



# **Waltham Forest Housing Needs Survey and Strategic Housing Market Assessment:**

September 2012

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# 1. Executive Summary

## Introduction to the Strategic Housing Market Assessment

- 1.1 A Strategic Housing Market Assessment (SHMA) is a framework that local authorities and regional bodies can follow to develop a good understanding of how housing markets operate. It promotes an approach to assessing housing need and demand which can inform the development of local development document and housing policies, as originally set out in Planning Policy Statement 3 (PPS3) and reaffirmed in the National Planning Policy Framework (NPPF) released in March 2012.
- 1.2 The purpose of the SHMA is to form part of a wider evidence base for the development of housing and planning policies, which should be considered alongside other factors such as the viability of delivering affordable housing, land availability and local policy priorities including the creation of mixed and balanced communities. Therefore, the evidence provided in the SHMA should not be viewed in isolation as it does not set housing policy.
- 1.3 Whilst the study sought to draw on a wide range of secondary data sources, primary data was also collected through a household survey conducted between July and August 2011. 1,100 interviews were conducted as a random sample of households across Waltham Forest, while 150 interviews were conducted in each of the 4 regeneration areas in the Borough (Walthamstow Town Centre, Blackhorse Lane, Wood Street and the Northern Olympic Fringe) giving a total sample size of 1,700 interviews.

## Policy Background

- 1.4 England has an identified shortage of housing and delivery of supply has been a key policy aspiration of successive governments. Household growth has averaged 230,000 per annum, while in recent years dwelling delivery has never exceeded 175,000 per annum and has fallen closer to 100,000 in recent years. Various programmes to encourage housing delivery via key supply side agencies (land owners, developers, investors, Registered Social Landlords (RSL) and Local Authorities) have been put in place.
- 1.5 The Replacement London Plan (published in March 2011) identified an annual monitoring target for Waltham Forest for the period 2011-2021 of 760 dwellings per annum.

## Population and Migration

- 1.6 The Office of National Statistics estimates that in 2010 Waltham Forest had a total population of 227,100 people. However, the Greater London Authority estimate the population to be 233,000 while an independent assessment conducted in 2009 estimate the population of Waltham Forest to be at least 243,000. The results of the household survey indicate an estimated population in the borough of around 261,000. The population of children aged 0-9 years and adults aged 25-39 is higher in Waltham Forest than is shown by both the 2010 mid-year estimates and the GLA estimate, possibly owing to an in-migration of families in recent years which have not been detected by official statistics sources. This

extra population has a number of implications for Waltham Forest beyond the pressures on its housing stock, with schools and social services all requiring to provide services to a larger population.

- 1.7 The key driving factor behind the growth in the population of Waltham Forest is international migration with around 10,000 migrant workers and their children moving to the borough each year attracted by the job opportunities in East London. While many of these workers subsequently leave the borough, others do settle and have contributed to the sharp recent growth in population.

## Affordability

- 1.8 Household incomes in Waltham Forest vary enormously by tenure. Around 45% of those who own with a mortgage have a household income of over £40,000, while over half of all those in social rented homes have an income of less than £10,000 and nearly 90% of those in social rent homes have incomes of less than £20,000 per annum. This creates potential issues with creating mixed and balanced communities in areas with a high preponderance of one particular tenure and encourages the use of planning policies to ensure all tenures are represented on sites.
- 1.9 9% of households in Waltham Forest claim housing benefit while living in the private rented sector, which is relatively high when compared to other London boroughs. To reduce the number of households claiming housing benefit in the private rented sector, more affordable housing would need to be provided. However, a more immediate concern is that changes to the Local Housing Allowance may see low income households leave central London for areas such as Waltham Forest though evidence does not yet support this.
- 1.10 Respondents to the household survey who wanted to move and leave the borough were disproportionately from higher income households. Therefore, Waltham Forest faces the task of retaining its more affluent population which could focus on issues such as the general living environment in the borough to be addressed through regeneration schemes through to more specific issues such as the quality of its schools.
- 1.11 The ratio of median full time earnings to average house prices shows a worsening affordability trend up until 2007 and whilst affordability improved for a brief period, since 2010 it has begun to worsen again. Affordability for first-time buyers has declined sharply since mid-2004 with currently only around 10% of all sales at less than £150,000.

## Dwelling Stock and Tenure

- 1.12 49% of Waltham Forest's housing stock predates 1919 and an estimated 25% has a build date of 1919-1945. Therefore three quarters of the housing stock of Waltham Forest was built before 1945.
- 1.13 One of the most important changes which has occurred in Waltham Forest in recent years is the change in housing tenure. The privately rented sector makes up 32% of all residential dwellings, a sharp rise from 18% of all dwellings in the 2001 Census with a match drop in owner occupation rates. This is reflected in 19% of all dwellings in the borough being either a House in Multiple Occupation or a converted property.

1.14 The growth in the private rented sector is a response to affordability pressures in East London and also a general lack of dwellings which has seen households occupy smaller dwelling spaces. Since 2001 the number of smaller properties, particularly those with only one or two rooms has increased while the proportion of larger homes has decreased. This is evidence that larger properties have been subdivided into smaller flats and bedsits which in turn has allowed more households to live in the existing dwelling stock of Waltham Forest in an affordable manner.

## Current Housing Need

1.15 Calculating overcrowding using the number of rooms in a dwelling designed to be bedrooms shows 11% of dwellings are overcrowded, with this figure being 17.6% in the private rented sector. However, the dwelling stock of Waltham Forest appears to be being used very intensively, with rooms other than those designed as bedrooms being used for sleeping, particularly in the private rented sector.

1.16 Across Waltham Forest, it is estimated that around 28% of households are unsuitably housed. Unsuitable housing covers a range of categories such as overcrowding, stock condition, support needs and affordability. This figure is comparable with other borough East and South East London.

## Future Housing Requirements and the Affordable Housing Target

1.17 The overall housing tenure mix required for Waltham Forest can be summarised as in the following figure. Recent years have seen a high level of conversion of private sector housing in Waltham Forest to cheaper private rent or housing benefit supported private rent to accommodate lower income households. The model assumes that this process continues into the future. Hence a substantial affordable housing requirement has been identified.

