Suffolk Coastal Local Housing Assessment

Report of Findings for
Suffolk Coastal District Council

Opinion Research Services
Spin-out Company of the University of Wales Swansea

working in association with

pps Group

Suffolk Coastal
Local Housing Assessment

1. Introduction

Project Overview

1.1 Opinion Research Services (ORS) in partnership with Professional Partnership Services (**pps**) were commissioned by Suffolk Coastal District Council to undertake a comprehensive combined local housing assessment – including a study of current and future housing requirements (including housing need) and an analysis of the current condition of dwellings across the area. The assessment was undertaken to inform local policies, in particular relating to the housing strategy and investment programme and planning policies surrounding affordable housing provision.

1.2 The Suffolk Coastal assessment was primarily based on the analysis of 1,500 interviews conducted with households across the sub-region and physical surveys of 1,000 private sector dwellings. Information from the household survey primarily underwrote the housing needs and requirement modelling whilst information from the physical surveys was the main base for the stock condition analysis, though the two surveys were used to some extent by both elements of the study. Secondary data from the Housing Corporation, Land Registry and a range of other information also informed the analysis.

1.3 The housing requirements assessment was undertaken using the ORS Housing Market Model – which was also the basis of the Greater London Housing Requirements Study completed by ORS, and which has been used by numerous local authorities across the UK. The study exceeds the standards promoted in all relevant Government Good Practice publications and the model and it analysis has withstood detailed scrutiny at numerous local planning inquiries.

1.4 The study was comprehensive in considering the different components of housing requirements and supply. In addition to households identified as currently being in housing need, the study identified the future housing requirements of established and newly forming households across the area together with inward migrants from within the UK and abroad. These gross housing requirements were offset against the likely supply of housing from within the existing stock to yield a net requirement for additional housing.

1.5 The outputs considered household affordability in terms of the ability to afford appropriate market housing, the ability to afford more than social rented housing without being able to afford appropriate market housing, and the inability to afford any more than the appropriate social rent. Therefore the requirements for market housing, intermediate housing and social housing were comprehensively covered.

1.6 The stock condition analysis was undertaken using the Comprehensive Local authority Stock Survey Information Collation (CLASSIC) software system (a **pps** package). This system follows the methodology originally set out in the 1993 DoE Local House Condition Survey Guidance Manual but also takes full account of the updated guidance issued in 2000 when the Housing Health and Safety Rating System was introduced. Energy efficiency information provided throughout the report was created using UNO, a commercially available energy efficiency software product supplied by the Energy Audit Company.

1.7 This report summarises the key findings of the study, in particular where they relate to existing policies or have implications for future policy decisions. Information from the primary data analysis is statistically reliable at a district-wide level and some reliable analysis is also provided for the functional housing market areas identified within the district, but reliable information cannot be provided from the primary data for smaller sub-areas.

The Strategic Policy Context

1.8 In the last decade there has been a growing interest in local and sub-regional assessments of housing requirements (and in particular housing need) and stock condition, involving housing, planning and environmental health departments of local councils, as well as on occasion other departments (social services, economic development etc.) and various partner organisations including Registered Social Landlords (RSLs).

1.9 The objective of a decent home for all, irrespective of ability to pay, has long been a central tenet of housing policy in the UK, no matter which political party has been in power. The duty of local authorities (LAs) to consider housing conditions and any need for further housing was set out in legislation as long ago as the Housing Act 1936, with such duties now set out under the Housing Act 2004 (which came into effect in April 2006).

1.10 Nevertheless, the public resources available for investment in housing have declined considerably and greater emphasis has been placed on ensuring the most effective targeting of available resources. Local authorities remain anxious to make as powerful a case as is possible for the allocation of resources, for investment in the repair and improvement of the private housing stock and to secure the allocation of social housing grants to support the work of Registered Social Landlords (RSLs).

1.11 Since the introduction of local Housing Strategies and Investment Programmes (HIPs), and particularly since they have been perceived by central government as genuinely strategic and based on sound housing assessments, the significance of local studies has grown. Guidance to LAs on the preparation of their annual HIP strategies has stressed the importance of evidence based approaches that effectively address needs across all tenures.

1.12 Local authorities also have to establish robust evidence of local housing conditions (including stock condition) to underwrite their Private Sector Renewal Strategy. Apart from the requirement for mandatory Disabled Facility Grants, local authorities have their own frameworks for giving financial assistance to households to repair or improve private sector homes based on local circumstances, needs and resources.

1.13 Whilst local authorities have a long-standing duty to deal with unfit housing and to provide assistance with housing renewal, the Housing Act 2004 makes a number of important changes to the statutory framework for private sector housing as summarised below and detailed further in Figure 1 (overleaf):

- The existing fitness standard and the enforcement system are to be replaced by the new Housing Health and Safety and Rating System (HHSRS);

- The compulsory licensing of higher risk houses in multiple occupation (three or more storeys, five or more tenants and two or more households); and

- New discretionary powers including the option for selective licensing of private landlords, empty dwelling management orders and tenancy deposit protection.

Housing Act 1985	Housing Act 2004 effective from April 2006
Unfit houses – to take the most satisfactory course of action being: renovation, closure/demolition or clearance	**Category 1 hazards, Housing Health and Safety Rating System (HHSRS)** – to take the most satisfactory course of action being: improvement notices, prohibition orders, hazard awareness notices, emergency remedial action, emergency prohibition orders, demolition orders or slum clearance declarations
Houses in Multiple Occupation – to inspect certain HMOs, to keep a register of notices served, to require registration where a registration scheme is in force	**Houses in Multiple Occupation** – to license all HMOs of three or more storeys, with five or more residents and two or more households. Certain exceptions apply and are defined under sections 254 to 259 of the Housing Act 2004
Overcrowding – to inspect and report on overcrowding	**Overcrowding** – to inspect and report on overcrowding as defined under sections 139 to 144 of the Housing Act 2004

Figure 1:   Summary of Local Authority Mandatory Duties based on the Housing Act 1985 and Housing Act 2004

1.14   In addition to the mandatory duties outlined above there are a number of non-mandatory powers available to the Authority under the Housing Act 2004. These include: taking the most satisfactory course of action in relation to category 2 hazards under the HHSRS (hazard categories are defined in chapter 4 of this report); additional licensing of HMOs that do not fall under the definition for mandatory licensing and serving of overcrowding notices.

1.15   Whilst full guidance has yet to be published by ODPM on the licensing provisions for HMOs, interim guidance has already been issued describing the high risk HMOs that will require mandatory licensing and those that fall under additional, voluntary licensing. Operating Guidance for the HHSRS was published in November 2005 which describes the new system and the methods for measurement of hazards, as well as the division of category 1 and 2 hazards, and this forms the basis for our analysis – and whilst our analysis has considered the existing Housing Fitness Standard, the report concentrates primarily on the HHSRS (given the imminent introduction of this standard).

1.16   Of course, the Housing Act is not the only legislation relevant to local stock condition. Other issues relevant to the analysis include:

- The provision of adaptations and facilities to meet the needs of people with disabilities (Housing Grants, Construction and Regeneration Act 1996) – to approve applications for Disabled Facilities Grants for facilities and/or access; and

- Energy Conservation (Home Energy Conservation Act 1995) – to have in place a strategy for the promotion and adoption of energy efficiency measures and to work towards specified Government targets to reduce fossil fuel use.

1.17   Finally, alongside the importance of local housing assessments in housing policy terms has been the recognition of the potential for the land use planning system to help secure a proportion of "affordable" social housing within private housing development, provided that the case is supported by sound evidence of local housing needs. Planning Policy Guidance Note 3 (PPG3) and Circular 6/98 enable local authorities to negotiate with developers for the provision of a proportion of social housing on sites for private housing, where there is evidence of need.

1.18 Existing Local Plans and emerging Local Development Frameworks have to make reference to housing need to enable the local authority to negotiate mixed tenure development. Furthermore, realistic and robust estimates of future housing requirements at a local level which, taking account of migration and projected household formation as well as likely affordability, can feed in to strategic planning debates at the regional and sub regional levels.

1.19 This report will provide the robust evidence base required by PPG3, Circular 06/98 and the emerging PPS3 to determine appropriate affordable housing targets to assist in addressing identified local housing need through the planning process. It also provides much of the evidence base recommended by ODPM guidance 05/2003 to underwrite the private sector renewal strategy. In addition, information in the report is likely to prove useful as a source for a wide variety of housing issues, in particular in relation to the Housing Investment Programme, the Housing Strategy and developing and delivering other housing related policies.

Housing Requirements: The Fundamental Questions

1.20 Local housing assessments must involve a consideration of housing requirements across the whole market and it is important to understand the different components. For any housing requirement study, the key or core issues are:

- How many additional units are required?

- How many additional units should be affordable homes?

- What is the appropriate mix for future housing provision?

1.21 Everyone has a housing requirement but many people can satisfy their own requirements in the private housing market since they are able to afford to purchase a home of their own (usually with a loan or mortgage) or to pay a market rent. These households can be regarded as *housing demand* – in other words, housing demand takes account of preference (with the analysis being choice led) but is controlled by the ability to pay.

1.22 However, a proportion of households may be unable to attain housing of at least a minimum standard (defined in terms of size, type, condition and location) without some form of assistance, either through the provision of a home in the social rented sector or through subsidised access to the private sector (i.e. through housing benefit or by the provision of low cost home ownership opportunities). These households can be regarded as *housing need* – in other words, housing need takes account of those without adequate housing who are unable to resolve their situation without assistance.

1.23 It can be seen that housing *requirement* encompasses both housing *demand* and housing *need*, and is the quantity of housing necessary for all households to have access to suitable housing, irrespective of their ability to pay. In other words, it is the amount of housing necessary to accommodate the population at appropriate minimum standards.

1.24 Our study has sought to address a number of key issues which underlie these aspects of Suffolk Coastal's housing requirement. These include:

- Current and future assessments of housing needs and demand.

- The affordability of different tenure options for new and existing households, analysing the relationship between housing costs in the private sector and available

financial resources. As we have already indicated, the issue of affordability is critical to the development of local planning policies.

- Issues around the condition of the existing housing stock (although it should be noted that this is based upon occupiers' perceptions and is not by any means a comprehensive picture of current housing conditions), which will help inform the Private Sector Housing Strategy.

- The housing and support needs of different sectors of the population, which have implications not only for housing and planning policies but also for wider health and social care planning.

- Estimates of the number of homes needed to meet current and future housing requirements. The housing shortfalls are broken down by size, tenure and price.

Stock Condition: The Factors Assessed

1.25 The factors assessed by the stock condition survey element of the study were determined in part by government guidance on the conduct of such surveys and in part by the requirements placed upon local authorities, in subsequent legislation, in relation to private dwellings.

1.26 The 1993 DoE Local House Condition Survey Guidance Manual sets out a methodology that includes a detailed survey form in a modular format, and a step-by-step guide to survey implementation.

1.27 The 1993 guidance was updated in 2000 and under the new guidance Local authorities are encouraged to make full use of the data gathered from house condition surveys in conjunction with data from other sources. Also included is guidance on the Housing Health and Safety Rating System. The Suffolk Coastal study followed the 2000 guidance.

1.28 The Comprehensive Local authority Stock Survey Information Collation (CLASSIC) software system (a **pps** package) was used to analyse the results of the survey and to produce the outputs required from the data to write this report. Energy efficiency information provided throughout the report was created using UNO, a commercially available energy efficiency software product supplied by the Energy Audit Company.

1.29 A detailed survey form was used to collect a wide variety of data on individual elements and aspects of the dwelling. Variables from these surveys can be combined to produce analysis in relation to a wide variety of measures and policy areas. Key factors to be considered in defining the condition of a dwelling are listed below:

- Decent homes

- Unfitness

- HHSRS category 1 and 2 hazards

- Modern facilities

- Thermal comfort and energy efficiency

1.30 These factors are discussed in more detail in chapter 4 under 'Measuring Housing Stock Conditions'. As well as measuring dwellings against these standards comparisons are also made to the national position in order to place the condition of dwellings within the Suffolk

Coastal district in context. Comparisons to the position for all England are drawn from the 2001 English House Condition Survey (EHCS), published by the ODPM and available as a download document from their website.

Data Sources

1.31 The analysis was based on primary data gathered by the Household Survey (2006), complemented by secondary data sources. The Household Survey was conducted between March and early May 2006 and a total of 1,517 households were successfully interviewed. Qualified surveyors revisited a total of 1,016 of these households to undertake physical surveys of their dwellings and a further 61 empty dwellings were also surveyed across the sub-region. The sample was based on a stratified random probability selection and identified non-response issues were addressed by a comprehensive statistical weighting process.

1.32 Information derived from the weighted data was consistent with reliable comparable information from a range of other secondary data sources – including demographic details, data from the 2001 Census, and secondary housing statistics. When considering the entire dataset, primary data for the district is accurate to within ±2.5% points at the 95% level of confidence based on a 50:50 split. Where there is a majority-minority split of 90:10, the data accuracy improves to ±1.5% points at the 95% level of confidence. Further information regarding the fieldwork, associated validation process and statistical accuracy of the data can be found in Appendix A.

1.33 All figures from the Household Survey and the Physical Survey presented in this report have been grossed-up to represent the overall population – therefore where the report discusses specific numbers of households or dwellings, it is not the number of respondents that is referred to but the number of households or dwellings across the sub-region that they represent.

1.34 Information from the Household Survey was complemented by secondary data sources to correspond with the date of the primary data – and was therefore based on a reference point of March 2006. This is also the base date for the study projections.

1.35 The secondary data sources used included:

- Database of all property sales maintained by HM Land Registry;

- HIP submissions from Local Authorities; and

- Housing Corporation publications from Registered Social Landlord CORE logs (Continuous Recording) and other statistical returns.

1.36 This information was complemented by a study of letting agents across the Suffolk Coastal of properties currently advertised to let.

Summary of Key Points

- Local authorities have a duty to consider housing conditions and any need for further housing under the Housing Act 1996, and local Housing Strategies, Private Sector Renewal Strategies and Housing Investment Programmes must be based on robust local housing assessments;

- The study sought to estimate the number of existing dwellings that failed to meet the required standards for decent homes, unfitness, HHSRS category 1 and 2 hazards, modern facilities, thermal comfort and energy efficiency; and the number and mix of new homes needed to meet current and future housing requirements;

- The assessment was based primarily on the analysis of 1,517 interviews conducted with households across the area between March and April 2006 and physical surveys of the dwellings occupied by 1,016 of these households. A further 61 empty dwellings were also surveyed across the district;

- Additional data from the ODPM, Housing Corporation, Land Registry and a range of other information from the Council also informed the analysis;

- All data was based on a reference point of March 2006 to correspond with the fieldwork period for the interview sample, and this is the base date for the study projections;

- Information from the analysis is statistically reliable at a district wide and (for certain information) functional housing market level.

2. Identifying Local Housing Market Areas

Introduction

2.1 From the outset of this study, it was understood that whilst information for the local authority administrative area was the primary basis for the study outputs, Local Housing Market Areas (HMAs) were also necessary for certain analysis.

2.2 HMAs are defined as being:

> *The geographical area in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay.*

2.3 Nevertheless, HMAs are not discrete and it is not possible for every dwelling to be correctly associated with one, and only one, HMA. It is arguable that HMAs exist as a hierarchy – with larger HMAs encompassing many smaller HMAs. For this reason, defining HMAs is somewhat more of an art than a science, and attempts to apply fixed rules often lead to inadequate conclusions.

2.4 At the highest level, the UK itself is a HMA – with the majority of the employed population both living and working within the UK and most movers choosing to stay within the UK. Suffolk Coastal local authority could also be described as a HMA – for of the 48,000 employees working in the district, 73.5% also live in the district; and of the 52,300 people in employment who live in the district, 67.5% work in the area.

2.5 Nevertheless, when we consider the migration and travel to work patterns within the local authority, it becomes apparent that there are a number of smaller, local HMAs operating within the area.

2.6 Given the proximity (and relative size) of Ipswich, the Ipswich HMA is a key influence upon the Suffolk Coastal housing market, and our analysis would conclude that an area of Suffolk Coastal district falls within Ipswich HMA. Of course, given the scope of this study we are not in a position to provide comprehensive conclusions relevant to the whole of Ipswich – but where appropriate, we have considered those households living in Suffolk Coastal within the Ipswich HMA as a discrete group within our findings.

2.7 Aside from the Ipswich HMA, there are two other clear HMAs operating wholly within the district – namely Woodbridge HMA and Felixstowe HMA.

2.8 In addition to these areas, we have also classified the northern part of the district as a third discrete HMA – but as there is no clear centre of population for this area, its definition is inherently less precise. In fact, the area could actually be conceived as a collection of smaller village markets – but in themselves, none would satisfy the ODPM definition above in terms of self-containment. In this context, it is necessary to consider a wider area such as the area that we have adopted – and whilst we have taken the administrative boundary as an appropriate border, it is arguable that the appropriate area may extend beyond this.

2.9   The following sections provide further detail on the justification for these areas and provide the appropriate evidence base for this.

Using Migration Patterns to Determine Local HMAs

2.10 One of the primary determinants of a HMA is that the substantial majority of those moving house without changing employment will choose to stay within that geographic area. In defining local HMA boundaries, it is therefore necessary to consider the migration patterns apparent when people move address. A typical way to measure this is to define a HMA as an area where 70-75% of everyone who moves chooses to stay in the area – though this should be treated as a guide as oppose to being a strict rule.

2.11 A number of data sources exist to track migration patterns, including the NHS Central Patient Register and the Royal Mail National Change of Address Database – but the most detailed information (in terms of origin-destination geography) comes from the UK Census of Population. The 2001 Census provides details on all persons who did not live at the address that they occupied at the time of the Census one year prior to this date. For all persons identified, the Census reports:

- For those that have moved from a dwelling elsewhere in the UK, the Output Area of their previous address;

- For all others who had moved within the UK, the fact that they had no usual address one year earlier; and

- For those that moved from overseas, their country of origin.

2.12 Figure 2 (below) summaries the overall migration levels identified by the 2001 Census for the period April 2000 to April 2001.

Migrant Persons	Total
Moves within the LA	
Total moves	**15,527**
Moves from the rest of the UK	
Inward moves to the LA	9,177
Outward moves from the LA	8,222
Net moves to the LA from the rest of the UK	**955**
NET MOVES WITHIN THE UK	**955**
People with no usual address one year before Census	1,824
Inward moves from overseas	1,576

Figure 2:   Migration for Suffolk Coastal in 2001
        Source: UK Census of Population 2001
        Note: Figures may not sum due to rounding

2.13 On the basis of this information– when the local authority is considered as a whole, a total of 62.8% of all UK moves originate from one of the three constituent authorities. Furthermore, of those people vacating homes in Suffolk Coastal, as many as 65.4% stayed within the area boundary.

Travel to Work Patterns in Defining Local HMAs

2.14 The other factor to be considered when defining HMAs is the location of employment relative to housing – i.e. travel to work patterns. Once again, we can identify travel to work behaviour through analysis of the 2001 Census data.

2.15 The data identifies that 35,300 people both live and work in the Suffolk Coastal. This represents around 68% of all those living in the area who have a job, and 74% of all those who work in Suffolk Coastal. Unsurprisingly the vast majority of people who travel to work in and out do so to and from other parts of the Eastern region, with a net 3,350 leaving Suffolk Coastal for the rest of the Eastern region. It is also worth noting that a net 800 people leave the sub-region to work in London (Figure 3).

UK Region	Travel to Work to Suffolk Coastal	Travel to Work from Suffolk Coastal	Net Travel to Work to Suffolk Coastal
Suffolk Coastal	35,288	35,288	-
Rest of the Eastern Region	12,007	15,359	(3,352)
North East	27	12	15
North West	91	27	64
Yorkshire and Humberside	105	38	67
East Midlands	83	48	35
West Midlands	51	39	12
London	126	945	(819)
South East	146	252	(106)
South West	46	60	(14)
Wales	33	0	33
Scotland	0	31	(31)
Northern Ireland	6	0	6
Overseas	-	173	(173)
Total	**48,009**	**52,272**	**(4,263)**

Figure 3:   Travel to Work to and from Suffolk Coastal in 2001
Source: UK Census of Population 2001

2.16 In the context of the identified migration and travel to work patterns, it is reasonable to conclude that Suffolk Coastal satisfies the definition of a HMA – with the substantial majority of the employed population living and working in the area and where most people moving house choose to stay.

2.17 Nevertheless, when we consider the functional operation of the Suffolk Coastal housing market, it is apparent that not all areas interact equally with each other.

2.18 Figure 4 (below) illustrates the origin and destination of all movers either to or from Felixstowe– with Felixstowe being defined as the shaded area. On the map a coloured dot is placed at both the point of origin and destination for each migrant – and whilst it is apparent that a number of movers originate or leave for areas outside the shaded zone, the vast majority of points fall within this area.
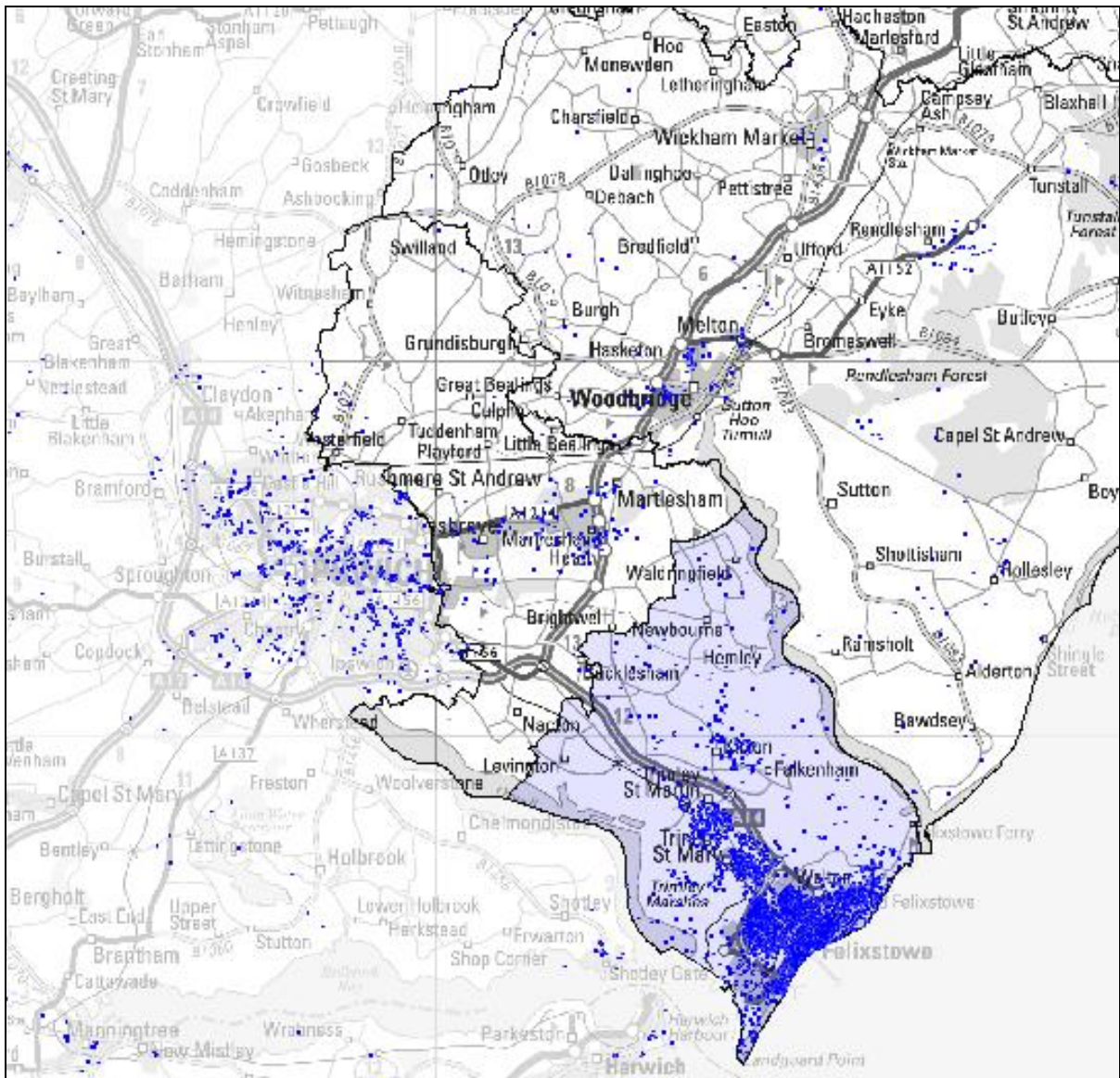
Figure 4:   Identifying the Suffolk Coastal functional Housing Market Area
Source: UK Census of Population 2001

2.19   On this basis, we would conclude that Felixstowe represents its own functional HMA and is the area identified in Figure 4.

2.20   Through replicating this process on an iterative basis, we can identify the other local HMAs that exist within the local authority. Whilst each of these areas has a strong relationship with the rest of Suffolk Coastal, each shows a large degree of self-containment in terms of both migration and travel to work patterns.

2.21   On the map below (Figure 5), the same principal is used as in the earlier illustration of the Felixstowe functional HMA (Figure 4) with a dot being placed at the origin and destination of all moves. The colour of the dot relates to the location of its pair on the basis – so the dot at the origin of the move will take the colour of the local HMA of the destination, and similarly the dot at the destination will take the colour of the local HMA of the origin.

2.22   As an example, if a household were to move from Felixstowe to Woodbridge, the dot at the origin (in Felixstowe) would be green (the colour of the Woodbridge HMA) and the dot at the destination (in Woodbridge) would be blue (the colour of the Felixstowe HMA). Where both

the origin and destination fall within the same HMA, both origin and destination dots take the same colour – of the HMA with which they are associated.

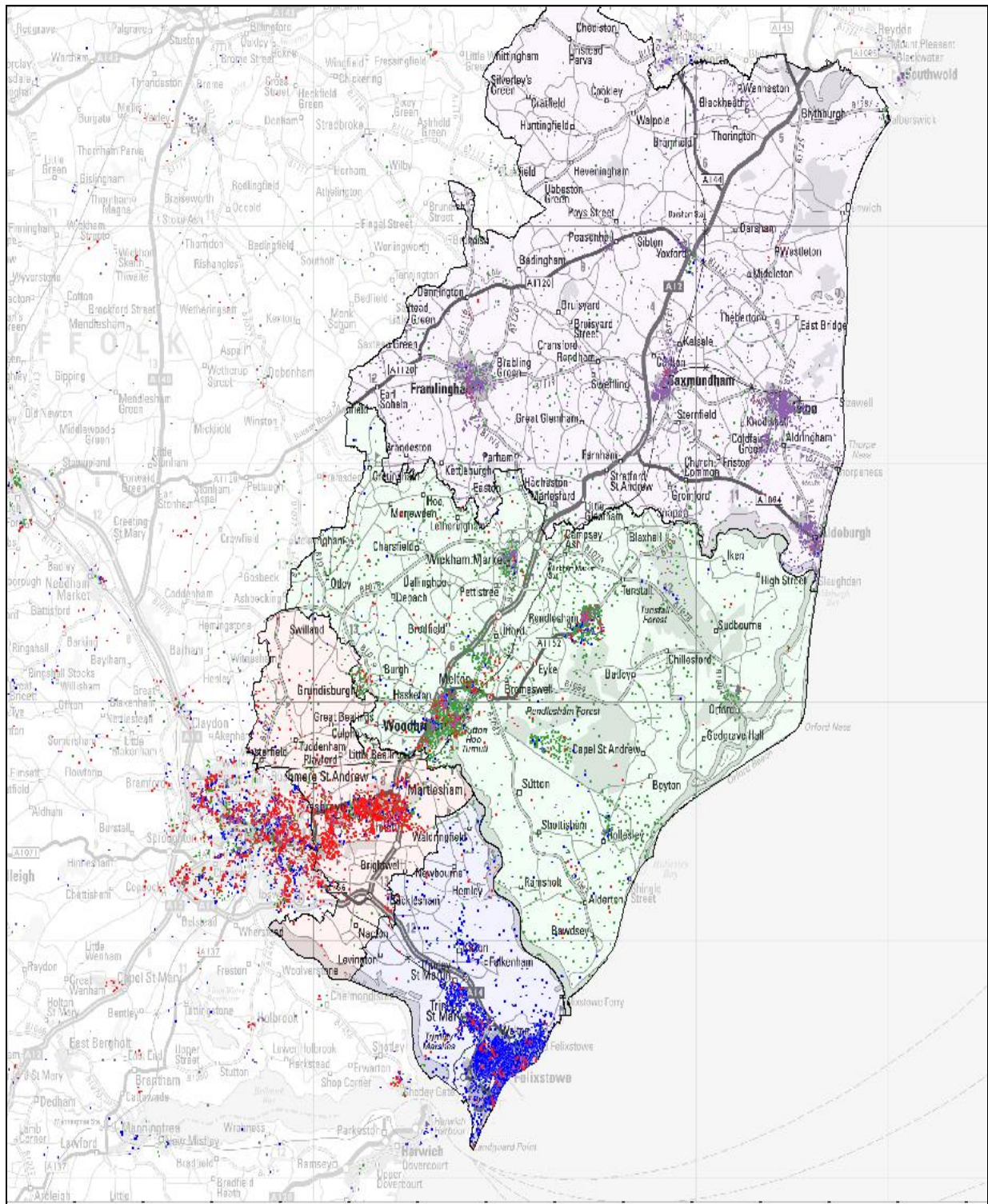**Figure 5:   Identifying the Local Functional Housing Market Areas**
Source: UK Census of Population 2001

2.23   Whilst there are some dots that inevitable cross between HMAs, the significant majority of dots within each HMA are local to that area – i.e. both origin and destination of the moves were local.

2.24 Figure 6 provides the relevant figures underwriting the earlier maps, summarising the number of persons moving both to and from the identified housing market areas as a matrix of internal moves.

Local Housing Market Area		Area of Current Home					
		Ipswich (outside SC)	Ipswich (within SC)	Felixstowe	Woodbridge	North	Elsewhere
Area of Previous Home	Ipswich (outside Suffolk Coastal)	10,800	1,200	400	300	100	4,400
	Ipswich (within Suffolk Coastal)	1,100	600	100	100	-	500
	Felixstowe	300	100	1,900	100	-	700
	Woodbridge	500	200	100	1,200	300	1,000
	North	100	-	-	200	1,200	900
	Elsewhere	6,800	700	1,000	1,600	1,400	-
Total		19,700	2,900	3,600	3,500	3,000	-

Figure 6:   Migration by Local Housing Market Areas: Number of Migrants
Source: UK Census of Population 2001

2.25 As expected, the area of the Ipswich housing market within Suffolk Coastal district has strong links with the rest of that housing market.

2.26 When we consider the remaining identified areas, it is apparent that all have significant gains from outside the district (other than gains from Ipswich) – with as many as 1,000 persons moving to Felixstowe, 1,600 moving to the Woodbridge area and 1,400 moving to the North of the district. This suggests that the whole of Suffolk Coastal district is dependent on migration from further afield. Nevertheless, because there is very little internal cross-boundary movement between the identified areas, it would seem sensible to consider them independently.

2.27 When considering travel to work patterns, the distinction between the four identified areas is emphasised further.

Local Housing Market Area		Area of Work					
		Ipswich (outside SC)	Ipswich (within SC)	Felixstowe	Woodbridge	North	Elsewhere
Area of Home	Ipswich (outside Suffolk Coastal)	64,000	7,300	3,200	1,900	400	11,100
	Ipswich (within Suffolk Coastal)	9,100	4,000	800	800	200	1,200
	Felixstowe	3,500	800	9,900	400	100	1,000
	Woodbridge	3,700	1,200	600	6,500	700	1,600
	North	1,300	300	200	900	8,100	2,000
	Elsewhere	17,000	1,700	1,800	900	1,700	-
Total		98,600	15,400	16,500	11,400	11,100	-

Figure 7:   Travel to Work by Local Housing Market Areas: Number of Employed Persons
Source: UK Census of Population 2001

2.28 When Ipswich is considered as a whole, there are 104,000 employed persons resident of whom 84,500 (81.2%) work within the identified housing market. Of the 15,800 employed persons living in Felixstowe, 9,900 (62.9%) work locally; similarly, of the 12,800 employed persons living in the North, 8,100 (63.2%) also work in the area. On this basis, each of these three areas can be considered to be relatively self-contained – though there are clear links between Ipswich and the smaller markets as to be expected.

2.29 In relation to Woodbridge, only 6,500 of the 14,100 employed persons living in the area work locally (46.1%), with 3,700 (25.9%) commuting to Ipswich. On this basis, it is arguable that the Woodbridge area should be amalgamated with the identified Ipswich market – but as the migration patterns showed a level of independence from Ipswich, we have decided to keep the area separate.

Summary of Key Points

- Local Housing Market Areas are defined as being the geographical area in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay;

- Suffolk Coastal local authority could be described as a Housing Market Area – for 68% of local residents in employment work in the sub-region and 65% of people changing address within the area stayed within the sub-region boundary. Nevertheless, further analysis of local movements identified a more appropriate boundary based on local movement patterns;

- Four areas of interest were identified – Ipswich, Felixstowe, Woodbridge and the hinterland to the North of the district. Each showed a good degree of self-containment in terms of travel to work and migration patterns;

- The Ipswich area formed a small part of the far larger Ipswich housing market, but the other three areas were entirely contained within the district boundaries. Nevertheless, the North sub-area could be defined to extend beyond the district boundary given the nature of the adjoining areas.

3. Socio-Economic Context

Introduction

3.1 This section of the report considers the local population across the sub-region, concentrating in particular on how local circumstances have changed over recent years and how they are projected to change in future. Further information is also provided on the characteristics of local households, and how local employment compares to that elsewhere.

Population

3.2 Suffolk Coastal is an area which has seen a growth in its population since 1981. The long term growth of Suffolk Coastal is illustrated in Figure 8. Taking the 1981 population as a base, it shows that the population of Suffolk Coastal rose by 21.9% in the period up to 2004 from 96,900 to 118,100 people. The compares with a rise in population of over 7% for the whole of England and 13.1% for the Eastern region.

3.3 The population of Suffolk Coastal did fall between 1990 and 1993. This was primarily driven by the closure of RAF Bentwaters in 1993.

3.4 Figure 9 overleaf shows that this rise in population of Suffolk Coastal is expected to continue in the future. Based on population estimates from 2003, the Office of National Statistics estimate that the population of Suffolk Coastal will rise to 137,400 by 2028. This would represent a 17.5% rise in the period 2003-2028.
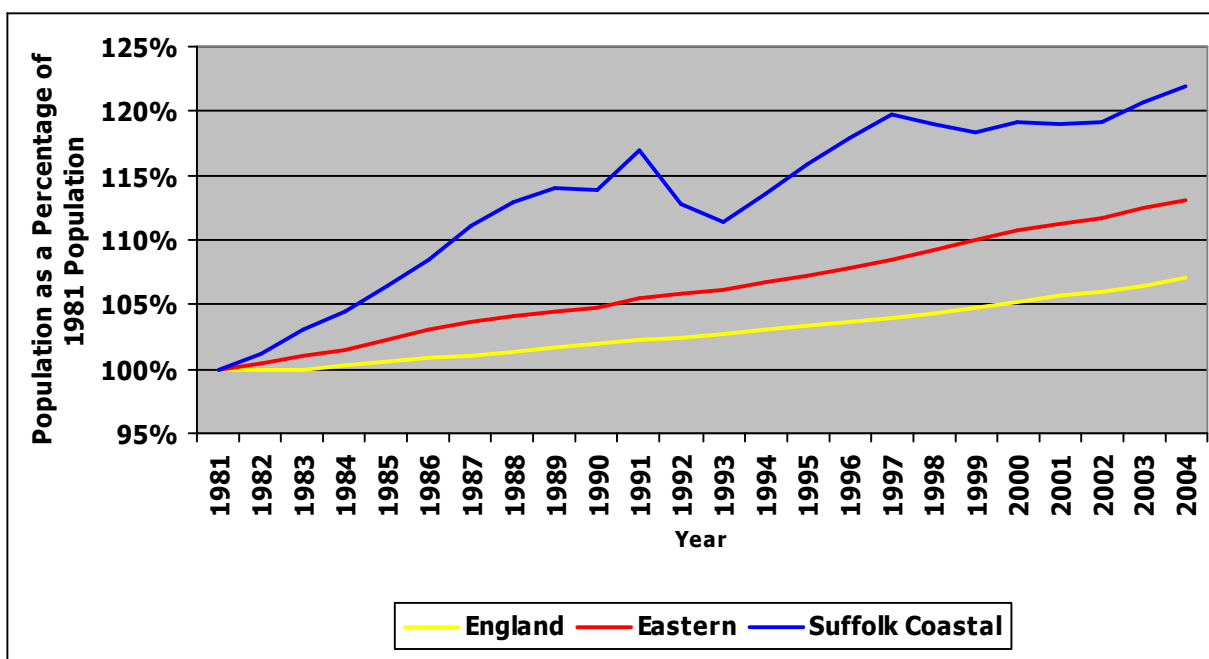

Figure 8: **Population of Suffolk Coastal, Eastern Region and England: 1981-2004**
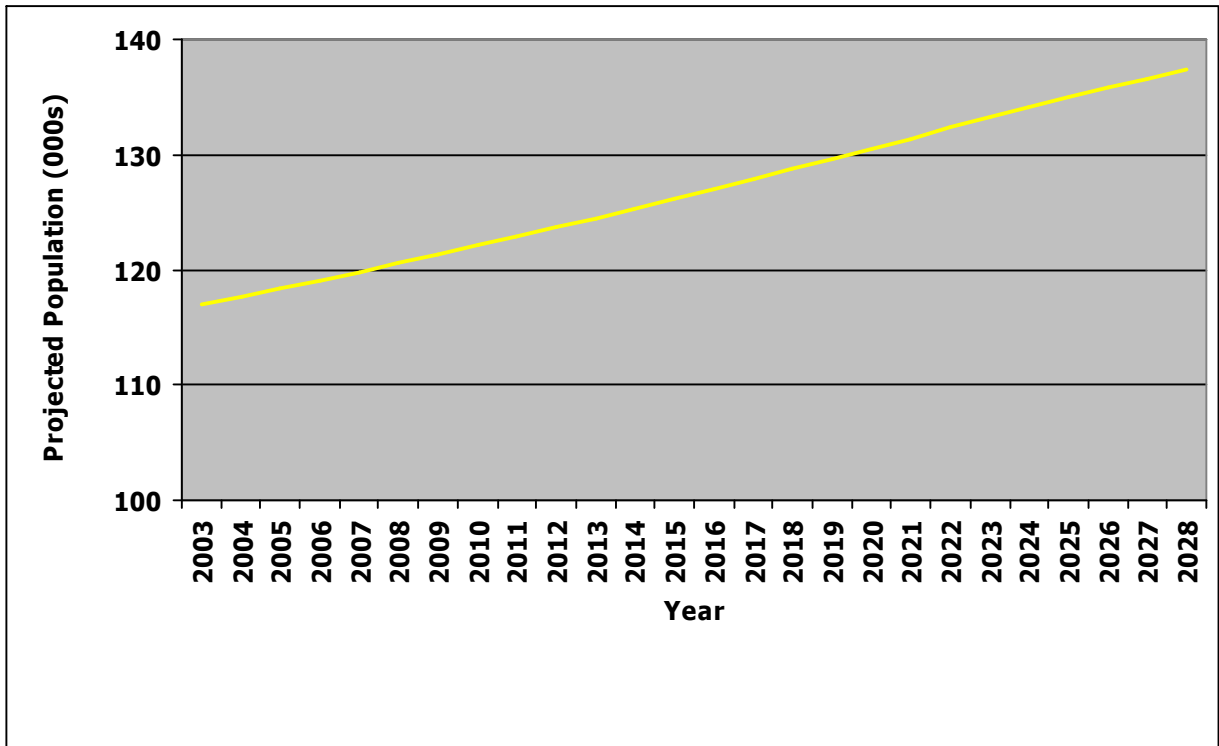Source: ONS Mid-Year Population Estimates

Figure 9:   Population Projections for Suffolk Coastal: 2003-2028
Source: ONS Sub-national Population Projections: 2003 based data

3.5   The age structure of the population of Suffolk Coastal (Figure 10) shows that there are above average numbers of people in each age group above 45 years when compared with England as a whole.   There are far fewer young adults in the area than in England as a whole, but there are similar numbers of children aged 5 to 15 years.
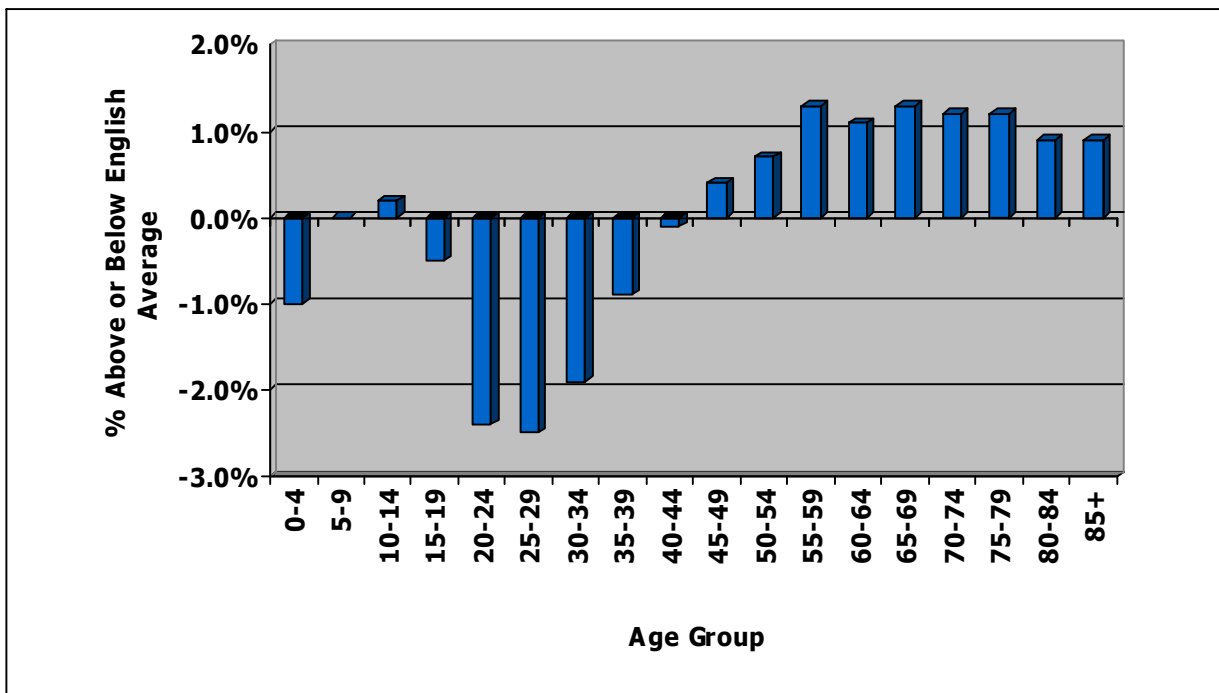

Figure 10: Age Profile for Suffolk Coastal Compared with England: 2004
Source: ONS Mid-Year Population Estimates

Migration

3.6 The data used in this section comes from recording of NHS registration and de-registrations with GPs. The data records individuals who move from one GP to another in a different area. The data represents the only annual measure of migration within England and Wales, and therefore it has the advantage of allowing the analysis of trends in migration patterns over time.

3.7 Its major disadvantage is that it records only movements between local authorities and not within them. Therefore, if someone moves houses, but stays within the same local authority they will not be recorded as a migrant.

3.8 Figure 11 and Figure 12, overleaf, shows the net migration to Suffolk Coastal for every region of England and Wales in the past 6 years. Overall, migration accounted for a rise in the population of Suffolk Coastal of 6,700 people from 1999 to 2004. The major regions that migrants have moved to Suffolk Coastal from are the Eastern, London and South East regions.

UK Region	Year						Total
	1999	2000	2001	2002	2003	2004	
NUMBER OF PERSONS							
North East	0	(10)	20	(10)	(30)	(10)	(40)
North West	70	20	30	20	0	(20)	120
Yorkshire and Humberside	0	(30)	0	(40)	0	(30)	(100)
East Midlands	(20)	0	(90)	0	(10)	(40)	(160)
West Midlands	20	30	(20)	0	20	0	50
Eastern	480	500	510	680	880	1,190	4,240
London	350	290	240	390	460	430	2,160
South East	50	160	120	120	50	150	650
South West	(50)	50	(100)	(30)	(20)	(10)	(160)
Wales	40	10	20	(10)	0	20	80
Total	900	1,100	700	1,100	1,300	1,600	6,700

Figure 11: Net Migration to Suffolk Coastal by England and Wales Region 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales (based on patient register data and patient re-registration recorded in the NHSCR), 1999-2004
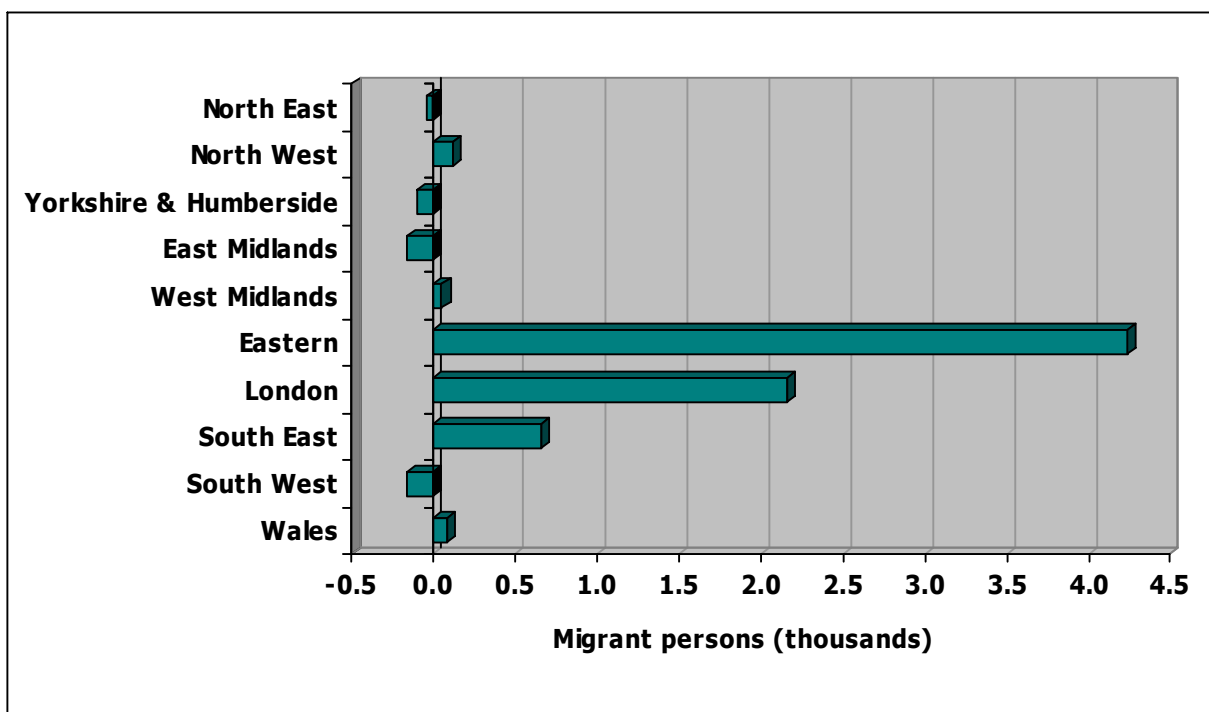Note: Figures may not sum due to rounding

Figure 12: Net Migration to Suffolk Coastal by the Government Office Regions of England and Wales 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales
(based on patient register data and patient re-registration recorded in the NHSCR), 1999-2004

3.9 Figure 13 shows the individual local authorities which have had the highest net migration to Suffolk Coastal. Six of the ten local authorities with the highest net migration to Suffolk Coastal are in Essex with another three being in the rest of Suffolk. These results confirm the importance of the Eastern region, and in particular Essex and the rest of Suffolk as a source of migration to Suffolk Coastal.

3.10 Figure 14 shows the local authorities to which Suffolk Coastal has experienced the greatest net out migration. The authority which receives the highest net migration from Suffolk Coastal is Waveney in Suffolk, but the list of authorities is much more diverse than those who have high in migration to Suffolk Coastal.

	Local Authority	Migration (persons)		
		To Suffolk Coastal	**From Suffolk Coastal**	**Net**
1.	Ipswich, Suffolk	8,200	6,420	1,780
2.	Tendring, Essex	570	330	240
3.	Babergh, Suffolk	1,720	1,500	220
4.	Braintree, Essex	360	160	200
5.	Havering, London	220	20	200
6.	Mid Suffolk, Suffolk	2,340	2,160	180
7.	Chelmsford, Essex	330	160	170
8.	Colchester, Essex	620	460	160
9.	Epping Forest, Essex	190	30	160
10.	Basildon, Essex	220	70	150

Figure 13: Top 10 Local Authorities with the Highest Net Migration to Suffolk Coastal 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales, 1999-2004

	Local Authority	Migration (persons)		
		To Suffolk Coastal	**From Suffolk Coastal**	**Net**
1.	Waveney, Suffolk	1,230	1,520	(290)
2.	Norwich, Norfolk	240	410	(170)
3.	Southampton UA	80	150	(70)
4.	Nottingham UA	160	220	(60)
5.	South Norfolk, Norfolk	360	420	(60)
6.	Brighton and Hove UA	130	190	(60)
7.	Test Valley, Hampshire	40	100	(60)
8.	Canterbury, Kent	60	120	(60)
9.	Coventry, West Midlands	60	110	(50)
10.	Stockton-on-Tees UA	10	50	(40)

Figure 14: Top 10 Local Authorities with the Highest Net Migration from Suffolk Coastal 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales, 1999-2004

3.11 The age structure of the net migrants to Suffolk Coastal is shown in Figure 15 and Figure 16. Given the lack of a major higher education institution in Suffolk Coastal it is unsurprising that the area loses many people in the 16-24 age range. It is also noteworthy that Suffolk Coastal gains many people in the 45 years and over age range.

Age group	Year						Total
	1999	**2000**	**2001**	**2002**	**2003**	**2004**	
0-15 years	230	360	250	330	480	510	2,160
16-24 years	(450)	(410)	(410)	(420)	(370)	(360)	(2,420)
25-44 years	280	360	190	350	560	630	2,370
45-64 years	540	470	390	610	450	580	3,040
65+ years	280	220	290	280	240	320	1,630
Total	940	1,020	730	1,120	1,350	1,680	6,840

Figure 15: Net Migration to Suffolk Coastal by Age Group 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales
(based on patient register data and patient re-registration recorded in the NHSCR), 1999-2004
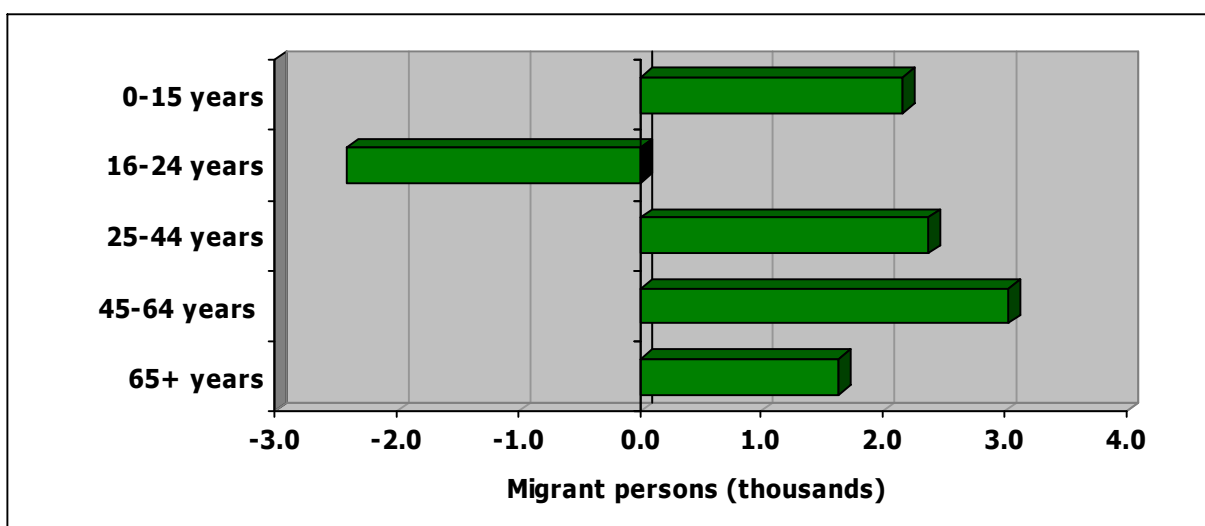Note: Figures may not sum due to rounding

Figure 16: Net Migration to Suffolk Coastal by Age Group 1999-2004
Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales
(based on patient register data and patient re-registration recorded in the NHSCR), 1999-2004

3.12 The NHSCR statistics do not record any ethnic dimension to migration. However, the 2001 Census included a question on where someone had been living one year earlier, and this allows the analysis of the ethnicity of migrants between 2000 and 2001. The ethnic group of migrants to and from Suffolk Coastal is detailed in Figure 17 (below).

