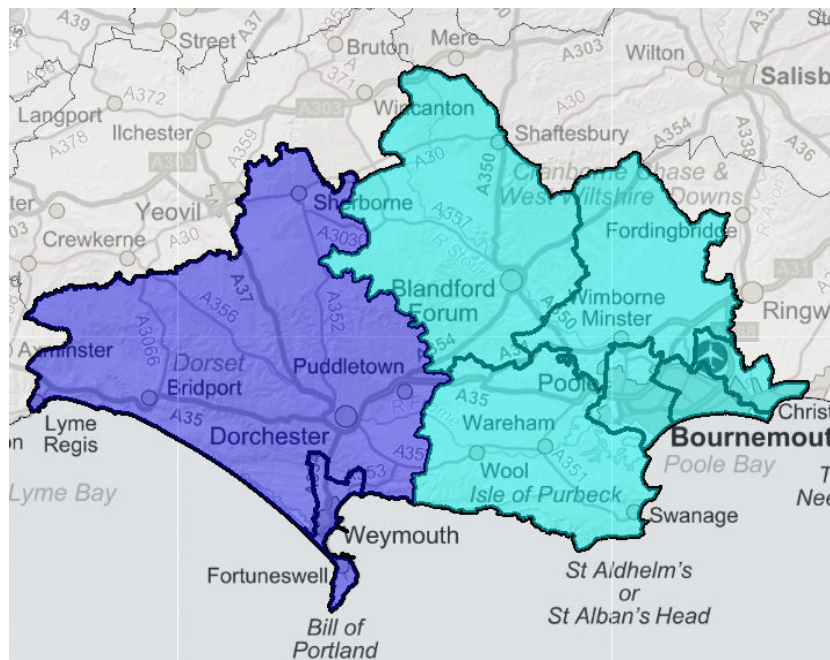


DORSET SURVEY OF HOUSING NEED AND DEMAND

Local Authority report for:

NORTH DORSET DISTRICT COUNCIL



June 2008



Fordham
RESEARCH

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Executive Summary

Introduction

- S1. This Survey of Housing Need and Demand forms part of a wider Strategic Housing Market Assessment being conducted by a partnership involving all nine local authorities in Bournemouth, Poole and Dorset, as well as a number of other stakeholders. The broad aim of this project was to provide the primary research at household level to understand the need and demand for different forms of housing. Ultimately the findings from this study will be fed into the wider SHMA research and used to evidence revised, local, affordable housing policies and strategies.
- S2. This report addresses North Dorset DC. Summaries of data and results are presented also at ward level (in Appendix A1) and for groups of wards throughout the report. The main conclusions addressed in this summary are, however, for the District as a whole.
- S3. The reports refer to certain key terms and documents and use acronyms to summarise their often lengthy titles. The following box summarises the main ones:

Table S.1 Key terms used in the Reports	
<i>Key term or reference</i>	<i>Acronym</i>
Housing need and demand study	HNDS
Strategic Housing Market Assessment	SHMA
Housing market area	HMA
Planning Policy Statement 3: Housing (Nov 2006)	PPS3
Practice Guidance on PPS3 (March and August 2007)	The Guide
Local Development Framework	LDF
Regional Spatial Strategy	RSS

Source: Fordham Research 2007

- S4. PPS3 provides the key reference for the outputs to this work. PPS3 and its related Guide refer to SHMA's which are wider than HNDS, as they not only include the interactive process within which the present study is set, but also a wider range of analyses. This HNDS has been accompanied by a secondary data analysis carried out by Dorset CC, as well as by a process of consultation between Dorset CC and Fordham Research.

- S5. Where relevant, the report follows Government advice given in PPS3: Housing (Nov 2006) and its Practice Guidance (published in March and August 2007). The former provides the formal requirements for assessment, and the latter provides detailed suggestions as to how to produce the requirements. The report therefore provides policy relevant outputs which can sensibly be translated into a range of strategies and will be an important input to both the Regional Spatial Strategy (RSS) and Local Development Framework (LDF) process.
- S6. In particular this report concentrates on the need for affordable housing and the supply and demand for housing across all tenure groups. Essentially it provides the three key requirements of PPS3 (para 22): which are to provide the market/affordable split, and the type and amount of affordable housing required (along with the types of household requiring market housing).

Data collection

- S7. A major part of the study process was the completion of the primary data collection via postal questionnaires with local households. In total 4,196 households took part in the survey. The questionnaire covered a wide range of issues including questions about:
- Current housing circumstances
 - Past moves
 - Future housing intentions
 - The requirements of newly forming households
 - Income levels
- S8. Information from the questionnaire survey was used throughout the report (along with secondary information) to make estimates about the future housing requirements in the District. The number of responses provided sufficient data to allow complete, accurate and detailed analysis of needs across the District and geographical breakdowns for eighteen sub-areas.
- S9. Overall the survey estimated that there are around 28,000 households in the District, of these around 76% are currently owner-occupiers with 13% living in the social rented sector and around 11% in the private rented sector.

Table S2: Number of households in each tenure group

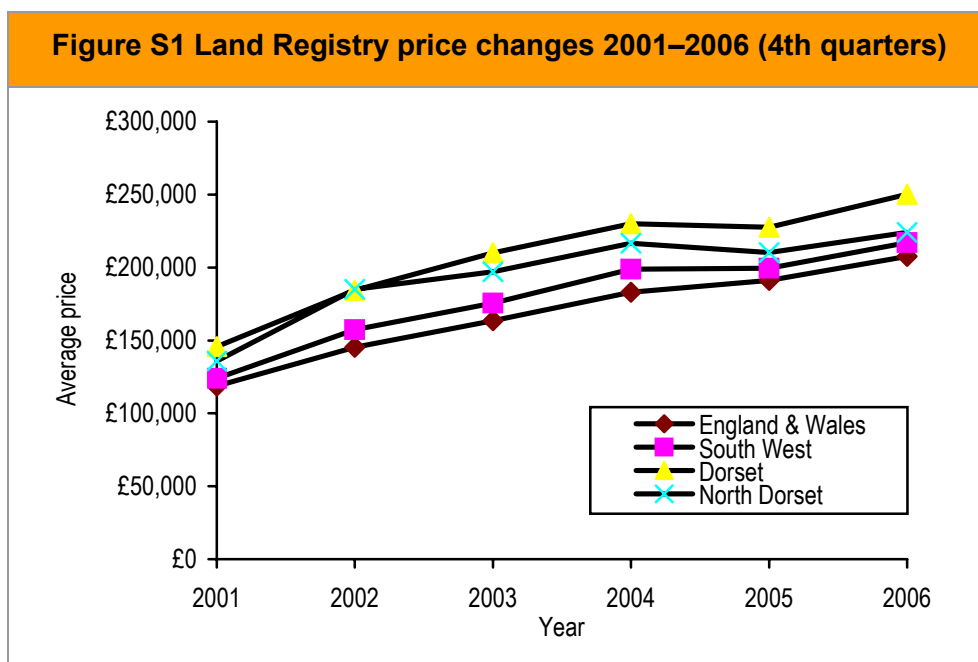
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	11,283	40.3%	1,946	46.4%
Owner-occupied (with mortgage)	9,966	35.6%	1,430	34.1%
RSL	3,750	13.4%	430	10.2%
Private rented	3,001	10.7%	390	9.3%
TOTAL	28,000	100.0%	4,196	100.0%

Population and household mobility

- S10. Dorset has a moderate level of self-containment (60.3%) with a substantial net inflow of people. According to the 2001 Census, a total of 30,994 people moved into Dorset from domestic sources, 10,314 more households moved into Dorset than moved out.
- S11. New Forest has the largest gross in and out-flows with Dorset, other noticeable flows are from South Somerset and Salisbury. It is also notable that people from west London Boroughs show distinct flows to the county: London has a long tradition of radial migration movements outwards from it.
- S12. North Dorset shows a relatively low level of self containment when compared with other districts. 51.1% of households that have moved in the last two years have actually moved within the District.
- S13. North Dorset is particularly interesting in that a relatively high proportion of households expect to move out of the area and also out of Dorset.
- S14. There is a strong net in-migration to the county, especially through Bournemouth. The working status profile suggests that in-migrant households are more likely to be retired, with out-migrant households more likely to be in employment. This would again accord with the overall attractiveness of the county, and the relative lack of major centres of employment, making it a net retirement location.

The Local Housing Market

- S15. A key part of the project was an assessment of the local housing market. Information was drawn from a range of sources including the Land Registry, internet searches and face-to-face interviews with local estate and letting agents. Separate and detailed reports for the two housing market areas in the (historic) county of Dorset have been completed: in this report we provide the key findings in relation to North Dorset.
- S16. Latest Land Registry data suggests that the average property price in North Dorset (at £224,061) is around 8% higher than the average for England and Wales but slightly below the average for the whole of Dorset (around £250,000). The rate of increase in property prices in the District over the past few years has been significant, information from the Land Registry shows that between the 4th Quarter of 2001 and the 4th quarter of 2006 average property prices in North Dorset rose by 65.0% - this is slightly below the average increase for both England and Wales and Dorset as a whole.



- S17. North Dorset shows a combination of lower prices and higher housebuilding rates than other districts in the county. While it is not certain that the level of housebuilding has helped to keep price rises down, this is a possible explanation.
- S18. A survey of local estate and letting agents identified estimates of the minimum costs of housing to both buy and rent in the District. Overall, the survey suggested that prices started at around £81,500 for one bedroom properties with private rental costs starting from around £450 per month.

Table S2 Minimum property prices/rent in North Dorset

Property size	Minimum price	Minimum rent (per month)
1 bedroom	£81,500	£450
2 bedrooms	£135,000	£500
3 bedrooms	£170,000	£600
4 bedrooms	£247,000	£750

S19. The information about minimum prices and rents was used along with financial information collected in the survey to make estimates of households' ability to afford market housing (without the need for subsidy).

Key Survey Findings

S20. Using data from the household survey it is possible to provide a detailed picture of the profile of local households and their dwellings. The nature of the current stock is an important consideration in identifying gaps in the market and for providing information about potential future requirements. Below we highlight some key findings from the household survey:

- The stock of housing in North Dorset is concentrated towards detached houses and bungalows. An estimated 44.5% of households live in detached homes whilst relatively few live in flatted accommodation (9.0%). Nationally, around 17% of households live in flats
- Households in North Dorset are also more likely to be pensioners – 33% of all households are pensioner only compared with a national figure of around 24%. Further analysis shows that around 60% of outright owners are pensioner-only households.
- Around 22% of households had lived in their current accommodation for less than two years. Although a large proportion of moves involved the private rented sector, a key finding was the significant number of in-migrating older person households – the vast majority of such households moved to owner-occupied dwellings and shows the desirability of the area for retirement. . It should be noted that, due to the survey being based only on district households, this is a gross figure and not a net one: it simply shows the types of household coming in, not whether there is a net addition to any particular type of household.
- Overcrowding does not appear to be a significant issue in the District, with only 1% of households estimated to be overcrowded (using the bedroom standard). This figure is significantly below the latest national estimate of around 2.5%

Future Movers

S21. Another important aspect of the survey (in relation to future demand for housing) was an assessment of households who need or are likely to move home in the future. The study looked at the future aspirations and expectations of both existing households and potential newly forming households.

S22. The table below shows that around 18.3% of existing households need or are likely to move home in the next two years. Households in the private rented sector are most likely to be future movers although over half of all moving households are currently owner-occupiers.

Table S3 Households who need or are likely to move in next two years by tenure			
Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	1,031	11,283	9.1%
Owner-occupied (with mortgage)	1,825	9,966	18.3%
Social rented	801	3,750	21.4%
Private rented	1,455	3,001	48.5%
Total	5,113	28,000	18.3%

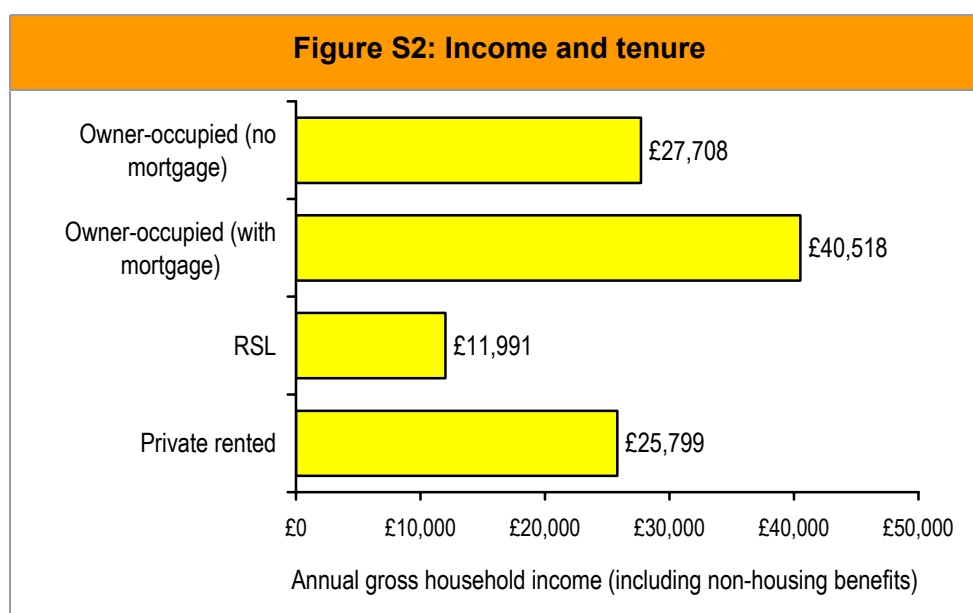
S23. In addition to the 5,113 existing households who need or are likely to move the survey also estimates there will be around 1,593 households who need or are likely to form from households currently resident in the District over the next two years. Other key findings in relation to these moving households include:

- Some 63.4% of existing households would like to remain in North Dorset although a slightly smaller proportion expect to. Newly forming households are less likely to either want or expect to remain in the District
- Significantly more moving households would like owner-occupied accommodation than expect it (this finding is particularly notable for newly forming households). Similarly more moving households would like a detached home than expect it.

S24. For both groups (existing and newly forming) the potential need for specialist housing (e.g. sheltered accommodation) is limited with well over 90% of both groups both wanting and expecting to secure 'ordinary' residential accommodation.

Financial Information

- S25. A key part of the housing needs and demand survey is an assessment of the financial situation of households. Data was therefore collected in the survey looking at a range of financial information (including incomes, savings and equity).
- S26. Survey results for household income in North Dorset estimate the average (mean) gross household income level to be £29,958 per annum. The median income is noticeably lower than the mean (at £23,844 per annum). There were, however, wide variations by tenure; with households living in social rented housing having particularly low income levels.



- S27. The survey also collected data about households' savings and equity levels. It is estimated that the median level of savings for all households is around £6,000 whilst the median equity level is £192,975.

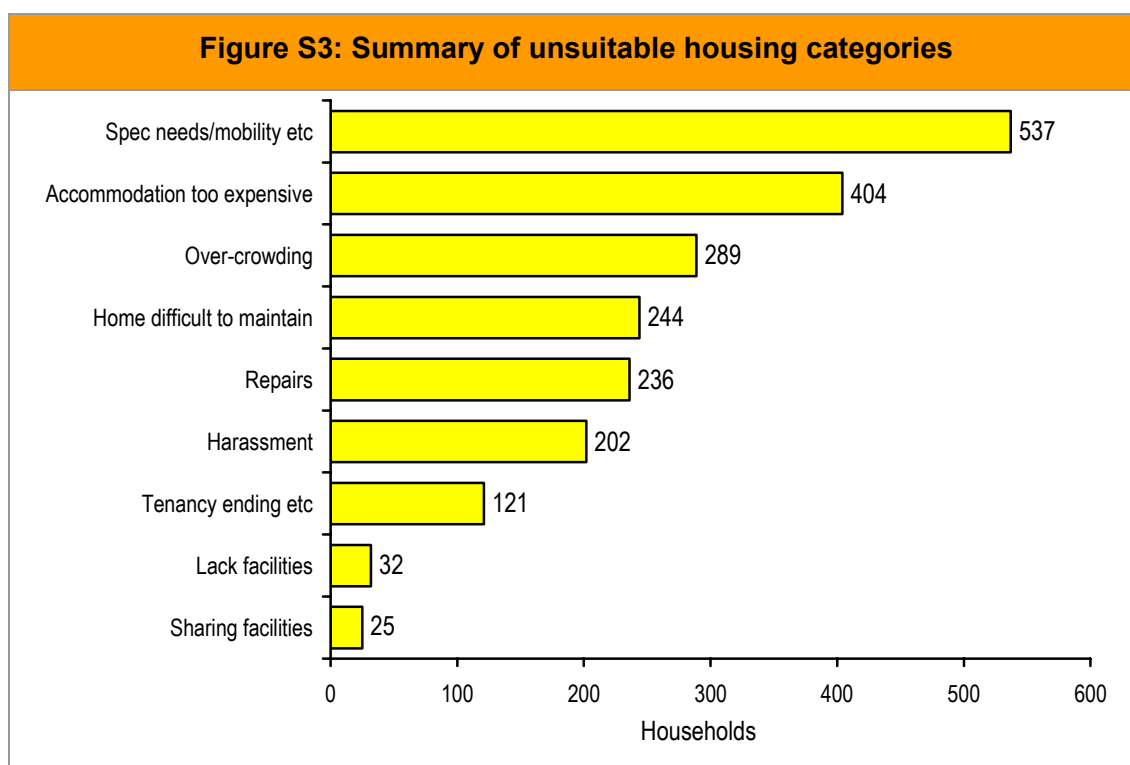
Housing Need - background

- S28. A key part of the study was to look at affordable housing requirements. To do this the report has closely followed guidance set out by CLG (Strategic Housing Market Assessments: Practice Guide March 2007). The guide sets out methods for looking at both the backlog of need and future need and in this report both have been addressed separately.
- S29. In broad terms the assessment of need (which takes account of both the need for and supply of affordable housing) can be split into the following four categories for analysis:
- Current (backlog) need

- Available stock to offset need
- Newly arising (future) need
- Future supply of affordable units

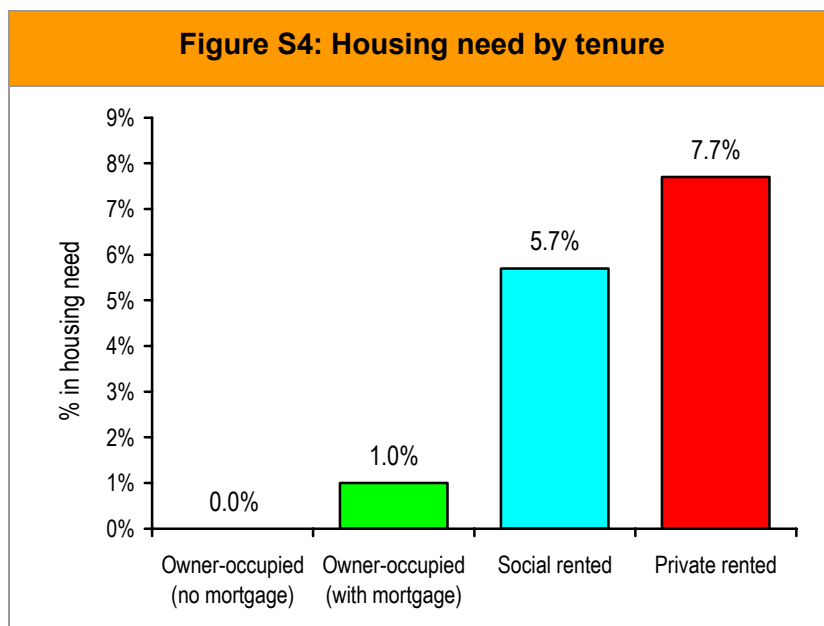
Current need

S30. Survey data suggests that around 1,448 households in the District are currently living in unsuitable housing - the main reason being special needs and/or mobility problems, followed by accommodation too expensive.



S31. The number of households in unsuitable housing whose needs could be met within their own accommodation was then considered (i.e. in-situ solutions). Overall, it was estimated that 889 of the 1,448 households would need to move home to find a solution to the unsuitability.

S32. Of these 889 households, an estimated 61% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (542 households). Household in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.



- S33. Taking into account a small number of homeless households who would not have been picked up by the household-based survey (1 additional household) makes for a total backlog need of 543 households.
- S34. It is estimated that at the time of the survey there was a current stock of affordable housing of around 355 which could be used to meet this need (including dwellings becoming available as households in the social rented sector move to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 188 units (543-355). Annualised over 5 years (as recommended in the Practice Guidance) this becomes 38 households (188/5).

Future need

- S35. The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation. The future need for affordable housing is split into two categories:
- New households formation (\times proportion unable to buy or rent in market)
 - Existing households falling into need
- S36. The data suggests that on an annual basis there will be 164 newly forming households requiring affordable housing and a further 508 existing households. The total future need for affordable housing is therefore estimated to be 672 units per annum.

S37. The supply of affordable housing to meet this need has also been estimated from past trend data. This data suggests that the current stock of affordable housing is likely to provide around 311 units (296 social rented and 15 intermediate units (i.e. shared ownership)). Hence it is estimated that the net annual need for additional affordable housing is in the region of 399 units (38+672-311).

Balancing Housing Markets

S38. The previous analysis looked at the need for affordable housing in isolation. However, as mentioned it is the case that there is a significant overlap between affordable housing and market housing (e.g. with the private rented sector). Therefore a further analysis has been carried out which looks at future demands across the whole housing market.

S39. The 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. It works at the simplest level by establishing the likely demand for housing of particular types by the expected supply arising from vacancies in the existing stock so as to provide a broad indication of the shortages (and in some cases surpluses) of particular types of dwelling.

S40. The BHM model is not a purely technical assessment of housing requirements and combines a technical assessment of certain aspects (e.g. affordability) with a reasoned judgement of about how exactly the housing market operates (e.g. the fact that the private rented sector is often used to meet some affordable needs through the use of Housing Benefit).

S41. In addition the model looks at both households' aspirations and their expectations to provide an indication of the most likely housing solution in the particular market. The model is essentially based upon the stated move expectations of the respondents, which have had the 'aspiration' element removed by asking about them first. The questionnaire says '*what would you like*', and then '*what would you expect*'. Although these do not contain a formal means test (in other words no arithmetic check has been made to see whether they can afford their stated preference) our experience suggests that expectations are quite reliable as a guide. Indeed 'expectations' of households planning to move are likely in some ways to be more reliable than a formal means test, as no questionnaire survey can expect to discover all means of finance available to households. The stated expectations do, therefore, contain an implicit means test.

S42. The expectations should therefore be regarded as moves which, if suitable supply of housing is available, are capable of being fulfilled. Thus the BHM analysis, which seeks to reconcile the 'demands' of movers with the supply of vacant dwellings, works by repeated iterations through the stock, taking account of what properties would be made vacant by moves, and then matching them with the sizes/types of dwelling stated by expected movers. The table below shows the overall results of the BHM analysis.

Table S4 Balancing Housing Markets results for North Dorset (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	-34	60	131	119	277
Private rented	49	23	-45	-30	-3
Intermediate	18	51	36	5	109
Social rented	12	-26	107	18	111
TOTAL	45	108	229	112	494

S43. The table shows that overall there is expected to be a greater demand for housing than the current stock of housing can meet. Overall, across all tenures there is an apparent shortfall of 494 dwellings per annum (excess demand over supply) of which 44.5% is for affordable housing. The above table also looks at demand shortfall and surpluses by tenure and it is worthwhile to briefly describe the findings in each of these groups.

S44. There are two comments to make on the general interpretation of this table:

- i) **Private rented sector.** Where the figures show a surplus they do not imply that there will be empty rented flats. What the figures imply is that even viewed in terms of expectations, most people do not want the private rented sector. Viewed through the perspective of 'aspirations' very few want it. Many more expect it, but yet more will be obliged in practice to accept it. Household expectations are a realistic way to view the future market, but nothing is certain about the future, and as we have a much more detailed database on stock supply and turnover than any household is likely to have, this analysis can establish the 'true' position on overall supply and demand. A surplus shown for a particular size of private rented dwelling will only very rarely result in vacant private rented stock. In practice some households expecting to buy may be frustrated in achieving this. Such households will end up in private rented accommodation thus creating an overall demand for the sector. Similarly, but at the other end of the financial capacity range, some households only able to afford social rented housing will be unable to secure it as expected, and will enter the private rented sector on Housing Benefit.

- ii) **Social rented vs intermediate housing.** Since there is only a very limited supply of intermediate housing at present, the 'expectations' of households are not often directed towards this tenure. As a result we have taken those aspiring to something more than social renting and applied a means test to them. In this respect, the general approach to the BHM of using expectations is replaced by analysis of the ability to afford. Thus the numbers of households indicated to be in the intermediate band are those unable to afford market housing, but who can afford the mid-point of the intermediate range. The mid-point is taken because it represents the 'average' weekly cost of intermediate housing types.

S45. The following examines the results.

Housing tenure outcomes

Owner-occupation

S46. In the owner-occupied sector there is an apparent shortfall of 277 units per annum (56%) of the overall shortfall. The majority of this shortfall is for larger (three- and four-bedroom) dwellings although excess demand is also shown for two-bedroom homes. There is an apparent (small) surplus of one bedroom homes in the owner-occupied sector.

Private rented sector

S47. Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is roughly in line with the overall supply. However, by size of dwelling we find that there are potential shortages of one and two bedroom homes and surpluses of three and four bedroom accommodation.

Intermediate housing

S48. The requirement for intermediate housing makes up around 22% of the net shortfall of housing in the District and there are shortages shown for all sizes of accommodation (this is no surprise given the general lack of supply of intermediate housing in the District). The main shortfalls are for two- and three-bedroom homes. However it should be borne in mind that the results may not reflect households' actual ability to pay for this type of accommodation.

Social rented housing

S49. The shortage of social rented housing also makes up around 22% of the total shortfall of housing in the District. Most of the net need for social rented housing is for three bedroom units and the results suggest a small surplus of two bedroom homes in this sector.

Mix of new market housing

S50. PPS3 (para 22) requires, in the second of its three key outputs from SHMA's, indication of the likely profile of households requiring market housing, by the typology set out below. The tabulation covers all of (historic) Dorset as the comparisons between areas can be helpful.

S51. The following table shows the gross demand by four types of household. They do not overlap, so that if a household consists of 2 pensioners it is listed as 'older persons' and not also as 'multi-adult'.

Table S5: Gross demand for market housing (per annum by household type)

<i>Area</i>	<i>Older persons</i>	<i>Single non-pensioner</i>	<i>Multi adult</i>	<i>Households with children</i>	<i>TOTAL</i>
Bournemouth	930 15.8%	1,477 25.1%	2,375 40.3%	1,111 18.9%	5,892 100.0%
Christchurch	482 30.5%	245 15.5%	545 34.5%	310 19.6%	1,582 100.0%
East Dorset	594 22.5%	299 11.3%	1,018 38.5%	733 27.7%	2,643 100.0%
North Dorset	403 20.4%	299 15.1%	772 39.0%	505 25.5%	1,980 100.0%
Poole	663 15.9%	778 18.7%	1,832 44.0%	889 21.4%	4,162 100.0%
Purbeck	158 13.0%	162 13.4%	530 43.7%	363 29.9%	1,213 100.0%
West Dorset	712 25.5%	462 16.6%	946 33.9%	670 24.0%	2,790 100.0%
Weymouth & Portland	310 17.7%	382 21.8%	581 33.1%	482 27.4%	1,756 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%
Bournemouth/Poole HMA	3,230 18.5%	3,260 18.7%	7,072 40.5%	3,911 22.4%	17,472 100.0%
Dorchester/Weymouth HMA	1,022 22.5%	844 18.6%	1,527 33.6%	1,152 25.3%	4,546 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%

Source: This appears as Table 13.6 of the main text

S52. The results show a range of patterns, summarised below:

- i) About 40% of the gross demand is from multi-adult households (Dorset wide). It is the biggest group in all the districts, although the average for the Dorchester/Weymouth HMA is a bit lower: a third rather than 40%.
- ii) The next biggest group is households with children, at county and both HMA levels, although this pattern varies slightly among the districts. The exception is Bournemouth, where the gross demand is higher for 'single non-pensioner' than for families, although both areas of demand are substantial.

- iii) The demand from single-non pensioners is joint third with older persons. This may seem odd, given that household projections show increasing numbers of single people. However a single person household, whether pensioner or not, can arise through the death or departure of a spouse, without any house move at all. That helps to explain this finding.
- iv) The gross demand from older persons is about a fifth, at the county level, but a bit higher in the Dorchester/Weymouth HMA than in the Bournemouth/Poole one. By far the highest demand figure from older persons is in Christchurch, which entirely agrees with the character of that borough as being highly attractive to older people.

S53. The outputs shown here fulfil the requirement of the middle part of Para 22 of PPS3.

The Needs of Particular Groups

S54. In addition to the main analyses of housing need and housing demand the study addressed particular client groups that may have specific housing requirements. Although such groups do not necessarily represent households in need as defined by the CLG Guide, it is important for the Council to have information on them in order to inform specific policies and service provision.

S55. For example, the frail elderly may not be in housing need in the sense of not being able to afford market housing, but many of them are liable to require extra care in the future, whether directly, or via aids and adaptations in the home. Key findings from analysis of a range of different groups include:

- There are an estimated 5,390 households in the North Dorset area with one or more members in an identified special needs group, which represents 19.2% of all households. These households were most likely to state a requirement for more support services
- Almost a third of households in North Dorset contain only older people (33.0%). These are almost all comprised of one or two persons, however over half reside in accommodation with three or more bedrooms. Within the social rented sector there are 370 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation.
- The survey estimates that 2,612 households in North Dorset are headed by a key worker. Key worker households are more likely than average to be resident in owner-occupation. They also record higher average incomes than other households in employment.

- The survey records that there are 7,336 people between 21 and 35 in North Dorset. Over four-fifths of these young people are employed and 32.5% live with their parents.
- The average age of recent first-time buyers is 37.8 years old and they required household incomes significantly above the District average to get onto the property ladder. Some 37.8% of these households spend over a quarter of their gross household income on their mortgage.
- North Dorset District is entirely rural; however this chapter compared the situation of households in areas classified as town and fringe with households in areas classified as village or hamlet. The analysis revealed that the village and hamlet parts of the District contain a higher proportion of owner-occupied and private rented accommodation and a smaller proportion of social rented homes. The data also showed that households in the village and hamlet parts record much higher average incomes and savings than households in the town and fringe parts.

Implications for affordable housing policy

- S56. Affordable housing policy, based on rigorous Housing Needs Assessment, has been an important part of housing strategy and planning policy ever since 1991. However no Government body has provided any clear mechanism for establishing an affordable housing target.
- S57. Following the CLG Guidance the net annual housing need in North Dorset is estimated to be 399. This represents an index of 14 (the average for 350 or so Fordham Research studies of this kind is about 16, so that it is quite high).
- S58. In reality a number of households are likely to find solutions in the private sector (e.g. by spending a greater proportion of their income on housing than is recommended by the Guidance) and the requirement for affordable housing will be lower, although still much higher than what is likely to be possible to achieve.
- S59. Due to the lack of instruction from government, targets are set by the prevailing practice: what other councils with similar levels of housing need have proposed, and after examination by Planning Inspectors, adopted. The RSS Panel report for the South West suggested a minimum target of 35%. Clearly the situation in North Dorset is more serious than the minimum. Other authorities with a high level of need are pursuing targets of 50%. These are subject to 'deliverability' as specified in PPS3.

- S60. PPS3 also requires this target to be split between intermediate and social rented housing. We have studied the requirement for intermediate housing through the balancing housing markets (BHM) model. This model suggests that around 27% of all additional affordable housing should be intermediate housing (i.e. priced around midway between social rents and the entry-level cost of private sector housing (generally private rented housing)).
- S61. However there is little housing that can be truly labelled 'intermediate': for example shared ownership is typically more expensive than market entry and is therefore 'low cost market' housing in practice. There is scope in North Dorset for a Housing Corporation product called 'intermediate rent': this could meet some 30% of North Dorset's annual need. Hence this would appear to indicate a more appropriate target for the intermediate band. Effectively, in this case the two measures of intermediate housing agree: at about a third. In most cases the intermediate rent proportion is much lower.
- S62. The final chapter in this report presents a set of weekly costs for different sizes and tenures of housing which, if updated according to the instructions provided, will ensure that newbuild housing fits whatever tenure/size descriptions are in accordance with future policies.

SECTION A: CONTEXT

1. Introduction

Introduction

- 1.1 This Survey of Housing Need and Demand forms part of a wider Strategic Housing Market Assessment being conducted by a partnership involving all nine local authorities in Bournemouth, Poole and Dorset, as well as a number of other stakeholders. The broad aim of this project was to provide the primary research at household level to understand the need and demand for different forms of housing. Ultimately the findings from this study will be fed into the wider SHMA research and used to evidence revised, local, affordable housing policies and strategies.
- 1.2 The following table summarises key terms used in this report.

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Practice Guidance on PPS3 (March and August 2007)	The Guide
Local Development Framework	LDF
Regional Spatial Strategy	RSS

Source: Fordham Research 2007

- 1.3 This report presents the results for the North Dorset District. Equivalent reports have been produced for the seven other authority areas within Dorset.

The Dorset-wide Strategic Housing Market Assessment (SHMA)

- 1.4 The Dorset-wide SHMA is already well advanced and a number of documents have been produced along with a series of consultation days (facilitated by the County Council). The main aims of the SHMA can be summarised as being to:
- Analyse primary and secondary data to produce a detailed understanding of the local housing market and sub-markets in the sub-region
 - Enable the development of strategic views on the need and demand for both market and affordable housing across the County

- Provide evidence to support both RSS and LDF policies to enable the development of mixed and balanced communities
- Inform decisions about housing requirements in areas with different characteristics (e.g. urban vs. rural areas)
- Identify the particular situation of different groups of the population (e.g. key workers, households with disabilities and older persons)
- Provide an understanding of the linkages between the housing market and the local economy

1.5 Whilst this project does not cover all of the key areas highlighted for the SHMA the data collected and analysed will provide an important source of information for many of the bullet points mentioned above.

Key outputs from this document

- 1.6 This document is designed to provide information in relation to many of the key outputs required for the Dorset-wide SHMA. In particular the survey outputs look at household and dwelling characteristics (putting these in a regional and national context), households' current financial circumstances (e.g. income, savings, equity) and future housing demands (from both current and new households).
- 1.7 This report also assesses current prices and rents in the local area (this topic is subject to a separate report) to help provide a background to the affordability of local housing.
- 1.8 Key outputs from the report also include an assessment of the need for affordable housing and a separate analysis of imbalances in the housing stock (comparing housing supply and demand across all sectors (i.e. affordable and market).
- 1.9 Finally, the report studies the particular situation of a range of specific household groups (such as special needs households and key workers).
- 1.10 Where possible, all information has been provided at ward level to assist in the understanding of differences in the local housing market and to potentially inform policies for different parts of the District and housing market area.

Government guidance

- 1.11 Although this report is only providing information which is to feed into the Dorset-wide SHMA it is important to briefly summarise key points from Government guidance which are relevant to this assessment. The documents are of particular importance:

- Planning Policy Statement 3 (Housing) – PPS3 (November 2006)
- Strategic Housing Market Assessments Practice Guidance – The Guide (March 2007)

1.12 PPS3 sets out a number of key definitions relevant to this project (including affordable housing, intermediate housing and housing need). In addition the PPS is clear about the outputs required from a housing market assessment. Paragraph 22 of PPS summarises the requirements nicely:

“Based upon the findings of the Strategic Housing Market Assessment and other local evidence, Local Planning Authorities should set out in Local Development Documents

- *The likely overall proportions of households that require market or affordable housing*
- *The likely profile of household types requiring market housing*
- *The size and type of affordable housing required”*

1.13 The Guide provides details about the whole process of conducting a housing market assessment. Whilst much of this information is not relevant to this project there are a number of areas within guidance which are important for this particular study. The most important aspect of the Guide for this study is the information about measuring housing need.

1.14 The Guide sets out a series of steps to be followed when assessing affordable housing requirements and also sets out some key definitions for particular aspects of analysis (such as the measurement of housing suitability and a detailed discussion of measuring affordability).

1.15 As far as is possible (and relevant) this project has sought to follow the requirements of both PPS3 and The Guide

Summary

1.16 This report details the findings of a survey of housing need and demand carried out across Dorset. The results of this survey will be fed into the wider Dorset-wide Strategic Housing Market Assessment work. This report presents the findings for North Dorset District.

1.17 In particular this report concentrates on the need for affordable housing and the supply and demand for housing across all tenure groups.

- 1.18 Where relevant the report follows government advice given in PPS3 and The Guide and therefore provides policy relevant outputs which can sensibly be translated into a range of strategies and will be an important input to both the RSS and LDF process.

2. Data Collection

Introduction

- 2.1 The primary data was collected using postal questionnaires. The same questionnaire was distributed across the whole of Dorset to ensure the results produced are comparable. A copy of the questionnaire is provided in Appendix A5. The sample for the survey was drawn, at random, from the Council Tax Register covering all areas and tenures groups in the District.
- 2.2 In total 4,196 postal questionnaires were returned. The number of responses provides sufficient data to allow complete, accurate and detailed analysis of needs across the District and down to ward level. The sample size of 4,196 gives a maximum margin of error district-wide of 1.4% at the 95% confidence interval.
- 2.3 Although the response represents only a small percentage of the total household population, this does not undermine the validity of the survey as paragraph 18 of Strategic Housing Market Assessment Practice Guidance Annex C states:

A common misconception when sampling is that it should be based on a certain percentage of the population being studied. In fact, it is the total number of cases sampled which is important. As the number of cases increase, the results become more reliable but at a decreasing rate...Approximately 1500 responses should allow a reasonable level of analysis for a local authority area.

- 2.4 Prior to analysis, data must be weighted in order to take account of any measurable bias. The procedure for doing this to the main dataset is presented in the following section.

Base household figures and weighting procedures

- 2.5 Firstly, the total number of households is estimated. This is necessary in order to gross up the data to represent the entire household population. A number of different sources were consulted, primarily the Council's Housing Strategy Statistical Appendix (HSSA) (2006), the Council Tax Register and CLG household projection information. Using this information, it is estimated that the number of households resident in the District at the time of the survey was 28,000.

2.6 The table below shows an estimate of the current tenure split in North Dorset along with the sample achieved in each group. The data shows that around 76% of households were owner occupiers with 13% in the social rented sector and the remaining 11% in the private rented sector. The private rented sector includes those living in tied accommodation and those living in accommodation owned by relatives or friends.