Figure 1  
Overall Housing 2010-2031 (Note: Figures may not sum due to rounding)

	Tenure	Requirement	%
<b>2010-2031 Housing Requirements</b>			
	Market Housing	2,900	18.3%
	Intermediate Affordable Housing	5,700	35.8%
	Social Rented Housing	7,300	45.9%
	<b>Overall Housing Requirement</b>	<b>15,900</b>	<b>100.0%</b>

1.18 The findings for housing requirements identify a total affordable housing requirement of over 80% of the total planned dwelling delivery in Waltham Forest. Therefore, from a housing need perspective, there is clear support for the London Plan position of seeking 50% affordable housing on qualifying sites. However, the housing need requirement must also be considered alongside other factors such as the viability of delivering affordable housing, land availability and local policy priorities including the creation of mixed and balanced communities. It is important to note that affordable rent is included within the total for 'social rent' housing requirement.

## Size Mix

- 1.19 The evidence for the split between intermediate affordable housing and social rent also indicates support for the London Plan policy position of affordable housing being provided with a 60:40 split between social rent and intermediate affordable housing.
- 1.20 The modelled size mix requirements indicate that, in the market, nearly 50% of households are seeking 3 bedrooms or more, with 80% seeking at least 2 bedrooms. The model also identifies a high requirement for larger affordable units. Within the social rent requirement, these will typically be used for households in greatest need. Overall, the findings show that a range of dwelling sizes, including 50% with 3 bedrooms or more, are required in Waltham Forest to meet the needs of all households.

Figure 2

Size mix of the Housing Requirement 2010-2031 (Notes: All figures rounded to the nearest 100. Figures represented by “-“ show any shortfall or surplus which is less than 50, although this will normally be greater than 0. Figures may not sum due to rounding)

Tenure and Size	Market Housing	Intermediate Housing	Social Rented Housing
<b>1 bedroom</b>	600	1,700	2,300
<b>2 bedrooms</b>	850	2,350	2,050
<b>3 bedrooms</b>	1,200	1,500	2,650
<b>4+ bedrooms</b>	250	150	300
<b>Sub-total</b>	<b>2,900</b>	<b>5,700</b>	<b>7,300</b>

- 1.21 The modelled findings identify a high requirement for 1 bed social rented dwellings which is driven by a projected growth in single person households in Waltham Forest. The model is stock, rather than flow based, so it compares the number of households likely to require a particular size of dwelling with the number of dwellings of that size which currently exist. Therefore, it does not directly account for turnover in smaller social rent units being much higher than in larger units which means that more become available each year to let.
- 1.22 It should be noted that the 1 bed social requirements includes many single people aged under 35 years. Under new Local Housing Allowance rules, under 35s will receive only the Shared Accommodation Rate allowance which will enable the single person only to occupy a share of a dwelling, rather than receiving an allowance for a self-contained dwelling. Therefore, a major impact of this change is likely to be a rise in the demand for shared accommodation within HMOs rather than for self-contained dwellings.
- 1.23 Therefore, translating the housing requirement for one bedroom housing into priorities for new build social housing needs careful consideration. Many younger households aspire to a spare bedroom to enable the size of their household to grow without triggering the need to move home. Older households value a spare bedroom to enable children, guests and carers to stay occasionally. A policy aim of seeking to build a greater proportion of 2 bedroom homes would have significant benefits in sustaining communities and should be considered as far as finance will permit.
- 1.24 However, we would note that the changes to regulations on under-occupation where households only receive Local Housing Allowance up to the number of bedrooms they require may make this policy more difficult to implement in the future. It should also be noted that this already applies to private tenants and therefore the proposed change would only affect tenants in social rented properties.

## Black and Minority Ethnic Population

- 1.25 At the time of the 2001 Census, Black and Minority Ethnic (BME) household in Waltham Forest made up around 38% of the total households. The 2011 Waltham Forest household survey indicates that the number of BME households has risen substantially to around 55% of all households, with 19% being White, but not White British – more than double the proportion in 2001. The Pakistani and Indian ethnic groups have increased by 50%.
- 1.26 Many recent migrants to Waltham Forest have been attracted by employment opportunities in the area and this is reflected in the Other White and Other ethnic group having higher levels of incomes than other groups. Of most concern is the fact that the lowest levels of income are found in the Black ethnic group.
- 1.27 Asian households have a higher number of bedrooms on average than other ethnic groups; in particular almost 20% of Asian households have 5 or more bedrooms which is unsurprising given that traditionally many Asian families live together in large family groups. However, an issue of concern is that Asian households are more likely to report that they have too few rooms than the White British population.

## Housing Requirements of Older People

- 1.28 The Waltham Forest household survey indicates that almost 60% of 'All older' households (only containing members aged over 50 years and at least one member aged 60 years or more) own their home outright and over a quarter are renting in the social sector. Almost half of 'all older' households have incomes of less than £10,000 per annum. Therefore, while home ownership rates are high, many older persons can be described as equity rich but cash poor. This causes particular issues if there are problems with the property because repair bills can be unaffordable; schemes to help with equity release may benefit this group.

## People with Support Needs

- 1.29 19,300 households in Waltham Forest contained at least one person with health problems. This represents around 20% of all households. It should be noted that some of the households contained more than one individual with health issues. The main problems identified were conditions which substantially limit one or more physical functions, and mental health problems.
- 1.30 Around 5,600 households include members who need some form of care or support. Around 6,000 households reported that the health problem affected the housing requirements of their household. Of these households, over half (54%) rent from a social landlord while around 42% own their own home and therefore responsible for their own adaptations. Given that many of these households will have relatively low incomes the affordability of adaptations can be a problem.
- 1.31 Of those who do have special housing requirements, 52% felt that their requirements were already met by their current home, which implies that 48% of households felt that their homes were not adequately adjusted to the health problems of household members. This represents around 3% (2,800) of all households in Waltham Forest. Of this group 48% thought that their current home could be adapted to meet their needs; 43% felt that they would need to move to another home which was more suitable for their needs. Therefore, there are currently around 1,400 households in Waltham Forest who require

adaptation in their current homes and 1,200 who need to move to another home, split approximately equally between the private and social sector.

## 2. Introduction

### What is a Strategic Housing Market Assessment?

- 2.1 Opinion Research Services (ORS) was commissioned by The London Borough of Waltham Forest to undertake a comprehensive and integrated Strategic Housing Market and Needs Assessment for the local authority.
- 2.2 The research was based on the analysis of 1,700 interviews conducted with households from July to August 2011 (the Household Survey) coupled with secondary data from the UK Census, Housing Corporation, HM Land Registry, Office for National Statistics and a range of other sources along with a qualitative consultation programme with a wide range of stakeholders.
- 2.3 This document is the main study for Waltham Forest, which provides the key findings of the study. Other documents available include a short executive summary.

