	0.0	0	0.0	0	0.0	0	40
Caravan / mobile home	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Supported housing	29.1	22	70.9	53	0.0	0	0.0	0	0.0	0	75
Total		161		541		1,305		704		66	2,342

NOTE: in this table the figures have not been adjusted to the control total of 2,826

- 5.2.7 41.4% of bungalow demand was for 1 or 2-bed accommodation as compared with 7.9% of detached demand, of which 53.8% favoured 4+ bed accommodation. 66.5% of semi-detached demand was for 3-bed accommodation; 17.2% for 2-bed accommodation.
- 5.2.8 Existing moving households were next asked if they were looking to rent or buy. The results are set out in Table 5-7.

Table 5-7 Preferred Tenure
Question 21

Tenure	%	N ^{os} implied
Owner occupation	86.0	2,430
Council rent	8.2	232
HA rent	0.8	23
HA shared ownership	0.0	0
Private rented	5.0	141
Total	100.0	2,826

- 5.2.9 86% (2,430 implied) saw owner occupation as their priority – above the average found in recent DCA surveys (74%). 9% of the group indicated a preference for Social rented accommodation – well below the level found for social rented accommodation in recent DCA surveys (20%). The number of households expressing a demand for Social rented accommodation (255 implied) was however considerably higher than the number of Council rented tenants indicating an intention to move in Table 5-2 above (109 implied). Interest in the private rented sector was very limited at just 5%.

- 5.2.10 We found that 97.6% of owner occupiers with a mortgage wanted to remain in the owner occupied sector, as did 95.6% of owners without a mortgage. All Council tenants wanted to remain as Council tenants, compared to 85.6% of HA tenants, those wishing to move out of the HA sector wished to move to a Council home. Private tenants expressed the widest range of tenure preferences with only 19.9% wishing to remain in private rented accommodation, 52.5% hoping to move to owner occupation and 22% wanting Council housing, a further 5% opted for HA rented accommodation.
- 5.2.11 We ran a cross-tabulation to compare type of property required with type of tenure preferred with the following results.

Table 5-8 Type Required by Preferred Tenure
Question 21 by Q.18

Type	Owner Occupation		HA shared ownership		Social Rented		Private rented		Total
	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	N ^{os}
Semi-detached	26.7	619	0.0	0	34.5	85	40.6	47	751
Detached	45.3	1,052	0.0	0	0.0	0	17.3	20	1,072
Terraced	1.3	30	0.0	0	15.0	37	0.0	0	67
Flat / maisonette	3.5	82	0.0	0	16.7	41	15.7	18	141
Bungalow	20.2	468	0.0	0	15.4	38	26.4	31	537
Bedsit / studio / room only	0.9	21	0.0	0	7.4	18	0.0	0	39
Caravan / mobile home	0.0	0	0.0	0	0.0	0	0.0	0	0
Supported housing	2.1	48	0.0	0	11.0	27	0.0	0	75
Total	100.0	2,320	0.0	0	100.0	246	100.0	116	2,682

(*Low volume of data).

NOTE: in this table the figures have not been adjusted to the control total of 2,826).

- 5.2.12 16.7% of demand in the Social rented sector was for flats / maisonettes; 34.5% for semi-detached houses. 45.3% of owner-occupation demand was for detached houses; 26.7% for semi-detached houses.
- 5.2.13 98.1% of demand for detached houses; 82.4% of demand for semi-detached houses and 87.1% of demand for bungalows was for owner-occupation. 7.1% of demand for bungalows was for Council rented accommodation, there was no demand for HA bungalows.
- 5.2.14 6.1% of existing moving households (172 implied) were registered on a housing waiting list, 82.2% indicating registration on the Fareham Borough Council list. 17.8% indicated registration on a housing association list.
- 5.2.15 Existing households moving were asked where accommodation was required. Up to two choices were invited but on average only 1.5 choices each were offered.

Table 5-9 Where Accommodation is Required
Question 23

Location	All Existing Moving Households			Council Tenants Only
	% responses	% households	N ^{os} implied (all choices)	N ^{os} implied (all choices)
Fareham	29.4	44.9	1,269	71
Portchester	9.4	14.4	407	38
Hill Head / Stubbington	17.4	26.5	749	19
Titchfield	9.8	14.9	421	0
Locks Heath	10.9	16.6	469	0
Park Gate	3.4	5.2	147	0
Sarisbury	1.8	2.8	79	0
Whiteley	5.6	8.5	240	0
Titchfield Common	4.2	6.4	181	0
Warsash	8.1	12.4	350	0
Total	100.0		4,312	128

- 5.2.16 Interest was primarily focused on Fareham (44.9%), other choices were well spread across the Borough.
- 5.2.17 We ran a separate cross tabulation looking at the locations required by Council tenants who made 1.2 choice on average. Demand among Council rented tenants was also focused on Fareham. Demand amongst HA tenants was also focused on Fareham (34 cases) although 26 requested Park Gate and 9 opted for Portchester.
- 5.2.18 The final question in this section asked respondents why they preferred a particular location, the average number of choices was 2.4. As with other DCA surveys, the reasons were spread across a large number of options but wanting to move to a better area (46.8%) was the most popular choice. The desire to remain in familiar locations, close to family and friends, were also, as usual, popular choices; 'always lived here' (35.9%) and 'near family / carer' (33.5%). Access to better shopping and leisure facilities (30.7%) was, surprisingly a more popular choice than employment / closer to work (24.2%) which is commonly the most popular choice in our surveys.

Table 5-10 Reason for Preferred Location
Question 24

Location	% responses	% households	N ^{os} implied (all choices)
Employment / closer to work	9.9	24.2	684
Better area	19.3	46.8	1,323
Near family / carer	13.9	33.5	947
Nearer / better schools / colleges	11.7	28.4	803
Always lived here	14.8	35.9	1,015
Nearer hospital / doctor	5.4	13.2	373
Nearer / better shopping / leisure facilities	12.6	30.7	868
Greater availability of cheaper housing	1.2	3.0	85
Better public transport	2.6	6.4	181
Greater availability of larger homes	5.5	13.4	379
More homes suitable for adaptation	1.8	4.5	127
Greater availability of smaller homes	1.3	3.2	90
Total	100.0		6,875

5.3 Housing Needs of Concealed Households Moving Within Fareham Borough

- 5.3.1 In this section we look in detail at those people living in an existing household but described as a 'concealed' household which we take as a proxy for the extent of 'concealment' of housing need within the Borough because these households represent a pent up and unmet demand for housing.
- 5.3.2 The questionnaire allowed for up to 2 concealed households to be identified within each existing household. We identified 2,403 households with one concealed household (as per Q17b on the nature of move) and 399 with a second concealed household (based on the average responses in the detailed data tables), giving a total of 2,802 concealed households in the Borough.
- 5.3.3 The tables below show both the findings for all concealed household planning to move within the next 5 years (2,802 households) and the findings for those moving within the next 12 months (636 households)
- 5.3.4 The vast majority (91.3%) of the total of concealed households consisted of people described as children of the household as set out in Table 5-11 below.

Table 5-11 Person Looking to Form Concealed Households
Question 25

Persons forming household	%	N ^{os} implied
Children 16 +	91.3	2,558
Friend	0.0	0
Lodger	3.6	101
Parent / Grandparent	0.3	8
Partner / Spouse	2.1	59
Other relative	2.7	76
Total	100.0	2,802

Table 5-12 Age Structure of Concealed Households

Question 26b & c

Age	%	N ^{os} implied
16 - 19	26.6	830
20 - 29	59.2	1,844
30 - 44	11.5	358
45 - 59	2.3	72
60 - 74	0.0	0
75+	0.4	11
Total	100.0	3,115

5.3.5 The age question refers to individual adult household members.

5.3.6 Table 5-12 above suggests 26.6% of concealment related to the 16 - 19 age group with 85.8% relating to all those under 30 years of age.

Table 5-13 Number of Children

Question 26d

Children	%	N ^{os} implied
Child due	0.5	14
One	7.9	221
Two or more	0.0	0
None	91.6	2,567
Total	100.0	2,802

5.3.7 The survey found that children (under the age of 16) currently exist in 221 households, representing concealed families.

5.3.8 We asked if the household was being formed as a single person or with a partner, 63.4% of cases indicated that the household was to be formed with a partner (1,776 households implied).

5.3.9 Those who were forming a household with a partner were asked where their partner was currently living. 38.4% of partners were already living within the household.

Table 5-14 Where is Partner Living Now

Question 26b

	%	N ^{os} implied
In your existing household	38.4	682
Elsewhere in Fareham Borough	31.7	563
Outside Fareham Borough	29.9	531
Total	100.0	1,776

Table 5-15 Time of Move

Question 27

When required	%	N ^{os} implied
Within 1 year	22.7	636
1 - 2 years	25.8	723
2 - 3 years	17.9	501
3 - 5 years	33.6	942
Total	100.0	2,802

5.3.10 New Household Formation

5.3.11 The Good Practice Guidance recommends that the scale of annual new household formation is calculated as an average of the first two years numbers identified in the survey. Table 5-15 above shows that 636 and 723 households intend to form in the Borough over two years, averaging 680 households.

5.3.12 Guidance also requires that double counting is avoided and the following numbers of two person formation with a partner living elsewhere in the Borough and those already on the Housing Register are removed.

Table 5-16 Double Counting Removal

9. New household formation (gross p.a.)	680
10. MINUS - Two person formation (31.7%) x 0.5	<u>108</u>
	572
11. MINUS - Households registered on waiting list (22.6%)	<u>129</u>
	443

5.3.13 The net level of 443 households is that considered to form each year and used in the Assessment Model at Section 10.2.

5.3.14 22.7% (636 implied) of the concealed household moving group required accommodation within one year as compared with 29% in the case of existing households moving. 33.6% of the group saw their requirement as longer term (3-5 years).

Table 5-17 Tenure Needed

Question 28a

Tenure	All concealed households moving		Concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
Owner occupation	41.9	1,174	33.6	214
Council rented	25.8	723	34.3	218
Private rented	20.1	563	23.1	147
HA rented	5.1	143	9.0	57
HA shared ownership	7.1	199	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.15 As usual, a high proportion (41.9%) of all concealed households moving opted for owner occupation; in Fareham however 25.8% opted for Council rented accommodation, and a further 5.1% wanted HA rented accommodation and 20.1% wanted private rented accommodation. Those moving within a year showed a higher preference for Council rented accommodation and a higher preference for private renting.

Table 5-18 Tenure Preferred

Question 28b

Tenure	All concealed households moving		Concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
Owner-occupation	64.5	1,807	41.2	262
Council rented	15.4	432	26.3	167
Private rented	10.3	289	22.4	142
HA rented	4.7	132	10.1	65
HA shared ownership	5.1	142	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.16 In the case of tenure preference, the choices of all concealed households moving were, not surprisingly, more aspirational, favouring owner occupation over the other forms of tenure. 68.9% of new households currently living in owner occupation wanted to buy their own home, 25.7% of those currently living in Council housing wanted to remain as Council tenants, 51% wanted to buy their own home. Concealed households moving within one year indicated a lower level of preference for owner occupation than for all concealed households moving with a higher level of interest in Council rented accommodation (26.3%) and private renting (22.4%).

Table 5-19 Type of Accommodation Needed

Question 29a

Type	All concealed households moving		Concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
Semi-detached	10.0	280	7.7	49
Terraced	25.8	723	20.4	130
Detached	5.4	151	0.0	0
Flat / maisonette	45.6	1,278	62.6	398
Bedsit / studio / room only	9.6	269	9.3	59
Bungalow	0.8	22	0.0	0
Caravan / mobile home	1.1	31	0.0	0
Supported housing (including sheltered)	1.7	48	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.17 The results from the survey showed a different profile from existing households moving, as might be expected for a generally younger group, this is consistent with our other recent surveys. 45.6% of all concealed moving households required flats / maisonettes, a level as high as 40-50% has been common in our surveys. Aspiration to detached houses was just 5.4%. The profile of those moving within 1 year showed a significantly higher level of need for flats / maisonettes and a lower level of interest in semi-detached and terraced houses.

