

East Northants DC

Secondary data analysis of market and affordable housing sub-district requirement

Introduction

1. This note is intended to supplement the existing SHMA report for North Northants and the HNS for East Northants. It is intended to provide guidance at a detailed ward level on the size and tenure mix of new housing.
2. SHMA's and related analyses of the requirement for extra market and affordable housing are, in order to be robust, based on a combination of primary (gathered for the survey in question) and secondary data (already existing sources). It is Fordham Research's conclusion, after extensive analysis of the problem, that the typical sample sizes of primary survey for such studies do not provide reliable and robust information at detailed subarea (eg ward) level. We have reviewed this in relation to the much stricter tests of robustness of such studies brought in with PPS3: Housing in November 2006.
3. It is of course the case that most of the firms in this field, including ourselves, have been providing at least housing needs information on a sub-district basis for many years (since the early 1990's in our case). Such information has, in many cases at least by ourselves, been labelled 'indicative' to suggest that it was not as accurate as the district level estimates.
4. The issue of accuracy has also been made more acute by the introduction of SHMA's (covering all tenures) and by our own BHM (Balancing Housing Markets model) which aims to show what mix and tenure of housing is required to improve the match between the stock of housing and the population of households in an area. The analysis demands much more data, and is much more difficult to do accurately at sub-district level with the sizes of sample commonly used.

Purpose of this document

5. This document is intended to provide detailed guidance on the sizes and tenures of new housing at sub-district (in this case ward) level in order to assist officers and the SHMA Steering Group and stakeholders generally to determine the appropriate mix of housing at a detailed spatial scale.
6. The document is intended to be read in the context of the overall market findings of the BHM, and the specific affordable housing targets stated in the BHM and in the East Northants HNA.

Summary of the approach

7. The analysis is based on the 2001 Census. Although the census is now rather out of date as regards housing market information. That is why the SHMA uses a wide range of more contemporary information. However the basic housing stock has not changed much since 2001, and so analysis based on that should still be quite reliable.
8. The general principle of the work has been to compare rankings, score them and by adding the scores derive an overall ranking from which intelligible policy outputs can be derived. However this has different meanings in the case of market and affordable housing.
9. In the case of market housing, the size of dwellings and the size of households is ranked. If the combined scores come out and provide indications as to what sizes of extra dwelling would best balance the mix in the subarea concerned.
10. In the case of affordable housing a slightly more complex analysis is required. This begins with two observations, derived from the extensive analysis of both market and affordable housing issues which Fordham Research has conducted over the past decade and a half:
 - (i) In areas with a greater proportion of social rented housing it is assumed that the need will be relatively lower (as there is a greater stock of housing to meet needs as they arise). This pattern has been observed in many districts
 - (ii) In areas with a greater proportion of households in the private rented sector it is assumed that the need is greatest. The reasoning behind this comes from research which suggests that households in the private rented sector typically have some of the highest levels of housing need as well as having relatively high aspirations to enter this sector. The first of these two observations has been demonstrated in many HNS over the years. The second has been supported by more indirect analysis. For example it is true at the national level (Survey of English Housing 2006) that 68% of existing households moving into social rented housing come from the private rented sector. The overall private sector contains only 15% of rented housing, and so this shows how dominant a flow this is from private rent. It is also the case that where detailed questions have been asked of private tenants, a majority of those on housing benefit (who therefore could not afford the market unaided) would have preferred to be in the social rented sector. Many households in private rental other than on housing benefit would also prefer social rented housing if capacity were available.

11. The two rankings that are compared in the case of affordable housing are therefore the proportions of existing social rented housing and private rented housing.

Deriving overall balance

12. The following table provides basic census data ranking the size of dwelling and household size by market and social rented tenures.