Table 2.1 Number of households in each tenure group				
Tenure	Total number of households	% of households	Number of returns	% of returns
Owner-occupied (no mortgage)	11,283	40.3%	1,946	46.4%
Owner-occupied (with mortgage)	9,966	35.6%	1,430	34.1%
Social rented	3,750	13.4%	430	10.2%
Private rented	3,001	10.7%	390	9.3%
TOTAL	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2007

2.7 Survey data was weighted to match the suggested tenure profile shown above. An important aspect of preparing data for analysis is ‘weighting’ it. As can be seen from the table above, social survey responses never exactly match the estimated population totals. As a result it is necessary to ‘rebalance’ the data to correctly represent the population being analysed via weighting. Weighting is recognised by the Strategic Housing Market Assessment Guidance as being a way of compensating for low response amongst certain groups. Although response rates were lower amongst certain groups of the population (private rented in the table above) the application of a sophisticated weighting process, as has been used in this survey, removes any bias.

2.8 In keeping with this discussion it is necessary to ‘rebalance’ the data to correctly represent the population being analysed. Data was also weighted to be in line with the estimated number of households in each of various groups:

- Eighteen wards
- Number of people in household
- Household type
- Accommodation type
- Car ownership

2.9 In addition, throughout this report information is provided for four geographical areas within the District (sub-areas). These have been made up from groups of wards. The table below shows the sub-areas used for analysis and the wards within each of these sub-areas.

Table A1.1 Wards contained within each sub-area

Sub-area	Wards in sub-area
Blandford	Blandford, Portman, Lower Tarrant, Riversdale, Abbey, Bulbarrow, Cranborne Chase, Hill Forts
Gillingham	Bourton & District, Gillingham, The Stours
Shaftesbury	Shaftesbury, The Beacon, Motcombe & Ham
Sturminster/Stalbridge	Blackmore, Marnhull, Stour Valley, Lydden Vale

Source: North Dorset HNDS Fordham Research 2007

- 2.10 The table below shows the estimated number of households in each area and the number of returns from the postal survey. The largest sub-area in household terms is Blandford (with 11,910 households) followed by Gillingham. In terms of sample sizes it can be seen that these vary from 1,773 in Blandford to 684 in the Shaftesbury sub-area.

Table A1.1 Number of households in each sub-area and sample size

Ward	Number of households	% of households	Sample size	% of sample
Blandford	11,910	42.5%	1,773	42.3%
Gillingham	6,477	23.1%	819	19.5%
Shaftesbury	4,460	15.9%	684	16.3%
Sturminster/Stalbridge	5,154	18.4%	920	21.9%
Total	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2007

Rounding

- 2.11 Figures presented in the analytical text and tables of this report have been rounded and discrepancies may occur between the sums of the component items and totals. Percentages are calculated prior to rounding and therefore discrepancies may also exist between these percentages and those calculated from the rounded figures.

Summary

- 2.12 This Survey of Housing Need and Demand in North Dorset is based on primary survey data collected via a postal questionnaire from 4,196 households. The survey data was grossed up to an estimated total of 28,000 households and weighted according to key characteristics so as to be representative of the District's household population.

3. Population and household mobility

Introduction

- 3.1 This chapter helps to set the scene for the study by providing context on people's mobility. Further analysis of household mobility will be found in the context of turnover rates in Chapter 5, and in terms of tenure and future movement in Chapter 9. This introductory chapter is intended to provide context.
- 3.2 The analysis begins with 2001 Census information (based on people not households), firstly showing the relationship of Dorset with the outside world, and then the dynamics of movement within Dorset. This is followed by a parallel analysis within Dorset using the primary data. This cannot of course provide the wider focus outside the (historic) county as it was limited to Dorset, but can provide extra insights, for example through future movement plans.

Movements of population between Dorset and the outside world: Census

- 3.3 The tables below show the overall migration statistics for Dorset, taken from the 2001 Census. The selection of places outside Dorset is based on examination of the locations most frequently involved in movements of population into and out of the county.
- 3.4 The net inflow from domestic sources in Dorset is a significant one. 10,314 more people coming in to Dorset from within the UK than we find leaving to elsewhere in the UK will have a significant impact upon the housing market. A total of 4,240 people arrived from international sources in the year before the Census; however since outflows are not recorded from the UK, no net figure can be calculated.
- 3.5 Dorset has a moderate level of self-containment in terms of migration; there were more people moving into homes in Dorset from within the (historic) county (60.3%) as there were from outside the (historic) county (39.7%).

Table 3.1 Dorset : Total Migration, Domestic and International			
	Inflow	Outflow	Net Flow
Domestic	30,994	20,680	10,314
International	4,240	?	?
TOTAL	35,234	?	?
Internal Flow	53,624	53,624	n/a
Self-containment	60.3%	(72.2%)	n/a

Source: 2001 Census

- 3.6 Table 3.1 is not a complete count of all migrating households, as the analyses excludes partly moving households, defined by NOMIS as including households where no household member had a usual address one year ago. The inflow also excludes households who previously did not have a usual address and did not live within the area.
- 3.7 The table below provides a more detailed view of the inflows and outflows to/from Dorset (from local authorities outside of Dorset). A large selection of areas has been included, from both authorities neighbouring the study area and from authorities from further a field. International moves have been excluded from the table.
- 3.8 New Forest in Hampshire records the largest gross in and out-flows with Dorset. New Forest borders both East Dorset and Christchurch. In terms of net migration Test Valley shows the largest inflow to Dorset, with Southampton recorded as taking the largest outflow. To the west and north of the county there are relatively large flows between South Somerset and Dorset and smaller flows between East Devon and Dorset, in both cases these result in net out- migration from the County.

Table 3.2 Dorset Migration Data (LA's outside of the study area)

	Into Dorset	Out of Dorset	Net Migration
Basingstoke and Deane	280	138	142
Birmingham	211	207	4
Bristol, City of	284	299	-15
Ealing	212	109	103
East Devon	262	302	-40
Eastleigh	195	145	50
Hillingdon	247	107	140
Hounslow	249	115	134
Isle of Wight	218	213	5
New Forest	1,394	1,267	127
Plymouth	198	262	-64
Portsmouth	239	234	5
Richmond upon Thames	192	89	103
Salisbury	725	725	0
South Somerset	941	1,035	-94
Southampton	427	570	-143
Test Valley	329	127	202
Wandsworth	206	234	-28
Winchester	283	282	1
Wokingham	229	96	133

Source: 2001 Census

Movements within Dorset: Census

- 3.9 This analysis will continue with further analysis of Census data, looking at the movements to and within Dorset (from the year previous to Census day 2001). We have then conducted the same analysis using more recent data from the household survey. Of particular interest may be the final two tables in this section where we analyse expected future movers for households in each of the districts.

Table 3.3 Movement to and within Dorset (people) (Census)

Current location	Previous location									
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	TOTAL
Bournemouth	12,594	679	667	1,954	140	104	93	73	10,377	26,681
Christchurch	776	1,919	96	115	21	17	15	0	1,796	4,755
East Dorset	695	105	3,082	878	137	118	34	36	3,128	8,213
Poole	1,831	115	712	7,494	475	116	78	71	5,106	15,998
Purbeck	156	3	117	435	2,148	55	99	46	2,115	5,174
North Dorset	131	6	170	148	83	3,222	172	59	4,809	8,800
West Dorset	63	12	70	104	164	264	4,915	525	4,803	10,920
Weymouth & Portland	41	3	21	42	59	48	584	4,419	3,100	8,317
TOTAL	16,287	2,842	4,935	11,170	3,227	3,944	5,990	5,229	35,234	88,858

Source: 2001 Census

Table 3.4 Movement to and within Dorset (row percentages) (Census)

Current location	Previous location									
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	TOTAL
Bournemouth	47.2%	2.5%	2.5%	7.3%	0.5%	0.4%	0.3%	0.3%	38.9%	100.0%
Christchurch	16.3%	40.4%	2.0%	2.4%	0.4%	0.4%	0.3%	0.0%	37.8%	100.0%
East Dorset	8.5%	1.3%	37.5%	10.7%	1.7%	1.4%	0.4%	0.4%	38.1%	100.0%
Poole	11.4%	0.7%	4.5%	46.8%	3.0%	0.7%	0.5%	0.4%	31.9%	100.0%
Purbeck	3.0%	0.1%	2.3%	8.4%	41.5%	1.1%	1.9%	0.9%	40.9%	100.0%
North Dorset	1.5%	0.1%	1.9%	1.7%	0.9%	36.6%	2.0%	0.7%	54.6%	100.0%
West Dorset	0.6%	0.1%	0.6%	1.0%	1.5%	2.4%	45.0%	4.8%	44.0%	100.0%
Weymouth & Portland	0.5%	0.0%	0.3%	0.5%	0.7%	0.6%	7.0%	53.1%	37.3%	100.0%
TOTAL	18.3%	3.2%	5.6%	12.6%	3.6%	4.4%	6.7%	5.9%	39.7%	100.0%

Source: 2001 Census

- 3.10 The tables above show varying levels of self containment for each of districts, more than half of the moves from Weymouth and Portland are from within the District whereas just over a third of the moves into North Dorset come from within the District. It is interesting to note the large number, and proportion, of people moving into Dorset from outside the area, 35,234 (39.7% of all movers). Bournemouth has a high level of self containment but because of its size is the most likely destination for people moving in from outside, nearly 30% of people moving into Dorset move to Bournemouth.

Movements within Dorset: Survey based

3.11 The tables below show the movement patterns for households who have moved to their current accommodation within the past two years (from survey data). The following figures are based on households, unlike the Census data above, which is numbers of people.

3.12 These again are displayed in gross numbers and percentages of all moves. The gross numbers for the following tables are not comparable with the Census tables from above as these figures are based over a two year period and are based on households as opposed to population. However it is interesting to compare the percentage tables when considering potential changes since the 2001 Census.

Table 3.5 Household movement to and within Dorset (households) (Survey)

Current location	Previous location									TOTAL
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	11,925	661	531	1,040	122	151	0	0	4,716	19,146
Christchurch	514	1,604	43	109	54	0	29	0	1,270	3,622
East Dorset	635	191	2,537	531	50	150	43	0	1,727	5,864
Poole	1,064	232	614	6,371	368	101	85	30	2,752	11,617
Purbeck	123	11	71	367	1,816	46	109	22	995	3,559
North Dorset	87	15	224	193	126	3,162	159	33	2,185	6,184
West Dorset	104	38	34	41	92	251	4,081	507	2,935	8,083
Weymouth & Portland	37	14	36	57	17	14	360	3,953	1,301	5,788
TOTAL	14,490	2,765	4,089	8,709	2,645	3,877	4,865	4,545	17,880	63,864

Source: North Dorset HNDS Fordham Research 2007

Table 3.6 Household movement to and within Dorset (row percentages) (Survey)

Current location	Previous location									TOTAL
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	
Bournemouth	62.3%	3.5%	2.8%	5.4%	0.6%	0.8%	0.0%	0.0%	24.6%	100.0%
Christchurch	14.2%	44.3%	1.2%	3.0%	1.5%	0.0%	0.8%	0.0%	35.1%	100.0%
East Dorset	10.8%	3.3%	43.3%	9.1%	0.9%	2.6%	0.7%	0.0%	29.4%	100.0%
Poole	9.2%	2.0%	5.3%	54.8%	3.2%	0.9%	0.7%	0.3%	23.7%	100.0%
Purbeck	3.4%	0.3%	2.0%	10.3%	51.0%	1.3%	3.1%	0.6%	27.9%	100.0%
North Dorset	1.4%	0.2%	3.6%	3.1%	2.0%	51.1%	2.6%	0.5%	35.3%	100.0%
West Dorset	1.3%	0.5%	0.4%	0.5%	1.1%	3.1%	50.5%	6.3%	36.3%	100.0%
Weymouth & Portland	0.6%	0.2%	0.6%	1.0%	0.3%	0.2%	6.2%	68.3%	22.5%	100.0%
TOTAL	22.7%	4.3%	6.4%	13.6%	4.1%	6.1%	7.6%	7.1%	28.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 3.13 The first thing that is noticeable in the percentage table above, when compared with the internal movements recorded in 2001 by the Census is how much higher they are. The ‘within district’ historic movements from the survey are about 10% higher across the many districts in Dorset. This suggests a degree of systematic change, which may have to do with the higher prices that now prevail.
- 3.14 Similar to the reported in-migration of people shown by the Census data, household data from the survey shows a substantial proportion of households moving into Dorset from outside the area. 17,880 households accounting for 28% of all moves have come from outside of the study area.
- 3.15 For the sake of comparability, the following table shows the Census data household position compared with the 2007 survey data equivalents:

Table 3.7: % Self containment by Local Authority				
Local Authority	2001 Census - population	2001 Census - households	2007 HNS - households	Difference between 2001 households and 2007 HNS
Bournemouth	47.2	55.2	62.3	7.1
Poole	41.5	52.3	51.0	-1.3
Christchurch	40.4	44.0	44.3	0.3
East Dorset	37.5	40.6	43.3	2.7
North Dorset	46.8	46.3	54.8	8.5
Purbeck	36.6	45.9	51.1	5.2
West Dorset	45.0	48.9	50.5	1.6
Weymouth and Portland	53.1	59.6	68.3	8.7

Source: North Dorset HNDS Fordham Research 2007: combined 2001 Census and survey data

- 3.16 The margins of accuracy are naturally smaller for the Census than for the survey, but on the face of these figures self-containment would appear to have risen in Weymouth and Portland, North Dorset and Bournemouth, and to a lesser extent Purbeck. The other differences are not large enough to be regarded as meaningful given the sample size difference.
- 3.17 North Dorset shows a higher level of self containment from the more recent data, with more than half of all moves into North Dorset coming from within North Dorset. There are no obvious strong relationships between North Dorset and other Dorset districts although East Dorset and Poole account for the largest proportions of households moving into North Dorset from other Dorset districts.

Future expected movement patterns: survey based

3.18 The tables below show the expected future moves of households moving in the next two years.

Table 3.7 Future household movement from and within Dorset (households) (Survey)

Current location	Future location									
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	TOTAL
Bournemouth	13,158	463	248	1,982	180	321	121	0	2,934	19,407
Christchurch	382	2,360	90	54	29	0	55	0	501	3,470
East Dorset	257	109	3,418	544	138	135	100	14	1,260	5,975
Poole	802	99	583	8,459	130	125	24	33	1,699	11,953
Purbeck	51	16	60	424	2,136	68	129	17	498	3,399
North Dorset	101	49	145	201	57	3,148	160	49	1,204	5,113
West Dorset	71	7	31	86	53	156	5,047	255	1,328	7,034
Weymouth & Portland	15	9	68	38	37	52	501	4,003	725	5,448
TOTAL	14,838	3,112	4,643	11,787	2,761	4,003	6,135	4,371	10,148	61,799

Source: North Dorset HNDS Fordham Research 2007

Table 3.8 Future household movement from and within Dorset (row percentages) (Survey)

Current location	Future location									
	Bourne- mouth	Christ- church	East Dorset	Poole	Pur- beck	North Dorset	West Dorset	Weymouth & Portland	Outside Dorset	TOTAL
Bournemouth	67.8%	2.4%	1.3%	10.2%	0.9%	1.7%	0.6%	0.0%	15.1%	100.0%
Christchurch	11.0%	68.0%	2.6%	1.6%	0.8%	0.0%	1.6%	0.0%	14.4%	100.0%
East Dorset	4.3%	1.8%	57.2%	9.1%	2.3%	2.3%	1.7%	0.2%	21.1%	100.0%
Poole	6.7%	0.8%	4.9%	70.8%	1.1%	1.0%	0.2%	0.3%	14.2%	100.0%
Purbeck	1.5%	0.5%	1.8%	12.5%	62.8%	2.0%	3.8%	0.5%	14.6%	100.0%
North Dorset	2.0%	0.9%	2.8%	3.9%	1.1%	61.6%	3.1%	1.0%	23.5%	100.0%
West Dorset	1.0%	0.1%	0.4%	1.2%	0.8%	2.2%	71.8%	3.6%	18.9%	100.0%
Weymouth & Portland	0.3%	0.2%	1.2%	0.7%	0.7%	0.9%	9.2%	73.5%	13.3%	100.0%
TOTAL	24.0%	5.0%	7.5%	19.1%	4.5%	6.5%	9.9%	7.1%	16.4%	100.0%

Source: North Dorset HNDS Fordham Research 2007

3.19 As can be seen from the percentage table immediately above, this shows higher levels of internal movement within the Districts, just like the past survey based moves, and distinctly higher than the Census 2001 figures.

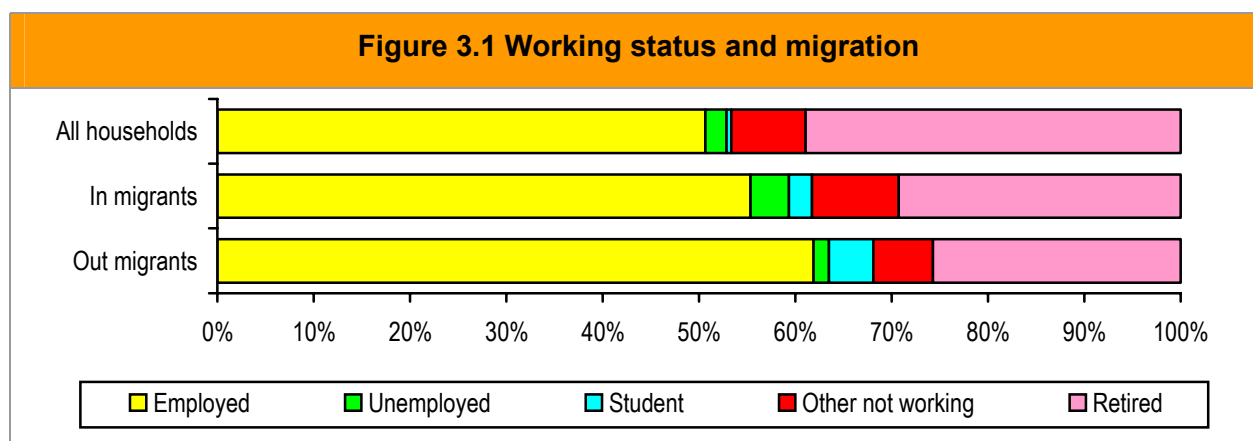
- 3.20 Of the 61,799 households that expect to move in the next two years just 16.4% expect to move outside of Dorset, this compares to 28.0% who have moved into Dorset from outside the area in the previous two years. If you were to look at taking a net figure from the gross inflow and expected gross outflow it comes to 7,732 households coming into Dorset over a two year period. Although we are not comparing like with like in this situation and it is too simplistic to rely upon this as an accurate number, it is however informative and of interest.
- 3.21 It is also interesting to note that generally higher proportions of households expect to move within their district than actually achieve it. For example of all households in Christchurch that moved within the last two years into another Dorset authority, just 58.0% moved into a dwelling in Christchurch (the majority of the remainder moved to Bournemouth). When looking at households in Christchurch looking to move in the next two years within Dorset, we find that 79.5% expect to move within Christchurch.
- 3.22 North Dorset shows the highest proportion of households who expect to move out of Dorset. 1,204 households accounting for 23.5% expect to move out of the historic county. Of those looking to move within Dorset the largest number expect to move to Poole.

Working status and migration (survey)

- 3.23 The table and figure below show the working status (in numbers and percentages) of in-migrant households (households who have moved into the area in the previous two years) and out-migrant households (households looking to move in the next two years), these are shown against the working status of survey respondents existing in the area.

Table 3.9 Working status and migration			
Working status (survey respondent)	All households	In-migrants	Out-migrants
Employed	160,178	9,907	6,278
Unemployed	7,004	716	159
Student	1,669	421	471
Retired	123,177	5,231	2,612
Other not working	24,518	1,604	627
Total	316,545	17,880	10,148

Source: North Dorset HNDS Fordham Research 2007



Source: North Dorset HNDS Fordham Research 2007

- 3.24 It is interesting to note the differences between the in-migrant and out-migrant households in terms of working status. Out-migrant households tend to be employed, whereas in-migrant households have a higher proportion of retired households. Although the differences are not very large, the results would suggest that the in-migrants into Dorset are often wealthy households, retired or looking to retire.

Summary

- 3.25 Dorset has a moderate level of self-containment (60.3%) with a substantial net inflow of people. According to the 2001 Census, a total of 30,994 people moved into Dorset from domestic sources, 10,314 more households moved into Dorset than moved out.
- 3.26 New Forest has the largest gross in and out-flows with Dorset, other noticeable flows are from South Somerset and Salisbury. It is also notable that people from west London Boroughs show distinct flows to the county: London has a long tradition of radial migration movements outwards from it.
- 3.27 North Dorset shows a relatively low level of self containment when compared with other districts. 51.1% of households that have moved in the last two years have actually moved within the District.
- 3.28 North Dorset is particularly interesting in that a relatively high proportion of households expect to move out of the area and also out of Dorset.

- 3.29 There is a strong net in-migration to the county, especially through Bournemouth. The working status profile suggests that in-migrant households are more likely to be retired, with out-migrant households more likely to be in employment. This would again accord with the overall attractiveness of the county, and the relative lack of major centres of employment, making it a net retirement location.

4. The Local Housing Market

Introduction

- 4.1 This chapter uses information extracted from the supplementary report on the Dorset housing market to briefly describe the housing market in North Dorset. It uses data from the Land Registry to compare the North Dorset area with the sub-regional market and summarises information from a survey of estate and letting agents on the entry-level costs to the market.

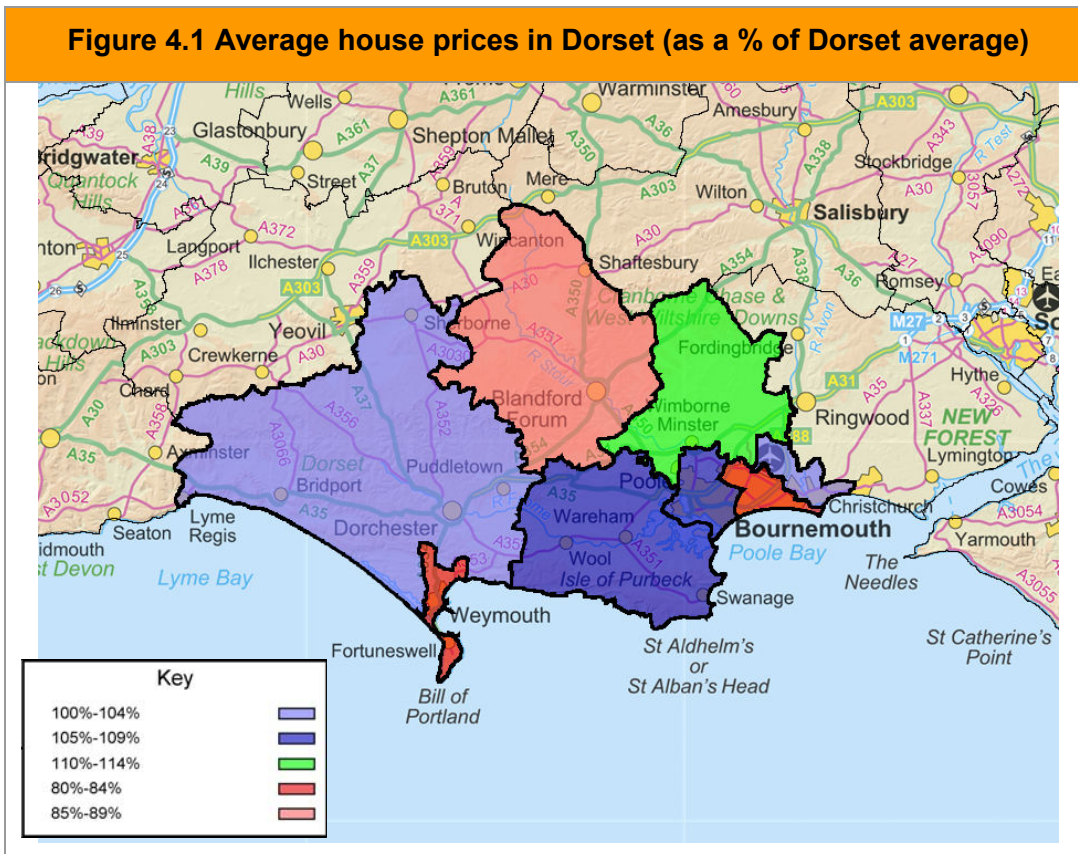
Sub-regional market position

- 4.2 The table below shows average prices in the fourth quarter of 2006 for each of England and Wales, the South West, Dorset and North Dorset. The table shows that average prices in North Dorset are 107.9% of the average for England and Wales, slightly higher than the average for the South West but notably lower than the average for Dorset.

Table 4.1 Land Registry average prices (4 th quarter 2006)		
Area	Average price	As % of E & W
England & Wales	£207,573	100.0%
South West	£216,998	104.5%
Dorset	£250,092	120.5%
North Dorset	£224,061	107.9%

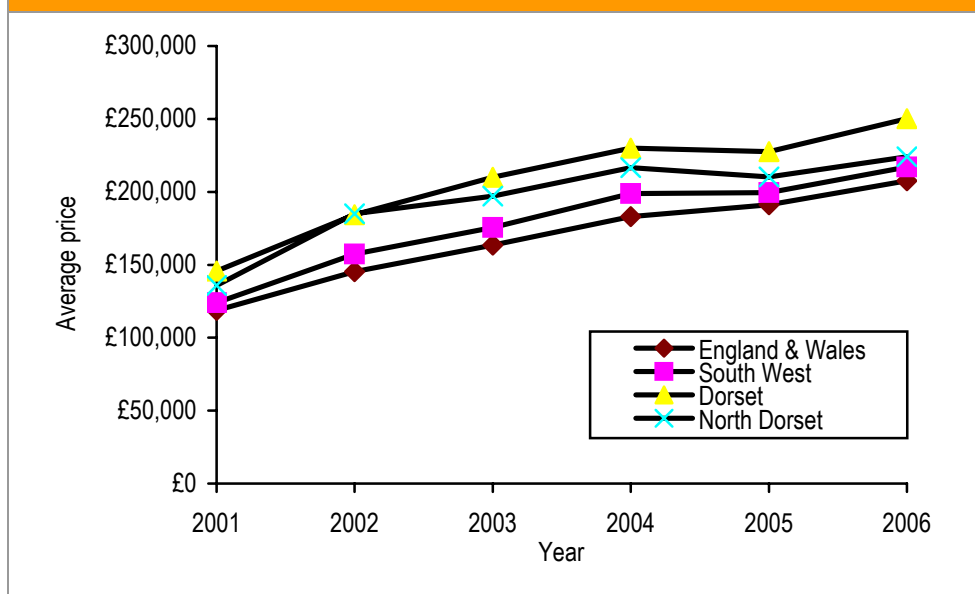
Source: Land Registry – 2006

- 4.3 The figure below shows the average property price in each Local Authority area in Dorset as a percentage of the average property price in Dorset as a whole. This clearly shows the areas of high and low property prices. The figure shows that North Dorset is below the average property price for the County.



Source: Land Registry – 2006

- 4.4 The figure below shows how the average house prices in North Dorset have changed since 2001 compared with the averages for Dorset, the South West and England and Wales. The data shows that North Dorset recorded the lowest increase in average property prices at 65.0% compared to 71.6% for Dorset, 75.1% for the South West and 74.7% across England and Wales.
- 4.5 The figure shows that whilst average property prices in North Dorset were almost equal to average property prices for the whole of Dorset in 2002, prices in North Dorset have increased at a notably slower rate since.

Figure 4.2 Land Registry price changes 2001–2006 (4th quarters)

Source: Land Registry

- 4.6 The information presented so far suggests that average property prices in North Dorset are relatively low for the County and the market is less buoyant, however it is important to ensure that this is not a result of a different profile of properties being sold. The table below therefore shows average house prices of Dorset and North Dorset by dwelling type.
- 4.7 It indicates that average prices for each dwelling type are higher for Dorset as a whole than for North Dorset. The table also indicates that North Dorset shows a smaller proportion of sales of detached properties and flats and higher proportions of semi-detached and terraced.

Table 4.2 Land Registry average prices and sales (4th quarter 2006)

Dwelling type	Dorset		North Dorset	
	Average price	% of sales	Average price	% of sales
Detached	£332,595	36.4%	£310,170	36.4%
Semi-detached	£212,888	17.4%	£199,379	25.8%
Terraced	£190,365	18.2%	£172,486	28.8%
Flat/maisonette	£175,772	27.9%	£111,655	9.0%
All dwellings	£242,037	100.0%	£224,061	100.0%

Source: Land Registry

Entry-level market costs

- 4.8 Interviews were conducted with estate and letting agents across the County to gain more information on the main characteristics of the housing market. Estate agents commented that properties in North Dorset are relatively cheaper than coastal areas. Consequently, some Bournemouth and Poole households relocate to North Dorset and then commute back to their original areas to work. However, North Dorset is still considered an area that is too expensive for younger (under 30) first-time buyers.
- 4.9 Blandford contains considerably more one bedroom properties to purchase compared with other areas within the District. As such, the cost of Blandford properties tends to be cheaper than elsewhere. Despite this, Blandford estate agents recorded very little difference in terms of the cost of entry-level accommodation across the District. A more extensive discussion of the estate agents views is presented in the supplementary housing market report.
- 4.10 The table below shows the cost of entry-level market housing in North Dorset as derived from discussions with estate and letting agents. The entry-level cost equates the cheapest cost of housing in good repair of which there is a reasonable supply.

Table 4.3 Entry-level market costs in North Dorset		
Property size	Home to purchase	Cost to rent (per week)
1 bedroom	£81,500	£104
2 bedrooms	£135,000	£115
3 bedrooms	£170,000	£138
4 bedrooms	£247,000	£173

Source: Survey of estate and letting agents 2006

- 4.11 The table shows that estimated entry-level prices ranged from £81,500 for a one bedroom property up to £247,000 for four bedrooms. Entry-level weekly rents varied from £104 (one bed) to £173 (four beds). These entry-level prices are used to assess whether or not a household is able to access the housing market as described in Chapter 8.

Affordable housing

4.12 To complete the housing cost profile in the local market it is appropriate to present information on the cost of social rented housing. The cost of social rented properties by dwelling size can be obtained from CORE (the Continuous Recording System) and these are presented in the table below. As can be seen the costs are significantly below those for private rented housing indicating a significant potential gap between the social rented and market sectors.

Table 4.4 Social rented costs in North Dorset	
Property size	Social rent costs (per week)
1 bedroom	£64
2 bedrooms	£74
3+ bedrooms	£80

Source: CORE data

Summary

4.13 Information from the Land Registry indicates that whilst average property prices in North Dorset are higher than the average for England and Wales, it is the cheapest local authority area within the County. Interviews with estate and letting agents established the cost of entry-level accommodation in the District. It was found that entry-level prices ranged from £81,500 for a one bedroom property up to £247,000 for four bedrooms. Entry-level weekly rents varied from £104 (one bed) to £173 (four beds).

5. Key Survey Findings

Introduction

- 5.1 This chapter sets out some of the main findings from the survey of local households. Throughout the analysis tabulations are made along with tenure. Where possible figures are compared with information at a national and regional level from the Survey of English Housing (SEH).
- 5.2 The first table below shows the survey tenure breakdown in each of the four sub-areas. The proportion of owner-occupiers without a mortgage varies from 37.2% in Blandford to 44.0% in Shaftesbury whilst the proportion of owners with a mortgage varies from 31.5% in Sturminster/Stalbridge to 37.6% in Gillingham. In the rented sector the range of social renting tenants varies from 11.0% in Shaftesbury to 16.6% in Sturminster/Stalbridge whilst the private rented sector varies in proportion from 7.8% in Shaftesbury to 13.5% in Blandford.

Table 5.1 Tenure by sub-area										
Sub-area	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	4,431	37.2%	4,248	35.7%	1,627	13.7%	1,603	13.5%	11,910	100.0%
Gillingham	2,679	41.4%	2,436	37.6%	778	12.0%	585	9.0%	6,477	100.0%
Shaftesbury	1,961	44.0%	1,660	37.2%	491	11.0%	347	7.8%	4,460	100.0%
Sturminster/Stalbridge	2,212	42.9%	1,621	31.5%	855	16.6%	465	9.0%	5,154	100.0%
Total	11,283	40.3%	9,966	35.6%	3,750	13.4%	3,001	10.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Type of housing

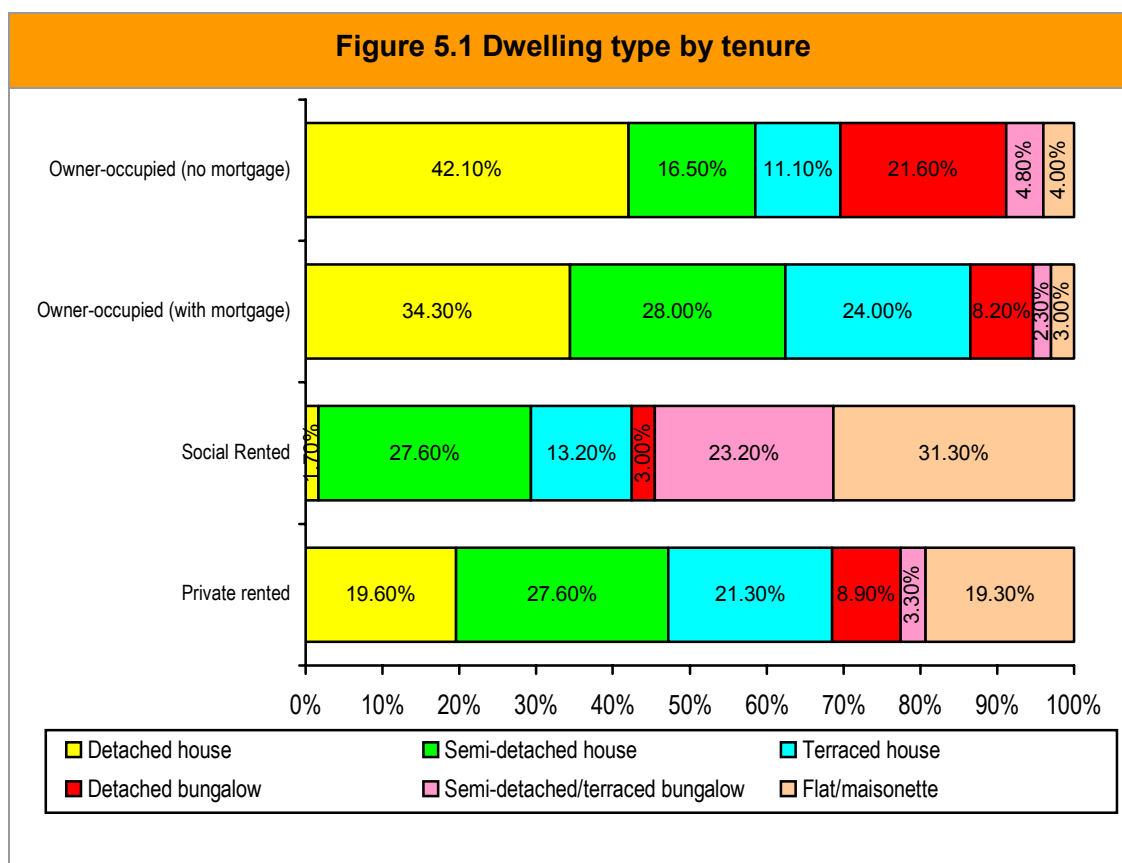
- 5.3 The table below shows current accommodation types in the District. The table shows that a large proportion of households live in detached houses or bungalows (44.5%) whilst relatively few live in flatted accommodation (9.0%). The latest SEH suggests that nationally around 17% of households live in flats whilst the figure for the South West region is around 12%.

Table 5.2 Dwelling type		
Dwelling type	Number of households	% of households
Detached house	8,822	31.5%
Semi detached house	6,521	23.3%
Terraced house	4,781	17.1%
Detached bungalow	3,634	13.0%
Semi or terraced bungalow	1,565	5.6%
Purpose-built flat	2,009	7.2%
Converted flat or shared house	362	1.3%
Flat in commercial building	133	0.5%
Caravan or temporary	174	0.6%
TOTAL	28,000	100.0%

Note: In this analysis 'caravan' and 'mobile home' are taken to be the same

Source: North Dorset HNDS Fordham Research 2007

- 5.4 By tenure a clear trend emerges with households living in owner occupation particularly likely to live in houses/bungalows and particularly likely to be in detached homes. There are very few detached homes outside of the owner-occupied tenure group. The social and private rented sectors have a high proportion of flats/maisonettes. For the purposes of this analysis the three flat categories have been merged into one whilst mobile homes are merged with detached bungalows.



Source: North Dorset HNDS Fordham Research 2007

5.5 The tables below show how the type of accommodation in each sub-area varies across the District. The results indicate that the proportion of detached houses varies from 30.2% in Blandford to 33.3% in Shaftesbury. Shaftesbury records the highest proportion of flats at 11.2%, whilst the lowest proportion was found in Sturminster/Stalbridge (7.3%).

Table 5.3 Dwelling type by sub-area (households)

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Blandford	3,596	2,749	2,208	1,538	731	1,087	11,910
Gillingham	2,068	1,435	974	989	467	544	6,477
Shaftesbury	1,487	899	1,017	444	115	498	4,460
Sturminster/Stalbridge	1,671	1,438	582	662	425	375	5,154
Total	8,822	6,521	4,781	3,634	1,739	2,504	28,000

Source: North Dorset HNDS Fordham Research 2007

Table 5.4 Dwelling type by sub-area (percentages)

Sub-area	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Blandford	30.2%	23.1%	18.5%	12.9%	6.1%	9.1%	100.0%
Gillingham	31.9%	22.2%	15.0%	15.3%	7.2%	8.4%	100.0%
Shaftesbury	33.3%	20.2%	22.8%	10.0%	2.6%	11.2%	100.0%
Sturminster/Stalbridge	32.4%	27.9%	11.3%	12.8%	8.3%	7.3%	100.0%
Total	31.5%	23.3%	17.1%	13.0%	6.2%	8.9%	100.0%

Source: North Dorset HNDS Fordham Research 2007

Household type and size

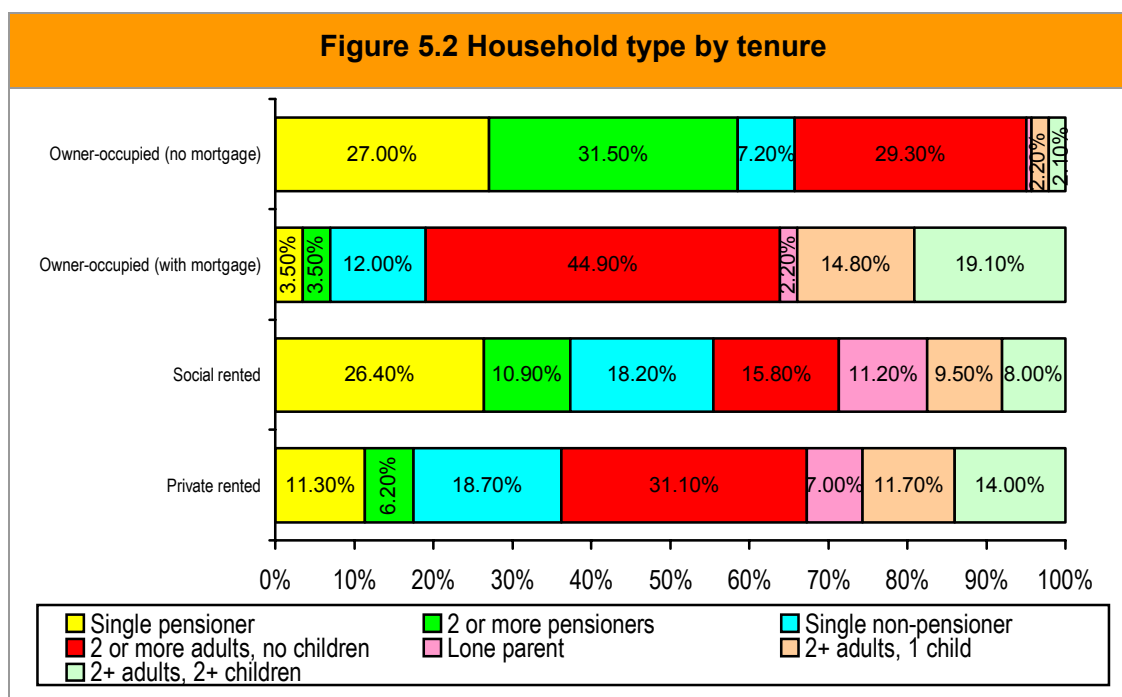
5.6 The table below shows the household type breakdown in the District. The survey estimates that around a third (33.0%) of households are pensioner only and that just under a quarter (22.2%) of households contain children. Around 3% of households are lone parent households. Direct comparisons with the SEH are not possible for household types due to the different definitions used, however 2001 Census data suggests that nationally around 24% of households were pensioner only with an equivalent figure of 27% in the South West region.