Table 5-20 Type of Accommodation Preferred

Question 29b

Bedrooms	All concealed households moving		Concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
Semi-detached	21.9	614	17.9	114
Detached	13.7	384	12.2	78
Terraced	29.0	813	33.8	215
Flats / maisonette	29.0	813	26.5	169
Bungalow	0.4	11	0.0	0
Supported housing (including sheltered)	2.0	56	0.0	0
Bedsit / studio / room only	4.0	111	9.6	60
Caravan /mobile home	0.0	0	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.18 The more aspirational view usually reflected amongst all concealed households moving on preference for type (i.e. more houses; fewer flats) was as evident in Fareham as in many of our other recent surveys. The position in relation to those moving within 1 year showed a more dramatic shift away from flats, with only 26.5% saying they would prefer a flat compared to 62.6% expressing a need. Preference was focused on terraced houses.

Table 5-21 Number of Bedrooms Needed

Question 30a

Bedrooms	All concealed households moving		All concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
One	46.5	1,303	36.5	232
Two	45.6	1,278	58.3	371
Three	7.9	221	5.2	33
Four	0.0	0	0.0	0
Five or more	0.0	0	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.19 Reflecting the high level of demand for flats referred to at Table 5-19 above, 46.5% of all new household need just one bedroom, 92.1% need no more than 2 bedrooms. No new households needed more than 3 bedrooms. The profile for those moving within a year differed only in so far as the level of need for 2-bed accommodation was higher with less interest in 1-bed accommodation.

Table 5-22 Number of Bedrooms Preferred
Question 30b

Bedrooms	All concealed households moving		All concealed households moving within one year	
	%	N ^{os} implied	%	N ^{os} implied
One	10.7	300	9.5	60
Two	61.3	1,718	57.8	368
Three	27.5	770	30.2	192
Four	0.5	14	2.5	16
Five or more	0.0	0	0.0	0
Total	100.0	2,802	100.0	636

- 5.3.20 The results for all concealed households moving reflected the interest in larger house types referred to at 5.3.18 above in that preference for 1-bed properties was much lower (10.7%) as compared with need (46.5%) at Table 5-21. The results for concealed households moving within one year show a higher level of interest in three bedroom properties and less interest in one bedroom accommodation, compatible with the higher level of preference for terraced houses indicated at Table 5-20.
- 5.3.21 We ran two cross-tabulations for all concealed households moving on need only relating the type of property required to size required.

Table 5-23 Type Needed by Size Needed
Question 29a by Q30a

Type	1-bed		2-bed		3-bed		4-bed +		Total
	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	N ^{os}
Semi-detached	12.5	34	70.7	193	16.8	46	0.0	0	273
Detached	12.2	18	52.0	77	35.8	53	0.0	0	148
Terraced	16.5	117	66.3	469	17.1	121	0.0	0	707
Flat / maisonette	60.6	758	39.4	492	0.0	0	0.0	0	1,250
Bedsit / studio / room only	100.0	263	0.0	0	0.0	0	0.0	0	263
Bungalow	52.2	12	47.8	11	0.0	0	0.0	0	23
Supported housing	48.8	21	51.2	22	0.0	0	0.0	0	43
Caravan / mobile home	100.0	31	0.0	0	0.0	0	0.0	0	31
Total		1,254		1,264		220		0	2,738

NOTE: these figures have not been adjusted to the control total of 2,802

- 5.3.22 As might be expected, 60.7% of flatted accommodation demand was for 1-bed property; 39.3% for two-bed property. 70.7% of semi-detached demand and 66.3% of terraced demand was for 2-bed property.

Table 5-24 Type Needed by Tenure Needed
Question 29a by Q.28a

Type	Owner Occupation		Private Rented		Council rented		HA rented		HA Shared Ownership		Total
	%	N ^{OS}	%	N ^{OS}	%	N ^{OS}	%	N ^{OS}	%	N ^{OS}	N ^{OS}
Semi-detached	13.1	36	15.5	30	0.0	0	0.0	0	0.0	0	66
Detached	11.3	31	0.0	0	18.8	31	0.0	0	0.0	0	62
Terraced	26.6	73	5.2	10	39.4	65	0.0	0	0.0	0	148
Flat / maisonette	34.3	94	44.3	86	41.8	69	0.0	0	100.0	42	291
Bedsit / studio / room only	14.7	40	35.0	68	0.0	0	100.0	11	0.0	0	119
Bungalow	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Supported housing	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Caravan / mobile home	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Total	100.0	274	100.0	194	100.0	165	100.0	11	100.0	42	686

NOTE: these figures have not been adjusted to the control total of 2,802.

- 5.3.23 41.8% of interest in Council rented accommodation was for flats. Interest in owner-occupation was spread across house types with 34.3% of demand being for flats / maisonettes and 26.6% being for terraced houses.
- 5.3.24 50% of interest in detached houses and 54.5% of interest in semi detached houses was for owner occupied accommodation. Interest in terraced houses was fairly evenly split between owner occupied and Council rented sectors.
- 5.3.25 Only 8% of all concealed households moving (228 implied) were registered on a housing waiting list, 95.2% being on the Fareham Borough Housing Register. The proportion rose to 22.6% (144 implied) among concealed households moving within one year, 92.4% being on the Fareham Borough Housing Register.
- 5.3.26 Concealed households were asked the same questions on location as existing households moving. Respondents gave around 1.6 choices on average in the case of all concealed households and 1.5 in the case of concealed households moving within one year based on response rates of 97.3% and 91.7% respectively.

Table 5-25 **Choice of Location**
Question 31

Location	All concealed households moving			Concealed households moving within one year		
	% responses	% households	N ^{os} implied	% responses	% households	N ^{os} implied
Fareham	50.0	79.6	2,230	58.9	87.8	558
Portchester	17.7	28.3	793	12.6	18.7	119
Hill Head / Stubbington	10.1	16.1	451	15.6	23.2	148
Titchfield	2.7	4.3	120	3.8	5.7	36
Locks Heath	7.7	12.3	345	1.9	2.9	18
Park Gate	3.8	6.1	171	3.6	5.3	34
Sarisbury	1.0	1.6	45	0	0	0
Whiteley	2.2	3.6	101	0	0	0
Titchfield Common	3.2	5.1	143	2.3	3.4	22
Warsash	1.6	2.6	73	1.3	1.9	12
Total	100.0		4,472	100.0		947

5.3.27 As with existing households, for all concealed households moving and concealed households moving within one year interest was focused primarily on Fareham.

Table 5-26 **Reason for Preferred Location**
Question 32

Reason	All concealed households moving			Concealed households moving within 1 year		
	% responses	% h'holds	N ^{os} implied (all choices)	% responses	% h'holds	N ^{os} implied (all choices)
Employment / closer to work	21.8	51.6	1,446	20.9	49.1	312
Near family / carer	26.7	63.1	1,768	27.9	65.6	417
Always lived here	25.1	59.4	1,664	19.5	45.9	292
Nearer / better shopping / leisure facilities	5.9	14.0	392	10.4	24.5	156
Better area	11.8	27.8	779	13.7	32.1	204
Better public transport	3.5	8.2	230	3.7	8.7	55
Greater availability of cheaper housing	0.4	0.9	25	0.0	0.0	0
Nearer / better schools / colleges	1.8	4.3	120	2.5	5.8	37
Greater availability of smaller homes	2.4	5.7	160	0.7	1.8	11
More homes suitable for adaptation	0.6	1.5	42	0.7	1.8	11
Total	100.0		6,626	100.0		1,495

5.3.28 The most popular reason given by all concealed households moving was to be close to family / carer (63.1%), always lived here (59.4%) was also a popular choice. 51.6% of new households chose employment / closer to work compared to 24.2% of existing households, this is frequently the most popular choice among new households in our surveys. The profile of reasons given by those moving within one year was similar to that for all concealed households moving, with 65.6% wishing to be closer to family / carer, 49.1% needing to be closer to work, and 45.9% saying they had always lived in the area.

Table 5-27 Maximum Weekly / Monthly Rent of Concealed Households
Question 34a

Weekly rent	All concealed households moving		Concealed households moving within one year	
	%	Cum %	%	Cum %
Below £50 pw / £215 pm	10.5	10.5	0.0	0.0
£50 - £60 pw / £215 - £260 pm	33.6	44.1	28.9	28.9
£61 - £70 pw / £261 - £300 pm	27.7	71.8	30.2	59.1
£71 - £80 pw / £301 - £350 pm	12.3	84.1	18.3	77.4
£81 - £100 pw / £351 - £430 pm	9.4	93.5	11.0	88.4
£101 - £150 pw / £431 - £650 pm	5.5	99.0	6.6	95.0
£151 - £200 pw / £651 - £865 pm	1.0	100.0	5.0	100.0
Over 201 pw / £866 pm	0.0	0.0	0.0	0.0

- 5.3.29 Responses were received from 54% (1,521 implied) of all concealed households moving. Of those, 10.5% could afford a weekly rent of no more than £50; 44.1% no more than £60 (as compared with 35.3% in the existing household profile at Table 4-29). In the case of the movers within 1 year, 28.9% could afford to pay no more than £60 per week based on a 47.3% response.

Table 5-28 Maximum Monthly Mortgage of 'Concealed' Households
Question 34c

Monthly mortgage	All concealed households moving		Concealed households moving within one year	
	%	Cum %	%	Cum %
Below £250	26.0	26.0	0.0	0.0
£250 - £300	21.8	47.8	35.6	35.6
£301 - £400	24.6	72.4	23.4	59.0
£401 - £500	16.6	89.0	23.0	82.0
£501 - £600	5.4	94.4	0.0	82.0
£601 - £750	4.0	98.4	12.9	94.9
£751 - £1,000	1.6	100.0	5.1	100.0
Over £1,000	0.0	0.0	0.0	0.0

- 5.3.30 64.3% (1,802 implied) of all concealed households moving responded. For those seeking to buy a dwelling, 47.8% or so could not or would not pay a mortgage of more than £300 per month. In the case of concealed households moving within one year, 35.6% could not or would not pay a mortgage of more than £300 per month based on a 46.4% response (527 implied). The mortgage bands selected might reflect to some degree perceptions of the actual cost of access to home ownership.
- 5.3.31 71.6% (2,006 implied) of all concealed households responded to a question asking about the level of savings available to meet deposit and legal costs on their new home. 56.3% had less than £1,000 savings; 24.5% £1,000 - £3,000 savings. The proportion among those moving within a year based on a response rate of 51.7% was 43.5% with less than £1,000; 21.9% with £1,000 - £3,000.

Table 5-29 Savings of 'Concealed' Households
Question 34d

Savings	All concealed households moving		Concealed households moving within one year	
	%	Cum %	%	Cum %
Under £1,000	56.3	56.3	43.5	43.5
£1,000 - £3,000	24.5	80.8	21.9	65.4
£3001 - £5,000	7.7	88.5	19.5	84.9
£5,001 - £10,000	4.9	93.4	0.0	84.9
£10,001 - £20,000	2.6	96.0	4.6	89.5
Over £20,000	4.0	100.0	10.5	100.0

5.3.32 The concealed households were asked for further information on their financial position via a question on annual income. These findings are presented in Table 5-30 below.