Table 1 Tenure split by ward in East Northamptonshire (2001)

Ward	Owner-occupied	Social rent	Private rent	Total
Barnwell	77.7%	9.8%	12.5%	100.0%
Dryden	70.8%	16.1%	13.0%	100.0%
Fineshade	71.8%	19.0%	9.2%	100.0%
Higham Ferrers	80.7%	15.8%	3.4%	100.0%
Irthlingborough	73.3%	20.7%	6.0%	100.0%
King's Forest	67.4%	16.7%	15.9%	100.0%
Lower Nene	80.7%	7.5%	11.8%	100.0%
Lyveden	73.2%	17.5%	9.3%	100.0%
Oundle	77.5%	14.4%	8.1%	100.0%
Prebendal	78.3%	12.9%	8.8%	100.0%
Raunds Saxon	83.8%	10.9%	5.3%	100.0%
Raunds Windmill	82.1%	14.1%	3.9%	100.0%
Ringstead	82.7%	13.4%	3.9%	100.0%
Rushden East	68.6%	22.5%	8.9%	100.0%
Rushden North	82.8%	10.7%	6.5%	100.0%
Rushden South	89.3%	6.7%	3.9%	100.0%
Rushden West	77.1%	19.0%	4.0%	100.0%
Stanwick	85.7%	11.4%	2.9%	100.0%
Thrapston	82.7%	11.8%	5.5%	100.0%
Woodford	77.5%	16.7%	5.8%	100.0%
East Northamptonshire	78.8%	14.8%	6.4%	100.0%
North Northants	75.2%	19.2%	5.7%	100.0%
East Midlands	74.4%	18.1%	7.5%	100.0%

Source: 2001 Census and Fordham Research

13. It should be noted that the figures exclude data for households living in tied accommodation, those in properties owned by relatives/friends and those living rent free – although these numbers are relatively small). The analysis of the overall housing balance and affordable housing requirement should not be compromised by their omission.
14. In the case of affordable (social rented) housing the data shows that the proportion of social rented housing by ward varies from 6.7% in Rushden South to 22.5% in Rushden East; the size of the private rented sector varies from 2.9% in Stanwick to 15.9% in Kings Forest. Overall, East Northamptonshire has a smaller social rented sector than either the HMA or regional average whilst the size of the private rented sector is larger than in the HMA but smaller than the regional average.

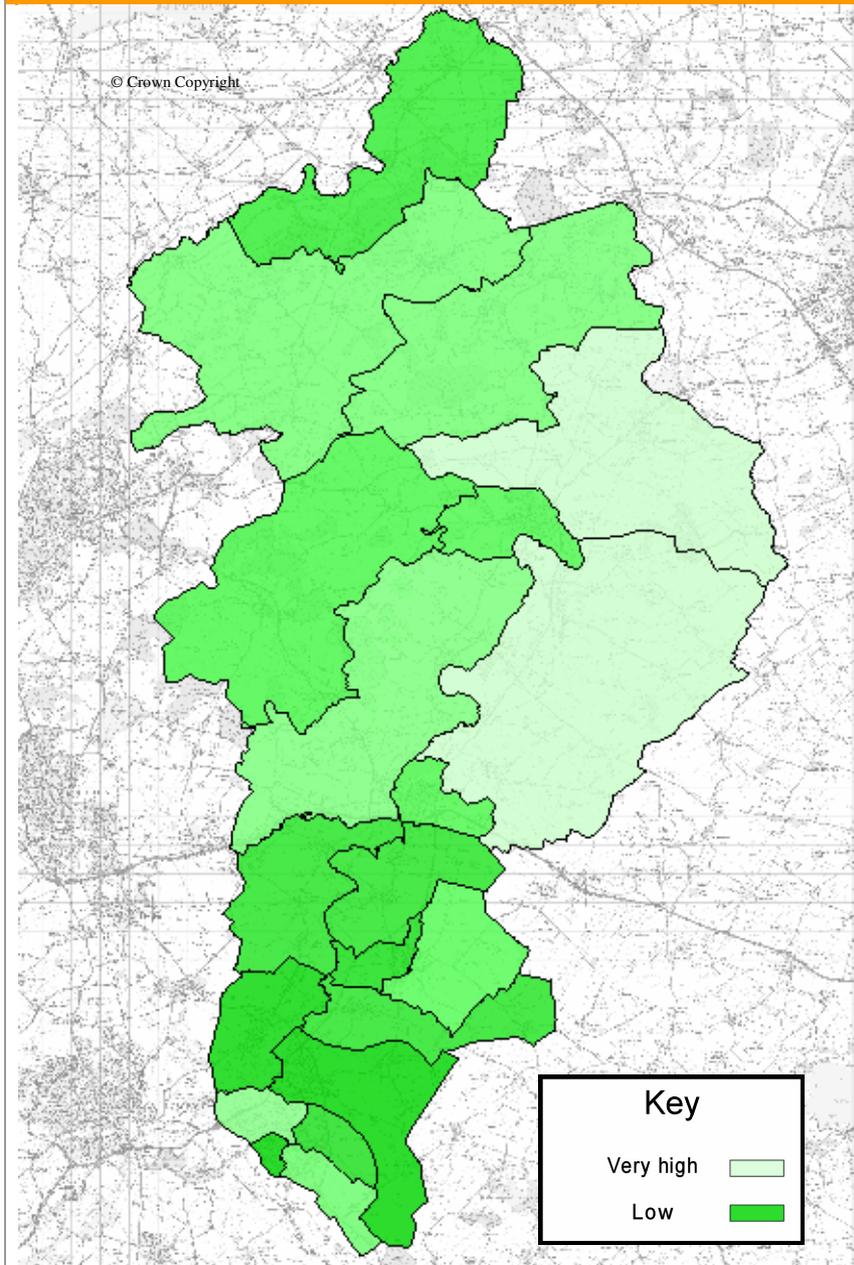
15. In terms of affordable housing the following table provides a ranking, using the information above, of social and market rent, based on the figures above.