Table 5.5 Household type

Household type	Number of households	% of households
Single pensioner	4,721	16.9%
2 or more pensioners	4,509	16.1%
Single non-pensioner	3,254	11.6%
2 or more adults, no children	9,308	33.2%
Lone parent	921	3.3%
2+ adults, 1 child	2,431	8.7%
2+ adults, 2+ children	2,856	10.2%
TOTAL	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

5.7 The figure below shows household type by tenure. As with dwelling type there are clear differences between the tenure groups. The owner-occupied (no mortgage) sector contains a large proportion of pensioner households whilst lone parent households appear to be concentrated in the social and private rented sectors. The owner-occupied (with mortgage) sector has the largest proportion of households with children.



Source: North Dorset HNDS Fordham Research 2007

5.8 The tables below show the variation in the type of household resident in each sub-area. The tables show that the proportion of pensioner households varies from 28.4% in Blandford to 37.7% in Shaftesbury, whilst the proportion of households containing children varies from 20.0% in Shaftesbury to 24.9% in Gillingham.

Table 5.6 Household type by sub-area (households)

Sub-area	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Blandford	1,675	1,700	1,458	4,462	357	1,024	1,234	11,910
Gillingham	1,222	1,156	657	1,829	243	681	689	6,477
Shaftesbury	942	742	523	1,359	122	346	425	4,460
Sturminster/Stalbridge	882	911	617	1,657	199	380	507	5,154
Total	4,721	4,509	3,254	9,308	921	2,431	2,856	28,000

Source: North Dorset HNDS Fordham Research 2007

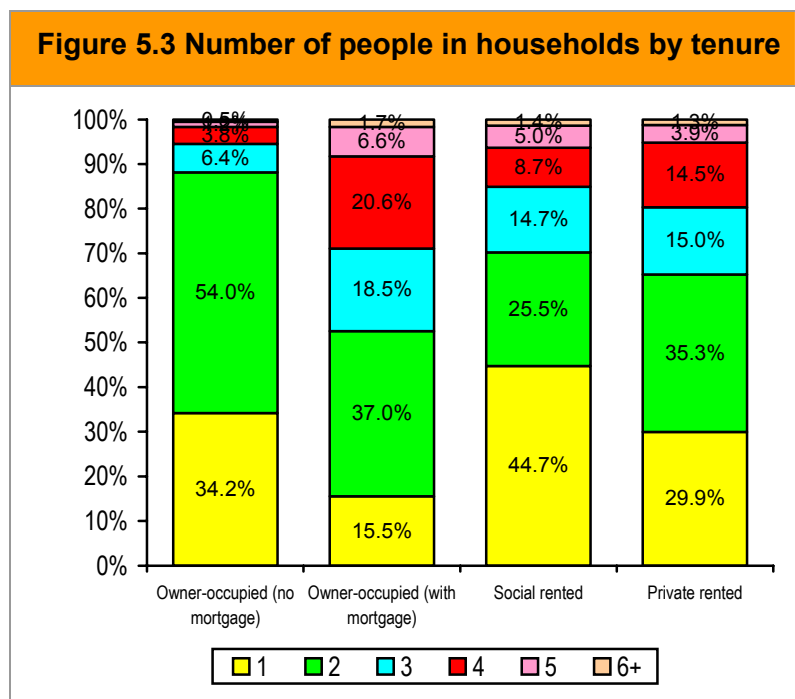
Table 5.7 Household type by sub-area (percentages)

Sub-area	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Blandford	14.1%	14.3%	12.2%	37.5%	3.0%	8.6%	10.4%	100.0%
Gillingham	18.9%	17.9%	10.1%	28.2%	3.8%	10.5%	10.6%	100.0%
Shaftesbury	21.1%	16.6%	11.7%	30.5%	2.7%	7.8%	9.5%	100.0%
Sturminster/Stalbridge	17.1%	17.7%	12.0%	32.2%	3.9%	7.4%	9.8%	100.0%
Total	16.9%	16.1%	11.6%	33.2%	3.3%	8.7%	10.2%	100.0%

Source: North Dorset HNDS Fordham Research 2007

5.9 The average household size in North Dorset was estimated from the survey to be 2.2. This figure is below the most recent national estimates of around 2.4 persons per household. By tenure the largest households were those buying with a mortgage (average 2.7) whilst the smallest were outright owners (average 1.9). The figure below shows the number of people in households by tenure.

Figure 5.3 Number of people in households by tenure



Source: North Dorset HNDS Fordham Research 2007

5.10 One-person households were more common than households of any other size amongst social renters. Amongst owner-occupiers and private renters, two-person households were the most common. Nearly two-fifths of owners with a mortgage are three or four person households compared with around 10% of outright owners and a quarter of social housing tenants. These differences tend to reflect the large proportion of older persons in the social sector and the greater concentration of people with families who are owner-occupiers repaying a mortgage.

5.11 The table below shows the variation in the size of household resident in each sub-area. The table shows that the proportion of one person households varies from 26.3% in Blandford to 32.9% in Shaftesbury, whilst the proportion of households containing four or more people varies from 14.5% in Shaftesbury to 16.7% in Sturminster/Stalbridge.

Table 5.8 Household size by sub-area										
Sub-area	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	3,133	26.3%	5,240	44.0%	1,438	12.1%	2,099	17.6%	11,910	100.0%
Gillingham	1,878	29.0%	2,659	41.0%	886	13.7%	1,054	16.3%	6,477	100.0%
Shaftesbury	1,465	32.9%	1,735	38.9%	614	13.8%	645	14.5%	4,460	100.0%
Sturminster/Stalbridge	1,499	29.1%	2,159	41.9%	635	12.3%	860	16.7%	5,154	100.0%
Total	7,975	28.5%	11,793	42.1%	3,573	12.8%	4,659	16.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Length of residence and recent movers

- 5.12 At the time of the survey an estimated 6,185 of households (22.1%) had been resident at their current address for less than two years. This figure is broadly in line with the most recent SEH data which suggests that 10% of households at a point in time will have been resident at their address for less than one year.
- 5.13 Of the households moving in the past two years, 25% are private renters, 61% owner-occupiers and 14% in the social rented sector. An estimated 51.9% of private renters had moved home in the past two years, compared to only 22.7% of social renters and 17.8% of owner-occupiers. Private tenants are therefore much more mobile than social renters or owner-occupiers. The least mobile group are outright owners, only 11.7% of whom moved in the previous two years.
- 5.14 Over half of all households have lived in their home for more than five years. In the case of outright owners, nearly three-quarters (72.6%) have lived in their home for more than five years – this compares with only 28.4% of private tenants.

Table 5.9 Length of residence of household by tenure

Tenure	Length of residence				Total
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Owner-occupied (no mortgage)	740	584	1,765	8,194	11,283
Owner-occupied (with mortgage)	1,258	1,193	2,417	5,098	9,966
Social rented	424	426	899	2,002	3,750
Private rented	991	568	591	851	3,001
Total	3,413	2,772	5,671	16,145	28,000
Owner-occupied (no mortgage)	6.6%	5.2%	15.6%	72.6%	100.0%
Owner-occupied (with mortgage)	12.6%	12.0%	24.3%	51.2%	100.0%
Social rented	11.3%	11.4%	24.0%	53.4%	100.0%
Private rented	33.0%	18.9%	19.7%	28.4%	100.0%
Total	12.2%	9.9%	20.3%	57.7%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 5.15 In terms of tenure mobility, the most common types of move were from one owner-occupied property to another (2,699 households) followed by moves within the private rented sector. There was also a fair degree of movement within the social rented sector. Overall, movement within sectors was more common than movement between them.
- 5.16 Around 39% of all moves involved the private rented sector – households moving into it, out of it or within it – showing how important the sector is in providing mobility in the housing market. The private rented sector shows the highest turnover of any tenure in most local authorities: it is the 'gateway' to other tenures. Overall it is estimated that around 11% of all households currently live in the private rented sector.
- 5.17 Around 41% of newly-formed households moved into owner-occupation and a further 38% into private rented accommodation. Therefore around 21% of newly forming households moved into a socially rented dwelling (a figure broadly in line with the national average of around 23%).

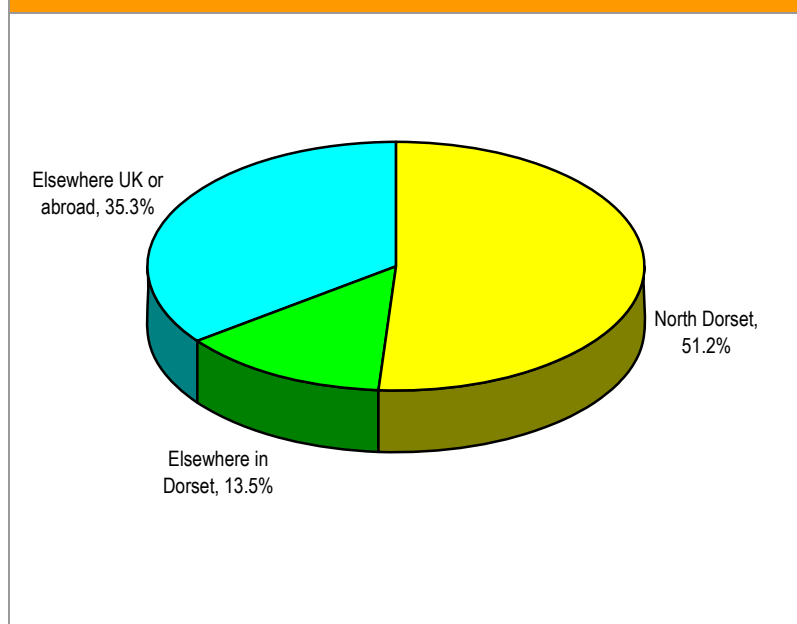
**Table 5.10 Previous tenure by current tenure
(households moving in past two years)**

Tenure	Previous tenure				Total
	Newly formed household	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	39	1,177	0	108	1,324
Owner-occupied (with mortgage)	289	1,522	49	591	2,451
Social rented	174	27	488	161	850
Private rented	303	390	101	766	1,559
Total	805	3,116	637	1,626	6,184
Owner-occupied (no mortgage)	3.0%	88.9%	0.0%	8.1%	100.0%
Owner-occupied (with mortgage)	11.8%	62.1%	2.0%	24.1%	100.0%
Social rented	20.4%	3.2%	57.4%	19.0%	100.0%
Private rented	19.4%	25.0%	6.5%	49.1%	100.0%
Total	13.0%	50.4%	10.3%	26.3%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 5.18 It is also possible to look at the previous locations of households who have moved home in the past two year – this is shown in the figure below. The figure shows a considerable amount of in-migration into the District. In total, nearly half of all moves made were by households previously living outside the District (48.8%).

**Figure 5.4 Location of previous home
(movers in past two years)**



Source: North Dorset HNDS Fordham Research 2007

- 5.19 It is therefore of interest to look briefly at the characteristics of households moving into the District. The table below shows the tenures secured by in-migrant households and a broad household type profile (older and non-older persons). These figures are contrasted with figures for households moving with the District.

Table 5.11 Tenure and household characteristics of in-migrant households

Tenure	Total moves	% of moves from outside district	% of older person in-migrants	% of older person internal movers
Owner-occupied (no mortgage)	1,324	66.0%	65.4%	60.9%
Owner-occupied (with mortgage)	2,451	46.9%	6.6%	7.5%
Social rented	850	14.2%	28.7%	16.2%
Private rented	1,559	56.3%	14.9%	5.3%
Total	6,184	48.8%	26.9%	16.6%

Source: North Dorset HNDS Fordham Research 2007

- 5.20 The table shows some interesting findings. Of the owner-occupiers (no mortgage) who moved to their dwelling in the past two years nearly two-thirds (66.0%) were previously resident outside the District, this compares with only 14.2% of social tenants. The data also shows that around two-thirds (65.4%) of in-migrant outright owners contain an older person. Overall, 26.9% of all in-migrant households contain an older person, compared with only 16.6% of internal movers. These findings would suggest that a high proportion of households are moving to the area for retirement purposes.

- 5.21 The table below shows household's length of residence in their current accommodation by sub-area. Gillingham stands out as having a particularly mobile population with 26.9% of households having lived at their current address for less than two years. In contrast only 18.2% of households in Sturminster/Stalbridge moved to their current address in the past two years.

Table 5.12 Length of residence by sub-area

Sub-area	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	1,498	12.6%	1,084	9.1%	2,493	20.9%	6,835	57.4%	11,910	100.0%
Gillingham	935	14.4%	813	12.5%	1,247	19.3%	3,482	53.8%	6,477	100.0%
Shaftesbury	413	9.3%	395	8.9%	916	20.5%	2,735	61.3%	4,460	100.0%
Sturminster/Stalbridge	567	11.0%	479	9.3%	1,015	19.7%	3,092	60.0%	5,154	100.0%
Total	3,413	12.2%	2,772	9.9%	5,671	20.3%	16,145	57.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Car ownership

- 5.22 A further question asked in the survey was car ownership/availability. Although not directly linked to housing, this is a useful variable as it can provide some indication of wealth. The table below shows the number of cars households have available for use by tenure.
- 5.23 Over two-fifths (40.5%) of all households in social rented housing have no access to a car or van, this compares with only 3.0% of owner-occupied (with mortgage) households. The average household has 1.40 cars/vans; this figure varies from 0.76 in the social rented sector to 1.76 for owner-occupiers with a mortgage.

Table 5.13 Car ownership and tenure					
Tenure	Number of cars/vans available for use				Average number of cars/vans
	0	1	2	3+	
Owner-occupied (no mortgage)	11.1%	52.6%	29.0%	7.3%	1.33
Owner-occupied (with mortgage)	3.0%	32.0%	50.8%	14.2%	1.76
Social rented	40.5%	45.9%	10.9%	2.7%	0.76
Private rented	11.4%	56.3%	27.0%	5.2%	1.26
TOTAL	12.2%	44.8%	34.1%	8.9%	1.40

Source: North Dorset HNDS Fordham Research 2007

- 5.24 The table below considers variations in car ownership by sub-area. The table shows that the proportion of households without access to a car varies from 9.7% in Blandford to 17.1% in Shaftesbury. The proportion of households with three or more cars varies from 6.6% in Shaftesbury to 11.2% in Sturminster/Stalbridge.

Table 5.14 Car ownership by sub-area										
Sub-area	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	1,153	9.7%	5,220	43.8%	4,479	37.6%	1,058	8.9%	11,910	100.0%
Gillingham	819	12.7%	3,075	47.5%	2,015	31.1%	567	8.8%	6,477	100.0%
Shaftesbury	763	17.1%	1,955	43.8%	1,447	32.4%	294	6.6%	4,460	100.0%
Sturminster/Stalbridge	677	13.1%	2,285	44.3%	1,616	31.4%	575	11.2%	5,154	100.0%
Total	3,413	12.2%	12,536	44.8%	9,557	34.1%	2,494	8.9%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Ethnicity

- 5.25 The population of North Dorset is predominantly White and survey data suggests that only around 1% of households are non-White (survey respondent or their partner non-White). This figure is broadly in-line with 2001 Census estimates and suggests that BME groups are adequately represented in the sample.
- 5.26 As only 45 survey forms were returned from non-White households it is not statistically possible to conduct any detailed analysis of such households. However, the data that does exist does show some trends which might be expected – namely that non-White households are more likely to live in the private rented sector, are generally larger households and are less likely than White households to contain older persons.

Overcrowding and under-occupation

- 5.27 Levels of overcrowding are measured using the ‘bedroom standard’ (see Glossary for definition). Essentially this is the difference between the number of bedrooms needed to avoid undesirable sharing and the number of bedrooms actually available to the household. Using the same standard it is also possible to study under-occupation – in this study it is assumed that any household with more than one spare bedroom is under-occupying their dwelling.
- 5.28 The table below shows a comparison between the numbers of bedrooms in each home against the number of bedrooms required for all households.

Table 5.15 Overcrowding and under-occupation					
Number of bedrooms required	Number of bedrooms in home				TOTAL
	1	2	3	4+	
1 bedroom	2,236	5,684	6,914	3,941	18,775
2 bedrooms	59	1,404	2,959	1,776	6,198
3 bedrooms	4	108	1,295	1,289	2,695
4+ bedrooms	0	0	97	235	332
TOTAL	2,299	7,196	11,265	7,241	28,000

KEY: Overcrowded households Under-occupied households

Note: The bottom two cells of the 4+ bedroom column contain some households that are either overcrowded or under-occupied – for example they may require three bedrooms but live in a five bedroom property or may require a five bedroom property but are currently occupying a four bedroom property.

Source: North Dorset HNDS Fordham Research 2007

5.29 The estimated number of overcrowded and under-occupied households is as follows:

- **Overcrowded:** 1.0% of households = 289 households
- **Under-occupied:** 46.8% of households = 13,096 households

5.30 The latest SEH data on overcrowding suggests that nationally around 2.5% of households are overcrowded with the figure for the South West being 1.6%. The sample size of overcrowded households is relatively small and so further detailed analysis is not possible. However the data does suggest that overcrowded households are more likely to be living in rented accommodation (particularly in the social rented sector) and that the majority of overcrowded households state a need or likelihood of moving home over the next two years.

5.31 The table below shows overcrowding and under-occupation by sub-area. It can be seen that overcrowding is relatively uncommon in North Dorset, and therefore figures for the number of overcrowded households should be treated with caution. The highest proportions of overcrowded households were in Blandford (at 1.3%). Under-occupation was much more common; with around half of households in each of the sub areas being counted as under-occupied.

Table 5.16 Overcrowding/under-occupation by sub-area

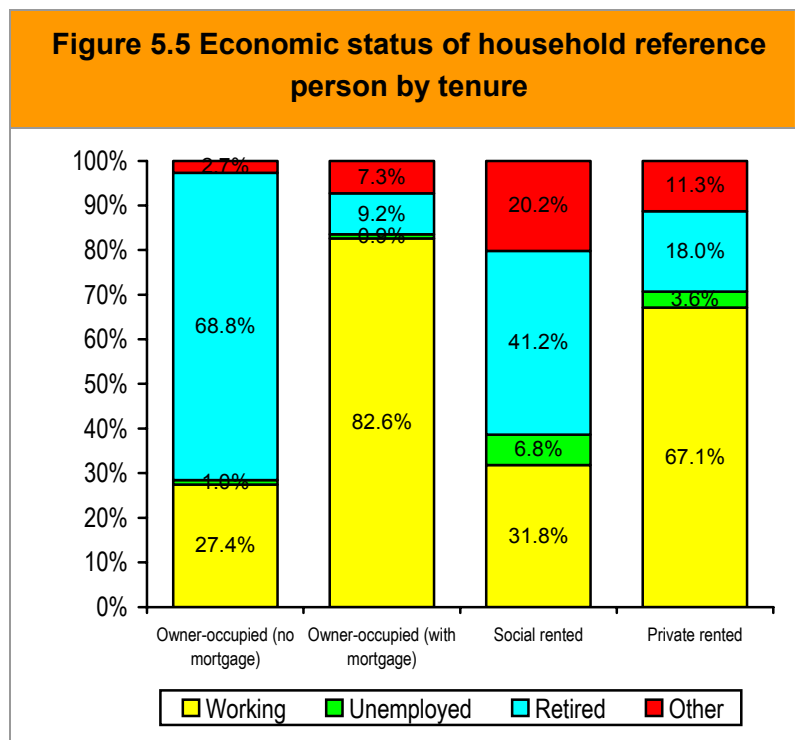
Sub-area	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Blandford	155	1.3%	6,220	52.2%	5,535	46.5%	11,910	100.0%
Gillingham	47	0.7%	3,524	54.4%	2,906	44.9%	6,477	100.0%
Shaftesbury	49	1.1%	2,185	49.0%	2,225	49.9%	4,460	100.0%
Sturminster/Stalbridge	37	0.7%	2,686	52.1%	2,430	47.2%	5,154	100.0%
Total	289	1.0%	14,615	52.2%	13,096	46.8%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Economic status

5.32 For the purposes of analysis of economic status the status of the survey respondent is taken to represent the household reference person. At the time of the survey, 82.6% of those buying with a mortgage were working. For private renters the figure was 67.1%, and for social renters the percentage was 31.9%. For outright owners, only 27.4% were working and 68.8% were retired. Overall, some 38.5% of household reference persons were retired with the lowest percentage for households buying with a mortgage.

5.33 The figure below summarises economic status by tenure. Although direct comparisons are not possible with the SEH (due to a different definition of household reference person) the main trends shown by tenure are in-line with the situation nationally.



Source: North Dorset HNDS Fordham Research 2007

5.34 Over a third of the ‘other’ category were renting in the social rented sector and the percentage of persons who are economically inactive but not retired is higher than other tenures. This finding is reflected by a high proportion of people in the social rented sector who have classified themselves as permanently sick or disabled (10% of social tenants). Less than 1% of all other tenure groups together are classified as sick/disabled.

5.35 The table below shows economic status by sub-area; the proportion of household heads in work was highest in Blandford (55.9%), and lowest in Sturminster/Stalbridge (46.8%), which also had the largest proportion of unemployed people in the area.

Table 5.17 Economic status of household head by sub-area

Sub-area	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	6,663	55.9%	217	1.8%	4,054	34.0%	976	8.2%	11,910	100.0%
Gillingham	3,260	50.3%	120	1.8%	2,656	41.0%	441	6.8%	6,477	100.0%
Shaftesbury	2,202	49.4%	75	1.7%	1,898	42.6%	285	6.4%	4,460	100.0%
Sturminster/Stalbridge	2,413	46.8%	155	3.0%	2,159	41.9%	426	8.3%	5,154	100.0%
Total	14,539	51.9%	566	2.0%	10,767	38.5%	2,128	7.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Housing costs

- 5.36 The survey asked a series of questions about how much households currently pay for their housing. The table below shows estimates of the amount of rent/mortgage paid by households by tenure (figures exclude households where there are no housing costs such as outright owners and some households in tied accommodation).
- 5.37 The table shows that households in the private rented sector and those buying with a mortgage have the highest housing costs. The average private tenant pays £123 per week, this compares with £70 for RSL tenants.

Table 5.18 Housing costs by tenure				
Weekly housing cost	Owner-occupied (with mortgage)	Social rented	Private rented	TOTAL
Under £30	5.4%	13.8%	5.5%	7.35
£30-£59	11.3%	9.4%	6.7%	10.1%
£60-£89	12.8%	61.7%	10.1%	23.4%
£90-£119	15.4%	12.5%	22.1%	15.9%
£120-£149	16.1%	1.3%	31.7%	15.4%
£150-£179	11.1%	0.2%	12.7%	8.9%
£180-£209	8.7%	0.4%	6.1%	6.4%
£210-£239	5.7%	0.0%	1.9%	3.8%
£240-£269	4.1%	0.0%	0.7%	2.6%
£270 or more	9.5%	0.7%	2.4%	6.3%
TOTAL	100.0%	100.0%	100.0%	100.0%
Average cost	£140	£70	£123	£121

Source: North Dorset HNDS Fordham Research 2007

Summary

- 5.38 The household survey collected a significant amount of data about the resident household population. Some of the main findings were:
- In total 44.5% of households live in detached houses or bungalows, whilst only 9.0% live in flatted accommodation. Households living in rented housing are more likely to live in flats whilst those in owner-occupation are more likely to live in detached houses than other tenures.
 - Around a third of all households are 'pensioner-only' and just over a quarter contain children. Lone parent households were found to be concentrated in the rented sectors.

- Analysis of household moves in the last two years shows that private rented tenants are the most mobile. An estimated 51.9% of private renters had moved home in the past two years, compared to only 22.7% of social renters and 17.8% of owner-occupiers. There were more moves recorded within tenures than between them.
- Car ownership data suggests that there is an average of 1.40 cars per household in the District. There are however large differences by tenure with owner-occupiers (with mortgage) having an average of 1.76 cars per household. Over 40% of all households in social rented accommodation have no use of a car or van.
- The population of North Dorset is predominantly White and survey data suggests that only around 1% of households are non-White
- The level of overcrowding recorded in North Dorset at 1.0% is lower than the national average. The high figure for under-occupation is typical, and is associated with the high level of owner occupation.
- The proportion of employed household heads varied significantly across the tenures. Some 82.6% of households buying with a mortgage are headed by an employed person compared to 67.1% in the private rented sector and 31.9% for social tenants.
- Households in the private rented sector and those buying with a mortgage have the highest housing costs, households in the social rented sector the lowest.

SECTION B: HOUSING NEED

6. Guidance

Introduction

- 6.1 The two chapters following this one study the need for affordable housing in the District (both in terms of a backlog of need and likely future needs). This initial chapter sets out some key definitions which are central to both of the following chapters. Where appropriate definitions have been drawn from the CLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3.

Housing need

- 6.2 Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.
- 6.3 In this assessment we have fully followed the Guide's definition of unsuitable housing. In addition we have considered those types of unsuitability which will require a move to a different dwelling prior to applying the affordability test.

Newly arising need

- 6.4 Newly arising (or future) need is a measure of the number households who are expected to have an affordable housing need at some point in the future (measured annually). In this assessment we have used survey data about past household moves (along with affordability) to estimate future needs. In line with the Guide we have split future needs into two groups – newly forming households and existing households.
- 6.5 An estimate of the likely future supply of affordable housing is also made (drawing on secondary data sources about past lettings). The future supply of affordable housing is subtracted from the future need to make an assessment of the net future need for affordable housing. In this report we have also estimated the likely supply of Housing Benefit supported private rented housing so as to provide an alternative output regarding suggested future provision.

Affordability

- 6.6 Affordability is assessed using survey data regarding the full range of financial information available along with an estimate of a household's size requirements and the cost of suitable market housing (to either buy or rent). Separate tests are applied for home ownership and private renting and are summarised below (both tests are fully in line with the advice given in the Guide):
- 6.7 Assessing whether a household can afford home ownership - A household is considered able to afford to buy a home if it costs 3.5 times the gross household income for a single earner household or 2.9 times the gross household income for dual-income households. Allowance is also made for any access to capital that can be used towards home ownership (e.g. savings or equity).
- 6.8 Assessing whether a household can afford market renting - A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than 25% of gross income.

Affordable housing

- 6.9 Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire).

Summary

- 6.10 A key element of this report is an assessment of both current and future affordable housing needs. There are a number of definitions which are central to making estimates of need (such as definitions of housing need, affordability and affordable housing). All definitions used in this report are consistent with guidance given in the CLG Strategic Housing Market Assessment Guidance of March 2007 and PPS3 and the following two chapters look at the analysis of housing need.

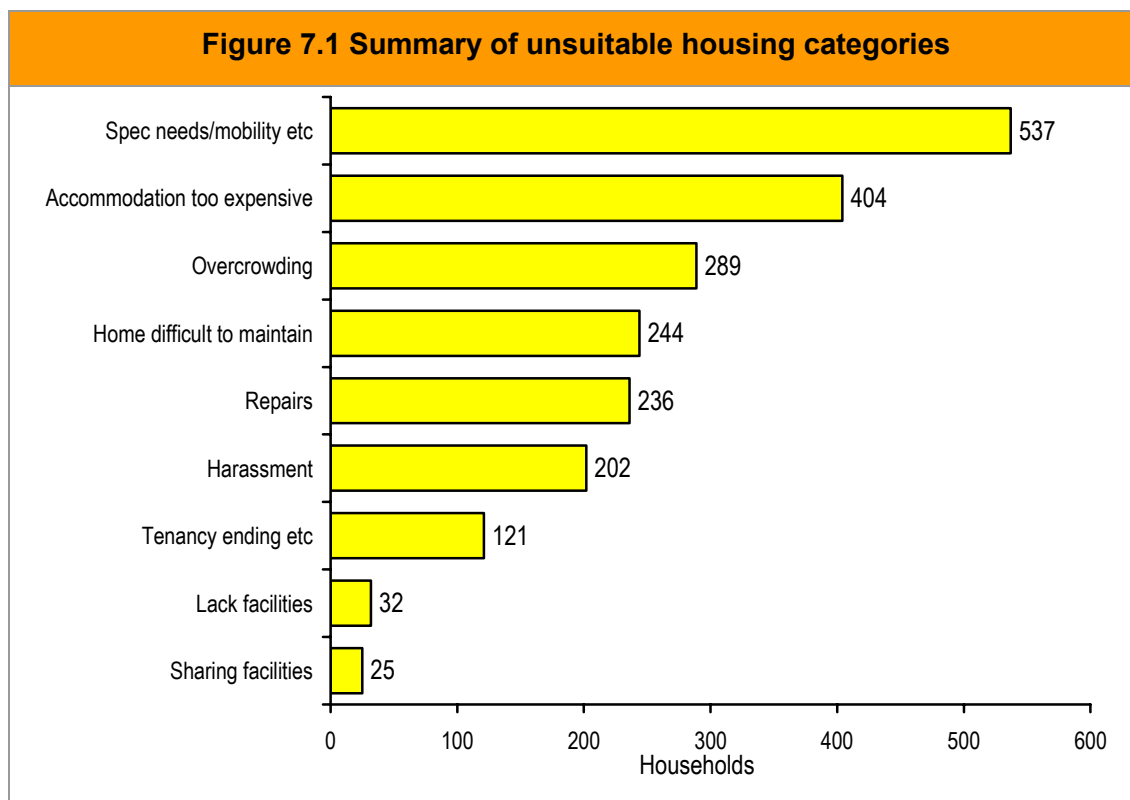
7. Current Need

Introduction

- 7.1 This chapter of the report assesses the first two stages of the needs assessment model – Current Need. This begins with an assessment of housing suitability and affordability and also considers homeless households before arriving at a total current need estimate (gross). An assessment of the stock available to offset this need follows, which then enables the net current need estimate to be calculated.

Unsuitable housing

- 7.2 A key element of housing need is an assessment of the suitability of a household's current housing. The CLG guide sets out a series of nine criteria for unsuitable housing - which has been followed in this report. It is estimated that a total of 1,448 households are living in unsuitable housing. This represents 5.2% of all households in the District.
- 7.3 The figure below shows a summary of the numbers of households living in unsuitable housing (ordered by the number of households in each category). It should be noted that the overall total of reasons for unsuitability shown in the figure will be greater than the total number of households with unsuitability, as some households have more than one reason for unsuitability.
- 7.4 The main reason for unsuitable housing is special needs and/or mobility problems, followed by accommodation too expensive.



Source: North Dorset HNDS Fordham Research 2007

7.5 The table below shows unsuitable housing by tenure. The patterns emerging suggest that households living in rented accommodation are more likely to be in unsuitable housing than owner-occupiers. Some 13.7% of households in private rented accommodation and 11.3% of households in the social rented sector are estimated to be living in unsuitable housing. This compares with 2.3% and 3.6% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

Table 7.1 Unsuitable housing and tenure

Tenure	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds in District	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Owner-occupied (no mortgage)	255	11,028	11,283	2.3%	17.6%
Owner-occupied (with mortgage)	356	9,610	9,966	3.6%	24.6%
Social rented	425	3,325	3,750	11.3%	29.3%
Private rented	412	2,589	3,001	13.7%	28.5%
TOTAL	1,448	26,552	28,000	5.2%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 7.6 The table below shows the location of unsuitably housed households in North Dorset. The table indicates that the level of unsuitable housing varies from 4.0% in Sturminster/Stalbridge 6.1% in Blandford.

Table 7.2 Location of households in unsuitable housing						
Sub-area	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Blandford	730	6.1%	11,180	93.9%	11,910	100.0%
Gillingham	263	4.1%	6,214	95.9%	6,477	100.0%
Shaftesbury	249	5.6%	4,210	94.4%	4,460	100.0%
Sturminster/Stalbridge	206	4.0%	4,947	96.0%	5,154	100.0%
Total	1,448	5.2%	26,552	94.8%	28,000	100.0%

'In-situ' solutions

- 7.7 The survey has highlighted that 1,448 households are in unsuitable housing. However it is most probable that some of the unsuitability can be resolved in the households' current accommodation. Households living in housing deemed unsuitable for the following reasons were not considered to have an in-situ solution: end of tenancy, accommodation too expensive, overcrowding, sharing facilities, harassment.
- 7.8 The survey data therefore estimates that of the 1,448 households in unsuitable housing, 889 (or 61.4%) do not have an in-situ solution and therefore require a move to alternative accommodation.

Affordability

- 7.9 Using the affordability methodology set out in the previous chapter it is estimated that there are 542 existing households that cannot afford market housing and are living in unsuitable housing (and require a move to alternative accommodation). This represents 1.9% of all existing households in the District.
- 7.10 The table below shows the tenure of the 542 households currently estimated to be in housing need. The results show that private rented tenants are most likely to be in housing need – 7.7% of households in the private rented sector are in housing need. Of all households in need, 39.4% currently live in social rented accommodation and 42.8% in private rented housing.

Table 7.3 housing need and tenure					
Tenure	Housing need				
	In need	Not in need	Number of h'holds in District	% of total h'holds in need	% of those in need
Owner-occupied (no mortgage)	0	11,283	11,283	0.0%	0.0%
Owner-occupied (with mortgage)	96	9,870	9,966	1.0%	17.7%
Social rented	214	3,536	3,750	5.7%	39.4%
Private rented	232	2,769	3,001	7.7%	42.8%
TOTAL	542	27,458	28,000	1.9%	100.0%

Source: North Dorset HNDS Fordham Research 2007

7.11 For the purposes of the housing needs assessment, households considered to be in housing need have been split into two categories: current occupiers of affordable housing in need (this includes occupiers of social rented and shared ownership accommodation), and households from other tenures in need. Some 214 households fall into the former category and 328 into the latter category.

7.12 The table below shows the location of households currently in need in North Dorset. The table indicates that there is some housing need in all areas. The highest level of housing need was estimated to be in Blandford (2.3% of households).

Table 7.4 Location of households currently in need						
Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Blandford	280	2.3%	11,630	97.7%	11,910	100.0%
Gillingham	86	1.3%	6,391	98.7%	6,477	100.0%
Shaftesbury	93	2.1%	4,367	97.9%	4,460	100.0%
Sturminster/Stalbridge	84	1.6%	5,070	98.4%	5,154	100.0%
Total	542	1.9%	27,458	98.1%	28,000	100.0%

Homeless households

7.13 The Housing Needs Assessment is a 'snapshot' survey that assesses housing need at a particular point in time. There will, in addition to the existing households in need, be some homeless households who were in need at the time of the survey and should also be included within any assessment of backlog need.

- 7.14 Such households will include those in temporary accommodation which would not have formed part of the survey sampling frame (i.e. in an address not registered on the residential Council Tax Register). In North Dorset the number of such cases is low and the 2006 HSSA suggested as of April 2006 only around one household was living in bed and breakfast style accommodation. This number is however added to our total estimated backlog of need

Total current need

- 7.15 The table below summarises the first stage of the overall assessment of housing need as set out by the CLG. The data shows that there are an estimated 543 households in need.

Table 7.5 Backlog of housing need		
Step	Notes	Output
1.1 Homeless households and those in temporary accommodation		1
1.2 Overcrowding and concealed households	Two steps	542
1.3 Other groups	taken together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	543

Source: North Dorset HNDS Fordham Research 2007

Available stock to offset need

- 7.16 The next stage in the backlog considers the stock available to offset the current need. This includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and committed supply of new affordable units. Units to be taken out of management are removed from the calculation.
- 7.17 Firstly, it is important when considering net need levels to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have an overall nil effect in terms of housing need. The figure to be used in this section is therefore 214 (as presented earlier in this chapter).

Surplus stock

- 7.18 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The CLG Guide suggests that if the vacancy rate in the affordable stock is in excess of 3% then these should be considered as surplus stock which can be included within the supply to offset needs. North Dorset records a vacancy rate in the social rented sector of less than 1%; therefore no adjustment needs to be made to the figures.

Committed supply of new affordable units

- 7.19 The CLG Guide recommends that this part of the assessment includes 'new social rented and intermediate housing which are committed to be built over the period of the assessment'. For the purposes of analysis we have taken HSSA data showing the number of planned and proposed affordable units for the period 2006-2008 as a guide to new provision.
- 7.20 Overall the 2006 HSSA data suggests that there are 141 affordable dwellings planned or proposed for this two year period.

Units to be taken out of management

- 7.21 The Guide states that this stage 'involves estimating the numbers of social rented or intermediate units that will be taken out of management'. The main component of this step will be properties which are expected to be demolished (or replacement schemes that lead to net losses of stock). At the time of reporting the proposed number of affordable dwellings expected to be 'taken out of management' in the future was unknown and hence a figure of zero has been used in this step of the model.

Total available stock to offset need

- 7.22 Having been through a number of detailed stages in order to assess the total available stock to offset need in the District we shall now bring together all pieces of data to complete this part of the needs assessment. The data (in the table below) shows that there are an estimated 355 properties available to offset the current need.

Table 7.6 Current supply of affordable housing

Step	Notes	Output
3.1 Affordable dwellings occupied by households in need		214
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		141
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3+3.4	355

Source: North Dorset HNDS Fordham Research 2007

Total backlog need

7.23 In the tables above it is estimated that there is a current need to provide 543 units of affordable housing to meet the backlog of need. Current sources are estimated to be able to provide 355 of these units leaving an estimated shortfall of around 188 units of affordable housing.