Table 5-30 Annual Income of Concealed Households
Question 34e

Annual Income	All concealed households moving			Concealed households moving within one year		
	%	Cum %	N ^{os} implied	%	Cum %	N ^{os} implied
Below £10,000	25.3	25.3	709	32.0	32.0	204
£10,000 - £20,000	50.4	75.7	1,412	50.5	82.5	321
£20,001 - £25,000	9.5	85.2	266	6.5	89.0	41
£25,001 - £30,000	6.7	91.9	188	5.9	94.9	38
£30,001 - £35,000	6.0	97.9	168	0.0	94.9	0
£35,001 - £37,500	0.6	98.5	17	2.2	97.1	14
£37,501 - £40,000	0.0	98.5	0	0.0	97.1	0
£40,001 - £42,500	0.8	99.3	22	0.0	97.1	0
£42,501 - £45,000	0.0	99.3	0	0.0	97.1	0
£45,001 - £47,500	0.7	100.0	20	2.9	100.0	18
£47,501 - £50,000	0.0	0.0	0	0.0	0.0	0
Above £50,000	0.0	0.0	0	0.0	0.0	0
Total	100.0		2,802	100.0		636

- 5.3.33 A response was received from 75.9% (2,128 implied) of all concealed household respondents. The proportion of concealed households with annual incomes above the approximate average UK annual household income of £23,000 was around 17%, below the average of 34.8% found in recent DCA surveys. The proportion in the sub £10,000 per annum category (25.3%) was close to the average for concealed households moving found in other recent DCA surveys. Concealed households moving within one year indicated a marginally lower income profile, based on an 80% response.
- 5.3.34 The CORE data shows that the median income of households in new RSL lettings in 2004 £7,748 pa. The lowest quartile earned below £5,668 pa and 75% of all households in this sector earned below £11,180.
- 5.3.35 The Annual Survey of Hours and Earnings (ASHE) data, formerly the New Earnings survey shows the following results for full time adult employees in the Borough.
- 5.3.36 It is particularly important to examine the distribution of income rather than the average figure, especially in relation to the proportion of households with the capacity to access the private sector market for rent or sale.
- 5.3.37 There is a wide distribution of earnings illustrated from the ASHE data and those on higher incomes distort the picture of the situation for the majority of people in work. The mean income in 2004 was £25,376 but the median was £20,617 nearly £5,000 less, a very significant margin. Analysis of the data for the Borough shows the distribution of incomes: -
- ◆ 10% earned less than £11,402;
 - ◆ 20% earned less than £15,068;
 - ◆ 40% earned less than £18,473;
 - ◆ 75% earned less than £31,705;
 - ◆ 10% earned over £42,531.

Please note findings from Annual survey of Hours and Earnings for this area are based on a reasonably precise statistical measurement of quality at CV > 5% and <= 10%.

- 5.3.38 These are not household incomes but reflect full time incomes of all ages which we would expect to be higher than those of younger new household forming employees.

5.4 Benefits

- 5.4.1 On the basis of 80% response, 13.3% (299 implied) of all concealed households moving would be likely to claim Housing Benefit. 13% has been the average in our recent surveys. In the case of concealed households moving within one year, 19.9% (127 implied) would be likely to claim Housing Benefit based on a 92% response.

5.5 Family Members Who Left the Borough

- 5.5.1 Finally in this section we identified an implied 2,263 households where family members who had left the Borough because they could not afford to rent or buy locally (5.1% of all households). In 90% of cases only one household member had moved away, in 10% 2 members of the household had left the Borough.

Table 5-31 Type of Tenure Required
Question 36

	%	N ^{os} implied
Owner occupied	59.5	1,733
Council rented	11.7	340
HA rented	7.8	229
Private rented	21.0	611
Total	100.0	2,913

- 5.5.2 59% of those who had left the Borough wanted owner occupied accommodation.

Table 5-32 Number of Bedrooms Required
Question 37

	%	N ^{os} implied
One	25.5	625
Two	47.0	1,154
Three	24.0	588
Four or more	3.5	85
Total	100.0	2,452

- 5.5.3 25.5% of those moving away wanted just one bedroom, 72.5% wanted no more than 2 bedrooms.
- 5.5.4 In 61.6% of cases the respondent believed the family member would return to Fareham if cheaper housing was available.

5.6 Summary of Future Housing Requirements

5.6.1 Moving Households

- ◆ 2,826 existing households and 2,403 new households will be moving within the Borough in the next five years.
- ◆ 3,036 existing and 1,926 new forming households anticipate moving away from the Borough. In the case of existing households moving, the single most common reason given by existing households moving outside the Borough was nearness to family (33%) but employment and retirement were mentioned by a quarter of respondents.
- ◆ In the case of concealed households, as might be expected for a younger group, moving choices were focused mainly on employment issues (38%) and lack of affordable housing (30%).

5.6.2 Concealed Households

- ◆ Concealed households are people who could not afford to be in the housing market and are living within another household. The survey found that around 8.9% of households contained one or more households seeking independent accommodation giving a total of 2,802 cases over the next five years to 2009. Over 91% are the adult children of existing Borough residents.
- ◆ In the concealed households group:-
 - > 60% of the people in these concealed households are between 20 and 29 years of age and 14% are over 30.
 - > 1,776 (63%) of households are being formed with a partner living in a separate household elsewhere in the Borough.
 - > 22% of concealed households moving within the year were registered on a housing waiting list, 95% of them on the Fareham Borough Council Housing Register.
- ◆ 65% of the concealed households want to owner occupy, 10% prefer private rent and 5% shared ownership. 20% of concealed households expressed a preference for low cost social rented housing, 15% prefer council rent and 5% HA rent.
- ◆ The proportion of concealed households with annual incomes above the approximate UK annual household income of £25,000 was 11%; 32% indicated annual incomes below £10,000.

5.6.3 House Type Preferences / Supply

- ◆ Table 1-1 reflects the differing levels of existing supply against demand from new households and the impact in actual sales levels created by stock availability and turnover.
- ◆ Both preference and need for flats at 29.0% and 45.6% respectively are much higher than the stock level of 9.8% reflecting the impact of changing household formation and preferences and lower price levels.
- ◆ However, preference for terraces is higher than the stock supply but lower than current sales turnover, reflecting changing household preferences. Sales of terraces are higher because they are the stock type to which there is currently the greatest supply of lower cost housing.

6 SUPPORTED AND ADAPTED HOUSING

6.1 Needs of Disabled People

- 6.1.1 Issues relating to households with one or more member affected by a disability or long-term illness term were addressed through a series of questions. This section draws together the findings from these questions.
- 6.1.2 We found that 17.9% of households in the area did contain somebody with a disability, suggesting 7,930 households in the Borough were affected in some way.
- 6.1.3 Assessment of an UK average for the percentage of households affected is difficult both because of the impact of multiple disability and the tendency to express statistics in terms of population rather than household population. The Department of Social Security report of 1998 (based on a 1996 / 97 survey) suggested as many as 8.6 million disabled adults in private households - around 14 - 15% of the population.
- 6.1.4 From cross-tabulation we established that the comparative figures for the various tenures were as per Table 6-1 below. The Council rented figure (45.8%) was above the average for the Council sector found in recent DCA surveys (39%). The level for owner occupiers no mortgage (26.3%) was close to the average in our experience even given the older age profile in this tenure.

Table 6-1 Incidence of Disability by Tenure

Question 8 by Q.1

Tenure	%	N ^{os} implied
Owner occupied with mortgage	9.1	2,018
Owner occupied without mortgage	26.3	4,246
Private rented	12.9	231
Council rented	45.8	1,101
HA rented	26.9	228
Shared ownership*	50.0	48
Tied to employment / other	9.0	58

(* Low volume of data).

- 6.1.5 In 6,814 of cases only one household member was involved; in 1,094 two members were involved. On this basis we identified 9,002 individuals in the Borough with a disability. However, the age profile and nature of disability data referred to below suggest marginally different totals.

- 6.1.6 The age groups of all disabled household members are shown in Table 6-2 below. 68% of households were over the age of 60; 15.5% under 45.

Table 6-2 **Age of all Household Members with a Disability**
Question 10b

Age	%	N ^{os} implied
0 - 15	4.9	443
16 - 24	2.8	255
25 - 44	7.8	704
45 - 59	16.5	1,474
60 - 74	30.7	2,756
75+	37.3	3,356
Total	100.0	8,988

- 6.1.7 The next table addresses the nature of the disability of members of the household. The results reflect the fact that more than one choice was offered, based on 7,752 and 1,199 implied cases for 1st and 2nd members respectively.

Table 6-3 **Nature of Disability**
Question 9c

Disability	1 st Member			2 nd Member		
	% responses	% households	N ^{os} implied (all choices)	% responses	% households	N ^{os} implied (all choices)
Walking difficulty	0.6	53.4	4,142	24.6	39.9	479
Limiting long-term illness	28.7	30.4	2,358	18.4	29.9	359
Asthmatic / respiratory problems	17.4	18.5	1,435	17.7	28.7	345
Other physical disability	16.9	17.9	1,391	9.2	15.0	180
Visual / hearing impairment	17.6	18.6	1,441	13.6	22.1	265
Wheelchair user	9.0	9.6	741	4.4	7.1	85
Mental health problem	6.2	6.5	507	5.7	9.4	112
Learning difficulty	3.6	4.7	299	6.4	10.3	124
Total	100.0		12,314	100.0		1,949

- 6.1.8 By far the largest group was those with walking difficulty (51.7%). 9.2% of households contained a member who was a wheelchair user suggesting 826 in the Borough as a whole.
- 6.1.9 We ran a cross-tabulation to see if the houses which had been adapted for a wheelchair were indeed the dwellings where people using a wheelchair lived and found this to apply in only 25.1% of cases (149 of the 593 at Table 6-7), suggesting a major mismatch between houses adapted and those where wheelchair users lived. By extension, it would appear that 82% of households did not live in suitably adapted premises (viz. 826 in Table 6-3 above less 149).

6.2 Support Needs

- 6.2.1 8,963 people responded to the question on need for care or support. 43.2% indicated a need for care or support (3,869 implied).
- 6.2.2 82.5% of those with a care or support need felt they were getting enough support, the data implying 17.5% (683) with outstanding support needs.
- 6.2.3 Those with an outstanding care or support need were asked what types of support they needed. Responses were received from 651 respondents, each making an average of 1.9 choices each.

Table 6-4 Type Of Care / Support Required (All Disabled Household Members)
Question 9g

Care / Support	% responses	% households	N ^{os} implied
Claiming welfare benefits / managing finances	19.8	37.0	241
Someone to act for you	3.6	6.8	44
Personal care	20.8	38.9	253
Looking after your home	31.4	58.7	382
Establishing personal safety / security	4.6	8.6	56
Accessing training / employment	3.5	6.6	43
Establishing social contacts / activities	16.3	30.4	198
Total	100.0		1,217

- 6.2.4 Having someone to help looking after the home (58.7%) was the most popular choices. 37% of respondents needed help claiming benefits and managing finance and 38.9% needed help with personal care.
- 6.2.5 A cross tabulation looked at the type of disability affecting those with an outstanding support need. The specific needs of different groups were highlighted in the data. 65.9% of those with walking difficulties needed help looking after the home, 58% needed help establishing social contacts / activities; 84.5% of those with asthmatic / respiratory problems needed help establishing social contacts / activities, 68% needed help looking after the home, compared to 60% of those with a limiting long term illness. No outstanding needs were identified for wheelchair users.
- 6.2.6 The Supporting People programme, was introduced in April 2003, to provide a structure for funding the housing related support services outlined in Table 6-4 above. New services developed after April 2003 will have to compete for resources with established schemes within the County. The local authority will need to develop plans to meet outstanding needs through the Supporting People programme.
- 6.2.7 Those who currently receive care and support services were asked who provided their support. In 32.6% of cases (1,053 implied) support was provided by Social Services / Voluntary Body. In the majority of cases (82.3% or 2,659 cases) support was provided by family / friends / neighbours. (In 480 cases support was received from both sources).

6.3 Adaptations

- 6.3.1 Two questions sought information from all households in the Borough on the degree to which the home had been built or adapted to meet the needs of disabled persons.

Table 6-5 Adaptations for the Disabled

Question 10a

Adaptations	%	N ^{os} implied
Adapted	10.4	4,577
Not adapted	89.6	39,656
Total	100.0	44,233

- 6.3.2 As can be seen from the table above, 10.4% of properties have been adapted, just above the average level found in other recent DCA surveys (9%).
- 6.3.3 The split by tenure is set out in the table below.