Table 2: Tenure split by ward in East Northamptonshire (2001)				
<i>Ward</i>	<i>Social rent</i>	<i>Private rent</i>	<i>Total</i>	<i>Inferred requirement</i>
Barnwell	3	3	6	Very high
Lower Nene	2	4	6	
Rushden North	4	10	14	High
Dryden	13	2	15	
King's Forest	15	1	16	
Prebendal	8	8	16	
Rushden South	1	16	17	Medium
Raunds Saxon	5	14	19	
Oundle	11	9	20	
Thrapston	7	13	20	
Lyveden	16	5	21	
Fineshade	18	6	24	
Ringstead	9	17	26	
Stanwick	6	20	26	
Woodford	14	12	26	
Rushden East	20	7	27	
Raunds Windmill	10	18	28	Low
Irthlingborough	19	11	30	
Higham Ferrers	12	19	31	
Rushden West	17	15	32	

Source: 2001 Census and Fordham Research

16. The following map shows the distribution of the implied requirement for more affordable housing.

Map 1: E Northants Indicative level of affordable housing ward level requirement



Source: 2001 Census and Fordham Research

17. As can be seen, there is a strong pattern to the findings:
- (i) There is a high level of requirement for affordable housing in the eastern part of the district, within the Peterborough housing market area of influence
 - (ii) There are pockets of higher requirement elsewhere in the district, but generally less need elsewhere, particularly in the south

18. The reverse of Map 1 would indicate the relative need for market housing. In other words relatively little in the east of the district and more elsewhere.

Background data on market and affordable housing

19. The table below provides data used as an input to the analyses of market and affordable housing balance which is provided below.

Table3: Tenure split by ward in East Northamptonshire (2001)

Ward	Market		Social rent	
	Average rooms per dwelling	Average household size	Average rooms per dwelling	Average household size
Barnwell	6.58	2.47	4.71	2.52
Dryden	6.21	2.36	4.74	2.22
Fineshade	6.12	2.32	4.81	1.85
Higham Ferrers	5.78	2.46	4.56	2.08
Irthlingborough	5.61	2.42	4.80	2.19
King's Forest	6.31	2.44	4.58	2.15
Lower Nene	6.46	2.48	4.42	2.24
Lyveden	6.13	2.45	4.38	1.86
Oundle	6.15	2.39	4.23	1.82
Prebendal	6.56	2.41	4.69	2.13
Raunds Saxon	5.88	2.54	4.40	2.04
Raunds Windmill	5.37	2.46	4.62	2.35
Ringstead	6.19	2.47	4.52	2.59
Rushden East	5.14	2.18	4.56	2.33
Rushden North	5.61	2.37	4.13	1.95
Rushden South	5.91	2.44	3.61	1.63
Rushden West	5.40	2.48	4.64	2.60
Stanwick	6.34	2.58	4.70	2.30
Thrapston	6.06	2.61	4.18	1.66
Woodford	6.15	2.45	4.56	2.30