Summary

7.24 Survey data suggests that around 1,448 households in the District are currently living in unsuitable housing. In addition, it was estimated that 889 of the 1,448 households would need to move home to find a solution to the unsuitability.

7.25 Of these 889 households, an estimated 61% cannot afford a suitable solution in the housing market without some form of subsidy and are hence considered to be in housing need (542 households). Household in the private rented sector were most likely to be in housing need, followed by households in the social rented sector.

7.26 Taking into account a small number of homeless households who would not have been picked up by the household-based survey (1 additional household) makes for a total backlog need of 543 households.

7.27 It is estimated that at the time of the survey there was a current stock of affordable housing of around 355 which could be used to meet this need (including dwellings becoming available as households in the social rented sector move to different dwellings). Hence it was estimated that the net backlog of need for affordable housing is around 188 units (543-355).

8. Future Need

Introduction

8.1 In addition to the current needs discussed so far in this report there will be future need. This is split, as per CLG guidance, into two main categories. These are as follows:

- New households formation (× proportion unable to buy or rent in market)
- Existing households falling into need

8.2 There will be a flow of affordable housing to meet this need. Calculation of the future supply of affordable units follows this analysis; this consists of the annual supply of social re-lets and intermediate housing. The following sections deal with these points in detail.

New household formation

8.3 The estimate of the number of newly forming households in need of affordable housing is based on an assessment of households that have formed over the past two years. Such an approach is preferred to studying households stating likely future intentions as it provides more detailed information on the characteristics of these households contributing to this element of newly arising need.

8.4 The table below shows details of the derivation of new household formation. The table begins by establishing the number of newly forming households over the past two years – an affordability test is then applied.

Table 8.1 Derivation of newly arising need from new household formation		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years		6,184
Minus households NOT forming in previous move	-5,379	805
Times proportion unable to afford		40.7%
ESTIMATE OF NEWLY ARISING NEED		328
ANNUAL ESTIMATE OF NEWLY ARISING NEED		164

Source: North Dorset HNDS Fordham Research 2007

8.5 The table above shows that an estimated 805 households are newly formed within the District over the past two years (403 per annum). Of these it is estimated that 164 (per annum) are unable to afford market housing without some form of subsidy – this represents the annual estimate of the number of newly forming households falling into need.

Existing households falling into need

- 8.6 This is an estimate of the number of existing households who will fall into housing need over the next two years (and then annualised). The basic information for this is households who have moved home within the last two years and affordability. A household will fall into need if it has to move home and is unable to afford to do this within the private sector (examples of such a move will be because of the end of a tenancy agreement). A household unable to afford market rent prices but moving to private rented accommodation may have to either claim Housing Benefit or spend more than a quarter of their gross income on housing, which is considered unaffordable (or indeed a combination of both).
- 8.7 Households previously living with parents, relatives or friends are excluded as these will double-count with the newly forming households already considered in the previous table. The data also excludes moves between social rented properties. Households falling into need in the social rented sector have their needs met through a transfer to another social rented property, hence releasing a social rented property for someone else in need. The number of households falling into need in the social rented sector should therefore, over a period of time, roughly equal the supply of ‘transfers’ and so the additional needs arising from within the social rented stock will be net zero.
- 8.8 The table below shows the derivation of existing households falling into need.

Table 8.2 Derivation of Newly Arising Need from existing households		
Aspect of calculation	Number	Sub-total
Number of households moving in past two years	6,184	
Minus households forming in previous move	-805	5,379
Minus households transferring within affordable housing	-440	4,939
Times proportion unable to afford	20.6%	
ESTIMATE OF NEWLY ARISING NEED	1,016	
ANNUAL ESTIMATE OF NEWLY ARISING NEED	508	

Source: North Dorset HNDS Fordham Research 2007

- 8.9 The table above shows that a total of 4,939 existing households are considered as potentially in need (2,469 per annum). Using the standard affordability test for existing households it is estimated that 20.6% of these households cannot afford market housing. Therefore our estimate of the number of households falling into need excluding transfers is 1,016 households ($4,939 \times 0.206$) over the two-year period. Annualised this is 508 households per annum.

Total newly arising need

8.10 The data from each of the above sources can now be put into the needs assessment table below. It indicates that additional need will arise from a total of 672 households per annum.

Table 8.3 Future need (per annum)		
Step	Notes	Output
2.1 New household formation (gross per year)		403
2.2 Proportion of new households unable to buy or rent in the market	Leaves 164	40.7%
2.3 Existing households falling into need		508
2.4 Total newly arising housing need (gross per year)	2.1x2.2+2.3	672

Source: North Dorset HNDS Fordham Research 2007

Future need

8.11 The table below shows the location of households likely to be in need in the future. The figures are annualised. The table indicates that Gillingham has the highest proportions of households in need, with Shaftesbury having the smallest proportions.

Table 8.4 Location of households in future need (annual)						
Sub-area	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Blandford	239	2.0%	11,671	98.0%	11,910	100.0%
Gillingham	236	3.6%	6,241	96.4%	6,477	100.0%
Shaftesbury	75	1.7%	4,385	98.3%	4,460	100.0%
Sturminster/Stalbridge	122	2.4%	5,032	97.6%	5,154	100.0%
Total	672	2.4%	27,328	97.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

The future supply of social rented housing

8.12 The table below shows an estimate of the supply of lettings from RSL stock (excluding RSL to RSL transfers) over the past 2 years, using CORE data. The average for the two-year period is 296 per annum.

Table 8.5 Analysis of past housing supply – (RSL sector)

	2004/5	2005/6	Average
CORE data	287	305	296

Source: North Dorset HNDS Fordham Research 2007

Intermediate supply

- 8.13 In most local authorities the amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited (as is the case in North Dorset). However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing.
- 8.14 Therefore we include an estimate of the number of shared ownership units that become available each year. Based on survey data it is estimated that around 15 units of shared ownership housing will become available to meet housing needs from the existing stock of such housing.

Total future supply

- 8.15 The total future supply is estimated to be 311, comprised of 296 units of social re-lets and 15 units of shared ownership. This is shown in the below table.

Table 8.6 Future supply of affordable housing (per annum)

Step	Notes	Output
3.6 Annual supply of social re-lets (net)		296
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		15
3.8 Annual supply of affordable housing	4.1+4.2	311

Source: North Dorset HNDS Fordham Research 2007

Net annual need estimate

- 8.16 The table below shows how all of these 16 steps fit into the overall needs assessment model.

Table 8.7 Housing needs assessment model for North Dorset

Stage and step in calculation	Notes	Output
STAGE 1: CURRENT NEED (Gross)		
1.1 Homeless households and those in temporary accommodation		1
1.2 Overcrowding and concealed households	Two steps taken	542
1.3 Other groups	together	
1.4 equals Total current housing need (gross)	1.1+1.2+1.3	543
STAGE 2: FUTURE NEED		
2.1 New household formation (gross per year)		403
2.2 Proportion of new households unable to buy or rent in the market		40.7%
2.3 Existing households falling into need		508
2.4 Total newly arising housing need (gross per year)	(2.1x2.2)+2.3	672
STAGE 3: AFFORDABLE HOUSING SUPPLY		
3.1 Affordable dwellings occupied by households in need		214
3.2 Surplus stock		0
3.3 Committed supply of affordable housing		141
3.4 Units to be taken out of management		0
3.5 Total affordable housing stock available	3.1+3.2+3.3-3.4	355
3.6 Annual supply of social re-lets (net)		296
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels		15
3.8 Annual supply of affordable housing	3.6+3.7	311

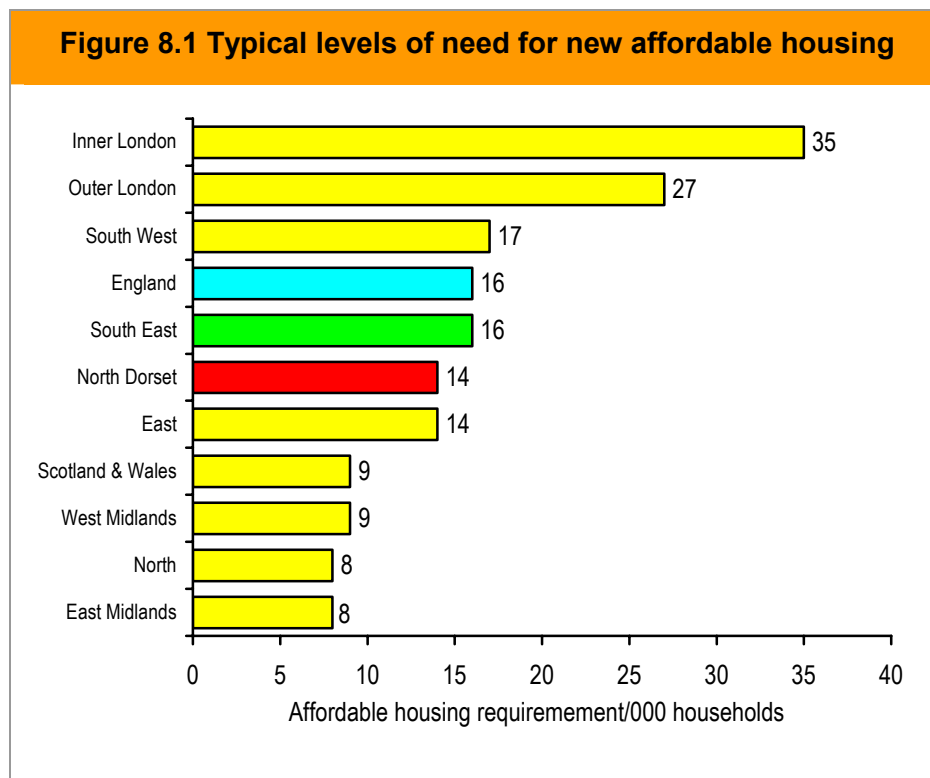
Source: North Dorset HNDS Fordham Research 2007

- 8.17 The guide states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available of 355 (step 3.5) from the gross current need of 543 (step 1.4). This produces a net current need figure of 188.
- 8.18 The second step is to convert this net backlog need figure into an annual flow. The guide acknowledges that this backlog can be addressed over any length of time although a period of less than five years should be avoided. For the purposes of this study the quota of five years proposed in the Guide will be used. Therefore to annualise the net current need figure it will be divided by five. This calculation results in a net annual quota of households who should have their needs addressed of 38 (188/5).
- 8.19 The final step is to sum the net annual quota of households who should have their needs addressed with the total newly arising housing need (step 2.4) and subtract the future annual supply of affordable housing (step 3.8). This leads to a total net annual housing need in North Dorset of 399 (38+672-311).

Findings in context

8.20 The net shortfall of 399 can be related to the Fordham Research Affordable Housing Index, which is the result of standardising the finding by dividing it by the number of thousands of households in the Local Authority area:

$$(399/28,000) \times 1,000 = 14$$



Source: North Dorset HNDS Fordham Research 2007

8.21 This Index figure is lower than the national average (of 16) and the figure for the South West (of 17).

8.22 While this measure gives an indication of the scale of the affordability problem it may hide important issues such as the difficulties particular types of household have in affording property in an area.

The private rented sector

- 8.23 The Strategic Housing Market Assessment Guidance requires the extent of the private rented sector to be estimated to meet the requirements of households in need (through the Housing Benefit system). Survey data suggests that over the past two years around 321 new lets of Housing Benefit supported private rented housing have been made (161 per annum).
- 8.24 It is not however appropriate to consider net this supply of housing from the overall annual housing needs estimate of 399 in North Dorset as there is significant evidence that this is not a secure tenure. Survey data reveals that over half of households in the private rented sector have moved in the last two years and that households leaving this tenure are a notable source of homelessness in North Dorset. Whilst the private rented sector can provide accommodation (through the Housing Benefit system) for those in housing need it also creates housing need and it cannot therefore be considered part of the supply of homes to meet housing need.

Summary

- 8.25 The future need for affordable housing has been based on survey information about past household behaviour in terms of moves to different accommodation. The data suggests that on an annual basis there will be 164 newly forming households requiring affordable housing and a further 508 existing households. The total future need for affordable housing is therefore estimated to be 672 units per annum.
- 8.26 The supply of affordable housing to meet this need has also been estimated from past trend data. This data suggests that the current stock of affordable housing is likely to provide around 311 units (296 social rented and 15 intermediate units (i.e. shared ownership)).
- 8.27 The total net annual housing need in North Dorset is calculated by annualising the net current need and adding this to the difference between the future need and supply. The total net annual housing need in North Dorset is therefore 399 (38+672-311).

SECTION C: CHARACTERISTICS OF THE HOUSING MARKET

9. Household mobility

Introduction

9.1 An important part of the survey is an analysis of the future demand for housing and the survey questionnaire collected information about households' future needs, expectations and aspirations. Information was collected about both existing households and newly forming households. This information is particularly important in the 'Balancing Housing Markets' exercise carried out later in this report.

Future moves – existing households

9.2 The table below shows estimates of the number and proportion of households who would consider themselves to need or expect to move home per annum over the next two years by tenure. The data shows that around 18.3% of households state a need or likelihood of moving home over the next two years. Households living in the private rented sector are particularly likely to be future movers.

Table 9.1 Households who need or are likely to move in next two years by tenure

Tenure	Number who need/likely to move	Total number of households	% need/likely to move
Owner-occupied (no mortgage)	1,031	11,283	9.1%
Owner-occupied (with mortgage)	1,825	9,966	18.3%
Social rented	801	3,750	21.4%
Private rented	1,455	3,001	48.5%
Total	5,113	28,000	18.3%

Source: North Dorset HNDS Fordham Research 2007

9.3 The table below shows the number and proportion of households who need or expect to move home in the next two years by sub-area. Households living in Shaftesbury are particularly likely to be future movers with 19.7% of households in this area stating that they need or are likely to move in the next two years. At the other end of the scale the figure for Sturminster/Stalbridge is only 16.8%.

Table 9.2 Moving intentions of existing households by sub-area

Sub-area	Now		Within a year		1 to 2 years		Not moving with 2 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	409	3.4%	912	7.7%	897	7.5%	9,692	81.4%	11,910	100.0%
Gillingham	198	3.1%	485	7.5%	471	7.3%	5,322	82.2%	6,477	100.0%
Shaftesbury	125	2.8%	328	7.4%	422	9.5%	3,585	80.4%	4,460	100.0%
Sturminster/Stalbridge	169	3.3%	284	5.5%	413	8.0%	4,288	83.2%	5,154	100.0%
Total	900	3.2%	2,009	7.2%	2,203	7.9%	22,887	81.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 9.4 The survey moved on to look at where households would both like and expect to move. The results of this analysis are shown in the table below. The table suggests that 63.4% of households would like to remain in the District whilst a slightly lower proportion actually expect to remain (61.6%). A greater proportion of households would expect to move from Dorset completely than would like to.

Table 9.3 Where households would like and expect to move

Location of next home	Like	Expect
North Dorset	63.4%	61.6%
Elsewhere in Dorset	18.0%	14.9%
Elsewhere in UK or abroad	18.6%	23.5%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 9.5 Households were similarly asked about what tenure they would both like and expect to move to; the results are shown below. The results suggest that nearly three-quarters (72.9%) of all households would like to move to owner-occupation, however, only 59.7% expect to secure this type of accommodation. More households expect to rent (both social and private rented housing) than would like to.

Table 9.4 Housing tenure aspirations and expectations

Tenure	Like	Expect
Buy own home	72.9%	59.7%
Social rented	20.4%	24.1%
Private rented	6.7%	16.2%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 9.6 The tables below show cross-tabulations between current tenure and future tenure preference as well as future tenure expectations.
- 9.7 The first table shows that generally households would like to remain in the same tenure as they currently live. The exception to this is the private rented sector. The majority of households in this sector want to move to either owner-occupation or the social rented sector.
- 9.8 In terms of expectations (second table below) we find that the main difference is the greater number of private tenants who expect to remain in the sector when they would prefer owner-occupation. In total, 59.3% of private tenant movers would like to become owners but only 32.0% expect to do so.

Table 9.5 Current tenure and tenure preference

	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	947	38	46	1,031
Owner-occupied (with mortgage)	1,725	49	52	1,825
Social rented	195	588	18	801
Private rented	863	369	223	1,455
Total	3,730	1,043	339	5,113

Source: North Dorset HNDS Fordham Research 2007

Table 9.6 Current tenure and tenure expectations				
	Tenure preference			Total
	Owner-occupied	Social rented	Private rented	
Owner-occupied (no mortgage)	922	47	62	1,031
Owner-occupied (with mortgage)	1,606	86	133	1,825
Social rented	62	717	22	801
Private rented	465	382	608	1,455
Total	3,055	1,232	826	5,113

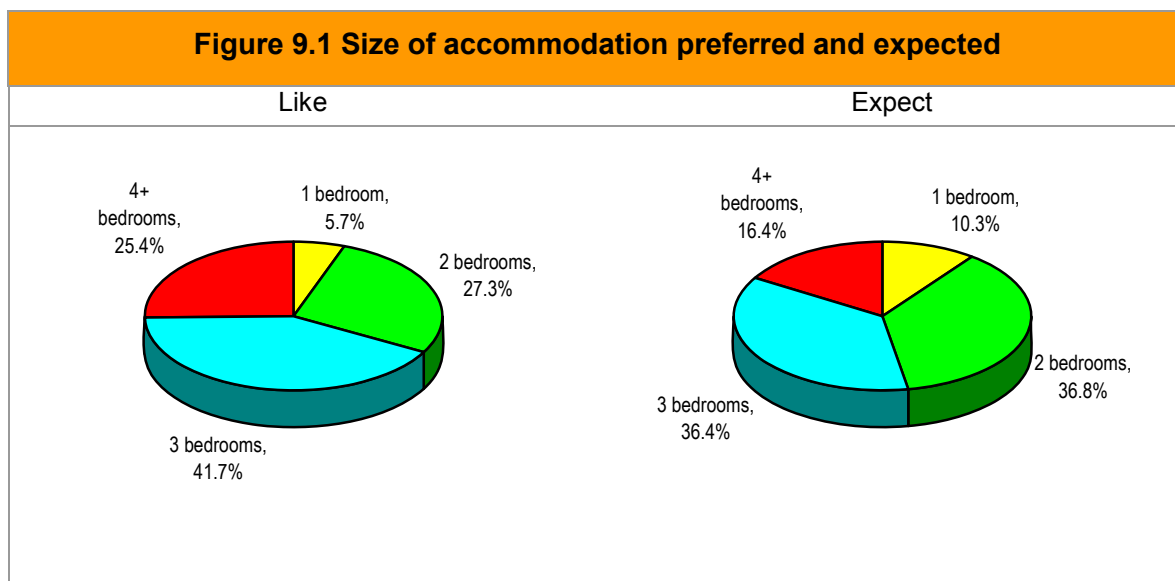
Source: North Dorset HNDS Fordham Research 2007

9.9 The table below shows the type of dwellings households would like and expect to move to. Unsurprisingly a large proportion of households would like detached accommodation (71.5%) but a much smaller proportion would expect to move to such accommodation (37.4%). Overall more households expect to move to all other dwelling types than is their preference (e.g. whilst 5.9% of households would like a flat more than double this proportion would expect to move to that type of accommodation).

Table 9.7 Housing type aspirations and expectations		
Type of home	Like	Expect
Detached house	59.1%	27.8%
Semi-detached house	16.1%	29.2%
Terraced house	2.7%	16.7%
Detached bungalow	12.4%	9.6%
Semi-detached/terraced bungalow	3.9%	4.5%
Flat/maisonette	5.9%	12.3%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

9.10 In terms of the sizes of accommodation required we find that the largest proportion of households would like three bedroom accommodation (41.7%). In addition just over a quarter (25.4%) would like a four or more bedroom home. In terms of expectations we find that the largest group is two bedroom homes (36.8%) whilst only 16.4% expect to secure four or more bedrooms. Around 10% of households expect to secure a one bedroom home but only around 6% would like this size of accommodation.



Source: North Dorset HNDS Fordham Research 2007

- 9.11 In addition, households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (94.1%) or expect (92.4%) ordinary residential accommodation. Where households have indicated either a preference or expectation for specialist accommodation the main form is sheltered housing with a warden.

Future moves – newly forming households

- 9.12 A similar analysis can be carried out for newly forming households. The survey estimates that there are 1,593 households who need or are likely to form from households in the District over the next two years.
- 9.13 The table below shows the rate of intended future household formation by sub-area. It shows the highest rate was recorded in Gillingham (3.1%) and the lowest in Sturminster/Stalbridge (2.7%).

Table 9.8 Rate of new household formation by sub-area			
Sub-area	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Blandford	662	11,910	2.8%
Gillingham	398	6,477	3.1%
Shaftesbury	256	4,460	2.9%
Sturminster/Stalbridge	276	5,154	2.7%
Total	1,593	28,000	2.8%

9.14 The table below suggests that newly forming households are less likely to want to remain in the area than existing households. In total 55.6% of potential households would like to remain in the area but only 49.6% expect to. A greater proportion of newly forming households expect to move away from Dorset than would like to.

Table 9.9 Where potential households would like and expect to move		
Location of next home	Like	Expect
North Dorset	55.6%	49.6%
Elsewhere in Dorset	15.3%	13.3%
Elsewhere in UK or abroad	29.1%	37.1%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

9.15 In terms of tenure preferences and expectations, the table below shows some interesting results. In total an estimated 70.3% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation (33.1%). Around 13% would like social rented housing but 19% expect to secure it. In total only 16.5% want to move to private rented accommodation but nearly half (48.1%) expect to do so.

Table 9.10 Housing tenure aspirations and expectations – newly forming households		
Tenure	Like	Expect
Buy own home	70.3%	33.1%
Social rented	13.2%	18.7%
Private rented	16.5%	48.1%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

9.16 The table below shows the type of dwellings newly forming households would like and expect to move to. Compared with the results for existing households the figures show that there is a greater preference and expectation of flatted accommodation amongst newly forming households. In total 29.5% of newly forming households would like a flat (compared with 5.9% of existing households) whilst over half (52.5%) expect to secure this type of accommodation.

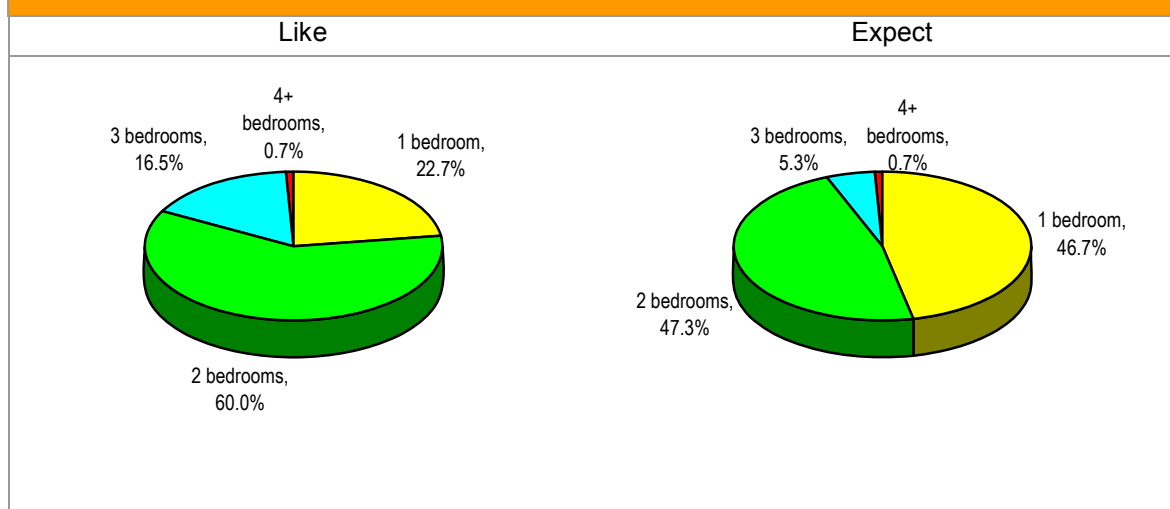
Table 9.11 Housing type aspirations and expectations of newly forming households

Type of home	Like	Expect
Detached house	31.7%	7.5%
Semi-detached house	21.1%	12.7%
Terraced house	16.4%	22.5%
Detached bungalow	0.3%	4.2%
Semi-detached/terraced bungalow	0.9%	0.6%
Flat/maisonette	29.5%	52.5%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 9.17 In terms of the sizes of accommodation required we find that the largest proportion of households would like two bedroom accommodation (60.0%). In addition just under a quarter (22.7%) would like a one bedroom home. In terms of expectations we find that the largest group is again two bedroom homes (46.7%) although a greater proportion expect one bedroom accommodation than state this as a preference.

Figure 9.2 Size of accommodation preferred and expected



Source: North Dorset HNDS Fordham Research 2007

- 9.18 In addition, newly forming households were asked if they would like or expected to move to specialist accommodation. The vast majority of households would either like (98.4%) or expect (98.5%) ordinary residential accommodation.

Summary

- 9.19 This chapter presented information on the future housing intentions of households in North Dorset. The main findings were:

- Overall almost a fifth (18.3%) of existing households state a need or likelihood of moving home over the next two years.
- Some 63.4% of these households would like to remain in North Dorset although a slightly smaller proportion expect to.
- Significantly more moving households would like owner-occupied accommodation than expect it. Similarly notably more moving households would like a detached home than expect it
- The survey estimates that there are 1,593 households who need or are likely to form from households in the District over the next two years
- In total an estimated 70.3% of potential households would like to move to owner-occupied accommodation, however, less than a third expect to secure such accommodation (33.1%).

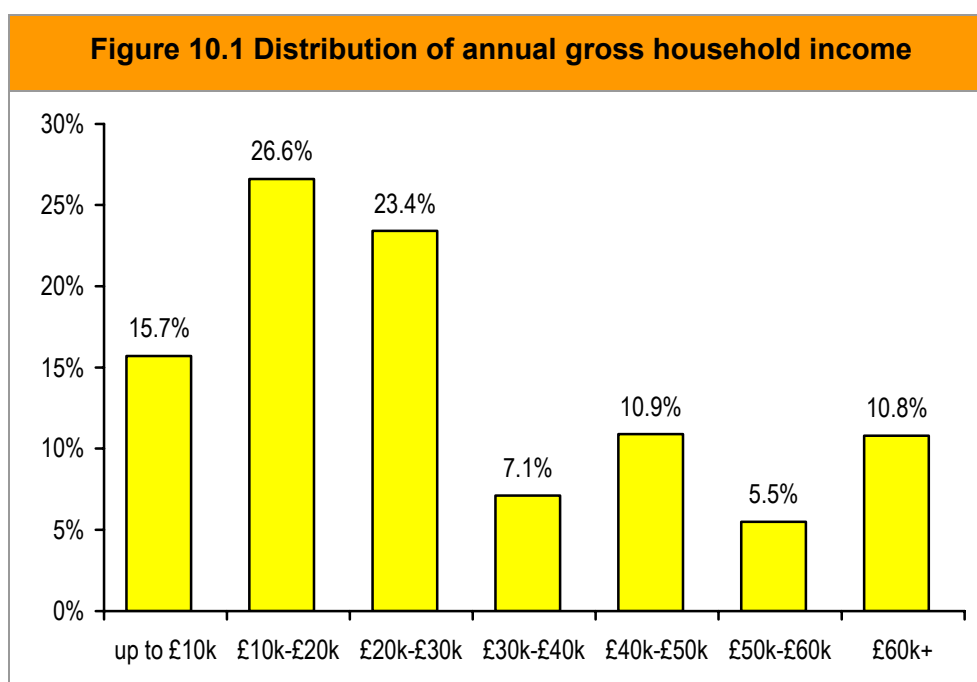
10. Financial Information

Introduction

10.1 A key part of the housing needs and demand survey is an assessment of the financial situation of households. Data was therefore collected in the survey looking at a range of financial information (including incomes, savings and equity). This chapter contains the analysis of the survey results with regard to household's financial situation.

Household income

10.2 The response to the survey income question was good with 84.7% of respondents answering this question. Survey results for household income in North Dorset estimate the average (mean) gross household income level to be £29,958 per annum. The median income is noticeably lower than the mean (at £23,844 per annum). The figure below shows the distribution of income in the District.

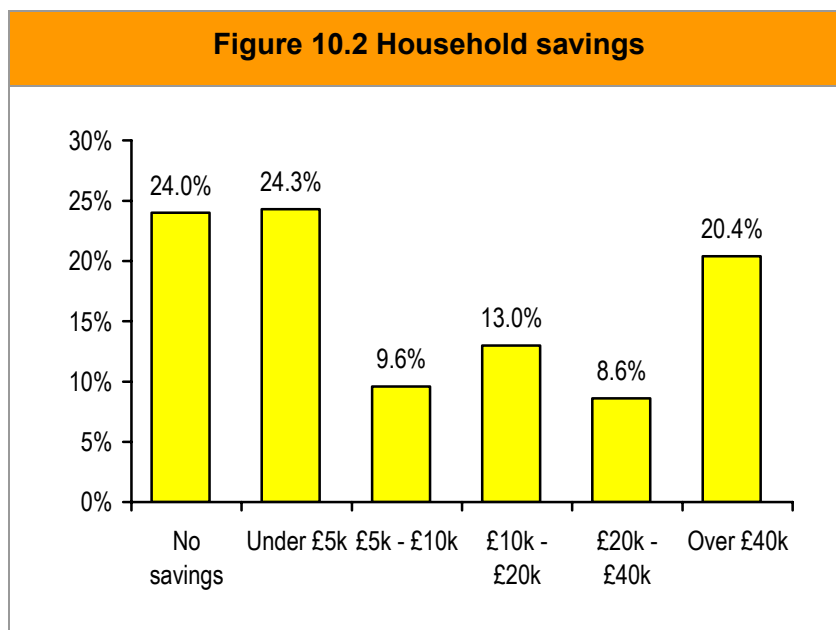


Source: North Dorset HNDS Fordham Research 2007

Household Savings and Equity

10.3 The response to the survey savings question was also good with 82.4% of respondents answering this question. The average (mean) household has £43,911 in savings (median of £6,064). The figure below shows the distribution of savings in the District.

10.4 An estimated 48.3% of households had less than £5,000 in savings whilst 20.4% had savings of over £40,000. Households with no savings also include those in debt.



Source: North Dorset HNDS Fordham Research 2007

10.5 The survey also collected information about the amount of equity owner-occupiers have in their property. For both owner occupier groups together (with and without mortgages) the average (mean) amount of equity was estimated to be £227,517 (median of £192,975). It is estimated that 0.3% of owner-occupiers (70 households) are in negative equity: this estimate is clearly subject to error due to the small sample, but the main point is that there is hardly any negative equity. Negative equity is a 'yes/no' question in the questionnaire and so the exact amount is not determined. Based on general experience in other surveys, an assumption of -£5,000 is made where a respondent indicates negative equity.

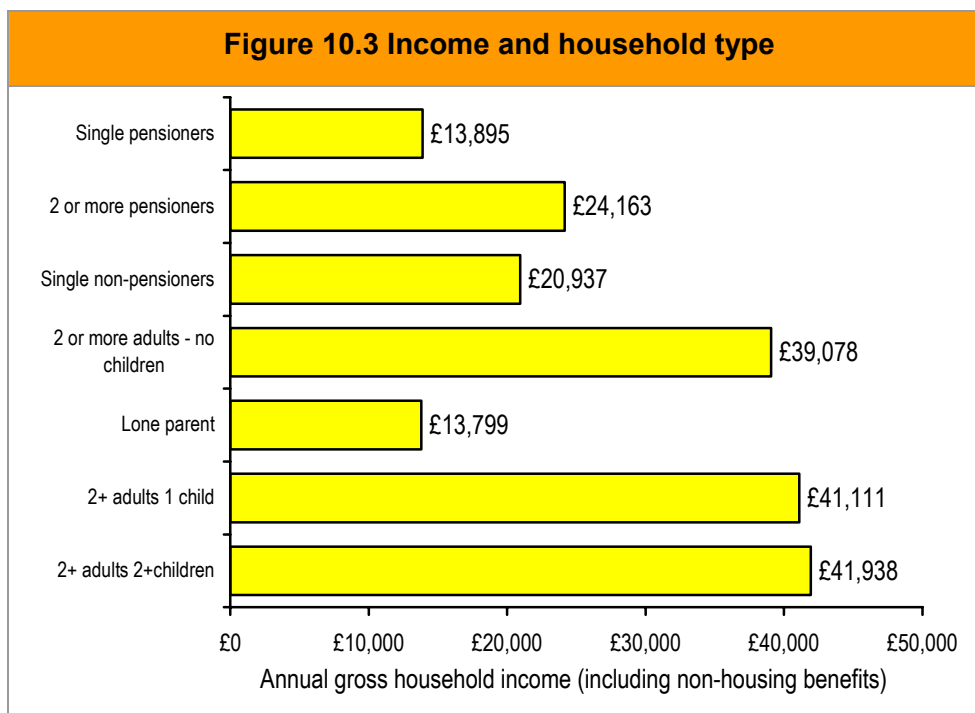
Household characteristics and income

- 10.6 The table below shows average income, savings and equity by tenure. As might be expected, the households with the lowest average incomes (and savings) are those in the social rented sector. Whilst owner-occupiers with no mortgage have an average household income considerably lower than those with a mortgage, this group contains many older people who are not working but have redeemed their mortgages. These households therefore have much higher levels of savings and equity.
- 10.7 The income figures by tenure are broadly in-line with the latest national estimates (from SEH 2005/06). The latest national figures are: outright owners - £24,522, owners with a mortgage - £40,910, Social renters - £12,185 and private tenants - £24,833.

Table 10.1 Financial information by tenure			
Tenure	Average annual gross household income	Average savings	Average equity
Owner-occupied (no mortgage)	£27,708	£85,029	£298,505
Owner-occupied (with mortgage)	£40,518	£20,151	£147,148
Social rented	£11,991	£3,331	-
Private rented	£25,799	£18,931	-
AVERAGE	£29,958	£43,911	£227,517

Source: North Dorset HNDS Fordham Research 2007

- 10.8 The figure below looks at income levels by household type. Single pensioner and lone parent households show average incomes considerably below the District average. Households with two or more adults and two or more children show the highest average incomes.



Source: North Dorset HNDS Fordham Research 2007

10.9 Two areas stand out in terms of income and savings. Blandford has a significantly higher average income than other areas and Sturminster/Stalbridge a significantly higher average level of savings.

Table 10.2 Average household income and savings by sub-area

Sub-area	Average annual gross household income	Average savings
Blandford	£32,095	£42,568
Gillingham	£28,263	£41,217
Shaftesbury	£28,442	£44,799
Sturminster/Stalbridge	£28,460	£49,632
Average	£29,958	£43,911

Source: North Dorset HNDS Fordham Research 2007

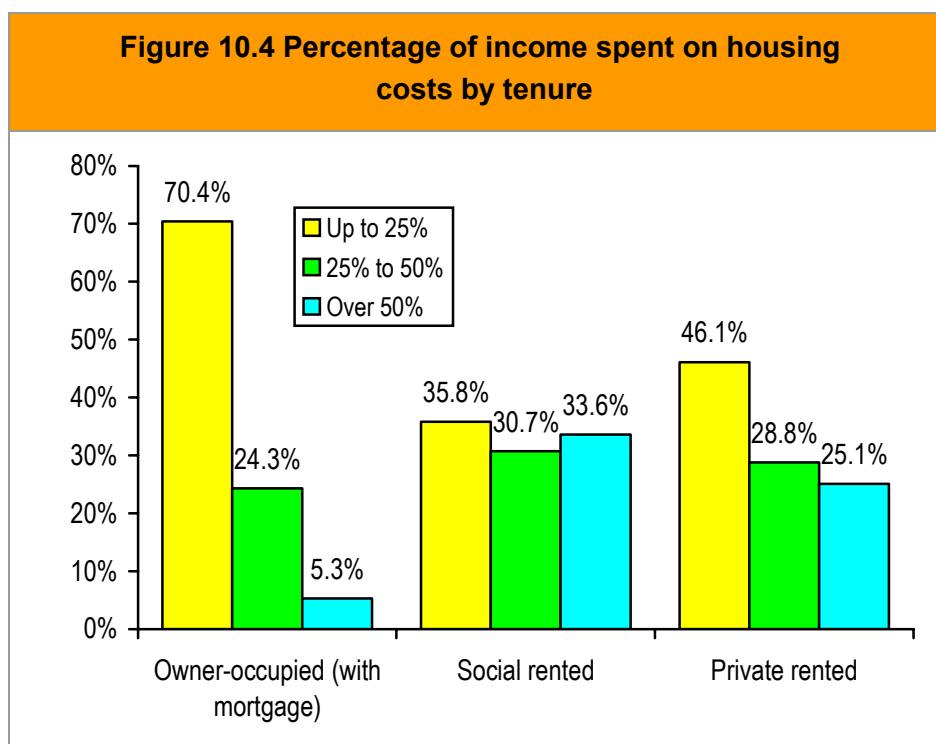
Other financial information

10.10 In addition to the information collected about income, savings and equity the survey form asked households whether they had access to any other financial resources which might be able to be used towards a deposit on a property (and if so – how much). The vast majority of households (84.9%) stated that they had no further access to financial resources other than those already analysed.

10.11 Despite the majority having no access to financial resources, the minority that do (eg borrowing from relatives) raise the overall average extra funding to around £3,000 from sources other than savings and equity. Therefore some of this 15% remainder have access to quite large amounts of funding. It is therefore possible that such additional funds will be able to help a small number of households to afford suitable market housing without the need for any subsidy.

Relationship of income to housing costs

10.12 It is of interest to study the amount of income that households are spending on their housing costs (whether rent or mortgage). The figure below shows the number of households in each tenure group by what proportion of income is spent on housing. The figure shows that whilst households in all tenure groups are most likely to spend less than 25% on housing costs there are a number of households spending over 25% and in many cases in excess of 50%. Households paying more than 50% are most likely to be found in the social rented and private rented sectors.



Source: North Dorset HNDS Fordham Research 2007

10.13 The above analysis does not however take account of the fact that many households will be in receipt of Housing Benefit (or income support in the case of owners) which will be helping them to afford housing. The table below investigates the receipt of benefits towards housing costs. The table clearly shows that the greater the proportion of income spent on housing the greater the number of households who are claiming assistance.

10.14 For example, of all households paying up to 25% of income on housing costs some 7.9% are also claiming Housing Benefit, for households spending over 50% this figure rises to 56.2%. Whilst this finding shows that to a certain extent that the benefit system is meeting the needs of low income households the data does suggest that a notable number of households are spending large proportions of their income on housing and receiving no subsidy to help with the costs.