3.13 Figure 17 shows that in the year before the 2001 Census there was a net migration to Suffolk Coastal from the rest of the UK of 355 people. Overall, there was a there was a net out migration of Non-White people from Suffolk Coastal in the year before the Census. This represented a total of 29 Non-White people leaving the area. Figure 17 also records the inward migration from overseas to Suffolk Coastal. This is not balanced by any measure of migration overseas from Suffolk Coastal, and therefore we cannot say anything about net overseas migration.

3.14 The data shows that 119 Non-White individuals moved to Suffolk Coastal from overseas in the year before the Census. It must also be remembered that of the 493 White people listed, many may come from the White Irish and White Other ethnic groups. However, this movement in to Suffolk Coastal is likely to be balanced by a similar number of people moving in the opposite direction.

Ethnic Group	Migration from UK Households			Other Migration	
	In	Out	Net	No Usual Address	Overseas
White	4,624	4,240	384	540	493
Indian	35	40	(5)	6	10
Pakistani and South Asian	16	18	(2)	3	0
Chinese	24	55	(31)	8	25
Black	26	27	(1)	8	6
Mixed	68	49	19	9	10
Other	12	21	(9)	3	68
Total	4,805	4,450	355	577	612

Figure 17: Ethnicity of Migrants for Suffolk Coastal in 2001
Source: UK Census of Population 2001
Note: Figures exclude anyone moving within the local authority

BME Population

3.15 The Black and Minority Ethnic (BME) population in Suffolk Coastal comprised 4.2% of the total population in the 2001 Census – including 2.4% of the population who were White, but not White British, and a further 1.9% who could be considered as a visible Non-White population. This result is replicated in the household survey with 4.1% of the population coming from BME groups with 1.9% of the population coming from visible Non-White groups. Therefore, the BME population in Suffolk Coastal does not appear to have changed significantly as a share of the total population in the last five years.
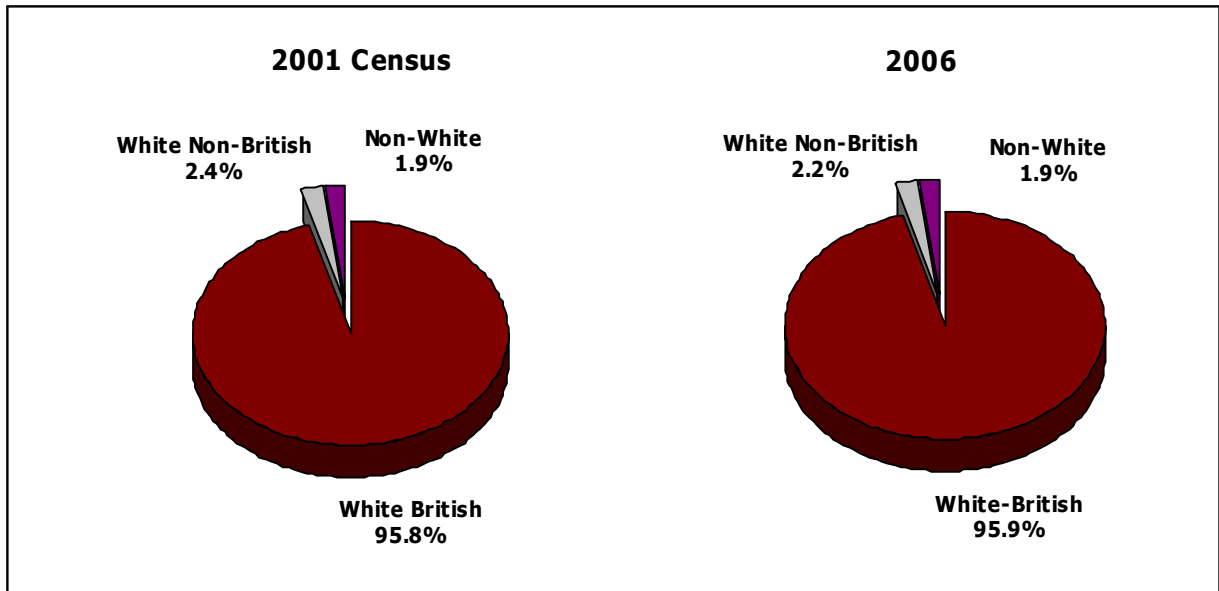
Figure 18: Population of Suffolk Coastal in 2001 and 2006 by Ethnic Group
Source: UK Census of Population 2001 and Suffolk Coastal Household & Physical Survey 2006

3.16 Between 1991 and 2001, Suffolk Coastal's Non-White population fell from 2.3% to 1.9% (Figure 19 overleaf). This is a very unusual result with most areas experiencing a growth in their Non-White population between 1991 and 2001. This result is again likely to be driven by the closure of RAF Bentwaters which saw many US air force personnel leave Suffolk Coastal.
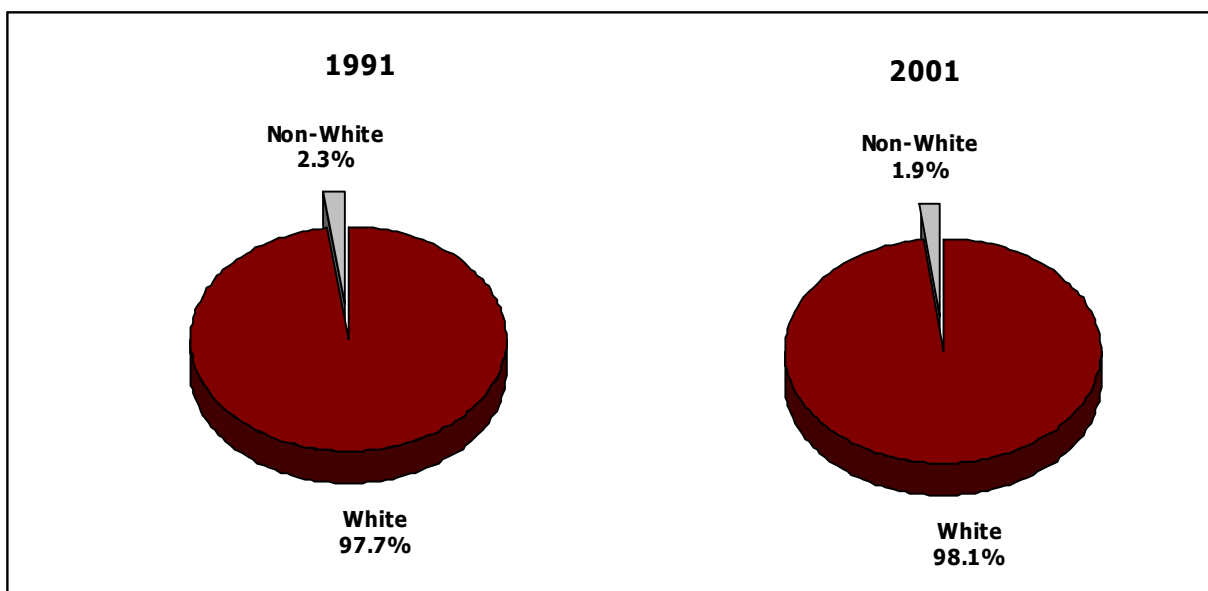
Figure 19: Non-White Population of Suffolk Coastal 1991 and 2001.
Source: UK Census of Population 1991 and 2001

3.17 Unfortunately, because of changes between the 1991 and 2001 Censuses, it isn't possible to provide a similar comparison across all BME groups. The ethnicity question was refined in the 2001 Census to include additional categories relating to mixed ethnicity and the "Other White" group which were previously not included.

3.18 The Census classifies ethnic groups on the basis of sixteen categories which are standardised across all UK government sources (Figure 20). This classification is also used by the Commission for Racial Equality and many other organisations interested in analysing information about BME communities. These sixteen categories can be grouped together into five aggregate groups – these being White, Mixed, Black, Asian and Other – and some information sources do not provide any details beyond these broad groupings (though White British and White Non British are sometimes reported independently).

3.19 Within this report, we have sought to provide information about the sixteen different groups wherever possible – but in some cases we have adopted the broader classification, and very occasionally, the White British group is compared with all the other ethnic groups together or the White population is compared with the Non White population. This is primarily due to the availability of published information.

3.20 Of course, there are important differences between each of the separate groups – and the study aims to disaggregate the data as far as possible without compromising the clarity of the information or the robustness of the analysis.

Broad Ethnic Group Classification	Detailed Ethnic Group Classification
White	White: British
	White: Irish
	White: White Other
Mixed	Mixed: White and Black Caribbean
	Mixed: White and Black African
	Mixed: White and Asian
	Mixed: Other Mixed
Asian	Asian or Asian British: Indian
	Asian or Asian British: Pakistani
	Asian or Asian British: Bangladeshi
	Asian or Asian British: Other Asian
Black	Black or Black British: Black Caribbean
	Black or Black British: Black African
	Black or Black British: Other Black
Other	Chinese or Other Ethnic Group: Chinese
	Chinese or Other Ethnic Group: Other Ethnic Group

Figure 20: Ethnic Group Classification
Source: UK Census of Population 2001

3.21 Information from the Census is based on individual responses – insofar as each person must decide themselves to which ethnic group they belong – and this inherently introduces some degree of inaccuracy into the data. For instance, when we consider those people that were born in the Middle East, there is a clear division between those classifying themselves as "Asian Other" and those choosing "Other Ethnic Group" despite their actual origins being the same.

3.22 The ethnic minority population of Suffolk Coastal compared with the Eastern region and England and Wales is shown in Figure 21. As previously noted, the BME population (including White Non British and Non-White residents) accounts for 4.2% of the total – compared with 8.6% for the Eastern region and 12.5% for England and Wales as a whole. The Non-White population in Suffolk Coastal (1.9%) compares to 4.9% in the Eastern region as a whole, and 8.7% in England and Wales.

3.23 Compared with England and Wales as a whole, and the rest of the Eastern region, Suffolk Coastal has a lower share of the population in each ethnic group. Suffolk Coastal's largest ethnic minority groups are the White Other (1.8%), White Irish (0.6%), and Chinese (0.3%).
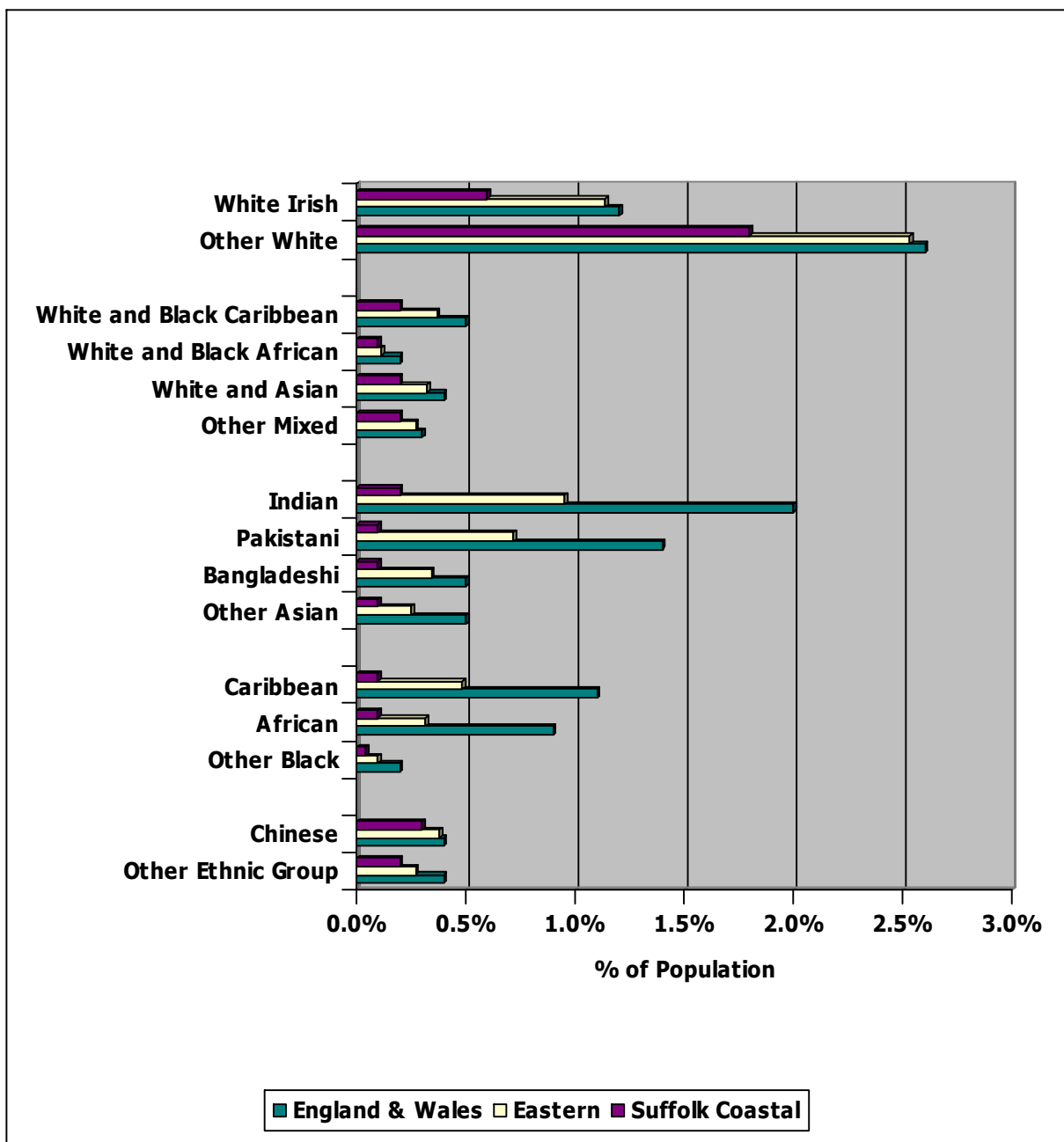
Figure 21: Black and Ethnic Minority Population by Ethnic Group in 2001
Source: UK Census of Population 2001

Gypsies & Travellers

3.24 A major omission from the 2001 Census was that it did not record Gypsies and Travellers as being a separate ethnic group. The 2001 Census reports information on those living in caravans or other temporary structures, but this group cannot be reconciled with the Gypsy and Traveller communities.

3.25 Local authorities are required to undertake accommodation needs surveys for Gypsies and Travellers under the terms of the Housing Act 2004. In this context, this section summarises the general context relating to the Gypsy and Traveller communities in Suffolk Coastal, but should not be seen as a comprehensive assessment of their needs.

3.26 The best quantitative information available on the Gypsy and Traveller communities derives from a bi-annual survey of Gypsy and Traveller caravans which is conducted by each local

authority in England, and Figure 22 shows a historical perspective on the number of Gypsy and Traveller caravans in Suffolk Coastal. Suffolk Coastal has no authorised Gypsy and Traveller sites, but it has had some unauthorised encampments in the past. However, in the last 3 years only three Gypsy and Traveller caravans has been recorded in the authority. It should, however, be noted that the ODPM caravan count focuses upon Gypsies and Travellers and does not include New Age Travellers.
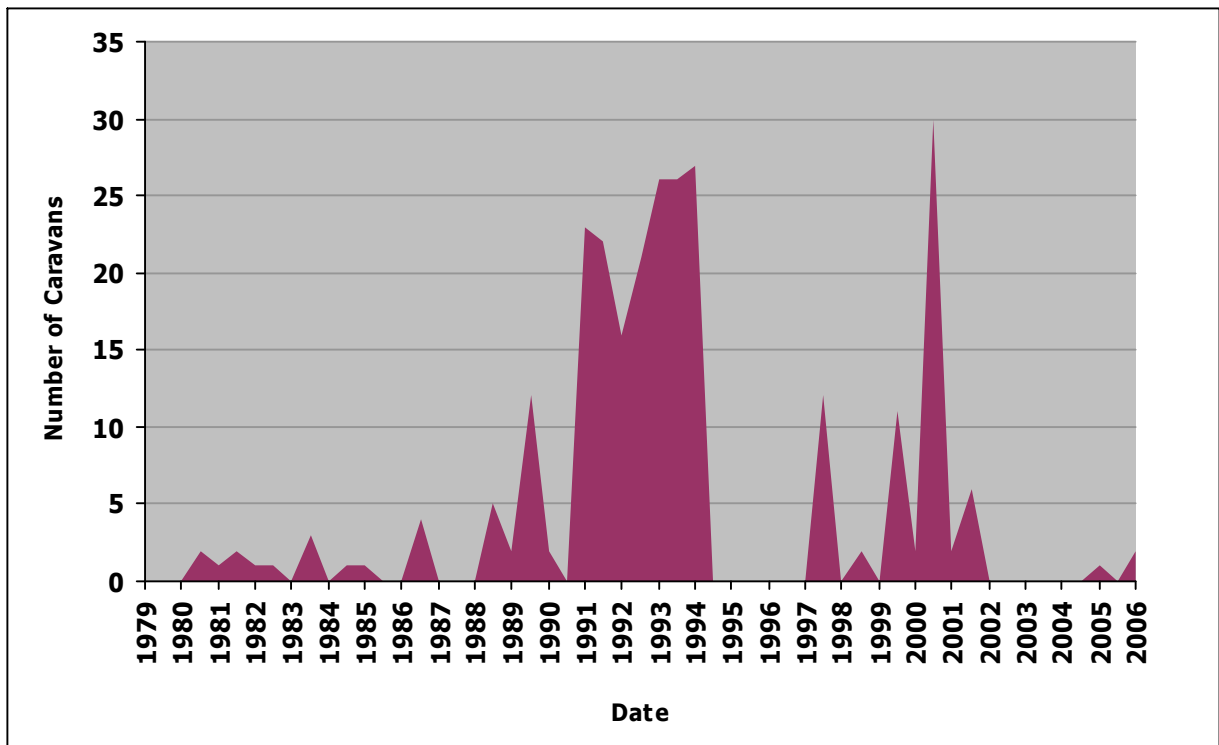
Figure 22: Gypsy Caravan Count for Unauthorised Sites for Suffolk Coastal January 1979 – January 2006
Source: Bi-annual Local Authority Caravan Count

3.27 The Suffolk Coastal Household Survey 2006 featured interviews with 11 respondents who identified themselves as being a Gypsy or Traveller. This represents 0.7% of all households interviewed and this is a similar to figure to that obtained by ORS in other housing studies across the south and east of England.

3.28 7 of the 11 respondents who identified themselves as being Gypsies and Travellers live in owner occupied accommodation. 3 of the respondents would like to move, but none expressed any interest in moving to a caravan site.

Household Structure

3.29 It is important to consider the structure of households when assessing housing needs. An area with more single people requires more separate accommodation, while an area with large families will require larger houses to accommodate them.

3.30 The household structure of Suffolk Coastal follows from its older population. There are more pensioner households and also adult couple households without children compared with England as a whole.
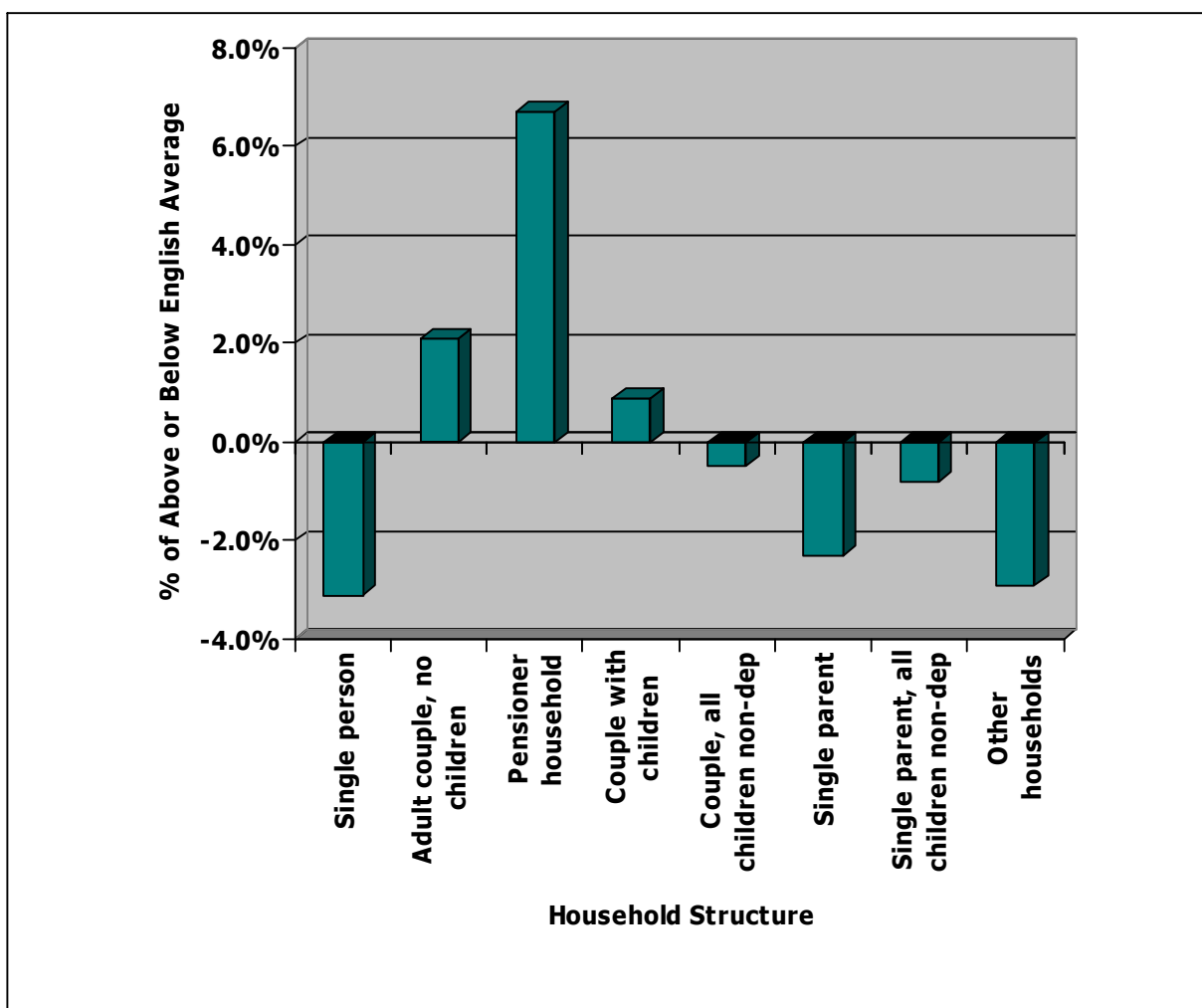
Figure 23: Household Structure for Suffolk Coastal and England
Source: UK Census of Population 2001

General Health

3.31 The health of the population of Suffolk Coastal appears to be very similar that for the Eastern region and England as a whole. 31.8% of all households in Suffolk Coastal contain a member with a limiting long-term illness and 17.2% of all people suffer from limiting long-term illnesses.
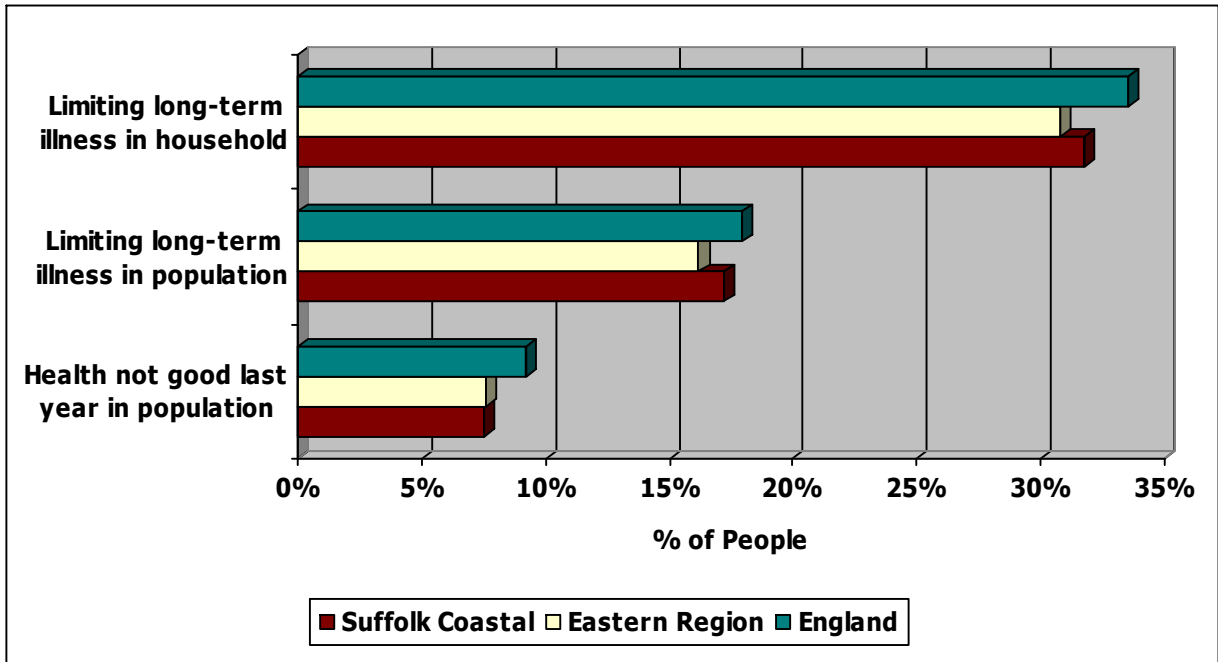
Figure 24: Long-term Disability and Poor Health by Suffolk Coastal, Eastern Region and England
Source: UK Census of Population 2001

3.32 Figure 10 showed the population of Suffolk Coastal was on average older than that of England as a whole. An older population would typically have more members who suffer from poor health. Therefore, it is encouraging that limiting long-term illness rates in Suffolk Coastal are similar to those in England.

3.33 This is reflected in Figure 25 which compares limiting long-term illness across age groups. This shows that the number of people suffering from limiting long-term illness in Suffolk Coastal is very similar to that in the Eastern region and lower than for England as a whole for the older age groups.
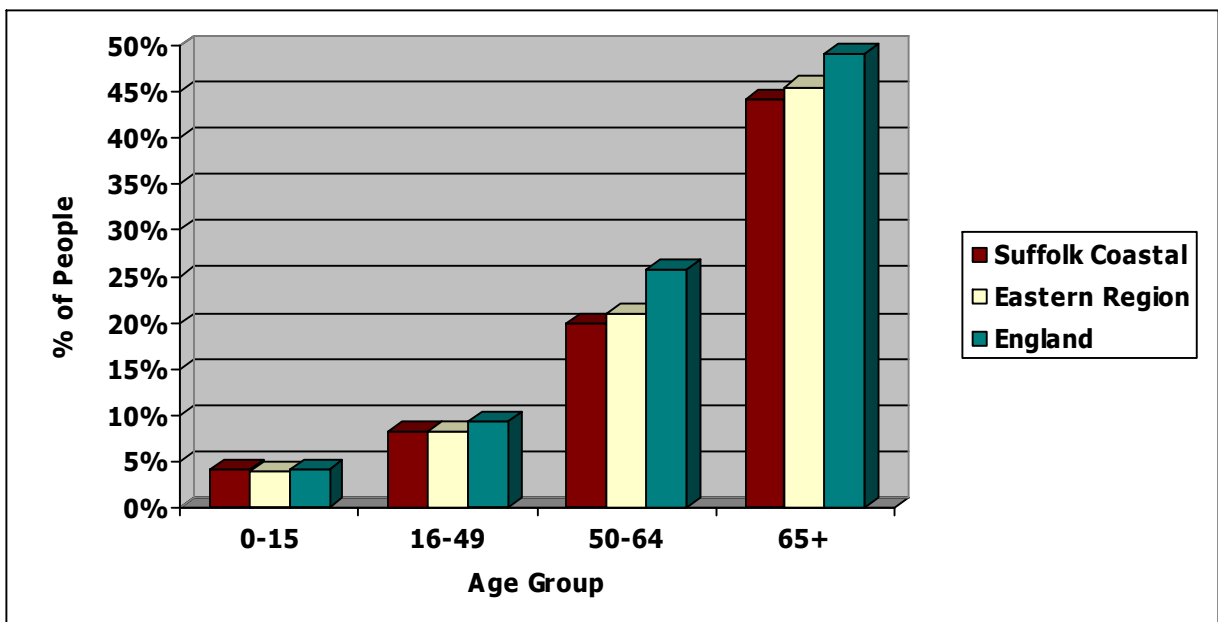
Figure 25: Limiting Long-term Illness by Age for Suffolk Coastal, Eastern Region and England.
Source: UK Census of Population 2001

Employment and Economic Activity

3.34 Figure 26 shows that unemployment has been in long-term decline in Suffolk Coastal, the Eastern region and England as a whole. Therefore, the majority of those who are economically active are in employment.
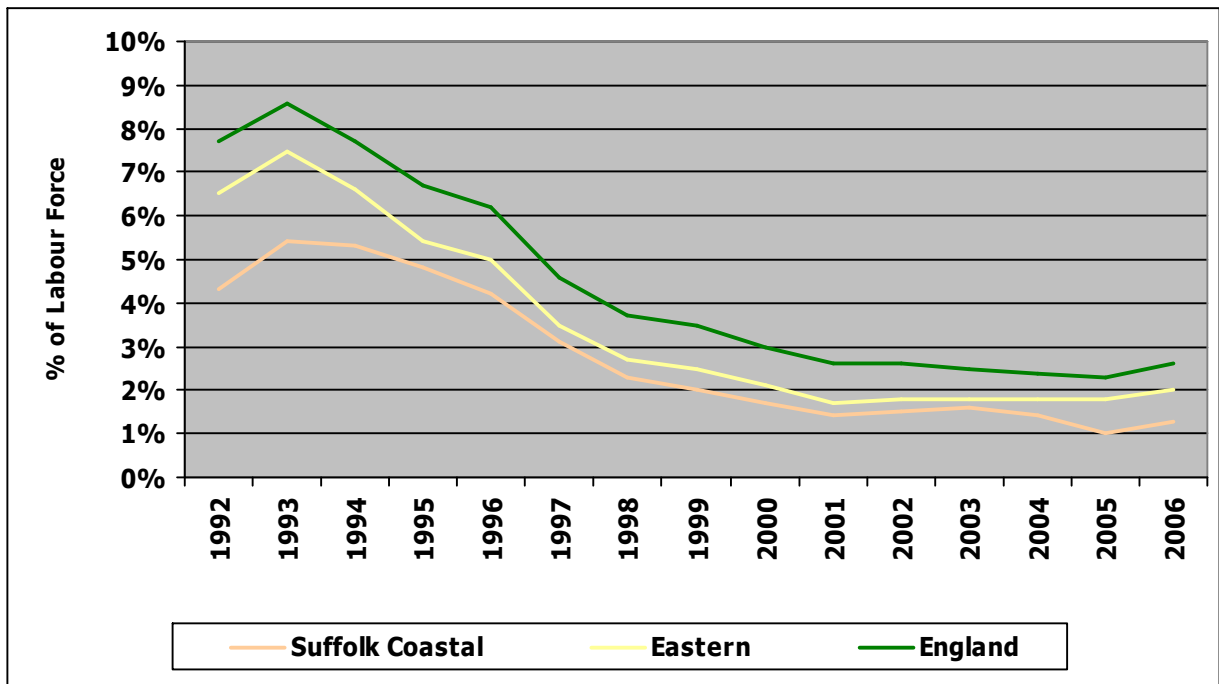

Figure 26: Unemployment Rate for Working Age Population for Suffolk Coastal, Eastern Region and England: 1992-2006
Source: Nomis and Claimant Count
Note: Data is from April

3.35 There are two commonly used main measures of disability. These are the person is suffering from a work limiting disability or that they are disabled under the definition given in the Disability Discrimination Act (DDA). It is possible for a person to fall in to both of these categories, or just one.

3.36 Figure 27 shows that 12.6% are disabled under the definition offered by the DDA, and 10.9% suffer from work limiting disabilities. Both of these figures are lower than for the Eastern region and England as a whole.
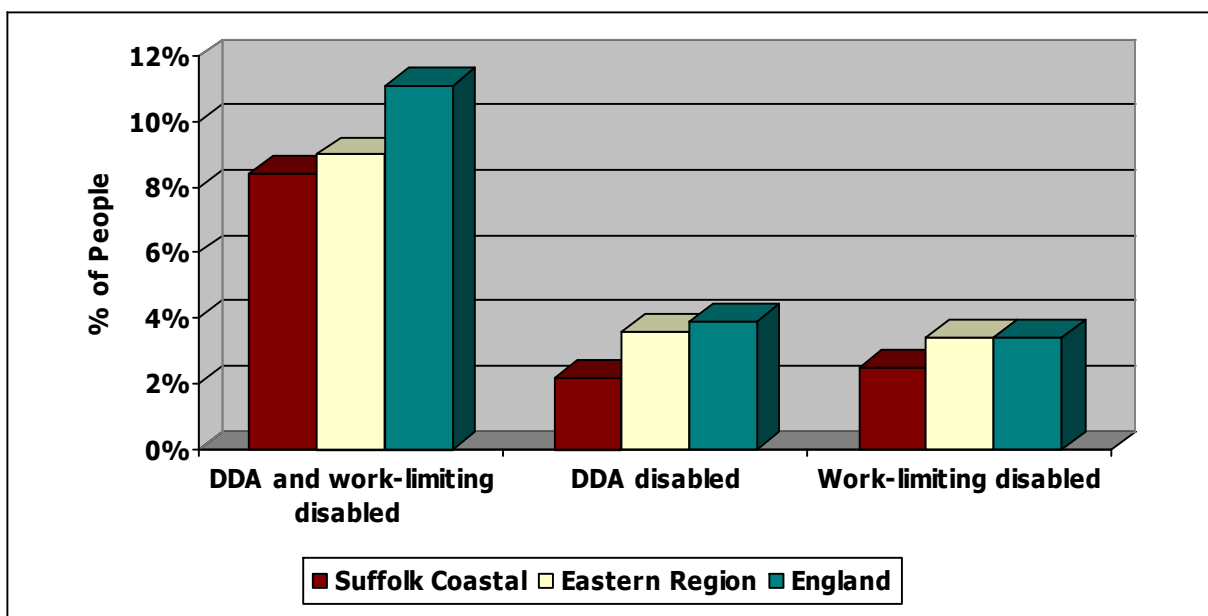
Figure 27: Disability Rates Amongst Working Age Population by Suffolk Coastal, Eastern Region and England 2004/2005
Source: Annual Population Survey 2004/2005

Education

3.37 Figure 29 shows the highest education level obtained by the population over 16 years. A definition of qualification levels is shown in Figure 28.

3.38 The population of Suffolk Coastal is under-represented in the no qualification category and over-represented in the degree and above category.

Qualification Level	Description
0	No qualifications: No academic; vocational or professional qualifications.
1	Level 1: 1+ 'O' levels/CSE/GCSE (any grade); NVQ level 1; Foundation GNVQ.
2	Level 2: 5+ 'O' levels; 5+ CSEs (grade 1); 5+ GCSEs (grade A - C); School Certificate; 1+ A levels/AS levels; NVQ level 2; Intermediate GNVQ or equivalents.
3	Level 3: 2+ 'A' levels; 4+ AS levels; Higher School Certificate; NVQ level 3; Advanced GNVQ or equivalents.
4 / 5	Level 4/5: First degree; Higher Degree; NVQ levels 4 - 5; HNC; HND; Qualified Teacher Status; Qualified Medical Doctor; Qualified Dentist; Qualified Nurse; Midwife; Health Visitor or equivalents.
Other / unknown	Other qualifications/level unknown: Other qualifications (e.g. City and Guilds; RSA/OCR; BTEC/Edexcel); Other Professional Qualifications.

Figure 28: Description of Highest Qualification Obtained
Source: UK Census of Population 2001

Level	Area		
	Suffolk Coastal	**Eastern Region**	**England**
Level 0	26.9%	27.9%	28.9%
Level 1	17.0%	18.2%	16.6%
Level 2	20.9%	20.5%	19.4%
Level 3	7.1%	7.9%	8.3%
Level 4 / 5	20.4%	18.1%	19.9%
Other / unknown	7.7%	7.2%	6.9%
TOTAL	**100.0%**	**100.0%**	**100.0%**

Figure 29: Qualifications by for Suffolk Coastal, Eastern Region and England
Source: UK Census of Population 2001

3.39 Figure 30 and Figure 31 show that over 40% of the population of Suffolk Coastal aged over 50 years possess no formal qualifications. The results for the young population are much more encouraging, with around a quarter of everyone aged 25-49 years having the equivalent to a degree or higher.

Level	Percentage of Age Group			
	16-24	**25-34**	**35-49**	**50+**
Level 0	16.9%	9.1%	16.9%	42.6%
Level 1	15.5%	30%	23.0%	8.8%
Level 2	41.8%	26.1%	20.9%	13.5%
Level 3	16.1%	9.0%	6.6%	4.4%
Level 4 / 5	8.3%	22.6%	26.3%	18.8%
Other / unknown	1.4%	3.3%	6.4%	12.0%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Figure 30: Qualifications by Age Group for Suffolk Coastal
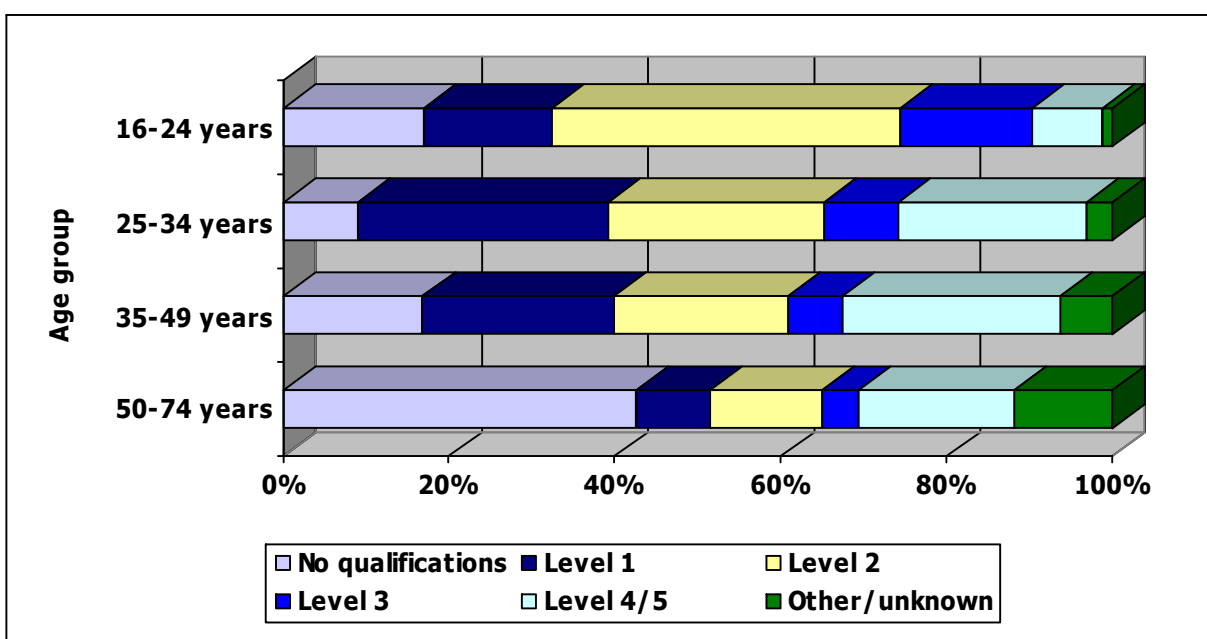Source: UK Census of Population 2001

Figure 31: Qualifications by Age group for Suffolk Coastal
Source: UK Census of Population 2001

Occupation & Industry

3.40 Figure 32 shows occupation of Suffolk Coastal residents and Figure 33 show how this compares to the overall population of England. Figure 33 shows that the occupations of Suffolk Coastal residents do no differ widely from those of the overall population of England, but that there are more people employed in professional occupations and less in customer services and sales.
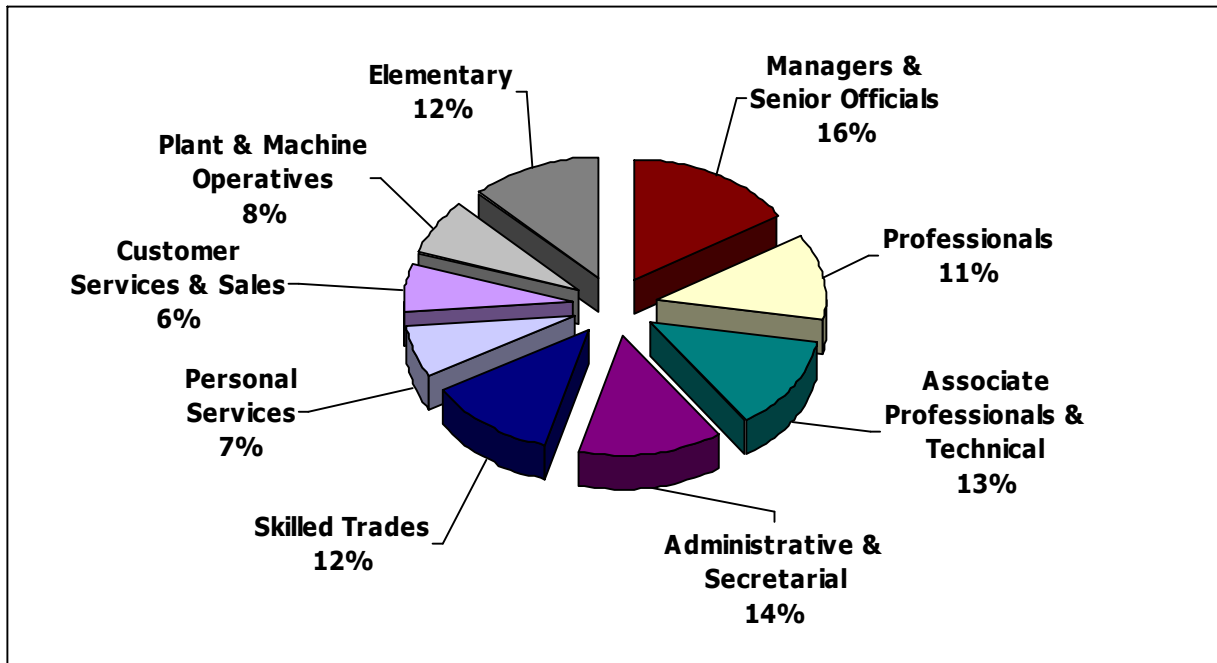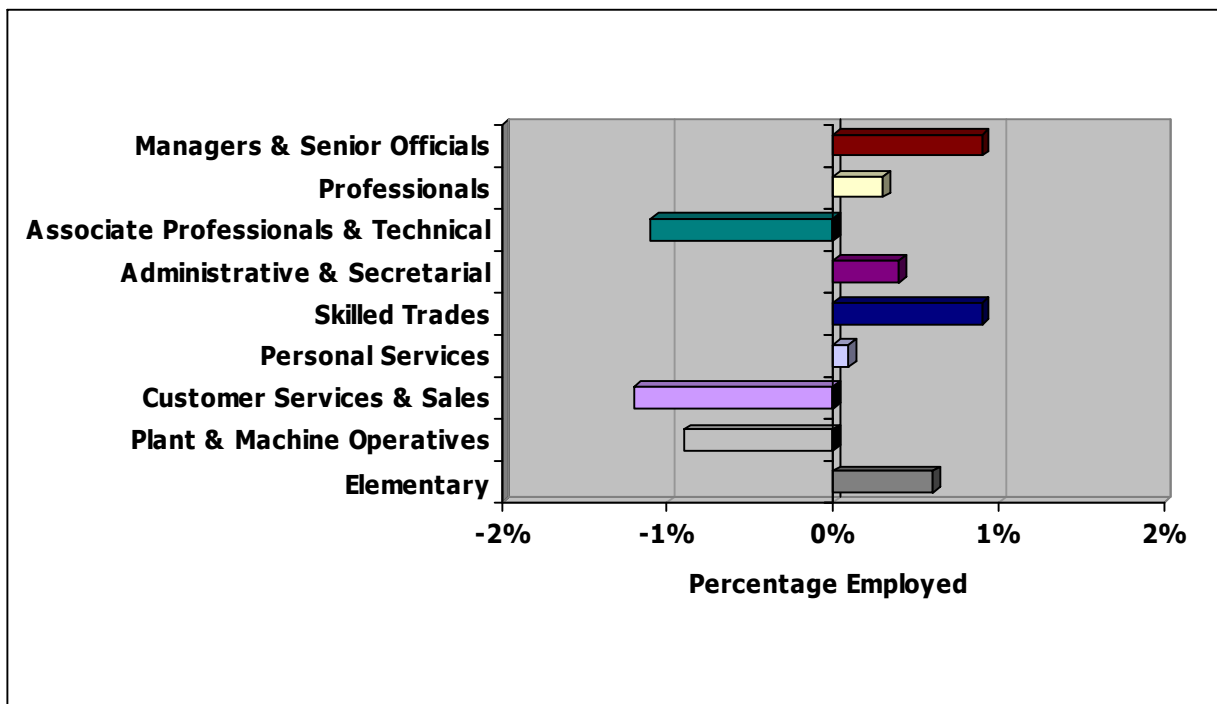

Figure 32: Occupation for Suffolk Coastal Residents
Source: UK Census of Population 2001

Figure 33: Occupation for Suffolk Coastal Residents Compared with English Average
Source: UK Census of Population 2001

3.41 Figure 35 and Figure 36 show the National Statistics Socio-economic Classifications (NS-SeC) for residents of Suffolk Coastal and how these results compared to the rest of England. NS-SeC is not an objective measure such as industry of employment or occupation, but it is a construct to reflect the socio-economic circumstances of the individual. Each person in a NS-SeC category has a similar socio-economic status. Figure 34 offers an explanation for each of the categories.

3.42 Figure 36 shows that the population of Suffolk Coastal contains proportionally many fewer people who have never worked or who are long-term unemployed. It should be noted that never worked refers to people who are old enough to work and who have left full-time education. Therefore, this group is not composed of current students who are included in the non classified category.