Table 6-6 Adaptations by Tenure

Question 10a by Q.1

Tenure	%	N ^{os} implied
Owner occupied with mortgage	5.1	1,136
Owner occupied no mortgage	13.8	2,232
Private rented	11.5	205
Council rented	30.4	732
HA rented	20.3	169
Shared ownership*	18.8	18
Tied to employment / other *	13.3	86

(*Low volume of data).

- 6.3.4 Adaptation in the Council and HA rented sectors (30.4% and 20.3% respectively) was considerably higher than in the owner occupied sector. Adaptation in the owner occupied no mortgage sector was only just above the average for the Borough, even though a higher proportion of elderly persons tends to be within that sector.
- 6.3.5 4,565 implied households actually responded to the question on which adaptations had been provided, suggesting an adaptation level of 10.3% (rather than 10.4% in Table 6-5 above). The following adaptations were identified based on responses to a multiple-choice question.

Table 6-7 **Types of Adaptations Provided**
Question 10b

Adaptations	% responses	% households	N^{os} implied (all choices)
Handrails / grabrails	25.3	52.4	2,392
Bathroom adaptations	19.3	40.0	1,824
Access to property	16.9	35.1	1,600
Ground floor toilet	16.5	34.1	1,557
Stairlift / vertical lift	9.4	19.4	885
Wheelchair adaptations	6.3	13.0	593
Other	3.7	7.6	346
Extension	2.6	5.4	248
Total	100.0		9,445

- 6.3.6 Wheelchair adaptations at 13% (593 implied) were at a lower level than the average found in recent DCA surveys (15%). The data taken in conjunction with 6.1.9 above suggests that many adapted premises are no longer occupied by wheelchair users. The most common adaptations carried out were handrails / grab rails (52.4%) and bathroom adaptations (40%).
- 6.3.7 4,826 implied households (10.9% of the sample) responded to a further question on what facilities still needed to be provided to meet the needs of a current member of the household. Respondents made around 1.5 choices on average.

Table 6-8 **Types of Adaptations Needed for Current Member**
Question 11

Adaptations	% responses	% households	N^{os} implied (all choices)
Bathroom adaptations	28.8	44.2	2,132
Handrails / grabrails	18.0	27.6	1,332
Stairlift / vertical lift	12.7	19.4	934
Ground floor toilet	10.4	16.0	771
Access to property	9.8	15.0	726
Extension	8.1	12.4	598
Wheelchair adaptations	6.1	9.4	454
Other	6.1	9.3	450
Total	100.0		7,397

- 6.3.8 Handrails and grab rails, access to property and ground floor toilets featured much less prominently when compared to adaptations provided, presumably reflecting levels of work completed as indicated in Table 6-7 above. However, demand for bathroom adaptations was very high, even though significant adaptation work appears to have been carried out. Demand for wheelchair adaptation (9.4% implying 454 cases) would appear low in comparison to the mismatch referred to at 6.1.9 above and with our comment on adaptations provided at 6.3.6 above.

6.4 Supported Accommodation

- 6.4.1 Existing households moving were asked if they were interested in supported housing and what type of supported housing they were interested in. The results of this question are set out in Table 6-9 and Table 6-10 below.

Table 6-9 *Type of Supported Accommodation Required*
Question 19

Type	% responses	N ^{os} implied
Residential / nursing home	0.0	0
Independent accommodation (with external support)	100.0	27
Independent accommodation (with live-in carer)	0.0	0
Total	100.0	27

- 6.4.2 Demand for supported accommodation was wholly for independent accommodation with external support, encompassing those respondents with walking difficulties and limiting long-term illnesses.

6.5 Housing Needs of Older People

- 6.5.1 Based on 99.7% response, 6.1% of existing households (2,704 implied) indicated that they had elderly relatives (over 60) who would need to move to the Borough in the next five years. 2,603 implied households responded to a further multiple-choice question on the type of accommodation required, with respondents making 1.1 choices on average.

Table 6-10 *Accommodation Required by Elderly Relatives in Next 5 Years*
Question 12b

Adaptations	% responses	% households	N ^{os} implied (all choices)
Private sheltered housing	15.6	17.0	443
Council / HA sheltered housing	8.9	9.7	254
Private Housing	19.7	21.5	559
Residential care / nursing home	15.8	17.3	449
Live with respondent (need extension / adaptation)	21.6	23.6	615
Live with respondent (existing home adequate)	9.7	10.6	276
Council / HA Housing	8.7	9.5	247
Total	100.0		2,843

- 6.5.2 Demand for this group was predicted by the children of elderly people and, as would be expected, it shows a different pattern to that normally seen among elderly respondents in DCA surveys. In our experience elderly people seek to remain in their own homes and prefer to receive support at home. In contrast, the children of elderly parents tend to predict the need for supported housing. In this case, 9.7% of demand was for Council / HA sheltered housing; 17% for private sheltered housing. 17.3% of demand was for residential / nursing home accommodation. 34.2% (891 households implied) indicated that their relative could live with them but in some 69% of cases (615 implied) the home would need adaptation or extension to accommodate an elderly relative.
- 6.5.3 The sheltered housing needs of elderly people within the Borough were captured within the question for all movers within the Borough on supported housing. The combined requirement for sheltered housing in both sectors from existing households living in the Borough and in-migrating parents / relatives is shown below.

Table 6-11 Sheltered Housing Demand

	Private Market	Affordable Sector	All Sectors
Existing Households	47	86	133
In-migrant Households	443	254	697
Total	490	340	830

- 6.5.4 The significantly higher level of elderly accommodation for people moving into the Borough is common to other DCA Surveys. As discussed in Section 6.5.2 above generally, the forecast is being made by their children who assist in the moving process. Conversely, the indigenous older population prefer to continue in the area / surroundings they know and within their own home as long as possible.
- 6.5.5 In total, the data suggests a combined requirement for sheltered accommodation from older people currently living in the Borough (133 households) and those who may in-migrate to be beside their family (697 households) of 830 units, 340 in the affordable sector and 490 in the private sector.
- 6.5.6 Some of this requirement will be addressed by flow of the existing sheltered stock, but acceptability of existing stock to meet today's standards will need to be assessed in calculating the scale of new delivery.

6.6 Summary of Supported and Adapted Housing

- ◆ 18% of households in the Borough contain somebody with a special need, suggesting 7,930 households.
- ◆ The largest group affected by a special need was those with a walking difficulty affecting 52% of all those with a disability in the area.
- ◆ 8,267 wheelchair users were identified, 9% of those with a disability were wheelchair users. In 75% of cases wheelchair users live in properties that are not suitably adapted, suggesting a mismatch between houses adapted and those where wheelchair users live.
- ◆ 10% of all dwellings were adapted for a disabled person. Around 30% of Council rented homes and 23% of Housing Association rented homes were adapted compared to 14% in the owner occupied (no mortgage) sector, principally occupied by older people.
- ◆ In terms of the nature of adaptations 50% had handrail / grabrails, the most common adaptation in most DCA surveys, but the level of bathroom adaptations (40%), adaptations for access to property (35%) and ground floor toilets (34%) were also relatively high.
- ◆ There will be future provision requirements to address the changing needs from “Supporting People” policies, but at this stage we believe that these are likely to be specific small developments of supported units.
- ◆ It is however, important to recognise that some 4,142 households have someone with a walking problem and 75% of wheelchair users do not live in an adapted dwelling.
- ◆ There is an inextricable link between ageing and disability, and the scale of need for adaptations to existing stock will increase significantly in the future as the over 65 age group grows by 47% by 2026 (see 9.4.8 and 9.4.9).

7 BLACK AND MINORITY ETHNIC NEEDS

7.1 Introduction

7.1.1 66 Black and Minority Ethnic (BME) returns at statistical validity of $\pm 9.85\%$, representing 1,204 implied households have been drawn from the Survey and analysed separately to give an insight into the specific housing needs of BME households in the Fareham Borough. The BME returns include categories of 'White Irish' and 'White Other' in line with the census definition which represents 803 implied households across the Borough.

7.1.2 In the case of ethnic origin, the breakdown provided in Table 7-1 below refers to the ethnicity of the household in which the respondent lives to provide the number of BME household respondents. On this basis, the BME households in our sample represent 2.7% of the Borough household population.

Table 7-1 Ethnic Origin

Ethnicity	N^{os}	%	2001 Census % *
White Irish	255	21.2	14.7
White Other	548	45.5	36.0
White & Black Caribbean	21	1.7	4.0
White & Black African	39	3.2	2.0
White & Asian	10	0.8	6.8
Other Mixed	71	5.9	4.3
Black Caribbean	83	6.9	2.3
Black African	0	0.0	1.4
Other Black background	0	0.0	0.6
Bangladeshi	0	0.0	2.3
Indian	73	6.1	7.6
Pakistani	0	0.0	0.8
Other Asian background	34	2.8	2.8
Chinese	44	3.7	9.6
Any Other	26	2.2	4.8
Total	1,204	100.0	100.0

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7.2 Current Housing

7.2.1 It should be noted that in all cross-tabulations, data is included only where the respondent has answered each element (question) involved, hence there may be some small discrepancies when compared with the tables relating to a single data source.

Table 7-2 Property Type by Number of Bedrooms
Question 2 by Q5

Type	1-bed		2-bed		3-bed		4-bed		5+ bed		Total
	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	%	N ^{os}	N ^{os}
Semi-detached	0.0	0	17.5	39	77.0	171	0.0	0	5.5	12	222
Detached	0.0	0	0.0	0	39.1	201	53.4	275	7.5	38	514
Terraced	0.0	0	18.8	28	70.1	105	0.0	0	11.1	17	150
Bungalow	6.8	12	61.0	106	32.2	56	0.0	0	0.0	0	174
Flat / maisonette	30.3	41	69.7	94	0.0	0	0.0	0	0.0	0	135
Total		53		267		533		275		67	1,195

N.B No data for Caravan / mobile home and bedsit / studio / room only

7.2.2 The majority of respondents (around 43%) live in detached housing, 53.4% of whom, have 4-bed properties. 77% who live in semi-detached accommodation have 4-bed properties.

Table 7-3 Access to Basic Facilities
Question 6

Facilities	N ^{os}	%	All households
Central heating (all rooms)	1,073	93.2	88.8
Central heating (partial)	25	2.2	6.6
Double glazing (all rooms)	877	76.2	84.6
Double glazing (partial)	207	18.0	8.9
Hot water tank jacket	651	56.6	62.2
Cavity wall insulation	367	31.9	45.4
Loft insulation	906	78.7	82.3
Draught proofing	327	28.4	22.5
Water pipes insulated	561	48.7	52.2

- 7.2.3 Households with central heating at 95.4% (compared with 95.4% for the whole population) were above the national average in the 2001 Census (91.5%) and also above the average of 94% found in the 2001 English House Condition Survey (EHCS). Full double-glazing at 76.2% (84.6% for the whole population) was above the UK average of 70% (EHCS 2001).
- 7.2.4 90.8% indicated that their homes were adequate. 111 (9.2%) indicated their home was inadequate. Respondents were asked to indicate the reasons why the accommodation was not suitable. Responses on the reason for inadequacy were invited on two bases - 'in-house' solutions (improvement / repairs or cost of heating) and other solutions. Respondents could reply in both categories on a multiple choice basis. 98.2% indicated an 'in-house' solution (compared to 43.2% in the whole population) of which 88.7% (98.5% for the whole population) selected need for repairs / improvements as one of their choices; 52.2% selected too costly to heat compared to 11.1% for the whole population.
- 7.2.5 Table 7-4 below sets out the other choices for solutions likely to require a move. A total of 123 BME households answered the question with 204 responses, giving an average of 1.7 choices per respondent.