Table 10.2 Percentage of households receiving Housing Benefit (income support) by tenure and proportion of income spent on housing				
	Owner-occupied (with mortgage)	Social rented	Private rented	Total
Spend up to 25%	1.1%	46.8%	4.1%	7.9%
Spend 25%-50%	2.2%	55.4%	25.8%	20.5%
Spend over 50%	15.1%	74.1%	55.2%	56.2%
Total	2.1%	58.6%	23.2%	18.5%

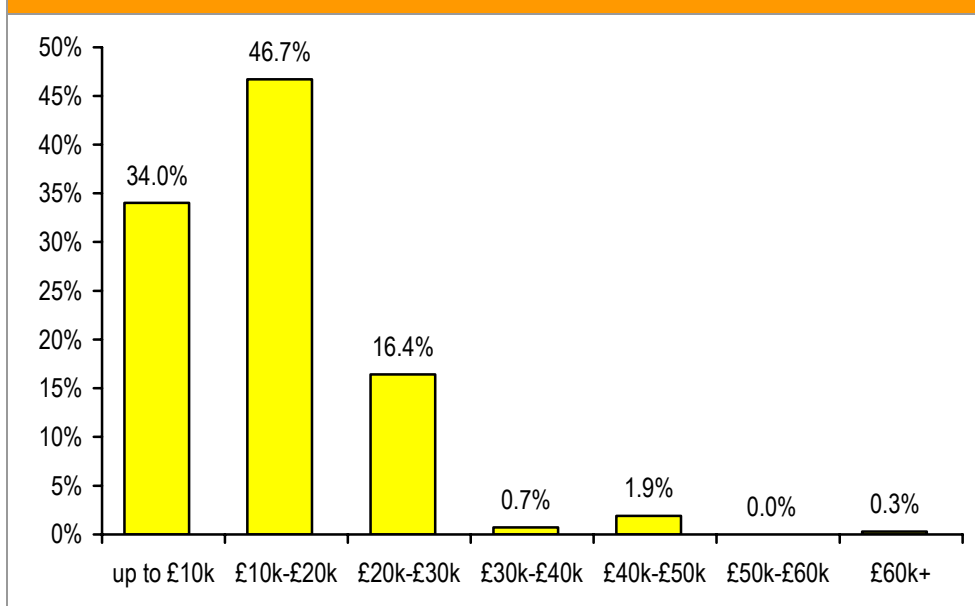
Source: North Dorset HNDS Fordham Research 2007

Newly forming households financial situation

10.15 The previous chapter highlighted that there are an estimated 1,593 households who need or are likely to form over the next two years. The housing preferences and expectations of these households (in terms of location, tenure and type of dwelling) have also been studied. In addition to the future preferences and expectations of newly forming households the survey form collected a series of data about these households financial situation (including income and savings data) which is presented below.

10.16 The table below shows estimated income levels for newly forming households. The table shows that income distribution is heavily concentrated in the lower income brackets with 34% having an income of below £10,000 and 80.7% an income below £20,000. The average (mean) income of newly forming households is estimated to be £12,630 – significantly below the figure for all households of around £30,000.

Figure 10.5 Distribution of annual gross household income – newly forming households



Source: North Dorset HNDS Fordham Research 2007

- 10.17 In addition, newly forming households were asked about any financial resources which might be available for a deposit/bond when buying or renting a home. Separate answers were sought for the newly forming household's own finances (e.g. savings) and other finance (e.g. money from parents).
- 10.18 Taking these two categories together it is estimated that the average newly forming household will have access to around £7,385 – just over half of this (54.1%) would be from sources other than the households' own savings. There is however a considerable difference between different households in terms of likely financial resources available with 41.7% stating that they have no money to use as a deposit/bond and 12.4% having more than £20,000.
- 10.19 Given the level of income and savings shown for newly forming households from the survey data it is clear that many will have difficulty accessing the housing market without some form of subsidy. However, it is widely recognised that this group of households can have rapidly changing financial situations (for example households who have actually formed over the past two years show an average income of £26,500 per annum) and therefore to rely solely on the information provided here may not properly reflect the affordability of this important group.
- 10.20 Therefore the survey form also asked a 'subjective' question about future affordability. In response to this question 64.0% of newly forming households stated that they would not be able to afford market housing without some sort of subsidy (e.g. Housing Benefit).

Summary

10.21 The collection of financial information is a fundamental part of any assessment of housing need and future housing demand. The survey estimates that mean annual gross household income (including non-Housing Benefits) in North Dorset is £29,958. The average conceals wide variations among different tenure groups with households in social rented housing showing average incomes significantly below the District average. When income is compared with housing costs the data reveals that many households spend more than a quarter of their income on their housing costs.

11. Balancing Housing Markets

Introduction

- 11.1 A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. It works at the simplest level by establishing the likely demand for housing of particular types by the expected supply arising from vacancies in the existing stock so as to provide a broad indications of the shortages (and in some cases surpluses) of particular types of dwelling.
- 11.2 The BHM model is not a purely technical assessment of housing requirements and combines a technical assessment of certain aspects (e.g. affordability) with a reasoned judgement about how exactly the housing market operates (e.g. the fact that the private rented sector is often used to meet some affordable needs through the use of Housing Benefit).
- 11.3 In addition the model looks at both household's aspirations and their expectations to provide an indication of the most likely housing solution in the particular market.

Methodology

- 11.4 There are six stages of analysis in the Balancing Housing Markets Model (three for supply and three related to demand). The six stages in detail are:
- **Stage 1. Supply from household dissolution:** Assessing the size, type and tenure of dwellings likely to become available from household dissolution (using national mortality rates).
 - **Stage 2. Supply from out-migrant households:** Assessing the size, type and tenure of dwellings existing households moving away from the district are going to make available.
 - **Stage 3. Supply from existing households:** Assessing the size, type and tenure of housing that existing households moving within the district are going to make available.
 - **Stage 4. Demand from in-migrant households:** Assessing the size, type and tenure of accommodation secured by households that recently moved into the district.

- **Stage 5. Demand from newly forming households:** Assessing the likely sizes, types and tenures of housing required by newly forming households moving to a property within the district.
- **Stage 6. Demand from existing households:** Assessing the likely sizes, types and tenure of accommodation required by existing households moving from one property in the district to another.

Relationship with the CLG housing need model

- 11.5 The CLG Needs Model produces a number for the annual amount of extra affordable housing which would, after a period, mean that there is no further need for affordable housing in an area. The presence of households living in unsuitable housing, or in the private rented sector on Housing Benefit would stop. Since in most parts of Britain it is clear that housing need will exist for many decades (at the present rate of production of new affordable housing) it can be seen that this model is geared to an ideal state of affairs not and the current reality.
- 11.6 One particular assumption that affects the estimates is that no more than 25% of income should be spent on housing. However the reality is that many households will be spending more like 50% of their income on housing (whether low or high income), sometimes because they are forced to, but sometimes because they prefer to achieve a particular type or location of housing and are prepared to make sacrifices to achieve it
- 11.7 Many households will be found in the private rented sector who cannot afford market rents at 25% of income on housing. Of these a proportion will be on Housing Benefit, but a substantial proportion will not be. In both cases, the private rented sector on shorthold does not provide affordable housing in the CLG definition, and does not provide long term security for often vulnerable households.
- 11.8 The CLG model is an important part of Guidance and so the calculation must be done as part of any HNS. In order to provide realistic outputs for the three key PPS3 requirements it is necessary to use a different and more pragmatic approach to analysing the housing market.
- 11.9 The Balancing Housing Markets model is therefore produced to provide the outputs required by PPS3 and to better reflect the current local practices across the whole housing market (in terms of amount of income used on housing and the decisions made when moving within the local market). It does this by containing a sensitivity that would not be appropriate within the CLG model.

- 11.10 The BHM model looks at both households' aspirations and their expectations to provide an indication of the most likely housing solution in the particular market. The model is essentially based upon the stated move expectations of the respondents, which have had the 'aspiration' element removed by asking about them first. The questionnaire says '*what would you like*', and then '*what would you expect*'. Although these do not contain a formal means test (in other words no arithmetic check has been made to see whether they can afford their stated preference) our experience suggests that expectations are quite reliable as a guide. Indeed 'expectations' of households planning to move are likely in some ways to be more reliable than a formal means test, as no questionnaire survey can expect to discover all means of finance available to households. The stated expectations do, therefore, contain an implicit means test.
- 11.11 The expectations should therefore be regarded as moves which, if suitable supply of housing is available, are capable of being fulfilled. Thus the BHM analysis, which seeks to reconcile the 'demands' of movers with the supply of vacant dwellings, works by repeated iterations through the stock, taking account of what properties would be made vacant by moves, and then matching them with the sizes/types of dwelling stated by expected movers. The table below shows the overall results of the BHM analysis.
- 11.12 The process of arriving at an allocation of sizes and tenures of housing, matching supply with demand, is complex. It typically involves upwards of 20 iterations. The combination of technical analysis and judgement involved is informed by qualitative research, principally with estate agents, and by secondary data on the area. However the process cannot, if it is to be a reliable guide to that market, be based on a simple formula. The nature of the interactions between supply and demand across four sub-groups of tenures and four sizes of dwelling cannot be made into a mechanical analysis without losing practical relevance to the market(s) in question.
- 11.13 The combination of quantitative and qualitative analysis in one calculation process is a novel one. It is prompted by the complexity of the task. As a result of its origin, the process cannot be made completely transparent (as can an arithmetic calculation) but enough cross checking can be done to reassure a detached observer. In most cases the obvious cross-check for the affordable sector is the CLG Needs Model discussed above. The market sector of the calculation is more easily checked against qualitative evidence.

Results

11.14 A summary table bringing together all of the demand and supply information is presented below (the full results for each of the six stages of analysis can be found in Appendix A3). The table shows that overall there is expected to be a greater demand for housing than the current stock of housing can meet. Overall, across all tenures there is an apparent shortfall of 494 dwellings per annum (excess demand over supply).

Table 11.1 Balancing Housing Markets results for North Dorset (per annum)					
Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	-34	60	131	119	277
Private rented	49	23	-45	-30	-3
Intermediate	18	51	36	5	109
Social rented	12	-26	107	18	111
TOTAL	45	108	229	112	494

Source: North Dorset HNDS Fordham Research 2007

11.15 There are two comments to make on the general interpretation of this table:

- i) **Private rented sector.** Where the figures show a surplus they do not imply that there will be empty rented flats. What the figures imply is that even viewed in terms of expectations, most people do not want the private rented sector. Viewed through the perspective of 'aspirations' very few want it. Many more expect it, but yet more will be obliged in practice to accept it. Household expectations are a realistic way to view the future market, but nothing is certain about the future, and as we have a much more detailed database on stock supply and turnover than any household is likely to have, this analysis can establish the 'true' position on overall supply and demand. A surplus shown for a particular size of private rented dwelling will only very rarely result in vacant private rented stock. In practice some households expecting to buy may be frustrated in achieving this. Such households will end up in private rented accommodation thus creating an overall demand for the sector. Similarly, but at the other end of the financial capacity range, some households only able to afford social rented housing will be unable to secure it as expected, and will enter the private rented sector on Housing Benefit.

- ii) **Social rented vs. intermediate housing.** Since there is only a very limited supply of intermediate housing at present, the 'expectations' of households are not often directed towards this tenure. As a result we have taken those aspiring to something more than social renting and applied a means test to them. In this respect, the general approach to the BHM of using expectations is replaced by analysis of the ability to afford. Thus the numbers of households indicated to be in the intermediate band are those unable to afford market housing, but who can afford the mid-point of the intermediate range. The mid-point is taken because it represents the 'average' weekly cost of intermediate housing types.

11.16 The following section examines the results.

Housing tenure outcomes

Owner-occupation

11.17 In the owner-occupied sector there is an apparent shortfall of 277 units per annum (56%) of the overall shortfall. The majority of this shortfall is for larger (three- and four-bedroom) dwellings although excess demand is also shown for two-bedroom homes. There is an apparent (small) surplus of one bedroom homes in the owner-occupied sector.

Private rented sector

11.18 Overall the private rented sector appears to be roughly in balance. The potential demand for this type of accommodation is roughly in line with the overall supply. However, by size of dwelling we find that there are potential shortages of one- and two-bedroom homes and surpluses of three- and four-bedroom accommodation.

Affordable housing

11.19 The CLG Needs model set out in Chapter 8 showed a significant level of need (an Index of 14, and an annual need for 399 dwellings). This represents the CLG based assessment and is the main indicator of need. However the practical value lies with the BHM, since it reflects what is more likely to happen, although this too does not take into account a household's ability to pay for the type of housing that they are seeking. Thus the figure for affordable housing requirement is some 220 new affordable dwellings per annum. This is still beyond the likely level of feasible provision, but is about half the CLG Needs estimate. This reflects the reality that many households in need will find a home in the private rented sector on Housing Benefit, which is the main alternative to affordable housing. It is by no means an adequate substitute in many cases, as it is both of poorer physical condition in many instances, and also does not provide security of tenure (six month short holds). Nevertheless, this is the reality for many households in housing need.

Intermediate housing

11.20 The BHM analysis indicates that the requirement for intermediate housing makes up around 22% of the net shortfall of housing in the District and there are shortages shown for all sizes of accommodation (this is no surprise given the general lack of supply of intermediate housing in the District). The main shortfalls are for two and three bedroom homes.

Social rented housing

11.21 The shortage of social rented housing also makes up around 22% of the total shortfall of housing in the District. Most of the net demand for social rented housing is for three bedroom units and the results suggest a small surplus of two bedroom homes in this sector

Summary

11.22 A 'Balancing Housing Markets' (BHM) assessment looks at the whole local housing market, considering the extent to which supply and demand are 'balanced' across tenure and property size. The analysis reveals that there is an ongoing requirement for owner-occupied accommodation and a potentially large requirement for affordable housing. In terms of the size of property required, the methodology shows the main shortfall is for three bedroom properties with notable shortfalls also recorded for two and four bedroom accommodation.

SECTION D: PARTICULAR GROUPS

12. The Needs of Particular Groups

Introduction

12.1 This section addresses particular client groups that may have specific housing requirements. Although such groups do not necessarily represent households in need as defined by the CLG Guide, it is important for the Council to have information on them in order to inform specific policies and service provision.

12.2 For example, the frail elderly may not be in housing need in the sense of not being able to afford market housing, but many of them are liable to require extra care in the future, whether directly, or via aids and adaptations in the home.

12.3 This section covers the following groups:

- Households with special needs
- Older person households
- Key workers
- Young people (including first-time buyers)
- Households in rural areas
- Families with children

Households with special needs

12.4 Information collected through the survey enables us to identify whether any household members have a particular special need. Information about the characteristics of these households can inform the Council's Supporting People strategy.

12.5 The survey looked at whether household members fell into one or more of a range of groups. Whilst these represent the larger client groups covered in Supporting People Strategy, they are not exhaustive. There are, for example, many groups for which it would not be possible to obtain results through the questionnaire type approach (either due to the small numbers or because of the nature of the special need).

12.6 It should also be noted that the finding of a household with a special need does not necessarily mean that the household needs to move to alternative accommodation. In many cases the special need can be catered for within the household's current home whilst for others the issue may be the need for support rather than any specific type of accommodation.

12.7 The groups covered were:

- Frail elderly
- Persons with a physical disability
- Persons with a learning disability
- Persons with a mental health problem
- Persons with a severe sensory disability
- Persons with a medical condition
- Persons with another need

12.8 Some special needs are uncommon, while others are numerous. The accuracy of each figure will of course vary according to the size of the group involved.

Special needs groups: overview

12.9 Overall there are an estimated 5,390 households in the North Dorset area with one or more members in an identified special needs group. This represents 19.2% of all households, which is higher than the average Fordham Research has found nationally (13-14%). The table below shows the numbers of households with different types of special needs. The numbers of households in each category exceed the total number of special needs households because people can have more than one category of special need.

12.10 Households with a ‘*medical condition*’ are the predominant group. There are 2,890 households containing a person with a medical condition. The next largest group is ‘*physically disabled*’, with 2,480 households having a member in this category. These two categories represent 53.6% and 46.0% of all special needs households respectively.

Table 12.1 Special needs categories			
Category	Number of households	% of all households	% of special needs households
Frail elderly	2,387	8.5%	44.3%
Physical disability	2,480	8.9%	46.0%
Learning difficulty	574	2.0%	10.6%
Mental health problem	840	3.0%	15.6%
Severe sensory disability	569	2.0%	10.6%
Medical Condition	2,890	10.3%	53.6%
Other	295	1.1%	5.5%

Source: North Dorset HNDS Fordham Research 2007

12.11 The table below shows the location of special needs households in North Dorset. The table indicates that the proportion of special needs households does not vary significantly across the District. The proportion of households with special needs varies from 18.3% in Sturminster/Stalbridge to 20.9% in Shaftesbury.

Table 12.2 Location of special needs households						
Sub-area	Special needs		Non-special needs		Total	
	No.	%	No.	%	No.	%
Blandford	2,268	19.0%	9,642	81.0%	11,910	100.0%
Gillingham	1,247	19.3%	5,230	80.7%	6,477	100.0%
Shaftesbury	934	20.9%	3,526	79.1%	4,460	100.0%
Sturminster/Stalbridge	941	18.3%	4,212	81.7%	5,154	100.0%
Total	5,390	19.2%	22,610	80.8%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.12 The tables below show the characteristics of special needs households in terms of age, tenure and unsuitable housing.

Table 12.3 Special needs households with and without older people					
Age group	Special needs households				
	Special needs	No special needs	Number of h'holds	% of total h'holds with special needs	% of those with a special need
No older people	2,127	14,032	16,159	13.2%	39.5%
Both older & non older people	576	2,035	2,611	22.1%	10.7%
Older people only	2,687	6,543	9,230	29.1%	49.9%
TOTAL	5,390	22,610	28,000	19.3%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.13 The survey data shows that special needs households are also more likely to contain older persons.

12.14 The table below indicates that special needs households are more likely to be living in social rented housing. Some 38.9% of RSL households contain a special needs member. Additionally, 20.3% of owner-occupied (no mortgage) households contain a special needs member.

Table 12.4 Special needs households and tenure

Tenure	Special needs households				
	Special needs	No special needs	Number of h'holds	% of total h'holds with special needs	% of those with a special need
Owner-occupied (no mortgage)	2,285	8,998	11,283	20.3%	42.4%
Owner-occupied (with mortgage)	1,106	8,860	9,966	11.1%	20.5%
RSL	1,459	2,291	3,750	38.9%	27.1%
Private rented	540	2,461	3,001	18.0%	10.0%
TOTAL	5,390	22,610	28,000	19.3%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.15 The table below indicates that special needs households are nearly four times as likely to be living in unsuitable housing as non-special needs households. Some 12.1% of all special needs households are living in unsuitable housing, which compares with 5.2% of all households and 3.5% of all non-special needs households.

Table 12.5 Special needs households and unsuitable housing

Special needs	Unsuitable housing				
	In unsuitable housing	Not in unsuitable housing	Number of h'holds	% of total h'holds in unsuitable housing	% of those in unsuitable housing
Special needs	654	4,735	5,389	12.1%	45.2%
No special needs	794	21,816	22,610	3.5%	54.8%
TOTAL	1,448	26,551	27,999	5.2%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.16 The figure below shows the average income and savings levels for special needs households in comparison to other households in the District. The figure shows that special needs groups have average income and savings levels noticeably below the average for non-special needs households.

Table 12.6 Income and savings levels of special needs households

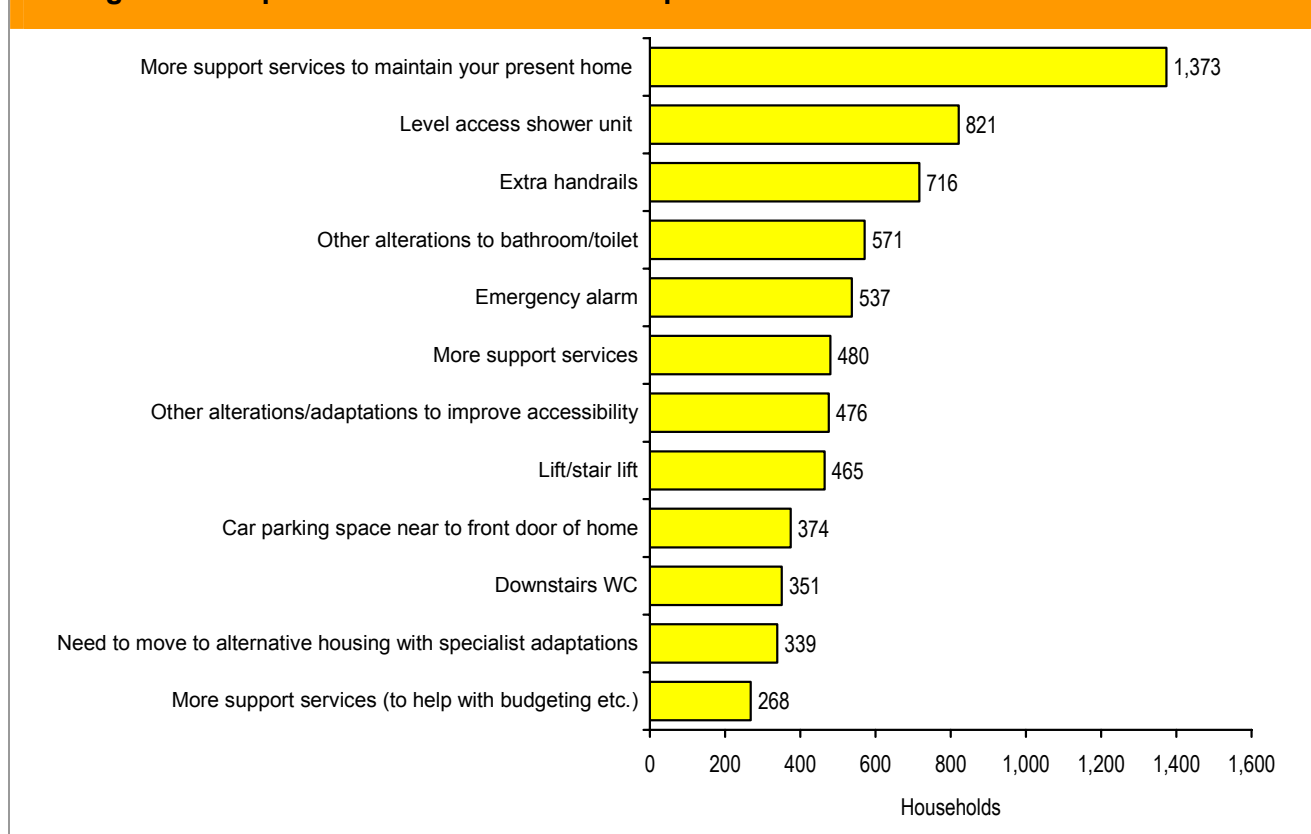
Special needs	Annual gross household income	Average household savings
Special needs	£20,357	£34,681
No special needs	£32,246	£46,111

Source: North Dorset HNDS Fordham Research 2007

Requirements of special needs households

12.17 Those households with a member with special needs were asked to indicate if there was a need for improvements to their current accommodation and/or services. The responses are detailed in the figure below.

Figure 12.1 Special needs households: improvements to accommodation & services



Source: North Dorset HNDS Fordham Research 2007

12.18 The results show requirements for a wide range of adaptations and improvements across the special needs households. The most commonly-sought improvements needed were:

- More support services (1,373 households – 25.4% of all special needs households)
- Shower Unit (821 households – 15.2% of all special needs households)
- Other alterations to bathroom/toilet (571 households – 10.6% of all special needs households)

Older person households

12.19 Older people are defined as those over the state pension eligibility age (currently 65 for men, 60 for women). For the purpose of this chapter, households have been divided into three categories:

- Households without older persons
- Households with both older and non-older persons
- Households with only older persons

12.20 Just under a third of all households in North Dorset contain only older people (33.0%) and a further 9.3% contain both older and non-older people. The table below shows the number and percentage of households in each group.

Table 12.7 Older person households		
Categories	Number of households	% of all households
Households without older persons	16,158	57.7%
Households with both older and non-older persons	2,611	9.3%
Households with older persons only	9,231	33.0%
TOTAL	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.21 The table below shows the location of older person only households in North Dorset. The table indicates that the proportion of older person only households varies from 28.3% in Blandford to 43.8% in Sherborne & Sherborne Rural.

Table 12.8 Location of older person only households						
Sub-area	Older person only households		Other households		Total	
	No.	%	No.	%	No.	%
Blandford	3,375	28.3%	8,535	71.7%	11,910	100.0%
Gillingham	2,378	36.7%	4,099	63.3%	6,477	100.0%
Shaftesbury	1,685	37.8%	2,775	62.2%	4,460	100.0%
Sturminster/Stalbridge	1,793	34.8%	3,360	65.2%	5,154	100.0%
Total	9,231	33.0%	18,769	67.0%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Characteristics of older person households

12.22 The number of occupants in older person households is shown in the table below. The data suggests that almost all households containing older persons only are comprised of one or two persons only – there are only 12 older person households containing three or more people. Over half of all single person households are older person households.

Table 12.9 Size of older person only households					
Number of persons in household	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of total h'holds with older persons	% of those with older persons
One	4,721	3,254	7,975	59.2%	51.1%
Two	4,497	7,295	11,792	38.1%	48.7%
Three	12	3,561	3,573	0.3%	0.1%
Four	0	3,245	3,245	0.0%	0.0%
Five	0	1,096	1,096	0.0%	0.0%
Six or more	0	318	318	0.0%	0.0%
TOTAL	9,230	18,769	27,999	33.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.23 The table below shows the housing tenures of households with older persons. Over three quarters of older person only households are owner-occupiers. The overwhelming majority of these do not have a mortgage. This finding suggests that the potential for equity release schemes in North Dorset is quite high.

12.24 Another significant finding is the relatively high proportion of social rented accommodation containing older people only. Over a third of RSL dwellings contain only older people. This may have implications for future supply of specialised social rented accommodation.

Table 12.10 Older person only households and tenure					
Tenure	Age group				
	Older persons only	Other h'holds	Number of h'holds	% of total h'holds with older persons	% of those with older persons
Owner-occupied (no mortgage)	6,600	4,683	11,283	58.5%	71.5%
Owner-occupied (with mortgage)	705	9,261	9,966	7.1%	7.6%
Social Rented	1,400	2,350	3,750	37.3%	15.2%
Private rented	525	2,476	3,001	17.5%	5.7%
TOTAL	9,230	18,770	28,000	33.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.25 The table below shows that older person only households are more likely than non-older person households in the North Dorset area to be living in one and two bedroom properties. However, the results also show that more than half of all older person households are in three or four bedroom dwellings. Given that previous information has shown that all older person only households are comprised of almost only one or two persons, this finding suggests that there could be potential scope to free up larger units for younger families if the older households chose to move into suitable smaller units.

Table 12.11 Size of dwellings (number of bedrooms) for older person only households		
Number of bedrooms	% of older person households	% of non-older person households
1 bedroom	11.3%	6.7%
2 bedrooms	31.5%	22.8%
3 bedrooms	37.1%	41.8%
4+ bedrooms	20.1%	28.7%
TOTAL	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.26 This information can be further broken down by tenure (for older person households) and this is shown in the table below. The table indicates that whilst the majority of large (3+ bedroom) properties are in the owner-occupied sector there are 370 properties in the social rented sector which may therefore present some opportunity to reduce under-occupation.

Table 12.12 Older person only households size of accommodation and tenure					
Tenure	Size of accommodation				TOTAL
	1 bed	2 bed	3 bed	4+ bed	
Owner-occupied (no mortgage)	223	1,915	2,819	1,644	6,601
Owner-occupied (with mortgage)	36	285	278	107	706
Social rented	664	487	208	41	1,400
Private rented	118	225	123	60	526
TOTAL	1,041	2,912	3,428	1,852	9,233

Source: North Dorset HNDS Fordham Research 2007

Key worker households

12.27 For the purposes of analysis key workers were defined as people working in any one of 6 categories. These were:

- Nurses and Other NHS staff
- Prison/Probation staff

- Teacher
- Junior and retained fire fighter
- Police Officer
- Social worker, educational physiologist, therapists

12.28 The nature of this study means that the key workers identified within the survey are those that are resident in the District. The data, therefore, includes key workers resident in the District who work outside its' boundaries and excludes key workers who work in North Dorset but live outside. The analysis of key workers concentrates on their current housing situation, future demands for housing and affordability.

12.29 In total it is estimated that 2,612 households are headed by a key worker (head of household taken as survey respondent). These households are subject to further analysis in the section below.

12.30 The table below shows the location of households headed by a key worker in North Dorset. The table shows that the proportion of key worker households varies from 7.1% in Sturminster/Stalbridge to 10.2% in Blandford.

Table 12.13 Location of key worker households						
Sub-area	Key worker households		Non-key worker households		Total	
	No.	%	No.	%	No.	%
Blandford	1,209	10.2%	10,701	89.8%	11,910	100.0%
Gillingham	597	9.2%	5,880	90.8%	6,477	100.0%
Shaftesbury	438	9.8%	4,022	90.2%	4,460	100.0%
Sturminster/Stalbridge	368	7.1%	4,785	92.9%	5,154	100.0%
Total	2,612	9.3%	25,388	90.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.31 The table below shows the tenure of key worker households. The results indicate that the majority of key worker households (85%) are currently living in owner-occupied accommodation and are more likely to be owner-occupiers than non-key workers (76.4%). Key worker households are less likely than non-key worker households to be living in the social rented sector, and also the private rented sector.

Table 12.14 Tenure of Key worker households

Tenure	Key worker household		Not key worker household	
	Number of households	% of households	Number of households	% of households
Owner-occupied (no mortgage)	636	24.3%	2,458	20.6%
Owner-occupied (with mortgage)	1,586	60.7%	6,650	55.8%
Social Rented	83	3.2%	1,111	9.3%
Private rented	307	11.8%	1,708	14.3%
TOTAL	2,612	100.0%	11,927	100.0%

Source: North Dorset HNDS Fordham Research 2007

Income and affordability of key worker households

12.32 The table below shows a comparison of income and savings levels for key worker and non-key worker households.

12.33 The figure for non-key worker households has been split depending on whether the head of household is in employment or not. Figures shown are for annual gross income (including non-Housing Benefits). The table suggests that generally key worker households have significantly higher income levels than non-key worker households (those in employment). Key worker households have slightly higher level of savings than non-key worker households. In comparison with all households, income levels for both key worker and non-key worker households are above the District average although savings levels are below. This reflects the fact that the District-wide figures include retired households who have no earned income but much higher levels of savings.

Table 12.15 Income and savings levels of key worker households

Category	Annual gross household income (including non-Housing Benefits)	Average household savings
All key worker household	£43,270	£31,273
All non-key worker (in employment)	£36,972	£31,068
All other households (no-one working)	£21,159	£57,742
All households	£29,958	£43,911

Source: North Dorset HNDS Fordham Research 2007

12.34 It is possible to consider the ability of key worker households to afford both minimum market prices and intermediate forms of housing and this is presented in the table below for all key worker households.

Table 12.16 Key worker households and ability to afford housing

Category	Number of households	% of households
Afford market housing	2,346	89.8%
Afford intermediate housing	121	4.6%
Social rent only	145	5.5%
Total	2,612	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.35 The table indicates that 89.8% of all key worker households are able to afford entry-level prices in the market. It is interesting to note that of the 266 households unable to afford minimum market prices, 54.5% can only afford social rented housing, whilst 45.5% can afford intermediate housing.

Situation of younger people

12.36 For the purpose of this study younger people are defined as those aged between 21 and 35. The survey records that there are 7,336 younger people in North Dorset.

12.37 The table below presents the working status of younger people in the District. The table indicates that over four-fifths of younger people are employed, with the overwhelming majority of these in full-time employment. However there are some 3.7% of younger people that are unemployed.

Table 12.17 Working status of younger people

Working status	Number of people	% of all people
Full-time employment	4,303	58.7%
Part-time employment	1,147	15.6%
Self-employed	457	6.2%
Unemployed	270	3.7%
Full-time student	93	1.3%
Looking after home/family	802	10.9%
Permanently sick/disabled	144	2.0%
Other	120	1.7%
TOTAL	7,336	100.0%

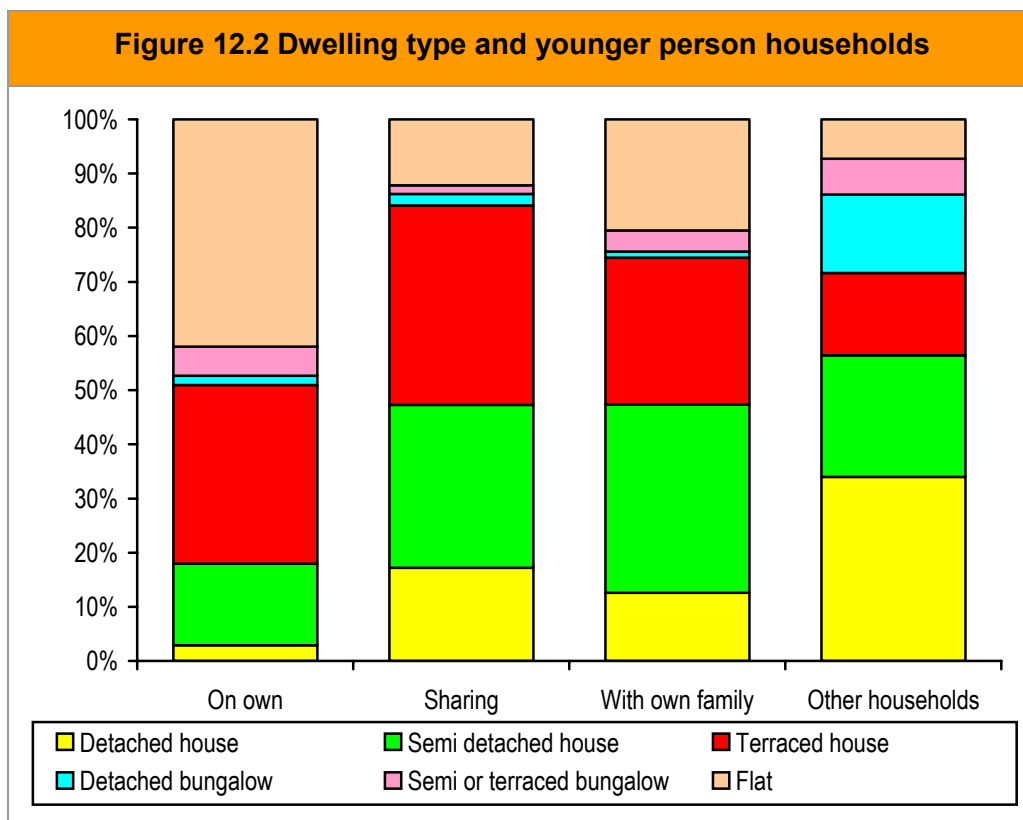
Source: North Dorset HNDS Fordham Research 2007

12.38 The table below indicates the type of households these younger people live in. The table shows that over 30% of younger people live in a home as a family with their own children, over a quarter share their home with other younger people, 8.5% live alone and 32.5% live with their parents or others.

Table 12.18 Type of household younger people reside in		
Type of household	Number of people	% of all people
On own	624	8.5%
Sharing house with others the same age	2,020	27.5%
Live in family with own children	2,306	31.4%
Live with parents/others	2,386	32.5%
TOTAL	7,336	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 12.39 It is possible to examine the housing circumstances of the three clearly defined groupings of younger households; those living on their own, those sharing with other younger people and those living with their own family. This is presented in the following section. The housing implications of the young people living with parents/others are discussed in the section on first-time buyers.
- 12.40 The figure below shows the type of properties in which the three groups of younger households live. The equivalent information is presented for all other households in the District for comparison. The figure indicates that younger households are less likely than other households in the District to live in detached houses or bungalows and are more likely to live in terraced house. Over 40% of young people living on their own reside in a flat.



Source: North Dorset HNDS Fordham Research 2007

12.41 The table below shows the size of accommodation in which the three groups of younger households live. Again the equivalent information is presented for all other households for comparison. The data suggests young single households are particularly likely to live in one bedroom accommodation with almost 40% resident in a home this size. All younger households are less likely to live in accommodation with four or more bedrooms than other households in North Dorset.

Table 12.19 Size of dwellings (number of bedrooms) and young person households

Number of bedrooms	Household type			
	Young on own	Young sharing	Young with own family	Other households
1 bedroom	38.4%	14.0%	2.3%	7.5%
2 bedrooms	42.5%	41.3%	47.9%	23.3%
3 bedrooms	18.5%	33.6%	39.3%	41.2%
4+ bedrooms	0.6%	11.1%	10.6%	28.1%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.42 The table below shows the tenure of the three groups of younger households. The data indicates that all three groups of younger households are less likely than average to own their own home and are more likely than average to be resident in private rented accommodation. Younger persons living with their own family and young single households are more likely than average to live in the social rented sector.

Table 12.20 Tenure of younger households				
Tenure	Household type			
	Young on own	Young sharing	Young with own family	Other households
Owner-occupied (no mortgage)	2.2%	3.0%	2.1%	45.2%
Owner-occupied (with mortgage)	43.9%	69.3%	36.3%	33.8%
Social rented	23.1%	3.9%	34.4%	12.4%
Private rented	30.8%	23.9%	27.2%	8.6%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: North Dorset HNDS Fordham Research 2007

First time buyers

12.43 The rapid increase in house prices that has been witnessed across most of Britain in the last decade or so has made it harder for households to become owner-occupiers, the most common tenure of choice. This has particularly affected younger people, who are attempting to access the housing market at a time when house price to income ratios are some of the highest in history and they have not had time to accumulate significant savings.

12.44 This section considers the characteristics of recent first-time buyers in the District using past-trend information from the survey. It then looks in more detail at those younger households (the typical age bracket that first-time buyers come from in a balanced housing market) looking to purchase their first home in the next two years.

Characteristics of recent first-time buyers

12.45 The survey identifies households that have moved into owner-occupied accommodation from a different tenure in the last two years. It is assumed that all of these households are first-time buyers although a few may have owned a home at some stage previously before a spell of renting.

12.46 The survey records that there are 996 households that have become first-time buyers in North Dorset in the last two years. The table below shows the age of the respondent in first-time buyer households. It shows that 32.9% of respondents are between 20 and 29, whilst 31.8% are between 30 and 39. The average (median) age of respondents in first-time buyer households is 34.7 years.

Table 12.21 Age of respondent in first-time buyer households		
Respondent age	Number of households	% of all households
Up to 20	11	1.1%
20-29	327	32.9%
30-39	317	31.8%
40-49	176	17.7%
50 and over	164	16.5%
TOTAL	996	100.0%

Source: North Dorset HNDS Fordham Research 2007

12.47 The average annual income of first-time buyer households is £38,862 which is significantly higher than the average for the District of £29,958. The financial situation of those households that have become first-time buyers suggests that households have to be on a high income before they can access owner-occupation and implies that the number of first-time buyers in North Dorset may be being restricted by the cost of housing.

12.48 Finally the survey indicates that some 37.8% of first-time buyers are using a higher proportion of their income to pay for their housing costs than is recommended by CLG guidance. This indicates that many first-time buyer households are prepared to spend a significant proportion of their income to allow them to enter the property ladder.