### What Is a Strategic Housing Market Assessment?

- 2.4 Strategic Housing Market Assessments (SHMAs) are a crucial part of the evidence base informing policy and contributing to shaping strategic thinking in housing and planning. They were introduced as the required evidence base to support policies within the framework introduced by Planning Policy Statement 3 (PPS3) in November 2006 and this requirement is continued in the National Planning Policy Framework (NPPF) released in March 2012. The main body of this document was produced while PPS3 was the relevant planning policy document until it was revoked after the release of the NPPF in March 2012. Therefore, parts of the text refer to PPS3 where relevant, but all definitions used relate to the NPPF.

#### The Role of SHMAs

A SHMA is a framework that local authorities and regional bodies can follow to develop a good understanding of how housing markets operate. It promotes an approach to assessing housing need and demand which can inform the development of local development document and housing policies. The purpose of the SHMA is to form part of a wider evidence base for the development of housing and planning policies, which should be considered alongside other factors such as the viability of delivering affordable housing, land availability and local policy priorities including the creation of mixed and balanced. Therefore, the evidence provided in the SHMA should not be viewed in isolation and its results cannot be used in support of development applications, as it does not set housing policy. A SHMA provides part of the evidence needed to inform policy development, and other factors are equally important in the policy development process. The government has issued Practice Guidance setting out the scope of a SHMA and suggests how it might be carried out.

2.5 SHMAs work at three levels of planning:

**Regional**

- » Developing an evidence base for regional housing policy.
- » Informing Regional Housing Strategy reviews.
- » Assisting with reviews of Regional Spatial Strategy.

**Sub regional**

- » Deepening understanding of housing markets at the strategic (usually sub regional) level.
- » Developing an evidence base for sub regional housing strategy.

**Local**

- » Developing an evidence base for planning expressed in Local Development Documents.
- » Assisting with production of Core Strategies at local level.

2.6 While this document primarily concentrates upon the administrative boundaries of Waltham Forest it does consider the wider role Waltham Forest plays in the East London housing market. It should be noted that a separate East London SHMA was undertaken by ORS and featured outputs for Waltham Forest based upon its role in the sub-region.

2.7 Practice Guidance for undertaking Strategic Housing Market Assessments was published by the Department for Communities and Local Government (CLG) in March 2007 and subsequently updated with a minor revision in August 2007. A further note published jointly in March 2008 by GLA, Government Office for London and London Councils stated that sub-regional assessments were the way to proceed in London.

2.8 The Guidance gives advice regarding the SHMA process and sets out key process checklist items for SHMA Partnerships to follow. These checklist items are important, especially in the context of supporting the soundness of any Development Plan Document:

- » In line with PPS12, for the purposes of the independent examination into the soundness of a Development Plan Document, a strategic housing market assessment should be considered robust and credible if, as a minimum, it provides all of the core outputs and meets the requirements of all of the process criteria in Figure 2 and Figure 3. (Page 9)

2.9 The core outputs and process checklist required of an SHMA to demonstrate robustness are detailed below.

Figure 3  
CLG SHMA Practice Guidance Figure 1.1 – Core Outputs

Core Outputs		Figure Numbers
1	Estimates of current dwellings in terms of size, type, condition and tenure	Figures 37-54
2	Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market	Figures 9-36 and Figures 55-78
3	Estimate of total future number of households, broken down by age and type where possible	Figures 90
4	Estimate of current number of households in housing need	Figures 79-85
5	Estimate of future households that will require affordable housing	Figures 91-95
6	Estimate of future households requiring market housing	Figures 91-95
7	Estimate of the size of affordable housing required	Figures 92
8	Estimate of household groups who have particular housing requirements e.g. families, older people, key workers, BME groups, disabled people, young people	Figures 96-168

<sup>2.10</sup> Figure 4 details the seven criteria of the CLG process checklist outlined in the Practice Guidance required for the SHMA to satisfy the requirements of Planning Policy Statement 12: Local Spatial Planning (PPS12) and, thereby, be considered robust and credible.

Figure 4  
CLG SHMA Practice Guidance Figure 1.2 – Process Checklist

Process Checklist	
1	Approach to identifying housing market area(s) is consistent with other approaches to identifying housing market areas within the region
2	Housing market conditions are assessed within the context of the housing market area
3	Involves key stakeholders, including house builders
4	Contains a full technical explanation of the methods employed, with any limitations noted
5	Assumptions, judgements and findings are fully justified and presented in an open and transparent manner
6	Uses and reports upon effective quality control mechanisms
7	Explains how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken

<sup>2.11</sup> While this study has addressed all Core Outputs and the Process Checklist, it has also sought to undertake analysis which is beyond that required by SHMA Practice Guidance. This has included a detailed analysis of particular drivers of the housing market such as in and out migrants to Waltham Forest and a wide range of sub-groups in the population.

## Data Sources

<sup>2.12</sup> Whilst the study sought to draw on a wide range of secondary data sources, primary data was also collected through a household survey. The Household Survey was conducted between July and August 2011 and a total of 1,700 households were successfully interviewed.

<sup>2.13</sup> 1,100 interviews were conducted as a random sample of households across Waltham Forest, while 150 interviews each were conducted in each of the 4 regeneration areas in the Borough (Walthamstow

Town Centre, Black Horse Lane, Wood Street and the Northern Olympic Fringe) thus providing for a total of 1,700 interviews.

- <sup>2.14</sup> All figures from the Household Survey presented in this report have been weighted and grossed-up to represent the overall population – therefore where the report discusses specific numbers of households or dwellings, it is not the number of respondents that is referred to but the number of households or dwellings across Waltham Forest that they represent.
- <sup>2.15</sup> The secondary data sources used included:
- » 2001 Census of Population;
  - » Database of all property sales maintained by HM Land Registry;
  - » Information on existing stock maintained by Valuation Office Agency;
  - » Housing Strategy Statistical Appendix (HSSA) submissions from all boroughs;
  - » Housing Corporation publications from Registered Social Landlord (RSL) CORE logs (Continuous Recording) and other statistical returns; and
  - » Local authority housing and planning administrative records.
- <sup>2.16</sup> All secondary data sources used sought to correspond with the date of the primary data collection, and a reference point of August 2011 (or the nearest available date to this point) is the basis for all sources. This is also the base date for the study projections.

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## 3. Overview of the Area

### Profiling the Area

3.1 The SHMA is published as the new Coalition Government's agenda begins to embed in housing and planning. Policy direction is now clear - public spending cuts, reform of planning policy, closer links between housing and the economy, introduction of Localism and Big Society, reform of social housing – all are likely to have considerable impact upon public policy affecting housing and planning in future. Much current public policy affecting London's housing policy is based upon the policy and administrative framework developed by the outgoing government and this is briefly summarised before considering the local authority level policy framework.