Source: 2001 Census and Fordham Research

Market housing

20. For market housing size balance, the information provided in the tables above can then be compared by adding the rankings of dwelling size and household size as in the table below:

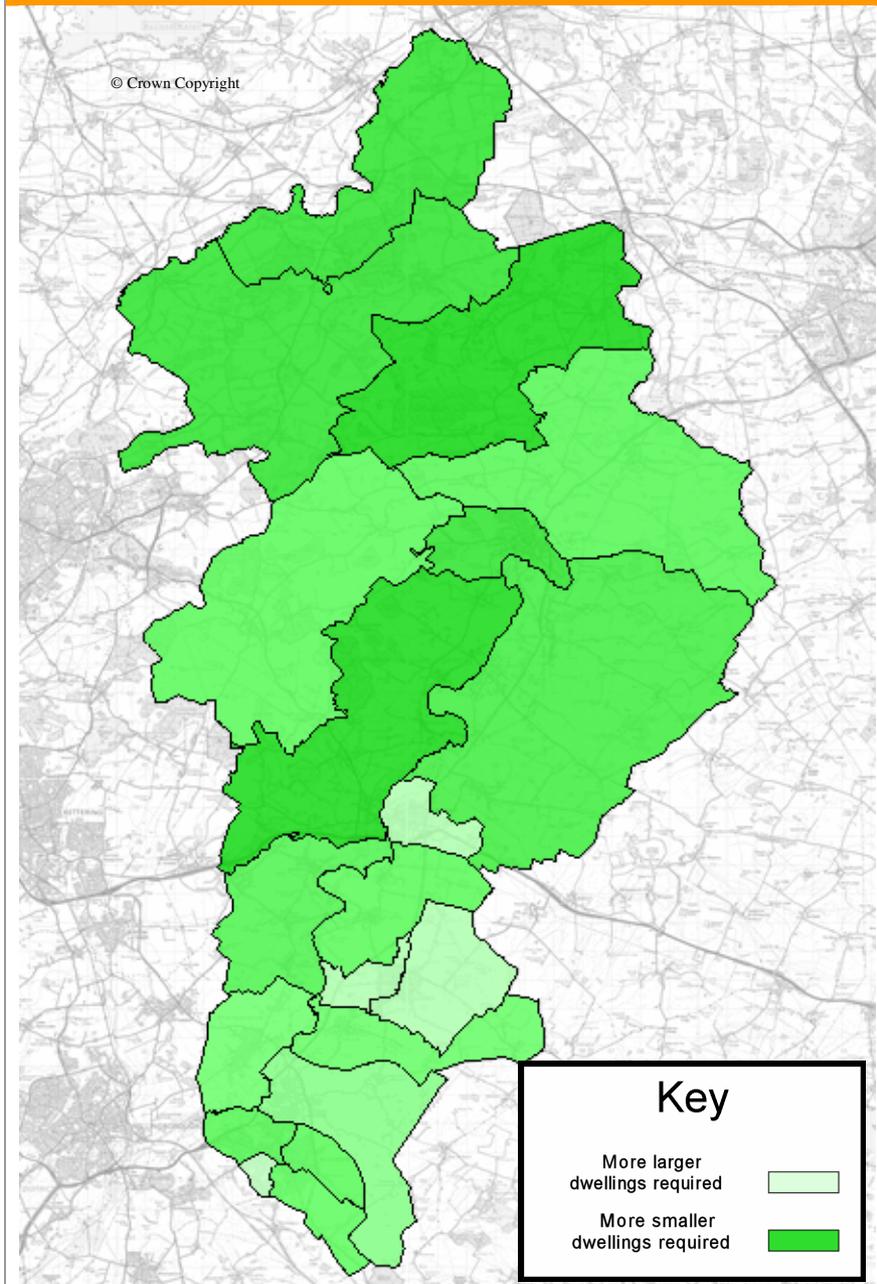
Table 4: Market housing balance by ward in East Northamptonshire (2001)