Existing younger households aspiring to own

12.49 Although the level of owner-occupation amongst young households is quite high there are likely to be many more younger households that aspire to become owners. The survey indicates that amongst the three groups of younger households analysed above, there are 426 households that would like to become owner-occupiers in the next two years.

12.50 The survey suggests that these 426 households have an average annual income of £28,292 and average savings of £6,559, which are both below the average across the District.

12.51 The ability of these potential first-time buyer households to afford owner-occupation in North Dorset is now examined. The data suggest that just 180 (42.3%) of these households would be able to purchase an appropriately sized home if they were to move now.

Concealed younger households aspiring to own

12.52 The survey data reveals that 791 younger households currently living with a host household (commonly parents/relatives) are likely to form within North Dorset in the next two years. Some 591 of these households would like to become owner-occupiers in the next two years.

12.53 The survey indicates that these 591 concealed households have an average annual income of £15,113, which is significantly below the average across the District. Further analysis reveals that on the basis of the current financial information available from these households that only 15.1% would be able to afford to purchase a home in North Dorset if they were to move now.

Rural households

12.54 In order to produce a meaningful database for analysis the District was subdivided. This was done by assigning each household with an urban or rural classification, based on the National Statistics Rural and Urban Classification of Output Areas (July 2004). Households were assigned one of four categories based on their postcode. The postcode is considered to be 'Urban' when the majority of the Output Area live within settlements with a population of 10,000 or more. The remaining three categories comprise the rural area, which is divided into 'Towns and Fringes', 'Villages' and 'Hamlets'; the latter includes isolated dwellings.

12.55 The table below indicates the urban and rural classification that each household in North Dorset is recorded in. The data shows that there are no urban households in North Dorset, with the majority in towns and fringes.

Table 12.22 Population urban/rural (based on 4 categories)		
Classification	Number of households	Percentage of households
Urban	0	0.0%
Town and Fringe	14,502	51.8%
Village	10,732	38.3%
Hamlet	2,766	9.9%
Total	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

- 12.56 The National Statistics Rural and Urban Classification indicates that all classifications listed above other than urban can be considered rural. However as we find no 'urban' households' in North Dorset this section will compare the nature of the populations in each of the three types of rural area.
- 12.57 The table below shows the variation in the tenure profile of households by area type. The data indicates that town and fringe area records the lowest proportion of owner-occupied accommodation and the highest proportion of social rented households. The area classified as hamlet displays the highest proportion of private rented households.

Table 12.23 Rurality of area and tenure			
Tenure	Town and fringe	Village	Hamlet
Owner-occupied (no mortgage)	35.8%	46.4%	40.1%
Owner-occupied (with mortgage)	38.2%	31.7%	37.0%
Social Rented	16.9%	10.5%	6.1%
Private rented	9.0%	11.4%	16.8%
TOTAL	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	14,502	10,732	2,766

Source: North Dorset HNDS Fordham Research 2007

- 12.58 The table below shows the differences between household types. The table indicates that the area classified as town and fringe records the highest proportion of pensioner households, whilst households resident in a hamlet are the most likely to contain children.

Table 12.24 Rurality of area and household type			
Household type	Town and fringe	Village	Hamlet
Single pensioners	19.1%	15.0%	12.7%
2 or more pensioners	14.6%	18.4%	15.2%
Single non-pensioners	13.7%	9.5%	8.7%
2 or more adults - no children	30.8%	35.8%	35.9%
Lone parent	3.9%	2.6%	2.6%
2+ adults 1 child	8.9%	7.9%	11.0%
2+ adults 2+ children	9.0%	10.8%	14.0%
TOTAL	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	14,502	10,732	2,766

Source: North Dorset HNDS Fordham Research 2007

- 12.59 The table below compares the incomes and savings levels of households in the three areas. The data indicates that generally the more rural the area the more affluent the household. Households residing in a hamlet record the highest average household incomes whilst those living in a village have the highest average savings levels. Households in the area classified as town and fringe record the lowest income and savings levels.

Table 12.25 Rurality of area and household income and savings

Categories	Annual gross household income	Average household savings
Town and fringe	£25,724	£30,836
Village	£33,873	£58,684
Hamlet	£36,965	£55,148

Source: North Dorset HNDS Fordham Research 2007

Accessibility in rural areas

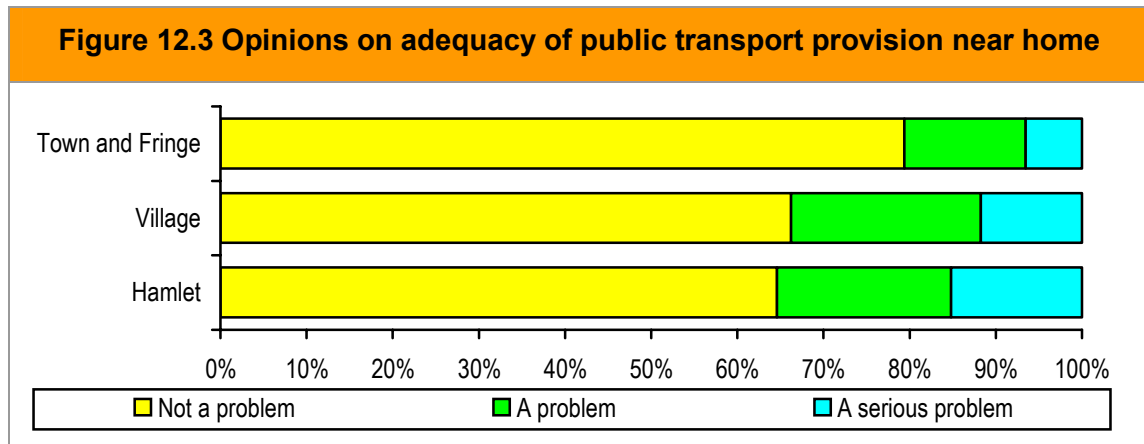
- 12.60 A further question asked in the North Dorset survey was car ownership/availability. Although not directly linked to housing, it influences the ability of household's to access necessary services.
- 12.61 In the town and fringe we find that 17.8% of households have no access to a car, this compares with just 6.0% of households living in a hamlet. The average household has 1.40 cars; this figure varies from 1.21 for households in towns and the fringe to 1.72 for residents of hamlets.

Table 12.26 Rurality of area and car ownership

Number of cars/vans available for use	Town and fringe	Village	Hamlet
0	17.8%	6.3%	6.0%
1	48.8%	42.5%	32.4%
2	27.8%	39.8%	45.5%
3+	5.7%	11.4%	16.1%
TOTAL	100.0%	100.0%	100.0%
TOTAL HOUSEHOLDS	14,502	10,732	2,766
Average number of cars/vans	1.21	1.56	1.72

Source: North Dorset HNDS Fordham Research 2007

- 12.62 The survey asked households whether public transport provision near their home was adequate for the household's needs. The responses received are presented in the figure below. The figure indicates that households within villages/hamlets were more likely to record public transport provision as being a problem/serious problem than households resident in the towns and fringe area.



Families with children

Introduction

12.63 PPS3 acknowledges the importance of providing suitable housing for families, especially those with children, to ensure that communities are appropriately mixed. This chapter will briefly consider the current housing situation of families with children in North Dorset before considering the future housing requirements of this group. This will enable the Council to assess whether the type of new accommodation at a particular site is likely to attract families with children and generate the desired mix.

12.64 For the purposes of this analysis children are defined as those aged under 16 and the chapter will focus on any household with at least one child in it. To provide more detail on what is a large subsection of the population three different groups of households with children will be analysed. These are lone parent households, households with young children and households with older children. Households with young children are those where the children's age is under 9 or the average age of the children is under 9. Households with older children are those where the children's age is 9 or over or the average age of the children is 9 or over.

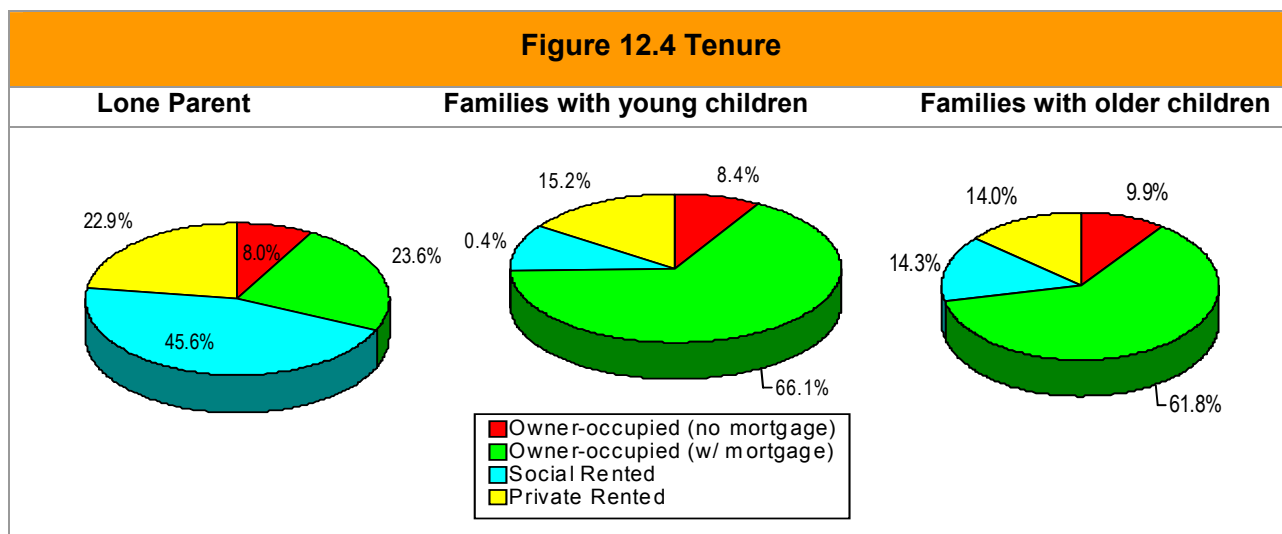
12.65 The table below shows the number of each type of household with children. The survey estimates that there are 6,207 households with children in North Dorset. Of this 6,207 households 14.8% are lone parents, 43.6% are families with older children with the remaining 41.6% families with younger children.

Table 12.27 Number of families with children		
Households with children	Number of households	Percentage of households
Lone parent families	921	3.3%
Families with older children	2,704	9.7%
Families with young children	2,582	9.2%
Other households	21,792	77.8%
Total	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2007

Housing circumstances of families with children

12.66 The figure below shows the tenure of the three groups of family households. The results suggest that lone parents are more likely to be living in social rented and private rented accommodation. There is little difference between households containing families with young children and those with older children.



Source: North Dorset HNDS Fordham Research 2007

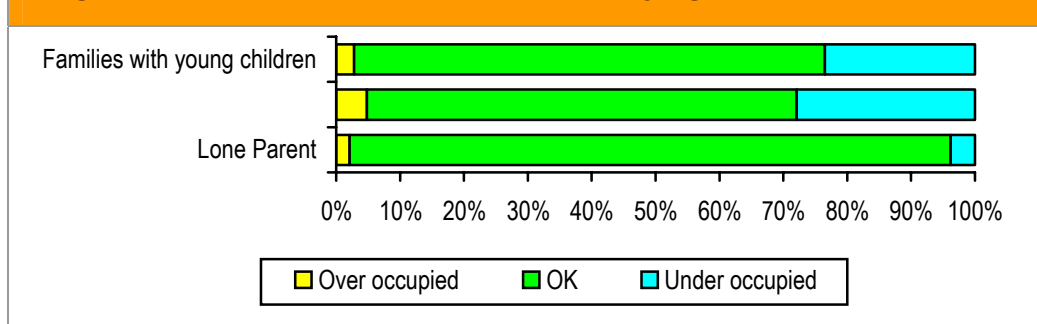
12.67 The table below presents the proportion of families with children living in unsuitable housing. The table indicates that lone parent families are more likely than other family types to be living in unsuitable housing.

Table 12.28 Families with children in unsuitable housing

Unsuitable housing	Households with children		
	Lone parent families	Families with older children	Families with young children
In unsuitable housing	16.6%	12.4%	7.7%
Not in unsuitable housing	83.4%	87.6%	92.3%
TOTAL	100.0%	100.0%	100.0%
Total count	921	2,704	2,582

Source: North Dorset HNDS Fordham Research 2007

12.68 The table below presents the level of overcrowding and under-occupation for families. The table shows little difference in terms of overcrowding, although, families with older children are slightly more likely to be overcrowded. On the other hand, lone parents are significantly less likely to be under occupying their property.

Figure 12.5 Overcrowded and under-occupying families with children

Source: North Dorset HNDS Fordham Research 2007

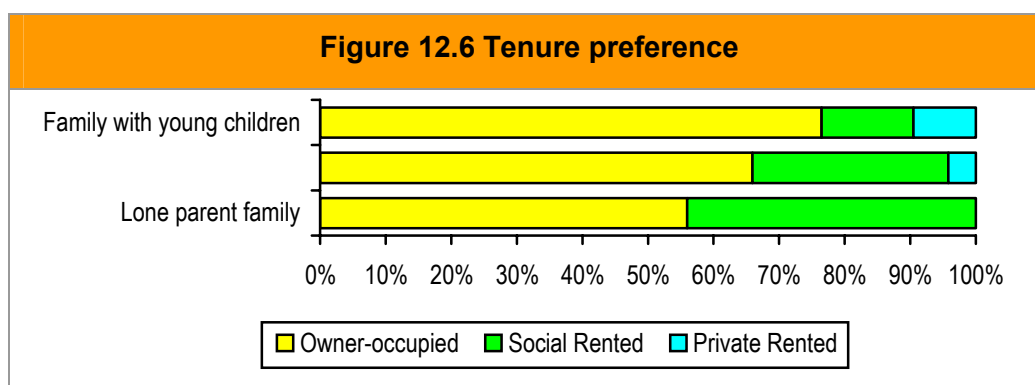
Housing preferences of families with children

12.69 The table below indicates that a larger proportion of lone parent families are the most likely to need or to be likely to move within the next two years. The results suggest that families with older children are the content to stay in their property for the long term with 57.4% having no need to move.

Table 12.28 Moving intentions of families with children			
When need/likely to move	Households with children		
	Lone parent families	Families with older children	Families with young children
Now	10.5%	9.3%	3.5%
Within a year	14.2%	8.8%	11.3%
1 to 2 years	11.9%	8.4%	16.2%
2 to 5 years	18.7%	16.2%	23.7%
No need/not likely to move	44.7%	57.4%	45.2%
TOTAL	100.0%	100.0%	100.0%
Total count	921	2,704	2,582

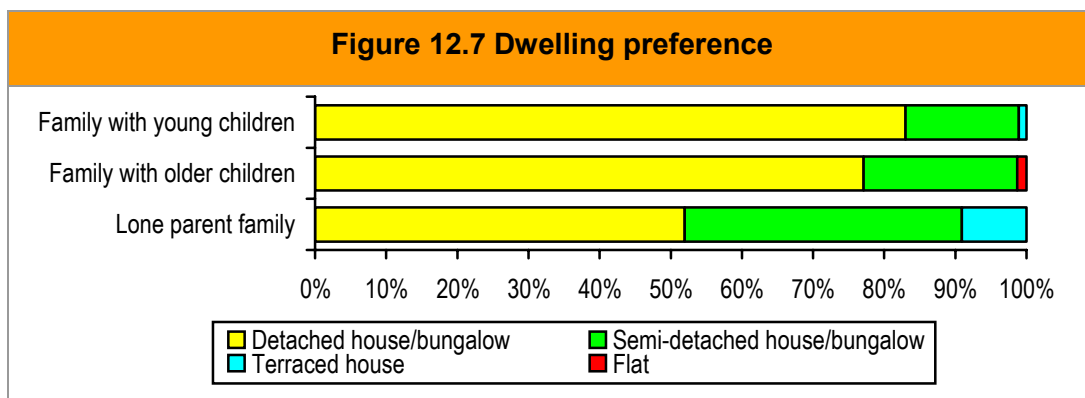
Source: North Dorset HNDS Fordham Research 2007

12.70 The housing preferences of families with children who stated they were likely or would need to move within the next two years (in terms of tenure, type and size) are presented in the figures below.



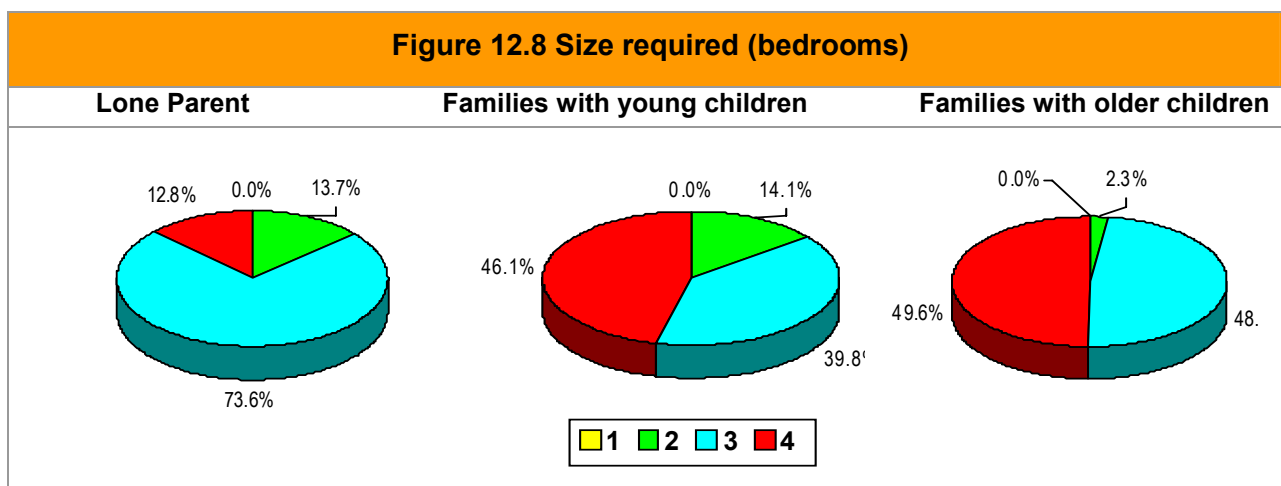
Source: North Dorset HNDS Fordham Research 2007

12.71 The figure above clearly shows that families with young children (moving in the next two years) are the most likely to prefer owner occupation, with lone parent families the most likely to prefer social renting.



Source: North Dorset HNDS Fordham Research 2007

12.72 The figure above shows the dwelling type preferences of families with children. Detached properties are the most preferred dwelling type for each family group, but in particular two parent families. Lone parent families are more likely to prefer semi-detached and terraced houses than other family types.



Source: North Dorset HNDS Fordham Research 2007

12.73 The figure above shows the number of bedrooms preferred by family households. Two parent families are much more likely to prefer larger properties, with little demand for smaller units. Lone parent families are more likely to prefer smaller dwellings, although the majority prefer a 3 bedroom unit.

Summary

12.74 This chapter focused on particular groups of interest to the Council within the population. It showed that:

- There are an estimated 5,390 households in the North Dorset area with one or more members in an identified special needs group, which represents 19.2% of all households. These households were most likely to state a requirement for more support services
- Almost a third of households in North Dorset contain only older people (33.0%). These are almost all comprised of one or two persons, however over half reside in accommodation with three or more bedrooms. Within the social rented sector there are 370 older person households living in properties with at least three bedrooms indicating an opportunity to reduce under-occupation.
- The survey estimates that 2,612 households in North Dorset are headed by a key worker. Key worker households are more likely than average to be resident in owner-occupation. They also record higher average incomes than other households in employment.
- The survey records that there are 7,336 people between 21 and 35 in North Dorset. Over four-fifths of these young people are employed and 32.5% live with their parents.
- The average age of recent first-time buyers is 37.8 years old and they required household incomes significantly above the District average to get onto the property ladder. Some 37.8% of these households spend over a quarter of their gross household income on their mortgage.
- North Dorset District is entirely rural; however it has been useful to look at the situation of households in areas classified as town and fringe compared with households in areas classified as village or hamlet. The analysis revealed that the village and hamlet parts of the District contain a higher proportion of owner-occupied and private rented accommodation and a smaller proportion of social rented homes. The data also showed that households in the village and hamlet parts record much higher average incomes and savings than households in the town and fringe parts.
- There are 6,207 households containing families in North Dorset. Lone parent families generally differ in terms of housing situation and preferences from families with younger children and families with older children. Two parent families are more likely to require owner occupied, larger dwellings, often detached.

SECTION E: IMPLICATIONS OF THE ANALYSIS

This section analyses the housing market gaps revealed, and considers what may fill them, and also provides guidance on updating the results

13. Housing market gaps and how to fill them

Introduction

- 13.1 It has been a concern of Government for at least two decades that there should be a well functioning 'housing ladder' so that newly forming households could enter the market, and 'climb' towards home ownership, and then move as appropriate up the size scale. This public concern has grown more acute as house prices have risen rapidly especially over the last decade.
- 13.2 This has led to many initiatives to encourage access to the market, and in particular the owner occupied market. Some two decades of evolution of 'low cost' home ownership and partial ownership (where typically a Registered Social Landlord owns part and the occupant owns the rest) have produced the present structure of tenures encouraged by the Housing Corporation (particularly Open Market HomeBuy and New Build HomeBuy).
- 13.3 This chapter examines the cost of different types and tenures of housing. This is done to provide an updateable benchmark for assessing the affordability of new housing schemes. In order to decide, for instance, whether a new shared ownership (HomeBuy) scheme is intermediate housing or low cost market housing, it is simply necessary to compare the weekly equivalent cost of the proposed scheme with a (suitably updated for inflation etc) figure from the graph and table below.

Variations in prices/rents across the HMA

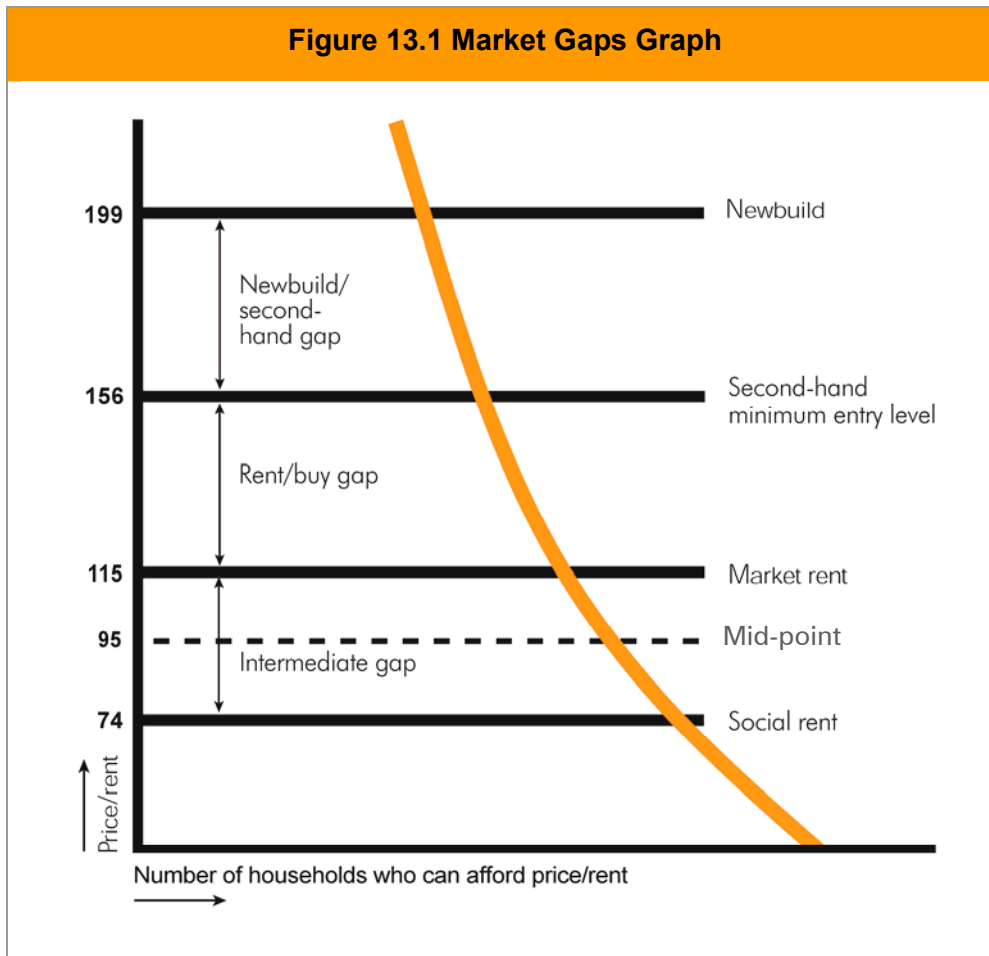
- 13.4 There are clearly variations in the housing market within the HMA. For the purposes of this discussion average prices are assumed, which clearly do not represent all the submarket variations that actually exist. The prices/rents used here are minimum ones. That is because the general purpose of this analysis is to examine what housing ladder exists for households in the HMA to 'climb'. Since the underlying problem is one of inability to afford, the important point is the cheapest one at which a given type of housing (to rent, part buy or buy for instance) can be accessed.

- 13.5 This may seem unrealistic, as a household may be long established in a given area (especially if that area is rural) and not easily accept the idea of a move to any other place, let alone across the entire market area. However that is not the practical likelihood. Any additional housing, whether market or affordable, will be a very small addition to the existing stock. It will help to relieve pressure in its locality, both directly and indirectly by meeting a local demand/need, which will therefore cease to put pressure on supply there and elsewhere. In that way new housing stock, even if not put where the demand/need is greatest, will help in a small way to reduce the overall pressure.
- 13.6 The fact that in practice households may, for instance, choose to private rent in an area they come from, rather than move even a few miles to a place where they could afford a new shared ownership scheme, is not something which analysis in a SHMA can affect. Each district is the housing and planning authority for the whole of that district, and will have its own policy focus.
- 13.7 It would however be an impossible task to ensure that housing in all parts of a district is equally affordable. It is necessary to assume that households who find affordability a problem will be able to move a little way if the only solution is a new supply.

Housing market gaps

- 13.8 Housing market gaps analysis has been developed by Fordham Research to allow easy comparisons of the costs of the tenure range, in order to facilitate the testing of different newbuild proposals, and to show generally the nature of the housing ladder in a particular locality.
- 13.9 The following figures show a stylized graph designed to illustrate the nature of the housing market gaps in each subarea. The figures are based on:
- i) Plotting the weekly cost of housing for each tenure group (on the vertical y-axis, against the notional numbers of households (illustrated only figuratively by the orange curve) along the horizontal x-axis
 - ii) This is done for two-bed dwellings only (the weekly costs for the full range of dwelling sizes is shown in Table 13.2 below)
 - iii) The bars on the gap graphs show key tenure distinctions:
 - Newbuild to buy
 - Secondhand to buy
 - Private rental

- Inferred mid-point of intermediate band
 - Social rent
- iv) Between each of the bars is a gap. The main two gaps of interest are:
- The rent/buy gap: households in this gap can afford market rent without the need for Housing Benefit, but cannot afford to buy outright. Hence they are potentially candidates for partial equity forms of housing: shared ownership
 - The intermediate gap. intermediate housing is defined in PPS3 as housing at between a social rent and market rent. Although technically intermediate housing begins at £1 or so below market rent level, housing at such a weekly cost would clearly not be of much use to households in housing need. We put the mid-point on the graph and infer the weekly costs. This normally addresses the needs of rather less than half of those in intermediate housing need, but that is a difficult enough task, as it is difficult to produce newbuild housing at this level of weekly cost.
- v) To enable comparisons, the capital cost of buying new and second hand housing is expressed as a weekly costs (by analogy like a mortgage payment). The technicalities of doing this are shown in the final chapter which explains how to update the base data shown in Table 13.2)
- vi) Table 13.1 below then shows the key gaps: intermediate and rent/buy In terms of their relative size.



13.10 As can be seen from the graphs, there are some major gaps. This discussion ignores the gaps within the owner occupied market, as they are less problematic than those below the owner occupation level. The overall level of owner occupation in England has been about 70% for several decades, despite great efforts by Government, assisted by the housebuilding industry and local authorities to increase this proportion. The analysis in this report will have shown the difficulties that are faced: the low financial capacity of many non-owner households, who are very far from being able to buy any equity. In the case of those who could afford some equity there is currently some difficulty with Government Guidance, which has not yet clarified what low cost market housing (mentioned as market housing in PPS3) is in specific terms.

13.11 The following table therefore looks only at the intermediate and rent/buy gaps. Above and below that is relatively quite simple!

Table 13.1: Scale of key housing market gaps in North Dorset

Area	Social rent/market entry private rent gap	Rent/buy gap	Social rent/newbuild gap
North Dorset	155%	136%	269%

Source: North Dorset HNDS Fordham Research 2007

Note that these percentages are calculated from the table below for 2-bed dwellings.

13.12 The gaps shown in the table are smaller than those found in some parts of Dorset. Despite this, they are still very large in absolute terms, and it is hard to see how households could easily climb the ladder implied by them. This puts extra pressure on the need to find newbuild housing variants which fill the gaps, rather than appear at each extreme, as discussed below.

13.13 The following table provides figures for the full range of sizes and tenures. This table is extremely important for two main reasons:

- i) It provides a test for any newbuild housing that might seek to provide housing in the intermediate or rent/buy gaps, as to whether it actually does.
- ii) It provides the basis for updating and monitoring, techniques for which are discussed later in this section.

Table 13.2 Comparative outgoings by tenure

Dwelling size	Tenure				
	Social rent	<i>Mid-point</i>	Private rent	Owner-occupation	Newbuild
	Cost per week	<i>Minimum cost per week</i>	Minimum cost per week	Minimum cost per week	Approx min. cost per week
1 bedroom	£64	<i>£79</i>	£104	£94	£128
2 bedrooms	£74	<i>£95</i>	£115	£156	£199
3 bedrooms	£80	<i>£109</i>	£138	£196	£257
4 bedrooms	£86	<i>£130</i>	£173	£285	£364

Sources: CORE, survey of estate and letting agents, Rightmove and other websites. The intermediate costs are imputed (being halfway between social rent and market entry) and shown in italics to distinguish them from prices derived from surveys.

How to fill the market gaps

13.14 The housing market gaps in North Dorset are not the largest in the county, but still daunting. It is all the more so when it is considered that newbuild housing, on a significant scale, is provided mainly in the form of:

- Newbuild housing to buy
- Social rented housing

13.15 In other words newbuild tends to be concentrated at the top and the bottom of the ladder. This has for long been the pattern, and clearly it does not help to reduce the significance of the gaps, as would provision of newbuild in the intermediate or rent/buy gaps. The Barker Review of 2004 demonstrated that no feasible amount of newbuild is likely to reduce prices, i.e. to diminish the existing housing market gaps. Short of a market collapse, the main possibility is the production of newbuild housing in those two gaps.

13.16 The main source of housing between these extremes is shared equity as mentioned above (now known as New Build HomeBuy). Although this form of housing is often seen as filling the intermediate gap illustrated in the graph above, it is commonly too expensive for that, and lies instead in the rent/buy gap. This does not remove its value: it can be of use in providing a step in equity ownership towards full scale home ownership, but only on a limited scale.

13.17 Discount for sale housing would, based upon the information in Figure 13.1 above, have to be provided with at least a 42% discount to be affordable housing (based on 2-bed types). In practice the sorts of discount available are 20-30% at most, and so it is most unlikely that discount newbuild could be affordable housing in North Dorset.

13.18 This is confirmed by Liam Sage, an official at the CLG, who wrote (in a comment to Mansfield DC in Nottinghamshire) in January 2007 that he had not found any example of discount sale housing that was affordable:

'In practice I agree that discounted sale models are very unlikely to be affordable, and I have not heard of any.'

13.19 The Government has, in PPS3, said that 'low cost market' housing is market housing not affordable housing. It is not yet clear, however, at what point in the market section of the above graph low cost market housing is intended by CLG to be located. However it is clear in North Dorset that low cost market housing, to be of practical value, would need to be located in the middle of the rent buy gap to be of significant use.

Intermediate rent: a practical possibility

13.20 In terms of the general lack of affordable housing products to fill the very wide intermediate gap, we have considered the variant called 'intermediate rent'. This is priced at 80% of the Reference Rent (or "Local Housing Allowance" (LHA) as it will be known as from April 2008). The latter is a figure set for each district by size of dwelling as a basis for calculating Housing Benefit, the subsidy paid to enable households otherwise unable to do so to access housing.

13.21 The size range and weekly costs for the Reference Rents/LHAs closely matches the weekly market rent entry prices shown in Table 13.2 above. The following are the Reference Rents for Dorset, which vary across the county.

Table 13.3: Weekly reference rents* (Indicative LHAs) for Dorset, October 2007

BRMA** Area	Room	Number of Rooms***				
		1	2	3	4	5
Bournemouth	£63.00	£121.15	£154.62	£183.46	£253.85	£311.54
Mid Dorset	£68.31	£98.08	£126.92	£155.77	£206.54	£328.85
West Dorset	£73.00	£109.62	£135.00	£155.77	£213.46	£213.46
Yeovil	£60.00	£92.31	£125.77	£147.12	£201.92	£300.00

"Bournemouth" BRMA area covers the LA areas of Bournemouth, Poole, Christchurch, the southern fringe of East Dorset (Wimborne) and Purbeck as far west as Wool.
"Mid Dorset" BRMA covers most of North Dorset district, including Shaftesbury, Gillingham, Blandford Forum and Sturminster Newton, as well as the northern part (Cranborne Chase) of East Dorset.
"West Dorset" BRMA includes Weymouth & Portland district, the western fringes of Purbeck and North Dorset, and all of West Dorset except the Sherborne area.
"Yeovil" BRMA includes the Sherborne area of West Dorset.

* The appropriate price level for intermediate rented housing in Dorset is stated to be 80% of these rental figures.

** BRMA = Broad Reference Market Area.

*** These figures represent different numbers of bedrooms. The "Room" column covers bedsit or single room accommodation.

Source: Rent Officer, Bournemouth (2007)

13.22 The figures shown above have therefore been used to analyse the affordability of intermediate housing. The detailed analysis was done using the CLG model of housing need.

Table 13.4 Social rented and intermediate housing requirements in North Dorset

	Social rented	Intermediate housing	Total
Annualised current need	94	14	108
Annualised available stock	58	13	71
Annual newly arising need	540	132	672
Future annual supply	296	15	311
Net shortfall or surplus	280	119	399
% of net shortfall	70%	30%	100%
Gross annual need	634	147	781
Gross annual supply	354	28	382
Net annual need	280	119	399

13.23 As can be seen, the proportion of need in North Dorset (as measured by the CLG model) that could be met through intermediate housing at the levels suggested by the weekly reference rents is high in a Dorset context, at about 30%.

Review of how affordable housing can meet the need

13.24 The information on housing gaps can be set against the two measures of need for affordable housing discussed in this report, and against the one practical variant of intermediate housing that seems currently to exist.

13.25 The following table summarises key features of the analysis in this report.

Table 13.5 CLG Needs Model and BHM estimates of annual affordable housing requirement

Area	CLG Needs model annual requirement	Fordham Research Index (national average: 16)	BHM model annual need for affordable housing	BHM as a fraction of CLG need	BHM proportion of need as intermediate	Proportion of CLG need which can afford intermediate Rent
Bournemouth	3,015	39	718	24%	35%	5% (150 dwgs pa)
Christchurch	243	11	163	67%	48%	9% (22 dwgs pa)
East Dorset	440	12	243	55%	25%	15% (64 dwgs pa)
North Dorset	399	14	220	55%	27%	30% (119 dwgs pa)
Poole	1,199	19	815	68%	45%	13% (159 dwgs pa)
Purbeck	409	21	138	34%	50%	3% (11 dwgs pa)
West Dorset	737	17	542	74%	52%	3% (25 dwgs pa)
Weymouth & Portland	800	28	282	35%	51%	31% (246 dwgs pa)
Dorchester/Weymouth HMA	1,538	21	824	54%	51%	n/a
Bournemouth/Poole HMA	5,704	23	2,234	39%	35%	n/a

Source: Dorset Survey of Housing Need and Demand, Fordham Research 2007. Note: n/a means not available

13.26 This table provides the context for North Dorset within the overall Dorset analysis. Some general patterns can be observed:

- i) The overall level of housing need is high in most places in Dorset, although in relative terms the level of need is lower in North Dorset than many other districts, in particular the urban centres of Bournemouth and Weymouth & Portland.
- ii) As would be expected, the CLG needs assessment shows a much higher level of need than the BHM, but the annual requirement in both cases is far above any likely annual production of affordable housing.

- iii) In principle there is a role for intermediate housing, as defined by CLG (the range between social rent and market rent). However there are few signs of practical housing options within this gap, given that in North Dorset a discount of at least 42% on newbuild market value would be required for the resulting properties to be considered affordable.

- 13.27 The levels of social rented housing required, although high, are not a major issue when compared with the situation elsewhere: most districts in England require more new social rented housing than can be provided. The more problematic issue, from an assessment point of view, is the intermediate gap since so few new housing products fit within it. The above table does suggest a degree of light at the end of the tunnel in that intermediate Rent would be an option that provides a part of the answer. Clearly it only provides an option at the top end of the intermediate range.
- 13.28 There is as yet no more than encouragement in PPS3 for the idea of low cost market housing that would fit between private rented and market housing. Clearly there is a considerable demand for it. However it is not yet clear what part of the rent/buy gap, or indeed any part of the gap between market entry private rent and newbuild for sale that CLG envisages to be occupied by low cost market housing.

Profile of household types requiring market housing

- 13.29 The middle requirement of PPS3 (para 22) can be calculated from the BHM dataset. The requirement is phrased in terms of the *'likely requirement for household types requiring market housing e.g. multi-person, including families and children, single parents and couples'* (expressed as percentages).
- 13.30 The analysis here is based on the expected moves of households, as set out previously in Chapter 9, when considering household mobility. This subsection uses the same household survey data on future movement expectations, but limits it to the market, and looks at household groups as mentioned in PPS3.

Table 13.6: Gross demand for market housing (per annum by household type)					
<i>Area</i>	<i>Older persons</i>	<i>Single non-pensioner</i>	<i>Multi adult</i>	<i>Households with children</i>	<i>TOTAL</i>
Bournemouth	930 15.8%	1,477 25.1%	2,375 40.3%	1,111 18.9%	5,892 100.0%
Christchurch	482 30.5%	245 15.5%	545 34.5%	310 19.6%	1,582 100.0%
East Dorset	594 22.5%	299 11.3%	1,018 38.5%	733 27.7%	2,643 100.0%
North Dorset	403 20.4%	299 15.1%	772 39.0%	505 25.5%	1,980 100.0%
Poole	663 15.9%	778 18.7%	1,832 44.0%	889 21.4%	4,162 100.0%
Purbeck	158 13.0%	162 13.4%	530 43.7%	363 29.9%	1,213 100.0%
West Dorset	712 25.5%	462 16.6%	946 33.9%	670 24.0%	2,790 100.0%
Weymouth & Portland	310 17.7%	382 21.8%	581 33.1%	482 27.4%	1,756 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%
Bournemouth/Poole HMA	3,230 18.5%	3,260 18.7%	7,072 40.5%	3,911 22.4%	17,472 100.0%
Dorchester/Weymouth HMA	1,022 22.5%	844 18.6%	1,527 33.6%	1,152 25.3%	4,546 100.0%
DORSET	4,252 19.3%	4,104 18.6%	8,599 39.1%	5,063 23.0%	22,018 100.0%

Source: Fordham Research 2008

13.31 It should be noted that these groups are non-overlapping. Thus if a couple are pensioners they go into the 'older persons' category, and not also into the 'multi-adult' one.