#### The National Policy Context

3.2 In 2003, the government set out its vision for housing in the Communities Plan. The Communities Plan set the framework for delivering sustainable communities over a period of 15-20 years. The Plan's main areas of focus are housing supply, new growth areas, a decent home for all, the countryside and local environment.

3.3 Its main objective is for communities that:

- » are economically prosperous;
- » have decent homes at affordable prices;
- » safeguard the countryside;
- » enjoy a well-designed, accessible and pleasant living and working environment; and
- » are effectively and fairly governed with a strong sense of community.

3.4 The Communities Plan acknowledged that housing and the local environment are vitally important issues. However, it recognises that communities are more than just areas of housing and have many requirements. As such, it suggests that, as past experience has shown, investing in housing alone whilst paying no attention to the other needs of communities, risks wasting money.

3.5 Further, the plan argues that housing and planning policy must be placed firmly in the context of sustainable communities, and integrated with wider public services and sustainability agenda.

3.6 Alongside encouraging sustainable communities, a second key element is community cohesion. The Communities Plan suggests that some communities had been undermined by social and economic deprivation, and that social cohesion is key to building sustainable communities.

3.7 In particular, it links perceptions of cohesion and positive attitudes about physical spaces. For example, it argues that well-designed places can make a significant contribution to reducing the risk of crime.

Also, community cohesion can be strengthened as local people are more welcoming of well-designed schemes and recognise the positive benefits that new housing can bring to an area.

- 3.8 The Communities Plan has subsequently been superseded by Building Britain's Future 2009. This stated the current government's policy and legislative programme for mitigating the impact of the recession. It aimed to ensure that the infrastructure skill base and housing is in place to help sustain a strong recovery and future economic growth. Regarding housing, it re-iterated the measures taken to support the housing market as a consequence of the credit crunch. It signalled a review of the housing benefit system linking it to a claimants return to work. It also highlighted policies to promote the low carbon economy. A more detailed summary of the paper is not presented here as at the point that the SHMA is published, the new coalition government elected in June 2010 has embarked on radical financial measures that make the delivery of many housing related programmes uncertain either due to the dismantling of quangos (both national and in the English regions), the withdrawal of finance, or the introduction of replacement policies. The new government proposes a new system of governance based upon 'Localism'. The reform to housing benefit proposed in Building Britain's Future has been taken forward by the new government. London policy is contained within the London Plan (2010) published by the Mayor of London.
- 3.9 The regions and the Local Authorities within them must have regard to the Government's vision for sustainable communities and are reflected in a series of Planning Policy Statements (PPS) which have all been recently revoked following the publication of the National Planning Policy Framework (NPPF) in March 2012. PPS1 Delivering Sustainable Development, (2005) set out the overarching planning policies for the delivery of sustainable development through the planning system. The policies set out in PPS1 needed to be taken into account in the preparation of both regional and local planning documents. It was emphasised that sustainable development (ensuring that there is a better quality of life for everyone, now and for future generations) was the core principle underpinning planning and is therefore a vital part of the process.
- 3.10 PPS1 also stated that to facilitate and promote sustainable and inclusive patterns of urban and rural development, planning should ensure, among other things, that new developments are of high quality and well designed; make the most efficient use of resources; support existing communities while creating safe, sustainable, liveable and mixed communities with good access to jobs and key services.
- 3.11 This started a period of significant change in planning systems across England and Wales, and within the provisions of the Housing Act 2004, the housing policy document Planning Policy Statement 3 Housing, 2006 (PPS3), replaced a series of policies including Planning Policy Guidance Note 3 (PPG3) and Circular 6/98. Along with all other PPS documents, PPS3 was replaced in March 2012 by the NPPF.
- 3.12 The definitions set out in the NPPF are of fundamental importance to the Housing Market Assessment. Most notably the NPPF notes that, 'Local planning authorities should have a clear understanding of housing needs in their area. They should:
- » prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Market Assessment should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:

- » meets household and population projections, taking account of migration and demographic change;
- » addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes); and
- » caters for housing demand and the scale of housing supply necessary to meet this demand;

## **Waltham Forest**

### **The Borough**

- 3.13 Waltham Forest is an outer North East London Borough, bordered by Hackney and Newham to the south, Redbridge to the east and Haringey and Enfield to the west.
- 3.14 Waltham Forest is well placed to gain from strategic regeneration initiatives across East London, many of which are linked to the Olympics. It is part of the Lower Lea Valley, located alongside the Olympic Park and the Stratford City Development and is part of the London-Stansted-Cambridge-Peterborough growth corridor. Together these will all provide a host of employment, leisure and housing opportunities.
- 3.15 Waltham Forest is a Borough of contrasts in terms of wealth and opportunity. The poorest neighbourhoods in the south of the Borough have the shared characteristics of high unemployment, higher incidence of ill health and generally higher levels of deprivation as a whole. The more affluent north of the Borough has lower rates of deprivation. This distinction between different areas of the borough is explored in more detail later in this report.
- 3.16 However, the wider picture is that twelve of the Borough's twenty wards are ranked as being in the top 20% of all deprived wards. Overall, Waltham Forest is ranked as the 15th most deprived area out of 326 local authority areas in England (ODPM Indices of deprivation 2010).

### **Waltham Forest Housing Strategy 2008-2028**

- 3.17 A key document for housing policy in Waltham Forest is its current Housing Strategy. The Housing Strategy is currently being reviewed, drawing on evidence from this Strategic Housing Needs Survey and Strategic Housing Market Assessment, so while the information provided below covers the current policy position this may change in the near future.
- 3.18 The strategy states that the Borough faces a number of challenges including:
- » the growing demand for affordable family sized homes;
  - » overcrowding and poor quality housing in all sectors;
  - » a relatively high percentage of private sector rented housing;
  - » concentration of deprivation in some of our social housing estates; and

- » the relatively small amounts of land in Waltham Forest on which to build new homes.

3.19 It recognises that in the context of the economic downturn, issues become much harder to deal with although the Borough does have strengths:

- » a legacy of quality Victorian, Edwardian and inter war homes;
- » resources to improve some of our Council housing;
- » a strong partnership to lead on achieving our ambitions; and
- » the opportunities of being an Olympic Borough surrounded by major regeneration programmes.

3.20 The current strategy has three main priorities:

- » building new homes;
- » making the most of existing homes; and
- » creating successful communities.