Ward	Market		TOTAL	Inference
	Dwelling size	Household size		
Rushden West	3	5	8	 <p>More larger dwellings required</p> <p>More smaller dwellings required</p>
Thrapston	9	1	10	
Raunds Saxon	7	3	10	
Raunds	2	8	10	
Windmill				
Higham Ferrers	6	9	15	
Irthlingborough	4	14	18	
Stanwick	17	2	19	
Rushden South	8	12	20	
Ringstead	14	7	21	
Lyveden	11	10	21	
Rushden East	1	20	21	
Lower Nene	18	4	22	
Rushden North	5	17	22	
Woodford	12	11	23	
Barnwell	20	6	26	
King's Forest	16	13	29	
Oundle	13	16	29	
Fineshade	10	19	29	
Dryden	15	18	33	
Prebendal	19	15	34	

Source: 2001 Census and Fordham Research

21. The table has been split into four categories based on bandings of the total score rank. To enable ready assimilation of this information, the data has been mapped, as shown below.
22. The pattern of results is instructive. It indicates, in broad terms:
 - (i) A need for more larger dwellings in the south of the district
 - (ii) A need for more smaller market dwellings in the middle and north of the district
23. The south of the district shows generally lower financial capacity than the north, and so this result makes sense. For the same reason it would require policy action to implement, since households with higher financial capacity can in general pay for larger dwellings. Of course that conclusion is only valid if it is desired to improve the mix of an area: the natural market inclination tends to be towards segregation and not mix, so that the market tendency, if not affected by policy, tends to be towards polarisation.
24. Hence there is a clear policy message from this analysis, and it is specific to wards.

Map 2: E Northants market housing balance by ward



Affordable housing size balance

25. In the same way a size balance for the affordable housing sector can be derived using the information already provided. The rankings are shown below.

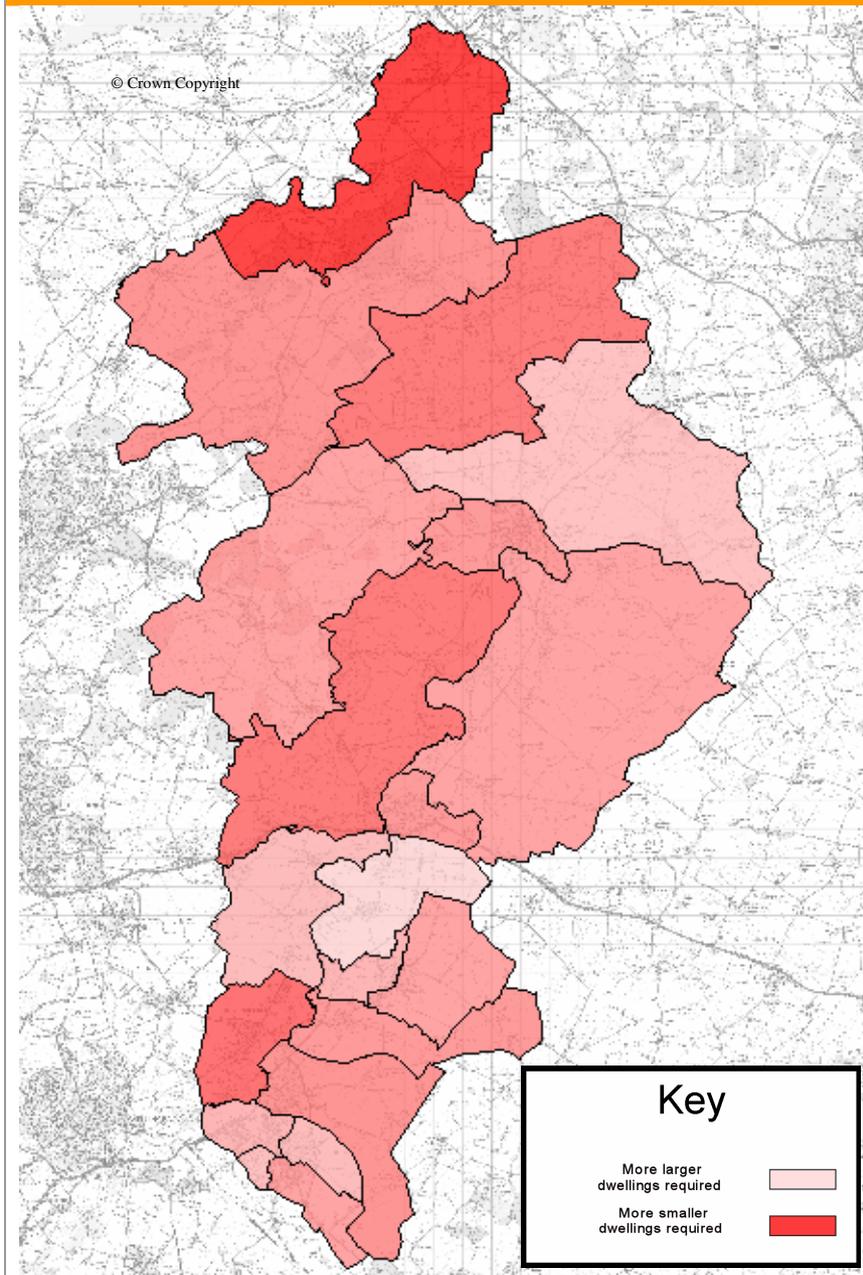
Table 5: Affordable housing balance by ward in East Northamptonshire