Table 7-4 Inadequacy of Present Accommodation
Question 7bii *(likely to require a move)*

Reasons	N ^{os}	% (all choices)	All households
Too small	36	29.5	73.5
Too large	12	10.0	10.3
Housing affecting health	45	36.3	10.0
Rent / Mortgage too expensive	36	29.5	15.6
Tenancy insecure	75	60.6	6.7
Total	204		

- 7.2.6 In contrast to the whole population where the largest single issue was that the dwelling was too small, (73.5%), for BME respondents in Fareham the largest issue was that their tenancy was insecure (60.6%) compared to 15.6% of the whole population. 29.5% of BME households said that their home was too small. The extent to which this represents natural demand in market terms or a response to overcrowding is debatable.

7.3 Disability / Limiting Long Term Illness

- 7.3.1 Respondents were asked to indicate if any member of the household had a disability or long term limiting illness. 11% of the BME sample had a member of their household with a disability or long-term illness, a lower level to that found for the whole population (17.9%). In all cases only one person was affected by a disability or long-term illness.
- 7.3.2 BME households were asked about the nature of their disability as is shown in Table 7-5 below. 132 1st household members gave 145 responses, making an average of 1.1 choices.

Table 7-5 Nature of Disability / Long Term Illness

Question 9c

	1st Member	
	N^{os}	% (households)
Wheelchair user	0	0.0
Walking Difficulty (not in wheelchair)	58	43.7
Learning difficulty	0	0.0
Mental health problem	12	9.0
Visual / hearing impairment	18	13.3
Other physical disability	15	11.2
Limiting long-term illness	42	31.8
Total	145	

- 7.3.3 The majority of respondents (43.7%) had a walking difficulty, similar to the general population where the majority of 1st members with a disability were those with a walking difficulty (53.4%). 42 respondents (31.8%) said that they had a limiting long term illness and 18 (13.5%) had an asthmatic / respiratory problem. Of the 58 people who had a walking difficulty 77.7% were aged over 75 years.

7.4 Annual Income

- 7.4.1 The next question probed for information about household income and the results are set out in Table 7-6.

Table 7-6 Gross Annual Income of Households

Question 15c

Annual income	%	Cum %	All households cum %
Below £10,000	5.8	5.8	11.4
£10,000 - £20,000	21.1	26.9	43.1
£20,001 - £30,000	10.5	37.4	53.9
£30,001 - £40,000	18.2	55.6	70.0
£40,001 - £50,000	18.2	73.8	81.4
£50,001 - £60,000	13.0	86.8	88.1
£60,001 - £75,000	5.0	91.8	93.8
£75,001 - £100,000	2.0	93.8	98.0
Above £100,000	6.2	100.0	100.0

- 7.4.2 The response rate to the income question was 78.2% (942 households). The table shows that 5.8% of households had incomes below £10,000, compared to 11.4% in the whole population, well below the corresponding UK figure (33%). 62.6% of BME households, on the basis of the survey data, had incomes above £30,000 compared to 46.1% in the whole population.

7.5 Moving

- 7.5.1 Respondents were asked the reasons that prevented them moving and the results are shown in Table 7-7 below. Similar to the whole population, the majority of BME households said they were unable to afford to move (51.5%). Local education choices (59%) and location of employment (51.5%) were also significant choices for BME households unable to move.

Table 7-7 **Reasons Preventing a Move**
Question 16e

	N ^{os}	% households	All H/Holds %
Unable to afford to move / buy a home	71	51.5	71.5
Local education choices	47	34.3	3.3
Family reasons	20	14.3	9.8
Location of employment	36	26.2	9.9
Lack of affordable rented housing	0	0.0	23.2
Other	0	0.0	14.3
Total	174		

- 7.5.2 Respondents were also asked to indicate the reasons for moving out of the Borough. 138 respondents gave 365 responses making an average of 2.6 choices each. The results are shown in Table 7-8 below.

Table 7-8 **Reasons for Moving Out of the Borough**
Question 16d

	N ^{os}	% cases (243)	All H/Holds %
Better employment	102	47.0	23.2
Better access to work	20	9.1	7.7
To be near family / carer	45	20.5	33.0
Better education facilities	53	24.4	7.5
Safety / fear of crime	27	12.5	7.3
Better shops / leisure	51	23.7	15.2
Retirement	0	0.0	27.0
To start a family	0	0.0	5.3
Unable to buy	0	0.0	5.8
Lack of affordable rented housing	67	30.9	14.9

- 7.5.3 The most important reasons for BME households leaving the Borough were due to employment reasons mentioned by 47% compared to 23.2% of all households. Lack of affordable rented housing was also an important issue for BME households moving out of the Borough (30.9%), compared to the whole population (14.9%).

7.6 Existing Households Moving

- 7.6.1 125 BME existing households indicated they would be moving within the Borough in the next 5 years. All required detached accommodation, of which 63.2% required 4 bedrooms and 36.8% required 3 bedrooms. There was no demand for any other type of housing or size.
- 7.6.2 The main preference made by BME households moving was for owner occupation (84%) followed by Private rent (16%), there was no preference for any other tenure type. For both the owner occupation and private rent tenure types, all respondents required detached housing.

7.7 New / Concealed Households Moving

- 7.7.1 There is a very small sample of only 10 concealed BME households forming within the Borough over the next five years. Of these all are forming between 1 and 2 years.
- 7.7.2 None of these households will contain children compared with 91.6% of the general population who have no children.
- 7.7.3 All of these households said they required terraced accommodation with two bedrooms of which all preferred owner occupied property. There was no demand for any other size, type or tenure.

7.8 Summary of Black and Minority Ethnic Needs

- ◆ 66 Black and Minority Ethnic (BME) returns (statistical validity $\pm 9.85\%$), representing 1,204 implied households have been drawn from the Survey and analysed separately to give an insight into the specific housing needs of BME households in the Borough.
- ◆ The majority of BME households who responded to the DCA survey are living in 3 and 4-bedroom accommodation, 45% and 23% respectively. Around 43% live in semi-detached housing and 19% live in detached accommodation.
- ◆ 61% of those BME households who said their home was inadequate, cited 'that their tenancy was insecure as the reason for inadequacy. Higher than the 7% found in the whole population.
- ◆ There appears to be a slightly higher incidence of BME respondents with a disability or limiting long term illness (32%) than the figure found (30%) for the whole population and the incidence of mental health problems (9%) are higher than in the general population.
- ◆ Income levels within BME households are higher to those in the whole population. The proportion of BME households on the lowest incomes, i.e. below £10,000 is 6%, compared to all households at 11%. 63% of BME households, on the basis of the survey data, had incomes above £30,000 compared to 46% for the whole population.
- ◆ 52% of the BME households, who wished to move but cannot, said they could not afford to move / buy a home compared to 72% for the whole population.
- ◆ Better employment (47%) and education facilities (24%) were the main reasons for leaving the Borough compared to 22% and 8% respectively in the whole population.
- ◆ The majority of existing BME households moving within the Borough in the next 5 years stated they required detached accommodation, of these 37% required 3 bedrooms and 63% required four bedrooms. 84% stated owner-occupation as their preferred tenure.
- ◆ 10 new forming BME households are being established within the Borough in the next five years. All require terraced accommodation with two bedrooms and all stated owner occupation as their preferred tenure.

8 KEY WORKER HOUSING ISSUES

8.1 Introduction

- 8.1.1 The survey identified whether household members worked in the Public Sector. If the respondent is employed in the Public Sector and specified that they work within Fareham Borough we have identified them as 'Key Workers'.
- 8.1.2 For the purposes of this survey a Key Worker is "any person who directly provides services that are essential for the balanced and sustainable development of the local community and local economy, where recruitment or retention difficulties apply". This includes people who are teachers, nurses, other public sector and public service workers and employees of businesses considered vital to sustaining the economy of an area.
- 8.1.3 In this section we have split the analysis of Key Workers into two groups: those from existing households and those from concealed households, as we believe these groups are affected by different issues.

8.2 Housing Issues of Key Workers from Existing Households

- 8.2.1 Respondents and their spouse / partner were asked to state which area of Public Sector employment they worked, see Table 8-1 below.

Table 8-1 *Nature of Employment within Public Sector*
Question 13g

Profession	%	N ^{os} implied
Education	41.6	1,595
Health	22.2	850
Local Authority	32.5	1,246
Police	2.3	92
Fire	1.4	53
Total	100.0	3,836

- 8.2.2 Around 3,836 implied households (8.5% of all households in Fareham) gave details of their work in the public sector, with 41.6% (1,595 implied) indicating work in Education, 32.5% (1,246 implied) work in Local Authority services, and 22.2% (850 implied) work in Health services. Numbers working in Police and Fire services were far lower than all other areas, 2.3% (92 implied) work in the Police service and 1.4% (53 implied) work in the Fire services.
- 8.2.3 Firstly we looked at those who have already decided to leave the Borough. Around 7% (282 implied) of the key workers identified in Table 8-1 are existing households leaving the Borough, 37% of whom (225 implied) are leaving due to better employment, 19% (115 implied) are leaving to be nearer to family, 18% are leaving for better education facilities and 14% are leaving due to lack of affordable housing.

Table 8-2 Annual Household Income of Key Workers

Question 15c

Income	Health %	Education %	Local Authority %	Police %	Fire %
Below £10,000	7.1	1.5	8.4	0.0	0.0
£10,000 - £25,000	35.4	30.2	31.2	0.0	0.0
£25,001 - £30,000	3.7	5.2	4.3	0.0	100
£30,001 - £40,000	26.5	19.5	23.3	100	0.0
£40,001 - £50,000	7.8	21.5	10.7	0.0	0.0
£50,001 - £60,000	7.6	10.9	6.0	0.0	0.0
£60,001 - £75,000	3.6	7.3	9.9	0.0	0.0
£75,001 - £100,000	3.4	3.9	3.0	0.0	0.0
Above £100,000	4.9	0.0	3.2	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0

8.2.4 Of 3,836 existing household Key Workers, 1,949 gave details of their total household income (i.e. including spouse / partners income), shown in Table 8-2 above.

8.2.5 Access to the owner-occupied market in the Borough through the cheapest 1-bed flats, requires an income of at least £30,450, we found that the proportions who could not afford to owner occupy in Fareham were:-

- ◆ 44.9% of Local Authority staff
- ◆ 47.4% of Health staff
- ◆ 37.8% of Education staff
- ◆ 100.0% of Fire staff
- ◆ 4.4% of Police

8.2.6 We ran a series of cross tabulations on Key Worker households who stated they would be moving within the Borough, to find information on their tenure and house type preferences. There was no data for Fire service workers or Police Officers.

Table 8-3 Key Workers House Tenure Preference

Question 21

Tenure	Health* %	Education %	Local Authority %
Owner occupation	100.0	83.5	100.0
Private rent	0.0	16.5	0.0
Total	100.0	100.0	100.0

* Low volume of data

NB No data for council rent, HA rent and HA Shared ownership.

- 8.2.7 Of those responding to the question on tenure preference, all key worker households working in Health and Local Authority services and who are moving within the Borough prefer owner occupation, as do 83.5% of Education workers. 16.5% of Education workers preferred private rent.
- 8.2.8 Table 8-4 shows the type of housing preferred by key workers moving within the Borough.

Table 8-4 Key Workers House Type Required

Question Q13g x Question 18

	Health* %	Education %	Local Authority %
Semi-detached	0.0	19.9	49.7
Detached	0.0	36.8	50.3
Bungalow *	0.0	43.3	0.0
Terraced *	100.0	0.0	0.0
Total	100.0	100.0	100.0

* Low volume of data

N.B: No data for other house types

- 8.2.9 All Health workers responding required terraced accommodation. 19.9% of Education Staff and 49.7% of Local Authority staff required semi-detached accommodation. 43.3% of Education staff that responded said they required bungalows.