## **Regeneration Areas**

### **Blackhorse Lane**

3.21 Blackhorse Lane is an important gateway site for the borough, to be developed over the next decade. As a key connection to the Upper Lee Valley Opportunity Area, the Council is seeking to develop a new urban quarter in close proximity to a key public transport hub and an outstanding natural environment – thereby helping to achieve the vision for North London Waterside which we share with other boroughs bordering the Upper Lee Valley.

### **Walthamstow Town Centre**

3.22 Walthamstow Town Centre is the premier town centre in the borough, and is historically home to one of the longest street markets in Europe. It is seen as crucial for the borough's strategic objective of retaining wealth within the borough, and the successful development of the town centre is a key priority for the borough.

### **The Northern Olympic Fringe**

3.23 The Northern Olympic Fringe is the highest profile regeneration area in Waltham Forest and it is essential to the strategy of the borough that the Games' legacy leads to its transformation. The Council's vision is to capture investment in this area arising from the regeneration of East London and the Lower Lee Valley ensuring that this leads to a higher quality of life in this part of the borough, creating better quality housing, delivering more community facilities, securing employment opportunities and revitalising the green open spaces and waterways in the area.

## Wood Street

3.24 Wood Street is one of Waltham Forest's district centres and has historically provided a unique retail offer. Identified as a key growth area for the borough, Wood Street will progressively develop as a mixed-use town centre with opportunities for housing growth and estate regeneration. The regeneration of Wood Street will provide opportunities for residential development, while also strengthening the area's urban fabric, assisting in the creation of a more coherent and dynamic public realm which will lead to regeneration of the wider area.

## The Legacy of the Olympic Games 2012

3.25 This event will have a profound effect on East London and will affect all East London Boroughs to a greater or lesser extent. It is appropriate, therefore, to focus on the development and legacy planning with special reference to Waltham Forest. This project is expected to spearhead the regeneration of parts of Waltham Forest, most notably in the Northern Olympic Fringe area.

3.26 The Olympics 2012 has led to the creation of one of the largest new urban parks in Europe for 150 years. World class facilities for sports including athletics, cycling, hockey, swimming and tennis have been established, predominantly in Newham. Waltham Forest will stage the wheelchair tennis event at the Paralympics.

3.27 From the perspective of Waltham Forest, the Olympics and Paralympics represent both a tremendous opportunity and also a potential danger. No housing linked to Olympic Park will be built in the borough, but the regeneration work in the Northern Olympic Fringe is expected to provide at least 2,500 dwellings. It is also the case that wider transport work in the Northern Olympic Fringe will seek to link areas such as Leyton and Leytonstone into the wider transport network more effectively. These areas have seen an investment of £12million in public money to improve access and also to seek to make them more cosmetically attractive. Individuals can also receive money to improve the front of their house.

3.28 Potentially the Olympics could see East London become a destination of choice which will bring positive benefits to all areas. Improvements in transport and facilities could see a spread of benefits stretching well beyond the Olympic Park into Waltham Forest, with areas such as Leyton and Leytonstone being the main beneficiaries.

3.29 However, Waltham Forest does also face a danger in that it currently does not have good access to the Olympic Park. It will be important for this access to be improved or the benefits of the Olympics may bypass the borough. A further danger is that the concentration of investment at Stratford City may detract from areas in Waltham Forest such as Leyton and Leytonstone. Therefore, positive benefits for Waltham Forest from the Olympics cannot be taken as given.

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## 4. Identifying Housing Markets in East London and Waltham Forest

### Housing Sub-Markets

- 4.1 A key objective of an SHMA is to understand the operation of the housing markets within the study. This in turn requires an identification of the boundaries of the housing market(s).
- 4.2 Within London, it is plausible to argue that the whole of Greater London forms a self-contained housing market. On this basis the Greater London Authority commissioned a SHMA to cover the whole of Greater London.
- 4.3 However, it is also possible to argue that there are distinct housing markets operating within London. This section explores how it may be possible to identify these housing markets and the implications for East London and Waltham Forest.

### Housing Sub-Markets in the East London Sub-Region

- 4.4 Housing market areas are defined as being:

*Geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work (PPS3, Annex B)*

- 4.5 The Department for Communities and Local Government (CLG) issued an Advice Note on “Identifying sub-regional housing market areas” (2007) which identifies three sources of information which help to evidence housing markets areas, namely:
- » House prices and rates of change in house prices, which reflect household demand and preferences for different sizes and types of housing in different locations;
  - » Household migration and search patterns, reflecting preferences and the trade-offs made when choosing housing with different characteristics; and
  - » Contextual data, such as travel to work areas, which reflect the functional relationships between places where people work and live.
- 4.6 In November 2010 CLG issued a further report ‘Geography of Housing Market Areas’, which explored a range of potential methods for calculating housing market areas for England and applied these methods to the whole country to show the range of housing markets which would be generated.
- 4.7 Both of the CLG publications outline that no one single approach (nor one single data source) provides a definitive solution to identify local housing markets. However, by using a range of available data, judgements on appropriate geography can be made.

4.8 For clarity, it is worthwhile defining the terminology used in this section and in the remainder of the report. CLG's 'Geography of Housing Market Areas' (page 35) outlines three overlapping tiers of geography for housing markets:

- » **Tier 1:** framework housing market areas defined by long distance commuting flows and the long-term spatial framework with which housing markets operate;
- » **Tier 2:** local housing market areas defined by migration patterns that determined the limits of short term spatial house price arbitrage;
- » **Tier 3:** sub-markets defined in terms of neighbourhoods or house type price premiums.

4.9 Within this study:

- » **Tier 1:** framework housing markets represent the sub-regional housing markets of East London.
- » **Tier 2:** local housing market areas represent more localised urban centred areas which cross local authority and sub-regional boundaries. These housing markets represent self-contained areas where people live and work.
- » **Tier 3:** sub-markets are based upon house prices rather than migration and travel to work patterns. Economic viability is heavily influenced by land prices, which in turn are influenced by house prices. Therefore, Tier 3 housing markets tend to be more relevant for Economic Viability Studies.