13.32 The results show a range of patterns, summarised below:

- i) About 40% of the gross demand is from multi-adult households (Dorset wide). It is the biggest group in all the districts, although the average for the Dorchester/Weymouth HMA is a bit lower: a third rather than 40%.
- ii) The next biggest group is households with children, at county and both HMA levels, although this pattern varies slightly among the districts. The exception is Bournemouth, where the gross demand is higher for 'single non-pensioner' than form families, although both areas of demand are substantial.

- iii) The demand from single-non pensioners is joint third with older persons. This may seem odd, given that household projections show increasing numbers of single people. However a single person household, whether pensioner or not, can arise through the death or departure of a spouse, without any house move at all. That helps to explain this finding.
- iv) The gross demand from older persons is about a fifth, at the county level, but a bit higher in the Dorchester/Weymouth HMA than in the Bournemouth/Poole one. By far the highest demand figure from older persons is in Christchurch, which entirely agrees with the character of that borough as being highly attractive to older people.

13.33 The outputs shown here fulfil the requirement of the middle part of Para 22 of PPS3.

Recent performance

13.34 The statistics on recent levels of housebuilding completions in North Dorset and Dorset more widely are as follows:

Table 13.7 Housing Completions in North Dorset over stated periods							
Gross							
Year	01/02	02/03	03/04	04/05	05/06	01 – 06	94 – 06
Affordable	93	66	85	72	118	434	980
Private	446	392	528	439	461	2,266	4,481
Total	539	458	613	411	579	2,700	5,461
Net							
Affordable	93	64	85	70	118	430	947
Private	421	381	505	420	437	2,164	4,274
Total	514	445	590	490	555	2,594	5,221

Source: Dorset County Council 2007

Table 13.8 Housing Completions in Dorset (inc. Bournemouth & Poole) over stated periods

Gross						
Year	01/02	02/03	03/04	04/05	05/06	01 – 06
Affordable	347	282	476	251	816	2,172
Private	3,271	3,061	3,706	3,438	3,465	16,941
Total	3,618	3,343	4,182	3,689	4,281	19,113
Net						
Affordable	343	277	473	249	759	2,101
Private	2,959	2,663	3,258	2,971	2,973	14,824
Total	3,302	2,940	3,731	3,220	3,732	16,925

Source: Dorset County Council 2007

- 13.35 As can be seen, for the most recent year (2005/6) for North Dorset, of the 555 dwellings completed, some 118 (or 21%) were affordable although over the past 5 years (2001-2006) 17% had been affordable. The five year average is significantly higher than the Dorset norm, which is 12% for the period 2001-6. It must be considered that new completions will include many sites that are too small to attract a target for affordable housing, and that the total will include planning permissions granted before current levels of target were introduced.
- 13.36 In relation to the overall need for affordable housing, which from Table 13.5 can be seen as at least 399 per annum (even on the BHM measure) there is still scope for improvement. It must be remembered, though, that nationally the production of new affordable housing falls well below the need, however it is measured.
- 13.37 In terms of market housing Table 11.1 shows that the overall annual requirement (for all housing) is 494 and the average for North Dorset over the past five years from the table above is 519 per annum. Given the constraints on development in Dorset generally this is a considerable achievement.
- 13.38 These figures can also be examined in the context of the Regional Spatial Strategy targets for the area, shown below. From these and the Policy H1 information also from the RSS (June 2006) it can be seen that:
- i) In producing some 519 dwellings a year North Dorset is exceeding its RSS target.
 - ii) In terms of affordable housing the 16.6% achieved in the recent past is below the minimum of 35% required by the RSS although it is still a significant achievement.

Table 13.9 Regional Spatial Strategy (RSS) Table 4.1 and Policy H1

Table 4.1 Housing Market Areas, Unitary Authorities and Districts: Housing Totals and Phasing

	2006-2026 Overall Annual Average Net Dwelling Requirement	2006-2016 Annual Average Net Dwelling Requirement	2016-2026 Annual Average Net Dwelling Requirement
BOURNEMOUTH & POOLE HOUSING MARKET AREA	1,925 – 2,090	2,285	1,565 – 1,895
BOURNEMOUTH	680-780	720	640-840
POOLE	450-500	700	200-300
CHRISTCHURCH	165-180	200	130-160
EAST DORSET IN JSA	260	260	260
ELSEWHERE IN EAST DORSET DISTRICT	10	10	10
PURBECK	105	105	105
NORTH DORSET	255	290	220
WEYMOUTH & DORCHESTER HOUSING MARKET AREA	690	690	690
WEST DORSET	410	410	410
WEYMOUTH & PORTLAND	280	280	280

H1 Affordable Housing

Within the 23,060 dwellings per annum required for the region, at least 7,500 affordable homes per annum will be provided in the period to 2026. Provision will be made for at least 30% of all housing development annually across each local authority area and Housing Market Area to be affordable, with authorities specifying rates up to 60% or higher in areas of greatest need.

Source: South West of England Regional Spatial Strategy 2006

13.39 Following the Examination in Public into the Draft RSS the independent Panel of Inspectors has recommended to the Government that overall housing figures in the South west should be increased by around 23%. In Dorset it is proposed to increase housing targets in the Bournemouth/Poole HMA by around 15% and in the Dorchester/Weymouth HMA by 31%. It is also proposed that provision should be made for at least 35% of all housing development annually to be affordable housing, with authorities specifying rates of 60% or higher in areas of greatest need. While these figures have not been approved by the Secretary of State and so hold no statutory weight, they do signify the possibility that higher housing targets will apply in the South West over the next 20 years.

13.40 In considering the situation of the North Dorset housing market within the historic county it is worth noting two facts:

- (i) North Dorset, unlike most of the county, has produced more new housing than its RSS target would suggest
- (ii) North Dorset house prices are significantly lower than the county average (108% of the national average compared with the county's 121% (Table 4.1))

13.41 It can be hypothesised that the extra amount of housebuilding in North Dorset has helped to keep house prices down (though we have not done specific analysis of the matter). There clearly is circumstantial evidence for this view.

Summary

13.42 There are substantial housing market gaps in North Dorset which mean that the local housing 'ladder' is not an easy one to climb. This is the case even though the gaps are smaller in relative terms than in many parts of the county and country.

13.43 At the two-bed level the overall gap in weekly costs from social rent to newbuild purchase is 269%: this gap is clearly very large.

13.44 Newbuild housing is mainly available as for sale and as social rent, in other words at the extreme ends of the range. There is little newbuild housing in between. Shared ownership (New Build HomeBuy in Housing Corporation terminology) is the most commonly used option nationally. The problem is that this is normally more expensive than market rental due to the newbuild purchase element. Hence it is normally to be seen as 'low cost market' housing in the rent/buy gap and not intermediate housing.

13.45 There is at present little prospect of any newbuild housing being made available in the intermediate band in North Dorset, since a discount of 42% or more would be required, and even less of its being 'usefully affordable' at the halfway point of that range. This provides a challenge for the future, since there is a need for it.

13.46 The Housing Market Gaps analysis provides a template which, suitably updated, provides a lasting basis for testing newbuild housing options in terms of their affordability to fill the various gaps. The most important are the intermediate and rent/buy gaps.

13.47 The need for social rented housing is clear. It is also clear that there is a large intermediate gap, and that intermediate rented housing would fill the top end of that intermediate gap.

13.48 When demand/need is set against recent performance in North Dorset, it is seen that the results are impressive. The building of market housing in recent years has exceeded future RSS targets, and compared to the Dorset average, provision of affordable housing as a proportion of the total is high at 17%. However, this remains well below RSS targets (17% as compared to 35%). Clearly a sustained effort is still required.

14. Updating

Introduction

14.1 One of the central features of the Guidance is that housing market research should be a continuing process, not just production of a report. This requirement is implied by the Local Development Framework approach and the strong emphasis on flexibility in the response to changing housing market demands (e.g. para 60 of PPS3). This emphasis is mirrored in the Practice Guidance, where Figure 1.1 gives the key outputs but is matched by Figure 1.2 which provides a checklist of the key processes. The last of these process requirements is:

'Explain how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken'

14.2 Monitoring and updating occurs at all levels from national to local. The housing needs and demand study is designed to apply mainly at local authority level, and so the comments in this chapter are directed to that level. However the principles involved apply generally.

14.3 The rapid movement of prices and rents, and the key importance of the checklist of (weekly) costs of different tenures/sizes of dwellings provided in this housing needs and demand study, makes it evident that monitoring and updating is an essential part of the process.

14.4 The key thing is to update the weekly costs: they are the key to most practical policy decisions on both planning and housing issues.

Updating weekly costs

14.5 It has been emphasised through this report that the old focus on price/income ratios is not relevant to housing market studies. A full range of financial information (income, savings and equity) is required to measure the ability to afford. However it has been emphasised that the main focus should be upon comparative prices and rents: what are the housing market gaps and how are they changing? That is what governs the issue of how fast people can 'climb the housing ladder'.

14.6 The most fundamental set of data for monitoring and updating is therefore the tabulation of weekly cost equivalents for purchase and rental. That is the main focus of the updating suggestions here, as it is both (relatively) simple and central. As a first step a couple of related issues will be addressed, followed by specific instruction on the updating process.

Why not update incomes as well as the weekly costs of housing?

14.7 The short answer is: because it is not relevant. There is no problem with updating incomes (indices exist for doing so) but it will not help with the question of affordability and policy for newbuild housing generally.

14.8 The key point to emphasise is that the issue of affordability is about the different costs to types (and tenures) of housing. Whether a household can afford social rent or outright purchase is a financial matter, but as emphasised in this report, income is only part of the answer to that question: a full range of financial information is required.

14.9 From the point of view of planning and housing policy and practice the key updating issue is the relative costs of types/tenures of housing. The housing needs and demand study has indicated the ability to afford housing in general. The policy issues which will arise from day to day are of a different type, for example:

- i) A housebuilder offers what is stated to be affordable housing of 2 bedrooms at a cost of £X per week. Is it affordable? All that needs to be done is to ensure that the costs are on a comparable and complete weekly basis, and the answer takes a few moments when comparing it with the cost table below.
- ii) An RSL proposes shared ownership homes at a given price. Again when reduced to an overall weekly cost (including management/service charges) by making the purchase element into a weekly cost, the comparison with the table will soon show if the product is indeed intermediate or low cost market.
- iii) When negotiating S106 Agreements reference to updated versions of this table will serve the purpose of ensuring that what is agreed to be housing of a given affordability really is

14.10 As can be seen, all this important operational policy information can be derived directly from the table there is no need for any elaborate calculation.

How to calculate the updated prices

14.11 Before putting the purchase and weekly rent costs on a common basis, as discussed in the next subsection, it is necessary to set out some points on the way in which a reasonable set of updated prices can be derived for a given (probably district) area. The following table sets out some guidance.

Table 14.2 Establishing new prices/rents

1. Prices/rents for each size of dwelling may vary substantially across a district (or Housing Market Area if different), often within short distances. It is therefore necessary to be careful in deriving district wide averages.
2. This tabulation sets out the issues to bear in mind when doing so, and should be treated as a general guide only. Each housing market has its individual characteristics which may suggest a somewhat different approach.
3. For social rents, the figures should be easily available within the Council's records. The points below concern the weekly costs of other tenure groups.
4. Using Rightmove, or similar website, enter the names of the main settlements and request one of the key groupings. In each case the data should be by size of dwelling in the four main size bands indicated in the table below.
 - (i) Market rent
 - (ii) Second hand purchase
 - (iii) Newbuild purchase (in this case there may be only a small sample in some cases, and so a degree of judgement will be necessary. For example there may be over-representation of one type/size of dwelling if there are only a few current housing schemes underway). A simple averaging may be misleading, if there are many sites in one part of a district and few or none in others.
5. Look for the 25th percentile in each case: in other words the 25th from the cheapest. Hence if there were 200 properties in a given band, the 50th would be the chosen one
6. That rent/price is the new figure for the revised table. Where it is a price, rather than a rent, it will need to be turned into a weekly cost using the table below.

Source: Fordham Research 2007

14.12 The next section describes a procedure for putting prices into a weekly cost format to enable comparison with rental information. The comparison could equally well be put into capital (ie equivalent to purchase) rather than weekly cost terms, but people are more familiar with weekly budgeting, and so weekly costs seem the more sensible approach.

Putting purchase prices on a weekly cost basis

14.13 The following table explains how to put purchase prices on a weekly basis, for insertion into the table.

Table 14.3 Turning the purchase price for a house into a weekly cost

1. Procedure

For interest only mortgage (which is preferable because it represents the cheapest method of entering the sector and therefore the entry level)

Cost of home = C

Interest rate = I

Interest to be on mortgage to be paid per year = P

Weekly Interest payment = W

Number used to derive weekly cost of owner occupation = N

$C \cdot I = P$

$P/52 = W$

$W/C = N$

2. Example of how it works

For example on a £50,000 home with an interest only mortgage rate of 5.99% the yearly payment will be £2,995, which equates to £57.60 per week.

Source: Fordham Research 2007

14.14 Once a full set of weekly costs has been obtained, this can be compared with the table below, and rates of change in different parts of the size/tenure spectrum assessed. If the local housing market is strongly differentiated, this may need to be done for several submarkets.

Table 14.4 Comparative outgoings by tenure					
Dwelling size	Tenure				
	Social rent	<i>Usefully affordable</i>	Private rent	Owner-occupation	Newbuild
	Cost per week	<i>Minimum cost per week</i>	Minimum cost per week	Minimum cost per week	Approx min. cost per week
1 bedroom	£64	<i>£79</i>	£104	£94	£128
2 bedrooms	£74	<i>£95</i>	£115	£156	£199
3 bedrooms	£80	<i>£109</i>	£138	£196	£257
4 bedrooms	£86	<i>£130</i>	£173	£285	£364

Sources are: CORE, survey of estate and letting agents, and Rightmove and other websites. The intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the

Policy use of the information

- 14.15 The revised table can be referred to in policy documents as a basic tool for assessing affordability. As emphasised above, it is not necessary to add income or other financial information. If the housing is cheaper than a given threshold, then it is affordable to the groups in question (those who can afford intermediate housing, or low cost market housing for example).
- 14.16 The revised table will, like that in this housing needs and demand study, represent a central policy tool both for the local authority to check the affordability of different types of housing (eg intermediate or low cost market) and for private sector bodies to check the affordability of what they are offering. This tabulation should provide a neutral basis for comparison of alternative packages whether of market or affordable housing.

Summary

- 14.17 It is a key feature of housing research that it be a continuing process, not a 'one shot' report. Updating and monitoring is therefore a key feature of that process.
- 14.18 Strategies are needed for regular monitoring and updating, and triggers may be added where rapid changes are noted.
- 14.19 Updating the primary data is not easily carried out, as it is a technical exercise. This is not a serious drawback as the structure of a housing market does not usually change fundamentally in less than about five years. As a result, most market responses are due to changes in weekly costs of housing.

14.20 The key statistic is the weekly cost of different tenures/sizes of dwelling. It is not, as is still sometimes thought], price income ratios. It is therefore essential to be able to update the key table of weekly costs in this housing needs and demand study. A simple procedure is set out for doing this.

Glossary

[This Glossary aims to define terms used in the report. Where there is an existing definition (e.g. in Government Guidance) references is made to it. Otherwise the terms are defined simply in the way used in the report]

County

This term is used to mean the historic county of Dorset in most cases in this report. The administrative County Council which leads the Steering Group that commissioned this study does not administer the separate unitary councils of Bournemouth and Poole. However the data and analysis described as being for the 'county' includes all of the historic county, including Bournemouth and Poole.

Affordability

A measure of whether households can access and sustain the cost of private sector housing. There are two main types of affordability measure: mortgage and rental. Mortgage affordability assesses whether households would be eligible for a mortgage; rental affordability measures whether a household can afford private rental. Mortgage affordability is based on conditions set by mortgage lenders – using standard lending multipliers (2.9 times joint income or 3.5 times single income (whichever the higher)). Rental affordability is defined as the rent being less than a proportion of a household's gross income (in this case 25% of gross income).

Affordable housing

Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire). [There is an ambiguity in PPS3: Housing, where 'intermediate housing' is defined as being below market entry to rent, while 'affordable housing' is defined to be below the threshold to buy (normally much higher than the private rental one). But in principle the Guidance defines affordable housing as below the market threshold, and rationally speaking, that includes the private rented as well as purchase sectors].

Annual need

The combination of the net future need plus an allowance to deal progressively with part of the net current need.

Average

The term 'average' when used in this report is taken to be a mean value unless otherwise stated.

Balanced Housing Market model

A model developed by Fordham Research which examines the supply and demand for different types and sizes of housing across different areas and for specific groups.

Bedroom standard

The bedroom standard is that used by the General Household Survey, and is calculated as follows: a separate bedroom is allocated to each co-habiting couple, any other person aged 21 or over, each pair of young persons aged 10-20 of the same sex, and each pair of children under 10 (regardless of sex). Unpaired young persons aged 10-20 are paired with a child under 10 of the same sex or, if possible, allocated a separate bedroom. Any remaining unpaired children under 10 are also allocated a separate bedroom. The calculated standard for the household is then compared with the actual number of bedrooms available for its sole use to indicate deficiencies or excesses. Bedrooms include bed-sitters, box rooms and bedrooms which are identified as such by respondents even though they may not be in use as such.

Concealed household

A household that currently lives within another household but has a preference to live independently and is unable to afford appropriate market housing.

Current need

Households whose current housing circumstances at a point in time fall below accepted minimum standards. This would include households living in overcrowded conditions, in unfit or seriously defective housing, families sharing, and homeless people living in temporary accommodation or sharing with others.

Demand

This refers to market demand. In principle anyone who has any financial capacity at all can 'demand' something, in other words want to acquire it and be prepared to pay for it. The question is whether they can pay enough actually to obtain it. Thus many households who are unable fully to afford market housing to buy do aspire to buy it. The word 'demand' is therefore used in two senses in this report:

'demand' when used in the general text refers to the ordinary understand of 'wanting' something that has a market price

'demand' when associated with numbers (as in the Balancing Housing Markets model) refers to expressed demand: the numbers of people who can actually afford the type of housing in question

In relation to (expressed) demand mention should be made of the private rented sector where typically there are not only households who can afford to rent at market prices, but also others who are unable to access affordable housing but who are able to access the private rented sector due to the subsidy of Housing Benefit. Such households do not have a demand in the sense used here, as they can only access the private rented sector with a subsidy.

Disaggregation

Breaking a numerical assessment of housing need and supply down, either in terms of size and/or type of housing unit, or in terms of geographical sub-areas within the District.

Financial capacity

This is defined as household income+savings+equity (the value of the property owned by owner occupiers, typically the family home, net of mortgage). This provides an indication, when put on a capital basis, of the amount which the household could afford to pay for housing. Since equity is now a substantial part of the overall financial capacity of the large fraction of owner occupiers it is essential to use this measure rather than the old price/income ratio to measure the activity of a housing market.

Forecast

Either of housing needs or requirements is a prediction of numbers which would arise in future years based on a model of the determinants of those numbers and assumptions about (a) the behaviour of households and the market and (b) how the key determinants are likely to change. It involves understanding relationships and predicting behaviour in response to preferences and economic conditions.

Grossing-up

Converting the numbers of actual responses in a social survey to an estimate of the number for the whole population. This normally involves dividing the expected number in a group by the number of responses in the survey.

Headship rates

Measures the proportion of individuals in the population, in a particular age/sex/marital status group, who head a household. Projected headship rates are applied to projected populations to produce projected numbers of households.

Household

One person living alone or a group of people who have the address as their only or main residence and who either share one meal a day or share a living room.

Household formation

The process whereby individuals in the population form separate households. 'Gross' or 'new' household formation refers to households which form over a period of time, conventionally one year. This is equal to the number of households existing at the end of the year which did not exist as separate households at the beginning of the year (not counting 'successor' households, when the former head of household dies or departs).

(A) household living within another household

Is a household living as part of another household of which they are neither the head or the partner of the head.

Households sharing

Are households (including single people) who live in non-self-contained accommodation but do not share meals or a living room (e.g. 5 adults sharing a house like this constitute 5 one-person households).

Housing demand

The quantity of housing that households are willing and able to buy or rent.

Housing Market Area

The geographical area in which a substantial majority of the employed population both live and work, and where most of those changing home without changing employment choose to stay. In the local context the Council areas of Weymouth and Dorchester have been designed as a housing market area, although sub-markets exist within this boundary.

Housing need

Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.

Housing Register

A database of all individuals or households who have applied to a local authority or RSL for a social tenancy or access to some other form of affordable housing. Housing Registers, often called Waiting Lists, may include not only people with general needs but people with support needs or requiring access because of special circumstances, including homelessness.

Housing size

Measured in terms of the number of bedrooms, habitable rooms or floorspace. This guidance uses the number of bedrooms.

Housing type

Refers to the type of dwelling, for example, flat, house, specialist accommodation.

Income

Income means gross household income unless otherwise qualified

Intermediate Housing

PPS3 defines intermediate housing as 'housing at prices and rents above those of social rent but below market prices or rents and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.'

Lending multiplier

The number of times a household's gross annual income a mortgage lender will normally be willing to lend. The most common multipliers quoted are 3.5 times income for a one-income household and 2.9 times total income for dual income households.

Lower quartile

The value below which one quarter of the cases falls. In relation to house prices, it means the price of the house that is one-quarter of the way up the ranking from the cheapest to the most expensive.

Market housing/low cost market housing

This is defined by CLG as anything not affordable. In the Housing Gaps Figure: anything above market entry. CLG has not defined 'low cost market' other than that it falls within the market range. Since this is very wide, it is not very helpful. The most useful kind of low cost market would be that which falls into the rent/buy gap on the Housing Gaps Figure. Shared ownership would provide a partial equity solution for those unable to afford second hand entry level purchase, for example.

Mean

The mean is the most common form of average used. It is calculated by dividing the sum of a distribution by the number of incidents in the distribution.

Median

The median is an alternative way of calculating the average. It is the middle value of the distribution when the distribution is sorted in ascending or descending order.

Migration

The movement of people between geographical areas, primarily defined in this context as local authority Districts. The rate of migration is usually measured as an annual number of households, living in the District at a point in time, who are not resident in that District one year earlier.

Net need

The difference between need and the expected supply of available affordable housing units (e.g. from the re-letting of existing social rented dwellings).

Newly arising need

New households which are expected to form over a period of time and are likely to require some form of assistance to gain suitable housing together with other existing households whose circumstances change over the period so as to place them in a situation of need (e.g. households losing accommodation because of loss of income, relationship breakdown, eviction, or some other emergency).

Non-self-contained accommodation

Where households share a kitchen, bathroom or toilet with another household, or they share a hall or staircase that is needed to get from one part of their accommodation to another.

Overcrowding

An overcrowded dwelling is one which is below the bedroom standard. (See 'Bedroom Standard' above).

Primary data

Information that is collected from a bespoke data collection exercise (e.g. surveys, focus groups or interviews) and analysed to produce a new set of findings.

Potential households

Adult individuals, couples or lone parent families living as part of other households of which they are neither the head nor the partner of the head and who need to live in their own separate accommodation, and/or are intending to move to separate accommodation rather than continuing to live with their 'host' household.

Projection

Either of housing needs or requirements is a calculation of numbers expected in some future year or years based on the extrapolation of existing conditions and assumptions. For example, household projections calculate the number and composition of households expected at some future date(s) given the projected number of residents, broken down by age, sex and marital status, and an extrapolation of recent trends in the propensity of different groups to form separate households.

Random sample

A sample in which each member of the population has an equal chance of selection.

Relets

Social rented housing units which are vacated during a period and become potentially available for letting to new tenants.

Rounding error

Totals in tables may differ by small amounts (typically one) due to the fact that fractions have been added together differently. Thus a table total may say 2011, and if the individual cell figures are added the total may come to 2012. This is quite normal and is a result of the computer additions made. Figures should never be taken to be absolutely accurate. No such state exists. The figures in this document are robust estimates not absolutely precise ones. The usual practice is to use the stated total (in the above case 2011) rather than the figure of 2012 to which the individual figures sum. That is because the total will have resulted from a rounding after all the fractions are taken fully into account.

Sample survey

Collects information from a known proportion of a population, normally selected at random, in order to estimate the characteristics of the population as a whole.

Sampling frame

The complete list of addresses or other population units within the survey area which are the subject of the survey.

Secondary data

Existing information that someone else has collected. Data from administrative systems and some research projects are made available for others to summarise and analyse for their own purposes (e.g. Census, national surveys).

Shared equity schemes

Provide housing that is available part to buy (usually at market value) and part to rent.

SHMA (Strategic Housing Market Assessment)

SHMA drives from government guidance suggesting that the 'evidence base' required for the good planning of an area should be the product of a process rather than a technical exercise.

Social rented housing

PPS3 defines social rented housing as 'rented housing owned by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime, the proposals set out in the Three Year review of Rent Restructuring (July 2004) were implemented in policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant'

Special Needs

Relating to people who have specific needs: such as those associated with a disability.

Stratified sample

A sample where the population or area is divided into a number of separate sub-sectors ('strata') according to known characteristics based, for example, on sub-areas and applying a different sampling fraction to each sub-sector.

Specialised housing

refers to specially designed housing (such as mobility or wheelchair accommodation, hostels or group homes) or housing specifically designated for particular groups (such as retirement housing).

Under-occupation

An under-occupied dwelling is one which exceeds the bedroom standard by two or more bedrooms.

Unsuitably housed households

All circumstances where households are living in housing which is in some way unsuitable, whether because of its size, type, design, location, condition or cost. Households can have more than one reason for being in unsuitable housing, and so care should be taken in looking at the figures: a total figure is presented for households with one or more unsuitability reason, and also totals for the numbers with each reason

Definitions

ABI - Annual Business Inquiry

BME - Black and Minority Ethnic

CBL - Choice Based Lettings

CORE - The Continuous Recording System (Housing association and local authority lettings/new tenants)

DETR - Department of the Environment, Transport and the Regions

GIS - Geographical Information Systems

HMO - Households in Multiple Occupation

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

LCHO - Low Cost Home Ownership

LDF - Local Development Framework

NeSS - Neighbourhood Statistics Service

NHSCR - National Health Service Central Register

NOMIS - National On-line Manpower Information System

NROSH - National Register of Social Housing

ODPM - Office of the Deputy Prime Minister

ONS - Office for National Statistics

PPS - Planning Policy Statement

RSL - Registered Social Landlord

RSR - Regulatory and Statistical Return (Housing Corporation)

RTB - Right to Buy

SEH - Survey of English Housing

TTWA - Travel to Work Area

Appendix A1 Ward Level Data

Introduction

- A1.1 This appendix provides details of the key survey findings at ward level. Although the sample sizes are generally good at ward level (and all are above the suggested figure of 100 in CLG guidance) care should be taken when interpreting the results as the findings at this level are subject to a greater degree of 'error' when compared with the figures presented in the main body of the report for all households in the District.
- A1.2 Also in interpreting the results from these tables the situation of the Lower Tarrants ward should be noted. This ward contains a large army base and therefore has many population characteristics which are very different from other wards in the Borough.

Number of households and sample size

A1.3 The table below shows the estimated number of households in each area and the number of returns from the postal survey. The largest ward in household terms is Gillingham (with 4,983 households) followed by Blandford. Eleven of the eighteen areas have a household population of less than 1,000. In terms of sample sizes it can be seen that these vary from 444 in Gillingham to 120 in the Lower Tarrant.

Table A1.1 Number of households in each ward and sample size				
Ward	Number of households	% of households	Sample size	% of sample
Abbey	1,637	5.8%	262	6.2%
Blackmore	1,483	5.3%	257	6.1%
Blandford	4,191	15.0%	402	9.6%
Bourton	721	2.6%	206	4.9%
Bulbarrow	790	2.8%	187	4.5%
Cranborne Chase	865	3.1%	172	4.1%
Gillingham	4,983	17.8%	444	10.6%
Motcombe & Ham	535	1.9%	145	3.5%
Hill Forts	1,896	6.8%	267	6.4%
Lydden Vale	810	2.9%	164	3.9%
Marnhull	906	3.2%	199	4.7%
Portman	780	2.8%	175	4.2%
Riversdale	817	2.9%	188	4.5%
Shaftesbury	3,181	11.4%	358	8.5%
Stour Valley	1,955	7.0%	300	7.1%
The Beacon	744	2.7%	181	4.3%
The Lower Tarrant	934	3.3%	120	2.9%
The Stours	773	2.8%	169	4.0%
Total	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2008

Tenure

A1.4 The table below shows the estimated tenure split in each of the 18 wards. The results show significant differences in the tenure profile of households in different locations within the District. The proportion of owner-occupiers without a mortgage varies from 27.1% in Blandford to 58.4% in Marnhull whilst the proportion of owners with a mortgage varies from 21.0% in Marnhull to 43.5% in Blandford. In the rented sector the range of social renting tenants varies from 3.7% in Cranborne Chase and The Stours to 24.0% in Portman whilst the private rented sector varies in proportion from 5.5% in The Stours to 36.1% in The Lower Tarrant (much of this being tied accommodation with the army base in the ward).

Table A1.2 Tenure by ward

Ward	Owner-occupied (no mortgage)		Owner-occupied (with mortgage)		Social rented		Private rented		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	712	43.5%	508	31.1%	191	11.7%	225	13.7%	1,637	100.0%
Blackmore	606	40.9%	516	34.8%	234	15.8%	127	8.6%	1,483	100.0%
Blandford	1,137	27.1%	1,822	43.5%	710	16.9%	522	12.5%	4,191	100.0%
Bourton	364	50.4%	238	32.9%	73	10.1%	47	6.5%	721	100.0%
Bulbarrow	370	46.8%	257	32.5%	95	12.0%	69	8.7%	790	100.0%
Cranborne Chase	363	41.9%	335	38.8%	32	3.7%	135	15.6%	865	100.0%
Gillingham	1,870	37.5%	1,942	39.0%	676	13.6%	495	9.9%	4,983	100.0%
Motcombe & Ham	281	52.6%	192	35.8%	32	6.0%	30	5.6%	535	100.0%
Hill Forts	989	52.1%	460	24.3%	293	15.5%	153	8.1%	1,896	100.0%
Lydden Vale	346	42.7%	252	31.1%	116	14.3%	96	11.8%	810	100.0%
Marnhull	529	58.4%	190	21.0%	114	12.6%	73	8.0%	906	100.0%
Portman	216	27.6%	279	35.8%	187	24.0%	99	12.6%	780	100.0%
Riversdale	371	45.4%	341	41.7%	42	5.1%	63	7.8%	817	100.0%
Shaftesbury	1,277	40.2%	1,259	39.6%	390	12.3%	255	8.0%	3,181	100.0%
Stour Valley	731	37.4%	663	33.9%	391	20.0%	170	8.7%	1,955	100.0%
The Beacon	402	54.1%	210	28.2%	69	9.2%	63	8.5%	744	100.0%
The Lower Tarrant	275	29.4%	245	26.3%	77	8.2%	337	36.1%	934	100.0%
The Stours	445	57.6%	257	33.2%	29	3.7%	42	5.5%	773	100.0%
Total	11,283	40.3%	9,966	35.6%	3,750	13.4%	3,001	10.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Dwelling types

A1.5 The tables below show how the type of accommodation in each ward varies across the District. The results indicate that the proportion of detached houses or bungalows varies from 21.9% in Portman to 75.2% in the Stours. Blandford records the highest proportion of flats at 19.2%, whilst numerous wards contain no flats. Over a quarter of dwellings in the wards of the Stours, Abbey, Marnhull, Hill Forts and Riversdale are bungalows.

Table A1.3 Dwelling type by ward (households)

Ward	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Abbey	579	401	143	307	178	30	1,638
Blackmore	426	558	126	161	164	49	1,484
Blandford	899	780	1,228	322	158	805	4,192
Bourton	361	182	61	95	19	3	721
Bulbarrow	345	212	42	123	38	30	790
Cranborne Chase	426	160	72	167	36	5	866
Gillingham	1,349	1,098	890	672	434	540	4,983
Motcombe & Ham	286	123	28	40	28	30	535
Hill Forts	593	425	261	341	189	87	1,896
Lydden Vale	336	263	73	105	16	17	810
Marnhull	353	222	44	192	69	25	905
Portman	152	236	259	19	39	75	780
Riversdale	302	214	80	204	11	5	816
Shaftesbury	895	573	937	264	45	468	3,182
Stour Valley	556	396	339	204	176	284	1,955
The Beacon	306	203	52	140	42	0	743
The Lower Tarrants	300	321	124	55	84	50	934
The Stours	358	155	22	222	14	0	771
Total	8,822	6,522	4,781	3,633	1,740	2,503	28,000

Source: North Dorset HNDS Fordham Research 2008

Table A1.4 Dwelling type by ward (percentages)

Ward	Detached house	Semi detached house	Terraced house	Detached bungalow	Semi or terraced bungalow	Flat	Total
Abbey	35.3%	24.5%	8.7%	18.7%	10.9%	1.8%	100.0%
Blackmore	28.7%	37.6%	8.5%	10.8%	11.1%	3.3%	100.0%
Blandford	21.4%	18.6%	29.3%	7.7%	3.8%	19.2%	100.0%
Bourton	50.1%	25.2%	8.5%	13.2%	2.6%	0.4%	100.0%
Bulbarrow	43.7%	26.8%	5.3%	15.6%	4.8%	3.8%	100.0%
Cranborne Chase	49.2%	18.5%	8.3%	19.3%	4.2%	0.6%	100.0%
Gillingham	27.1%	22.0%	17.9%	13.5%	8.7%	10.8%	100.0%
Motcombe & Ham	53.5%	23.0%	5.2%	7.5%	5.2%	5.6%	100.0%
Hill Forts	31.3%	22.4%	13.8%	18.0%	10.0%	4.6%	100.0%
Lydden Vale	41.5%	32.5%	9.0%	13.0%	2.0%	2.1%	100.0%
Marnhull	39.0%	24.5%	4.9%	21.2%	7.6%	2.8%	100.0%
Portman	19.5%	30.3%	33.2%	2.4%	5.0%	9.6%	100.0%
Riversdale	37.0%	26.2%	9.8%	25.0%	1.3%	0.6%	100.0%
Shaftesbury	28.1%	18.0%	29.4%	8.3%	1.4%	14.7%	100.0%
Stour Valley	28.4%	20.3%	17.3%	10.4%	9.0%	14.5%	100.0%
The Beacon	41.2%	27.3%	7.0%	18.8%	5.7%	0.0%	100.0%
The Lower Tarrants	32.1%	34.4%	13.3%	5.9%	9.0%	5.4%	100.0%
The Stours	46.4%	20.1%	2.9%	28.8%	1.8%	0.0%	100.0%
Total	31.5%	23.3%	17.1%	13.0%	6.2%	8.9%	100.0%

Source: North Dorset HNDS Fordham Research 2008

Household type

A1.6 The tables below show the variation in the type of household resident in each ward. The tables show that the proportion of pensioner households varies from 19.8% in the Lower Tarrant (due to the presence of an army camp in the ward) and 25.8% in Riversdale to 48.1% in Marnhull, whilst the proportion of households containing children varies from 13.6% in Hill Forts to 45.9% in the Beacon.

Table A1.5 Household type by ward (households)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Abbey	202	327	199	603	41	135	130	1,637
Blackmore	210	273	157	515	26	166	137	1,484
Blandford	605	398	664	1,644	161	330	389	4,191
Bourton	96	124	48	302	12	84	54	720
Bulbarrow	109	107	60	322	28	48	117	791
Cranborne Chase	121	139	70	360	24	75	76	865
Gillingham	1,017	850	546	1,271	231	537	532	4,984
Motcombe & Ham	89	128	32	189	18	28	51	535
Hill Forts	409	384	233	612	38	92	128	1,896
Lydden Vale	91	113	78	341	52	55	80	810
Marnhull	209	226	71	253	23	25	98	905
Portman	84	94	119	294	23	79	88	781
Riversdale	64	147	63	357	24	81	82	818
Shaftesbury	708	471	416	915	95	263	315	3,183
Stour Valley	373	299	311	548	98	134	192	1,955
The Beacon	146	143	75	255	9	56	60	744
The Lower Tarrants	81	104	50	270	19	185	225	934
The Stours	109	182	63	257	0	60	103	774
Total	4,723	4,509	3,255	9,308	922	2,433	2,857	28,000

Source: North Dorset HNDS Fordham Research 2008

Table A1.6 Household type by ward (percentages)

Ward	Single pensioners	2 or more pensioners	Single non-pensioners	2 or more adults - no children	Lone parent	2+ adults 1 child	2+ adults 2+ children	Total
Abbey	12.3%	20.0%	12.2%	36.8%	2.5%	8.2%	7.9%	100.0%
Blackmore	14.2%	18.4%	10.6%	34.7%	1.8%	11.2%	9.2%	100.0%
Blandford	14.4%	9.5%	15.8%	39.2%	3.8%	7.9%	9.3%	100.0%
Bourton	13.3%	17.2%	6.7%	41.9%	1.7%	11.7%	7.5%	100.0%
Bulbarrow	13.8%	13.5%	7.6%	40.7%	3.5%	6.1%	14.8%	100.0%
Cranborne Chase	14.0%	16.1%	8.1%	41.6%	2.8%	8.7%	8.8%	100.0%
Gillingham	20.4%	17.1%	11.0%	25.5%	4.6%	10.8%	10.7%	100.0%
Motcombe & Ham	16.6%	23.9%	6.0%	35.3%	3.4%	5.2%	9.5%	100.0%
Hill Forts	21.6%	20.3%	12.3%	32.3%	2.0%	4.9%	6.8%	100.0%
Lydden Vale	11.2%	14.0%	9.6%	42.1%	6.4%	6.8%	9.9%	100.0%
Marnhull	23.1%	25.0%	7.8%	28.0%	2.5%	2.8%	10.8%	100.0%
Portman	10.8%	12.0%	15.2%	37.6%	2.9%	10.1%	11.3%	100.0%
Riversdale	7.8%	18.0%	7.7%	43.6%	2.9%	9.9%	10.0%	100.0%
Shaftesbury	22.2%	14.8%	13.1%	28.7%	3.0%	8.3%	9.9%	100.0%
Stour Valley	19.1%	15.3%	15.9%	28.0%	5.0%	6.9%	9.8%	100.0%
The Beacon	19.6%	19.2%	10.1%	34.3%	1.2%	7.5%	8.1%	100.0%
The Lower Tarrant	8.7%	11.1%	5.4%	28.9%	2.0%	19.8%	24.1%	100.0%
The Stours	14.1%	23.5%	8.1%	33.2%	0.0%	7.8%	13.3%	100.0%
Total	16.9%	16.1%	11.6%	33.2%	3.3%	8.7%	10.2%	100.0%

Source: North Dorset HNS Fordham Research 2008

Household size

A1.7 The table below shows the variation in the size of household resident in each ward. The anomalous distribution in the Lower Tarrant, which shows an unusual number of very large households, due to army barracks located in the ward. Excluding this anomaly, the tables show that the proportion of one person households varies from 15.5% in Riversdale to 35.3% in Shaftesbury, whilst the proportion of households containing four or more people varies from 12.9% in the Beacon Hill Forts to 22.2% in Bulbarrow.