Table 8-5 Number of Bedrooms Required

Question 13g x Question 20

	Health * %	Education %	Local Authority %
Two	0.0	0.0	15.9
Three	100.0	69.3	19.1
Four	0.0	30.7	65.0
Total	100.0	100.0	100.0

NB No data for one or five bedrooms required

* Low volume of data

- 8.2.10 Table 8-5 indicates the number of bedrooms required by key workers moving within the Borough. Interest was mainly focused around three bedroomed accommodation, with 100% of Health, 69.3% of Police staff, and 19.1% of Local Authority staff requiring three bedroomed accommodation. 15.9% Local Authority staff said that they required one bedroom. 65% of Local Authority and 30.7% of Education staff said that they required four bedrooms.

8.3 Housing Issues of Key Workers from Concealed Households

- 8.3.1 The response we received from concealed key workers moving within the Borough was small. Therefore the data in this section should not be treated as being representative of this group. Neither did we obtain responses from a cross-section of key workers, with no responses from Police Service or Fire Service staff.
- 8.3.2 Respondents were asked to state which area of the Public Sector they were employed in, see Table 8-6 below for results.

Table 8-6 **Nature of Employment within Public Sector**
Question 13

Sector	%
Local Authority	46.1
Health	19.9
Education	34.0
Total	100.0

- 8.3.3 Of the concealed workers responding around 46% (72 implied) work in Local Authority services, 34% (53 implied) work in Education and around 20% (31 implied) work in Health.
- 8.3.4 We ran a series of cross tabulations on concealed households who work in the Public Sector, to try and gather information on their tenure preferences and the types of housing they can afford to access.
- 8.3.5 We asked respondents about their total household annual income, the results are shown in Table 8-7 below. 27.3% of workers responding stated they earned below £10,000. 22.7% said their incomes were between £10,000 and £20,000. 25% had incomes between £25,001 and £30,000 and £35,001 - £37,500.

Table 8-7 **Annual Household Income of Key Workers**
Question 35e

Income	Key Workers %
Below £10,000	27.3
£10,000 - £20,000	22.7
£20,001 - £25,000	0.0
£25,001 - £30,000	25.0
£30,001 - £35,000	0.0
£35,001 - £37,500	25.0
Total	100.0

N.B. No incomes above £37,500

- 8.3.6 Looking at the access levels to the owner-occupied market in the Borough, requiring an income of £30,450 we found that around 75% of the concealed key workers could not afford to owner occupy in the Fareham Borough.
- 8.3.7 Concealed key workers were asked if they had any savings to meet a deposit and legal costs in terms of purchasing a property. Over 36% had less than £1000 saved to meet these costs, another 36% had between £1,000 and £3,000 saved. The remaining 27.2% had between £3,001 and £5,000 saved.
- 8.3.8 We ran a series of cross tabulations on Key worker households who stated they would be moving within the Borough, to find information on their tenure and house type preferences.
- 8.3.9 Table 8-8 below, shows that the most popular tenure was owner occupation, mentioned by 56% of the concealed key workers. Council rent was also a popular tenure, mentioned by 36.4% of the concealed key workers. 7.6% of concealed key workers said they preferred private rent. There was no demand for HA shared ownership or HA rent.

Table 8-8 Preferred Tenure of Concealed Key Workers

Question 29b

Tenure	Key Workers
Owner Occupation	56.0
Private rent	7.6
Council rent	36.4
Total	100.0

- 8.3.10 We asked the concealed key workers what type of accommodation the new household needed. 44.3% of workers said they needed terraced accommodation, 22.1% expressed a need for a flat / maisonette property, 16.8% expressed a need for semi-detached and bedsit / studio / room only. There was no expressed need for any other type of accommodation.
- 8.3.11 Over 76% of concealed key workers stated they needed one bedroomed accommodation and 24% said they needed three bedrooms. There was no demand for two or four bedroom properties.

9 POPULATION GROWTH AND HOUSEHOLD FORMATION PROJECTIONS

9.1 Introduction

- 9.1.1 In this section of the report we provide a short background commentary to the demographic element in housing demand in Fareham Borough. The purpose is two-fold. First, to provide a context in which the results of the postal questionnaire can be interpreted. Secondly, to give a more specific focus on the demand for affordable housing provision and to make projections for five and ten year periods.
- 9.1.2 Modelling housing needs is a very complex procedure and it is only very recently that attempts have been made to model local housing needs. Most of the established procedures are aimed at the provision of national level estimates of housing need, including:-
- ◆ simple estimates such as those provided by the ODPM, which measured the crude dwelling to household surplus (and concluded no additional building was necessary to meet need);
 - ◆ a second approach by the Audit Commission measured household growth minus expected private sector output;
 - ◆ Glen Bramley's work focused on local supply and demand to calculate for a particular point in time the proportion of new households unable to buy in the market (minus social sector re-lets);
 - ◆ Steve Wilcox described a 'Net Stock' approach which calculates net household increase and adds a factor for concealed households before deducting new private sector output to arrive at estimates of need in the social sector.
- 9.1.3 Kleinman and Whitehead have devised a so-called 'Gross Flows' approach which looks at gross household formation, tenure choice, demand from in-migrants and deducts these from new social output and re-lets to yield a measure of social housing requirements.
- 9.1.4 How these national models translate to the local level is not at all clear. Kleinman and Whitehead have attempted a 'Gross Flows' analysis for Cambridge but relied entirely on secondary data for their estimates. This is a problem in the model particularly for the incorporation of measures of concealed households and factors relating to affordability are not considered directly but by modelling the tenure propensities of new households.
- 9.1.5 Our method emphasises the affordability issue and gives much greater weight to the issue of concealment of households than most of the 'national' level studies.
- 9.1.6 The affordability measure is derived from primary data collected in the household's surveys and from access to the Land Registry database on house prices and the concealment issue is also addressed through the survey findings. We are mindful that because our study is targeted at Fareham Borough, there are inevitable limitations because local housing markets encompass much wider areas than a single Council area.

9.2 Demographic Analysis

- 9.2.1 There are four basic components to changes in the number and composition of households. The aim of this section of the report is to highlight the issues which are relevant to the evaluation of housing needs in Fareham Borough particularly the changes in:-
- ◆ the age distribution of the population arising from births, deaths and ageing of the indigenous population;
 - ◆ family units such as marriage, divorce and child bearing patterns;
 - ◆ the number and composition of households arising from migration, particularly due to employment opportunities in the area;
 - ◆ the probabilities that family units form a separate household, particularly in response to changes in incomes in the labour market area.
- 9.2.2 In local area forecasting new household formation is mainly due to responses to income and employment opportunities. New household formation is also affected by life cycle patterns. This purely demographic influence on the number of households contributes to about 40% of the growth in the number of new households at any one time (Dicks, 1988; Ermisch, 1985).
- 9.2.3 The general demographic forecasts in the tables in this section have been provided by Hampshire County Council and are Chelmer population projections (May 2004), based on the 2001 Census.
- 9.2.4 The factors which combine to produce the population and household forecasts are:- population age-sex structures, headship rates, survival factors, infant mortality, fertility rates, base numbers of dwellings, vacancy rates, building / demolition programmes and the age-sex structure of migrants. The summary of this data is provided in the following tables with the population changes disaggregated for 5 year intervals from 2001 – 2026.

9.3 Population Projections

- 9.3.1 The projections in Table 9-1 are based on the predictions made by Hampshire County Council (2001-based). These figures are based on the assumptions outlined in paragraphs 9.2.1 to 9.2.4 regarding mortality, fertility and migration etc, and are contained in population projections for Fareham Borough for the period 2001 - 2026 provided by Hampshire County Council.

Table 9-1 Population Change in Fareham Borough, 2001 - 2026

	2001	2006	2011	2016	2021	2026	Change
Total Population	107,968	107,327	107,138	107,551	108,049	109,110	
Change		- 641	- 189	+ 413	+ 498	+ 1,061	+ 1,142
% Change		- 0.6	- 0.2	+ 0.4	+ 0.5	+ 1.0	+ 1.1

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- 9.3.2 The table shows a small increase in the population of Fareham Borough of 1,142 over the forecast period. Numbers fluctuate across the forecast period, with the main increase occurring between 2021 and 2026 (1,061; 1.0%).

9.4 Age Structure Forecast 2001 - 2026

- 9.4.1 The next stage in the forecast is to disaggregate the population data into age bands because there may be changes in the population structure with significant housing implications. Table 9-2 is based on the net migration model and for this purpose best represents the position.

Table 9-2 Population Age Band Forecast, Fareham Borough, 2001 - 2026

	2001	2006	2011	2016	2021	2026	Change
0 - 19	26,197	24,314	22,271	21,264	20,877	20,985	- 5,212
20 - 29	10,112	10,927	11,940	11,938	11,306	10,752	+ 640
30 - 44	24,744	22,604	20,549	19,690	19,930	20,593	- 4,151
45 - 64	28,114	29,742	30,814	30,437	30,244	29,104	+ 990
65 +	18,801	19,740	21,564	24,222	25,692	27,676	+ 8,875
Total	107,968	107,327	107,138	107,551	108,049	109,110	+ 1,142
% Change		- 0.6	- 0.2	+ 0.4	+ 0.5	+ 1.0	+ 1.1

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- 9.4.2 Percentage change is measured between year bands, not the base population. This is a better representation of the incremental change.
- 9.4.3 As we show above there will be an average rise in the population of Fareham Borough of approximately 0.04% per annum over the forecast period according to the forecast model. There is projected to be around 1,142 more people in the Borough in 2026 than in 2001.
- 9.4.4 The 0-19 age range shows a large decrease overall (5,212; 19.9%). A fall is seen up to 2021 (5,320; 20.3%), with a small rise seen for the remaining forecast period (108; 0.5%).
- 9.4.5 The 20-29 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 small increase in the population (640; 6.3%). The largest increase is seen between 2006 and 2011 (1,013; 9.3%), however a fall is seen between 2011 and 2026 (1,188; 19.9%).
- 9.4.6 The 30-44 age group, the main economically active group shows a large decline overall (4,151; 16.8%). A fall is seen up to 2016 (5,054; 20.4%), with a rise been seen for the remaining forecast period (903; 4.6%).
- 9.4.7 The 45-64 age group shows an overall increase in numbers. Over the forecast period there is a rise of 990 people (3.5%). Numbers fluctuate throughout the whole forecast period, with the largest increase occurring between 2001 and 2006 (1,628; 5.8%).
- 9.4.8 The most significant feature here is the growth of the population in the over 65 age group. A large increase of 8,875 individuals (47.2%) is seen over the forecast period, the largest increase is seen between 2011 and 2016 (2,658; 12.3%). This large growth will result in the 65+ age group representing 25.4% of the whole population in 2026, compared to 17.4% currently.

- 9.4.9 Numbers in the 80+ age group increase by 3,822 (80.1%) up to 2026. Although the greatest rise proportionately in percentage terms occurs between 2021 and 2026 (15.5%), there is also a large increase in numbers in the short term future including a rise of 1,397 people to 2011. Given the resource demands often associated with very elderly people, these are very significant figures.

Table 9-3 Numbers of 80+ in Fareham Borough, 2001 - 2026

	2001	2006	2011	2016	2021	2026	Change
80+	4,774	5,596	6,171	6,779	7,441	8,596	
Change		+ 822	+ 575	+ 608	+ 662	+ 1,155	+ 3,822
% Change		+ 17.2	+ 10.3	+ 9.8	+ 9.8	+ 15.5	+ 80.1

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9.5 Forecast Change in Households 2001-2026

- 9.5.1 Table 9-4 outlines the household formation forecasts for the Fareham Borough in the 25-year period from 2001 to 2026. It is based on the statistics provided by Hampshire County Council, and we consider it the best available forecast on currently available data of household change in the Borough.