### **Identifying Sub-Areas in East London**

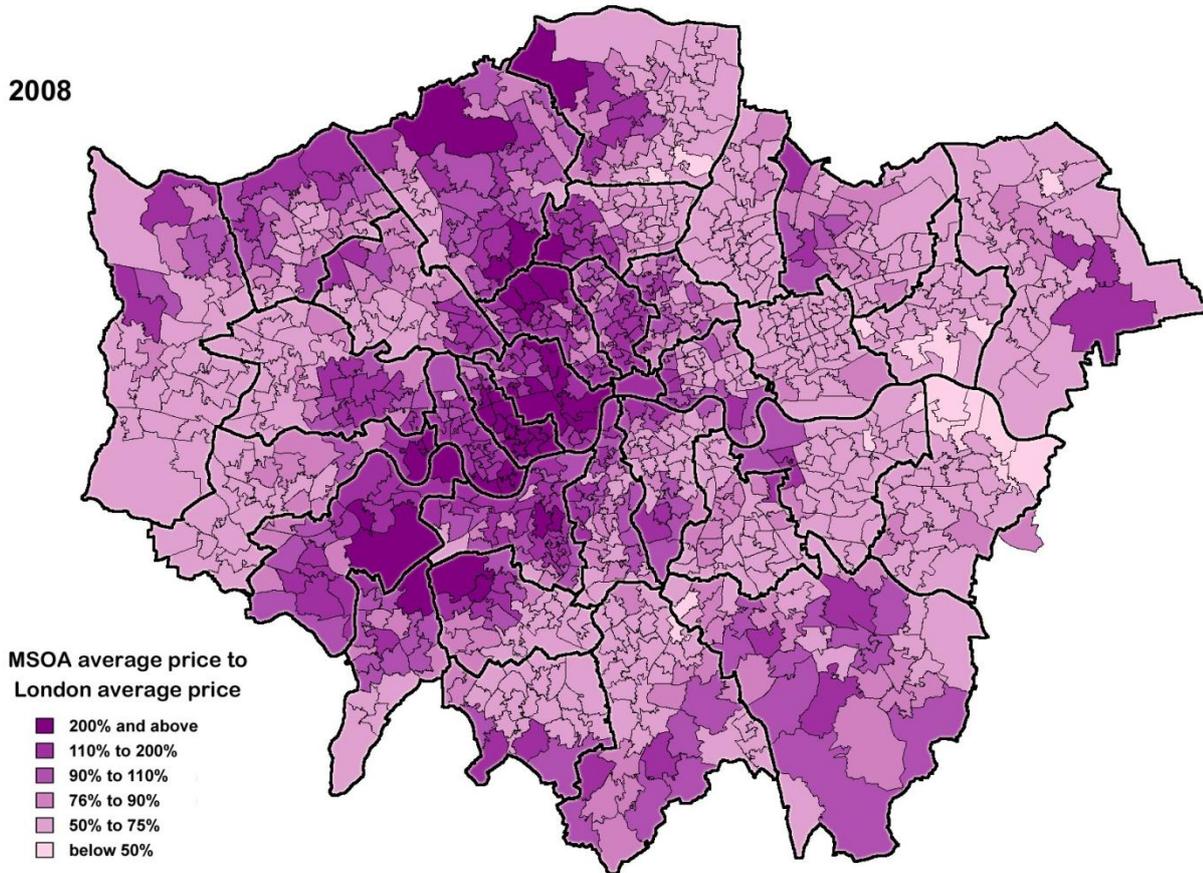
4.10 One method for identifying housing markets is through an analysis of house prices. Neighbouring areas which contain similar house prices are also likely to share many other similar characteristics, which could lead to them being viewed as being a housing market.

4.11 The work reproduced in this section was originally undertaken for the East London SHMA in 2009. No significant changes have occurred to relative house prices to change the overall conclusions. Figure 5 shows the variation of house prices from the mean across the East London sub-region from January 2008 to December 2008 by Middle Super Output Areas (MSOA).

4.12 Areas in the darkest shade of purple contain house prices which are over 200% of the London average and those in the lightest shade of purple are less than 50% of the average. The majority of house prices in the East London sub-region are below the London average.

Figure 5

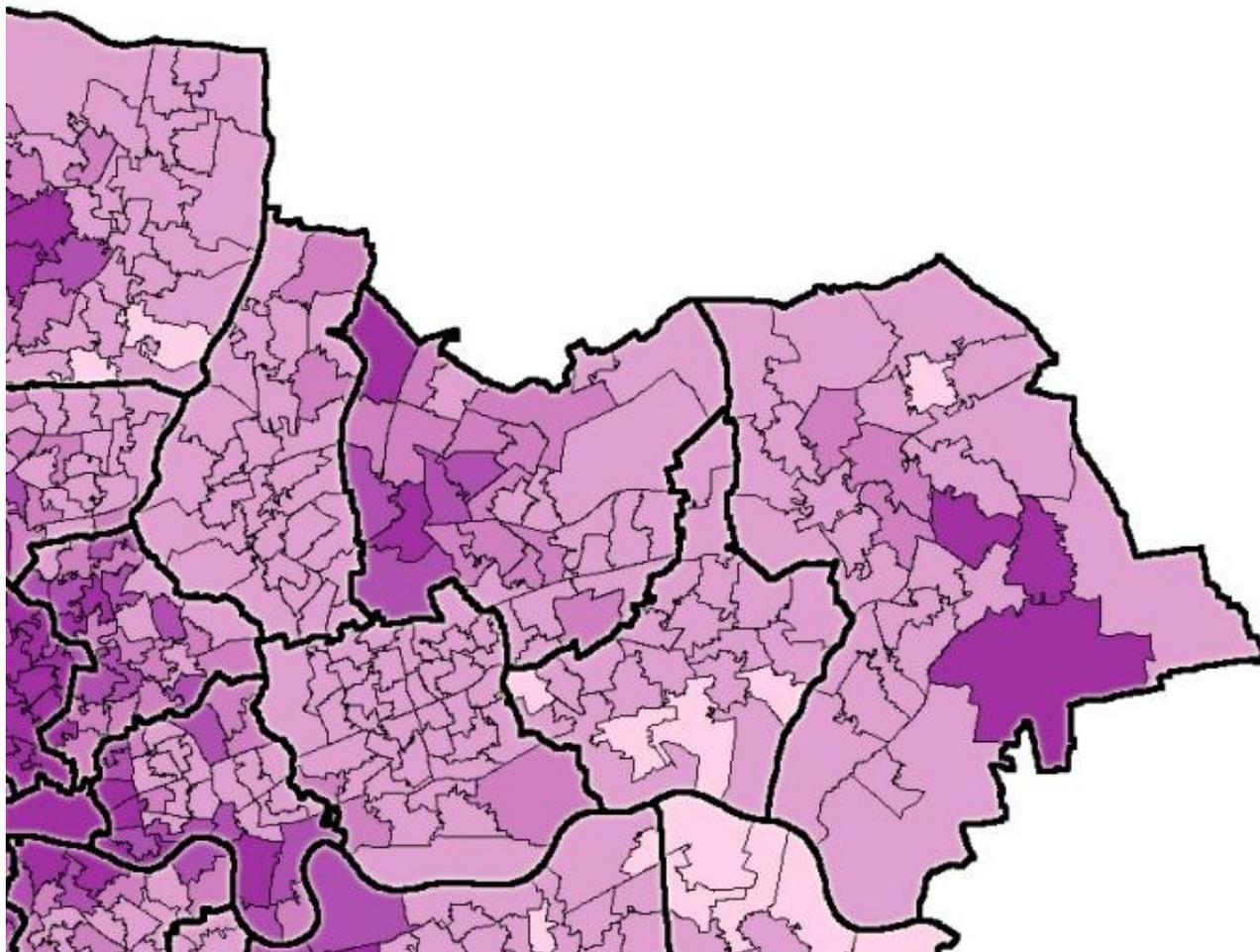
Relative House Prices Across Greater London (Source: UK Land Registry January 2008 to December 2008)