NS-SeC Category	Description
Higher managerial & professional	Persons who employ others in enterprises employing 25 or more persons, and who delegate some part of their managerial and entrepreneurial functions on to salaried staff. Positions involving general planning and supervision of operations on behalf of the employer. Positions covering all types of higher professional work.
Lower managerial & professional	Positions in which those employed generally plan and supervise operations on behalf of the employer under the direction of senior managers. Positions which involve formal and immediate supervision of others engaged in intermediate occupations.
Intermediate	Positions not involving general planning or supervisory powers, in clerical, sales, service and intermediate technical occupations. Positions in this group are 'mixed' in terms of employment regulation, i.e. are intermediate with respect to the service relationship and the labour contract. This group normally have little authority and are bureaucratically regulated
Small employers & own account workers	Persons (other than higher or lower professionals) who carry out all or most of the entrepreneurial and managerial functions of the enterprise but employ less than 25 employees. Self-employed positions in which the persons involved have no employees other than family workers.
Lower supervisory & technical	Positions having a modified form of 'labour contract' and involve formal and immediate supervision of others engaged in such occupations often including a job title such as foreman or supervisor
Semi-routine occupations	Positions in which employees are engaged in semi-routine occupations which have a slightly modified labour contract and have at least some need for employee discretion
Routine occupations	Positions where employees are engaged in routine occupations which have a basic labour contract and little need for employee discretion
Never worked & long-term unemployed	Those who are over 16 years of age who have left full-time education, but have never been in paid employment, or been unemployed for more than a year
Not classified (including students)	Persons over 16 years of age engaged in full-time courses. Also includes those whose occupations are not clearly stated or who are not classifiable for other reasons

Figure 34: Description of NS-SeC Categories
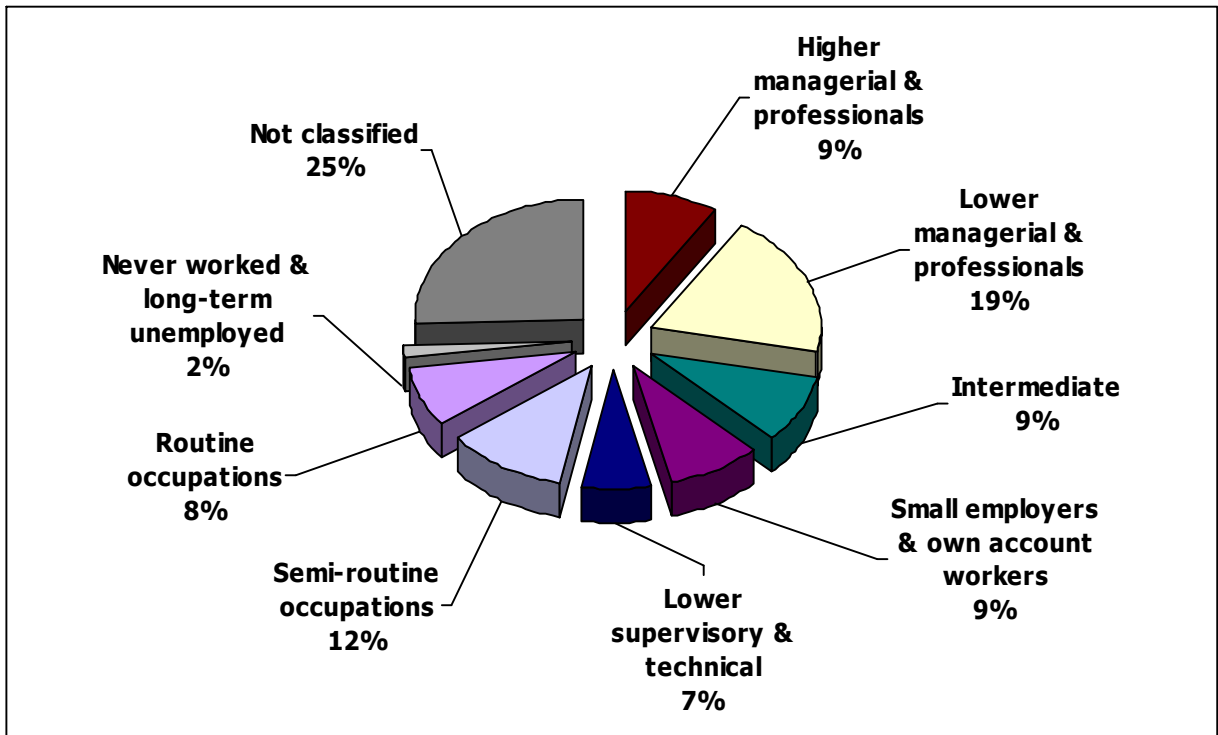Source: Office of National Statistics

Figure 35: NS-SeC for Suffolk Coastal Residents
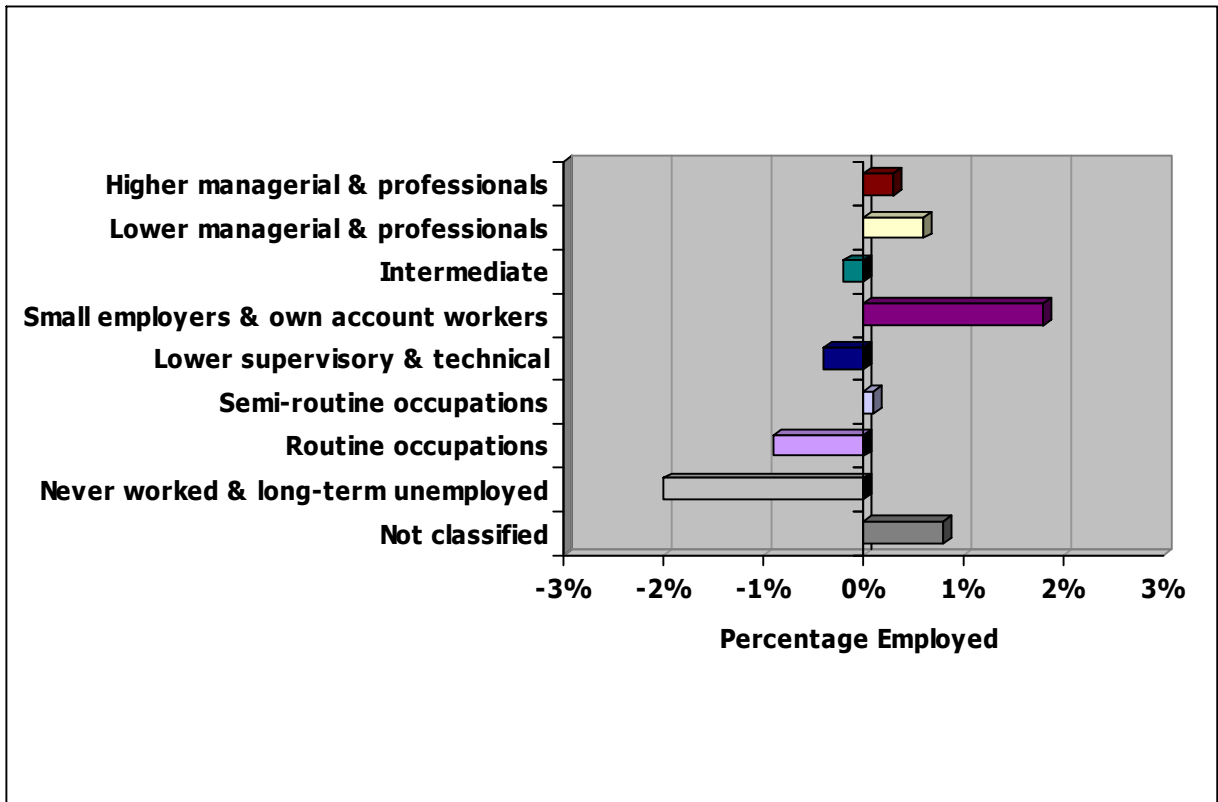Source: UK Census of Population 2001

Figure 36: NS-SeC for Suffolk Coastal Residents Compared with English Average
Source: UK Census of Population 2001

3.43 Figure 37 and Figure 38 show the industry of employment of residents of Suffolk Coastal, and how this compares with the population of England. Figure 38 shows that transport, communication and storage is very important to the Suffolk Coastal economy. The presence of Felixstowe port has a large bearing on this result.
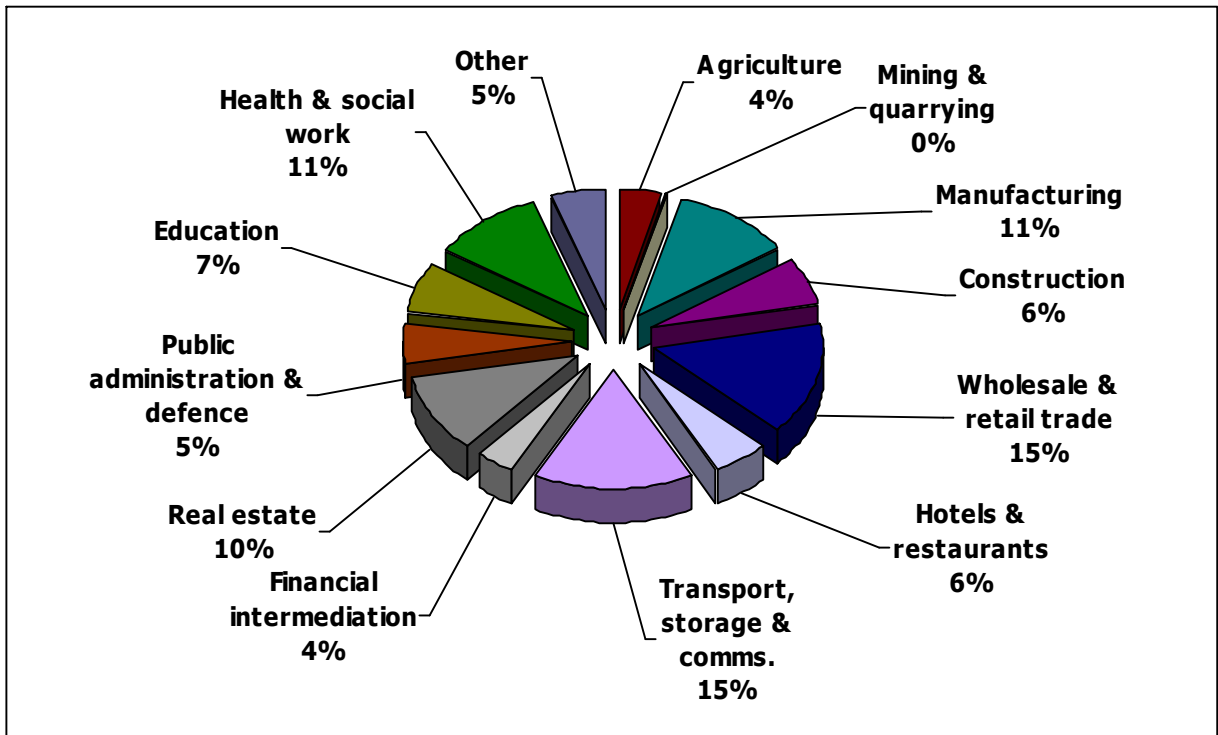
Figure 37: Industry of Employment for Suffolk Coastal Residents
Source: UK Census of Population 2001
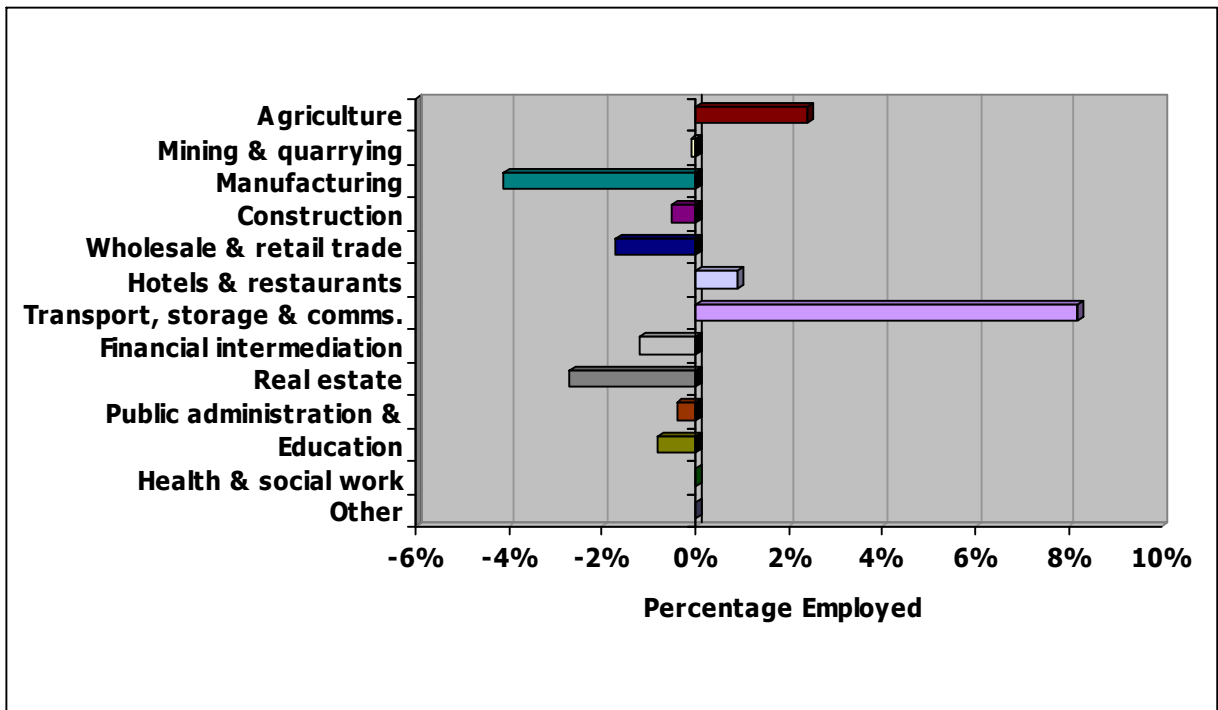
Figure 38: Industry of Employment for Suffolk Coastal Residents Compared with English Average
Source: UK Census of Population 2001

New Business Start-up

3.44 A measure of innovation and entrepreneurship is the number of new VAT registered businesses in a year. A business must register for VAT if its turnover exceeds £58,000 per year. It can de-register if its turnover falls below £56,000. In practice most de-registration is likely to be due to the business being acquired, merged or liquidated. Figure 39 shows that VAT registrations and de-registrations in Suffolk Coastal have tended to be below the English average since 1995. However, registrations were above de-registrations in Suffolk Coastal between 1996 and 2003. This implies that the number of businesses in Suffolk Coastal has been growing.
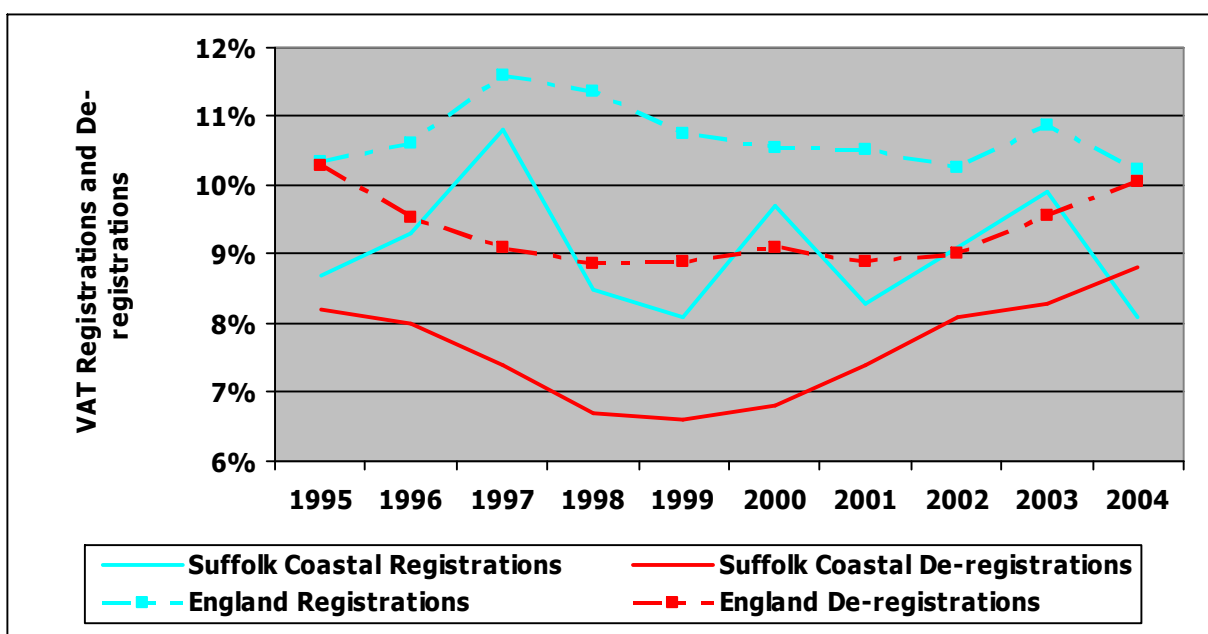
Figure 39: New VAT Registered and De-registered Businesses in Suffolk Coastal and England as a Percentage of the Previous Years Stock: 1995-2004
Source: VAT Registrations

Incomes and Earnings

3.45 Alongside economic activity the other key component of the economy of an area is the wages earned by workers. There are two separate ways to analyse average earnings in a local authority. One is to examine only those who are employed within the authority. The other is to examine the earnings of the residents of the authority. Since 2002 the New Earnings Survey (NES) and subsequently the Annual Survey of Hours and Earnings (ASHE) has recorded both measures for all local authorities.

3.46 Figure 40 shows the comparisons for the authority for full-time hourly wages excluding overtime for 2005. This measure is normally taken as the most accurate reflection of earnings. The results show that those who live in Suffolk Coastal typically earn more than those who work in the area. This is unsurprising because Suffolk Coastal is likely to be an attractive area of residence for high earning workers in Ipswich.
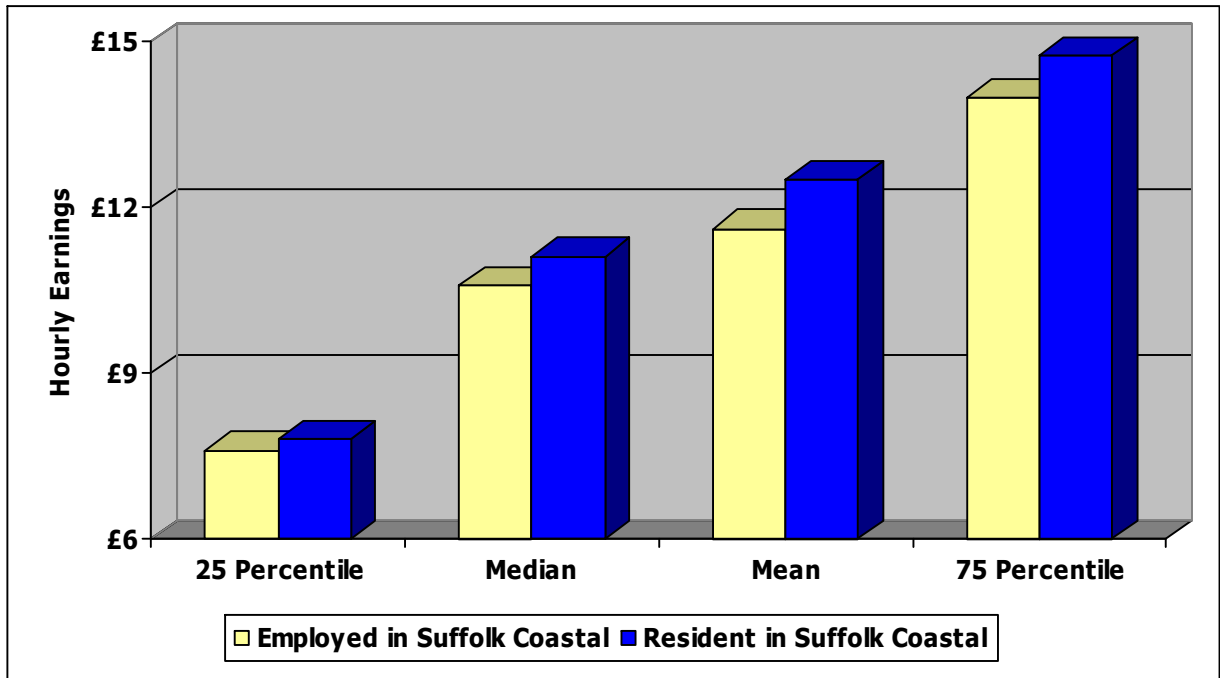
Figure 40: Average Hourly Earnings Excluding Overtime for Suffolk Coastal in 2005 for Full-time Employees
Source: ASHE 2005

3.47 The evidence from Figure 41, shows that salaries have been rising in Suffolk Coastal and have been doing so for all income bands at a similar rate.
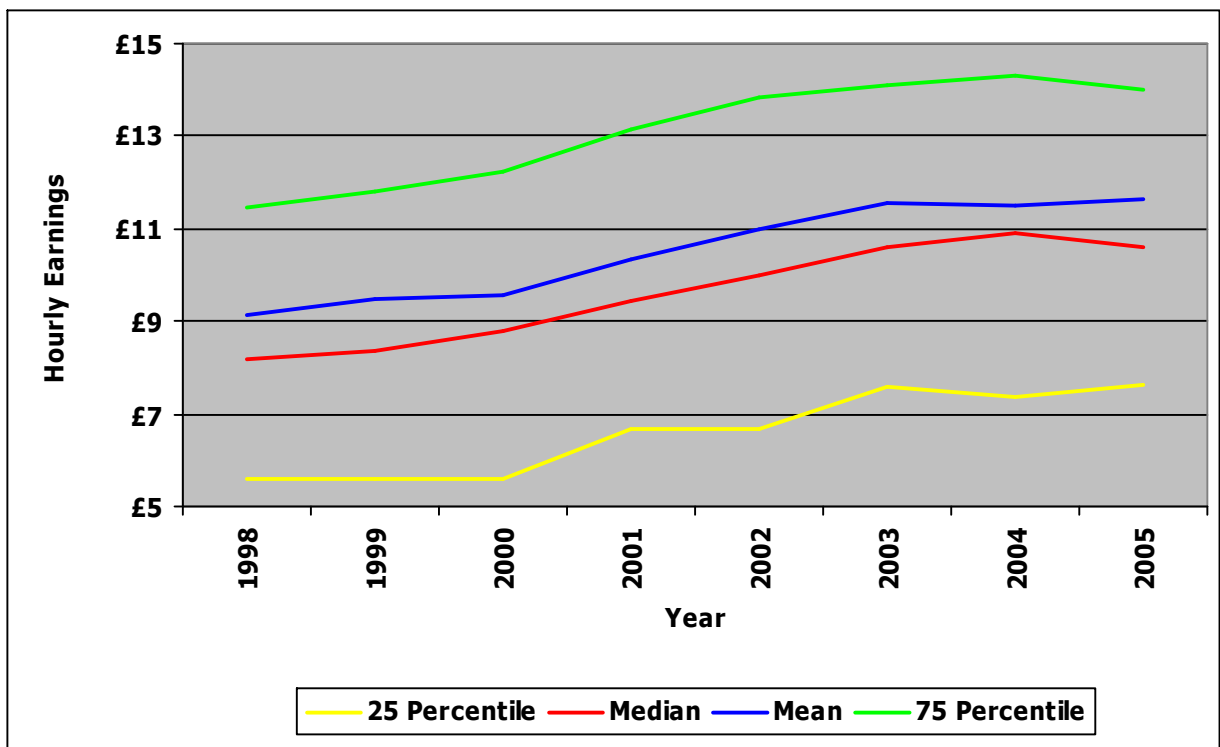

Figure 41: Average Hourly Earnings Excluding Overtime for Full-time Employees for Those Employed in Suffolk Coastal 1998-2005
Source: ASHE 1998-2005

Future Development of Suffolk Coastal

University College Suffolk

3.48 There are two major projects which are likely to have a substantial impact upon the economic development and housing requirements of Suffolk Coastal. The first is the development of University College Suffolk which will be based in Ipswich.

3.49 Currently, Suffolk College has 3,000 further education students. The plan is for the new University College Suffolk to have 6,950 full-time higher education students plus the existing further education students. Campus accommodation is planned for 1,500 of the new full-time higher education students, which leaves 5,500 who will have to be housed in the private sector.

3.50 A report in January 2005 by Fordham Research entitled 'Research into Future Student Housing in Ipswich,' identified that most of students are likely to be housed in the private sector within 2km of the campus. This will lead to the development of a large number of HMOs in Ipswich, but will not directly impact on Suffolk Coastal District. However, it is likely that some of the households who leave Ipswich to make way for the student HMOs will seek to move to Suffolk Coastal District.

3.51 A further consideration is that University College Suffolk will employ around 1,000 new staff. It is likely that the university will have to recruit staff from outside of Suffolk and it is the case that employees of a university are likely to be more willing to commute than students. Therefore, many of the incoming staff for University College Suffolk may seek to live in Suffolk.

3.52 A further factor for consideration is that the presence of a major centre of higher education near to Suffolk Coastal is likely to the lead to many young people who would otherwise have left remaining in the area. As Figure 15 and Figure 16 showed Suffolk Coastal currently loses many of its young people through migration. The retention of more young people in the area is likely to have a further impact in the future because a more highly educated population is likely to attract employment to the area which can utilise these employees. Therefore, it would be expected that the development of University College Suffolk will also impact upon Suffolk Coastal through the population structure and nature of employment which are to be found in the area.

Felixstowe Port

3.53 The second major project which is likely to impact upon the economic development and housing requirements of Suffolk Coastal in the development of Felixstowe Port .

3.54 The East of England Regional Spatial Strategy envisages a substantial growth in the population of the Felixstowe area with a majority of the new homes which are expected to be provided being in the Haven Gateway area.

3.55 A report from David Lock Associates in March 2006 outlined four potential scenarios for the development of the Felixstowe peninsula area. They initially identified the current problems in the Felixstowe area. Among these were a lack of housing for the existing population and a lack of economic diversity with many jobs being concentrated on port activities. The existing population of Felixstowe was felt to be aging and living in smaller households while 48% of employees have to commute into the area due to a lack of housing. This was

causing problems with congestion because the road network into Felixstowe was not designed to cope with the amount of traffic it faces.

3.56 The scenarios outline for the development of the Felixstowe area were;

Scenario 1 – Do Minimum – minimal improvements to road and rail while projecting existing trends forward – Felixstowe becomes a retirement destination with poor economic diversity – Ipswich will absorb sub-region growth – 311 new homes provided by 2021

Scenario 2 – Moderate Growth - 700-900 new homes by 2021 (30% affordable) – consolidate core town centre – strengthen population – modest reduction in commuting – no major economic diversity

Scenario 3 – Going for Growth – 1,200-1,600 new homes by 2021 (30% affordable) – new enterprise park – acts as an alternative to Ipswich for sub-regional growth – strengthen population – reduction in commuting – more economic diversity

Scenario 4 – Sustainable Large Scale Growth – Scenario 3 plus – creation of 620 jobs in Felixstowe plus 860 indirect jobs in Haven Gateway – 600-1,500 extra homes in Haven Gateway and 600 homes within Felixstowe Peninsula – Larger resident employed population will support local services.

Summary of Key Points

- Suffolk Coastal has seen a growth of 21.9% in its population in the period 1981-2004, compared to 7% for England and 13.1% for the Eastern region over the same period;

- The population is expected to continue to grow, estimates that the population will reach 137,400 by 2028 – a growth of nearly 20% over 25-years;

- Most migrants to the sub-region currently originate from elsewhere in the Eastern region, though the local authority gain nearly three thousand people from London and the South East in the period 1999-2004;

- The Black and Minority Ethnic (BME) population in Suffolk Coastal does not appear to have grown as a share of the total population over the last five years. BME groups currently comprise 4.1% of the total population, including 1.9% from Non-White groups and 2.2% from White groups other than White British;

- The age structure of the population of Suffolk Coastal shows that there are far fewer young families in the area than in England as a whole, with a disproportionately high number of older persons living in the area. The household structure follows from its slightly older population, with more pensioner households when compared with England as a whole;

- The health of the population of Suffolk Coastal appears to be very similar to the Eastern region and England as a whole. 31.8% of all households in Suffolk Coastal contain a member with a limiting long-term illness and 17.2% of all people suffer from limiting long-term illnesses;

- Unemployment has been in long-term decline, with virtually all of those who are economically active are now in employment. The proportion of people disabled under the definition of the Disability Discrimination Act is lower than for the Eastern region and England as a whole, as is the number suffering from work limiting disabilities;

- The population of Suffolk Coastal is under-represented in the no qualification category and over-represented in the degree and above category. Nearly 40% of those aged over 50 years have no formal qualifications, though around a quarter of everyone aged 25-49 years have the equivalent to a degree or higher;

- The occupations of Suffolk Coastal residents do no differ widely from those of the overall population of England, but that there are more people employed in professional occupations and less in customer services and sales. Transport, communication and storage is very important to the Suffolk Coastal economy, with the presence of Felixstowe port having a large bearing on this result.

- Salaries have been rising in Suffolk Coastal at very similar rates for all income bands

- University College Suffolk is indirectly likely to lead to more households seeking to live in Suffolk Coastal, more of Suffolk Coastal's young population being retained in the area and more economic opportunities in the area

- The expansion of Felixstowe Port could lead to a requirement for a large number of new homes in the area and will also require transport improvements and more economic diversity.

4. The Existing Housing Stock

Introduction

4.1 The general character of a dwelling stock is important in understanding the type of housing available to residents of an area and the relationship that dwelling type, age and location has on dwelling condition. The mix of property type available will have a bearing on home-owners choices in terms of accommodation and the type of investment properties available to landlords. The age of a dwelling will also have an effect, for example older, pre 1919, terraced houses tend to be large by comparison to a typical modern detached house. The age of a dwelling will also tend to determine its internal layout, the provision of amenities, its level of energy efficiency and its condition. Dwelling location is also important, findings from the EHCS from 1996, 2001 and 2003 all indicate that rural dwellings are more prone to poor physical condition and problems with energy efficiency.

4.2 The following analysis examines a number of general physical characteristics of the stock before exploring the relationship between dwelling characteristics and the condition of housing across the sub-region and within local authority and housing market areas.
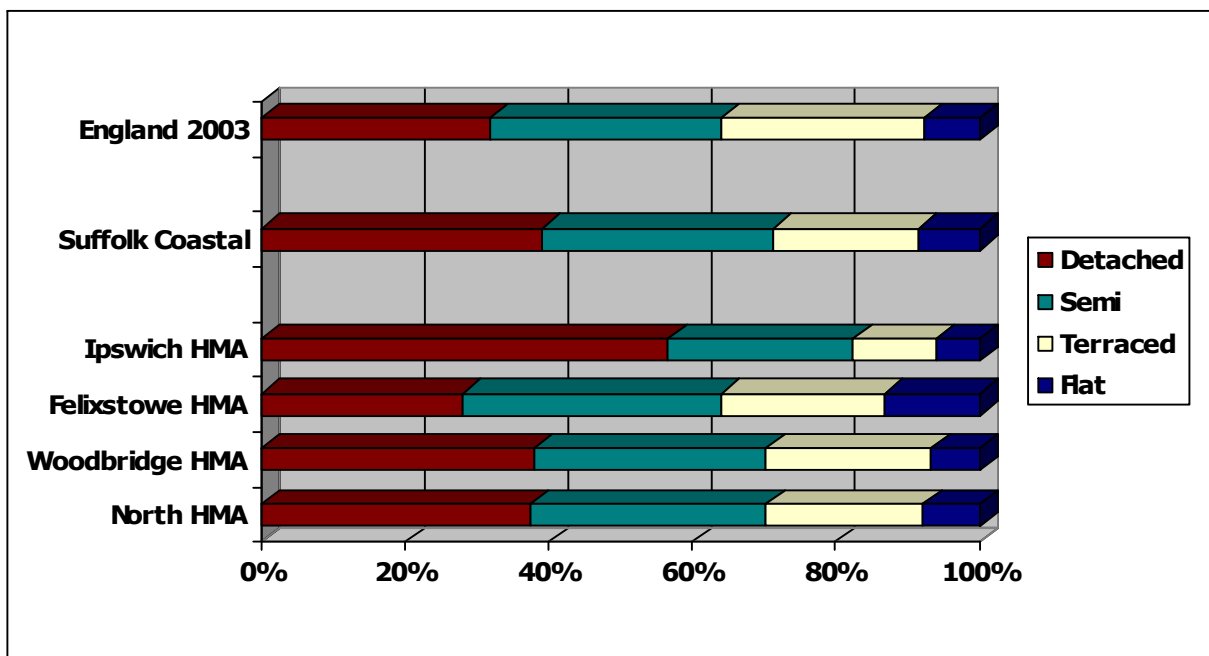
Property Type

Figure 42: Property Type by Area
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures do not include dwellings within these HMAs that are outside the Suffolk Coastal district

Area	Property type							
	Detached		Semi		Terraced		Flat	
Housing Market								
Ipswich HMA	6,670	56.6%	3,050	25.9%	1,350	11.5%	710	6.0%
Felixstowe HMA	4,140	28.0%	5,330	36.0%	3,360	22.7%	1,950	13.2%
Woodbridge HMA	5,030	37.9%	4,290	32.3%	3,060	23.0%	900	6.8%
North HMA	5,510	37.3%	4,860	32.9%	3,240	22.0%	1,150	7.8%
Suffolk Coastal District	**21,350**	**39.1%**	**17,530**	**32.1%**	**11,010**	**20.2%**	**4,710**	**8.6%**

Figure 43: Property Type by Area (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

4.3 The district as a whole has proportionately more detached housing than England, and whilst the proportions of semi-detached housing and flats are broadly consistent with the national average, there is a lower proportion of terraced housing in the district.

4.4 When we consider the local housing market areas, the proportion of detached housing is highest in Ipswich Housing Market sub-area – though this only includes those properties within the Suffolk Coastal district. Much of the smaller housing units (such as terraces and flats) will be found in Ipswich Borough.

4.5 The Felixstowe housing market is entirely contained within the district, and here the proportion of smaller dwellings account for almost two-fifths of the stock, with detached housing accounting for just over a quarter (similar to the national average).

4.6 The more rural housing markets of Woodbridge and the Northern hinterland show a very similar mix of properties, with around three-quarters of properties being detached or semi-detached.

Tenure

4.7 Figure 44 shows the housing stock of each area by tenure. The dominant form of tenure in most housing markets is owner occupation, with just over three-quarters of all properties across the Suffolk Coastal district being owned outright or owned with a mortgage.

4.8 Properties in Suffolk Coastal district in the Ipswich housing market sub-area are more likely to be owner occupied – the housing market's rented stock is likely to be concentrated in the Ipswich Borough. The housing mix in Felixstowe and the Northern hinterland housing markets are similar to the district average, though the proportion of tenants in each is approaching 30% with a balance between private and social rent.

4.9 The highest proportion of privately rented accommodation is found in Felixstowe at 14.3% of the housing stock within this Housing Market Area. This finding is typical of coastal towns nationally, which tend to have above average proportions of privately rented dwellings.
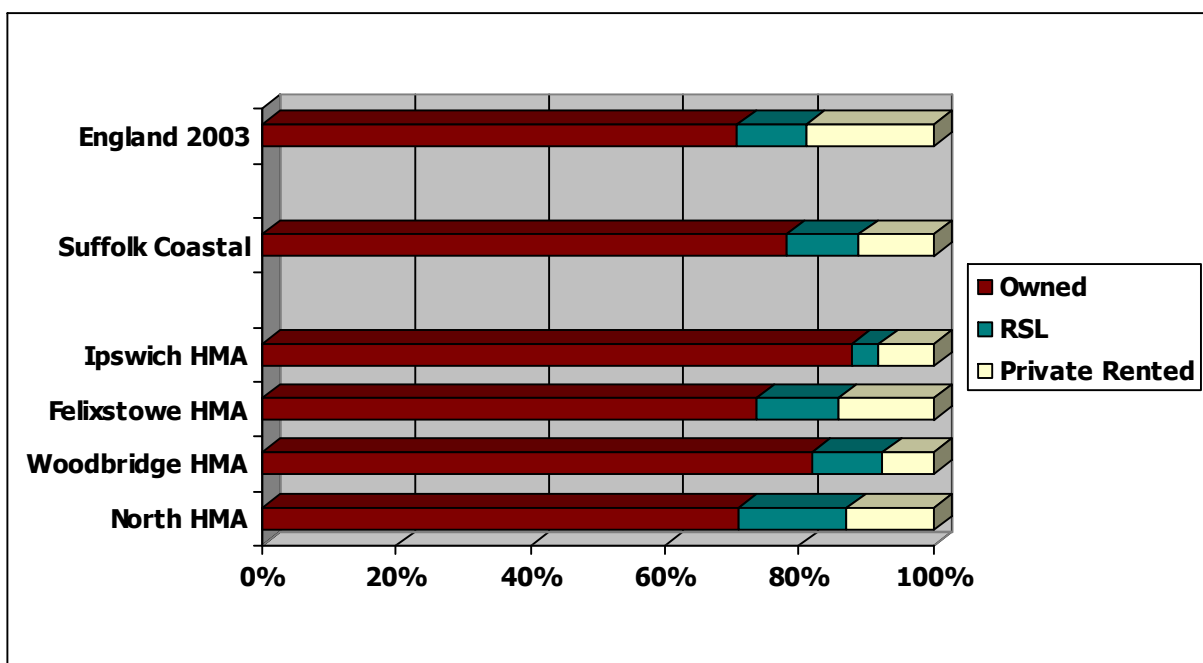
Figure 44: Tenure by Area
Source: Suffolk Coastal Household & Physical Survey 2006 – EHCS 2003
Note: England figure for RSL combines RSL and local authority dwellings for comparative purposes
Note: Figures may not sum due to rounding

Area	Tenure					
	Owner occupied		Private rented		RSL	
Housing Market						
Ipswich HMA	10,350	87.9%	960	8.1%	480	4.1%
Felixstowe HMA	10,900	73.7%	2,110	14.3%	1,780	12.0%
Woodbridge HMA	10,880	81.9%	1,000	7.5%	1,400	10.5%
North HMA	10,470	71.0%	1,890	12.8%	2,400	16.3%
Suffolk Coastal District	**42,600**	**78.0%**	**5,960**	**10.9%**	**6,050**	**11.1%**
England 2003		**70.7%**		**10.3%**		**19.0%**

Figure 45: Tenure by Area (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: England figure for RSL combines RSL and local authority dwellings for comparative purposes
Note: Figures may not sum due to rounding

4.10 Figure 46 shows the proportion of dwellings in each of the local authorities in the East of England that were classified as social housing in 2005. It is apparent that the overall proportion of social housing in Suffolk Coastal is amongst the lowest in the Eastern Region, well below the English average. This will have an impact in terms of the availability of affordable housing those on low incomes and places pressure on what is a relatively small privately rented sector. This pressure is mitigated, to some extent, by the fact that a large proportion of low income households are older owner-occupiers.
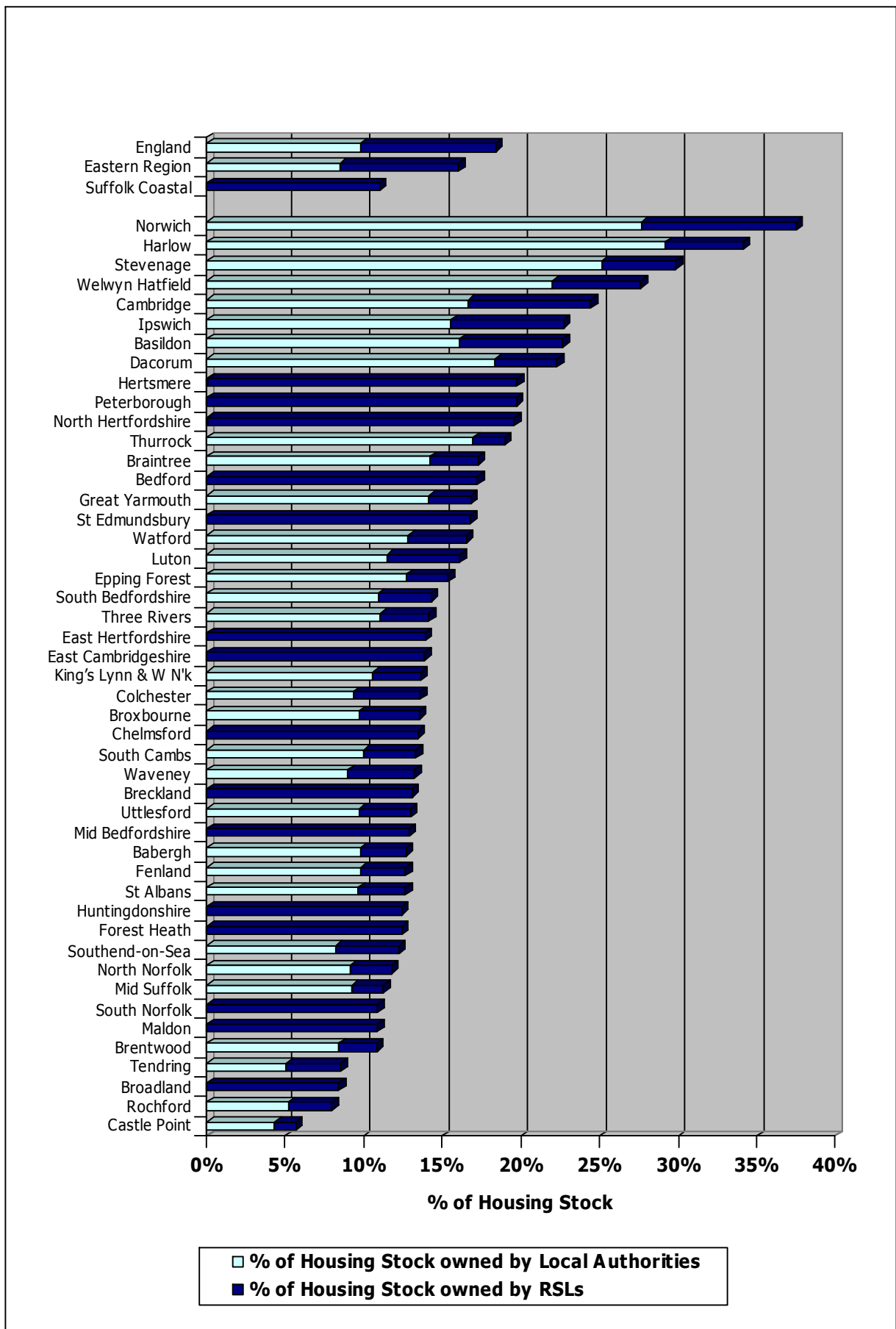
Figure 46: Socially Rented Houses by Local Authorities in the East of England: 2005
Source: Housing Strategy Statistical Appendix, ODPM

Date of Construction

4.11 Figure 47 shows the housing stock of each area by the date of construction of dwellings in that area. Suffolk Coastal shows a 'bi-polar' distribution, which is to ay that the majority of dwellings are either pre 1919 or post 1964, with relatively few built between these periods. There is a similar proportion of pre1919 stock to the all England position, but a greater proportion of more modern, post 1964, dwellings than is the case for England.

4.12 Properties in Suffolk Coastal district in the Ipswich Housing Market sub-area are more likely to be modern dwellings, with 70% of dwellings having been built since 1964. The oldest housing stock is found in the Woodbridge and North housing markets, which both have an above average proportion of pre1919 dwellings. The pattern of age distribution of stock for the Felixstowe housing market most closely resembles the overall pattern for Suffolk Coastal.
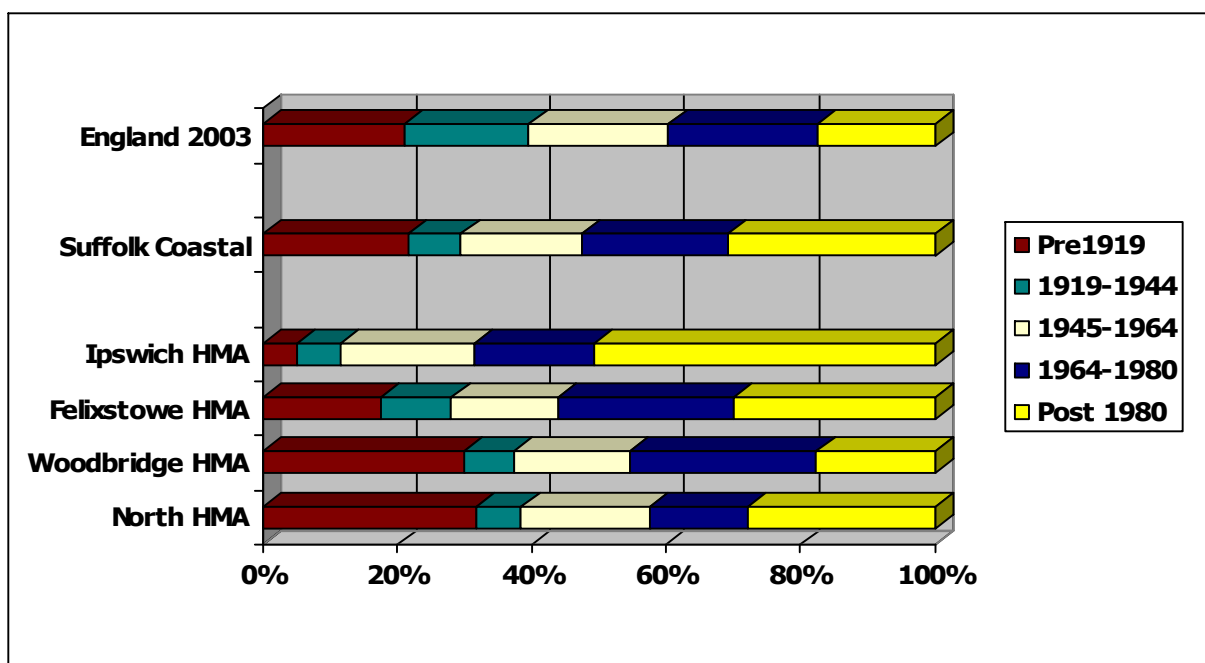
Figure 47: Date of Construction by Area
Source: Suffolk Coastal Household & Physical Survey 2006

Area	Construction Date									
	Pre 1919		1919-1944		1945-1964		1965-1980		Post 1980	
Housing Market										
Ipswich HMA	590	5.0%	760	6.5%	2,340	19.9%	2,120	18.0%	5,970	50.7%
Felixstowe HMA	2,590	17.6%	1,540	10.4%	2,350	15.9%	3,850	26.1%	4,410	29.9%
Woodbridge HMA	3,980	30.0%	970	7.3%	2,310	17.4%	3,680	27.7%	2,340	17.6%
North HMA	4,670	31.6%	990	6.7%	2,830	19.2%	2,150	14.6%	4,120	27.9%
Suffolk Coastal District	**11,830**	**21.7%**	**4,260**	**7.8%**	**9,830**	**18.0%**	**11,800**	**21.6%**	**16,840**	**30.9%**

Figure 48: Date of Construction by Area (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

4.13 The distribution of dwellings by date of construction is an important consideration in housing stock terms as older dwellings are much more strongly associated with poor dwelling conditions and lower levels of energy efficiency.

Housing Stock Valuation

4.14 Figure 49 (below) details the number of properties in each Council Tax band for each of the Local Housing Market Areas – with the cheapest properties being in band A and the most expensive in band H.

4.15 Figure 50 illustrates the proportionate distribution between bands.

Area	Council Tax Bands							
	A	B	C	D	E	F	G	H
Housing Market Area								
Ipswich HMA	920	1,650	2,540	3,200	2,110	810	380	20
Felixstowe HMA	2,410	4,760	2,960	2,600	1,290	460	240	20
Woodbridge HMA	1,650	3,450	2,850	2,080	1,500	1,130	700	60
North HMA	2,250	3,870	2,430	2,440	2,020	1,300	780	60
Suffolk Coastal District	**7,200**	**13,700**	**10,800**	**10,300**	**6,900**	**3,700**	**2,100**	**200**

Figure 49: Council Tax Bands by HMA (Totals)
  Source: Valuation Office Agency, April 2005
  Note: Figures may not sum due to rounding
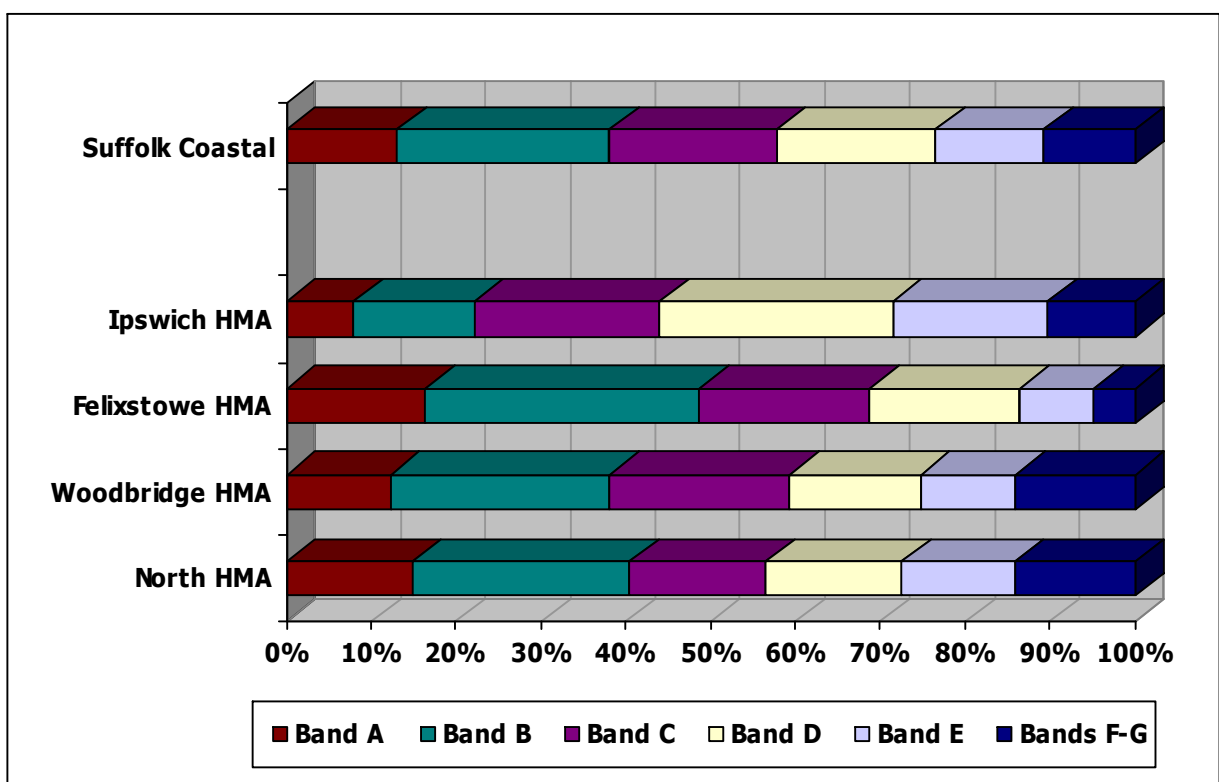
Figure 50: Council Tax Bands by HMA
  Source: Valuation Office Agency, April 2005

Measuring Stock Condition

4.16 Within this section of the report the condition of dwellings across the Suffolk Coastal District will be considered. In order to do this it must first be decided what measures are appropriate for assessing the condition of the housing stock. The guidance on conducting HMAs does not specify any particular set of variables for quantifying stock conditions. There has, however, been much guidance and legislation within the past five years that indicates the areas of key concern at the national level and these will be adopted in this report for the purposes of quantifying condition.

4.17 The key measures to consider are:

- The Decent Homes Standard

- Unfit Dwellings and Dwellings with Housing Health & Safety Hazards

- Vacant Dwellings

- The privately rented stock and Houses in Multiple Occupation (HMOs)

- Fuel Poverty and Hard to Heat Homes

4.18 Measures against these standards are presented below from the findings of the housing stock condition survey element of the HMA study. Findings are presented at the level of the local authority level and at the level of the housing markets defined within this study. The results presented here are designed to provide more detail toward objectives required by the individual local authorities in terms of private sector housing.

The Decent Homes Standard

4.19 In examine stock condition in the private sector, of key importance is consideration of the Decent Homes Standard. It is Government policy that everyone should have the opportunity of living in a "decent home". The Decent Homes Standard contains four broad criteria that a property should:

    A. Be above the legal minimum standard for housing;

    B. Be in a reasonable state of repair;

    C. Have reasonably modern facilities (e.g. kitchens and bathrooms) and services; and

    D. Provide a reasonable degree of thermal comfort (i.e. effective insulation and efficient heating).

4.20 If a dwelling fails any one of these criteria it is considered to be 'non decent'. A detailed definition of the criteria and their sub-categories are described in the ODPM guidance: "A Decent Home – The definition and guidance for implementation" February 2004.

4.21 The revised guidance does not substantially change the criteria for the decent homes standard laid out in 2002 with the exception of thermal comfort. This has changed from a calculated, energy efficiency based approach to a simpler, but more practical system which takes into account the heating systems, fuel and insulation in a dwelling to determine if it provides adequate thermal comfort.

4.22 Until recently, obligations under the Decent Homes standard were directed solely at the social housing sector. Under "The Decent Homes Target Implementation Plan" June 2003 – as modified April 2004, the ODPM outlined its commitments under Public Service Agreement (PSA) 7. These state that PSA 7 will have been met if:

- There is a year on year increase in the proportion of vulnerable private sector households in decent homes;

- The proportion of vulnerable private sector households in decent homes is above 65% by 2006/07;

- The proportion of vulnerable private sector households in decent homes is above 70% by 2010/11; and

- The proportion of vulnerable private sector households in decent homes is above 75% by 2020/21.

4.23 The English House Condition Survey now focuses on the Decent Homes Standard and it seems likely that the standard will become the primary measure of housing conditions for all tenures in future. For this reason the Suffolk Coastal survey collected data adequate and appropriate to allow judgement of dwellings across all tenures against the decent homes standard.

Change of Emphasis and the Housing Act 2004

4.24 Until the Housing Act 2004 the Housing Fitness Standard was the measure of whether a dwelling met the minimum legal standard. The introduction of the Housing Act 2004 has meant that since April 2006 the new Housing Health and Safety Rating System (HHSRS), under Part 1 of the Act, has replaced the existing statutory fitness standard.

4.25 The new system assesses "hazards" within dwellings and categorises them into Category 1 and Category 2 hazards. Local Authorities now have a duty to take action to deal with Category 1 hazards. The HHSRS also applies to the Decent Homes Standard – if there is a Category 1 hazard at the property it now fails Criterion A of the standard.

4.26 As the new HHSRS regime has come into effect, this report will present findings relating to decent homes primarily using category 1 hazards. Unless the criterion is specifically referred to, it can be assumed that figures given in this section are based on the Housing Health and Safety Rating System. Detailed definitions of both the Rating System and Housing Fitness Standard are given in Appendix B to this report under criterion A of the Decent Homes Standard.

Non Decent Dwellings and General Characteristics

4.27 Based on the House Condition Survey data 14,240 dwellings (26.1%) can be classified non decent, which is slightly below the proportion in England (30.1%) as a whole. The all England figure is taken as the proportion of non decent private sector and RSL dwellings from the 2003 EHCS. The number of non decent dwellings within each housing market area is as follows:

Housing Market Area	Non Decent Dwellings	
	N	%
Ipswich HMA	1,530	13.0%
Felixstowe HMA	3,480	23.5%
Woodbridge HMA	4,930	37.1%
North HMA	4,300	29.1%
Suffolk Coastal	**14,240**	**26.1%**

Figure 51: Non Decent Dwellings by Housing Market Sub-area
Source: Suffolk Coastal Household & Physical Survey 2006

4.28 The chart below shows the proportions of non decent dwellings by tenure and by housing market sub-area. Figures for housing association dwellings are excluded from the graph as there are too few to allow for meaningful analysis at the sub-area level. The total number and proportion of non decent housing association dwellings is given in Figure 53 however. The distribution by tenure is typical of the national picture in that privately rented dwellings have the highest rate of non decency in all four sub-areas. .
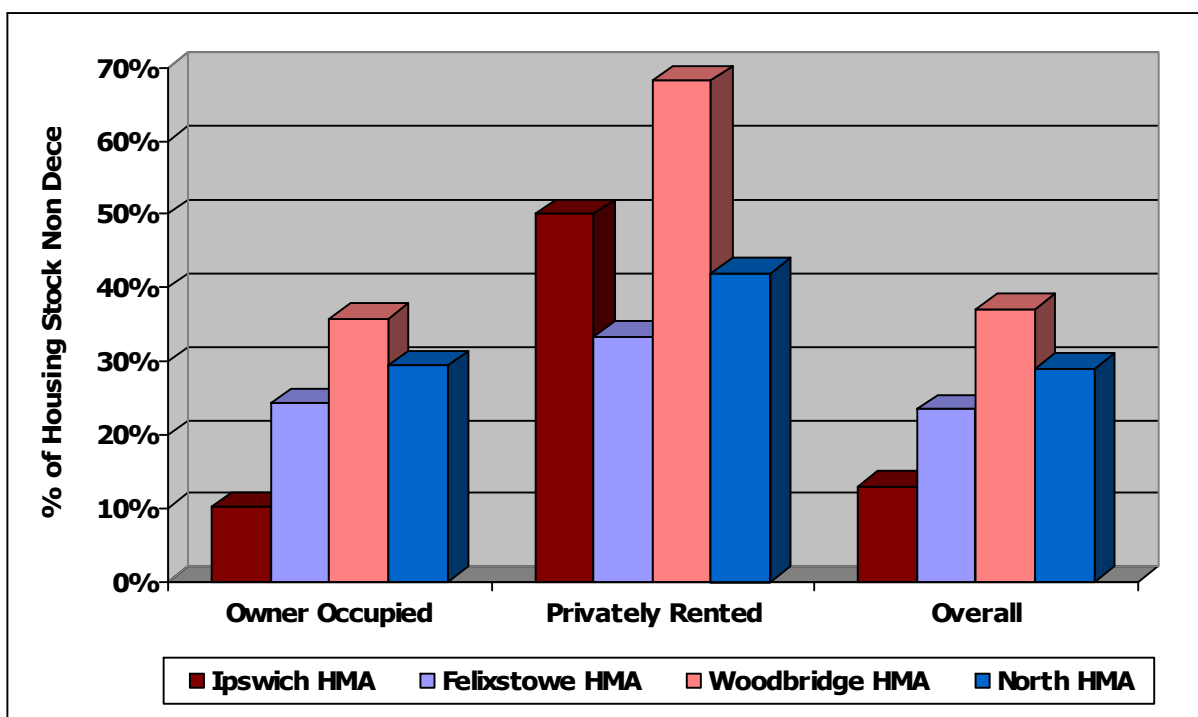
Figure 52: Non Decent Dwellings by Tenure and HMA
Source: Suffolk Coastal Household & Physical Survey 2006

Area	Tenure							
	Owner occupied		RSL		Privately rented		Overall	
Housing Market								
Ipswich HMA	1,050	10.2%	-	-	480	50.0%	1,530	13.0%
Felixstowe HMA	2,650	24.3%	-	-	700	33.3%	3,480	23.5%
Woodbridge HMA	3,910	35.9%	-	-	680	68.2%	4,930	37.1%
North HMA	3,080	29.4%	-	-	790	42.0%	4,300	29.1%
Suffolk Coastal District	**10,690**	**25.1%**	**890**	**14.7%**	**2,660**	**44.6%**	**14,240**	**26.1%**

Figure 53: Non Decent Dwellings by Tenure and HMA (Totals)
Source: Valuation Office Agency
Note: Figures may not sum due to rounding

4.29 When considering the proportion of non decent dwellings by building type, it needs to be realised that the proportion of flats, in general, is very low and in particular there are very few high rise purpose built blocks. The highest rate of non decency is found for high rise purpose built blocks at 66.8%, but this relates specifically to one block and is not, therefore, a significant finding in the wider context of this study.