Table 9-4 Forecast Change in Households in Fareham Borough, 2001 - 2026

	2001	2006	2011	2016	2021	2026	Change
Households	43,638	45,152	46,789	48,420	50,052	51,683	
Household change		+ 1,514	+ 1,637	+ 1,631	+ 1,632	+ 1,631	+ 8,045
% change		+ 3.5	+ 3.6	+ 3.5	+ 3.4	+ 3.3	+ 18.4

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- 9.5.2 There have been significant changes in household formation over the last decade which result in much higher household numbers compared to population growth and average household size. There were 2.47 persons per household in 2001, reducing to 2.29 in 2011 and to 2.11 in 2026 due to the increase in single person households through elderly people living longer, separation and divorce and young people forming single person households.

9.6 Summary

- ◆ The forecasts to 2026 are based on the assumptions outlined in paragraphs 9.2.1 to 9.2.4 regarding mortality, fertility and migration etc, and are contained in population projections for Fareham Borough for the period 2001 - 2026 provided by Hampshire County Council.
- ◆ The population is projected to increase by 1,142 people, 1.1% over the 25 years to 2026.
- ◆ The 0-19 age range shows a large decrease overall (5,212; 19.9%). A fall is seen up to 2021 (5,320; 20.3%), with a small rise seen for the remaining forecast period (108; 0.5%).
- ◆ Numbers in the 20-29 age group are projected to increase slightly overall (640; 6.3%). As this age range comprises new households forming this will have implications for future affordable housing need both in the short and longer term.
- ◆ The 30-44 age group, the main economically active group, decreases in numbers, with 4,151 less individuals. A fall is seen up to 2016 (5,054; 20.4%), with a rise seen for the remaining forecast period (903; 4.6%).
- ◆ The 45-64 age group shows an overall increase in numbers. Over the forecast period there is a rise of 990 people (3.5%). Numbers fluctuate throughout the whole forecast period, with the largest increase occurring between 2001 and 2006 (1,628; 5.8%).
- ◆ The most significant feature here is the growth of the population in the over 65 age group. A large increase of 8,875 individuals (47.2%) is seen over the forecast period, the largest increase is seen between 2011 and 2016 (2,658; 12.3%).
- ◆ The "older" retirement group, those 80 and over grows by 80.1%, 3,822 more people by 2026. This group represents 8,596 people in the area by 2026 who are much more likely to have care and support needs which should now be assessed in detail.
- ◆ Household formation is forecast to rise at over sixteen times the rate of population increase, a much higher rate than in recent DCA surveys. This is due to a large increase in single person households through elderly people living longer, separation and divorce and young people forming single person households and results in reducing household size from 2.47 in 2001 to 2.11 in 2026.

10 NEEDS ASSESSMENT MODEL

10.1 Affordable Housing Needs Requirement

- 10.1.1 In this section, we calculate the overall affordable housing needs requirement on an annual basis. The need requirement calculation is structured from the survey data to take account of the key demand sources, households requiring subsidised housing, homeless households not assessed in the survey, households living in unsuitable housing whose needs can only be resolved in a different dwelling and concealed household formation emanating from demographic change.
- 10.1.2 Each category has been adjusted to ensure that proper account is taken of households who can enter the lowest quartile stock in the private sector without assistance (income <£30,450 / £48,100) and to eliminate any double counting between categories. The private rent sector costs are estimated at an entry cost of £395 / £575 per month for the vast majority of households in this sector, requiring an annual income of at least £18,960 / £27,600 per annum.
- 10.1.3 Below is the Basic Needs Assessment Model contained in the 2000 Good Planning Guidance (ODPM), and utilises the data from the 2004 Survey and secondary data provided by Fareham Borough Council.

	The Backlog of existing housing need is as follows:-	SOURCE
1.	Households living in unsuitable housing in the Fareham Borough who are planning to move in the next five years.	HNS 4.2.1
2.	Council & RSL tenant households living in unsuitable housing are excluded because a move would release a unit of affordable housing and it is therefore assumed that there would be no overall net effect.	HNS
3.	Households in unsuitable housing who can have their need resolved in situ.	HNS
4.	Proportion of existing households unable to buy (i.e. income <£30,450 / £48,100) or rent (£18,960 / £27,600).	HNS 3.8.2
5.	Priority homeless in temporary accommodation.	FBC
6.	Total Backlog need.	
7.	Quota to eliminate backlog over a 5-year period (20%) as recommended in guidance.	ODPM Guidance
8.	Total net annual need.	
	Newly Arising Need is as follows:-	
9.	Concealed households identified in the survey, annualised at the average level of those forming in the first two years.	HNS 5.3.13
10.	Proportion unable to buy (i.e. income <£30,450 / £48,100) or rent (£18,960 / £27,600).	HNS 3.7.1 & 3.9.1
11.	Ex-institutional population moving into community p.a.	FBC
12.	Housing Register new applications 2002 - 2003 less cancellations from the register.	FBC
13.	In-migrant households over the last year who live in social housing.	FBC
14.	Total newly arising need.	
	Supply of Affordable Units is as follows:-	
15.	Existing social stock relets from the local authority / RSL's net of transfers. (HIP 2004)	FBC
16.	Increased vacancies and units taken out of management.	FBC
17.	Future new supply each year based on average level over next three years.	FBC
18.	Total affordable supply per annum.	
19.	Total affordable need per annum.	

10.2 Affordable Housing Needs Assessment Model

<u>Backlog of Need</u>		
1. Households in unsuitable housing and intend to move		2,405
2. MINUS – Council & RSL tenants	332	
3. Cases where in-situ solution most appropriate	<u>744</u>	
	1,076	<u>1,076</u>
		<u>1,329</u>
4. TIMES - Proportion unable to rent or buy	28%	372
5. PLUS – Priority homeless in temporary accommodation		<u>143</u>
6. TOTAL BACKLOG NEED		515
7. TIMES - Quota to progressively reduce backlog *	(20%)	
8. ANNUAL NEED TO REDUCE BACKLOG		<u>103</u>
<u>Newly Arising Need:</u>		
9. New household formation	443	
10. TIMES Proportion unable to buy (95%) or rent (85%) in market	(85%)	377
11. PLUS - Ex-institutional population moving into community	(no data)	0
12. Existing households falling into priority need		208
13. In-migrant households unable to afford market housing		<u>22</u>
14. TOTAL NEWLY ARISING NEED		<u>607</u>
<u>Supply of Affordable Units:</u>		
15. Supply of social re-lets p.a.		219
16. MINUS Increased vacancies (if applicable) and units taken out of management. Right to Buy	(52 x 6.9%)	<u>4</u>
		215
17. PLUS - Committed units of new affordable supply (not able to predict accurately)		<u>0</u>
18. AFFORDABLE SUPPLY		<u>215</u>
Annual need to reduce backlog	103	
Newly arising need	<u>607</u>	
TOTAL AFFORDABLE NEED	710	710
MINUS - Affordable supply		<u>215</u>
19. OVERALL ANNUAL SHORTFALL		<u>495</u>

* Elimination over a five year period is recommended in the Guidance for model purposes but the Council can make a Policy decision to do so over a longer period.

10.3 Model Structure

- 10.3.1 The model is structured on a 'flows' basis, taking account of recent experience over the previous three years and examining projections over the next two years. It has to be assumed that this 'annualised' data will occur each year to 2011. The primary data gathering will of course be undertaken again before 2011, but unless there are major changes, up or down, in house prices and incomes it is unlikely that there will be much variation in the overall situation.
- 10.3.2 The data from HIP returns for the three years to 31/3/2004 shows the following trends:-

Table 10-1 2003 to 2004 Affordable Housing Supply

Supply	2002	2003	2004	Average
Council Re-lets	161	152	190	168
HA Re-lets	<u>68</u>	<u>32</u>	<u>54</u>	<u>51</u>
	229	184	244	219
New Supply	79	47	29	52
Total Supply	<u>308</u>	<u>231</u>	<u>273</u>	<u>271</u>
Right to Buy	85	70	35	63

- 10.3.3 The average net loss of stock, which over time will reduce re-lets, is 11 units a year (63 RTB – 52 new supply) over the last 3 years and an increase in new unit delivery is therefore critical to addressing the increasing level of need as house prices rise beyond income increases.

10.4 Needs Assessment

- 10.4.1 The total affordable housing need annually is for 710 units. Net re-lets of the existing social stock (after Right to Buy impact) average 215 units and is the major means of addressing the scale of need identified. Re-lets are likely to reduce if RTB sales were to continue to exceed new delivery and therefore the size of the Council Stock reduces.
- 10.4.2 After allowing for existing stock re-let supply, there will still be an annual affordable housing shortfall of 495 units which projected over the seven year period to 2011 is a total of 3,465 units. Based on the average new supply of around 52 units over the last 3 years, this level of need is over nine 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.
- 10.4.3 Although both need (42%) and preference (65%) for owner occupation are much higher than private rent at 20% and 10% respectively, we use rent as the determining tenure to provide access to the private sector in the Model. 95% of concealed households have inadequate income to be able to buy and 85% cannot afford to rent the lowest quartile stock smaller terraces and flats in the private sector.

- 10.4.4 However, private rent is not the housing preference of the majority of households and even where this is the case lack of supply may cause some households to have to leave the Borough to meet their requirements.

10.5 Intermediate Housing to Buy

- 10.5.1 The Council has a very low stock of shared ownership properties, only 96 units and there may be there may be limited current knowledge of this housing option reflecting in the limited level of expressed need or preference in the survey. This is unusual in a high priced property area.
- 10.5.2 in many areas, low cost housing through either shared equity (utilising the land value as subsidy) or shared ownership with grant input, supply availability has exposed demand and awareness may therefore be a key factor. To assess the scale of viability of these two main options the income data of concealed households has been checked against the market value of recent new prices provided to the Council by an RSL.
- 10.5.3 The following table outlines market values and the number of concealed households each year who could utilise either option.

Table 10-2 Shared Purchase

Option	Share	One Bed Flat			Two Bed Flat			2 Bed House		
		Price	Income	N ^{os}	Price	Income	N ^{os}	Price	Income	N ^{os}
Shared Ownership	50%	115,000	20,250	53	140,000	24,960	38	180,000	£1,750	22
Shared Equity	70%	115,000	25,500	38	140,000	31,000	27	180,000	40,000	4

- 10.5.4 Annually, between 22 and 53 households could access the market for one and two bed units based on 50% shared ownership. On a 70% shared equity structure, a lower number, between 4 and 38 households could access similar units.

10.6 Location Demand Analysis

- 10.6.1 We have run a number of cross-tabulations to check on the actual income capacity of households expressing preference to live in the areas outlined in below in Table 10-3.
- 10.6.2 Respondents were allowed two choices of location and around half made two choices. Table 10-3 below has been calculated by eliminating the double choice element so that the Table provides the scale of households in each location.
- 10.6.3 Local entry level prices in each area were assessed against the incomes of concealed households expressing preference to live in that specific area to calculate the numbers of households unable to purchase.

- 10.6.4 The locational preferences expressed by concealed households forming in each area to 2007 are listed in Table 10-3 below.

Table 10-3 Net Affordable Need by Preferred Location

Location	Net New / Concealed Households	Net Affordable Need	
		%	N ^{os} implied
Fareham	1,360	97.3	1,323
Portchester	483	100.0	483
Hill Head / Stubbington	274	100.0	274
Locks Heath	211	100.0	211
Park Gate	104	100.0	104
Titchfield Common	87	100.0	87
Titchfield	73	100.0	73
Whiteley	61	100.0	61
Warsash	45	100.0	45
Sarisbury	28	100.0	28
Total	2,726	98.6	2,689

- 10.6.5 In almost individual locations, virtually all of the concealed households earn below the required income threshold to enter the owner occupied market through the lowest quartile stock.

11 PLANNING AND DELIVERY ISSUES

11.1 Introduction

- 11.1.1 The purpose of this report is to evaluate the current planned policies on affordable housing and to make recommendations in the light of the findings of the Housing Needs Assessment and changing Guidance in this area.