4.13 Figure 6 shows a closer view of relative house prices across East London. This identifies that house prices in parts of Hackney, Tower Hamlets, Redbridge and Havering are higher than those in Newham, Barking and Dagenham and Waltham Forest.

Figure 6

House Prices Across East London Compared to the London Average (Source: UK Land Registry January 2008 to December 2008)



## Conclusions

- 4.14 If we were seeking to identify sub-markets on the basis of areas with similar characteristics, the above maps would suggest that the area near the City of London and also the west area of Redbridge would form sub-markets because they are distinct from their surrounding areas. However, all of Waltham Forest would fall into one housing Market.
- 4.15 Whilst it is helpful to understand this distribution of local house prices, the distribution does not appear to provide a clear mechanism for classifying sub-market areas because each area will tend to have residents with similar characteristics. As noted earlier, if such characteristics change, for example if young single persons join together and become family households, they are likely to move into a different housing sub-market. Therefore, the identified sub-markets are not capable of meeting the needs of all households.

## Using Migration Patterns to Define Housing Market Areas

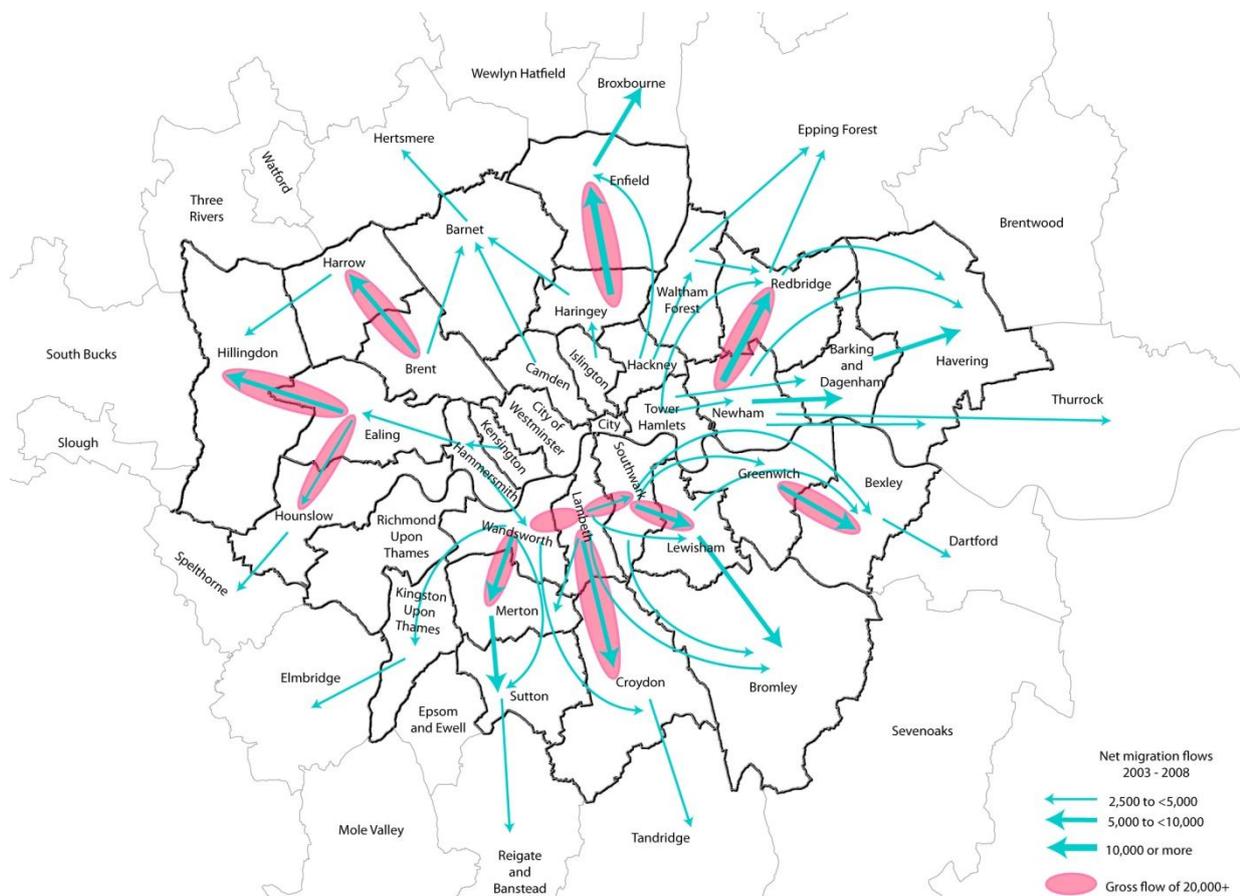
- 4.16 Since 1996-97, the ONS has published relatively localised migration data using information from the NHS Central Register (NHSCR) which records the movement of individuals who change GP. The NHSCR data provides an effective way of monitoring changes in migration over time, but it is important to

recognise the limitations of the data. Not everyone who moves will register with a doctor, so some migration will not be counted. Nevertheless, as the data provides the best available basis for analysis, the following information details migration patterns for the period 2003-2008.

- 4.17 Figure 7 illustrates the migration patterns between London boroughs. This shows a clear split between north and south London, with population leaving the northern central area of London moving to other northern boroughs and those leaving southern central boroughs moving to other southern boroughs. Therefore, the River Thames appears to act as a natural barrier to separate the north and south London housing markets.