4.30 Semi detached houses and converted flats are the building types with the highest proportion of non decent dwellings at 31.2% and 44.9% respectively. Failures for converted flats are strongly associated with category 1 hazards and repair issues, particularly in relation to the privately rented sector. Failures in semi-detached houses are largely due to the association of this dwelling type with older dwellings and in particular, failures due to thermal comfort exist at above average levels. Detached houses have the lowest rate of non decency at 17.1%.
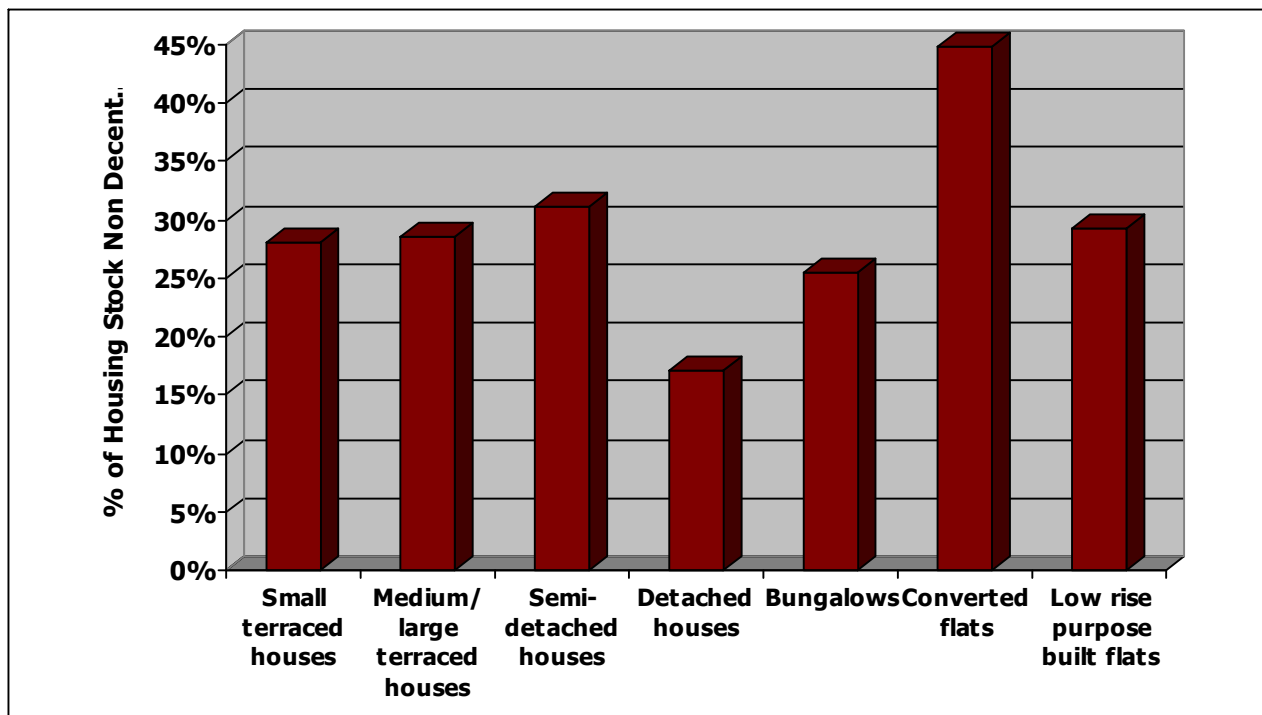
Figure 54: Non Decent Dwellings by Building Type
Source: Suffolk Coastal Household & Physical Survey 2006

EHCS Building Type	Non decent	
Small Terraced House	1,210	28.0%
Medium / Large Terraced House	1,450	28.5%
Semi-detached House	4,320	31.2%
Detached House	2,490	17.1%
Bungalows	3,100	25.5%
Converted Flats	610	44.9%
Low-rise purpose built flats	910	29.2%
High-rise purpose built flats	150	100.0%
Suffolk Coastal District	**14,240**	**26.1%**

Figure 55: Non Decent Dwellings by Building Type (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

4.31 The highest rate of non decent dwellings is for the pre-1919 age band at 46.7%. Pre 1919 dwellings typically have the highest level of non decency, which relates to above average levels of disrepair and more difficulty in complying with the thermal comfort criterion. The next highest rate is for dwellings built between 1945 and 1964 at 30.8%. For dwellings built between these dates there is a lower level of failure for category one hazards and disrepair than the pre 1919 stock, but a higher proportion of failures due to thermal comfort issues, relating to the specific requirements of this part of the standard. As a result the rate of non decency among 1919 to 1944 dwellings is 25.7%. The lowest level of non decency is found in the post 1964 stock at 10.3%.

4.32 The following two figures illustrate the levels of non decency by construction date and the estimated total of non decent dwellings for each age band.
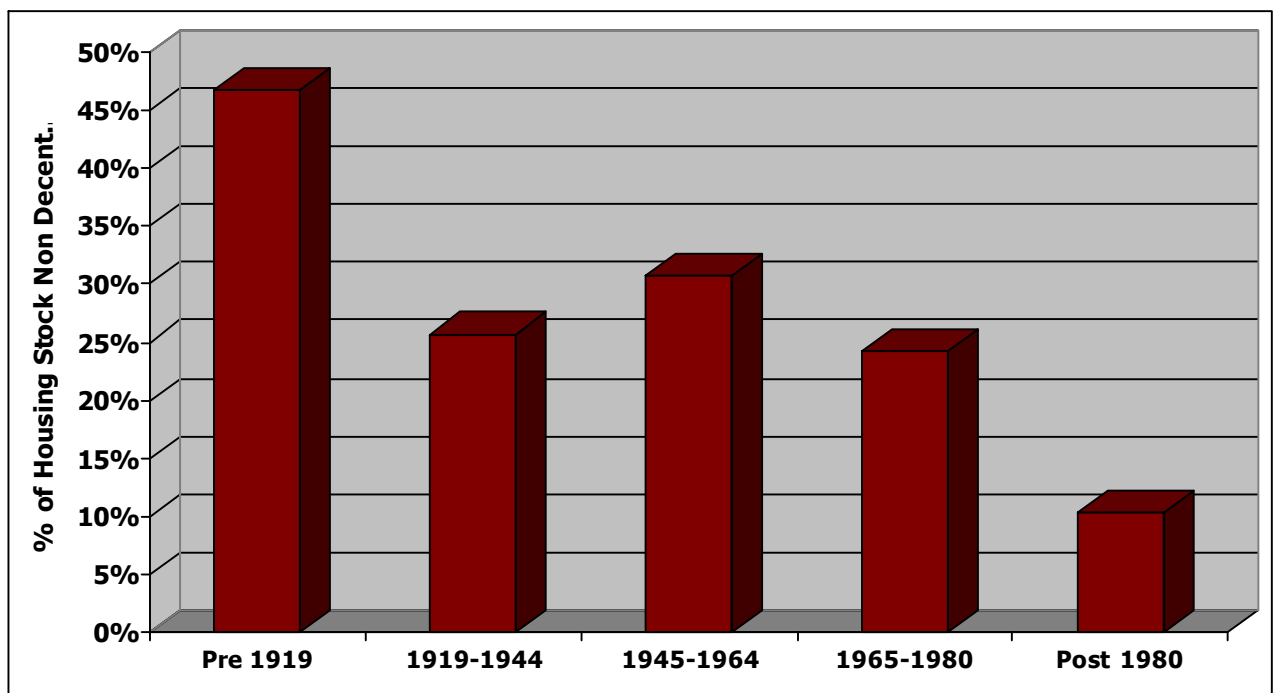
Figure 56: Non Decent Dwellings by Date of Construction
Source: Suffolk Coastal Household & Physical Survey 2006

Date of construction	Non decent	
Pre 1919	5,530	46.7%
1919 to 1944	1,100	25.7%
1945 to 1964	3,030	30.8%
1965 to 1980	2,860	24.2%
Post 1980	1,730	10.3%
Suffolk Coastal District	**14,240**	**26.1%**

Figure 57: Non Decent Dwellings by Date of Construction (Totals)
Source: Valuation Office Agency
Note: Figures may not sum due to rounding

4.33 In Figure 49 the distribution of dwellings by Council Tax band was given, as this is a key indicator that generally relates quite strongly to a dwelling's size, type, age and tenure and as a consequence, to some extent, amalgamates the other general stock characteristics. The following two figures examine the relationship between Council Tax band and the level of non decent dwellings within each band. Whilst there are a small number of band H dwellings within Suffolk Coastal, approximately 200, these are too few to allow for meaningful analysis as only 4 were selected as part of the House Condition Survey and are thus unrepresentative.
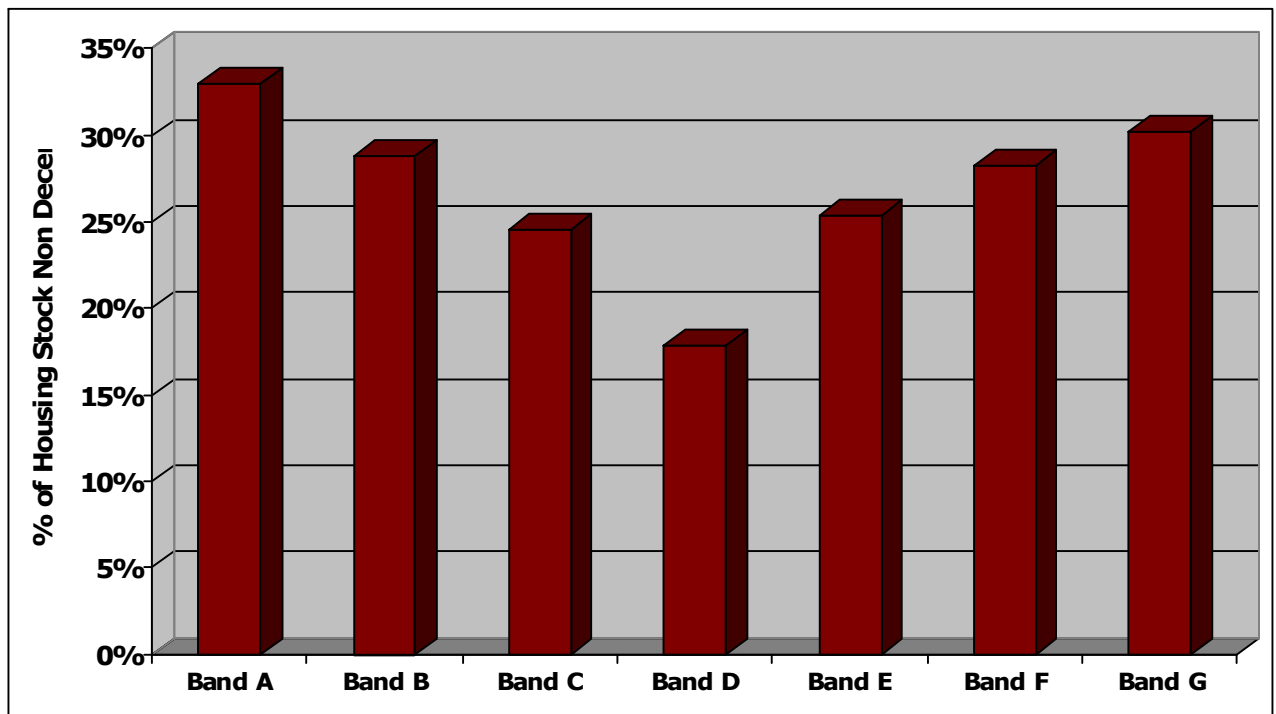
Figure 58: Non Decent Dwellings by Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006

Council Tax Band	Non decent	
Band A	2,380	33.0%
Band B	3,930	28.8%
Band C	2,610	24.5%
Band D	1,790	17.8%
Band E	1,820	25.3%
Band F	1,010	28.2%
Band G	710	30.5%
Suffolk Coastal District	**14,240**	**26.1%**

Figure 59: Non Decent Dwellings by Council Tax Band (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

4.34 Figure 58 shows a 'bi-polar' distribution, which is to say there are higher proportions of non decent dwellings for the lowest and highest Council Tax bands. In the case of Council Tax bands A and B this is due to poor dwelling conditions and an association with both privately rented dwellings and converted flats. For Council Tax bands F and G failures are largely related to thermal comfort and excess cold, as many band F and G dwellings are larger, older detached rural dwellings which may be off the mains gas supply or have older heating systems or lack adequate insulation.

4.35 Current grant and assistance policy within Suffolk Coastal is based around Council Tax Bands and the figures above tend to indicate that this will be resulting in the poorest condition dwellings being those where assistance is being rendered. For band A and B dwellings low incomes will mean that grant or similar assistance is necessary if these dwellings are to be improved. For band F and G dwellings, improvements in energy efficiency would be useful from an environmental perspective, but due to the incomes of occupiers in the majority of these dwellings assistance may realistically only be in the form of advice.

4.36 The following figure gives the distribution of non decent dwellings by annual income.
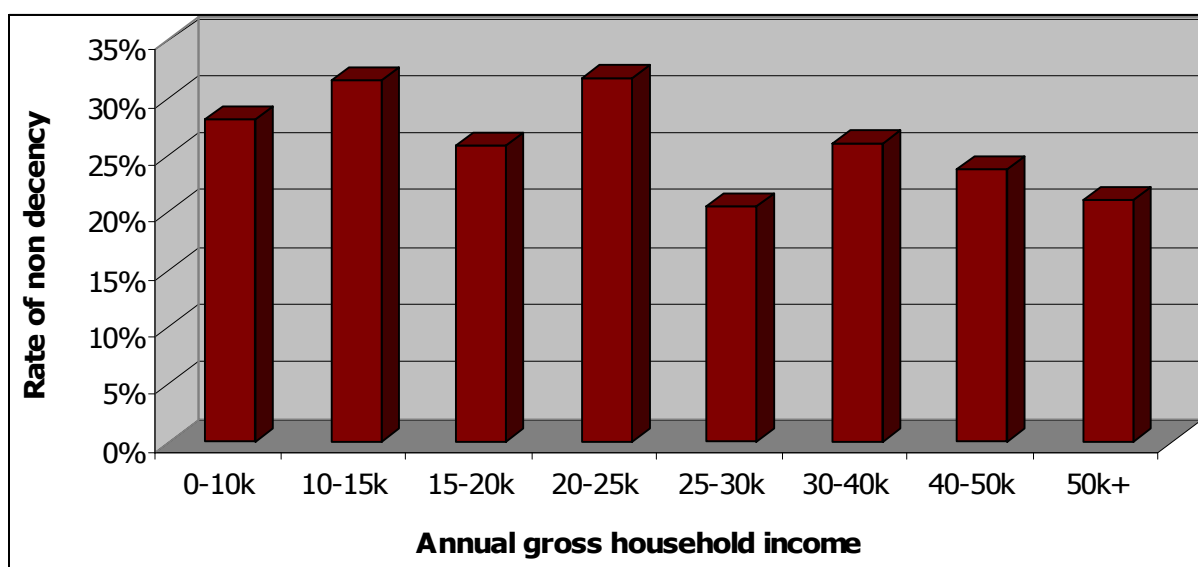
Figure 60: Non Decent Dwellings by annual gross household income
Source: Suffolk Coastal Household & Physical Survey 2006

4.37 Figure 60 Illustrates that there is a relationship between non decency and household income with non decency reducing as household incomes increase. This pattern is not entirely linear, however, as there are peaks and troughs within the findings. Most notably the level of non decency where household incomes are below £10,000 per annum is lower than those in the next income bracket (£10k-£15k). The primary reason for this is that one third of all households on an income below £10k per annum live in Housing Association dwellings that are far more modern and are much more likely to be decent; this compares to 12% of households being in Housing Association accommodation overall.

4.38 The following table lists the totals as well as rates of non decency by household income.

Annual gross income	Non decent	
0-10k	2,480	28.1%
10-15k	2,590	31.6%
15-20k	1,240	25.9%
20-25k	1,130	31.8%
25-30k	930	20.6%
30-40k	2,020	26.0%
40-50k	1,100	23.8%
50k+	1,920	21.1%
Suffolk Coastal District[1]	**13,410**	**26.1%**

Figure 61: Non Decent Dwellings by Income Band (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding
1. Total excludes vacant dwellings

4.39 The following table lists the totals as well as rates of non decency by household income.

Reasons for Non Decency

4.40 Since the Decent Homes Standard is divided into 4 criteria, it is possible to give a breakdown of the reasons why dwellings fail the standard. The following two figures, Figure 62 and Figure 63 give such a breakdown.
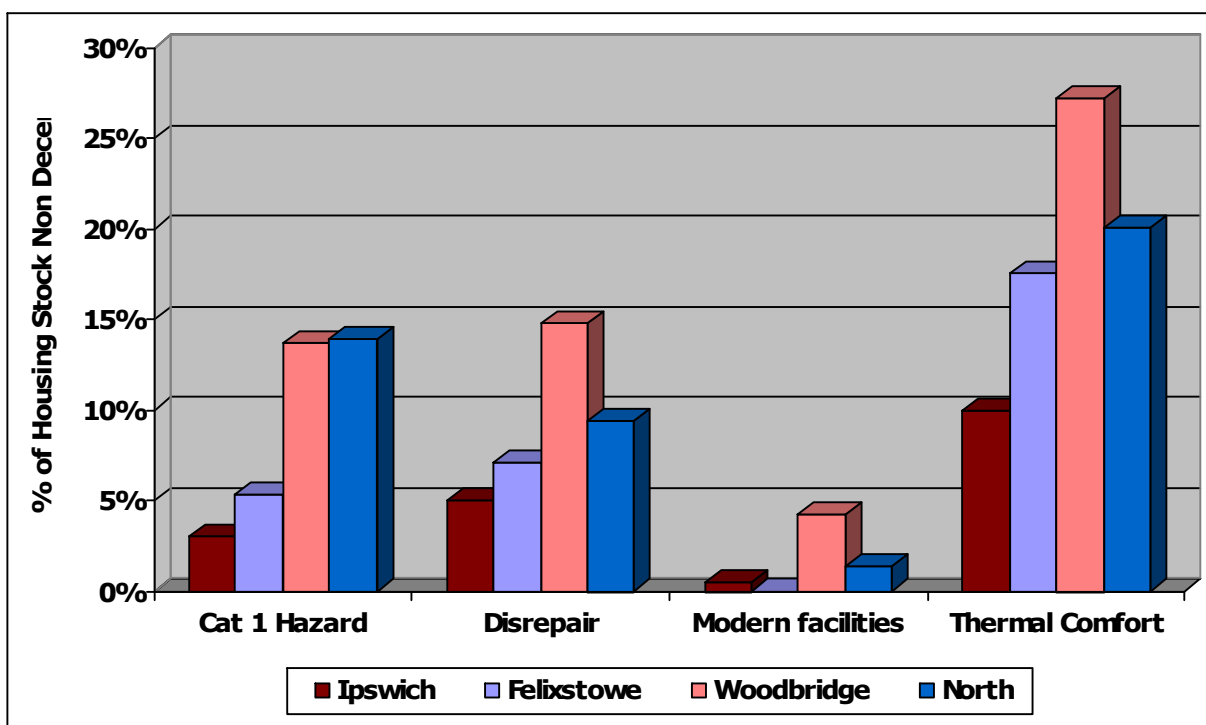
Figure 62: Reasons for Non Decency as a Proportion of Entire Stock by HMA
Source: Suffolk Coastal Household & Physical Survey 2006

4.41 A poor degree of thermal comfort is the primary cause of failure of the decent homes standard in all four sub-areas, as it is in England as a whole.

4.42 Failures due to lack of adequate modern facilities occur at a relatively low rate, which reflects the fact that the guidelines for this category are not stringent. For example, even if a kitchen or bathroom had an item older than the specified period it would not fail unless there were multiple items over the specified age.

4.43 The following table gives totals for failures of the Decent Homes Standard across Suffolk Coastal as well as comparing rates to those from the 2003 EHCS.

Reason	Dwellings	Per cent (of non decent)	Per cent (of Stock)	Per cent (EHCS 2003)
Category 1 hazard dwellings	5,010	35.2%	9.2%	7.8%
In need of repair	4,980	35.0%	9.1%	8.8%
Lacking modern facilities	830	5.8%	1.5%	2.4%
Poor degree of thermal comfort	10,350	72.7%	19.0%	26.3%

Figure 63: Non-decency Reason
Source: Suffolk Coastal Household & Physical Survey 2006

4.44 The rate of category 1 hazards for the EHCS was not published in the final report and is still under review, with the BRE considering how Excessive Cold should be modelled, however it seems likely that the interim figure of 7.8% is a considerable underestimate. Failures due to disrepair and lack of adequate modern facilities occur at rates that are not statistically significantly different from the national average. The rate of failure due to inadequate thermal comfort is significantly below the national average, helped buy a more modern stock and provision of gas central heating.

Cost to Remedy Non Decency

4.45 Having determined the reasons for dwellings being classified as non decent, it is possible to indicate what level of repairs / improvements would be needed to make all dwellings decent.

4.46 The cost to remedy non decency has been determined by examining the specific failures of each non decent dwelling and determining the course of action necessary to make the dwelling decent. This can be done for each criterion of the standard and the table below gives such a distribution for all non decent dwellings in the stock.

Category	Total Cost £ Million	Cost per Dwelling £
Category 1 Hazard	£15.2 million	£3,030
Repair	£5.8 million	£1,170
Amenities	£7.3 million	£11,320
Thermal comfort	£10.1 million	£1,250
Total	**£38.4 million**	**£2,860**

Figure 64: Repair Cost by Non-decency Reason
Source: Suffolk Coastal Household & Physical Survey 2006

4.47 The costs are based on the assumption that only the items that cause dwellings to be non decent are tackled. Comprehensive repairs (referred to later) most closely resemble traditional renovation grant costs, but the costs given here are lower as they relate to the works necessary to deal only with failing items and not all repair issues.

4.48 The cost to remedy category 1 hazards is generally lower than the cost to rectify unfitness, this is discussed in more detail later in this chapter. This is due to the fact that many of these hazards can be rectified at low cost as they do not involve the expensive work to the fabric of the dwelling often associated with some fitness failures.

4.49 Costs to remedy inadequate modern facilities have by far the highest average cost as, whilst there are few instances, these will involve replacement of kitchens and/or bathrooms and possible construction of an extension to house larger facilities where the current ones are inadequate.

4.50 Remedying the problems of thermally inefficient dwellings is more complex. Limited individual improvements to dwellings would move some into thermal comfort, whereas others would require multiple improvements.

Private Sector Vulnerable Occupiers and Non Decency

4.51 At present the government target set for achieving decency standards in the private sector is that under PSA 7, where 65% of all dwellings occupied by vulnerable residents should be made decent by 2006/07. In practice, the most challenging target will be the 70% to be met by 2010/11. Vulnerable households are defined as those in receipt of certain benefits listed below:

- Income support

- Housing benefit

- Council tax benefit

- Income based job seekers allowance

- Attendance allowance

- Disabled living allowance

- Industrial injuries disablement benefit

- War disablement pension

- Pension credit

- Working tax credit (with a disability element) [total income < £15,050]

- Child tax credit [total income < £15,050]

4.52 In Suffolk Coastal, at present, there are 8,320 private sector dwellings (owner occupied, privately rented, but excluding RSL) occupied by residents in receipt of one of the benefits listed above. This figure is based on those respondents to the housing need survey who stated that at least one resident in the dwelling was in receipt of one or more of the benefits listed above. Of these an estimated 2,780 are classified non decent using the HHSRS, which represents 33.4% of dwellings occupied by a vulnerable resident. Conversely this means that 66.6% are decent.

4.53 On this basis Suffolk Coastal currently exceeds the minimum standard required by 2006/07 for decent homes occupied by vulnerable people in the private sector (65%). This currently means the target is exceeded by approximately 130 dwellings, however this figure should be treated with caution as statistical variance may mean that the true figure is slightly closer to the target threshold.

4.54 In order to raise the proportion of private sector dwellings, occupied by vulnerable people, above the 70% threshold for decency will require approximately 290 dwellings to be made decent by 2010. As both of these figures are based on a sample survey they will be subject to statistical variance and may therefore actually be higher or lower, but regardless work will need to be done to ensure that each Council meets the targets set by Central Government.

4.55 The proportion of non decent dwellings by area has already been considered and presented in Figure 52 and Figure 53. The table below gives the numbers of non-decent dwellings, occupied by vulnerable people, within each area and the rate of non decency, but the table also lists the level of shortfall, for each HMA sub-area, in terms of meeting the 70% target for vulnerable occupiers in the private sector.

Housing Market Area	Non decent dwellings with vulnerable households	Percent non decent with vulnerable households	Shortfall for vulnerable occupiers [1]
Ipswich HMA	530	30.2%	3
Felixstowe HMA	1,050	35.6%	166
Woodbridge HMA	720	52.8%	312
North HMA	480	21.2%	-196
Suffolk Coastal	**2,780**	**33.4%**	**286**

Figure 65: Non Decent Dwellings with Vulnerable Households by HMA
Source: Suffolk Coastal Household & Physical Survey 2006
1. A negative figure indicates a surplus rather than a shortfall

4.56 Whilst there is no obligation on local authorities to meet the PSA 7 target in specific sub-areas or wards, it is useful to gain a picture of where the most progress toward meeting the targets could be achieved. Indications are that the highest rates of non decency, where vulnerable occupiers live, are in the Felixstowe and Woodbridge HMA sub-areas.

Unfit Dwellings and Dwellings with Housing Health & Safety Hazards

Requirement to remedy poor housing

4.57 Formerly, under Part XI of the Housing Act 1985, Local Authorities had a statutory duty to take: 'The most satisfactory course of action', with regard to unfit dwellings. A range of enforcement measures were available including service of statutory notices to make properties fit. Closure or demolition was seldom deemed necessary in all but the most extreme cases.

4.58 From April 2006 Part XI Housing Act 1985 was replaced by Part 1 of the Housing Act 2004. The new Act repeals the existing housing fitness standard, and through statutory instruments and statutory guidance replaces it with the Housing Health and Safety Rating System.

4.59 The Act differentiates between Category 1 and Category 2 hazards. Local Authorities have a duty to take 'the most appropriate course of action' in respect of any hazard scored under the HHSRS as Category 1, and in effect this duty replaces the existing fitness standard. Authorities have discretionary power to take action with Category 2 hazards (which do not score past the threshold for Category 1).

Reporting on the two standards

4.60 The previous section lists the overall proportion of dwellings that contain category 1 hazards as a part of the Decent Homes Standard. The presence of a category 1 hazard replaced a dwelling being unfit as of April 2006, however it is useful to compare the results of the two standards. This section will take these two measures of condition further by examining the relationship between the two, as well as other dwelling and social characteristics. However, given the April 2006 introduction of the HHSRS, the chapter will focus to a greater degree on the new system.

4.61 In addition the chapter will examine the cost implications for remedying these condition issues, as well as considering affordability for the residents, in terms of carrying out repair and/or improvement work.

4.62 A detailed definition of what constitutes a category 1 hazard and what made a dwelling unfit are given in under the definition of criterion A of the Decent Homes Standard in Appendix B of this report.

Overall Dwelling Conditions

4.63 The overall unfitness rate for the Suffolk Coastal District was 1.2%, which is below the rate for dwellings in England of 4.6% (2003 EHCS) this means that, at the time of the survey, there were an estimated 650 unfit dwellings across the District. The overall proportion of dwellings with a category 1 hazard has now replaced the proportion of unfit dwellings and is 9.2%, representing 5,010 dwellings across the Suffolk Coastal District. There are no comparisons available from the 2001 EHCS, but preliminary figures from the 2003 EHCS suggest a rate of 7.8% for dwellings with a category 1 hazard. It should be considered,

however, that the proportion of category one hazards across England is liable to be revised upwards, given current thinking on the excessive cold hazard.

4.64 The following figure illustrates the position for unfitness and category 1 hazards across the four housing market areas.

Housing Market Area	Unfit Dwellings		Category 1 Hazards	
	N	%	N	%
Ipswich HMA	0	0%	360	3.0%
Felixstowe HMA	0	0%	790	5.4%
Woodbridge HMA	400	3.1%	1,810	13.7%
North HMA	250	1.7%	2,050	13.9%
Suffolk Coastal	650	1.2%	5,010	9.2%

Figure 66: Unfitness and Category 1 Hazards by HMA
Source: Suffolk Coastal Household & Physical Survey 2006

4.65 The table suggests that there were no unfit dwellings in the Ipswich Housing Market Area or Felixstowe Housing Market Area, however this is unlikely to be the case. In reality, the levels of unfitness were likely to be so low that they could not be discerned by a sample survey such as this; in which case there may be have been a handful of unfit dwellings in each.

4.66 Since Category 1 Hazards have now replaced unfit dwellings as the key indicator for measuring the potential risk to health of occupiers, the figures for dwellings with such hazards are more relevant. The difference between the two standards is substantial and will be considered in more detail later in this chapter. As with non decency and unfitness, the occurrence of category 1 hazards is most strongly associated with the Woodbridge and North HMAs.

Reasons for Unfitness and Category 1 Hazards

4.67 The fitness standard described eleven different criteria on which a dwelling could fail to be fit. Due to the very small number of unfit dwellings found during the survey, and likely to be present in the stock, it is not possible to give an accurate and detailed breakdown of reasons for failure of the fitness standard. General indications are, however, that the levels of failure on disrepair, inadequate food preparation facilities, dampness and bath\shower were the most common cause of failure. Across England the highest causes of unfitness were also disrepair, food preparation facilities and dampness followed by bath/shower, and thus the findings of this survey are in line with national trends.

4.68 The Housing Health and Safety Rating System describes 29 different hazards that may occur in a dwelling, however only seven of these hazards generated a category 1 hazard in Suffolk Coastal. The following graph illustrates the proportion of dwellings that have a category one hazard as a percentage of all dwellings with a category one hazard.
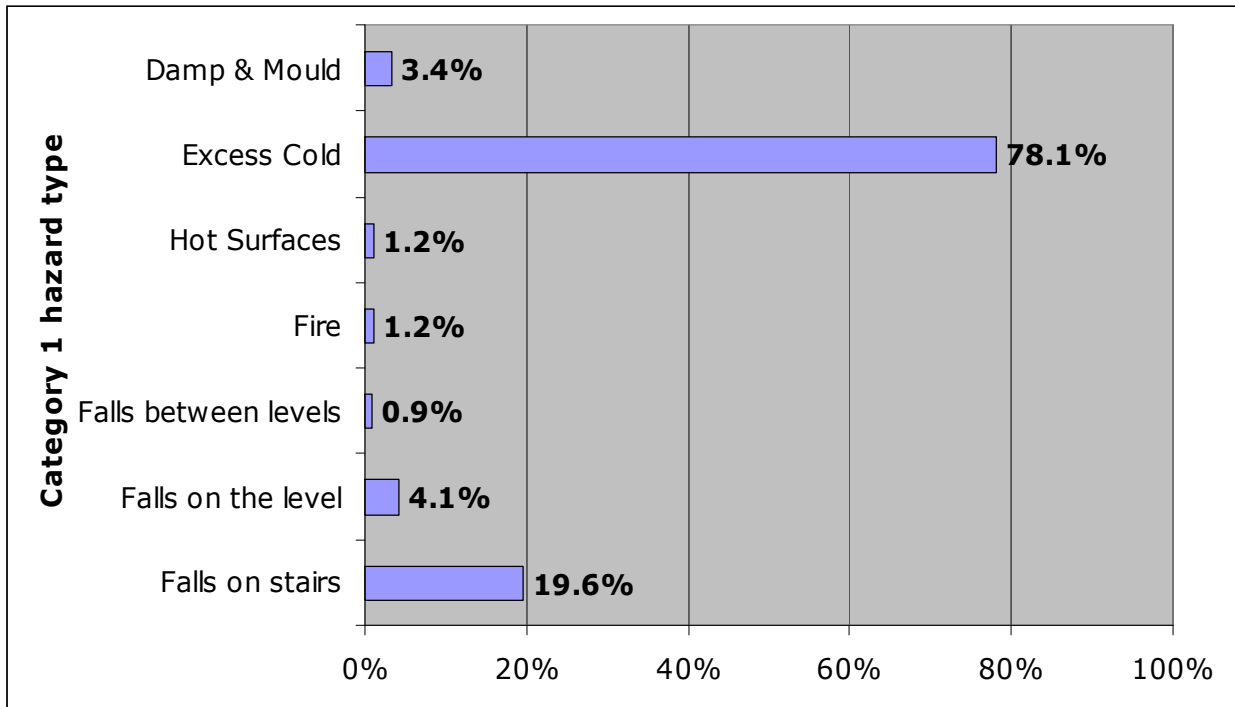
Figure 67: **Category 1 Hazards Types**
Source: Suffolk Coastal Household & Physical Survey 2006

Category 1 hazard type	Dwellings with category 1 hazard	
	N	%
Damp & Mould Growth	170	3.4%
Excessive Cold	3,910	78.1%
Hot Surfaces	60	1.2%
Fire	60	1.2%
Falls between levels	50	0.9%
Falls on the level	210	4.1%
Falls on stairs	980	19.6%

Figure 68: **Category 1 Hazards Types (totals)**
Source: Suffolk Coastal Household & Physical Survey 2006

4.69 Whilst there are no comparable figures from the EHCS, early trials of the HHSRS tended to indicate that excessive cold would constitute by far the greatest health hazard to occupiers and recent work by the BRE tends to suggest that this will be the case.

4.70 In Suffolk Coastal there is a relatively low underlying level of category 1 hazards and it is only the relatively high proportion of failures due to excessive cold that stand out. As with the EHCS category one hazards for excessive cold were modelled using the energy efficiency measure SAP (Standard Assessment Procedure). Dwellings were given a hazard rating based on their SAP level, with all dwellings with a SAP below 35 being considered to have a category 1 hazard.

4.71 The excessive cold hazard scores so highly since it reflects the fact that there are, on average, over 20,000 excess winter deaths in England each year. Many of these will be as a result of residents being unable to heat their home adequately, due to the poor energy efficiency of their dwelling. This problem is often more acute in areas with more dwellings in rural locations and where the provision of mains gas for heating is below average. Nearly 26% of dwellings within Suffolk Coastal are not on the mains gas supply.

4.72 Falls on the stairs hazards are the second most common cause of category one hazard in the District and this follows the trend for most stock condition surveys. Failures on this category are most often associated with older pre 1919 dwellings with steep and/or narrow staircases with inadequate hand rails and with obstacles that might cause greater injury, such as protruding radiators for example. Trips and falls represent a significant problem for older residents, who are the most vulnerable group for this hazard. The addition of handrails and the alteration in placement of items such as radiators can significantly reduce both the risk of a fall and the extent of injury resulting from such a fall.

4.73 Whilst other hazards were recorded in some dwellings, no other types of hazard scored highly enough to be classified as a category 1 hazard. One of the additional hazards that can be scored under the HHSRS is radiation, which in particular relates to the presence of radon gas. For the vast majority of dwellings, background radon is at such a low level that it does not constitute a hazard, however, in certain areas radon emissions can be higher due to underlying geological conditions.

4.74 Part of the Suffolk Coastal District lies within a Radon Action Zone and some dwellings within this Zone are liable to have 'atypical' hazards in relation to the radiation category of the HHSRS. Again, the majority of these will have relatively low scoring (less than category 1) hazards, but the HHSRS guidance does indicate the need to consider radon in affected areas:

"If the dwelling is in an Affected Area, then the construction of and condition of the ground floor and the presence of open chimney flues and the means of ventilation should be assessed. If present, the state of any remediation measures should checked. However, the condition of these will only indicate that there could be a problem. And as radon levels vary widely between apparently identical dwellings, the only way to determine whether or not there is a threat to health is by measurement."

Source: Housing Health And Safety Operating Guidance, ODPM (Now DCLG)

Overlap Between Category 1 Hazards and Unfitness

4.75 Whilst the new HHSRS deals with a number of similar issues as the existing fitness standard, it is important to appreciate that the new system is significantly different in approach.

- It is a prescribed method of assessment which refers to a national evidence base on the health impacts of deficiencies in dwellings as opposed to a standard which focuses on building condition i.e. it is more concerned with the effect on health of a fault in a building rather than the fact that a fault exists.

- The new system is concerned with deficiencies in dwellings which can include inherent poor design as well as simply disrepair.

- "Health" in the new Act is defined to include "physical, mental and social wellbeing" i.e. it includes stress and issues such as social exclusion.

- The range of hazards covered is broad and includes many matters not covered by the fitness standard, for example the presence of lead and radon, excess heat, noise, falls, fire, and hot surfaces.

4.76 Comparing "adequate provision of heating" under the fitness standard and "excess cold" under the HHSRS illustrates the differences. Only 16.8% of unfit dwellings failed due to inadequate heating whereas category 1 hazards on excessive cold represent 78.1% of failures under the HHSRS. The fitness standard on heating had been criticised – it was met even if a dwelling did not have a fixed heating appliance, provided there was provision for

one in the main living room (e.g. dedicated gas point or dedicated 13 amp socket outlet) and socket outlets/gas fires in other habitable rooms.

4.77 In contrast, the hazard of excess cold refers to the national evidence base which shows that at a minimum of 20,000 excess winter deaths occur because of cold conditions. Scoring the hazard takes into account both the effectiveness of the heating system (if any) and the thermal insulation of the dwelling. It is possible that a Category 1 hazard would exist at a dwelling with full gas central heating but no loft insulation.

4.78 The example of heating and excessive cold illustrates the shift of emphasis from unfitness to the HHSRS. Heating failures did not consider the overall efficiency of the dwelling at all. Failures due to excessive cold are designed to look at the potential health impact of having a dwelling that cannot be heated properly. The later has a direct bearing on excess winter deaths and secondary problems with potential mould growth and respiratory problems.

4.79 Because of the significant differences in approach with the new system, it is common that there is no direct overlap between dwellings which failed the fitness standard and those where there is a Category 1 hazard. The following diagram graphically illustrates the relatively small extent of this overlap:
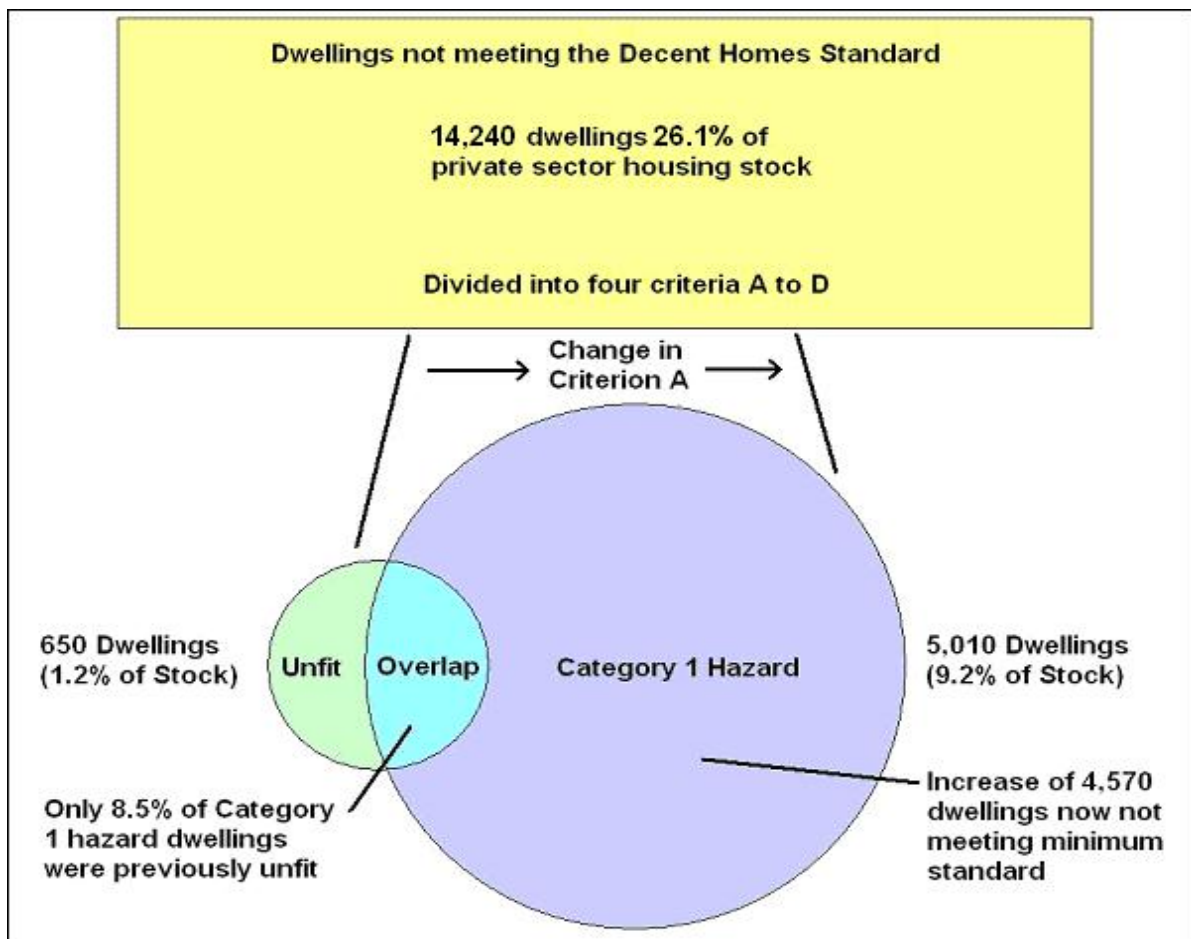
Figure 69: Overlap between Unfitness and Category 1 Hazards
Source: Suffolk Coastal Household & Physical Survey 2006

4.80 The lack of overlap does present an important issue for Suffolk Coastal, as given that 91.5% of dwellings with a category 1 hazard were not unfit (4,570 properties), they will present a whole new set of dwellings, which now require action since the adoption of the hazard rating system. This reinforces the message that the HHSRS is an evidence based system drawing

upon national figures which show the health impact of deficiencies in dwellings whereas the fitness standard was based on the failure of the dwelling to meet standards on the condition of building elements or provision of elements. Only if unfitness items caused a potential hazard will they score under the HHSRS.

Unfitness and Category 1 Hazards by General Characteristics

4.81 This section examines the relationship between those general stock characteristics set out earlier in the report, with the level of unfitness and category 1 hazards. Unfitness was usually strongly associated with age because of the deterioration of building elements. This trend presented itself in Suffolk Coastal with a steady and even reduction in unfitness as dwellings became more modern. This pattern also exists for dwellings with category 1 hazards, though the trend is not as smooth with a large 'trough' for the 1919 to 1944. This trough is unusual, but may reflect a statistical anomaly due to the fact that in Suffolk Coastal, dwellings built between 1919 and 1944 represent a very small proportion of the stock overall.
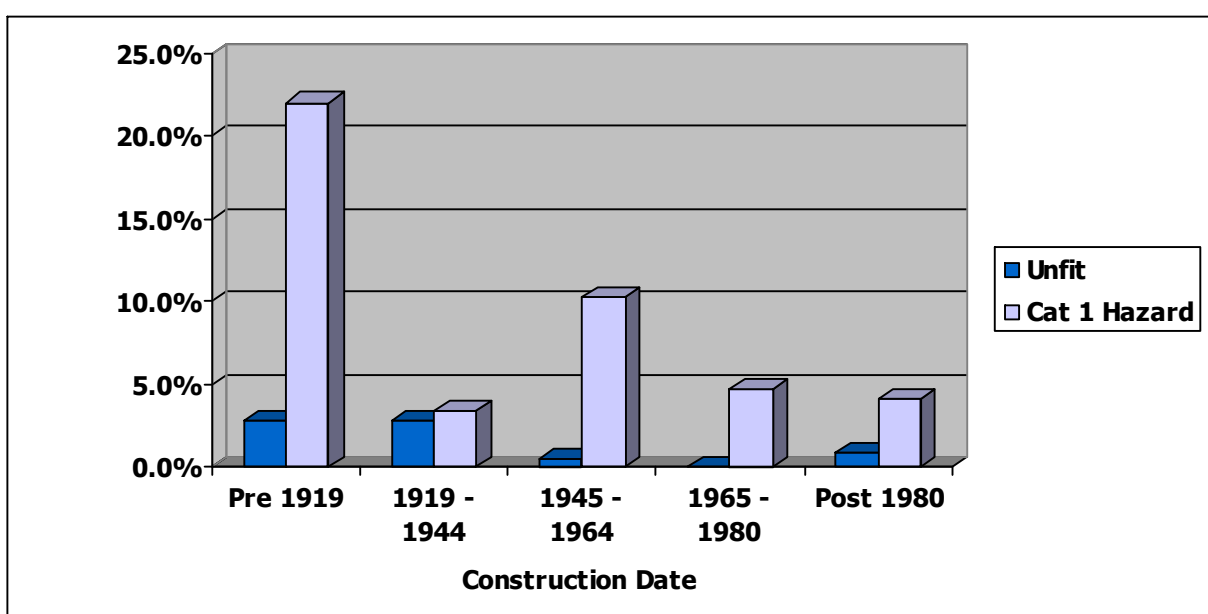
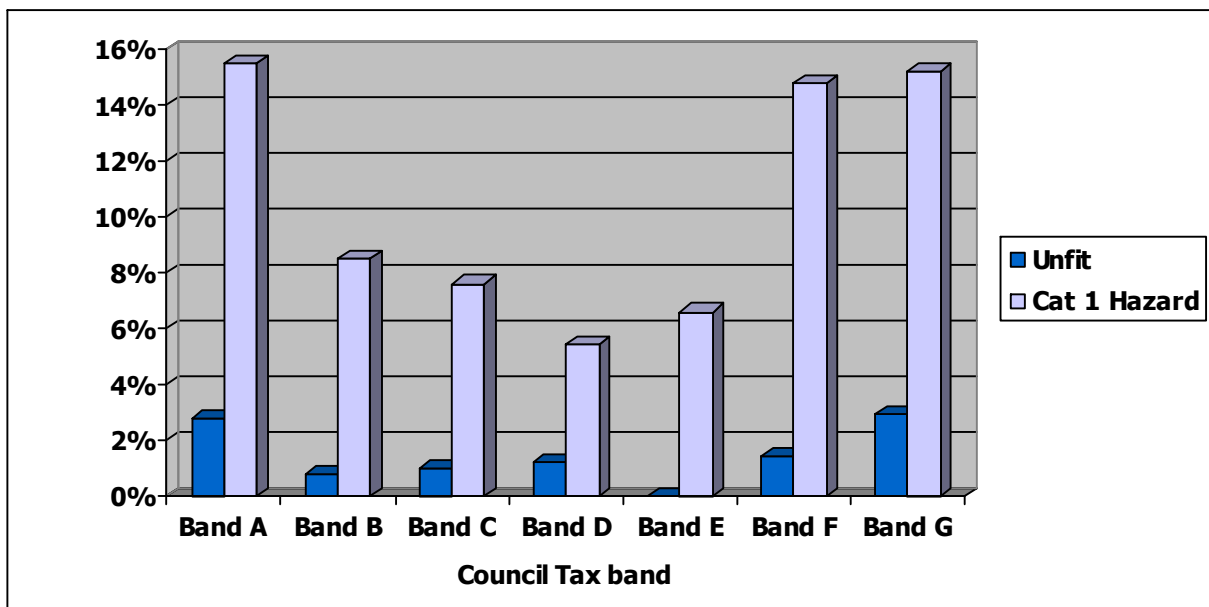**Figure 70: Rates of Unfitness and Category 1 Hazards by Construction Date**
Source: Suffolk Coastal Household & Physical Survey 2006

Date of Construction	Unfit Dwellings		Category 1 Hazards	
	N	**%**	**N**	**%**
Pre 1919	330	2.8%	2,600	22.0%
1919 to 1944	120	2.8%	150	3.5%
1945 to 1964	50	0.5%	1,010	10.2%
1964 to 1980	0	0.0%	560	4.7%
Post 1980	160	0.9%	690	4.1%
Suffolk Coastal	**650**	**1.2%**	**5,010**	**9.2%**

Figure 71: Unfitness and Category 1 Hazards by Construction Date (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006

4.82 The next graph presents the levels of unfitness and category 1 hazards by the building type of dwellings across the Suffolk Coastal District.
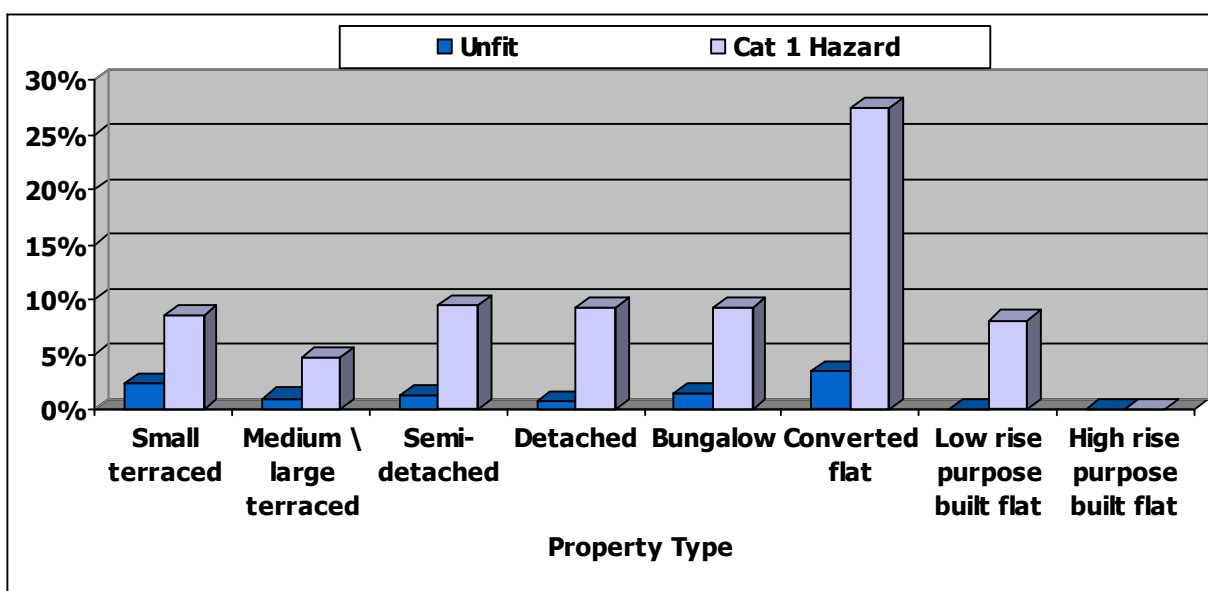
Figure 72: Rates of Unfitness and Category 1 Hazards by Building Type
Source: Suffolk Coastal Household & Physical Survey 2006

Building type	Unfit Dwellings		Category 1 Hazards	
	N	%	N	%
Small Terraced House	100	2.3%	370	8.5%
Medium / Large Terraced House	50	1.0%	200	4.8%
Semi-detached House	180	1.3%	1,300	9.5%
Detached House	110	0.8%	1,350	9.3%
Bungalows	170	1.4%	1,130	9.3%
Converted Flats	140	3.4%	370	27.4%
Low-rise purpose built flats	0	0.0%	250	8.1%
High-rise purpose built flats	0	0.0%	0	0.0%
Suffolk Coastal	**650**	**1.2%**	**5,010**	**9.2%**

Figure 73: Unfitness and Category 1 Hazards by Building Type (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006

4.83 As nationally, the highest rate of unfitness by building type was found in converted flats, which tend to be older buildings and which are often privately rented. This follows the trend for decency described earlier. With houses, the highest rate was found in small terraced properties, although there is little statistically significant difference between the remaining house types.