Table A1.7 Household size by ward

Ward	One person		Two people		Three people		Four or more people		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	401	24.5%	828	50.6%	174	10.6%	234	14.3%	1,637	100.0%
Blackmore	366	24.7%	635	42.8%	173	11.7%	309	20.8%	1,483	100.0%
Blandford	1,269	30.3%	1,668	39.8%	527	12.6%	727	17.3%	4,191	100.0%
Bourton	145	20.1%	357	49.5%	98	13.6%	121	16.8%	721	100.0%
Bulbarrow	170	21.5%	343	43.4%	102	12.9%	175	22.2%	790	100.0%
Cranborne Chase	191	22.1%	434	50.1%	117	13.5%	124	14.3%	866	100.0%
Gillingham	1,562	31.4%	1,930	38.7%	724	14.5%	766	15.4%	4,982	100.0%
Motcombe & Ham	121	22.7%	266	49.8%	58	10.9%	89	16.7%	534	100.0%
Hill Forts	642	33.9%	906	47.8%	127	6.7%	221	11.7%	1,896	100.0%
Lydden Vale	169	20.9%	365	45.1%	118	14.6%	158	19.5%	810	100.0%
Marnhull	280	30.9%	422	46.6%	66	7.3%	138	15.2%	906	100.0%
Portman	203	26.0%	334	42.8%	100	12.8%	143	18.3%	780	100.0%
Riversdale	127	15.5%	400	48.9%	113	13.8%	178	21.8%	818	100.0%
Shaftesbury	1,123	35.3%	1,143	35.9%	456	14.3%	460	14.5%	3,182	100.0%
Stour Valley	684	35.0%	737	37.7%	278	14.2%	255	13.1%	1,954	100.0%
The Beacon	221	29.8%	326	43.9%	99	13.3%	96	12.9%	742	100.0%
The Lower Tarrant	132	14.1%	328	35.1%	178	19.1%	296	31.7%	934	100.0%
The Stours	171	22.1%	372	48.1%	63	8.2%	167	21.6%	773	100.0%
Total	7,977	28.5%	11,794	42.1%	3,571	12.8%	4,657	16.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Overcrowding and under-occupation

A1.8 It can be seen in the table below that overcrowding is relatively uncommon in North Dorset, and therefore figures for the number of overcrowded households should be treated with caution. The highest proportions of overcrowded households were in Riversdale, Hill Forts and Motcombe & Ham. Under-occupation was much more common; it was notably less common in the towns of Blandford and Gillingham than in more rural areas such as Cranborne Chase.

Table A1.8 Overcrowding/under-occupation by ward

Ward	Overcrowded		OK		Under-occupied		Total	
	No.	%	No.	%	No.	%	No.	%
Abbey	15	0.9%	735	44.9%	888	54.2%	1,637	100.0%
Blackmore	16	1.1%	811	54.7%	656	44.2%	1,483	100.0%
Blandford	28	0.7%	2,655	63.4%	1,508	36.0%	4,191	100.0%
Bourton	8	1.1%	286	39.7%	428	59.4%	721	100.0%
Bulbarrow	11	1.4%	327	41.4%	452	57.2%	790	100.0%
Cranborne Chase	0	0.0%	376	43.4%	489	56.5%	866	100.0%
Gillingham	28	0.6%	2,945	59.1%	2,011	40.4%	4,982	100.0%
Motcombe & Ham	13	2.4%	206	38.6%	315	59.0%	534	100.0%
Hill Forts	48	2.5%	808	42.6%	1,040	54.9%	1,896	100.0%
Lydden Vale	0	0.0%	362	44.7%	448	55.3%	810	100.0%
Marnhull	21	2.3%	411	45.4%	473	52.2%	906	100.0%
Portman	13	1.7%	366	46.9%	401	51.4%	780	100.0%
Riversdale	23	2.8%	411	50.2%	383	46.8%	818	100.0%
Shaftesbury	22	0.7%	1,719	54.0%	1,440	45.3%	3,182	100.0%
Stour Valley	0	0.0%	1,102	56.4%	852	43.6%	1,954	100.0%
The Beacon	14	1.9%	260	35.0%	470	63.3%	742	100.0%
The Lower Tarrants	17	1.8%	542	58.0%	375	40.1%	934	100.0%
The Stours	12	1.6%	293	37.9%	468	60.5%	773	100.0%
Total	289	1.0%	14,615	52.2%	13,097	46.8%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Household mobility

A1.9 The table below shows that by far the most mobile population, based on past trends, is found in The Tarrants, unsurprisingly given the location of an Army Camp in the ward. However, Blandford, Shaftesbury, Gillingham and Stour Valley (containing Sturminster Newton) also showed large numbers of recent arrivals. The rural ward of Marnhull showed the most stable population, with 70.2% having lived at their present address for over 5 years.

Table A1.9 Length of residence by ward

Ward	Less than 1 year		1 to 2 years		3 to 5 years		Over 5 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	179	10.9%	72	4.4%	346	21.1%	1,040	63.5%	1,637	100.0%
Blackmore	101	6.8%	78	5.3%	304	20.5%	1,000	67.4%	1,483	100.0%
Blandford	616	14.7%	477	11.4%	846	20.2%	2,252	53.7%	4,191	100.0%
Bourton	87	12.0%	61	8.4%	105	14.5%	469	65.0%	721	100.0%
Bulbarrow	78	9.9%	42	5.3%	139	17.6%	531	67.2%	790	100.0%
Cranborne Chase	67	7.7%	97	11.2%	175	20.2%	526	60.8%	865	100.0%
Gillingham	787	15.8%	666	13.4%	1,031	20.7%	2,499	50.2%	4,983	100.0%
Motcombe & Ham	80	15.0%	33	6.2%	90	16.8%	332	62.1%	535	100.0%
Hill Forts	200	10.5%	109	5.7%	292	15.4%	1,295	68.3%	1,896	100.0%
Lydden Vale	86	10.6%	73	9.0%	186	23.0%	465	57.4%	810	100.0%
Marnhull	63	7.0%	53	5.8%	154	17.0%	636	70.2%	906	100.0%
Portman	78	10.0%	75	9.6%	235	30.1%	392	50.3%	780	100.0%
Riversdale	93	11.4%	45	5.5%	179	21.9%	501	61.2%	817	100.0%
Shaftesbury	262	8.2%	332	10.4%	672	21.1%	1,915	60.2%	3,181	100.0%
Stour Valley	317	16.2%	276	14.1%	372	19.0%	990	50.6%	1,955	100.0%
The Beacon	71	9.6%	30	4.0%	154	20.7%	488	65.7%	744	100.0%
The Lower Tarrants	187	20.0%	168	18.0%	281	30.1%	298	31.9%	934	100.0%
The Stours	60	7.8%	86	11.1%	111	14.4%	515	66.7%	773	100.0%
Total	3,412	12.2%	2,773	9.9%	5,672	20.3%	16,144	57.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Moving intentions – existing households

A1.10 In terms of future moves, outside the exception of the Lower Tarrants, generally less than 20% expect to move within two years. Blandford shows a marginally higher level of expected moves than other districts, although there is no clear pattern.

Table A1.10 Moving intentions of existing households by ward

Ward	Now		Within a year		1 to 2 years		Not moving with 2 years		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	61	3.7%	121	7.4%	104	6.4%	1,351	82.5%	1,637	100.0%
Blackmore	50	3.4%	57	3.8%	118	8.0%	1,259	84.9%	1,483	100.0%
Blandford	140	3.3%	380	9.1%	355	8.5%	3,315	79.1%	4,191	100.0%
Bourton	24	3.3%	44	6.1%	45	6.2%	609	84.3%	721	100.0%
Bulbarrow	39	4.9%	26	3.3%	41	5.2%	685	86.7%	790	100.0%
Cranborne Chase	18	2.1%	51	5.9%	41	4.7%	755	87.3%	865	100.0%
Gillingham	145	2.9%	374	7.5%	394	7.9%	4,070	81.7%	4,983	100.0%
Motcombe & Ham	11	2.1%	49	9.2%	45	8.4%	429	80.2%	535	100.0%
Hill Forts	29	1.5%	106	5.6%	131	6.9%	1,629	85.9%	1,896	100.0%
Lydden Vale	17	2.1%	50	6.2%	81	10.0%	662	81.7%	810	100.0%
Marnhull	31	3.4%	36	4.0%	56	6.2%	783	86.4%	906	100.0%
Portman	49	6.3%	38	4.9%	41	5.3%	651	83.5%	780	100.0%
Riversdale	26	3.2%	55	6.7%	54	6.6%	683	83.5%	817	100.0%
Shaftesbury	91	2.9%	203	6.4%	326	10.2%	2,561	80.5%	3,181	100.0%
Stour Valley	71	3.6%	141	7.2%	158	8.1%	1,584	81.0%	1,955	100.0%
The Beacon	22	3.0%	76	10.2%	50	6.7%	596	80.2%	744	100.0%
The Lower Tarrants	48	5.1%	135	14.5%	129	13.8%	622	66.6%	934	100.0%
The Stours	29	3.8%	68	8.8%	32	4.1%	644	83.4%	773	100.0%
Total	901	3.2%	2,010	7.2%	2,201	7.9%	22,888	81.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Newly forming households

A1.11 The table below shows the rate of intended future household formation by ward. It shows the highest rate was recorded in Riversdale (6.2%) and the lowest in Portman (1.7%).

Table A1.11 Rate of new household formation by ward

Ward	Number of households intending to form in the next two years	Number of existing households	Annual rate of household formation
Abbey	73	1,637	2.2%
Blackmore	97	1,483	3.3%
Blandford	253	4,191	3.0%
Bourton	54	721	3.7%
Bulbarrow	55	790	3.5%
Cranborne Chase	33	865	1.9%
Gillingham	265	4,983	2.7%
Motcombe & Ham	47	535	4.4%
Hill Forts	64	1,896	1.7%
Lydden Vale	50	810	3.1%
Marnhull	54	906	3.0%
Portman	27	780	1.7%
Riversdale	102	817	6.2%
Shaftesbury	173	3,181	2.7%
Stour Valley	76	1,955	1.9%
The Beacon	36	744	2.4%
The Lower Tarrants	55	934	2.9%
The Stours	79	773	5.1%
Total	1,593	28,000	2.8%

Source: North Dorset HNDS Fordham Research 2008

Car ownership

A1.12 The table below considers variations in car ownership by ward. Dwellings with no car were more likely to be found in wards in towns, particularly Shaftesbury where 21.1% of households questioned had no car. Multiple car ownership was most frequent in Bulbarrow, where 61.4% of households had more than one car.

Table A1.12 Car ownership by ward

Ward	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	79	4.8%	703	42.9%	684	41.8%	171	10.4%	1,637	100.0%
Blackmore	153	10.3%	649	43.8%	495	33.4%	186	12.5%	1,483	100.0%
Blandford	649	15.5%	1,969	47.0%	1,286	30.7%	287	6.8%	4,191	100.0%
Bourton	20	2.8%	283	39.2%	298	41.3%	121	16.8%	721	100.0%
Bulbarrow	38	4.8%	267	33.8%	352	44.6%	133	16.8%	790	100.0%
Cranborne Chase	41	4.7%	315	36.4%	413	47.7%	97	11.2%	865	100.0%
Gillingham	775	15.6%	2,458	49.3%	1,422	28.5%	329	6.6%	4,983	100.0%
Motcombe & Ham	35	6.5%	214	40.0%	219	40.9%	67	12.5%	535	100.0%
Hill Forts	198	10.4%	896	47.3%	669	35.3%	132	7.0%	1,896	100.0%
Lydden Vale	41	5.1%	289	35.7%	391	48.3%	89	11.0%	810	100.0%
Marnhull	97	10.7%	435	48.0%	251	27.7%	122	13.5%	906	100.0%
Portman	104	13.3%	322	41.3%	301	38.6%	52	6.7%	780	100.0%
Riversdale	35	4.3%	325	39.7%	333	40.7%	124	15.2%	817	100.0%
Shaftesbury	670	21.1%	1,498	47.1%	857	26.9%	156	4.9%	3,181	100.0%
Stour Valley	385	19.7%	912	46.6%	478	24.5%	179	9.2%	1,955	100.0%
The Beacon	58	7.8%	243	32.7%	371	49.9%	71	9.6%	744	100.0%
The Lower Tarrant	8	0.9%	423	45.3%	441	47.2%	62	6.6%	934	100.0%
The Stours	25	3.2%	334	43.3%	296	38.3%	118	15.3%	773	100.0%
Total	3,411	12.2%	12,535	44.8%	9,557	34.1%	2,496	8.9%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Table A1.12 Car ownership by sub-area

Sub-area	None		One		Two		Three or more		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Blandford	1,153	9.7%	5,220	43.8%	4,479	37.6%	1,058	8.9%	11,910	100.0%
Gillingham	819	12.7%	3,075	47.5%	2,015	31.1%	567	8.8%	6,477	100.0%
Shaftesbury	763	17.1%	1,955	43.8%	1,447	32.4%	294	6.6%	4,460	100.0%
Sturminster/Stalbridge	677	13.1%	2,285	44.3%	1,616	31.4%	575	11.2%	5,154	100.0%
Total	3,413	12.2%	12,536	44.8%	9,557	34.1%	2,494	8.9%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Economic status

A1.13 Employment rates were also measured; the proportion of household heads in work was highest in Blandford (63.5%), and lowest in Marnhull (37.9%), which had the largest number of retirees in the area by a significant margin, at 52.9% of households. Unemployment figures were low, but unemployment was highest in Stour Valley (Sturminster Newton) (4.1%).

Table A1.13 Economic status of household head by ward

Ward	Working		Unemployed		Retired		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Abbey	843	51.5%	43	2.6%	642	39.2%	109	6.7%	1,637	100.0%
Blackmore	710	47.9%	21	1.4%	600	40.5%	152	10.2%	1,483	100.0%
Blandford	2,662	63.5%	99	2.4%	1,133	27.0%	296	7.1%	4,191	100.0%
Bourton	395	54.8%	3	0.4%	278	38.6%	45	6.2%	721	100.0%
Bulbarrow	378	47.8%	15	1.9%	315	39.9%	82	10.4%	790	100.0%
Cranborne Chase	452	52.3%	19	2.2%	311	36.0%	83	9.6%	865	100.0%
Gillingham	2,477	49.7%	110	2.2%	2,028	40.7%	369	7.4%	4,983	100.0%
Motcombe & Ham	253	47.3%	11	2.1%	251	46.9%	20	3.7%	535	100.0%
Hill Forts	844	44.6%	13	0.7%	918	48.5%	119	6.3%	1,896	100.0%
Lydden Vale	409	50.5%	32	4.0%	307	37.9%	62	7.7%	810	100.0%
Marnhull	343	37.9%	21	2.3%	479	52.9%	62	6.9%	906	100.0%
Portman	431	55.3%	13	1.7%	246	31.5%	90	11.5%	780	100.0%
Riversdale	470	57.5%	5	0.6%	258	31.5%	85	10.4%	817	100.0%
Shaftesbury	1,614	50.7%	63	2.0%	1,291	40.6%	213	6.7%	3,181	100.0%
Stour Valley	951	48.7%	81	4.1%	773	39.6%	149	7.6%	1,955	100.0%
The Beacon	336	45.2%	0	0.0%	356	47.9%	51	6.9%	744	100.0%
The Lower Tarrants	582	62.3%	9	1.0%	231	24.7%	112	12.0%	934	100.0%
The Stours	389	50.4%	6	0.8%	350	45.3%	27	3.5%	773	100.0%
Total	14,539	51.9%	564	2.0%	10,767	38.5%	2,126	7.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Income and savings

A1.14 Household incomes and savings varied significantly between wards. The lowest average income, by a small margin from Shaftesbury and Stour Valley (Sturminster Newton), was found in Gillingham, at £25,932. The ward with the highest income, 53% higher than the lowest at £39,749, was Riversdale, a very rural ward. The levels of savings appear high, but as explained in the Financial Information chapter above, there is a wide distribution of levels of savings, and so the presence of a significant retired and/or wealthy element in the population makes raises the average.

Table A1.14 Average household income and savings by ward

Ward	Average annual gross household income	Average savings
Abbey	£33,725	£60,543
Blackmore	£28,904	£43,198
Blandford	£27,520	£23,871
Bourton	£33,385	£66,988
Bulbarrow	£33,503	£50,777
Cranborne Chase	£37,351	£63,224
Gillingham	£25,932	£30,642
Motcombe & Ham	£33,981	£61,394
Hill Forts	£31,665	£61,443
Lydden Vale	£30,948	£57,804
Marnhull	£29,750	£68,972
Portman	£32,066	£37,023
Riversdale	£39,749	£43,622
Shaftesbury	£26,417	£36,338
Stour Valley	£26,494	£42,169
The Beacon	£33,125	£69,063
The Lower Tarrants	£37,909	£34,282
The Stours	£38,518	£85,365
Average	£29,958	£43,911

Source: North Dorset HNDS Fordham Research 2008

Unsuitable housing

A1.15 The table below shows the location of unsuitably housed households in North Dorset. The table indicates that the level of unsuitable housing varies from 2.2% in Lydden Vale to 10.0% in the Lower Tarrant.

Table A1.15 Location of households in unsuitable housing

Ward	In unsuitable housing		Not in unsuitable housing		Total	
	No.	%	No.	%	No.	%
Abbey	118	7.2%	1,519	92.8%	1,637	100.0%
Blackmore	51	3.4%	1,432	96.6%	1,483	100.0%
Blandford	237	5.7%	3,954	94.3%	4,191	100.0%
Bourton	42	5.8%	680	94.2%	721	100.0%
Bulbarrow	36	4.6%	754	95.4%	790	100.0%
Cranborne Chase	30	3.5%	836	96.6%	865	100.0%
Gillingham	174	3.5%	4,809	96.5%	4,983	100.0%
Motcombe & Ham	41	7.7%	493	92.1%	535	100.0%
Hill Forts	95	5.0%	1,800	94.9%	1,896	100.0%
Lydden Vale	18	2.2%	792	97.8%	810	100.0%
Marnhull	41	4.5%	864	95.5%	906	100.0%
Portman	68	8.7%	712	91.3%	780	100.0%
Riversdale	54	6.6%	763	93.4%	817	100.0%
Shaftesbury	158	5.0%	3,023	95.0%	3,181	100.0%
Stour Valley	96	4.9%	1,859	95.1%	1,955	100.0%
The Beacon	50	6.7%	694	93.3%	744	100.0%
The Lower Tarrant	93	10.0%	841	90.0%	934	100.0%
The Stours	47	6.1%	726	93.9%	773	100.0%
Total	1,449	5.2%	26,551	94.8%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Housing need

A1.16 The table below shows the location of households currently in need in North Dorset. The table indicates that the level of housing need varies from 0.6% in Cranborne Chase to 4.9% in Riversdale.

Table A1.16 Location of households currently in need						
Ward	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Abbey	39	2.4%	1,598	97.6%	1,637	100.0%
Blackmore	24	1.6%	1,459	98.4%	1,483	100.0%
Blandford	79	1.9%	4,111	98.1%	4,191	100.0%
Bourton	12	1.7%	709	98.3%	721	100.0%
Bulbarrow	7	0.9%	783	99.1%	790	100.0%
Cranborne Chase	5	0.6%	860	99.3%	865	100.0%
Gillingham	64	1.3%	4,919	98.7%	4,983	100.0%
Motcombe & Ham	8	1.5%	527	98.7%	535	100.0%
Hill Forts	57	3.0%	1,839	97.0%	1,896	100.0%
Lydden Vale	7	0.9%	803	99.1%	810	100.0%
Marnhull	21	2.3%	884	97.6%	906	100.0%
Portman	36	4.6%	744	95.4%	780	100.0%
Riversdale	40	4.9%	777	95.0%	817	100.0%
Shaftesbury	75	2.4%	3,106	97.6%	3,181	100.0%
Stour Valley	32	1.6%	1,923	98.4%	1,955	100.0%
The Beacon	10	1.3%	734	98.9%	744	100.0%
The Lower Tarrants	16	1.7%	918	98.3%	934	100.0%
The Stours	10	1.3%	762	98.6%	773	100.0%
Total	542	1.9%	27,456	98.1%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Future need

A1.17 The table below shows the location of households likely to be in need in the future. The figures are annualised. The table indicates that the level of housing need varies from 0.3% in the Beacon to 4.9% in Gillingham.

Table A1.17 Location of households in future need (annual)

Ward	In need		Not in need		Total	
	No.	%	No.	%	No.	%
Abbey	10	0.6%	1,627	99.4%	1,637	100.0%
Blackmore	10	0.7%	1,474	99.4%	1,483	100.0%
Blandford	140	3.3%	4,051	96.7%	4,191	100.0%
Bourton	13	1.7%	709	98.3%	721	100.0%
Bulbarrow	9	1.1%	781	98.9%	790	100.0%
Cranborne Chase	14	1.6%	852	98.4%	865	100.0%
Gillingham	221	4.4%	4,763	95.6%	4,983	100.0%
Motcombe & Ham	5	0.8%	531	99.3%	535	100.0%
Hill Forts	39	2.1%	1,857	97.9%	1,896	100.0%
Lydden Vale	26	3.2%	784	96.8%	810	100.0%
Marnhull	11	1.2%	895	98.8%	906	100.0%
Portman	8	1.0%	772	99.0%	780	100.0%
Riversdale	10	1.2%	807	98.7%	817	100.0%
Shaftesbury	68	2.1%	3,114	97.9%	3,181	100.0%
Stour Valley	75	3.8%	1,880	96.2%	1,955	100.0%
The Beacon	3	0.3%	742	99.9%	744	100.0%
The Lower Tarrant	9	1.0%	925	99.0%	934	100.0%
The Stours	3	0.4%	770	99.6%	773	100.0%
Total	672	2.4%	27,332	97.6%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Special needs households

A1.18 The table below shows the location of special needs households in North Dorset. The table indicates that the proportion of special needs households varies from 11.8% in the Lower Tarrants to 22.1% in Blandford.

Table A1.18 Location of special needs households						
Ward	Special needs		Non-special needs		Total	
	No.	%	No.	%	No.	%
Abbey	281	17.2%	1,356	82.8%	1,637	100.0%
Blackmore	311	21.0%	1,172	79.0%	1,483	100.0%
Blandford	926	22.1%	3,265	77.9%	4,191	100.0%
Bourton	128	17.7%	594	82.3%	721	100.0%
Bulbarrow	129	16.3%	661	83.7%	790	100.0%
Cranborne Chase	144	16.6%	721	83.4%	865	100.0%
Gillingham	1,012	20.3%	3,972	79.7%	4,983	100.0%
Motcombe & Ham	87	16.3%	448	83.7%	535	100.0%
Hill Forts	399	21.0%	1,497	79.0%	1,896	100.0%
Lydden Vale	115	14.2%	695	85.8%	810	100.0%
Marnhull	146	16.1%	759	83.9%	906	100.0%
Portman	139	17.8%	641	82.2%	780	100.0%
Riversdale	140	17.1%	677	82.9%	817	100.0%
Shaftesbury	700	22.0%	2,481	78.0%	3,181	100.0%
Stour Valley	369	18.9%	1,585	81.1%	1,955	100.0%
The Beacon	147	19.8%	597	80.2%	744	100.0%
The Lower Tarrants	110	11.8%	824	88.2%	934	100.0%
The Stours	108	14.0%	665	86.0%	773	100.0%
Total	5,391	19.2%	22,610	80.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Older person households

A1.19 The table below shows the location of older person only households in North Dorset. The table indicates that excluding the Lower Tarrant the proportion of older person only households varies from 22.8% in Portman to 48.1% in Marnhull.

Table A1.19 Location of older person only households

Ward	Older person only households		Other households		Total	
	No.	%	No.	%	No.	%
Abbey	529	32.3%	1,108	67.7%	1,637	100.0%
Blackmore	483	32.6%	1,001	67.5%	1,483	100.0%
Blandford	1,003	23.9%	3,188	76.1%	4,191	100.0%
Bourton	220	30.5%	501	69.4%	721	100.0%
Bulbarrow	216	27.3%	574	72.7%	790	100.0%
Cranborne Chase	261	30.2%	605	69.9%	865	100.0%
Gillingham	1,867	37.5%	3,116	62.5%	4,983	100.0%
Motcombe & Ham	217	40.6%	317	59.3%	535	100.0%
Hill Forts	793	41.8%	1,103	58.2%	1,896	100.0%
Lydden Vale	204	25.2%	606	74.8%	810	100.0%
Marnhull	435	48.1%	470	51.9%	906	100.0%
Portman	178	22.8%	602	77.2%	780	100.0%
Riversdale	211	25.8%	606	74.2%	817	100.0%
Shaftesbury	1,178	37.0%	2,003	63.0%	3,181	100.0%
Stour Valley	672	34.4%	1,283	65.7%	1,955	100.0%
The Beacon	289	38.8%	454	61.0%	744	100.0%
The Lower Tarrant	186	19.9%	749	80.2%	934	100.0%
The Stours	291	37.6%	482	62.4%	773	100.0%
Total	9,233	33.0%	18,768	67.0%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Key workers

A1.20 The table below shows the location of households headed by a key worker in North Dorset. The table shows that the proportion of key worker households varies from 6.4% in Stour Valley to 13.8% in Portman.

Table A1.20 Location of key worker households						
Ward	Key worker households		Non-key worker households		Total	
	No.	%	No.	%	No.	%
Abbey	152	9.3%	1,485	90.7%	1,637	100.0%
Blackmore	106	7.1%	1,377	92.9%	1,483	100.0%
Blandford	461	11.0%	3,730	89.0%	4,191	100.0%
Bourton	80	11.1%	642	88.9%	721	100.0%
Bulbarrow	94	11.9%	696	88.1%	790	100.0%
Cranborne Chase	63	7.3%	802	92.7%	865	100.0%
Gillingham	433	8.7%	4,551	91.3%	4,983	100.0%
Motcombe & Ham	57	10.7%	478	89.3%	535	100.0%
Hill Forts	174	9.2%	1,722	90.8%	1,896	100.0%
Lydden Vale	58	7.2%	752	92.8%	810	100.0%
Marnhull	80	8.8%	825	91.2%	906	100.0%
Portman	108	13.8%	672	86.2%	780	100.0%
Riversdale	83	10.2%	734	89.8%	817	100.0%
Shaftesbury	318	10.0%	2,863	90.0%	3,181	100.0%
Stour Valley	125	6.4%	1,829	93.6%	1,955	100.0%
The Beacon	63	8.5%	681	91.5%	744	100.0%
The Lower Tarrants	74	7.9%	860	92.1%	934	100.0%
The Stours	83	10.7%	690	89.3%	773	100.0%
Total	2,612	9.3%	25,389	90.7%	28,000	100.0%

Source: North Dorset HNDS Fordham Research 2008

Appendix A2 Supporting Information

Non-response and missing data

A2.1 Missing data is a feature of all housing surveys: mainly due to a respondent's refusal to answer a particular question (e.g. income). For all missing data in the survey imputation procedures were applied. In general, throughout the survey the level of missing data was minimal. The main exception to this was in relation to financial information, where there was an appreciable (although typical) level of non-response.

A2.2 Non-response can cause a number of problems:

- The sample size is effectively reduced so that applying the calculated weight will not give estimates for the whole population
- Variables which are derived from the combination of a number of responses each of which may be affected by item non-response (e.g. collecting both respondent and their partners income separately) may exhibit high levels of non-response
- If the amount of non-response substantially varies across sub-groups of the population this may lead to a bias of the results

A2.3 To overcome these problems missing data was 'imputed'. Imputation involves substituting for the missing value, a value given by a suitably defined 'similar' household, where the definition of similar varies depending on the actual item being imputed.

A2.4 The specific method used was to divide the sample into sub-groups based on relevant characteristics and then 'Probability Match' where a value selected from those with a similar predicted value was imputed. The main sub-groups used were tenure, household size and age of respondent.

Weighting data

A2.5 The survey data was weighted to estimated profiles of households based on various secondary sources of information. The tables below show the final estimates of the number of households in each group (for four different variables) along with the number of actual survey responses (data for tenure can be found in Chapter 2 and data for ward can be found in Appendix A1). Although in some cases it is clear that the proportion of survey responses is close to the 'expected' situation there are others where it is clear that the weighting of data was necessary to ensure that the results as presented are reflective of the household population of North Dorset.

Table A2.1 Accommodation type profile

Accommodation type	Estimated households	% of households	Number of returns	% of returns
Detached house/bungalow	12,630	45.1%	2,118	50.5%
Semi-detached house/bungalow	12,866	46.0%	1,814	43.2%
Flat	2,504	8.9%	264	6.3%
TOTAL	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2008

Table A2.2 Car ownership

Cars owned	Estimated households	% of households	Number of returns	% of returns
None	3,413	12.2%	378	9.0%
One	12,536	44.8%	1,778	42.4%
Two	9,557	34.1%	1,640	39.1%
Three or more	2,494	8.9%	400	9.5%
TOTAL	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2008

Table A2.3 Household type profile

Household type	Estimated households	% of households	Number of returns	% of returns
Single pensioner	4,721	16.9%	670	16.0%
2 or more pensioners	4,509	16.1%	798	19.0%
Single non-pensioner	3,254	11.6%	470	11.2%
Other households	15,515	55.4%	2,258	53.8%
TOTAL	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2008

Table A2.4 Household size				
Number of people in household	Estimated households	% of households	Number of returns	% of returns
One	7,975	28.5%	1,140	27.2%
Two	11,793	42.1%	1,921	45.8%
Three	3,573	12.8%	483	11.5%
Four	3,245	11.6%	464	11.1%
Five	1,096	3.9%	150	3.6%
Six or more	318	1.1%	38	0.9%
TOTAL	28,000	100.0%	4,196	100.0%

Source: North Dorset HNDS Fordham Research 2008

Appendix A3 Balancing Housing Markets Analysis

Introduction

A3.1 The following tables show the detailed analysis for the six components contributing to the Balancing Housing Market Analysis presented in Chapter 11 of this report.

Analysis of North Dorset data

A3.2 The first table shows an estimate of the housing requirements of potential households. The table is based on the number of potential households who need or expect to form over the next two years within the District along with estimates about affordability and stated size requirement. Any potential households who would both like and expect to move from the District are excluded from this analysis. Figures are annualised.

Table A3.1 Demand I: Household formation by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	18	71	30	0	118
Private rented	65	51	9	0	125
Intermediate	0	8	0	0	8
Social rented	57	45	15	6	122
TOTAL	139	174	53	6	373

Source: North Dorset HNDS Fordham Research 2008

A3.3 The table below shows the estimated demand from in-migrant households. This is based on the profile of households who have moved into the District over the past two years (in terms of affordability and size/type of accommodation secured). Figures are again annualised.

Table A3.2 Demand II: Demand from in-migrants by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	50	297	361	290	997
Private rented	56	160	161	62	439
Intermediate	3	5	9	0	17
Social rented	26	26	5	0	58
TOTAL	135	488	536	352	1,511

Source: North Dorset HNDS Fordham Research 2008

A3.4 The table below shows estimated future demand from existing households. The figures are based on what tenure and size of accommodation households would like or expect to move to in the future (next two years) along with considerations of affordability. Figures are again annualised.

Table A3.3 Demand III: Demand from existing households by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	29	179	373	284	864
Private rented	32	79	70	29	210
Intermediate	15	46	31	5	96
Social rented	57	147	174	25	403
TOTAL	133	451	649	342	1,574

Source: North Dorset HNDS Fordham Research 2008

A3.5 The table below is an overall summary of the demand situation and is calculated as the sum of the three previous tables.

Table A3.4 Demand IV: Total demand by tenure and size required

Tenure	Size requirement				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	97	547	763	573	1,980
Private rented	152	290	241	91	774
Intermediate	18	58	40	5	121
Social rented	140	218	195	31	583
TOTAL	407	1,114	1,238	699	3,458

Source: North Dorset HNDS Fordham Research 2008

A3.6 The table below provides an estimate of the likely future supply of accommodation (by tenure and size) from household dissolutions (i.e. death). The table is based on applying age specific national mortality statistics (2001) to the local population to estimate the proportion of households who are likely to wholly dissolve each year.

Table A3.5 Supply I: Supply from household dissolution					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	22	87	79	38	225
Private rented	8	7	2	3	20
Intermediate	0	0	1	0	1
Social rented	38	25	4	1	68
TOTAL	68	119	86	42	314

Source: North Dorset HNDS Fordham Research 2008

A3.7 The table below shows an estimate of the supply of housing that would be released when households who would like and expect to move from the District do so. For example a household out-migrating from a four bedroom owner-occupied dwelling is assumed to free-up a four bedroom owner-occupied dwelling for use by another household. The data is annualised and based on moves over the next two years.

Table A3.6 Supply II: Supply from out-migrant households					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	
Owner-occupation	60	149	238	207	655
Private rented	18	84	136	49	287
Intermediate	0	8	0	0	8
Social rented	33	87	7	0	127
TOTAL	111	328	380	257	1,076

Source: North Dorset HNDS Fordham Research 2008

A3.8 The table below shows estimated future supply from existing households. As with the above data the figures are based on the type and size of accommodation that would become available if a household moved to alternative accommodation. Figures are annualised from data for two years.

Table A3.7 Supply III: Supply from existing households					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	48	251	315	209	823
Private rented	78	176	148	68	470
Intermediate	0	0	3	0	3
Social rented	57	132	77	12	278
TOTAL	183	559	543	289	1,574

Source: North Dorset HNDS Fordham Research 2008

A3.9 The table below is the sum of the three previous tables and shows the overall estimated annual supply for each tenure and size group.

Table A3.8 Supply IV: Total supply					
Tenure	Size released				TOTAL
	1 bedroom	2 bedrooms	3 bedrooms	4+bedrooms	
Owner-occupation	130	487	632	454	1,703
Private rented	103	267	286	121	777
Intermediate	0	8	4	0	12
Social rented	128	244	87	13	472
TOTAL	362	1,006	1,009	588	2,964

Source: North Dorset HNDS Fordham Research 2008

Appendix A4 Inference of housing need at ward level

Introduction

A4.1 This appendix expands on the information on the location of housing need presented in Appendix A1 by providing an annual estimate of housing need at ward level alongside data on the distribution of the social rented stock. The purpose is to provide indicative information on levels of need for affordable housing at the detailed local level. The gross needs figures are subject to wider margins of error than those at district level, due to the smaller samples, but generally provide reasonable indications of relative gross need. If desired, wards can be grouped, and this will clearly improve the accuracy of the estimates.

Inferred housing need at ward level

A4.2 The table below presents the information that can be used to estimate the relative housing need in each ward. It presents the annualised level of gross need in each ward, which is calculated by annualising the current need and adding it to the future need. This allows the propensity of need in each ward to be calculated, alongside the distribution of need across the District.

A4.3 The distribution of supply cannot be reliably modelled from the survey; therefore the estimated affordable housing stock in each ward is presented. This is based on the distribution recorded by the Census, applied pro-rata to the estimated size of the affordable stock in North Dorset currently.

A4.4 In order to infer a net housing need figure it is necessary to make assumptions about the turnover of the affordable stock listed in the last column. This will vary from ward to ward. Typically turnover rates are lower in rural than in urban areas. The current national level of turnover is 6.6%, and the general range is fairly closely around this figure. In the national scale, affordable housing shows higher turnover than owner occupied housing although, apart from poor quality urban estates, normally lower turnover rates than the private rented sector. Due to the general shortage of affordable housing in Dorset, plus the rural factor, turnover rates are relatively low. These points should be considered whilst inferring net housing needs figures at the ward, or groups of wards, level.

A4.5 It is also important to be aware that it is not normally feasible, and often not desirable to meet housing need exactly where it arises. The wider strategic context of site allocation, access to services and many other factors are involved in decisions about where to put both market and affordable housing. Hence it would be wrong to apply these figures mechanistically.

Inferred housing need in North Dorset

A4.6 The table provides gross annual figures for housing need (first column) and estimated size of affordable housing stock (last column). By applying a turnover rate, inferences can be made about the net affordable housing requirement in each ward. The overall turnover of relets in the affordable stock (including shared ownership accommodation) in North Dorset is $(311/3,945) \times 100 = 7.9\%$.

Table A4.1: Location of households in need and affordable housing stock

Ward	Number of households in need (annually)	Total Number of h'holds	% of h'hold in ward in need	As a % of those in need	Estimated size of affordable sector
Abbey	18	1,637	1.1%	2.3%	240
Blackmore	15	1,483	1.0%	1.9%	221
Bland ford	156	4,191	3.7%	20.0%	832
Bourton	15	721	2.1%	2.0%	85
Bulbarrow	10	790	1.3%	1.3%	139
Cranborne Chase	15	865	1.7%	1.9%	55
Gillingham	234	4,983	4.7%	30.0%	206
Motcombe & Ham	7	535	1.2%	0.8%	60
Hill Forts	50	1,896	2.7%	6.5%	298
Lydden Vale	27	810	3.4%	3.5%	267
Marnhull	15	906	1.7%	1.9%	146
Portman	15	780	2.0%	1.9%	232
Riversdale	18	817	2.2%	2.3%	71
Shaftesbury	83	3,181	2.6%	10.6%	489
Stour Valley	81	1,955	4.2%	10.4%	336
The Beacon	5	744	0.7%	0.6%	97
The Lower Tarrants	12	934	1.3%	1.6%	100
The Stours	5	773	0.6%	0.6%	70
Total	781	28,000	2.8%	100.0%	3,945

Source: Fordham Research Dorset HNA 2007

Summary

- A4.7 The table shows sharp variations in both the gross level of need (first column) and the amount of social housing stock (last column). It must always be considered, however, that it is normally impossible, and often undesirable to meet need where it arises.
- A4.8 Hence it is important to look at the detailed figures provided here, in the context of wider local knowledge of each area in coming to a policy view on where new affordable housing should be put.

Appendix A5 Survey Questionnaire