11.2 Planning Policies for Affordable Housing

- 11.2.1 Planning Policy Guidance Note 3 on Housing gives the planning system a role in affordable housing provision in urban and rural areas. Policy H10 of the Borough Local Plan Review June 2000 addresses affordable housing on sites with a threshold of over 25 units or 1.0 hectare.
- 11.2.2 The definition of affordable housing in Paragraph 6.64 of the Plan supporting text does not in our view adequately address Low Cost Marketing Housing. Affordable housing is designed to meet the needs of households unable to access the general housing market. Affordable housing without subsidy is part of the general market as discussed in 11.4 below. Whilst small new units will be needed in future delivery they are part of Policy H1 in relation to the objective to provide a range of type and size across the whole market and not specifically affordable housing.
- 11.2.3 This should be addressed in the next stage of the Local Development Framework.

11.3 Affordable Housing

- 11.3.1 Circular 6/98 emphasises the need for local authorities to provide a local definition of affordable housing. A basis for a definition of affordable housing, which would assist within the context of the Local Plan, is discussed below.
- 11.3.2 Our definition of affordable housing is:-
- “Affordable housing is that provided with subsidy, both for rent and low cost market housing, for people who are unable to resolve their housing requirements in the local private housing market because of the relationship between housing costs and incomes”.*
- 11.3.3 The types of affordable housing which comply with our definition are as follows:-
- ◆ *RSL units for rent, the major requirement;*
 - ◆ *shared ownership with grant;*
 - ◆ *shared equity where land value is retained to provide housing for sale at below market levels and where control of the ‘equity discount’ can be retained as long as they are needed;*
 - ◆ *discounted market rented housing.*
- 11.3.4 The definition of affordable housing published recently by SEERA also includes reference to subsidy.
- “housing provided with a subsidy to enable the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality”.*

- 11.3.5 All definitions vary slightly but the core meaning is the same. The Draft from the South East Plan Policy H4 however also provides a very clear definition and stresses the importance of “subsidy”. The policy text is as follows:-

“Affordable housing is defined as that provided with a subsidy to enable the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality and where mechanisms exist to ensure that the housing remains affordable for those who cannot afford market housing. The subsidy is provided from the public sector, usually through a local authority or registered social landlord, or from the private sector through planning obligations. This definition covers housing for social rent, shared ownership, low cost home ownership and sub-market rent”.

- 11.3.6 The policy guidance gives the Council the power to negotiate with developers on all new permissions, subject to the need being justified by a rigorous and up to date assessment.
- 11.3.7 The target percentage to be achieved in each development is an issue for negotiation on a site by site basis, but within a framework to achieve the overall Borough target.

11.4 Low Cost Market Housing

- 11.4.1 Circular 6/98 lacks clarity particularly regarding low cost market housing. We do not accept that “low cost market housing”, provided without subsidy, satisfies ODPM’s own definition of affordable housing and have always questioned the lack of clarity in the Guidance definition, particularly in areas with high house prices relative to local income levels.
- 11.4.2 Low cost market housing is not small units which are provided without subsidy to meet the needs of households with income levels just adequate to access the housing market. These are ‘starter’ homes and are part of the general market. A household able to buy a housebuilders cheapest new unit is not included in our calculation of affordable housing need because they could buy market re-sales and do not qualify for affordable housing.
- 11.4.3 Low cost market housing can be provided with subsidy (i.e. shared equity) and if this is the case it would be incorporated within our definition and target for affordable housing.
- 11.4.4 The consultation paper ‘Planning for Mixed Communities’ identifies the types of housing described at 11.3.3 (other than social rented) as “intermediate housing” which, if adopted, should remove the lack of understanding of what was previously termed, ‘low cost market housing’.

11.5 Perpetuity

- 11.5.1 It is important that additional affordable housing units provided through acquisition, conversion or new delivery add to the available affordable stock in the long term. Many past initiatives have provided subsidy which has been of benefit to the first occupier only and control of the subsidy element, whether provided by free land, grant or discount is vital if the benefit is to be passed to subsequent occupiers for as long as it is needed.
- 11.5.2 To ensure the delivery and long term occupation of the affordable housing, it will be preferable for a specialist organisation such as an RSL or trust to be involved in the ownership and management of the dwellings to be provided. If a pattern of funding to developers actually emerges in future there may be other approved bodies which would be accepted in this role and this should be allowed for in future policy. These arrangements would be formalised within a legal agreement to ensure that provision meets with the Council’s affordability criteria.

11.6 Overall Target Levels

- 11.6.1 The annual level of outstanding affordable need of 495 units, after allowing for current re-let supply is clearly not economically deliverable or sustainable, bearing in mind past new supply levels of around 52 each year. The current Housing Strategy target to 2004 – 2009 is for 100 dwellings per annum and previous studies suggested a need for a minimum of 175 each year. It is planned to review the target in 2007.
- 11.6.2 The whole housing requirement for Fareham in the Hampshire County Structure Plan Review is for 4,740 units, 316 per annum to 2011. The 2004 survey shortfall of 495 units is 157% of the whole housing allocation, and clearly is unachievable.
- 11.6.3 Despite the evidence of the scale of need from existing and concealed households, there are wider issues to consider when setting targets for delivery of affordable housing from new developments. Essentially planning should be providing for balanced communities, which acknowledge the need for social compatibility if the problems of housing in the past are not to be repeated.
- 11.6.4 Our significant experience of affordable subsidised housing in mixed developments leads us to recommend that 40% of new units negotiated in this way should be the target from the total of all suitable sites negotiated. This proportion includes both affordable housing for rent and subsidised low cost market housing to meet the needs of low income households, key workers and those on average incomes unable to purchase. Targets may vary above and below this level on a site by site basis to take account of area and site characteristics and the local social stock supply.
- 11.6.5 In view of the scale of need, particularly in the period to 2009, subsidised affordable units should be negotiated on all suitable sites. The Council should set a 'target' for each site taking into account existing supply, survey demand and other planning, sustainability and economic factors.
- 11.6.6 The increases in house prices over the last four years have excluded many of 'first-time buyers' from the owner occupied market. We believe therefore that the proportion of affordable housing provided on new sites should encompass more subsidised low cost market housing than would have been the case four years ago when it was a more marginal element of affordable need.
- 11.6.7 The following table highlights the annual scale of affordable need, the flow of existing stock re-lets and the net new unit requirement from either conversions or new build.

Table 11-1 Affordable Need Summary

Total Annual Need	710
Existing Stock Re-lets	215
Net New Units	495

11.7 Site Thresholds

- 11.7.1 The threshold level in Circular 6/98 is set at 25 units or 1 hectare but the lack of units achieved on sites above this level would have a severe impact on delivery of affordable housing if this level is to be applied. We believe that the significant level of need identified is unlikely to be met without a change to a significantly lower threshold.
- 11.7.2 The annual scale of affordable need is almost nine times the average annual new unit delivery over the last three years and five times the Council target and justifies an exceptional case for a lower threshold.

- 11.7.3 The Government Consultation Paper on PPG3 'Influencing the Size, Type and Affordability of Housing' already considers the issue of a base threshold of 15 units and it is expected that the amended Guidance will permit thresholds of 15 units or 0.5 hectares. This level will be able to be adopted without the need for justification and will be the "default threshold".
- 11.7.4 A threshold set below 15 units will need to be justified. The analysis in the Housing Sites Position Statement 2004 Review shows that 16 of the 25 identified and allocated housing sites have a capacity of between 10 and 24 dwellings. A reduction in the threshold to 10 dwellings would therefore significantly improve the provision of affordable housing. The potential to achieve a further increase in the provision of affordable dwellings by reducing the threshold to 5 dwellings should be investigated.

11.8 Property Type & Size

- 11.8.1 The latest Consultation Paper "Planning for Mixed Communities" focuses on the need to meet the needs of the whole community and that Local Development Documents should:-
- ◆ set out overall targets for affordable housing (as a proportion);
 - ◆ the split between social rent and intermediate housing;
 - ◆ and by size and type for all housing.
- 11.8.2 The plan text in 6.6 to 6.9 adequately addresses this issue but it may be of value to have a specific policy on type and size, especially in view of the current imbalance in the stock.

11.9 Key Worker Housing

- 11.9.1 Provision of key worker housing should be a part of the future affordable housing policy in the LDF. These households are affected in the same way by the local house price to income relationship as households in the same income brackets working in the private sector.
- 11.9.2 We do not believe there should be a specific policy for this group of households whose needs will most likely be met by intermediate housing rather than social rented housing.

11.10 Location Demand Analysis

- 11.10.1 We have run a number of cross-tabulations to check on the actual income capacity of households expressing preference to live in the areas outlined in below in Table 11-2.
- 11.10.2 Respondents were allowed two choices of location and around half made two choices. Table 11-2 below has been calculated by eliminating the double choice element so that the Table provides the scale of households in each location.
- 11.10.3 Local entry level prices in each area were assessed against the incomes of concealed households expressing preference to live in that specific area to calculate the numbers of households unable to purchase.

11.10.4 The locational preferences expressed by concealed households forming in each area to 2007 are listed in Table 10-3 below.

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Titchfield	73	100.0	73
Western Wards			
Locks Heath	211	100.0	211
Park Gate	104	100.0	104
Titchfield Common	87	100.0	87
Whiteley	61	100.0	61
Warsash	45	100.0	45
Sarisbury	28	100.0	28
Total	536	98.6	536

11.10.5 In almost individual locations, virtually all of the concealed households earn below the required income threshold to enter the owner occupied market through the lowest quartile stock.

11.11 Housing and Planning Strategies

11.11.1 In the light of the findings of the Housing needs Survey we make the following recommendations for consideration in relation to planning and delivery:-

11.11.2 Targets

- ◆ Continue to negotiate with prospective developers towards achieving subsidised affordable homes from the all suitable sites coming forward for planning consent over the period of the Local Plan. Each site will need to be assessed individually, targets being subject to wider planning, economic viability, regeneration and sustainability considerations and will require a flexible approach to specific site negotiation.
- ◆ Planning should be providing for balanced communities, which acknowledge the need for social compatibility. The scale of affordable housing need exceeds the whole housing allocation of 316 units a year and our significant experience of affordable subsidised housing in mixed developments leads us to recommend that 40% of new units negotiated should be the target level applied from the total of all sites negotiated.

- ◆ This proportion includes both affordable housing for rent and subsidised low cost market housing to meet the needs of low income households, key workers and those on average incomes unable to purchase. It is recommended that the overall tenure balance within affordable housing should be 70% rent and 30% low cost market (or intermediate market as it may become known). This balance is based on the very small current social rented stock, the scale of households on above average incomes who cannot access full owner occupation but could buy at 30% and 50% discounts and the reality of a lack of grant funding at least in the short term.

11.11.3 Property, Type and Size

- ◆ Provide a mix of house types in both market and social sectors but mainly small units, particularly flats and terraced houses to meet the needs of new households, address the shortages in the stock and provide for a more balanced housing market across all tenures.

11.11.4 Housing Allocation

- ◆ The most fundamental issue is that to achieve levels of affordable housing and more small units to improve the balance of the housing stock, the overall housing allocation needs to increase. Even delivery of 175 units a year, just over a third of need, would require an allocation level of 437 assuming all sites delivered affordable housing at 40% of units.

11.11.5 Site Thresholds

- ◆ The analysis in the Housing Sites Position Statement 2004 Review shows that 16 of the 25 identified and allocated housing sites have a capacity of between 10 and 24 dwellings. A reduction in the threshold to 10 dwellings would therefore significantly improve the provision of affordable housing. The potential to achieve a further increase in the provision of affordable dwellings by reducing the threshold to 5 dwellings should be investigated. Draft revisions to PPG3 propose that a threshold set below 15 units will need to be justified

11.11.6 Low Cost Market Housing

- ◆ The current definition in the Plan Review June 2000 has potential to confuse and should be clarified in the next stage of the Local Development Framework.

11.11.7 Needs Assessment Updating

- ◆ The needs assessment process will be essential to the monitoring of ongoing need and delivery within future LDF policy. It is recommended that the Assessment is updated annually as a desk exercise between the four to five year full update process.