4.84 For dwellings with a category 1 hazard, again the highest level, by a significant margin, is recorded in converted flats at over 27%. This is followed by the majority of the remaining building types which do not present significantly different profiles. The only exception being high rise purpose built flats, which return no category 1 hazard dwellings or any rate of unfitness, but as was cautioned for non decency, the figures for high rise flats are based on a very small sample.
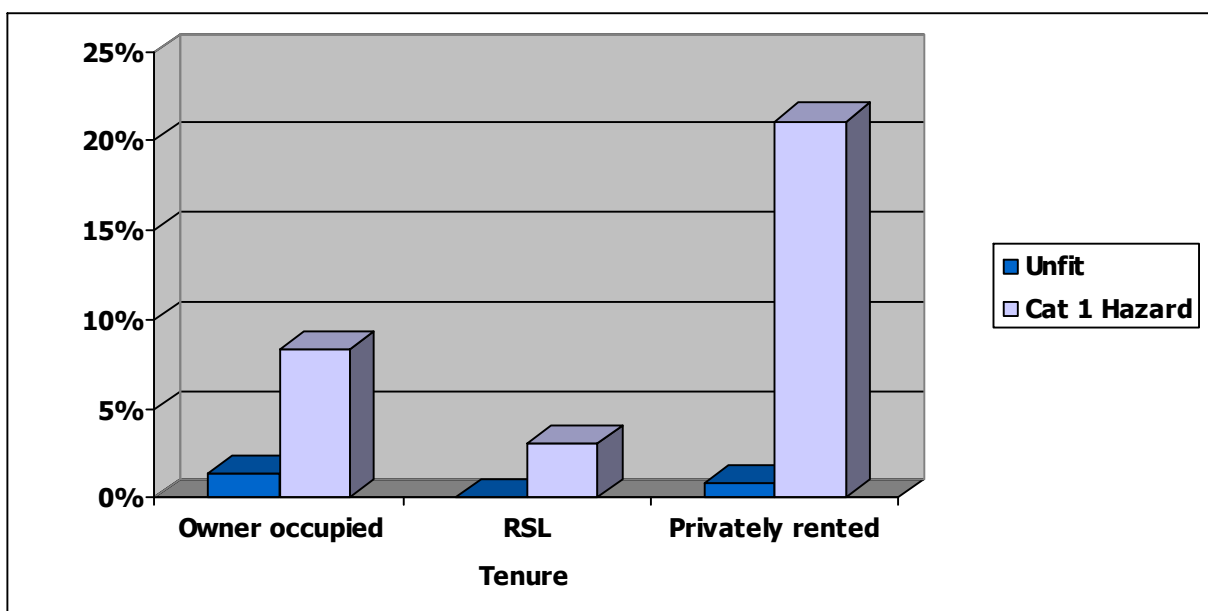
Figure 74: Rates of Unfitness and Category 1 Hazards by Tenure
Source: Suffolk Coastal Household & Physical Survey 2006

Tenure	Unfit Dwellings		Category 1 Hazards	
	N	%	N	%
Owner Occupied	605	1.4%	3,530	8.3%
RSL	0	0.0%	220	3.1%
Privately rented	45	0.8%	1,260	21.1%
Suffolk Coastal	**650**	**1.2%**	**5,010**	**9.2%**

Figure 75: Unfitness and Category 1 Hazards by Tenure (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006

4.85 There is no significant difference between owner occupied and privately rented dwellings with regard to unfitness, but again, the very low level of unfitness meant that this was not a definitive finding. No RSL dwellings were found to be unfit during the survey, but this tenure had very low unfitness rates nationally, especially considering the obligation to make all social rented dwellings decent by 2010.

4.86 The privately rented sector has by far the highest rate of category 1 hazards at 21.1%, followed by owner occupied dwellings at 8.3% and finally RSL dwellings where only 3.1% have a category 1 hazard.

4.87 The next graph and table illustrate the levels and totals for dwellings with category 1 hazards and unfit dwellings by Council Tax band.

Figure 76: Rates of Unfitness and Category 1 Hazards by Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006

Council Tax Band	Unfit Dwellings		Category 1 Hazards	
	N	%	N	%
Band A	200	2.8%	1,120	15.5%
Band B	110	0.8%	1,160	8.5%
Band C	110	1.0%	810	7.6%
Band D	120	1.2%	540	5.4%
Band E	0	0.0%	470	6.6%
Band F	50	1.4%	530	14.8%
Band G	60	2.9%	320	15.2%
Suffolk Coastal	**650**	**1.2%**	**5,010***	**9.2%**

Figure 77: Unfitness and Category 1 Hazards by Council Tax Band (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
* includes band H, not represented in table

4.88 As with non decent dwellings, there is a strong relationship between both unfit and category hazards with Council Tax bands A and B. There is also the same 'bi-polar' distribution in that equally high levels of category 1 hazard occur in Council Tax bands F and G.

4.89 The following analysis looks at the relationships between dwellings with a category 1 hazard and household income and unfit dwellings and household income. When distributed by income band, the low levels of unfitness present no significant pattern in relation to annual household income. The presence of category 1 hazards do show a general trend of reduction as incomes increase, but with significant fluctuations from band-to-band.
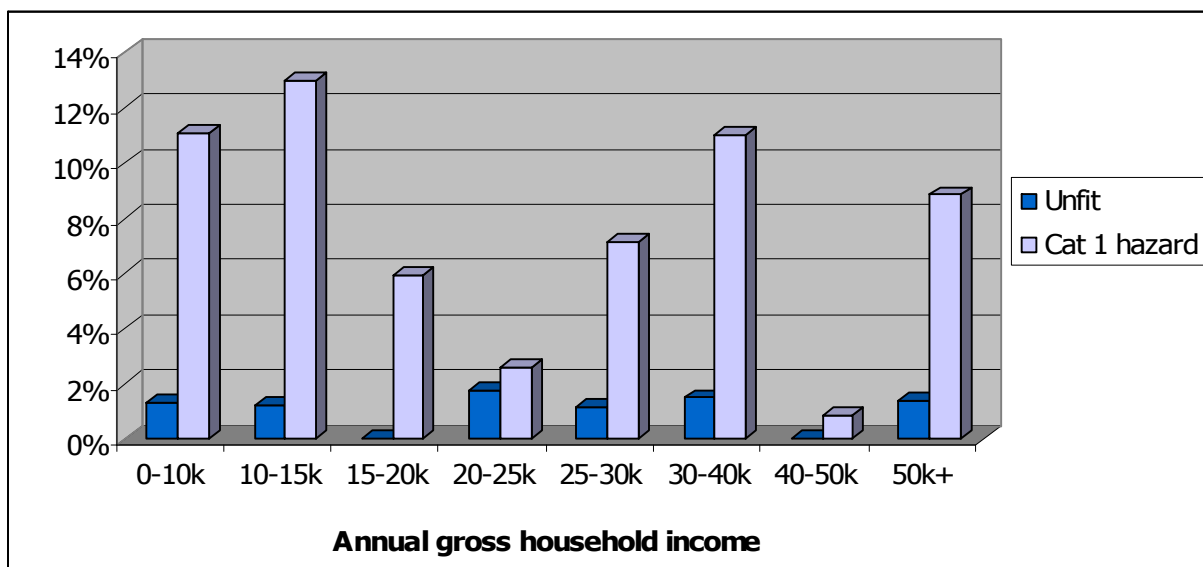
Figure 78: Unfitness and Category 1 Hazards by Annual Gross Household Income
Source: Suffolk Coastal Household & Physical Survey 2006

4.90 The following figure presents the dwelling totals falling within each household income band for unfit and category 1 hazard dwellings.

Household income band	Unfit Dwellings		Category 1 Hazards	
	N	**%**	**N**	**%**
0-10k per annum	120	1.3%	980	11.1%
10-15k per annum	100	1.2%	1070	13.0%
15-20k per annum	0	0.0%	290	6.0%
20-25k per annum	60	1.8%	90	2.6%
25-30k per annum	50	1.2%	320	7.2%
30-40k per annum	120	1.5%	860	11.0%
40-50k per annum	0	0.0%	40	0.9%
50k+ per annum	130	1.4%	810	8.9%
Suffolk Coastal[1]	**580**	**1.1%**	**4,460**	**8.7%**

Figure 79: Unfitness and Category 1 Hazards by Annual Gross Household Income (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding
1. Total excludes vacant dwellings

4.91 Thus far this chapter has examined the relationship between dwelling condition and the general characteristics of dwellings. The relationship between dwelling condition and the occupiers of dwellings is also important. This section will examine those relationships in order to determine resident's ability to afford repairs and improvements as well as their capacity to carry them out. Under The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, which came into effect on the 19 July 2003, local authorities have far more flexibility in making their own decisions about how to help private sector residents.

Occupiers and improving dwelling condition

4.92 Thus far this chapter has examined the relationship between dwelling condition and the general characteristics of dwellings. The relationship between dwelling condition and the occupiers of dwellings is also important. This section will examine those relationships in

order to determine resident's ability to afford repairs and improvements as well as their capacity to carry them out. Under The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, which came into effect on the 19 July 2003, local authorities have far more flexibility in making their own decisions about how to help private sector residents.

4.93 At present Suffolk Coastal's Private Sector Housing Renewal Strategy allows for owner occupiers, living in dwellings that are in Council Tax bands A to C inclusive, to apply for a renovation grant. As well as being restricted to these Council Tax bands the grant is also means tested. Given these provisions it is worth considering the relationship between household income and Council Tax band within private sector dwellings. The following graph presents such a relationship for private sector dwellings (excluding RSL housing):
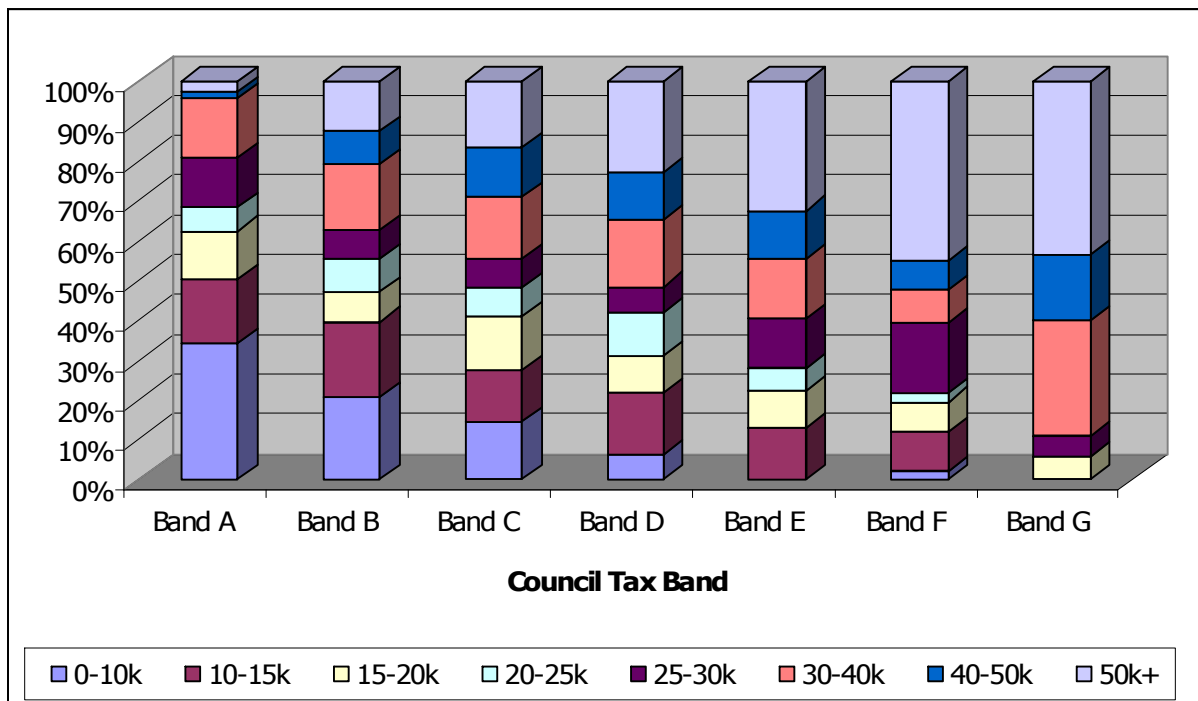
Figure 80: Household Income by Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.94 Figure 80 demonstrates that there is a strong relationship between income and Council Tax band. Council Tax band A has by far the highest proportion (34%) of households with an annual income below £10,000 per annum. Between them Council Tax bands A to C cover 88% of all dwellings where household income is below £10,000 per annum. For Council Tax band A there are also 50% of households in total with an income below £15,000 per annum.

4.95 As was seen earlier in this chapter, the emphasis in terms of improving dwelling conditions in the private sector has shifted heavily in favour of the Decent Homes Standard. This standard is now the primary thrust of government guidance and legislation in terms of improving dwelling conditions. Fundamental to the aims laid out for the private sector is the need to tackle poor conditions in a priority order, and the priority chosen, through the PSA 7 scheme, is vulnerable occupiers (those in receipt of benefit).

4.96 Since vulnerable occupiers are at the heart of the requirement to reduce non decency it is worth considering the relationship between vulnerable occupiers and Council Tax Bands. Since Suffolk Coastal's current grant policy is based on Council Tax bands this will allow an impression to be gained of the likely proportion of grant aided dwellings that will be

vulnerably occupied.   Figure 81 illustrates the relationship between households with vulnerable occupiers and the Council Tax band of the dwelling in which they live.
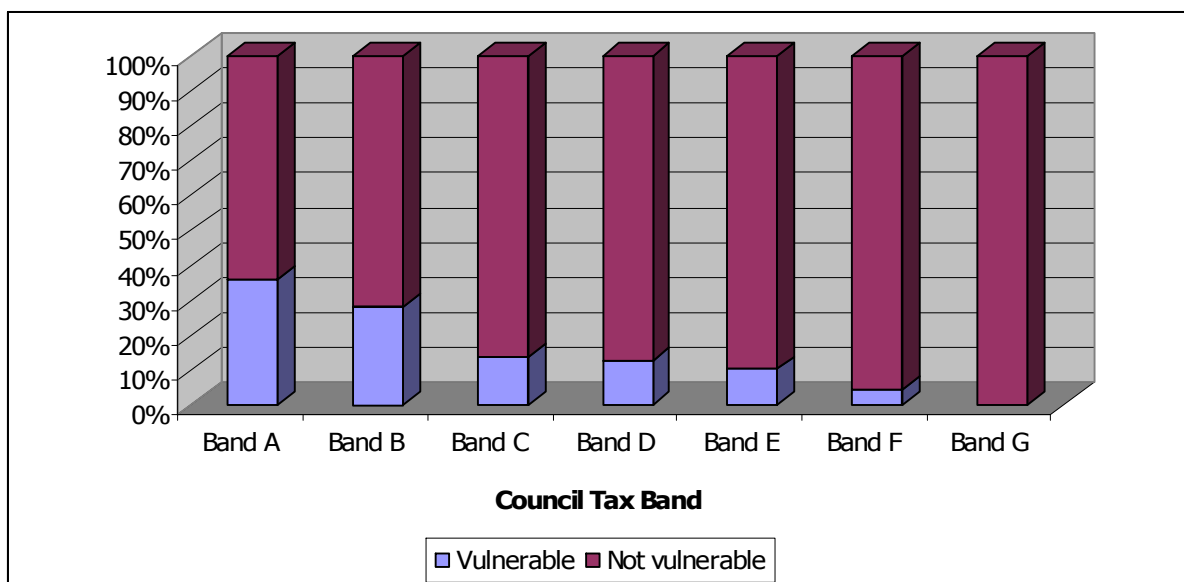
Figure 81: Dwellings with Vulnerable Occupiers by Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.97   As with income there is a very strong relationship between vulnerability and Council Tax band. For Council Tax band A, 36% of households have a vulnerable occupier, which is the highest proportion of an band. Overall 74% of households with a vulnerable occupier live in dwellings in Council Tax bands A to C.

4.98   The following tables pull together Council Tax band, income and non decency to present the relationships between these three variables. Such tables will make it possible to identify whether poor condition dwellings are associated with Council Tax bands A to C and dwellings with low income households. This is particularly useful in relation to current grant policies described later within this section.

| Income band	Council Tax Bands (per cent)							All bands
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	
0-10k	35%	36%	48%	18%	0%	100%	0%	**37%**
10-15k	61%	38%	21%	26%	27%	24%	0%	**33%**
15-20k	71%	32%	14%	23%	19%	0%	0%	**26%**
20-25k	41%	25%	40%	37%	17%	100%	0%	**34%**
25-30k	16%	30%	23%	20%	19%	0%	100%	**21%**
30-40k	68%	20%	25%	17%	17%	65%	18%	**26%**
40-50k	100%	35%	17%	5%	45%	31%	37%	**25%**
50k+	50%	31%	25%	8%	26%	17%	29%	**21%**
All incomes	**48%**	**31%**	**26%**	**18%**	**25%**	**22%**	**29%**	**27%**

Figure 82: Non decent dwellings by Council Tax Band and Income
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.99 The first point to consider is that Council Tax Bands F and G are too small to provide statistically significant results, so should not be treated with caution. Beyond these bands however, a pattern does emerge. For Council Tax band A among the highest rates of non decency are where household income is between £10,000 and £20,000 per annum. Across most Council Tax bands households with an income below £10,000 seem to have lower levers of non decency than for those with slightly higher incomes. This tends to be due to the fact that those on the very lowest incomes receive the most assistance and are less likely to be living in privately rented accommodation.

4.100 The following table illustrates the same information but presents it in the form of total dwellings rather than as a rate.

| Income band | Council Tax Bands | | | | | | | All bands |
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	
0-10k	560	810	650	110	0	50	0	**2,180**
10-15k	460	800	260	420	230	50	0	**2,230**
15-20k	410	270	180	220	120	0	0	**1,190**
20-25k	120	220	260	410	60	50	0	**1,130**
25-30k	100	230	160	130	160	0	50	**820**
30-40k	480	380	370	300	160	120	50	**1,860**
40-50k	50	310	200	60	350	50	60	**1,090**
50k+	60	420	400	190	550	170	130	**1,920**
All incomes	**2,240**	**3,440**	**2,480**	**1,840**	**1,640**	**500**	**290**	**12,420**

Figure 83: Non decent dwellings by Council Tax Band and Income (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.101 The most numerous occurrence of non decent dwellings within the table above are in Council Tax band B, where household incomes are below £15,000 per annum.

4.102 The next table is similar to Figure 82 , but is based only on those non decent dwellings that are occupied by vulnerable people.

| Income band | Council Tax Bands | | | | | | | All bands |
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	
0-10k	38%	40%	45%	0%	0%	0%	0%	**39%**
10-15k	68%	35%	60%	46%	0%	100%	0%	**45%**
15-20k	77%	0%	0%	0%	0%	0%	0%	**26%**
20-25k	0%	68%	50%	16%	51%	0%	0%	**39%**
25-30k	0%	0%	0%	0%	29%	0%	0%	**9%**
30-40k	0%	0%	31%	0%	0%	100%	0%	**18%**
40-50k	0%	0%	0%	0%	0%	0%	0%	**0%**
50k+	0%	71%	0%	70%	0%	0%	0%	**48%**
All incomes	**43%**	**35%**	**37%**	**30%**	**16%**	**69%**	**0%**	**36%**

Figure 84: Vulnerably occupied non decent dwellings by Council Tax Band & Income
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.103 By focusing on vulnerably occupied dwellings the relationship between income, council tax band and non decency is intensified. The majority of vulnerably occupied non decent homes are in Council Tax bands A to C and income bands £0 to £20,000 per annum. In fact these three income and Council Tax Bands combined account for nearly

Income band	Council Tax Bands							All bands
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	
0-10k	380	450	190	0	0	0	0	1,030
10-15k	220	350	150	170	0	50	0	930
15-20k	150	0	0	0	0	0	0	150
20-25k	0	110	60	50	60	0	0	280
25-30k	0	0	0	0	50	0	0	50
30-40k	0	0	50	0	0	60	0	110
40-50k	0	0	0	0	0	0	0	0
50k+	0	120	0	120	0	0	0	240
All incomes	740	1,030	450	340	110	110	0	2,780

Figure 85: Vulnerably occupied non decent dwellings by Council Tax Band & Income (Totals)
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.104 In addition to occupier's income levels and the Council Tax Band of the dwelling in which they live, another key consideration is the value of their dwelling and the level of equity that it has. This applies in particular to owner-occupiers and the following analysis will look at property values as reported by occupiers and from the Land Registry, along with residents own assessment of equity based on mortgage payments etc. The analysis will further examine any other equity/and or savings that residents may have.

4.105 The amount of equity represented in owner occupied dwellings has become a more important issue since the introduction of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. Local authorities now have the flexibility to offer different forms of assistance to owner occupiers beyond the traditional grant regimes. Due to the limitations on funding that currently exist, there is a much stronger emphasis on using various forms of loan/equity release/repayable grant, all of which rely on the value of a dwelling and the available equity.

4.106 Based on occupier responses, the average dwelling value in Suffolk Coastal is £229,600; based on all owner occupied dwellings including those owned outright as well as those under mortgage. Land Registry Figures for the period to November 2006 give an average value of £224, 500, however this is based on sales, thus will include and dwellings sold to let. The average value across Suffolk, for the same period, was £198,700; across East Anglia was £194,500 and nationally was £186,000. Suffolk Coast therefore has well above average house prices when compared to the national average and above average house prices regionally.

4.107 Based on occupier responses, the average equity in owner occupied dwellings is £180,500. Where the occupier is purchasing their dwelling with a mortgage the average value of the dwelling is £222,800 with an average equity of £114,700. It is clear that whether considering mortgaged or unmortgaged dwellings, the average equity per dwelling in Suffolk Coastal is considerable.

4.108 The following analysis looks at property values and equity by Council Tax Band.
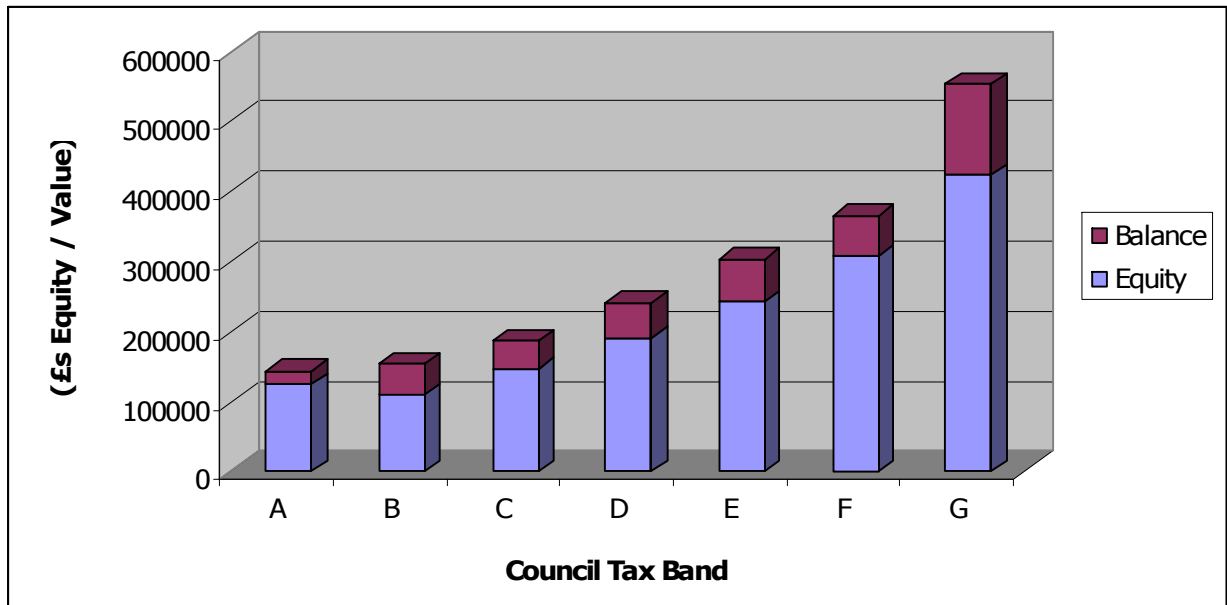
Figure 86: Equity and Dwelling Value by Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006
Band H, has too few dwellings to allow for meaningful analysis

4.109 The distribution in Figure 86 shows the expected pattern of increasing property value (equity + balance) as Council Tax Band moves from A to G. What is perhaps more pertinent is the extent to which equity represents such a large share of dwelling value across all Council Tax Bands and in fact proportionally is highest in Band A. This tends to indicate that even amongst the lowest value dwellings there will still be considerable equity against which loans or equity release could be considered. The relationship between equity, income and dwelling condition will be considered within the following two sections of the report.

Estimating potential demand under the current grant criteria

4.110 At present, for a household to qualify for a renovation grant or energy efficiency minor works grant they must pass a means test. This test involves a wide range of income information and standard government allowances to determine qualification. As such the means testing can be almost unique to each individual case and for this reason a sample survey such as this cannot hope to give a meaningful estimate of how many households would pass the means test. It is possible, however, to examine the relationship between income, vulnerability, dwelling condition and Council Tax band to provide an estimate of the number of households where an application might actually be considered.

4.111 In order to determine potential grant demand renovation grant criteria and minor works grant criteria will be examined separately. In each case a flow process is adopted to reduce the potential dwellings at each stage down to those where an application might be considered. The following tabulation reduces the number of dwellings at each stage by applying the stated criterion in the column header:

All dwellings	Owner occupied	Council tax band A-C	Unfit or serious disrepair	Income below £50k per annum	On benefit
54,600	42,600	20,550	1,420	1,190	220

Figure 87: Potential Demand for Renovation Grants
Source: Suffolk Coastal Household & Physical Survey 2006

4.112 Of the entire dwelling stock it is estimated that 1,420 dwellings are either unfit or in substantial disrepair as well as being owner occupied and in Council Tax bands A to C. This represents the theoretical maximum number of dwellings that would be eligible under the current grant scheme. A large proportion of these would not pass the means testing and therefore would not qualify for a grant. The last two boxes on Figure 87 illustrate what might happen under means testing. Whilst it is theoretically possible it is unlikely that any household with an income above £50,000 per annum would qualify, thus the total estimated maximum number of grants would reduce to 1,190. If only those dwellings where the residents are in receipt of one of the ten benefits listed under PSA 7 criteria are considered the figure of eligible dwellings falls dramatically to 220.

4.113 The following tabulation looks at the potential demand for minor works grants for energy efficiency. These grants are available to private tenants in certain circumstances, not just owner occupiers, so the following table includes both tenures, but still excludes RSL dwellings:

All dwellings	Private dwellings	Council tax band A-C	SAP less than 30	Householder over 65 years old	Council Tax benefit
54,600	48,560	25,640	2,340	800	180

Figure 88: Potential Demand for Minor Works Grants for Energy Efficiency
Source: Suffolk Coastal Household & Physical Survey 2006

4.114 The strict criteria of dwellings with a SAP below 30 an occupier over the age of 65 and someone in receipt of Council Tax Benefit results in a relatively low proportion of dwellings where the household might be eligible for grant assistance. In addition, the 180 dwelling estimate does not take into account whether the dwelling would qualify for a grant under the national 'Warm Front' scheme. Any dwelling qualifying under Warm Front would not be eligible for grant assistance under Suffolk Coastal's current policy.

Revising the grants policies

4.115 The policies set out in the current Private Sector Renewal Strategy date form 2003 and the housing legislation that existed at that time. The past 3 years have seen significant changes in housing legislation and policy, in particular the Housing Act 2004, which has been described earlier in this report.

4.116 The Housing Act 2004 repeals the provisions of the Housing Act 1985 with regard to unfit dwellings and this change clearly impacts upon the current renovation grant policy. Since a dwelling can no longer be classified unfit or in substantial disrepair neither of these issues necessarily need resolution. Local authorities are obliged to remedy category 1 hazards where they are identified and Suffolk Coastal Council might choose a policy revision that would target renovation grants at dwellings with a category 1 hazard rather than those that are unfit. The following figure illustrates the same form of assessment given earlier for renovation grant assistance, but replaces the unfit criterion for a category 1 hazard criterion.

All dwellings	Owner occupied	Council tax band A-C	Category 1 hazard	Income below £50k per annum	On benefit
54,600	42,600	20,550	1,700	1,410	160

Figure 89: Potential Demand for Renovation Grants (Updated to Category 1 Hazards)
Source: Suffolk Coastal Household & Physical Survey 2006

4.117 By using category 1 hazards as the criterion for work on dwellings the potential demand increases. This is off-set to some extent by the fact that the association between category 1 hazards and low income/benefit receipt is weaker than that for unfitness. As a consequence,

the likely potential demand for assistance should not be significantly increased if category 1 hazards are adopted as the dwelling defect against which renovation grants would be given.

4.118   The next figure also presents an alternate picture, this time for minor works grants for energy efficiency. In this case the suggested alternative is to increase the SAP rating below which a dwelling qualifies from 30 to 35 in line with current guidance on excess cold.

All dwellings	Private dwellings	Council tax band A-C	SAP less than 35	Householder over 65 years old	Council Tax benefit
54,600	48,560	25,640	3,060	950	280

Figure 90: Potential Demand for Minor Works Grants for Energy Efficiency (SAP 35 base)
Source: Suffolk Coastal Household & Physical Survey 2006

4.119   By changing the criterion for energy efficiency minor works grants from a SAP below 30 to SAP below 35 the potential demand increases from 180 dwellings to 280. As with renovation grants, however, this figure is off-set, but in this case due to the number of dwellings that fail the HHSRS on excess cold.   The most recent guidance suggest SAP 35 as the recommended proxy for category 1 hazards such that a dwelling with a SAP below this level is considered to have a category 1 excess cold hazard.   This would mean that energy efficiency works to raise SAP above 35 would also remove a category 1 hazard that might be the only failure eligible for a renovation grant. In this way there would be a slight overlap between minor works and renovation grants, thus reducing the potential demand for minor works grants.

4.120   In addition to considering the criteria for the existing grant regime, the authority may also wish to consider whether to add to or replace grants with loans/ equity release or similar schemes. The flexibility allowed at present means that a wide range of schemes have been adopted by local authorities nationally and there is no proven scheme that has taken precedence. In general, straightforward loans are less popular as there is little incentive for occupiers to carry out works and terms and conditions, as well as interest rates, may not be favourable. Schemes such as equity release or repayable grants have proven more popular, but tend to need a large capital 'pot' of money available from the authority to start up. Once such schemes are running, however, they can become largely self-funding as repayments fund new projects.

4.121   A key factor in considering equity based assistance is the relationship between equity, dwelling condition and the characteristics of occupiers. The following figure takes the position for non decent dwellings occupied by vulnerable people and considers dwelling value, equity and household income; by definition this analysis is for owner occupied dwellings only.

Vulnerable	Dwellings N	Value £s	Equity £s	Income £s
No	7,250	236,600	189,200	37,500
Yes	1,620	169,300	151,900	19,100

Figure 91: Potential Demand for Minor Works Grants for Energy Efficiency (SAP 35 base)
Source: Suffolk Coastal Household & Physical Survey 2006
Owner occupied dwellings only

4.122   There are considerable differences in the levels of equity and household incomes between dwellings occupied by vulnerable residents and the remaining non decent dwellings. The influence of owner occupation on vulnerably occupied non decent dwellings is clear, as for a dwelling to count as being vulnerably occupied only one resident need be in receipt of one of

the relevant benefits. Consequently, the average household income for vulnerably occupied, non decent, owner occupied dwellings is just over £19,000 per annum.

4.123 With equity and income levels this high there is a great deal of scope for using equity release to fund the repairs / improvements necessary to make these dwellings decent. Any scheme aimed at using this approach will, however, have to be tested to see if there would be sufficient take-up, a key part of which will be illustrating the financial benefits of home improvements and energy efficiency savings.

4.124 The next figure illustrates the same principal, but specifically for dwellings that have a category 1 hazard. These dwellings are a sub-set of non decent dwellings, but represent those covered by the current minimum housing standard to which all dwellings should comply.

Vulnerable	Dwellings N	Value £s	Equity £s	Income £s
No	2,310	241,100	188,400	34,100
Yes	370	171,700	171,700	23,500

Figure 92: Potential Demand for Minor Works Grants for Energy Efficiency (SAP 35 base)
Source: Suffolk Coastal Household & Physical Survey 2006
Owner occupied dwellings only

4.125 To even greater extent than was seen for non decent dwellings, homes that have a category 1 hazard have adequate levels of income and equity to fund measure to rectify these failures.

Changes in legislation

4.126 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO) came into effect on the 19 July 2003 and led to major change in the way local authorities can give financial help for people to repair or improve private sector homes. Before the Order, the Government set clear rules which controlled the way financial help could be given and specified the types of grant which could be offered. The Order set aside most of these rules (apart from the requirement to give mandatory Disabled Facility Grants). It now allows local authorities to adopt a flexible approach, using discretion to set up their own framework for giving financial assistance to reflect local circumstances, needs and resources.

4.127 The ODPM published guidance under Circular 05/2003. In order to use the new freedom, a Local authority must prepare and publish a Private Sector Renewal Strategy. The strategy must show that the new framework for financial assistance is consistent with national, regional and local policies. In particular, it has to show that the local priorities the strategy is seeking to address have been identified from evidence of local housing conditions including stock condition.

4.128 In addition to the RRO the Housing Act 2004 has resulted in a significant shift in private sector housing policy. The Act received Royal Assent in November 2004 and makes a number of important changes to the statutory framework for private sector housing, which came into effect in April 2006:

- The existing fitness standard and the enforcement system have been replaced by the new Housing Health and Safety Rating System (HHSRS).
- The compulsory licensing of higher risk houses in multiple occupation (HMO) (three or more storeys, five or more tenants and two or more households).

- New discretionary powers including the option for selective licensing of private landlords, Empty Dwelling Management Orders (EDMO) and tenancy deposit protection.

4.129 Operating Guidance was published on the Housing Health and Safety Rating System in November 2005. This guidance describes the new system and the methods for measurement of hazards, as well as the division of category 1 and 2 hazards. Interim guidance has been issued by the ODPM on the licensing provisions for HMOs, which describes the high risk HMOs that will require mandatory licensing and those that fall under additional, voluntary licensing. Full guidance is expected shortly.

4.130 Reference has been made throughout this report to data based on both the existing Housing Fitness Standard and the HHSRS. Because of its recent replacement of the fitness standard, greater emphasis was placed on findings relating to the HHSRS. The following lists some of the duties and powers that have changed under the Housing Act 2004 and their relevance to private sector housing policy and strategy.

Mandatory Duties

- Unfit houses (Housing Act 1985) - to take the most satisfactory course of action being: renovation, closure/demolition or clearance.

With effect from April 2006 replaced by:

- Category One Hazards, Housing Health and Safety Rating System (HHSRS) (Housing Act 2004) – to take the most satisfactory course of action being: improvement notices, prohibition orders, hazard awareness notices, emergency remedial action, emergency prohibition orders, demolition orders or slum clearance declarations.

- Houses in Multiple Occupation (Housing Act 1985) - to inspect certain HMOs, to keep a register of notices served, to require registration where a registration scheme is in force.

With effect from April 2006 replaced by:

- HMO Licensing by the Authority (Housing Act 2004) of all HMOs of three or more storeys, with five or more residents and two or more households. Certain exceptions apply and are defined under sections 254 to 259 of the Housing Act 2004.

- Overcrowding - (Housing Act 1985) - to inspect and report on overcrowding

Now In Addition

- Overcrowding – (Housing Act 2004) – to inspect and report on overcrowding as defined under sections 139 to 144 of the Housing Act 2004 along with statutory duty to deal with any ca1 overcrowding hazards found under the HHSRS

- The provision of adaptations and facilities to meet the needs of people with disabilities (Housing Grants, Construction and Regeneration Act 1996) - to approve applications for Disabled Facilities Grants for facilities and/or access

- Energy Conservation (Home Energy Conservation Act 1995) - to have in place a strategy for the promotion and adoption of energy efficiency measures and to work towards specified Government targets to reduce fossil fuel use.

4.131 In addition to the mandatory duties outlined above there are a number of non-mandatory powers available to the Authority under the Housing Act 2004. These include: taking the most satisfactory course of action in relation to category 2 hazards under the HHSRS (hazard categories are defined in chapter 5 of this report); additional licensing of HMOs that do not fall under the definition for mandatory licensing and serving of overcrowding notices.

Grant and assistance policy recommendations

4.132 Given the increased emphasis on vulnerable occupiers in private sector dwellings in relation to the Decent Homes Standard, Suffolk Coastal Council may wish to consider whether or not to restrict future grants to only those dwellings occupied by at least one resident in receipt of benefit. If not this option, consideration should certainly be given as to whether such households should be a priority target.

4.133 The current policy will need to be revised with respect to which dwellings will be given assistance. At present renovation grants are for dwellings that are unfit, but since the fitness standard has been abolished this must logically be changed. The current policy could be maintained but with a switch to dwellings with a category 1 hazard rather than those that are unfit. This has implications due to the much higher proportion of dwellings involved, however, priority could again be given to either the most serious hazard or to dwellings where the most vulnerable group for that hazard is present, for example persons aged over 65 for excess cold hazards.

4.134 The present system is based on offering grants only to those residents in Council Tax Bands A to C. The evidence presented thus far clearly demonstrates that these three Council Tax Bands contain the majority of residents on low income, the majority of vulnerable occupiers and the majority of poor condition dwellings. As such, using Council Tax band as a pre-qualifying criterion seems a logical choice for providing a simple first step in the application process. This could also be adopted for any loan / equity release scheme. The only concern with continuing the present system is that there are vulnerable people living in non decent dwellings in Council Tax Band D and above. The authority is likely to need to demonstrate that they have considered such occupiers even if they will not fall into the criteria for any future policy.

4.135 The provision of loans / equity release has become one of the main thrusts of many local authority policies, due to the increased flexibility allowed through the abolition of most mandatory grants, and the reduced funding available for assistance from central, regional and local government. There is considerable evidence to suggest that among owner-occupied dwellings within the District average dwelling value and equity is high, as is income for households in these dwellings. A large proportion of these are likely to fail the means testing criteria under the current grant system, but may be helped by an equity release scheme if this were available to those dwellings that are non decent and have vulnerable occupiers, for example.

4.136 In some cases local authorities have adopted a part grant / part loan system. Such schemes generally place a maximum ceiling on grants (for example £5,000) with any works beyond the cut-off being provided for through a top-up grant. This maximises the distribution of grant monies whilst at the same time reducing the loan burden on occupiers. Again the shift toward the HHSRS and the Decent Homes Standard favours any approach that can expand the availability of assistance.

Vacant Dwellings

4.137 Vacant dwellings can be difficult to identify and there are frequently problems in gaining access. By using a combination of sources, including the survey, it has been possible to estimate that there are 1,380 dwellings, 2.5% of the housing stock, within Suffolk Coastal, that are considered vacant, below the national average. If only those dwellings in the private sector are considered (i.e. owner occupied and privately rented dwellings) the total is 1,340, which is 2.8% of the private sector stock. From the stock condition survey, surveyors were asked to note the reason for and period of vacancy and the results are given in the following table.

Reason for vacancy	Vacant Dwellings	
	N	%
Vacant for sale	450	0.9%
Vacant being modernised	180	0.4%
Vacant to let	70	0.1%
Long term vacant	640	1.3%
All private sector vacant Suffolk Coastal	**1,340**	**2.8%**

Figure 93: Vacancy Period of Private Sector (Owner Occupied and Privately Rented) Dwellings
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

4.138 From this information it has been possible to determine that 1.3% (640) of the vacant, private sector, dwellings within the District are long-term vacant, defined as any dwelling vacant for six months or more, or subject to unlicensed occupation. Vacant private sector dwellings are of particular importance as local authorities have an obligation to try to ensure that as many of these dwellings as possible are brought back into use.

4.139 It should be noted that an estimated 490 of the 640 long term vacant dwellings have been vacant for between six and twelve months, leaving a core of only 150 dwellings that are intractable long term vacant. This is an important issue as, by its very nature, the vacant dwelling stock is a dynamic phenomenon, that is to say it is subject to constant change and a survey can only give a snap-shot at any one time.

4.140 In addition to those dwellings that are vacant there are estimated to be at least 1,130 dwellings occupied by residents for who this is not their main home, these are principally holiday homes, but all count as second homes. In addition to these there are estimates to be approximately 350 Holiday lets, which are again not permanently inhabited but are let during holiday seasons rather than being vacant when not occupied by the owner. In total this presents 1,480 dwellings, 2.7% of the housing stock, within Suffolk Coastal that are occupied for only part of the year. Whilst these dwellings are not vacant they do represent under utilisation of the housing stock.

4.141 The following analysis examines the distribution of vacant dwellings by HMA area.

Housing Market Area	All private vacant		Long term private vacant	
	N	%	N	%
Ipswich HMA	176	1.6%	105	0.9%
Felixstowe HMA	269	2.1%	60	0.5%
Woodbridge HMA	496	4.2%	325	2.7%
North HMA	399	3.2%	149	1.2%
Suffolk Coastal	**1,340**	**2.8%**	**640**	**1.3%**

Figure 94: Vacant Dwellings by HMA
Source: Suffolk Coastal Household & Physical Survey 2006

4.142 When examining the distribution of vacant dwellings by area it is found that the Felixstowe and North HMA sub-areas have levels of vacant dwellings that do not differ significantly from the average. The Woodbridge HMA sub-area has over a 4% vacancy rate, which is above average, but the Ipswich HMA sub-area has the lowest rate of vacancy at just under 2%. When examining the pattern for long-term vacant dwellings the pattern is largely the same as that for all vacant dwellings with the Woodbridge HMA sub-area having the highest proportion of long-term vacant dwellings and the Ipswich HMA sub-area the lowest.

The Privately Rented Stock and Houses in Multiple Occupation (HMOs)

4.143 Dwellings may be one of several different building types but these types may have different uses, for example a semi-detached house may have been converted into flats or be occupied as an HMO.

4.144 The majority of dwellings (91.2%) are houses and are occupied as built (are not HMOs and have not been converted). Of the remaining 8.8% it is estimated that 5.8% comprise purpose built flats. The remaining 3.0% of dwellings are converted flats or dwellings used to house multiple households such as a bedsit or shared house.

	Dwelling use	Dwellings	
		N	%
HMO	Mandatory Licensable HMO[1]	30	0.1%
HMO	Other HMO outside mandatory licensing[1]	70	0.1%
	Converted flat, private rented, 3+ storeys	100	0.2%
	Converted flat, private rented, 2 storeys	450	0.8%
	Converted flat other	990	1.8%
	Purpose built flat	3,180	5.8%
	Houses	49,780	91.2%

Figure 95: Dwelling Use all Tenures
Source: Suffolk Coastal Household & Physical Survey 2006
1. Percentages appear equal due to rounding of very small numbers

4.145 The definition of House in Multiple Occupation is that used in the Housing Act 2004, of which some will be subject to mandatory licensing (please see below). Some converted flats are now within the new HMO definition as this specifically includes converted flats where the work does not meet specified standards (generally the Building Regulations 1991) and where less than two thirds are owner occupied.

4.146 In Figure 95 the first row constitutes those dwellings that fall under mandatory licensing. Those that are categorised as licensable are three or more storey HMOs with five or more

residents forming two or more households. The next two row of HMOs represent shared houses, bedsits and converted flats (where the converted flats are privately rented and have shared amenities), but that are two or fewer stories and are not licensable. There are an estimated 100 HMOs (approximately 0.2% of the stock) in total and of these no more than 30 are considered to be licensable as an absolute maximum.

4.147 The third forth and fifth row in the table represent dwellings that are converted flats. Rows three and four represent buildings where the majority of flats are privately rented. There is no evidence to suggest that any of these flats have common parts or shared amenities and thus they do not constitute HMOs.

4.148 As mentioned in the introduction, figures from the survey are estimates and are therefore subject to variation. The proportion of licensable dwellings is based on a number of variables and should only be considered as a guide. It will be the responsibility of the authority to confirm the numbers and location of HMOs that will be subject to mandatory licensing. The number of licensable HMOs is, in fact, too small to measure as part of this sample survey and the total presented here is from work carried out by the authority within the district.

4.149 Whatever the exact number of licensable HMOs there are clearly a relatively small number of this housing type within the district. Whilst the onus is on the landlord to come forward and apply for a license, there is still a mandatory duty for the authority to provide such licenses and to inspect licensable HMOs to ensure that they comply with current regulations with regard to condition and fire-safety.

4.150 As indicated, the figures given on HMOs should be treated with caution. There are so few HMOs in the District that the totals and proportions given in Figure 95 are based on only four HMOs encountered as part of this survey. A total of four records is too few to allow for any meaningful analysis of the condition of HMOs.

Fuel Poverty and Hard to Heat Homes

4.151 The final measure of dwelling condition to be considered here is the energy efficiency of the dwelling and the relationship of energy efficiency to occupiers and dwelling condition. Energy efficiency issues cut across a wide range of areas relating to private sector housing, including: affordable warmth; excessive cold (under the HHSRS); heating (under the Fitness Standard); thermal comfort (under the Decent Homes Standard) and local authorities' obligations under the Home Energy Conservation Act (HECA).

4.152 A key issue in reducing energy consumption is tackling fuel poverty. The occupiers of a dwelling are considered to be in fuel poverty if more than 10% of their net household income would need to be spent on heating and hot water to give an adequate provision of warmth and hot water. Not only do dwellings where fuel poverty exists represent dwellings with poor energy efficiency, they are, by definition, occupied by households with low incomes least likely to be able to afford improvements.

4.153 There are an estimated 4,590 (8.4%) households in fuel poverty in the Suffolk Coastal District compared to approximately 11.0% in England based on 2003 EHCS data, although the figure for England is likely to have reduced since 2003.

4.154 The 4,590 dwellings represent a significant number of households in dwellings that are in fuel poverty and will present issues in terms of both energy efficiency and occupier health. The highest rate of fuel poverty is found in the Private Rented sector where 20.4% of

households are in fuel poverty, compared to the lowest rate of 4.4% in the owner-occupied stock.

4.155 By the very nature of fuel poverty, it is almost always associated with those residents on the lowest incomes. No households were found to be in dwellings in fuel poverty where household incomes were above £15,000 per annum, only 120 dwellings where income was above £10,000 per annum and the remaining 4,470 (97.4%) were found where household incomes are below £10,000 per annum. This means the rate of fuel poverty is 47.7% amongst those households on the lowest incomes.

4.156 Fuel poverty is usually associated with households where one or more residents are in receipt of a means tested benefit as such benefits are indicative of low income. This is true in Suffolk Coastal where fuel poverty is found in 2,780 households (21.4%) where a benefit is received, compared to 4.3% of those where occupiers do not receive benefit.

4.157 For owner-occupiers, assistance in the form of advice can be given, as well as grants and other partnership schemes with energy efficiency companies and other organisations. The total cost of energy efficiency improvements to dwellings where households are in fuel poverty in the owner-occupied sector, is just over £8.7 million. This expenditure requirement is distributed between the 3,390 owner-occupied and privately rented dwellings where the household is in fuel poverty and where works are possible. Such expenditure represents an average cost for energy efficiency works of £2,700 per dwelling.

Causes and remedies of Fuel Poverty

4.158 The analysis above illustrates, at its simplest, that fuel poverty is caused by a combination of poor energy efficiency (resulting in expensive heating) and low incomes. It is possible however, to analyse this information in more detail to see the causes of poor energy efficiency and the relationship with low income. If incomes are sufficiently low it may be that changes to the dwelling cannot be made to remedy fuel poverty, but conversely, where fuel poverty is due to poor energy efficiency, remedial works can lead to a household moving out of fuel poverty.

4.159 Whilst 4,590 dwellings represents a significant number of households in fuel poverty it should be considered that this constitutes only 83 dwellings surveyed as part of this study. This should give a relatively robust figure for overall numbers, but the following detailed analysis should only be regarded as indicative due to the small sample sizes involved.

4.160 The table below looks at the primary reasons for fuel poverty among the 4,590 households in fuel poor dwellings. Each of reasons specified is discussed in further detail below.

Fuel Poverty Reason	Households		
	N	%	Cost to remedy
1. Dwellings using room heaters	490	10.7%	£1.7 million
2. Storage heating and mains gas available	180	3.9%	£0.6 million
3. Storage heating and inadequate insulation	540	11.8%	£0.2 million
4. Storage heating and very low income	410	8.9%	n/a
5. Storage heating difficult to remedy	480	10.5%	£2.9 million
6. Gas central heating and no insulation	270	5.9%	£0.2 million
7. Gas central heating and inadequate insulation	910	19.8%	£0.4 million
8. Gas central heating and very low income	790	17.2%	n/a
9. Oil central heating and difficult to remedy	150	3.3%	£0.9 million
10. Solid fuel heating system mains gas available	150	3.3%	£0.5 million
11. Solid fuel heating and difficult to remedy	220	4.8%	£1.3 million
All Dwellings with household in fuel poverty	**4,590**	**100%**	**£8.7 million**

Figure 96: Causes of Fuel Poverty and Remedial Costs
Source: Suffolk Coastal Household & Physical Survey 2006

4.161 The following outlines the detail of each point:

- Where dwellings currently use room heaters as the primary heating source, all have low SAP and high heating costs. The cost to remedy is based on the installation of a full gas central heating system and any addition insulation required, where possible.

- Where storage heaters are the primary heating system and mains gas is available the cost to remedy is again based on the installation of gas central heating. It may be possible to bring such households out of fuel poverty solely by using a more efficient off-peak electric heating system. Such a solution would not, however, reduce the amount of CO_2 produced in generating the required electricity.

- Where storage heaters are present and no mains gas supply is available, but there is also less than the current standard for insulation, the addition of full insulation has been assumed. Where the occupiers are not on the lowest of incomes, these insulation measures will largely remedy fuel poverty, however the continued use of storage heating will not maximise energy efficiency.

- and 8. These represent dwellings where the heating system and insulation combinations are adequate or better, but where the household has a reported annual household income below £4,000 per annum. For such households it is unlikely that improvements in energy efficiency can go far enough to prevent fuel poverty. Some of these households may not be accurately reporting income, however there has been concern nationally regarding vulnerable occupiers, particularly the elderly, not claiming the full range of benefits to which they are entitled. In these cases improving the take up of benefit, thus increasing income, is likely to be the best and only way to remedy fuel poverty.

- 9. and 11. Are dwellings that predominantly are pre 1919, of solid wall construction and that are not on the mains gas supply, hence the range of alternative heating fuels. It will be difficult to remedy fuel poverty in these dwellings. The costs have assumed the

installation of solid wall insulation, though this may not be practical or popular in many cases. They also assume the cost of providing an alternate heating system. In some cases it may be possible for the dwellings to come on to the mains gas supply, however, this will generally not be an option due to the prohibitive cost. In such cases the use of the most efficient oil condensing boilers and maximum insulation may be warranted, though the sharp increases in fuel oil cost may mean that this still does not resolve fuel poverty for these dwellings.

▪ These represent dwellings where there is gas central heating, but where a combination of the occupiers being on low income and there being no insulation to loft spaces or walls has resulted in fuel poverty. In the majority of these cases the installation of the maximum amount of insulation should remedy fuel poverty.

▪ For dwellings where there is gas central heating and minimal insulation only very low income households are in fuel poverty. For these dwellings the improvement of insulation may result in the elimination of fuel poverty in a reasonable number of cases, but in other cases only an increase in income (as described in point 4. and 8. above) will suffice.

▪ 10. There are estimated to be approximately 150 dwellings operating with solid fuel heating, but where a mains gas supply is available. For these dwellings the installation of mains gas central heating has been assumed. Where this is the case, and provided insulation is brought up to the minimum standard, the households of these dwellings can be moved out of fuel poverty.

4.162 In addition to the issues of remedying fuel poverty outlined above, it must be considered that the significant increases in fuel prices that have taken place recently, and even more so, those that are anticipated in future, will have a major impact. These fuel price increases are likely to mean that some households that have been moved out of fuel poverty may fall back into it and other households that were not living in fuel poverty may become so.

Energy Efficiency Characteristics and Consumption

4.163 The section subsequent to this will examine the energy efficiency of dwellings as measured using the government's Standard Assessment Procedure or SAP rating. SAP ratings are mainly affected by the types of heating system and fuel used in a dwelling, the level of insulation it contains and its inherent built form. The built for and age of the dwelling often relates to is size, volume and level of exposure to the outside elements. The affects of the factors are quantified later in terms of SAP ratings. The effects of heating systems and insulation can best be examined by looking at combinations of elements that significantly affect energy efficiency.

4.164 The following table, Figure 97, gives a breakdown of the combinations of heating system and fuel present in dwellings within Suffolk Coastal. Caution is urged when viewing the figures for some of the smaller groups, such as solid fuel room heaters, as these are based on relatively small sample sizes and may be subject to significant levels of variance.

Heating type	Fuel type	N	%
Room heaters	On-peak electric	780	1.4%
Room heaters	Solid fuel	520	0.9%
Room heaters	Oil/LPG	120	0.2%
Room heaters	Mains Gas	410	0.8%
Storage heating	Off-peak electric	7,710	14.1%
Central heating	Solid fuel	1,000	1.8%
Central heating	Off-peak electric	90	0.2%
Central heating	Oil/LPG	7,070	12.9%
Central heating	Mains Gas	36,910	67.6%
All types	**All fuels**	**54,610**	**100.0%**

Figure 97: Heating System and Fuel Types for Dwellings
Source: Suffolk Coastal Household & Physical Survey 2006

4.165 The vast majority of dwellings (67.6%) use mains gas central heating as their primary heating and hot water provider, though this is lower than is typically the case due to the extensive proportion of rural dwellings, many of which are not on the mains gas supply. Off peak electric storage heating and Oil/LPG central heating form the bulk of the remaining heating systems. Beyond these three main heating system type and fuel combinations, only 5.4% have any other heating system type and fuel combination.

4.166 The provision of insulation to cavity walls, lofts and hot water cylinders is given in Figure 98 below.

Characteristic	N	% [1]	Insulated	% [2]
Cavity Walls	35,990	65.9%	25,950	72.1%
Loft spaces	53,300	97.6%	49,040	92.0%
Hot water cylinders	43,730	80.1%	43,450	99.4%

Figure 98: General Provision of Insulation
Source: Suffolk Coastal Household & Physical Survey 2006
1. As a percentage of all stock
2. As a percentage of column N (dwellings with given characteristic)

4.167 The presence of a high proportion of post 1964, and in particular post 1980, dwellings within the stock results in a relatively high provision of cavity walls and of cavity wall insulation. There is still, however, clear scope for the retrofitting of cavity wall insulation to older dwellings in order to improve energy efficiency. The remaining 18,610 dwellings have solid walls, be they solid masonry or concrete etc, and for these dwellings the installation of insulation to the walls is more problematic. This is particularly true of older rural dwellings where a combination of thick solid walls and small internal rooms can make internal cladding difficult. For the same dwellings external cladding is also a difficult option as it would seriously detract from the appearance and character of such properties.