Ward	Dwelling size	Rank		TOTAL	Inference
		Household size			
Ringstead	8	2		10	More larger dwellings required
Rushden West	14	1		15	
Lower Nene	7	8		15	↓
Rushden East	11	5		16	↓
Woodford	9	7		16	↓
Raunds Windmill	13	4		17	↓
Rushden North	2	15		17	↓
Barnwell	17	3		20	↓
Raunds Saxon	6	14		20	↓
Lyveden	5	16		21	↓
Rushden South	1	20		21	↓
Stanwick	16	6		22	↓
Oundle	4	18		22	↓
Thrapston	3	19		22	↓
King's Forest	12	11		23	↓
Higham Ferrers	10	13		23	↓
Dryden	18	9		27	↓
Prebendal	15	12		27	↓
Irthlingborough	19	10		29	↓
Fineshade	20	17		37	More smaller dwellings required

Source: 2001 Census and Fordham Research

26. This too can be mapped for ease of assimilation:

Map 3: E Northants social rented housing balance by ward



Source: 2001 Census and Fordham Research

27. This map also shows a coherent pattern, but one that is more subdivided by area within the district. The main requirement for smaller affordable dwellings is in the north, though there is some requirement in the middle also. THE main requirement for larger affordable dwellings is in the middle and south of the district.

Conclusions

28. This note has set out some guidance on choice of dwellings size and level of affordable housing requirement for newbuild housing in East Northants. This is done in the context of the overall findings of the SHMA as regards both overall housing numbers and sizes and tenure mix as well as affordable housing targets, all at the district level.
29. The first section provides guidance on the overall need for extra affordable housing by ward. This is shown by Map 1. The mirror image of that map would show the relative requirement for extra market housing, but it can be easily inferred by looking at the same map.
30. The third section derived the relative requirement for given sizes of market housing, to balance the stock in relation to households, and the final section does the same for affordable housing.
31. The findings are cast in relative terms: more of this and less of that. This is appropriate when the purpose is background guidance to those operating housing and planning policy. It is not the kind of analysis that leads to prescriptive and exact numbers, as can the district level analyses.
32. However by combining the district level findings, and the relative guidance provided in this document, it is hoped that the best policy outcomes will be achieved.

Fordham Research
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