4.168 Whilst the majority (92%) of dwellings with a loft space have insulation, the level of insulation is variable, the following graph illustrates the level of loft insulation provision.
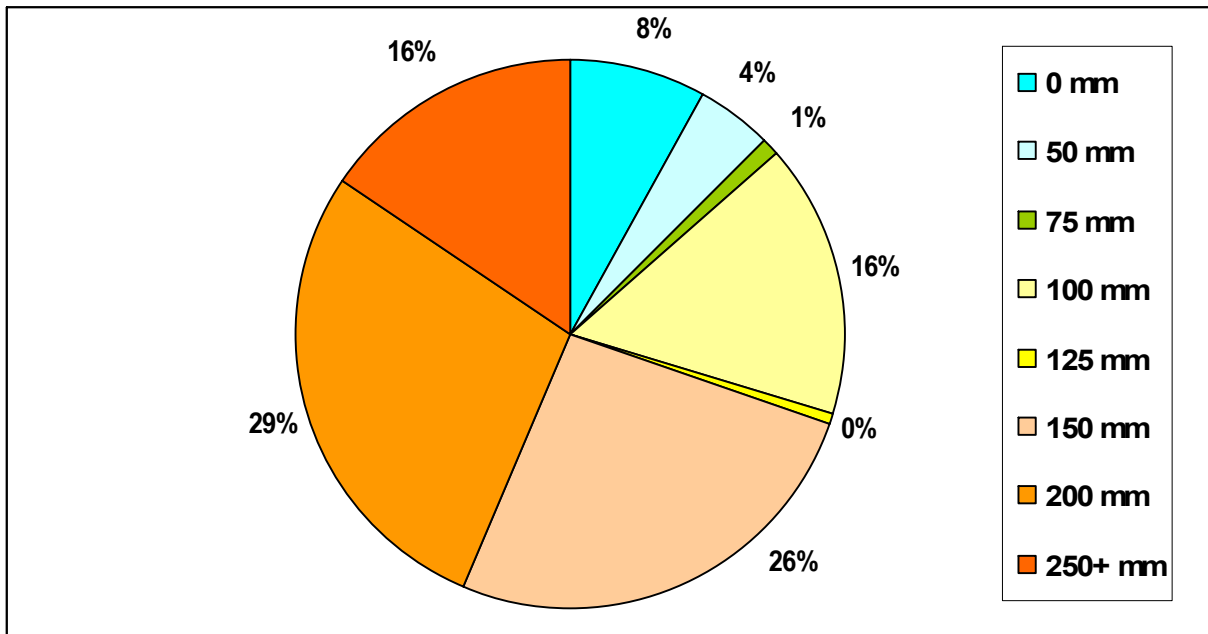
Figure 99: Heating System and Fuel Types for Dwellings
Source: Suffolk Coastal Household & Physical Survey 2006

4.169 Whilst the majority of dwellings have loft insulation, those of most concern are the 4,370 (8%) that have no loft insulation, followed by the 11,590 (21%) that have loft insulation of 100mm or less. Current building regulations require 270mm of loft insulation for new-build properties and only 8,350 (16%) of dwellings have loft insulation at approximately this level (250mm+) or thicker.

4.170 In addition to the effects of insulation, heating types and fuels on energy efficiency levels, the combination of these factors also affects then energy consumed to heat dwelling and provide hot water, as well as the production of carbon dioxide (CO_2) gas. Energy consumption can be measured in terms of gigajoules (GJ) and kilo Watt hours (kWh), which both express energy demand and are directly related. For the sake of convenience only gigajoules will be utilised in the following analysis.

4.171 A total of 1.4 million gigajoules of energy is consumed in heating and providing hot water to all dwellings within Suffolk Coastal, per annum, resulting in the production of 306,000 tonnes of CO_2. These figures produce an average energy consumption per dwelling of 26 gigajoules per annum and the production of just over 5.6 tonnes of CO_2 per dwelling, per annum.

Characteristic	Gigajoules		CO2 (tonnes)	
Tenure	**Total (millions)**	**Dwelling**	**Total**	**Dwelling**
Owner occupied	1.14	27	242,600	5.7
Housing Association (RSL)	0.14	23	28,600	4.8
Privately rented	0.15	24	35,000	5.9
Dwelling type	**Total**	**Dwelling**	**Total**	**Dwelling**
Small terraced house	0.11	25	23,500	5.4
Medium/large terraced house	0.13	25	26,500	5.2
Semi detached house	0.37	26	80,900	5.8
Detached house	0.43	30	85,200	5.9
Bungalow	0.30	25	67,300	5.5
Converted flats	0.03	24	8,800	6.5
Low rise purpose built flats	0.06	18	13,300	4.3
High rise purpose built flats	0.00	21	700	4.6
Construction date	**Total**	**Dwelling**	**Total**	**Dwelling**
Pre 1919	0.30	26	81,300	6.9
1919-1944	0.12	28	26,400	6.2
1945-1964	0.26	26	54,900	5.6
1965-1980	0.31	26	65,400	5.5
Post 1980	0.43	26	78,000	4.6
Council Tax Band	**Total**	**Dwelling**	**Total**	**Dwelling**
A	0.15	21	35,400	4.9
B	0.33	24	76,000	5.6
C	0.28	26	59,500	5.6
D	0.27	27	56,400	5.6
E	0.22	31	43,000	6.0
F	0.10	28	20,300	5.7
G	0.06	30	14,100	6.7
H	0.01	28	1,300	6.0
Housing Market Area	**Total**	**Dwelling**	**Total**	**Dwelling**
Ipswich HMA	0.32	27	58,500	5.0
Felixstowe HMA	0.37	25	81,400	5.5
Woodbridge HMA	0.35	27	79,100	6.0
North HMA	0.37	25	87,200	5.9

Figure 100:   Energy Consumption and CO2 Production
Source: Suffolk Coastal Household & Physical Survey 2006
Figures include for the provision of heating AND hot water

General Energy Efficiency and Improvement

4.172 Tackling dwellings where fuel poverty exists helps those least able to afford either to heat their homes properly or to afford the improvement works necessary, and this group is a good starting point on which the Authorities can focus.

4.173 Beyond fuel poverty, however, the Authority has a duty under the Home Energy Conservation Act (1995) to help reduce energy consumption in dwellings within their districts. Local authorities are also obliged to monitor levels of energy efficiency and energy consumption in the private sector. In order to monitor levels of energy efficiency, some measure of energy efficiency is required and the most commonly used system is SAP.

4.174 The Standard Assessment Procedure or SAP is a government rating for energy efficiency. It is used in this report in conjunction with annual CO_2 emissions figures, calculated on fuel consumption, and the measure of that fuel consumption in kilo Watt hours (kWh), to examine energy efficiency.

4.175 The SAP rating is the energy rating for a dwelling and is based on the calculated annual energy cost for space and water heating. The calculation assumes a standard occupancy pattern, derived from the measured floor area so that the size of the dwelling does not strongly affect the result. It is expressed on a 0-120 scale. The higher the number the better the energy rating for that dwelling.

4.176 Originally SAP was produced figures on a scale from 1 to 100, but in 2001 a new calculation was introduced with SAP ratings on a scale of 1 to 120. The new SAP rating has minor alterations to take into account of new dwellings with very high energy efficiency. The software used to calculate SAP ratings for this report uses SAP2001.

4.177 Further changes to the calculation of SAP ratings will occur with the introduction of SAP2005. This recalculation of SAP came into effect in April 2006 and will return to a SAP scale of 1 to 100, but is not widely in use at present. The average SAP rating of dwellings in Suffolk Coastal is 49, compared to an average SAP rating of 51 from the 2003 EHCS.
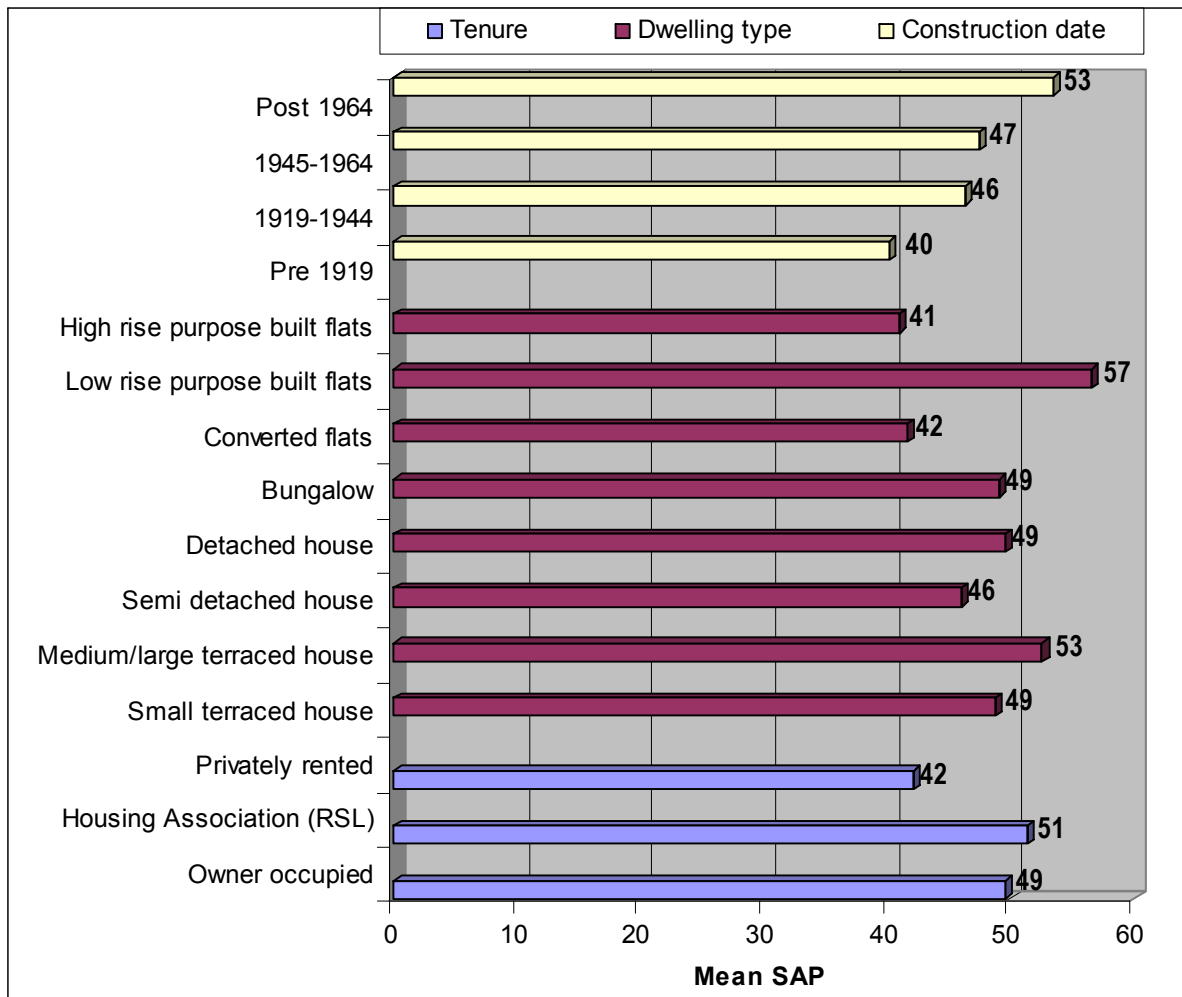
Figure 101: **Mean SAP ratings by Tenure, Build Type and Construction Date**
Source: Suffolk Coastal Household & Physical Survey 2006

4.178 The distribution of SAP ratings follows that for England with regard to the majority of general characteristics. The lowest levels of energy efficiency are in the pre 1919 stock, converted flats and the private rented sector. These three factors are inter-connected as converted flats are more often pre 1919 and privately rented than any other dwelling type. The issue of poor energy efficiency in such dwellings relates to a combination of the inherent problems of energy efficiency in older buildings and a greater reliance on room heaters than other dwelling types. It may be necessary for the authority to encourage landlords to improve energy efficiency or ultimately take enforcement action where poor energy efficiency is resulting in a hazard under the HHSRS.

4.179 The following graphs illustrate the position for SAP ratings by tenure, property type and construction date, as with the graph above, but show the distribution by SAP band.
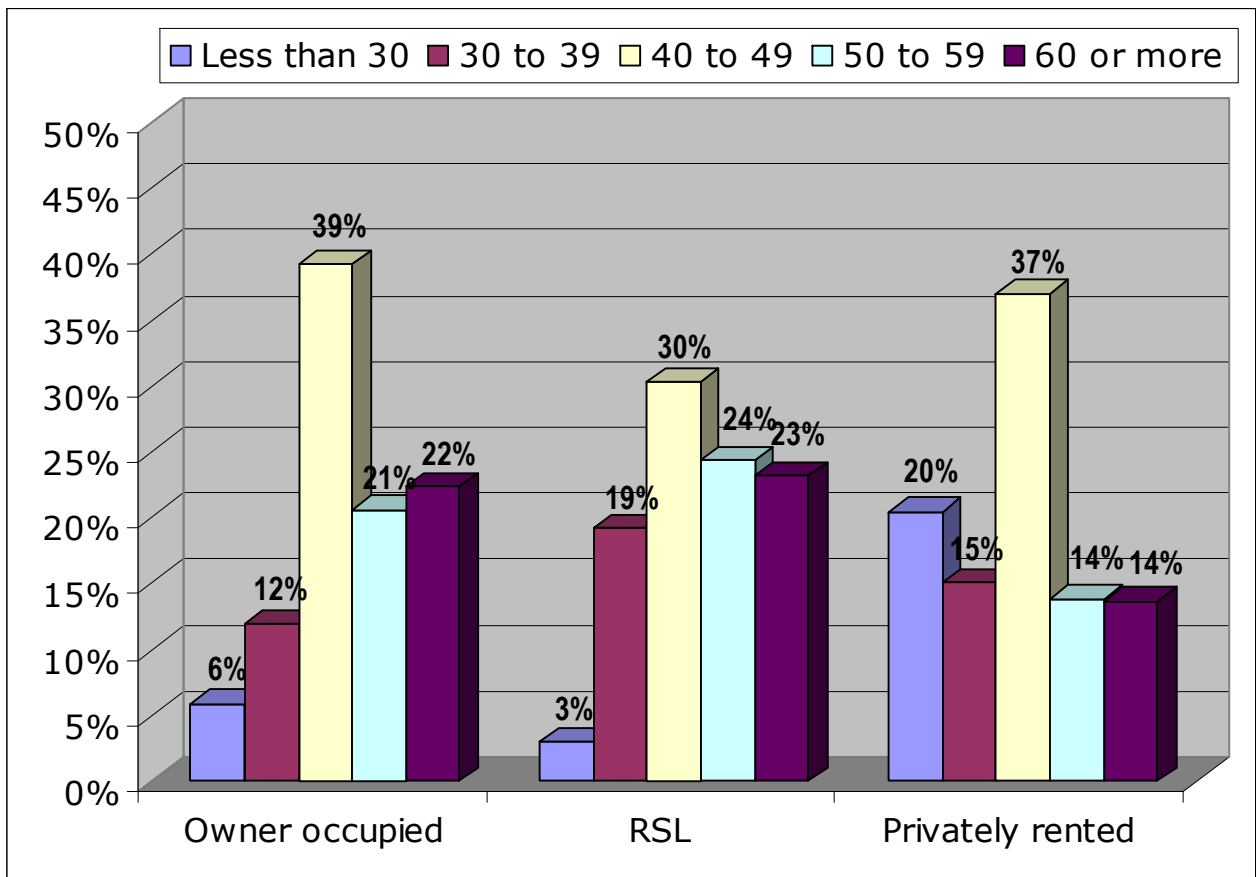
Figure 102:   SAP Distribution by Tenure
Source: Suffolk Coastal Household & Physical Survey 2006
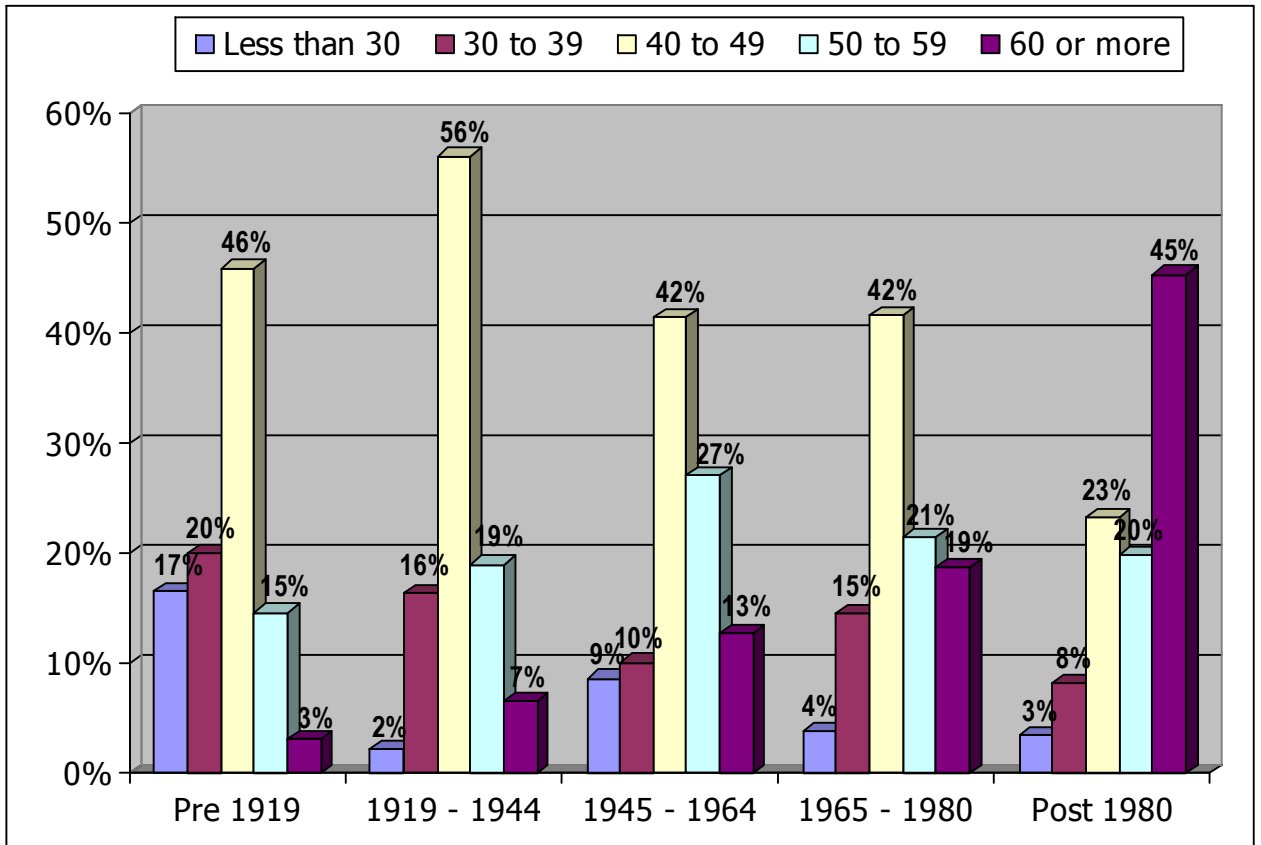
Figure 103: SAP Distribution by Construction Date
Source: Suffolk Coastal Household & Physical Survey 2006
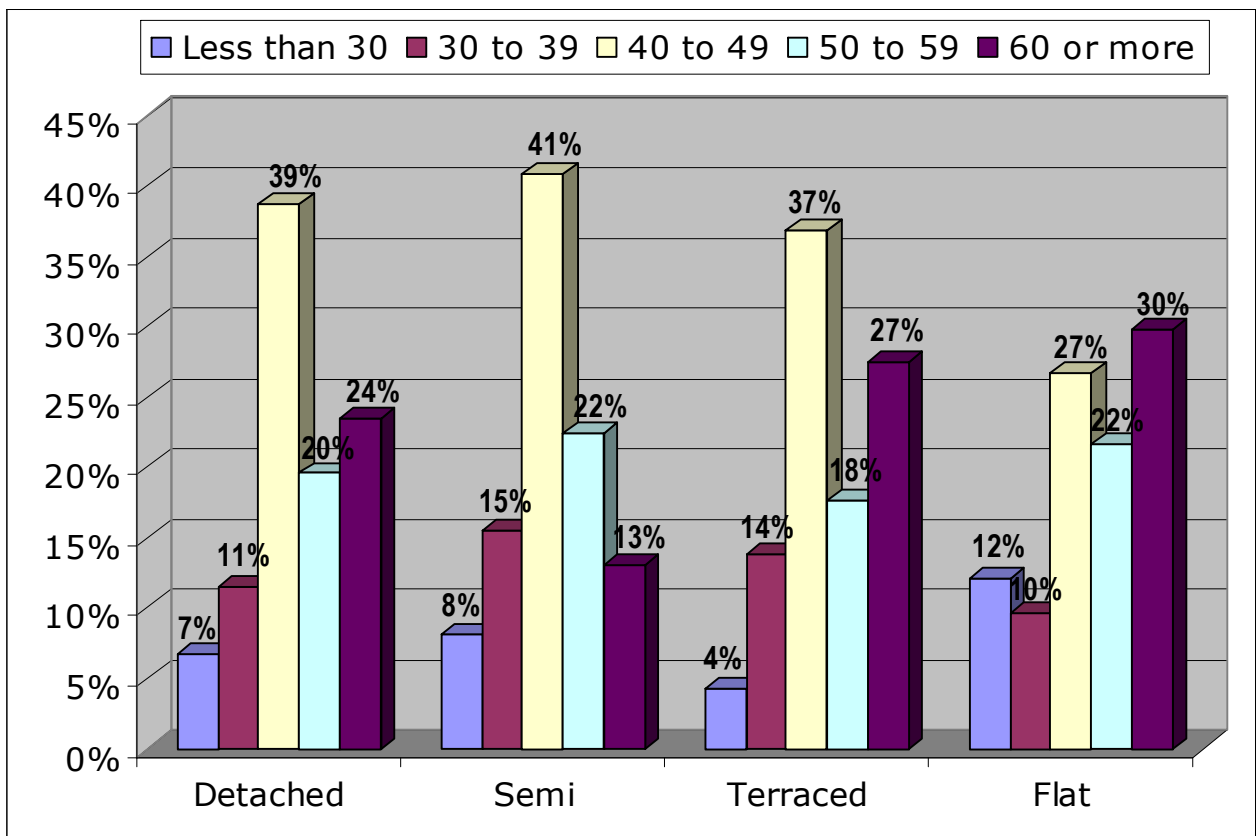
Figure 104: SAP Distribution by Dwelling Type
Source: Suffolk Coastal Household & Physical Survey 2006

4.180 When considering SAP distribution by tenure, the most obvious figure is that 20% of privately rented dwellings have a mean SAP below 30, compared to just 6% in owner occupied dwellings and 3% in RSL ones. For construction date there is an obvious shift in SAP distribution from SAPs below 30 in the pre 1919 stock, to SAPs above 60 in the post 1964 stock. For SAP distribution by dwelling type flats have the most unusual profile, the highest proportion of SAPs above 60 relate to modern purpose built flats, the highest proportion with a SAP below 30 relate to older converted flats.

4.181 It is worth pointing out at this stage that the figures above should be treated with caution, as they are based on very small sample sizes when disaggregated to this level. The graphs should be considered as indicative and illustrating patterns and no individual percentage should be considered as absolute.

Shared Housing & Communal Establishments

4.182 When looking at housing needs it must be remembered that not all people live in standard households. Figure 105 shows that over 1.5% of the population of Suffolk Coastal live in communal residences. This includes students who are housed in halls of residence and also those who are housed in Hollesley Bay and Warren Hill prisons.
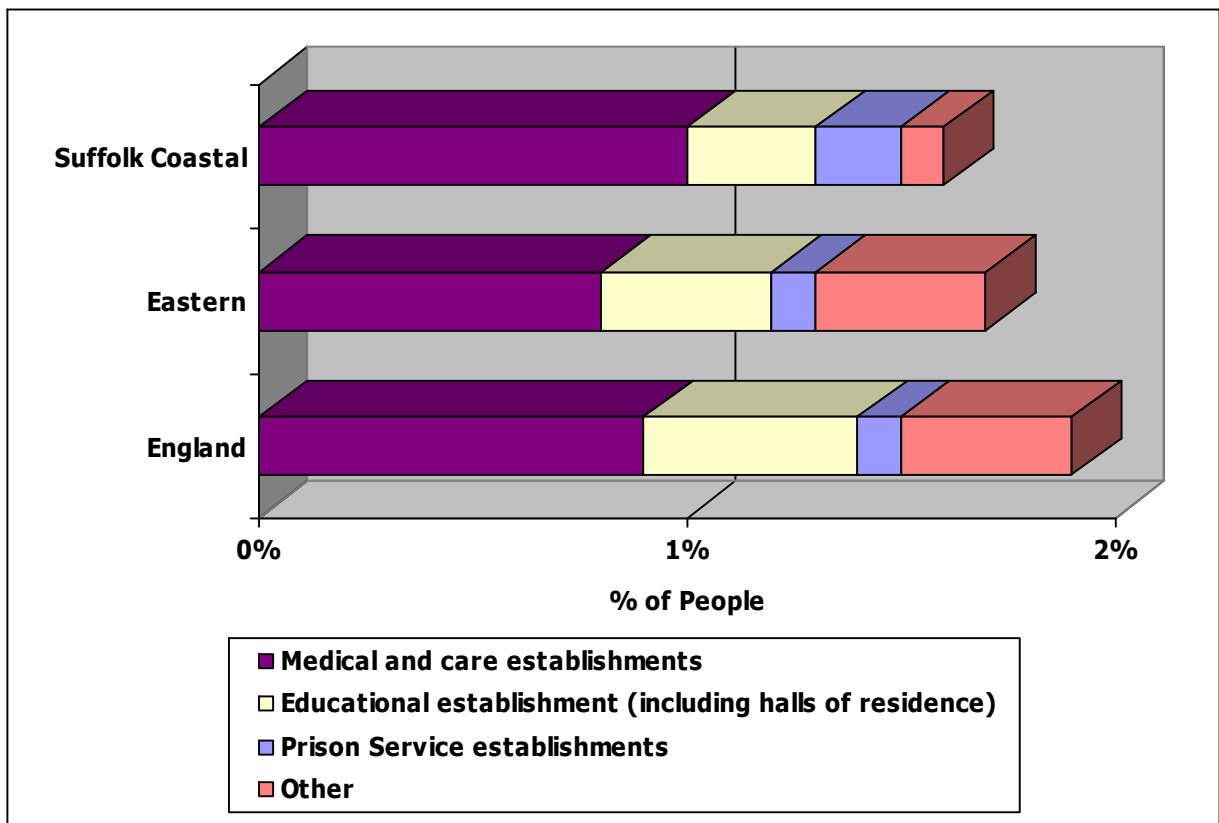
Figure 105: Proportion of People in Communal Housing by Type of Establishment in Suffolk Coastal, Eastern Region and England
Source: UK Census of Population 2001

Summary of Key Points

- The dwelling stock is more modern than the national average, but also with more owner occupied dwellings and more detached houses

- Overall 14,240 dwellings are non decent, which represents 26.1% of the stock, below the national average of 30.1%

- The Public Service Agreement 7 (PSA 7) target for 2010, for vulnerable occupiers living in decent homes, in the private sector, is 70%. At present Suffolk Coastal is at 66.6%, a shortfall of just under 290 dwellings

- The overall rate of unfitness is low at 1.2%, but since April 2006 the emphasis has shifted to Category 1 Hazards under the HHSRS.

- An estimated 5,010 dwellings, 9.2% of the stock have a Category 1 Hazard, similar to the estimate nationally

- There is a strong association between low income, low council tax band and non decent dwellings. This is particularly true for vulnerable occupiers where nearly 68% of non decent dwellings are in Council Tax bands A to C and have a household income below £15,000 per annum.

- Current grant criteria appear to be effective since they are based on a requirement that an applicant be in Council Tax band A to C to be eligible. Policies will have to be reviewed, however, in light of recent changes in legislation regarding what constitutes poor housing (the Decent Homes Standard and health & safety hazards).

- There are an estimated 1,340 private sector vacant dwellings of which 640 (1.3% of the private stock) are long-term vacant. Bringing private sector vacant dwellings back into use is a key priority under the Housing Act 2004

- The total number of Houses in Multiple Occupation (HMO) in the District is estimated at 100 with a maximum of 30 of these being subject to mandatory licensing

- An estimated 4,590 (8.4%) households are in fuel poverty and will need improvements in the energy efficiency of their dwellings to move out of fuel poverty

5. The Active Housing Market

Relative House Prices and Rents

5.1   The following table details existing weekly rents, noting the current average rent for properties rented from registered social landlords as well as the target rent set by the Housing Corporation for the social rented sector. Also included is information about the lowest quartile and average weekly rents in the private rented sector.

Property Size	Social Rent [1]		Private Rent [2]	
	Current Average	Target	Lowest Quartile	Average
1 bedroom	46.19	50.36	66.73	86.86
2 bedrooms	54.65	59.37	87.50	100.14
3 bedrooms	59.79	64.76	75.27	105.94
4+ bedrooms	66.43	69.45	105.29	142.21

Figure 106:   Weekly Rent by Property Size and Tenure
Source 1: Housing Corporation Data Source 72 (March 2004)
Source 2: Suffolk Coastal Household & Physical Survey 2006

5.2   Existing rents in the RSL sector tend to be around the target rent set by the Housing Corporation – but even the cheapest properties in the private sector typically cost half as much again as illustrated below.
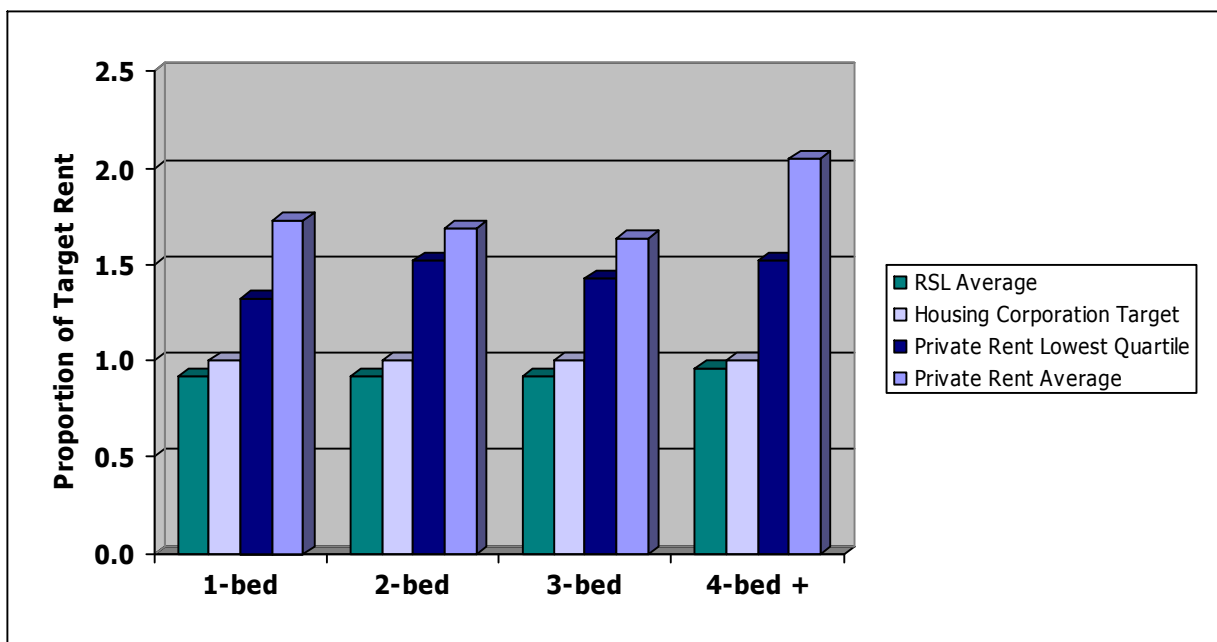
Figure 107:   Rents Relative to Target Rent by Property Size

Owner Occupied Housing Market

5.3   Figure 108 shows that the average property prices in Suffolk Coastal for each quarter in from the beginning of 1999 until the first quarter of 2006. It should also be noted that discounted local authority properties bought under 'right-to-buy' are not included in the statistics.

5.4   During this seven year time period the average property price in Suffolk Coastal rose by 125%. The average price of a property has fallen slightly since mid 2004.
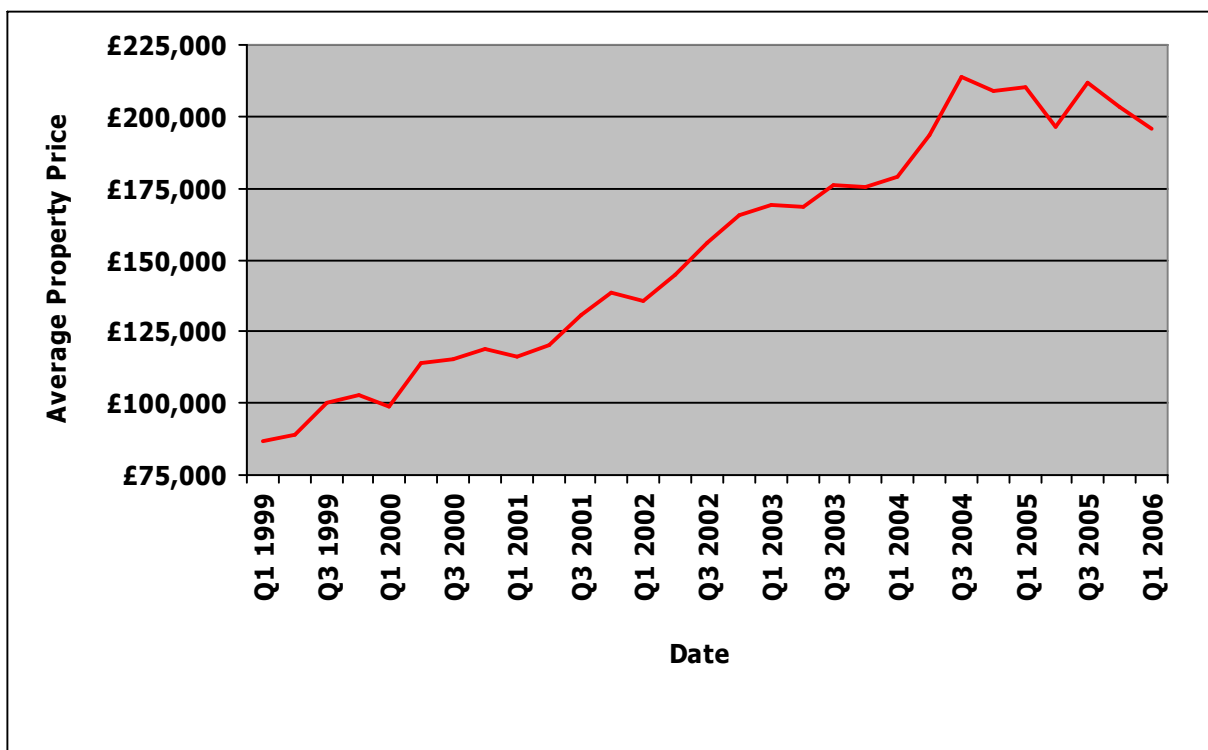
Figure 108:   Average Price of Properties Sold in Suffolk Coastal: Q1 1999 to Q1 2006
Source: HM Land Registry

5.5   The average property prices for an area suggest only a limited amount information about the conditions in a local housing market. The overall picture of the housing market is much more dependent upon the spread of property prices which are to be found in it, and how these relate to incomes in the area.

5.6   Figure 109 shows how relative property prices in Suffolk Coastal compare with average incomes earned in the authority. In 1999, the price of an average property in Suffolk Coastal was 4.5 times the average earnings of someone working in the authority. By 2005 this had risen to 7.4 times the average earnings.

5.7   Whilst such a comparison is relatively simplistic (for there will often be more than one earner in each household, and the household's capacity to borrow is only one of the elements that determine affordability), the relationship between local purchase prices and local incomes is clearly important. Furthermore, the relationship is particularly relevant for single person households without existing equity – for they often are relying exclusively on their capacity to borrow (though even they may not earn the average income or need to purchase an average size and price home).
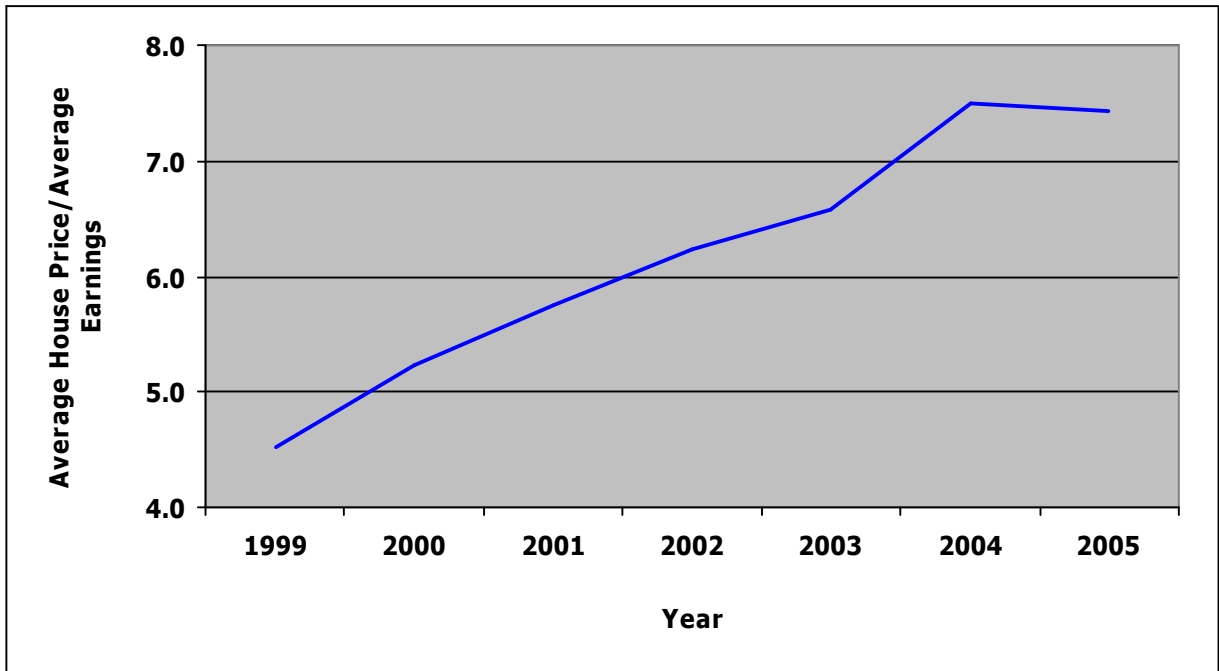
Figure 109: Suffolk Coastal Average House Price Relative to Average Gross Annual Earnings: 1999-2005
Source: HM Land Registry, New Earnings Survey and ASHE

5.8 Figure 110 shows how relative property prices in Suffolk Coastal have evolved over the last 7 years. This figure compares the prices of properties in Suffolk Coastal with those in East Anglia. The Land Registry places the local authorities of Suffolk Coastal in East Anglia, which refers to the whole of Cambridgeshire, Norfolk and Suffolk, instead of the standard Eastern region used for other government statistical sources.
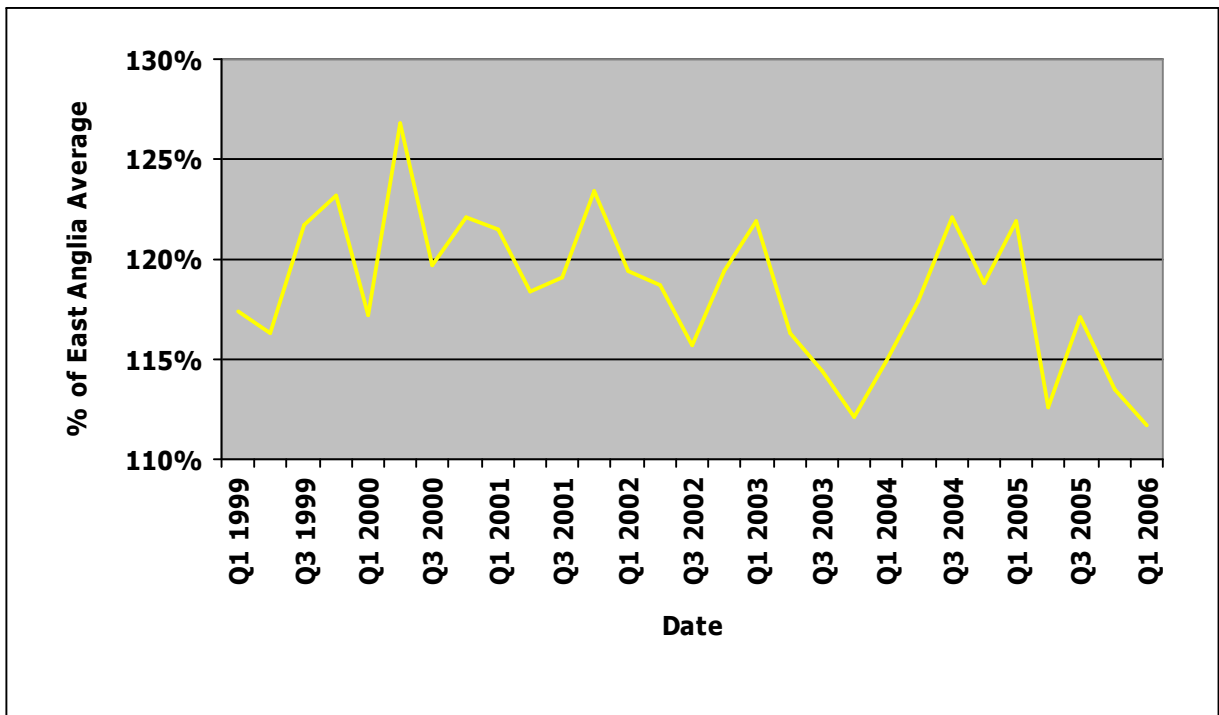
Figure 110: House Prices in Suffolk Coastal as a Percentage of East Anglia Average: Q1 1999-Q1 2006
Source: HM Land Registry

5.9 In the first quarter of 1999 an average house in Suffolk Coastal sold for a price which was 117.4% of the East Anglia average – so housing in Suffolk Coastal more expensive than the regional average.

5.10 By the first quarter of 2000 an average house in Suffolk Coastal sold for 126.8% of the price of an average house in the East Anglia, but by the first quarter of 2006 this had fallen back to 111.7%. Therefore, average house prices in Suffolk Coastal remain above the regional average, but have fallen relatively in recent years.

5.11 Figure 111 illustrates how property prices have changed in Suffolk Coastal. In the second quarter of 2000, 40% of all completed property sales were priced at less than £80,000. This figure was below 5% of all sales in 2005.

5.12 £80,000 is a key price band because it is around the maximum mortgage which is likely to be available to single first time buyers from key worker groups such as teachers, nurses and police officers. Therefore, affordability for this group of workers has declined sharply. Conversely, the number of houses selling for over £150,000 has risen from around 20% of all completions to over 60% of the total.

5.13 The stabilising of house prices in 2004 and 2005 is reflected in the number of properties selling for under any particular price band also remaining stable. However, the level at which prices have stabilised have left the vast majority of properties in Suffolk Coastal beyond the reach of many first time buyers.
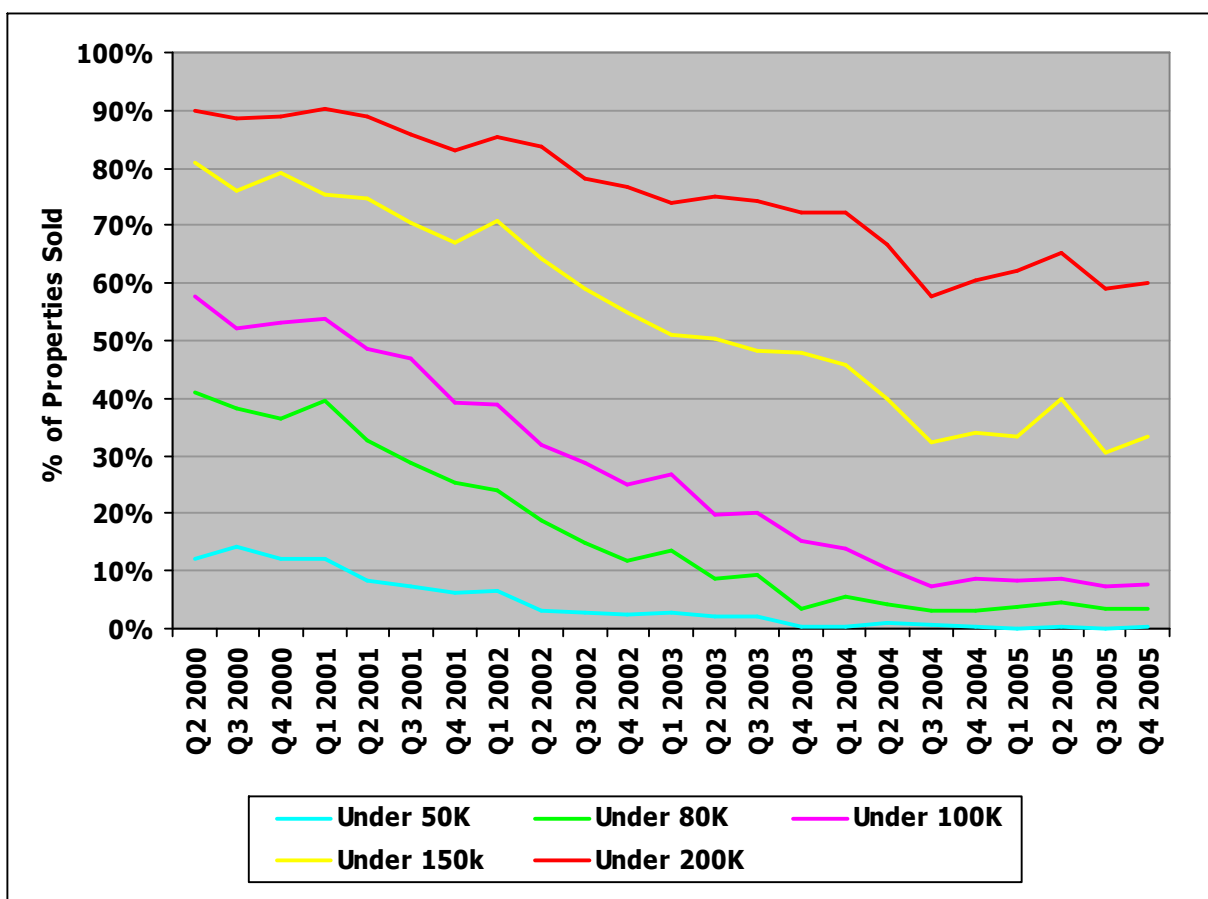
Figure 111: Percentage of Houses Sold for Less Than Key Price Bands in Suffolk Coastal: Q2 2000 to Q4 2005
Source: HM Land Registry

5.14 Beyond looking at the obvious measure of a housing market – i.e. the prices at which properties are sold – it is also worth exploring the volume and composition of sales, for this can tell us more about the dynamics of the housing market.

5.15 Figure 112 shows the volume of annual property sales since 2000. It is apparent that the number of completions has stayed over 2,500 sales since 2000, with a peak of over 3,500 sales in mid 2004. From mid 2004 the number of completions has declined sharply, but started to rise again in mid 2005.
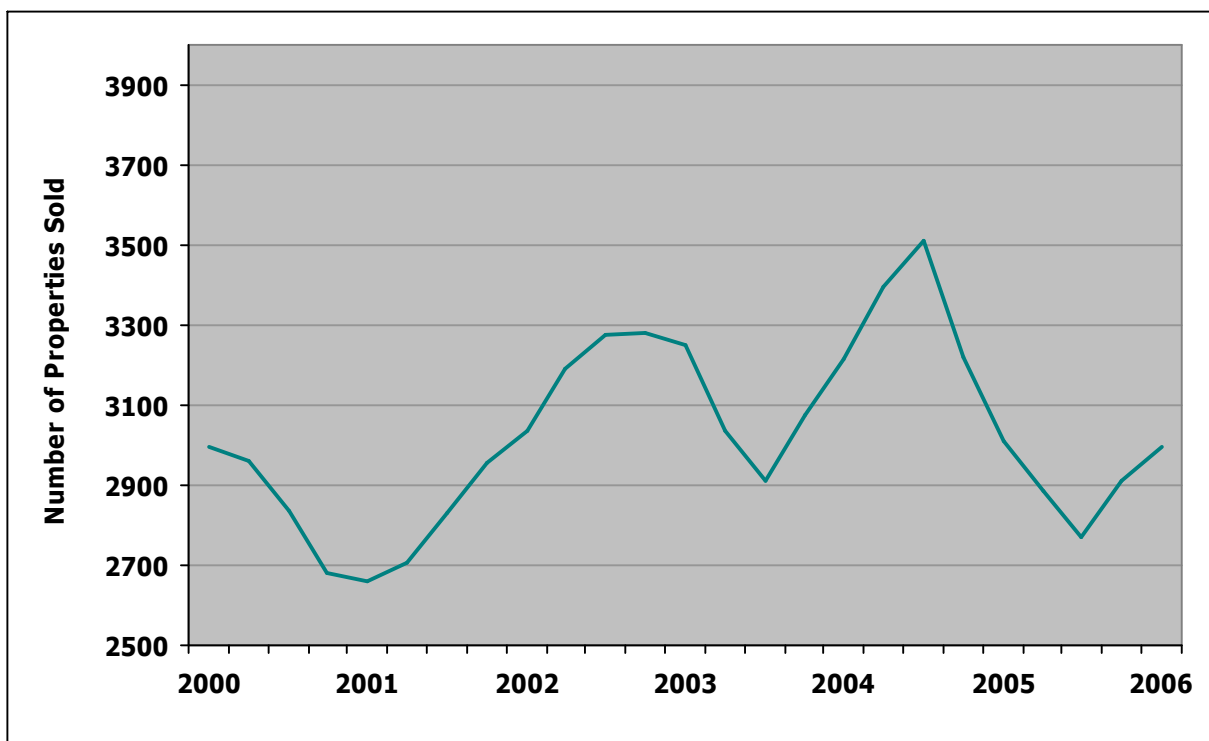
Figure 112:   Volume of Properties Sold Annually in Suffolk Coastal: Q1 2000 to Q1 2006
Source: HM Land Registry

5.16 Therefore, 2004 and 2005 saw not only a levelling of property prices in Suffolk Coastal, but also a reduction in the number of properties selling. The slow down in the number of completions may well reflect a lack of demand in the housing market with potential buyers thinking that the market is over-priced.

5.17 Figure 113 shows the changing composition of property sales in Suffolk Coastal. The results show that for most of the period the number of detached houses sold was around 45% of the total. However this fell sharply from mid 2004 to mid 2005. Therefore, it is likely that one of the factors which helped to stabilise average prices was simply a change in the composition of sales. More expensive detached houses were taking a smaller share of property sales and this would have driven up average property prices without any change in the real price of properties.
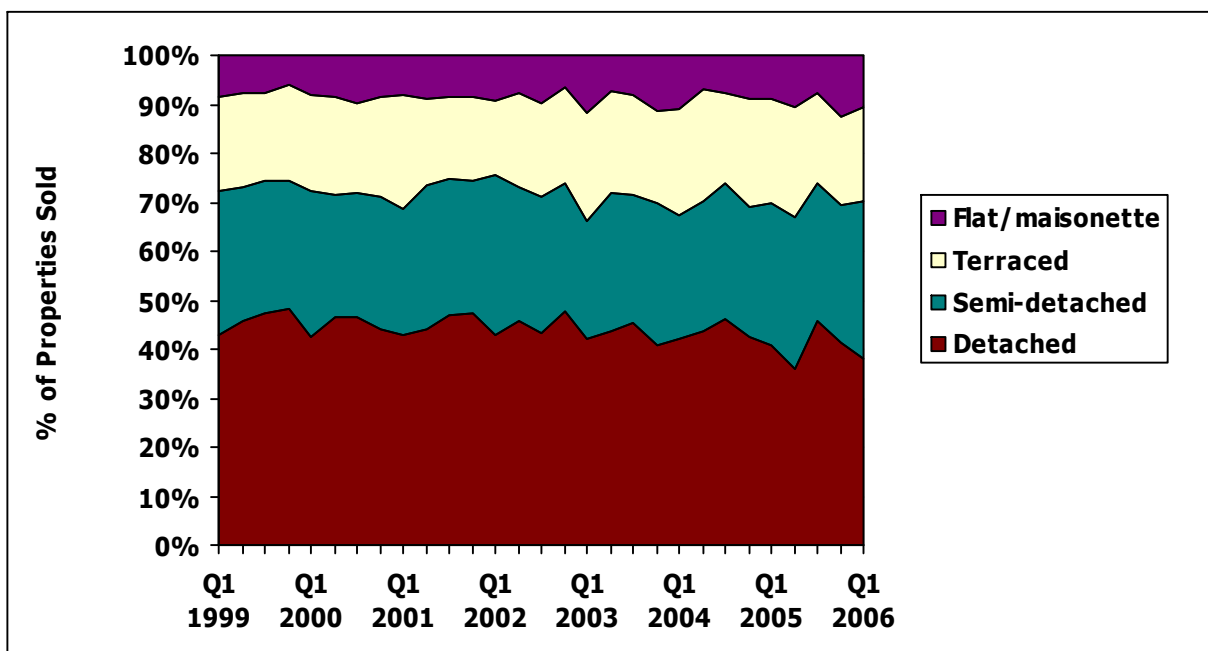
Figure 113: **Properties Sold in Suffolk Coastal by Type: Q1 1999 to Q1 2006**
Source: HM Land Registry

5.18 In measuring housing need (and effective housing demand) it is necessary to determine reasonable access thresholds for home purchase. The above information is drawn from the Land Registry, as this is widely recognised as the only fully comprehensive source of reliable information about property sales in England and Wales.

5.19 By using the information published by the Land Registry in combination with the information from the survey about the relationship between property price, property size and property type, we are able to identify the distribution of housing prices in terms of the number of bedrooms and determine appropriate thresholds. Of course, whilst the absolute threshold would be the minimum property price for each sized home, very few properties are likely to become available at this extreme – so merely being able to afford the minimum price would not guarantee households appropriate homes. For this reason, the lowest quartile is normally used – for households able to pay this amount should be able to afford at least a quarter of the appropriately sized properties sold. The average and lowest quartile purchase prices for properties of different sizes have also been calculated and are detailed below.

Property Size	Average Price	Lowest Quartile Price
PURCHASE PRICE		
1 bedroom	120,822	72,500
2 bedrooms	147,458	117,000
3 bedrooms	188,704	144,000
4 bedrooms	281,803	207,542
5+ bedrooms	355,147	257,000

Figure 114: **Lowest Quartile Prices for Owner Occupation by Property Size**
Source: Computed based on HM Land Registry Q1 2005 – Q4 2005 and Suffolk Coastal Household & Physical Survey 2006

Assessing Affordability

5.20 Household affordability critically underpins the housing requirement analysis – determining both the ability to afford market housing (and be an effective housing demand) and the inability to afford market housing (and be a real housing need). Affordability is a complex issue and can be assessed in a number of different ways, but each method depends on common factors that are crucial to the analysis. The affordability of any particular household will depend on the relationship between:

- The cost of appropriate local housing, and

- The amount that the household is able to afford.

5.21 Having established the cost of local rented housing, it is also important to consider amount that households are able to afford. The National Housing Federation have traditionally promoted that it is appropriate for households to spend up to 30% of their net income on rent or mortgage payments, and in providing affordable housing, Local Authorities and RSLs have often based affordability tests on this relatively straight-forward calculation. Nevertheless, whilst this may be suitable for households expecting to pay relatively low rents in the social sector, the implications become somewhat unrealistic in considering the payments for more expensive properties in the private sector.

5.22 The London Housing Federation "Mind the Gaps" document recognises that households may be expected to contribute as much as 50% of net income towards their total housing costs – noting that it is not the proportion of income that is the over-riding factor, but that the most important consideration is the amount of residual income available after the identified costs have been paid.

5.23 The affordability tests used for the study seek to ensure that households are not committed beyond their means, but do not allocate affordable housing to households who are realistically able to afford housing in the private sector.

Assessing Affordability for Owner Occupation

5.24 In terms of the affordability assessment for owner occupiers, whilst private renters will be expected to meet recurring costs each week or month it is accepted that owner occupiers will normally rely upon a loan or mortgage from a building society or other lender. Therefore, in the context of owner occupation, it is important that the householder is not only able to afford the repayments of such a loan but that also such a loan is accessible to that household. For this reason, a mortgage multiplier is normally applied to determine the amount households are able to afford when considering home purchase.

5.25 The assessment of mortgage eligibility adopted for this analysis is based upon the method proposed by Government in the emerging guidance for Local Housing Assessments – with lending for single incomes assumed to be 3.5x the income and lending for joint incomes based on a 2.9x multiplier. It is also important that the assessment of affordability for owner occupation considers other household resources, including:

- Savings;

- Debts;

- Equity (positive or negative) from current home (for current owners); as well as the

- Amount that can be borrowed.

5.26 Perhaps the most important additional resource is any equity that a household may have in their existing home because, whilst the early years of a mortgage may not impact significantly on the amount of capital repaid, increases in house prices can bring significant additional resources.

5.27 In summary, the amount affordable for owner occupation is therefore: savings minus debts plus/minus positive/negative equity plus the borrowable amount.

Assessing Affordability for Weekly Rent

5.28 Unlike with owner occupation, the rental market does not require a single capital payment to be made upfront that has to be funded from a source such as a mortgage. Instead, it is based exclusively on a recurring payment taken from the individual household budget. Once again, the assessment for rent has been based upon that proposed in the emerging guidance, with 25% of household gross income assumed to be available for rent.

5.29 In practice, the use of gross income (as oppose to the net income) reduces the assumed payments for lower income households – because they are typically liable for less deductions (such as income tax and national insurance) from their income. Where households have no deductions from their earnings, they are assumed to pay only 25% of their net income on housing cost – but this increases to a <u>maximum</u> contribution of 31.5% of net income for those households earning up to £15,000 gross.

Existing Households in Housing Need

5.30 An important element of housing requirements is housing need – households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some form of assistance (Bramley & Pawson, 2000). Overall, a total of 5,193 households were assessed as living in unsuitable housing due to one or more factors. The unsuitability problems experienced are shown below.
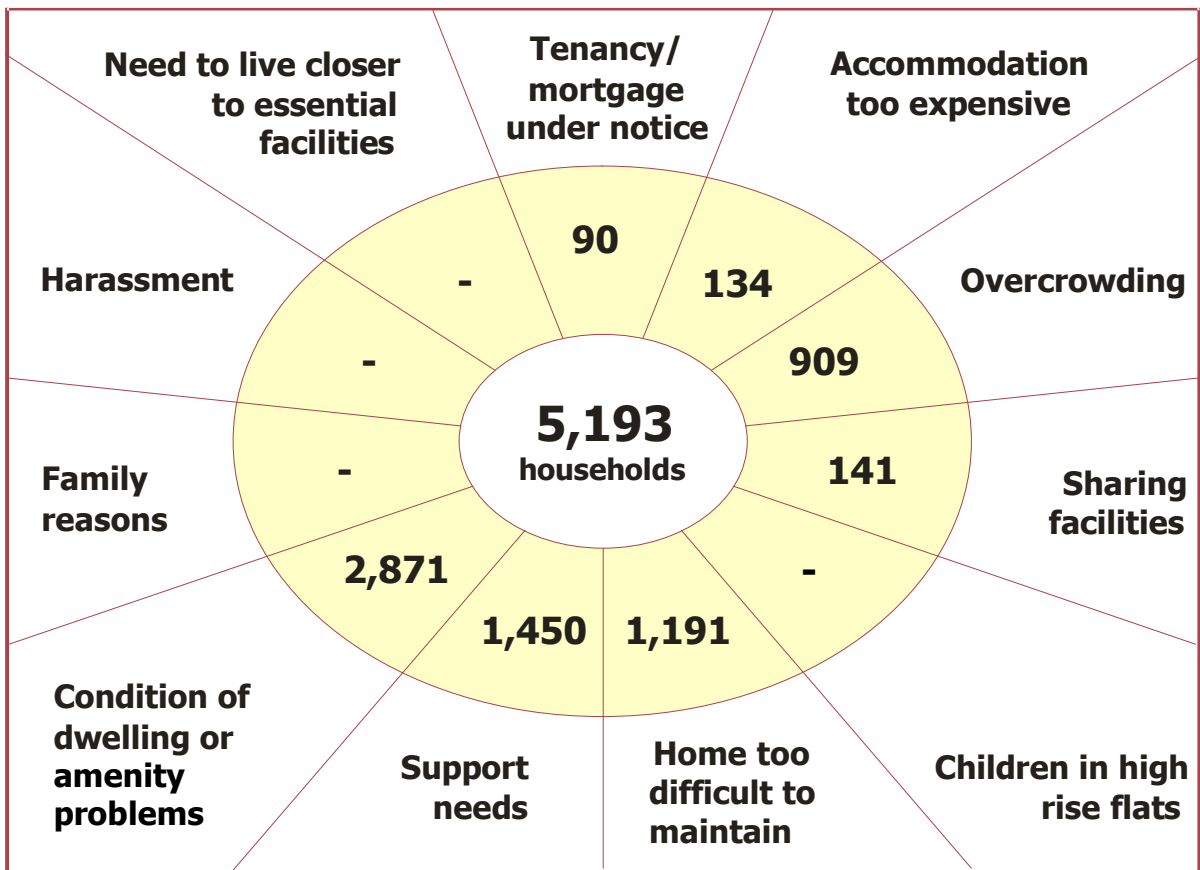
Figure 115: Established Households Living in Unsuitable Housing
Source: Suffolk Coastal Household & Physical Survey 2006

5.31 It is worth noting that overall, this equals 10.3% of all established households in Suffolk Coastal, though many of these households may not need to move to resolve the identified problems as in-situ solutions may be more appropriate.

5.32 19.0% of single parent households and as many as 38.1% of groups of adults with dependent children are living in unsuitable housing.
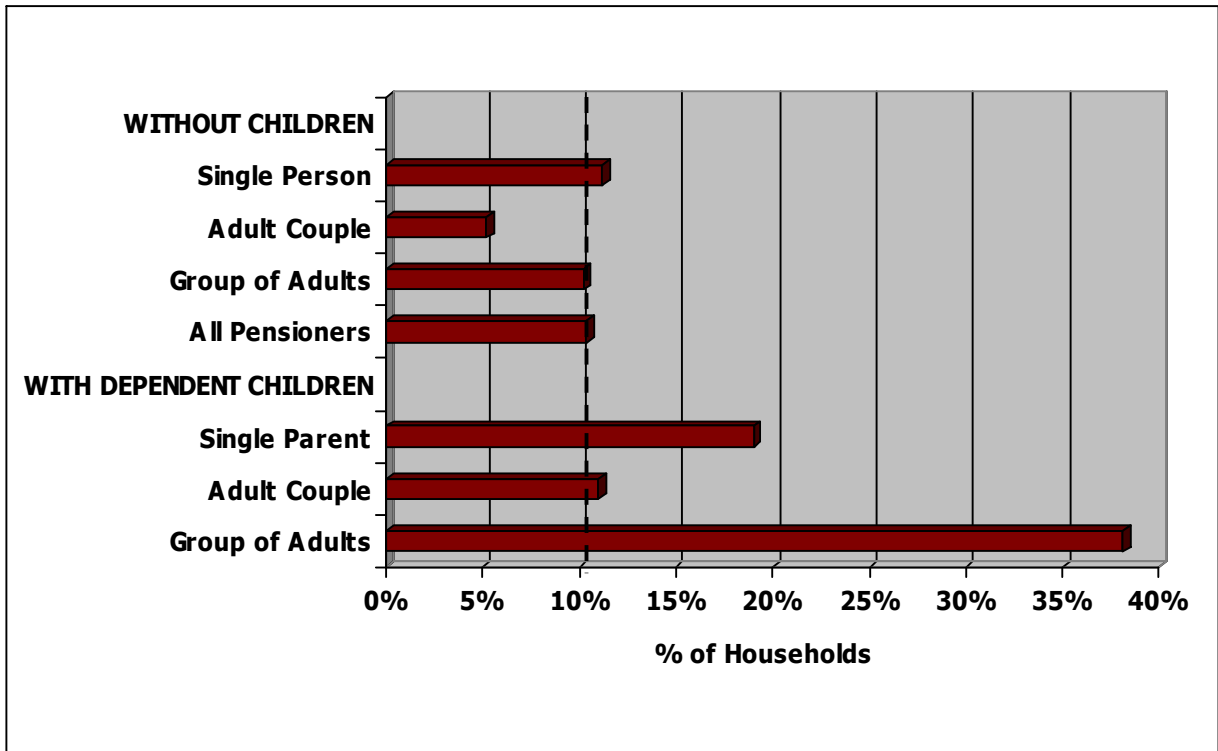
Figure 116: **Proportion of Established Households in Unsuitable Housing by Household Type**

Source: Suffolk Coastal Household & Physical Survey 2006

Note: Dashed line shows district average

5.33 Figure 117 (below) shows that young adults and households with teenage children are most likely to live in unsuitable housing, and that the likelihood of living in unsuitable housing is generally much lower for those around pensionable age (though is seen to increase again for those aged 75+).
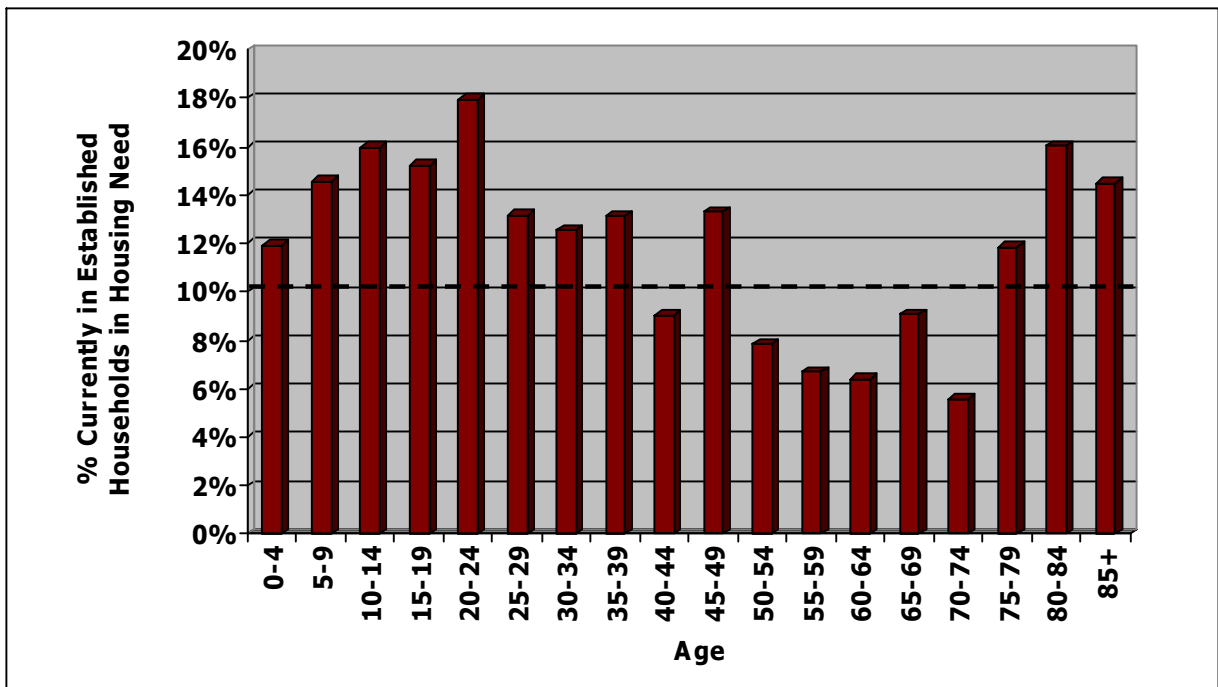
Figure 117: Proportion of Persons Living in Established Households in Unsuitable Housing by Age

Source: Suffolk Coastal Household & Physical Survey 2006

Note: Dashed line shows district average

5.34 Figure 118 (below) summarises the overall number of established households identified as living in unsuitable housing in each housing market area, and the associated proportion relative to the total number of local households.

Sub Area	Established Households in Unsuitable Housing	
	N	%
Housing Market Area		
Ipswich	393	3.5%
Felixstowe	1,914	14.0%
Woodbridge	1,321	10.9%
North	1,566	11.6%
Suffolk Coastal District	**5,193**	**10.3%**

Figure 118: Established Households in Unsuitable Housing by Sub-area
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures do not include households within these HMAs that are outside the Suffolk Coastal district

5.35 There are quite significant differences between the levels of unsuitability identified in each of the housing market areas. The highest level observed was in Felixstowe, where as many as 14.0% of established households were found to currently be in unsuitable housing. The figures for Woodbridge and the North of the district were in line with the district average, but the figure for Ipswich was considerably lower – with only 3.5% of established households in the area being unsuitably housed.

Resolving Housing Unsuitability

5.36 Not all housing unsuitability problems require the households involved to move from their current home. In-situ solutions may be more appropriate to resolve some of the problems identified. For example, overcrowding could be resolved by one or more member(s) of the household leaving to live elsewhere, or an alternative solution could be to extend the existing property. Similarly, homeowners or landlords may undertake repairs to resolve problems with the condition of the property. In these cases (and many others) the problems identified can be resolved without the need for relocation to alternative accommodation.

5.37 Whilst in practice it is important to resolve the housing needs of individual households, a strategic analysis is primarily concerned with addressing overall housing need. In this context, it is particularly relevant to consider housing suitability issues concerned directly with the dwelling stock – such as major disrepair or unfitness. Resolving such individual household needs (through enabling a move to alternative housing) will not reduce the overall level of housing need because the vacancy that arises will inevitably (over time) be occupied by another household, who will once again be in housing need. In such cases, it is investment in the existing stock (or in extreme cases, clearance and redevelopment) that is required to reduce the numbers unsuitably housed.

5.38 It should be noted that any dwellings that are lost from the stock through clearance programmes would need to be replaced in addition to the number of additional housing units identified by this study – that is, our analysis considers the housing requirement in the context of a net increase in dwelling stock.

5.39 Where a move is appropriate and required to resolve a housing problem, some households may need to move to homes outside the area (for example, those moving for care or support), and others will choose to move further afield for other reasons. Where unsuitably

accommodated households are likely to willingly leave the area, their needs should not be counted within the estimate of net need. Nevertheless, in discounting the needs of likely out-migrants, any needs of in-migrants to the area will add to the total requirement

5.40 Finally, a proportion of the households remaining will be able to afford to buy or rent an appropriate dwelling at (or above) threshold market prices. Therefore, when considering households who are in housing need, we must also discount from the total those who are able to afford.

5.41 The impact of each of these stages is summarised below:

Factor	Number of Households	
	Discounted	Remaining
Households assessed as currently living in unsuitable housing	-	5,193
Households with an objectively assessed in-situ solution	2,615	2,578
Households with a subjectively assessed in-situ solution (where the household neither wants nor expects nor needs to move)	1,803	775
Households that need to move, but that will leave the area	26	749
Households that need to move, but will be moving into institutional housing or join another household	20	729
Households that need to move, but can afford to rent or buy market housing	413	316

Figure 119: Resolving Housing Suitability Problems
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

5.42 After discounting the households whose needs do not require alternative housing provision in Suffolk Coastal, only 316 (6.1%) of the identified 5,193 unsuitably housed households remain.

Homelessness

5.43 A local authority can have a twofold impact on the local housing market and conditions. Its policies can have a large impact on the private housing market in the area. More directly the local authority is involved in many areas of the housing market. It is responsible for the management of its own housing stock, while homelessness cases are also its responsibility.

5.44 Another key housing market duty of the local authority is to administer and house cases of homelessness. Local authorities are compelled to collect data on all applications by individuals who wish to be considered as homeless and are seeking help. This does not therefore include any individuals who sleep rough without seeking the local authority help.

5.45 The main category on which data is held is those who are seeking to be classified as homeless and in priority need. The definition of priority need is any household where:

- Someone in the household is pregnant or has dependent children;

- Someone in the household is older or has a physical or mental disability, or are considered vulnerable through age or other reason;

- The household is homeless as a result of violence;

- The applicant is 16/17 years of age or a care leaver;

- The applicant is a prisoner who has been homeless since discharge and who has a local connection with the local authority;

- The applicant/household is homeless as a result of an emergency.

- The applicant/household is homeless after being discharged from the Armed Services or institutional care.

5.46 If any individual in the household falls in to one of the above definitions then the local authority must provide them with interim accommodation while further enquiries are made into their situation. Figure 120 indicates that applications and acceptances as homeless and in priority need in Suffolk Coastal have both been declining in number since 2003. This is also reflected in the number of households in temporary accommodation falling sharply since 2004.
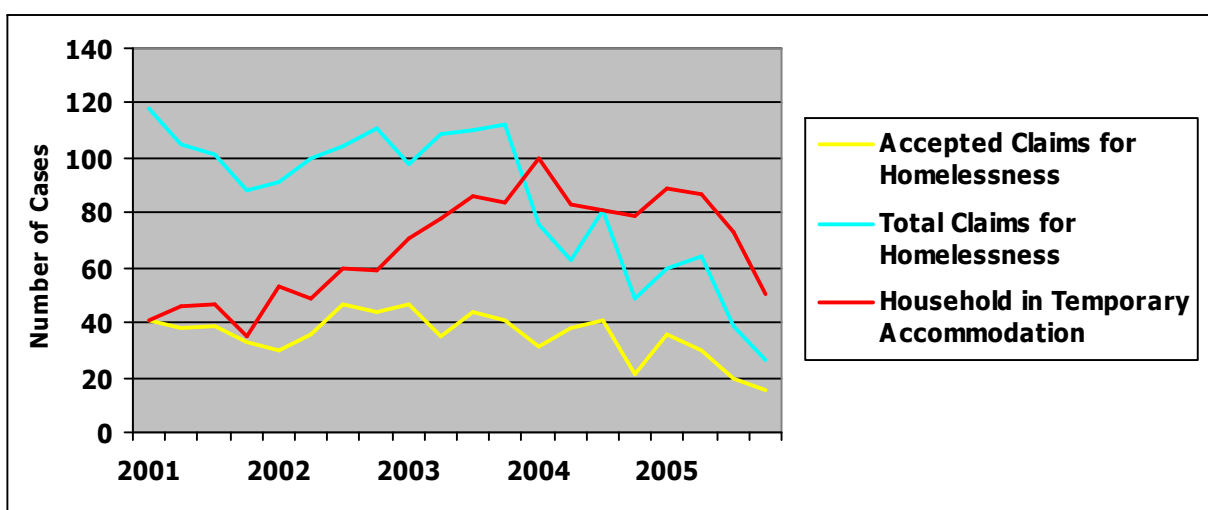
Figure 120: Unintentionally Homeless and in Priority Need Applications and Household Housed in Temporary Accommodation for Suffolk Coastal: Q1 2001 – Q4 2005
Source: Local Authority P1E Homelessness Data

5.47 Suffolk Coastal has published a Homelessness Strategy 2003 which sees homelessness issues as being part of wider housing needs issues. The specific aims of the Homelessness Strategy are: to try to prevent homelessness occurring; to reduce the use of bed and breakfast accommodation; and to widen the choices available to those declared homeless.

5.48 The effectiveness of this strategy is shown in Figure 121 which compares how the number of people housed in temporary accommodation has changed in Suffolk Coastal and England as a whole since 2001. Figure 121 shows that the number of households housed in temporary accommodation rose sharply in Suffolk Coastal from 2001 to 2004, but has been falling even more sharply since early 2004. Therefore, while the number of households housed in temporary accommodation has risen and then stabilised in England as a whole since 2001, the number of households housed in temporary accommodation in Suffolk Coastal has almost fallen back to its 2001 level.
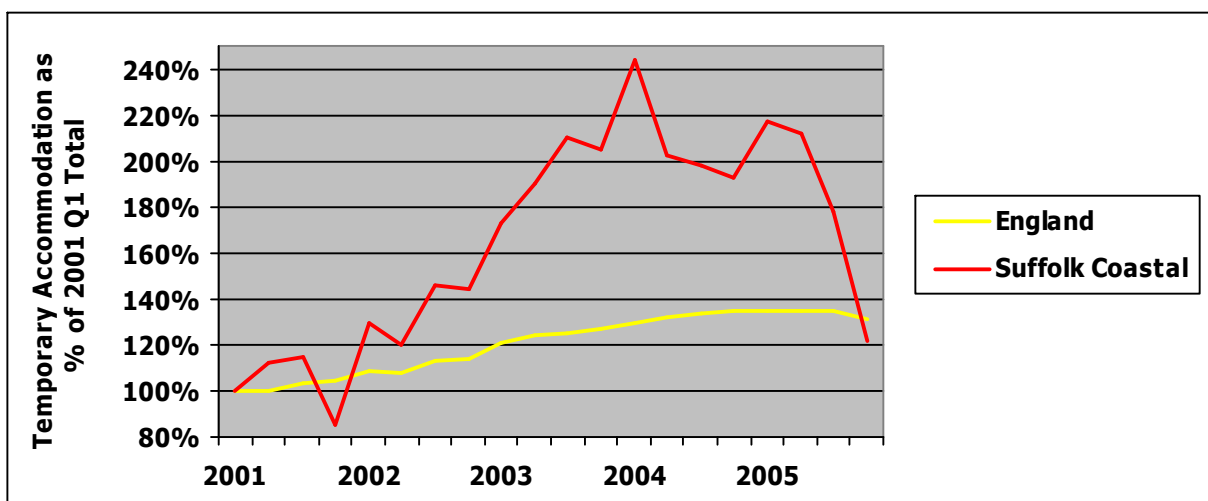
Figure 121: Temporary Accommodation for Suffolk Coastal and England: Q1 2001 – Q4 2005
Source: Local Authority P1E Homelessness Data

5.49 Since the 3rd quarter of 2002 the local authorities have kept records of the ethnicity of any individual who they considered to be homeless and in need of priority treatment. Since this date and the most recently available data (4th quarter of 2005), 490 people were considered to be homeless and in priority need.

5.50 Figure 122 demonstrates an apparent ethnic minority dimension in relation to homelessness in Suffolk Coastal – with 3.7% of all homeless and in priority need cases being from Non-White people in comparison to 1.8% of the total population.

Factor	Number of Homeless Acceptances
White	460
African / Caribbean	6
Indian, Pakistani, Bangladeshi	0
Other Ethnic Origin	12
Ethnic Origin Unknown	12
TOTAL	**490**
% of the total who are Non White	3.7%

Figure 122: Homeless and in Priority Need by Ethnic Group Q3 2002- Q4 2005
Source: Office of the Deputy Prime Minister and Office of National Statistics
Note: Figures may not sum due to rounding

Households in Housing Need

5.51 When considering all current housing need (including established households living in unsuitable homes, homeless households in temporary accommodation and people sleeping rough), the study identified a total of 350 households in need.

Factor	Number of Households
Households currently living in unsuitable housing that need to move and cannot afford to rent or buy market housing	316
Households temporarily housed in Bed & Breakfast or hostel accommodation	13
Households housed in PSL housing leased temporarily from the private sector	21
Single people currently sleeping rough	-
TOTAL	**350**

Figure 123: Summary of Existing Housing Need
Note: Figures may not sum due to rounding

5.52 It is worth noting that all of these figures relate to the reference period for the study, which corresponds with the fieldwork period for the interview sample.

Modelling the Housing Market

5.53 For any housing requirement study, the key or core issues are:

- How many additional units are required?

- How many additional units should be affordable homes?

- For what type of open-market housing is there demand?

- How will 'demand' and 'need' change over time?

5.54 The ORS Housing Market Model addresses these issues by analysing the whole housing market. Instead of focusing only or primarily upon poorer households and social sector need, it interprets the interaction of requirement and supply across all sectors of the housing market. Social sector needs are interpreted within the context of market housing demands to take account of the interaction of effective and ineffective demands and needs and the likely supply from the range of properties vacated within the existing stock.

5.55 The Model interprets the market dynamically – by likening the interchange between households and vacancies to 'musical chairs'. The musical chairs analogy brings out the dynamic relation between requirement and supply – for most households find suitable vacancies only because others move or suffer dissolution. In this context, the model is primarily concerned with households likely to (or that otherwise need to) move. Of course, some households likely to stay in their current home may still have housing needs that should be addressed – but, by definition, the appropriate solutions for such problems will be provided in situ and will therefore not impact on the mix of additional housing provision.

5.56 Whether households want or need to move, and what housing is appropriate for them, depends upon their characteristics, requirements and current accommodation. Effective demand is driven primarily by choice – nonetheless, even well-off households can find accommodation only if suitable vacancies arise. On the other hand, housing need is

considered objectively – by evaluating households' current housing circumstances alongside their ability to afford local housing to establish a realistic assessment of housing need.

5.57 Through analysing the creation and take-up of vacancies the Model recognises that it is only because some households wish to and do move that others can find suitable homes. Nevertheless, the lack of suitable existing housing does not constrain the allocation process – for the mix of housing required by all households (including those currently without housing and unable to afford) is analysed, and it is shortfalls identified in the existing stock that determine the mix of new housing required.

5.58 The elements of demand and need are as follows:

- Established households moving home, including homeless households temporarily accommodated in PSL housing;

- In-migrant households to the area;

- Hidden households emerging as newly forming households in the market; and

- Homeless households temporarily housed in non-traditional housing such as Hostels and Bed & Breakfast accommodation.

5.59 The extent to which the market clears depends upon the match or mismatch between the households seeking housing, on the one hand, and the available stock, on the other. The supply of housing is generated by:

- Established households moving home;

- Out-migration from the area; and

- Household dissolution through deaths and households merging (e.g. through marriage).

5.60 The Model notionally assigns – or matches – available housing to households. Through matching gross housing requirements with supply (vacancies created), the model identifies net housing requirements – i.e. those households who are unlikely to find suitable housing within the existing housing stock.

5.61 Such an approach was recognised by Bramley and Pawson (2000) in the DETR good practice guidance, where it was noted that:

> The value of this approach is that it makes the connections between what is happening in the private sector and the social sector explicit. It keeps track of households, who can't just disappear without trace, and draws particular attention to the roles of migration.

5.62 Such an approach has subsequently been adopted by DTZ Pieda Consulting in the "Housing Market Assessment Manual" produced for the Office of the Deputy Prime Minister (ODPM) – where the supply/demand dynamic between households and dwellings is considered at various levels of abstraction.

5.63 This focus on household moves is certainly the correct approach for properly understanding the household/dwelling dynamic – but it is important to recognise that policy initiatives to change the movement patterns for individual households will inevitably influence the modelling results.

5.64 An example of this may be to actively encourage households who are under-occupying larger properties to move to smaller homes. Whilst such households would currently be assumed to remain in their existing homes (and would therefore have no impact on the balance of housing), a successful relocation policy would increase the requirement for smaller properties whilst also increasing the supply of larger homes – thereby adjusting the appropriate mix of new housing to be delivered. Conversely, it may be appropriate to discourage households moving from smaller to larger homes by encouraging such households to extend their existing properties where appropriate. Whilst such households would currently be counted as moving, allowing suitable extensions to existing homes could reduce the need for larger properties and also reduce the supply of mid-sized homes – once again adjusting the appropriate mix for new housing provision.

5.65 Whilst it would be difficult to accurately predict the precise impact of such policies, it is still important to consider the role for initiatives that seek to change household behaviour (which in turn change the mix of new housing required) when determining the range of appropriate policy responses.

5.66 The projected flows of housing need, demand and supply for Suffolk Coastal are shown below.
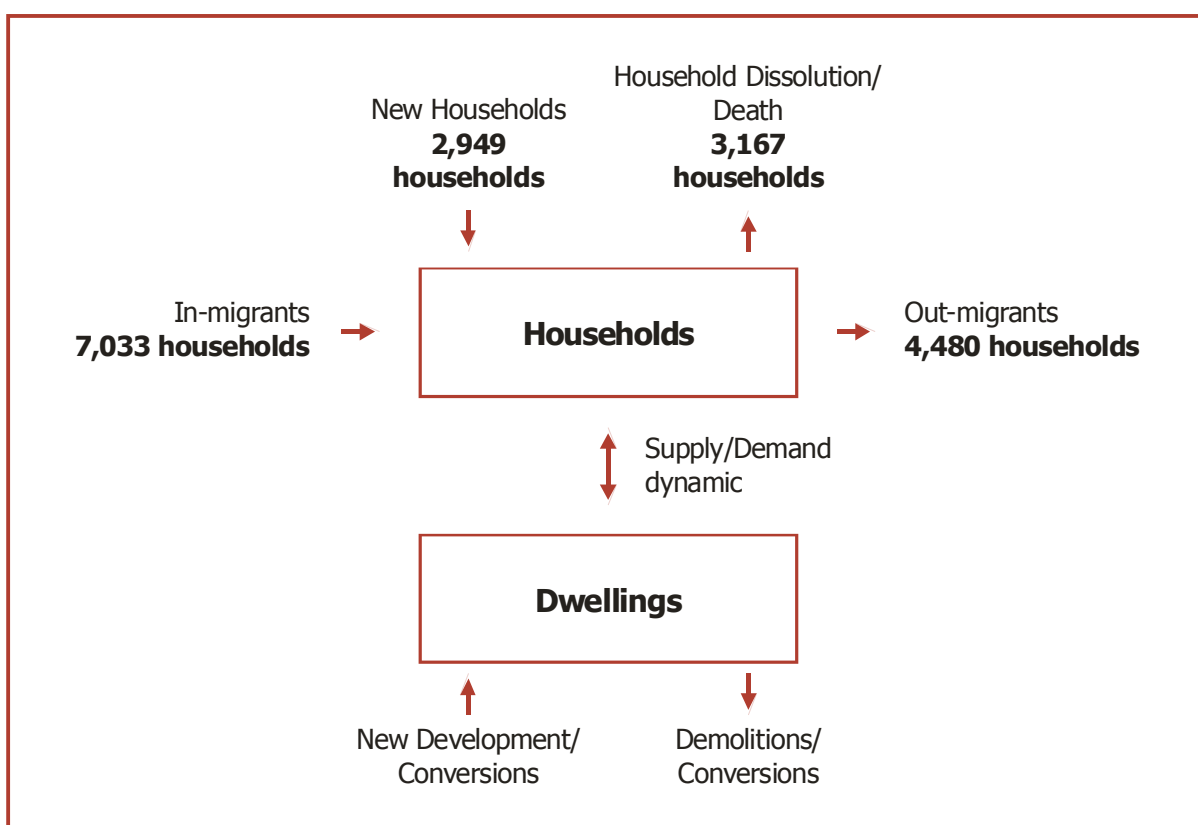
Figure 124: 5-Year Requirement/Supply Flow Analysis
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.67 In considering this combination of inward and outward household flows, we can determine the likely pressure placed upon the dwelling stock – and the implicit requirement for additional housing provision. The net gains and losses of each pair of flow streams are detailed below, where it is apparent that up to a net 2,335 additional dwellings would need to be provided over the 5-year period to sustain the existing supply/demand balance. If this number of homes is not provided, one or more flows will have to change.

Housing Type	Inward Flow	Outward Flow	Net Requirement
5-YEAR REQUIREMENT			
Migration – households moving to and from Suffolk Coastal	7,033	4,480	2,553
Indigenous change – new household formations (including homeless households moving from communal housing) and deaths/dissolutions	2,949	3,167	(218)
Established household moves, including homeless households moving from temporary PSL housing	8,378	8,378	-
TOTAL	**18,360**	**16,025**	**2,335**

Figure 125: Summary of 5-Year Housing Requirements by Household Flows
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note: Figures may not sum due to rounding

5.68 Migration has a significant impact on the Suffolk Coastal housing market, though the number of moves in and out of the sub-region can fluctuate considerably from year to year. On the basis of current trends and existing population forecasts, the ORS Model estimates that just over 7,000 households will move to Suffolk Coastal over the next 5-years – though this will be offset against almost 4,500 dwellings likely to be vacated by households leaving the district. Nevertheless, when in- and out-migration are considered together, migrant households will generate a net requirement for additional housing in the area.

5.69 On the other hand, when we consider indigenous change, it is apparent that more households are likely to dissolve over the next 5-years than are likely to form – which yields a marginal surplus of just over 200 dwellings over the 5-year period.

Understanding the Required Housing Mix

5.70 In seeking to understand the required housing mix, household affordability has been grouped into three classifications:

- **Social rented housing** – for those households unable to afford any more than target social rents;

- **Intermediate housing** – for those households able to afford more than target social rents, but unable to afford to buy and unable to afford to rent market housing, based on lowest quartile market prices; and

- **Market housing** – for those households able to afford to buy or able to afford to rent market housing.

5.71 An equivalent supply relates to each of these groups – with owner occupied housing and rented housing at or above the lowest quartile threshold accounting for market supply, private rented housing within the lowest quartile and existing shared ownership homes classified as intermediate supply, and existing social rented properties (including the re-let of PSL stock) considered as social supply.

5.72 As previously noted, the ORS housing market model identified an overall requirement for 2,335 additional dwellings over a 5-year period. By matching housing need and demand

(gross requirements) against supply it is possible to consider the overall net housing requirement for the area and the balance of this net requirement between the different housing types. The gross housing requirements and likely supply are matched by the ORS Model as detailed below:

Housing Type	Gross Housing Requirement	Housing Supply	Net Housing Requirement (Surplus)
5-YEAR REQUIREMENT			
Market	14,790	13,024	1,766
Intermediate	790	664	126
Social	2,780	2,338	442
TOTAL	**18,360**	**16,025**	**2,335**

Figure 126: Summary of 5-Year Housing Requirements by Housing Type
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note: Figures may not sum due to rounding

5.73 In summary, the ORS housing market model identifies an overall requirement for 2,335 additional dwellings over the 5-year period. When this is considered in terms of housing mix, there is a gross requirement for 14,790 market homes, 790 intermediate homes and 2,780 social homes (81%, 4% and 15% respectively) – but when the impact of housing supply likely to be vacated within the existed stock is considered, the net requirement is for 1,766 market homes, 126 intermediate homes and 442 social homes (76%, 5% and 19% respectively).

5.74 Nevertheless, the above net figures may disguise larger requirements for specific types housing that are offset by potential surpluses of other housing types within the same broad category. The impact of such issues is considered later in the section.

Comparison with Regional Spatial Strategy and Previous Housing Needs Study

5.75 The ORS housing market model identifies an overall requirement of 2,335 additional dwellings being required over the 5 year period in Suffolk Coastal. This amounts to 467 additional dwelling per annum. The Regional Spatial Strategy identifies a need for 505 additional dwellings per annum in Suffolk Coastal. The ORS housing market model identifies that 19% of all new dwelling need to be social rent while the Regional Spatial Strategy identifies that this figure should be 24% for Suffolk Coastal.

5.76 The result that the overall requirement and the need for social rent identified by the ORS housing market model is lower than that identified by the East of England Regional Spatial Strategy is consistent with other studies ORS has conducted for predominately rural authorities in the East of England. For those studies it was found that the predominately rural areas were typically not only providing for their own local requirements, but were also being expected to provide for some of the requirements of more dense urban neighbours.

5.77 In this case it is likely that not only will Suffolk Coastal be required to provide for its own requirements, but will also have to accept some of the sub-regional growth centred on Ipswich. In particular, the impact of University College Suffolk is likely to generate housing pressures in Ipswich which cannot be met within the authority and will spill over into neighbours such as Suffolk Coastal. Therefore, when taking into account not only the internal requirements of Suffolk Coastal, but also the spill-over from Ipswich it is likely that

the ORS housing market model results are consistent with the targets identified by the Regional Spatial Strategy.

5.78 The results from the ORS housing market model also identified less need for social rent dwellings than the previous housing needs study conducted on behalf of Suffolk Coastal by David Couttie Associates in 2000.

5.79 There are many factors in the modelling of the results which have lead to this difference in results. One of the key factors is that the 2000 study identified everyone on the housing waiting list as being in housing need and that the housing waiting list should be housed within 5 years leaving no-one on the waiting list. It is likely that some households on the waiting list were not in housing need and it is also unlikely that a housing waiting list could be reduced to zero without an oversupply of dwelling being available.

5.80 Another key difference between the two models is the treatment of those households who reside in the private rented sector with the help of housing benefit. The ORS housing market model assumes that housing benefit support would continue at the same level as currently, but the 2000 study based its calculations upon the elimination of all housing benefit support in the private rented sector. Therefore, the ORS housing market assumes a lower need for social rent dwellings and also a greater supply due to those in the private rented sector and claiming housing benefit support being included.

Sensitivity Testing the Outputs – Addressing the Existing Need

5.81 One of the primary advantages of the ORS Housing Market Model is the ability to sensitivity test the overall gross and net housing requirements (and the individual component flows if necessary) in order to understand the likely impact on the overall housing requirements. One of the critical assumptions is the period over which the existing need is addressed. It is important to determine a realistic period – and whilst local studies have tended to routinely adopt a five-year period, emerging guidance from ODPM suggests that a ten-year period is probably the shortest plausible timescale for consideration, which is what we have adopted for this study.

5.82 A total of 350 households were identified as existing housing need (Figure 123), but because many of these households already have a home (albeit unsuitable for their current requirements) satisfying their needs will also release a significant number of dwellings. These 350 households account for the existing need (or the "backlog") – though resolving this need will also yield a supply of 337 existing dwellings. Because of the supply of housing released as these households move, the period over which the need is addressed has little impact on the overall housing net requirement – nevertheless, the target period for addressing the existing need has an impact on the balance of different housing types required.

5.83 A summary of this impact is detailed below:

Housing Type	Years 1-5		Years 6-10	
	Net Requirement	%	Net Requirement	%
EXISTING NEED OVER 5-YEARS				
Market	1,694	72.4%	1,837	78.9%
Intermediate	154	6.6%	99	4.3%
Social	493	21.0%	393	16.9%
TOTAL	**2,342**	**100.0%**	**2,329**	**100.0%**
EXISTING NEED OVER 10-YEARS				
Market	1,766	75.6%	1,766	75.6%
Intermediate	126	5.4%	126	5.4%
Social	442	18.9%	442	18.9%
TOTAL	**2,335**	**100.0%**	**2,335**	**100.0%**

Figure 127: Impact of Addressing Existing Need over 5- and 10-Years
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note: Figures may not sum due to rounding

5.84 Reducing the period for addressing the existing need to 5-years increases the proportionate need for affordable housing to 28% (considering intermediate and social housing together) during the first 5-years of analysis.   Nevertheless, once the existing need has been addressed, this proportion reduces to only 21% of the total.   Clearly, having such a differential target could delay housing schemes from coming forward – therefore a consistent target for the full period is a more appropriate approach.

Sensitivity Testing the Outputs – Differential Migration Rates

5.85 The study considered recent migration patterns to and from the area and established a likely pattern of housing requirements on the basis of recent trends. Nevertheless, migration flows are susceptible to significant variation over time – and the following tables consider the impact on net requirement if some of these patterns were to change. Figure 128 details the impact on the net housing requirement on the basis of in-migration being either 10% higher or 10% lower than current trends.

Housing Type	Net Housing Requirement	In-migration	
		+10%	-10%
5-YEAR REQUIREMENT			
Market	1,766	2,307	1,225
Intermediate	126	203	50
Social	442	528	356
TOTAL	**2,335**	**3,038**	**1,632**

Figure 128: Impact of Increasing and Reducing In-migration by 10%
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note: Figures may not sum due to rounding

5.86 Whilst this may seem a relatively marginal adjustment, the impact on the overall output is quite marked. Should in-migration be 10% higher than current trends would suggest, the net housing requirement increases from 2,335 units to 3,038 units, a shift of over 30%. Conversely, if in-migration were to be 10% lower than currently anticipated, the 10-year net requirement reduces to only 1,632 units.
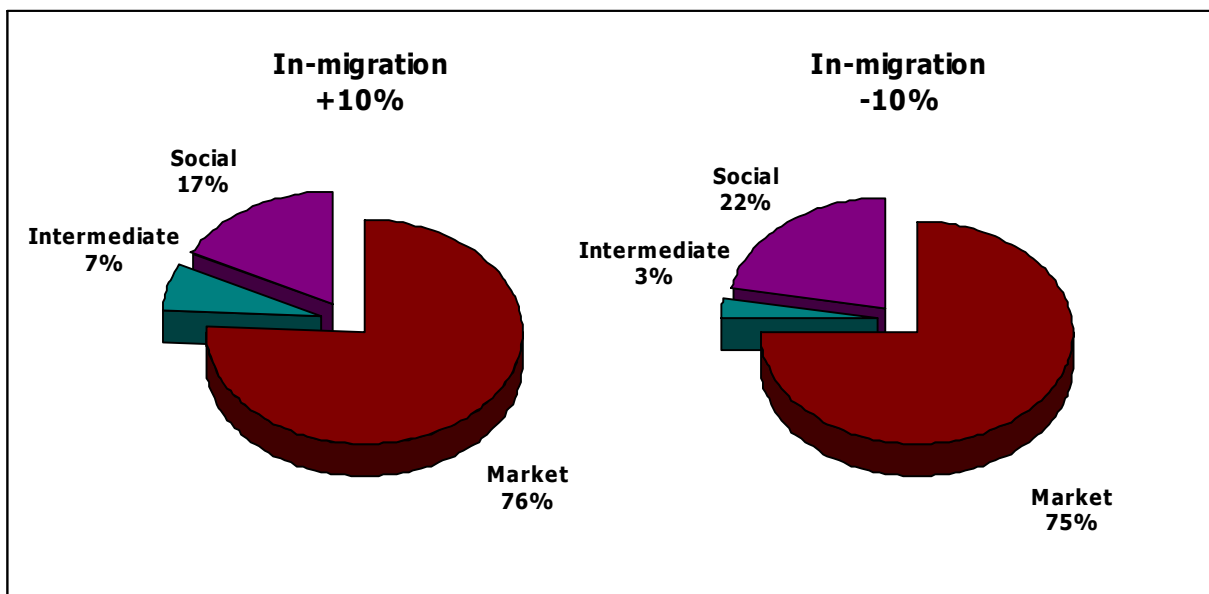
Figure 129:   Impact of Increasing and Reducing In-migration by 10%:
Proportionate Net Requirement by Housing Type
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.87 In terms of housing type, it is apparent that an increase in in-migrants yields a higher proportionate requirement for social housing, with a proportionately higher need for intermediate housing if the level reduces. This, of course, is on the basis that the nature of such migrant households remains consistent with past trends – and that any change is not biased towards any specific type of migrant.

5.88 Figure 130 details the impact of an 10% increase or decrease in the number of established households moving away from Suffolk Coastal.

Housing Type	Net Housing Requirement	Out-migration	
		+10%	-10%
5-YEAR REQUIREMENT			
Market	1,766	1,395	2,137
Intermediate	126	106	149
Social	442	386	499
TOTAL	**2,335**	**1,887**	**2,783**

Figure 130:   Impact of Increasing and Reducing Out-migration by 10%
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note: Figures may not sum due to rounding

5.89 Once again, a relatively marginal shift in the migration flow yields a significant change in the assessment of overall net housing requirement – either reducing the number of units by almost 20% to 1,887 (should outward migration be higher than projected), or alternatively increasing the required units by an equivalent 20% to 2,783 (should outward migration be lower than expected).
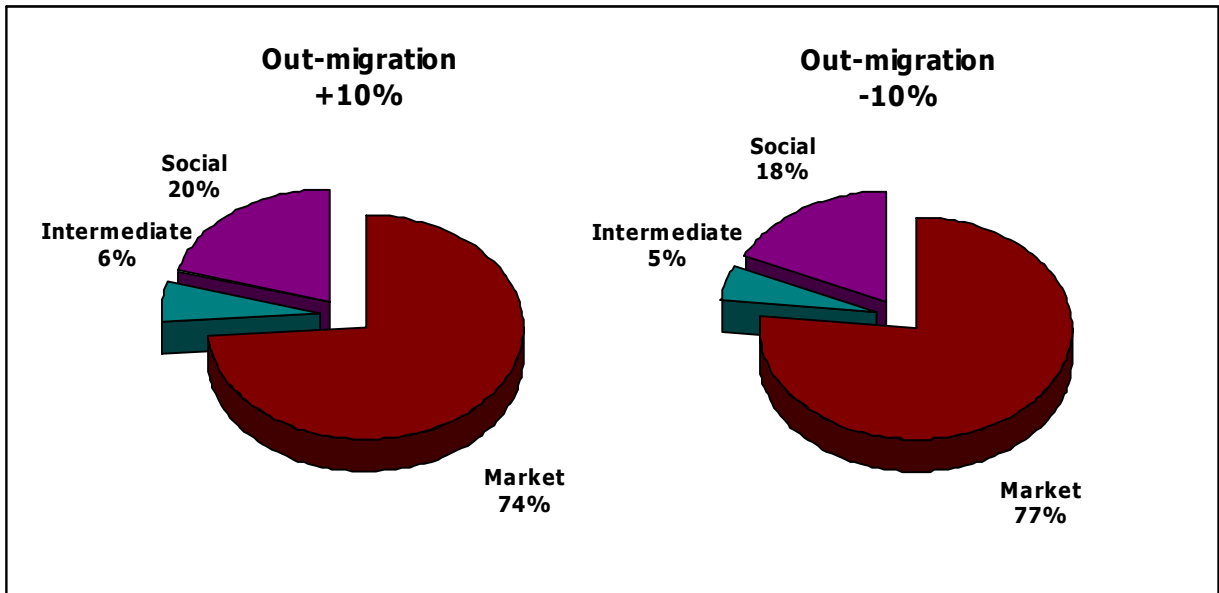
Figure 131: Impact of Increasing and Reducing UK Out-migration by 10%:
Proportionate Net Requirement by Housing Type
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.90 The impact on the housing mix is illustrated above – and it is apparent that in each scenario, the requirement for new market housing remains virtually constant with only a small shift in emphasis between intermediate and social affordable housing provision.

Breakdown of Housing Requirements by Housing Type and Size

5.91 Another significant advantage of the ORS Housing Market Model is the ability to consider the overall gross and net housing requirements (and the individual component flows if necessary) in order to detail the type, size and location of housing.

5.92 Figure 132 considers the annual demand for market housing across the area in the context of the likely supply of such housing vacated within the existing stock.
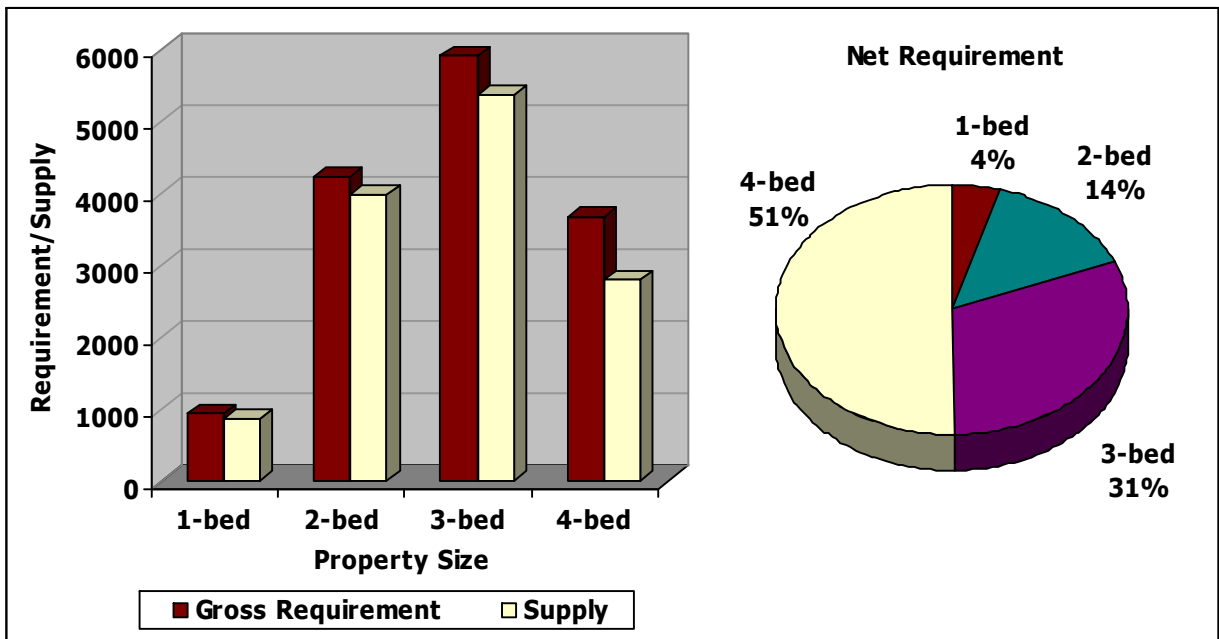
Figure 132: Market Housing Requirement (Gross and Net) by Property Size
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.93 The gross requirement is detailed in terms of the size of properties sought (where households were able to afford such homes without recourse to financial subsidy), and it is apparent that 943 one-bed homes, 4,232 two-bed homes, 5,928 three-bed dwellings and 3,687 larger properties will be required during the 5-year period.

5.94 Nevertheless, most of this requirement will be satisfied as dwellings are vacated by existing households moving. When considering the net requirement (i.e. the requirement for additional provision), a total of 78 one-bed, 252 two-bed, 550 three-bed and 885 larger market dwellings are identified (4%, 14%, 31% and 51% of the market sector total respectively).

5.95 The above size mix is based on established households securing a property of the size that they'd prefer (within the context of affordability) – but the model will also determine an appropriate mix based on the minimum sized property that households would consider acceptable (which may still be larger than they technically need based on the household needs).

5.96 The size mix based on minimum acceptable dwelling sizes in detailed in Figure 133.
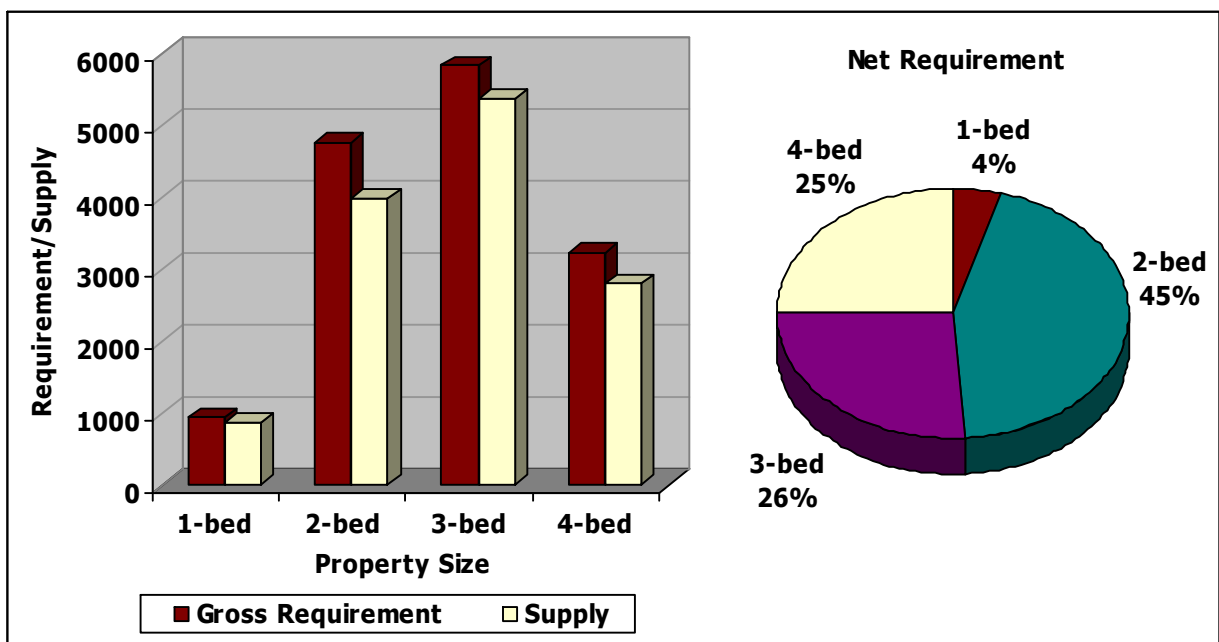
Figure 133: **Market Housing Requirement (Gross and Net) by Property Size allocating Established Households to Minimum Sized Property considered acceptable**
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.97 Whilst the requirement for 1-bed property has not changed, the net requirement for 2-bed homes has increased significantly, with net requirement for 3-bed and larger dwellings reducing accordingly.

5.98 We should note, however, that this shift is not caused by a significant number of households seeking large properties being willing to accept a 2-bed home, but is the outcome of a concatenation of changes – where households seeking 3-bed housing would accept a 2-bed home, those seeking 4-bed housing accepting a 3-bed home, and so on.

5.99 In the same way, we can consider affordable housing needs and the likely supply of such homes within the existing stock.

5.100 It is apparent that most of the gross affordable housing requirement is for smaller, one- and two-bed homes (41% and 31% respectively) – but the anticipated supply of two-bed units will more than satisfy the identified required, and it is 1-bed and 4-bed+ units that dominate the net need.
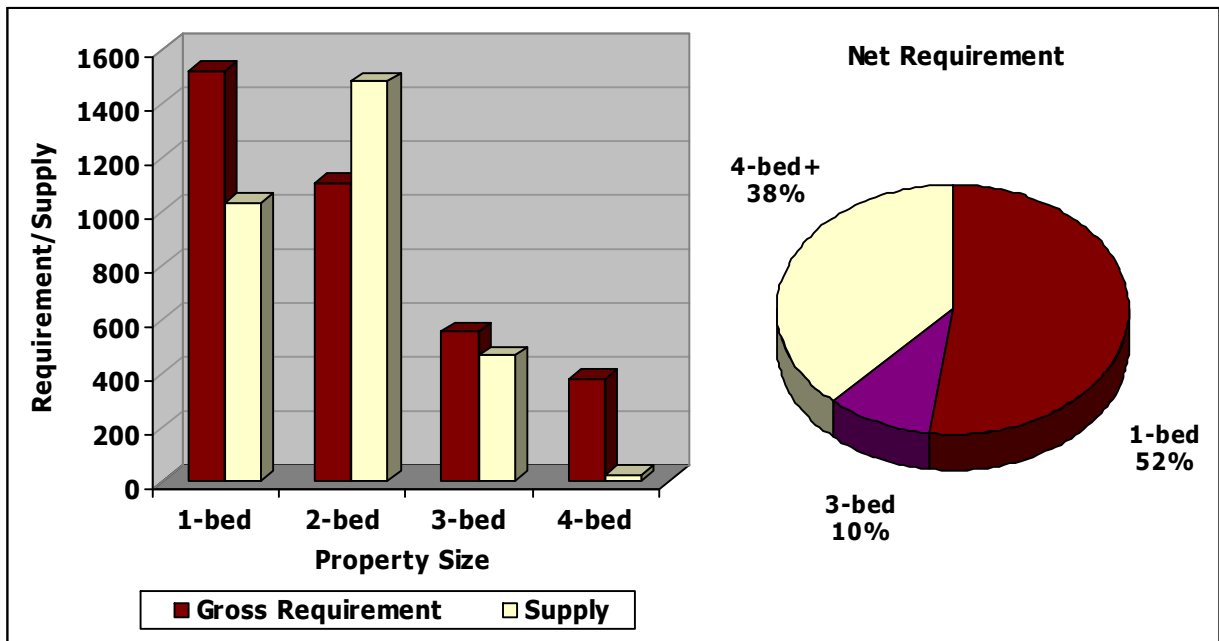
Figure 134: Affordable Housing Requirement (Gross and Net) by Property Size
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.101 Whilst the raw analysis suggests a dominant net requirement is for one-bed and 4-bed+ units, if the surplus 2-bed units were allocated to those households who may technically only require 1-bed homes (especially those households downsizing from larger units), the requirement changes as shown below.
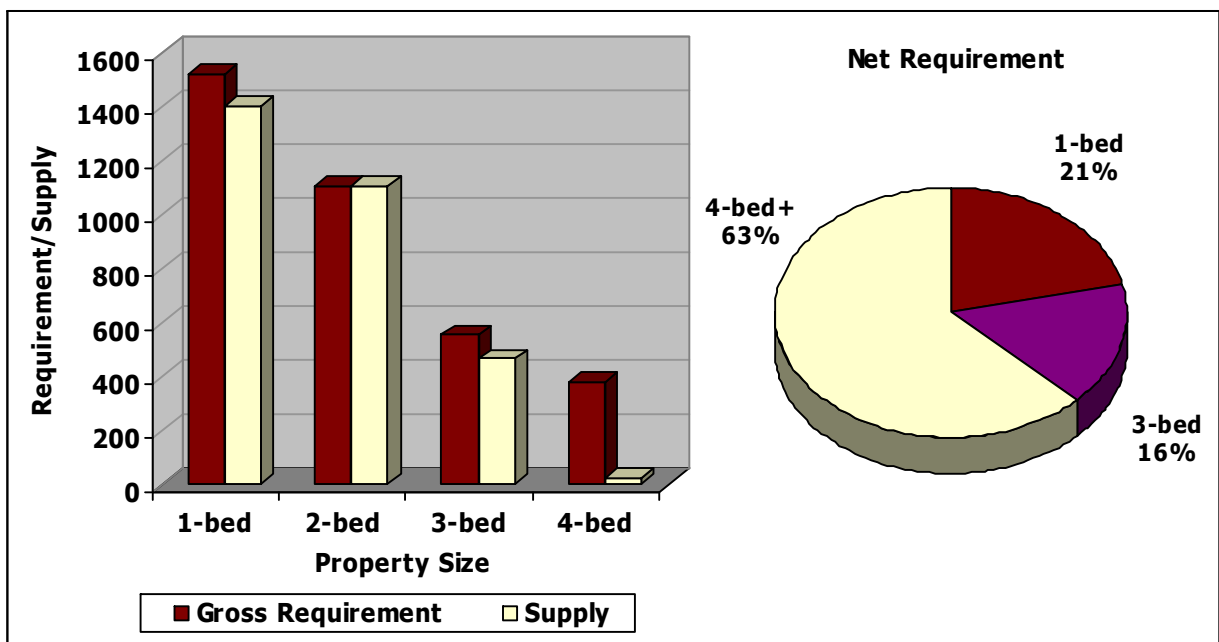
Figure 135: Intermediate Housing Requirement (Gross and Net) by Property Size
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006

5.102 Figure 136 (below) identifies both the gross and net annual requirement for housing in terms of housing type and size.

Housing Requirement	Market Housing [1]	Affordable Housing	All Sectors
Gross Requirement			
1 bedroom	943	1,524	2,467
2 bedrooms	4,765	1,110	5,875
3 bedrooms	5,840	556	6,396
4+ bedrooms	3,243	380	3,623
Total	**14,790**	**3,570**	**18,360**
Net Requirement			
1 bedroom	78	492	571
2 bedrooms	784	(372)	413
3 bedrooms	462	91	553
4+ bedrooms	441	357	799
Total	**1,766**	**569**	**2,335**
Net Requirement (Adjusted) [2]			
1 bedroom	78	121	199
2 bedrooms	784	-	784
3 bedrooms	462	91	553
4+ bedrooms	441	357	799
Total	**1,766**	**569**	**2,335**
% of All Sectors	75.6%	24.4%	100.0%

Figure 136: 5-Year Housing Requirement by Property Type and Size
Source: ORS Housing Market Model, Suffolk Coastal Local Housing Assessment 2006
Note 1: Based on established households being allocated to the minimum sized property acceptable
Note 2: Adjustment assumes apparent surplus of 2-bed affordable homes allocated to households who technically only require 1 bedroom
Note 3: Figures may not sum due to rounding

5.103 Whilst it is apparent that there are considerable gross requirements for 1-, 2- and 3-bedroom homes, the net requirement is predominantly for 2- and 4-bedroom properties and (to a lesser extent) 3-bedroom homes.

5.104 It is also worth noting that the need for additional affordable housing is biased towards larger properties, allowing overcrowded households already living in social housing to transfer, thereby providing vacancies in existing smaller affordable units.

5.105 The unconstrained demand for market housing is also biased towards larger homes – with over half of the provision in this sector required as 4-bed+ units if all established households are to be housed in their preferred sized home. Nevertheless, many such households would accept one fewer room than sought – such that the actual housing mix could be targeted at smaller 2-bed units without compromising effective demand. It should be noted, however, that very few households would be prepared to accept a 1-bed home in the market sector (though provision of 1-bed intermediate housing may be appropriate in the context of the identified need for additional 1-bed affordable housing).

Summary of Key Points

- Household affordability depends on the relationship between the cost of appropriate local housing and the amount that the household is able to afford;

- Over the seven-year period from 1999 to 2006, the average property price in Suffolk Coastal rose by 125% Much of the rise in property prices occurred prior to 2004, with average prices in falling slightly after mid 2004;

- In the second quarter of 2000, over 40% of all completed property sales were priced at less than £80,000 – this figure was below 5% of all sales in 2005. Over the same period, the number of houses selling for over £150,000 has risen from 20% of all completions to around 60% of the total;

- In the first quarter of 1999 an average house in Suffolk Coastal sold for a price which was 117.4% of the East Anglia average – so housing in the local authority was marginally more expensive than the regional average. By the end of 2005, this had fallen to 111.7% – implying that average property prices in Suffolk Coastal have become more cheaper relative to the rest of East Anglia;

- 5,193 (10.3%) of Suffolk Coastal's established households are currently living in unsuitable housing, of which 316 need to move within the area to resolve their housing problems and cannot afford to buy or rent market housing – they are in housing need;

- The ORS housing market model identifies an overall 5-year net requirement for 2,335 additional dwellings;

- The net requirement is attributable to a net gain of around 2,500 households through migration coupled with an indigenous decline of 200 households (as fewer households form than dissolve). It should be noted that the results are sensitive to changes in trend – in particular, shifts in migration patterns alter overall housing requirement;

- The balance of housing requirements is for 19% social housing, 5% intermediate and 76% market housing. This balance is determined on the basis of affordability, assuming that the relationship between house prices and income remains constant.

Appendix A:
Household & Physical Survey Technical Report

Survey Design

A.1 In partnership with the Councils, a detailed questionnaire was designed to gather the required information – including comprehensive information about individual household members both past and present.

A.2 The main sections of the questionnaire are detailed below.

- Current housing circumstances – tenure, type, size and condition of current home;

- Satisfaction with current area and local services;

- Previous homes – area, type, tenure and reasons for moving;

- Future moves – likelihood of moving, preferred tenure and likely destination;

- Household profile – age, gender, relationships, ethnicity and employment;

- Health problems, special needs and housing options for getting older;

- Changes in the household structure – persons that have recently left household and the likelihood of household members leaving the household in future;

- Financial issues – sources of income, income level, savings and debts;

- Housing costs – current costs, second homes and experiences of financial difficulties.

A.3 The physical survey form gathered a range of information about the property. The main sections of the form include:

- General characteristics – age and type of dwelling, occupancy, HMO type;

- Internal condition – internal fabric, condensation, amenity provision and condition;

- Energy efficiency – heating and hot water types, insulation levels, exposure;

- Common parts of flats – condition of fabric, faults, accessibility

- Exterior of building – dimensions, exterior element condition and age;

- Health and Safety – categorisation and scoring of hazards under the HHSRS; and

- Fitness assessment – condition summary in relation to the fitness standard.

Sampling Framework

A.4   The need for reliable data about household composition, affordability and other characteristics, such as special needs, tenure and bedroom requirements meant that a household survey (based upon detailed personal interviews in people's homes) was the most appropriate method for the study.

A.5   The study adopted a two staged fieldwork approach:

- Skilled and experienced interviewers initially administer the social survey; then

- Qualified surveyors return for the internal and external inspection of the property.

A.6   The approach recognises that few stock condition surveyors are qualified to undertake detailed social research interviews and few social interviewers are qualified to undertake detailed house condition surveys, which is why it is the way in which the English House Condition Survey (EHCS) operates. It is the only way of guaranteeing good quality detailed interviews and survey information.

A.7   Providing surveys are conducted with rigorous sampling and fieldwork standards to ensure a good approximation to a random survey, surveys can achieve very accurate results with quite moderate sized samples. However, it is not often understood that only proper random samples can be certified as more or less accurate at determinate confidence levels. The fieldwork for the Suffolk Coastal Study involved a household survey of a random and representative sample of 1,500 households and a physical survey of 1,000 properties across the district.

A.8   The population base for selecting the required sample was the Valuation Office Agency register of domestic hereditaments, the basis of local authority Council Tax Registers. This dataset has several advantages over the Postal Address File (PAF), including:

- The PAF is known to include c.5% of "deadwood" – where the addresses concerned either no longer exist (in the case of undetected deletions) or have yet to be built (in the case of premature additions). The Valuation List is actively maintained ensuring that additions and deletions are quickly and accurately amended.

- The PAF is a register of Royal Mail small users (i.e. those addresses that only receive small volumes of mail each week), and whereas the majority of such users are domestic homes they also include some small business and other non-residential addresses. The Valuation List explicitly identifies domestic properties thereby avoiding such rogue addresses entering the sample.

A.9   A simple random sample was used, with each dwelling having an equal chance of selection that would not be influenced by any previous selection, with the exception of prohibiting the selection of the same dwelling on more than one occasion.

A.10 In order to achieve 1,500 household surveys, an initial sample of 2,150 dwellings was selected in each area – which would yield a response rate of c.70% before adjustment. A further 250 dwellings were selected as a reserve sample, should the level of refusal and non-contact require additional addresses to be approached. A total of 189 reserve addresses were issues, bringing the total sample to 2,339 dwellings.

Fieldwork Procedures

A.11 Only experienced fieldwork staff that had previously worked on housing requirement studies with ORS undertook the interviews, and their work was carefully monitored on a day-by-day basis. Only householders or their partners were accepted as respondents, and they were interviewed in depth about their current and potential housing needs.

A.12 In order to achieve the required social and physical surveys a total of 2,339 randomly selected addresses were approached between March and early May 2006 and a total of 1,517 interviews were achieved. Primary target addresses were visited on at least four occasions, at different times, and on different days before being considered a non-contact. Over two-fifths of the interviews (41.7%) were achieved outside normal working hours.
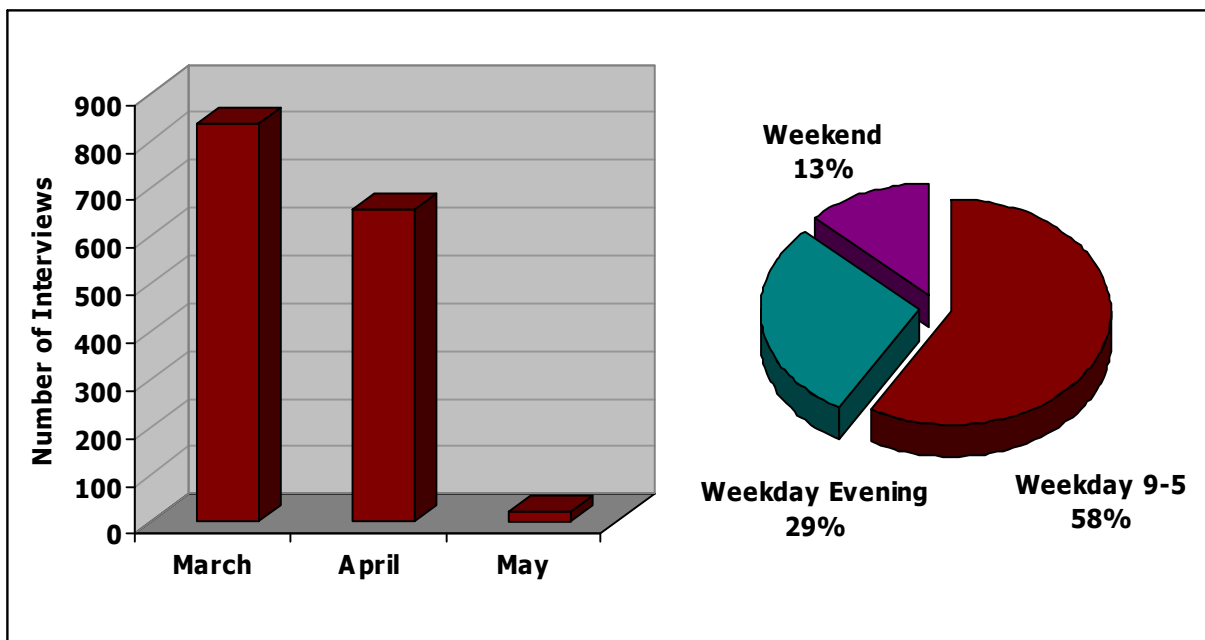
Figure 137:   Number of Achieved Interviews by Interview Month and Time of Day
Source: Suffolk Coastal Household & Physical Survey 2005-06

A.13 Of the 2,339 addresses called on, 64.9% yielded a successful interview – though this increases to 69.1% when invalid addresses are discounted from the base sample. The remainder of the calls were as follows:

Interview Outcome	Number of Addresses Approached	% of Addresses Approached	% of Qualifying Households Approached
Household Interviewed			
Successful interview	1,517	64.9%	69.1%
Household Not Interviewed			
Refused to be interviewed	486	20.8%	22.1%
Not contactable	192	8.2%	8.7%
No Household Resident			
Property empty	101	4.3%	-
Property used for holiday lets	15	0.6%	
Non-residential or business only property	10	0.4%	-
Demolished or otherwise untraceable	18	0.8%	-
GRAND TOTAL	**2,339**	**100.0%**	**100.0%**

Figure 138: Summary of Interview Outcomes
Source: Suffolk Coastal Household & Physical Survey 2006
Note: Figures may not sum due to rounding

A.14 Emerging ODPM Guidance emphasises the importance of high response rates, and identifies an acceptable range of 60-80% (wider than the 67-75% identified in the earlier DETR Guidance). The achieved response rate of 69.1% clearly sits comfortably within this range.

Response Bias

A.15 The confidence limits described above consider only the probability of errors arising in the figures from chance, and do not take account of other potentially more systematic errors arising from sample bias – that is, where some households are more likely to participate in the study than others.

A.16 As previously noted, interviews were achieved at 64.9% of all addresses approached – but this rate varied for different types of properties approached as detailed below.
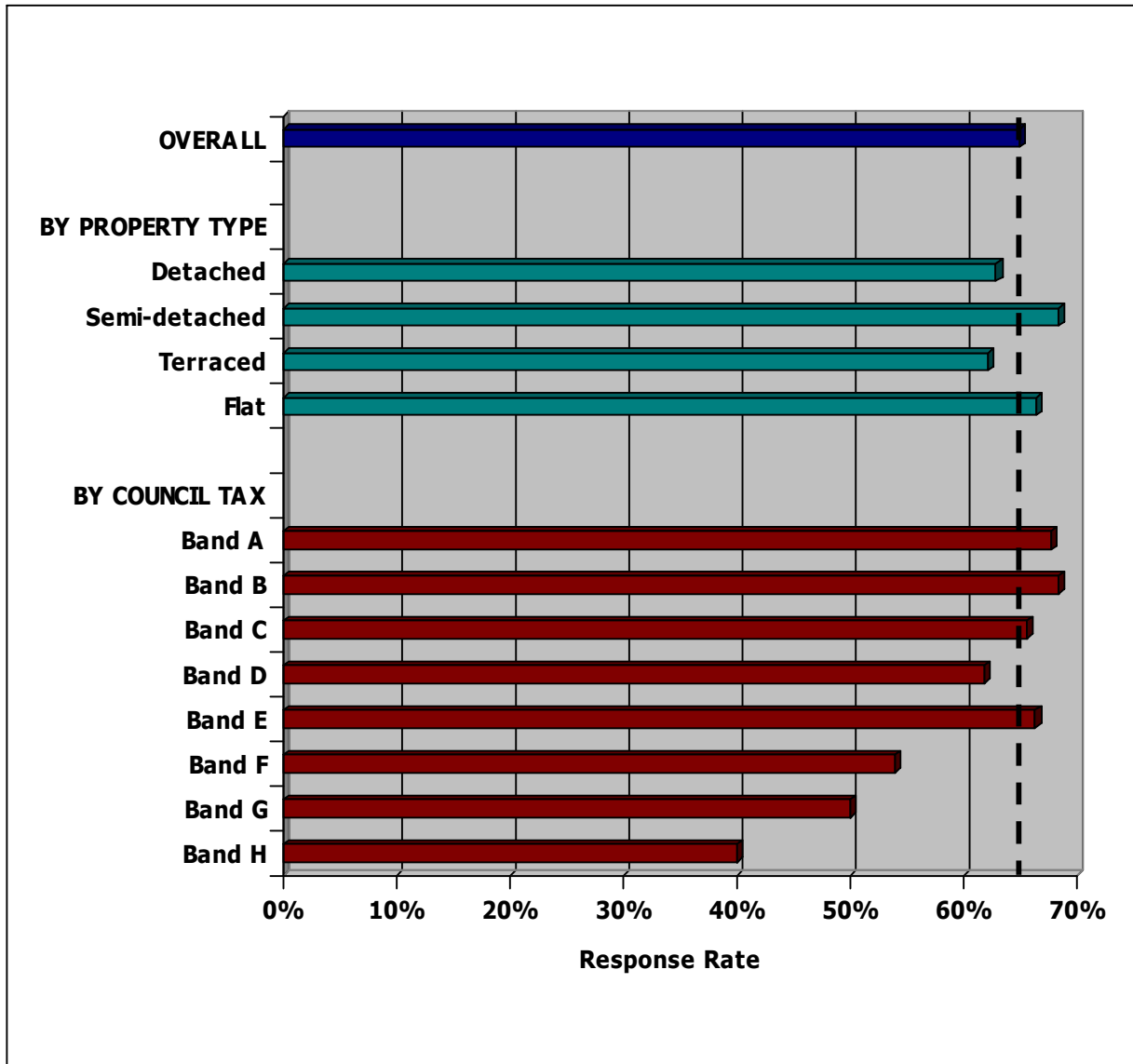
Figure 139: Response Rate by Property Type and Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006

A.17 In the same way, we are also able to consider response rates for individual wards across the district as illustrated in **Error! Reference source not found.** (overleaf). Whilst there was more variation in response rates across the different wards, the impact of the differential response rate is properly adjusted for to avoid any impact upon the results.
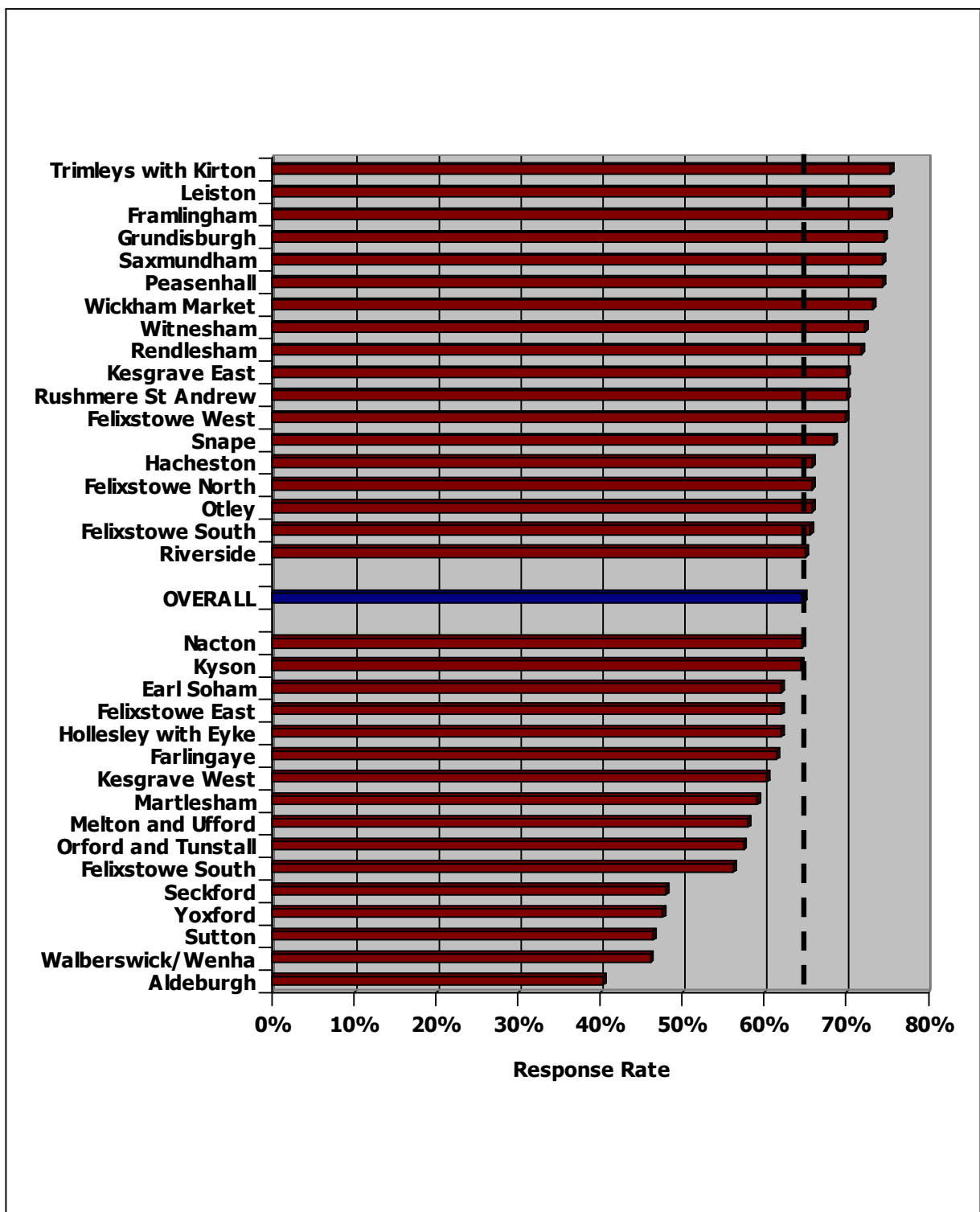
Figure 140: Response Rate by Property Type and Council Tax Band
Source: Suffolk Coastal Household & Physical Survey 2006

A.18 To compensate for these differential response rates, a statistical weight was derived for each case on the basis of property type, council tax band and location.

A.19 Whilst it isn't possible to identify further response bias in this way (insofar as no information is available about the households that were not interviewed), it is important to critically consider the profile of the achieved interviews against existing secondary data sources.

Statistical Confidence

A.20 A random sample should be representative of its population to within specified statistical limits, and (as previously noted) the Suffolk Coastal Local Housing Assessment achieved 1,517 personal interviews with households randomly selected throughout the area. The analysis for such a sample should represent the entire population of households to within ±2.5% points at the 95% level confidence – that is, if all households in the Suffolk Coastal district were interviewed, 19 times out of 20 the results would not differ by more than 2.5% points from the results for the sample.

A.21 Such error margins and levels of confidence are linked. Whilst we can be 95% confident that the overall sample is accurate to within ±2.5% points, we are confident that 4 times out of 5 the results will actually be within ±1.6% points. A further factor that influences the error margin is the split in opinion. If the result for a specific question is significantly biased to one response (e.g. if 95% of the sample stated Option A whilst only 5% stated Option B) the results will be subject to a smaller error than if there was less consensus (i.e. where both Option A and Option B are represented more equally). Whilst the achieved sample is always accurate to within ±2.5% points (based on the worse case scenario of a 50:50 split in opinion), the error margin reduces to ±1.1% points when at least 95% of respondents opt for the same option.

A.22 The level of accuracy and impact of changes in the opinion split are illustrated below, though most social research projects adopt a confidence level of 95% when reporting their findings.

Confidence Level	Opinion Split				
	50:50	75:25	90:10	95:5	99:1
MARGIN OF ERROR ±					
80% (4 times out of 5)	1.6%	1.4%	1.0%	0.7%	0.3%
90% (9 times out of 10)	2.1%	1.8%	1.3%	0.9%	0.4%
95% (19 times out of 20)	2.5%	2.2%	1.5%	1.1%	0.5%
99% (99 times out of 100)	3.3%	2.9%	2.0%	1.4%	0.7%

Figure 141: Differential Error Margins by Confidence Level and Opinion Split

A.23 Of course, the above table is based on results for the entire population. When results for individual sub-groups are considered, the error margins will increase – but to what extent will depend on the number of achieved interviews within the sub-group, as detailed below.

% of Overall Sample in Sub-sample	Opinion Split				
	50:50	75:25	90:10	95:5	99:1
MARGIN OF ERROR ± @ 95% Confidence Level					
75% of sample (1,138 cases)	2.9%	2.5%	1.7%	1.3%	0.6%
50% of sample (759 cases)	3.6%	3.1%	2.1%	1.6%	0.7%
25% of sample (379 cases)	5.0%	4.4%	3.0%	2.2%	1.0%
10% of sample (152 cases)	8.0%	6.9%	4.8%	3.5%	1.6%
5% of sample (76 cases)	11.2%	9.7%	6.7%	4.9%	2.2%

Figure 142: Differential Error Margins by Sub-Sample Size and Opinion Split

A.24 Finally, Figure 143 (below) summarises the accuracy of information from both the household survey and physical survey for each of the four Housing Market Areas identified for the study.

Sub Area	MARGIN OF ERROR ± @ 95% Confidence Level					
	Achieved Interviews	Opinion Split		Achieved Surveys	Characteristic Split	
		50:50	90:10		50:50	90:10
Housing Market Area						
Ipswich HMA	307	5.6%	3.4%	193	7.0%	4.2%
Felixstowe HMA	448	4.6%	2.8%	281	5.8%	3.5%
Woodbridge HMA	341	5.3%	3.2%	306	5.6%	3.3%
North HMA	421	4.8%	2.9%	236	6.3%	3.8%
Suffolk Coastal District	**1,517**	**2.5%**	**1.5%**	**1016**	**3.0%**	**1.8%**

Figure 143: Differential Error Margins for Household & Physical Surveys by Housing Market Area and Opinion Split

Source: Suffolk Coastal Household & Physical Survey 2006

Appendix B:
Definition of a Non Decent Home

Measure of a Decent Home

B.1 A dwelling is defined as non decent if it fails any one of the following 4 criteria:

A. It meets the current statutory minimum standard for housing – contains no category 1 hazards under the HHSRS (replacing the minimum of unfit dwellings in April 2006);

B. It is in a reasonable state of repair – has to have no old and defective major elements (described in more detail below);

C. It has reasonably modern facilities and services – adequate bathroom, kitchen, common areas of flats and is not subject to undue noise; and

D. Provides a reasonable degree of thermal comfort.

B.2 Each of these criteria has a sub-set of criteria, which are used to define such things as 'providing a reasonable degree of thermal comfort'. The exact details of these requirements are covered in the aforementioned DLTR circular.

Applying the Standard

B.3 The standard is specifically designed in order to be compatible with the kind of information collected as standard during a House Condition Survey (HCS). All of the variables required to calculate the standard are contained within a complete data set.

B.4 The four criteria used to determine the decent homes standard have specific parameters. The variables from the survey used for the criteria are described below:

Criterion A:

B.5 Criterion A is simply determined as whether or not a dwelling fails the current minimum standard for housing. This is now based on whether the dwelling has a category 1 hazard under the Housing Health and Safety Rating System, with any dwelling having a category 1 hazard deemed to have failed the Decent Homes Standard on criterion A. The following gives a breakdown of the definition of both category 1 hazards and unfitness.

Definition of unfit dwellings

B.6 A dwelling is deemed to be unfit for human habitation if it does not comply with the Housing Fitness Standard, as defined in the Housing Act 1985. The standard is a 'whole house' standard. As surveyor notes defects when the dwelling is inspected, and then makes a judgment regarding the fitness of the dwelling, based upon this accumulated information.

B.7 A dwelling is unfit if it fails to meet one or more of one of 11 different requirements and by reason of the failure is not reasonably suitable for occupation. The 11 criteria are as follows:-

- Structural Stability

- Disrepair

- Dampness

- Ventilation

- Heating

- Lighting

- Water Supply

- Food preparation

- WC

- Bath/Shower/WHB

- Drainage

Definition of Hazards under the HHSRS and Category level

B.8 It is intended to be a replacement for the fitness standard and is a prescribed method of assessing individual hazards, rather than a conventional standard to give a judgment of fit or unfit. The HHSRS is evidence based – national statistics on the health impacts of hazards encountered in the home are used as a basis for assessing individual hazards.

B.9 After the trial, the system for collecting hazard information was subsequently reviewed, along with the underlying statistics, and a new, second version produced. Guidance on Version 2 of the HHSRS was subsequently published in November 2004 and it is Version 2 that will brought into force in April 2006 by statutory instruments made under the Housing Act 2004. The results from this survey will give an indication of likely future problems and will provide a useful comparative tool.

B.10 The new system deals with a much broader range of issues than the previous fitness standard. It covers a total of 29 hazards in four main groups:

- *Physiological Requirements* (e.g. damp & mould growth, excess cold, asbestos, carbon monoxide, radon, etc)

- *Psychological Requirements* (crowding and space, entry by intruders, lighting, noise)

- *Protection Against Infection* (domestic hygiene, food safety, personal hygiene, water supply)

- *Protection Against Accidents* (e.g. falls on the level, on stairs and steps and between levels, electrical hazards, fire, collision, etc)

B.11 The HHSRS scoring system combines the probability that deficiency (i.e. a fault in a dwelling (whether due to disrepair or a design fault) will lead to a harmful occurrence (e.g. an accident or illness) will occur, with the spread of likely outcomes. If an accident is very likely to occur and the outcome is likely to be extreme or severe (e.g. death or a major or fatal injury) then the score will be very high.

B.12 The approach adopted for this survey mirrors the EHCS 2001 methodology whereby the most common 7 hazards are examined. These are:

- Falls associated with stairs and steps

- Falls on the level

- Falls between levels

- Fire

- Hot surfaces & materials,

- Damp & mould growth

- Excessive cold

B.13 The surveyor records the first five of these hazards during the inspection. The remaining two hazards (excessive cold and damp & mould growth) are modelled, based on the energy data, damp and condensation information collected. In practice, the great majority of hazards found are one of these seven types.

B.14 All dwellings contain certain aspects that can be perceived as potential hazardous, such as staircases and steps, heating appliances, electrical installation, glass, combustible materials, etc. It is when disrepair or inherent defective design makes an element of a dwelling significant more likely to cause a harmful occurrence that that it is scored under the HHSRS.

B.15 The exact scores generated under the HHSRS can be banded into one of ten bands from A to J, with bands A to C being further defined as category 1 hazards and those in bands D to J as category 2. The threshold score for a Category 1 hazard is 1,000.

B.16 As stated earlier, a Local Authority has a duty to deal with any Category 1 hazards found, and a discretionary power to deal with Category 2 hazards. This survey focuses particularly on category 1 hazard, but describes all hazards, including category 2, for comparative purposes.

Criterion B:

B.17 Criterion B falls into 2 parts: firstly, if any one of a number of key major building elements is both in need of replacement and old, then the dwelling is automatically non decent. Secondly, if any two of a number of key minor building elements are in need of replacement and old, then the dwelling is automatically non-decent. The elements in question are as follows:

Building Element	Age to be Considered Old	
	Houses	Flats
Major Elements (1 or more)		
Major Walls (Repair/Replace >10%)	80	80
Roofs (Replace 50% or more)	50	30
Chimney (1 or more needing partial rebuild)	50	50
Windows (Replace 2 or more windows)	40	30
Doors (Replace 1 or more doors)	40	30
Gas Boiler (Major Repair)	15	15
Gas Fire (Major Repair)	10	10
Electrics (Major Repair)	30	30
Minor Elements (2 or more)		
Kitchen (Major repair or replace 3+ items)	30	30
Bathroom (Replace 2+ items)	40	40
Central heating distribution (Major Repair)	40	40
Other heating (Major Repair)	30	30

Figure 144:   Age of Major and Minor Building Elements to be Considered Old
Source: A Decent Home – the definition and guidance for implementation ODPM 2004

Criterion C:

B.18 Criterion C requires the dwelling to have reasonably modern facilities. These are classified as the following:

Amenity	Defined as
Reasonably modern kitchen	Less than 20 yrs
Kitchen with adequate space and layout	If too small or missing facilities
Reasonably modern bathroom	Less than 30 yrs
An appropriately located bathroom and W.C.	If unsuitably located etc.
Adequate noise insulation	Where external noise a problem
Adequate size and layout of common parts	Flats

Figure 145:   Age Categories for Amenities
Source: A Decent Home – the definition and guidance for implementation ODPM 2004

B.19 You may notice that the age definition for kitchens and bathrooms differs from criterion B. This is because it was determined that a decent kitchen, for example, should generally be less than 20 years old but may have the odd item older than this. The same idea applies for bathrooms.

Criterion D:

B.20 The dwelling should provide an adequate degree of thermal comfort. It is currently taken that a dwelling, which is in fuel poverty, is considered to be non-decent. A dwelling is in fuel poverty if the occupiers spend more than 10% of their net income (after Tax, N.I and housing cost e.g. mortgage or rent) on heating and hot water.

B.21 A number of Local Authorities criticised this approach, as it requires a fully calculated SAP for each dwelling that is being examined. Whilst this is fine for a general statistical approach, such as this study, it does cause problems at the individual dwelling level for determining course of action.

B.22 The alternative, laid out in the new guidance, is to examine a dwelling's heating systems and insulation types. The following is an extract from the new guidance:

B.23 The revised definition requires a dwelling to have both:

- Efficient heating; and

- Effective insulation

B.24 Efficient heating is defined as any gas or oil programmable central heating or electric storage heaters or programmable LPG/solid fuel central heating or similarly efficient heating systems, which are developed in the future. Heating sources, which provide less efficient options, fail the decent homes standard.

B.25 Because of the differences in efficiency between gas/oil heating systems and other heating systems listed, the level of insulation that is appropriate also differs:

- **For dwellings with gas/oil programmable heating**, cavity wall insulation (if there are cavity walls that can be insulated effectively) or at least 50mm loft insulation (if there is loft space) is an effective package of insulation;

- **For dwellings heated by electric storage radiators/LPG/programmable solid fuel central heating** a higher specification of insulation is required: at least 200mm of loft insulation (if there is a loft) and cavity wall insulation (if there are cavities that can be insulated effectively).

B.26 For the purposes of this study the above definition will be used in calculating the proportion of dwellings that are considered non-decent.

Appendix C:
Identifying Unsuitably Housed Households

Introduction

C.1 Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance (Bramley & Pawson, 2000). Therefore, to identify existing housing need we must first consider the adequacy and suitability of households' current housing circumstances.

C.2 A classification of unsuitable housing, adapted from Parker and Stirling (1995): "Seen to be Fair: a guide to allocations", was presented by Bramley and Pawson (2000) in the DETR publication "Local Housing Needs Assessment: A Guide to Good Practice". The classification is sub-divided into four main categories, with a total of sixteen sub-divisions as detailed below.

Main Category	Sub-divisions
1. Homeless or with insecure tenure	i. under notice, real threat of notice, or lease coming to an end ii. living in temporary accommodation (e.g. hostel, B&B, with friends or relatives) iii. accommodation too expensive
2. Mismatch of household and dwelling	iv. overcrowded v. house too large (difficult to maintain) vi. households with children living in high flats or maisonettes vii. sharing a kitchen, bathroom or WC with another household viii. household containing person with mobility impairment or other special needs living in unsuitable dwelling (e.g. accessed via steps or containing stairs)
3. Dwelling amenities and condition	ix. lacks a separate bathroom, kitchen or inside WC x. subject to major disrepair or unfitness
4. Social requirements	xi. harassment or threats of harassment from neighbours or others living in the vicinity xii. relationship breakdown xiii. family unable to live together because of lack of accommodation xiv. need to give or receive support including living closer to family/friends xv. need to live closer to employment and/or other essential facilities xvi. want to live independently

Figure 146: Classification of Unsuitable Housing
Source: Bramley & Pawson, 2000

C.3   Most of the identified sub-divisions concern established households and several may cause a household to need to move from one property to another, though many will not necessarily need to move if appropriate changes are made to their existing home.

C.4   Even where a move is deemed necessary, facilitating households to relocate from one property to another will not inherently require additional homes to be provided because, whilst the characteristics of such dwellings may differ, the overall number of homes will remain the same. Nevertheless, to satisfy the needs of all households, it may be necessary to provide some additional housing with particular characteristics leaving an equivalent number of dwellings (with different characteristics) available to meet housing needs and demands from elsewhere in the market.

C.5   Whilst the majority of sub-divisions concerning established households may not contribute directly to the additional housing requirement, households who are currently in temporary housing (group ii) and a number of sub-divisions of the social requirements category may each require additional housing provision.

Established Households in Unsuitable Housing

C.6   Figure 146 established four main categories for identifying unsuitable housing, each with a number of sub-divisions. Whilst some of the indicators related to households currently lacking their own housing, the majority considered the circumstances of existing households.

C.7   Information on a wide range of housing issues was collated by the Household Survey, and by drawing on information gathered throughout the questionnaire we are able to rigorously identify whether or not households' current homes are suitable for their needs. Whilst the assessment of housing suitability is based on responses to questions within the survey, many of the indicators are assessed relatively objectively on the basis of answers provided to factual questions. This is a far more sophisticated approach than relying on households identifying themselves with one or more problems selected from a "shopping list" of possibilities, and avoids households associating themselves with issues on the basis of interviewer prompts.

C.8   Objective assessments (based upon factual information) can clearly be used in assessing issues such as households' lack of facilities. Where, for example, respondents are asked whether they have an inside WC or not. Such a factual yes/no response clearly leads to an objective assessment of the criteria.

C.9   The measure of overcrowding and under-occupancy is also calculated objectively. The number of rooms required by a household is assessed through analysing the household profile against an agreed "bedroom & living room standard". This requirement is then set against the number of rooms available in the home. The bedroom standard used for the Redbridge study is similar as follows. It provides one bedroom for each of the following groups or individuals:

- Each adult couple;

- Each remaining adult (aged 18 or over);

- Each pair of children of the same gender;

- Each pair of children aged 10 or under;

- Each remaining child that has not been paired.

C.10 The number of rooms required is then set against the number of bedrooms in the current home, to determine the level of overcrowding or under-occupation.

C.11 A similar (though less complicated) assessment is used to identify children living in high rise flats – where the presence of children within the household is compared with the floor on which the household lives to determine whether or not the combination is acceptable.

C.12 Where it is not possible to identify problems in an objective manner, subjective responses from the survey have been used. Nevertheless, these are largely responses provided in an unprompted manner to more general, open-ended questions. This avoids any bias being introduced by the interviewing process.

C.13 A summary of the categories used to assess housing suitability from the Redbridge Household Survey data is detailed below:

Categories	Survey Analysis
1. Homeless or with Insecure Tenure	
Tenancy under notice, real threat of notice or lease coming to an end	Household wanting/having/needing to move because of end of tenancy, eviction, repossession or otherwise forced to move Or Landlord or mortgagor taking action to repossess the property or evict them because of arrears
Accommodation too expensive	Household currently in rent or mortgage arrears and currently finding housing costs extremely difficult to manage
2. Mismatch of Household and Dwelling	
Overcrowding	Size and composition of household used to assess number of bedrooms required; compared with Number of current bedrooms
Households having to share a kitchen, bathroom, washbasin or WC with another household	Household with children/pensioners; and Living in multiple occupancy dwelling; and Sharing at least one basic facility
Home too difficult to maintain	Someone in household has long-term illness and difficulty maintaining the garden; or Someone in the household has long-term illness and has problems maintaining the home
Children living in high-rise flats	Household with children aged under 16; and Living in a flat above 4th floor
Households with support needs	Someone in the household has long-term illness and has problems general mobility in the home, climbing stairs in/to the home or access to toilet facilities because of the homes layout; or Someone in the household has long-term illness and has problems with bathing or showering or preparing food because of the homes layout; or Need a carer to stay permanently or overnight and don't have space for them; or Need to move to supported housing, residential home, nursing home or hospital; or Household wanting/having/needing to move to receive care from a friend or relative

Continued…

Categories	Survey Analysis
3. Dwelling Amenities and Condition	
Dwelling Amenities and Conditions	Household having no bathroom or shower-room; or
	Household having no inside WC; or
	Household having no kitchen; or
	Household having no washbasin with running hot water; or
	Household having no heating in the home; or
	Household relying exclusively on portable fires or heaters; or
	Household experiencing serious problems (as opposed to only experiencing problems) with interior or exterior structural repairs, roof repairs or rising damp; or
	Household experiencing serious problems (as opposed to only experiencing problems) with two or more of the following:
	- Damp penetration or condensation
	- Window repairs
	- Electrical or wiring repairs
	- Gas supply or appliances
	- Heating or plumbing
	- Drainage problems
	- Repairs to gutters or down pipes
4. Social Requirements	
Harassment	Household wanting/having/needing to move because of racial or other harassment problems
Need to live closer to essential facilities	Household wanting/having/needing to move to live closer to hospital/doctor
Family reasons	Household wanting/having/needing to move because of separation from partner, to join other household members or to give care to a friend or relative

Figure 147:   Classification of Unsuitable Housing

C.14 Households are classified as being unsuitably housed if one or more of the above factors are found to apply. The households identified are considered to be living in unsuitable housing regardless of the number of problems that are identified. This avoids potential double counting.

C.15 Although local authorities typically use points systems to score and prioritise overall needs, our analysis does not use artificial calculations to score the relative unsuitability of housing. After all, to say that some homes are more unsuitable than others does not mean that the households in the latter are not in need.

Table of Figures

Glossary of Terms

Key Terms and Definitions

Affordable housing: is housing of an adequate standard which is cheaper than the housing generally available in the local housing market. This can comprise a combination of subsidised rented housing, subsidised low cost home ownership (LCHO) including shared ownership, and in some market situations cheap housing for sale. Local planning policies can provide for the provision of appropriate quantities of affordable housing in this sense.

Bedroom standard: objective measure of occupation density. A standard number of bedrooms was allocated to each household depending upon the household composition.

Debts: exclude any mortgage/house loan, but include debts on credit cards, hire purchase etc.

Equity: is the difference between the selling price of a house and the value of the outstanding mortgage.

Hidden households: include anyone who lives as part of a household who are likely to leave to establish independent accommodation during the next two years.

Household income: includes all salaries, benefits and pensions – before deductions such as tax and National Insurance.

Household: One person living alone, or a group of people (not necessarily related) living at the same address with common housekeeping – that is, they normally share at least one meal per day and the housekeeping costs. Any students or schoolchildren that normally live there should be included as part of the household, even if they are currently away at school, college or university.

Housing demand: is the quantity of housing, of the type and quality, that households both want and can afford to buy or rent in the open market without subsidy. In other words, housing demand takes account of both preference and the ability to pay.

Housing market area: is the geographical area in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay.

Housing need: is the quantity of housing, of the type and quality, necessary to house those households currently lacking their own housing, or living in housing which is unsuitable or inadequate, and who cannot afford to buy or rent suitable housing in the open market. In other words, housing need takes account of those without adequate housing who are unable to resolve their situation without assistance.

Housing requirements: encompasses both housing demand and housing need, and is therefore the quantity of housing necessary for all households to have access to suitable housing, irrespective of their ability to pay. In other words, it is the amount of housing necessary to accommodate the population at appropriate minimum standards.

Intermediate housing: is housing which is below market rents, but above social rent rates. This can include low cost ownership and Key Worker schemes.

Key Worker: is someone whose services are essential to the development and sustainability of the local community – normally by virtue of their employment in essential services (such as police and emergency services; social services, health and personal care; or education).

Low cost home ownership or shared ownership: is designed to help people who wish to buy their own home, but cannot afford to buy outright (with a mortgage). Through this type of scheme you buy a share in the property with a Housing Association or other organisation.

Market Housing: is housing which sells, or is rented, for its full market price.

McClement equivalence scale:. is used to adjust gross household incomes on the basis of the household structure to recognise the impact of each household member upon the cost of living.

New build Homebuy: is a low cost home ownership scheme where the householders part buy a property and pay rent on the remaining share

Older person household: is any household containing a member who is aged over 60 years where no member is aged less than 50 years.

Open market Homebuy: is a low cost home ownership scheme where the householders part buy a property and get an interest free loan from a housing association which is repaid as an equity stake when the house is sold

Output area: is the smallest area for which UK Census of Population statistics are produced. An output area usually comprises 100-200 households.

Sub-region: is a set of local authorities which interact closely with each other. The local authorities may all be in one region, or they may spread across two or more regions

Social housing: is housing of an adequate standard which is provided to rent (or on a shared ownership basis) at below market cost for households in need by Local Authorities or Registered Social Landlords (RSLs) operating on a basis of accepted and regulated standards of good practice in relation to physical conditions, management, allocation, equal opportunities, and accountability to tenants and other stakeholders.

Special needs: people currently living as part of the household who suffer from any long-term illness, health problem, mental health problem or disability, including problems associated with old age, which limit their daily activities or affect their housing requirements.

Transactional vacancies: it is necessary for a proportion of the housing stock to be empty at any point in time to enable people to move within the housing market. Transactional vacancies also include properties that are empty while undergoing repairs and improvement, but are brought back into use quickly and without intervention.

Acronyms and Initials

ASHE	Annual Survey of Hours and Earnings
BME	Black and Minority Ethnic
BRE	Building Research Establishment
CLASSIC	Comprehensive Local authority Stock Survey Information Collation
COA	Census Output Area
CORE	Continuous Recording
CRE	Commission for Racial Equality
DDA	Disability Discrimination Act
DETR	Department of the Environment, Transport and the Regions
DOE	Department of the Environment
DWP	Department of Work and Pensions
EHCS	English House Condition Survey
HA	Housing Association
HA	Housing Association
HCS	House Condition Survey
HECA	Home Energy Conservation Act
HIP	Housing Strategies and Investment Programmes
HMA	Housing Market Area
HMO	Houses in Multiple Occupation
HSMS	House Stock Modelling Service
HSOP	Housing Strategy and Operational Plan
LA	Local Authority
LCHO	Low Cost Home Ownership
NES	New Earnings Survey
NHSCR	National Health Service Central Patient Register
NS-SeC	National Statistics Socio-economic Classifications
ODPM	Office of the Deputy Prime Minister

ONS   Office for National Statistics

ORS   Opinion Research Services

PAF   Postcode Address File

PPG   Planning Policy Guidance note

PPS   Professional Partnership Services

PSA   Public Service Agreement

RSL   Registered Social Landlord

PSL   Private Sector Leased

RSS   Regional Spatial Strategy

RTB   Right to Buy

SAP   Standard Assessment Procedure

SCDC   Suffolk Coastal District Council

UDP   Unitary Development Plan