Figure 7

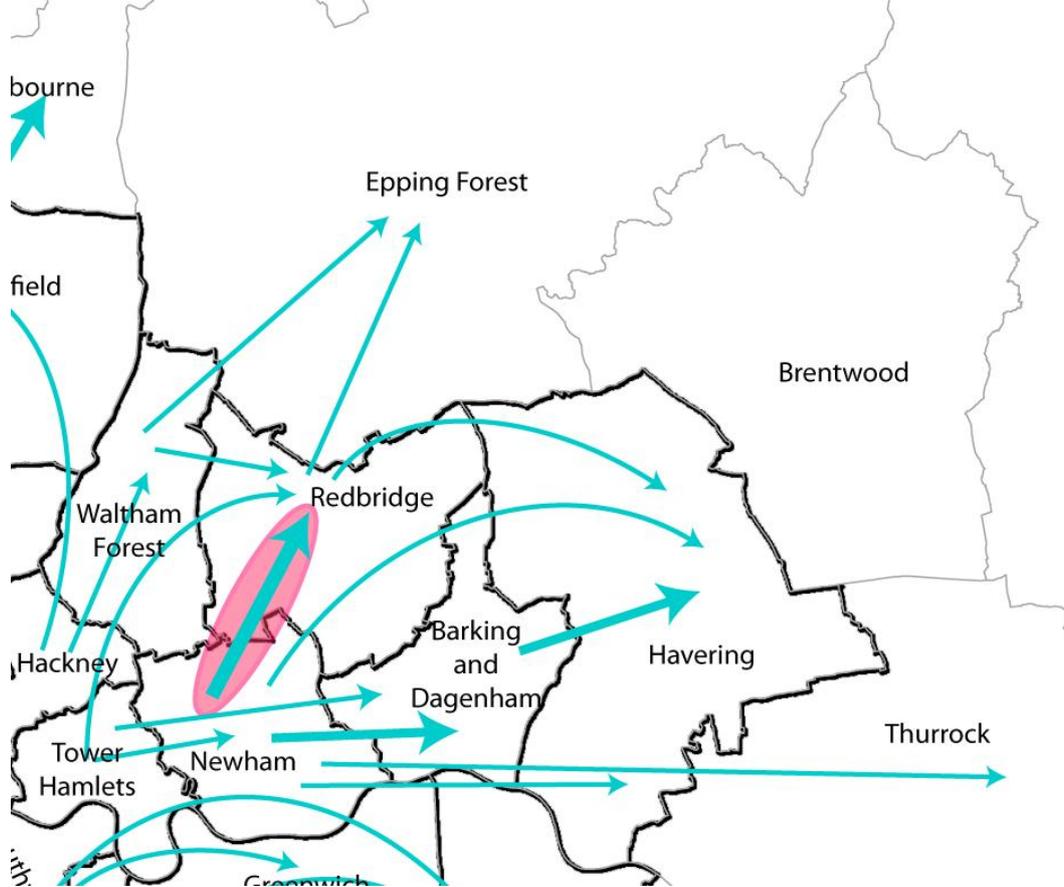
Migration Between London Boroughs 2003-2008 (Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales based on patient register data and patient re-registration recorded in the NHSCR)



- 4.18 Figure 8 shows a more detailed picture of the migration flows for east London. It can be seen that the population is generally moving eastwards and northwards towards the outer London boroughs. Apart from a flow from Hackney to Enfield, there are no substantive flows between East London boroughs and those in any other area of London.

- 4.19 On this basis it is possible to argue that City of London, Tower Hamlets, Hackney, Newham, Waltham Forest, Redbridge, Barking and Dagenham and Havering form a coherent London sub-region as a whole. As a combined sub-region, the eight authorities have sufficiently different characteristics to allow them to provide housing for households as their characteristics change. This means that households could potentially meet all their housing requirements without having to look outside the sub-region.

Figure 8  
Migration Between London Boroughs in East London 2003-2008 (Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales based on patient register data and patient re-registration recorded in the NHSCR)



# 5. Population and Local Areas

## Profiling Demographic Trends and Local Areas

5.1 This section of the report considers the main factors considered to be driving the housing market – that is, the demographic, economic and social factors that underpin demand for housing. Firstly we analysed the population across Waltham Forest, concentrating in particular on how local circumstances have changed over the last ten years and how they are projected to change in future. We draw on information from the household survey to understand the scale and nature of household migration as it affects the borough. In order to gain a wider understanding of the character of Waltham Forest as a place to live, we examine information from the household survey about households' satisfaction with access to local facilities and services.

### Population

#### National Level Household Changes

5.2 Recent figures from the Office for National Statistics (ONS) show that the number of households in the UK has increased more rapidly than housing supply. Household growth has averaged around 230,000 households per annum, while dwelling delivery peaked in the period 2007-2008 at around 175,000 per annum and has since fallen back to around 100,000 per annum.

5.3 There are several key reasons for the increase in household numbers. According to the ONS, until the mid-1990s, natural change was the main driver for population growth. However, more recent population growth has been predominantly based upon international migration.

Figure 9  
Births and Deaths in the UK, 2001-2005 (Source: ONS, General Register Office for Scotland, NI Statistics & Research Agency)

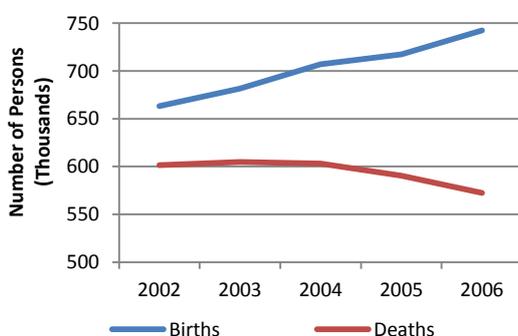
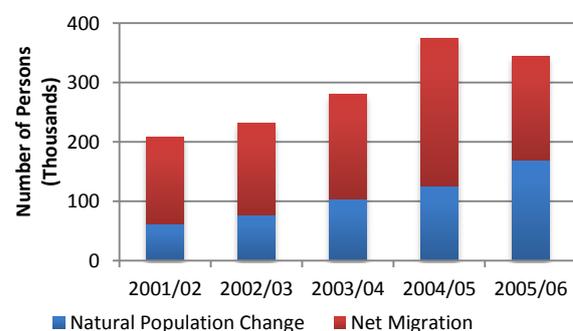


Figure 10  
Population Change in the UK, 2001-2005 (Source: ONS, General Register Office for Scotland, NI Statistics & Research Agency)



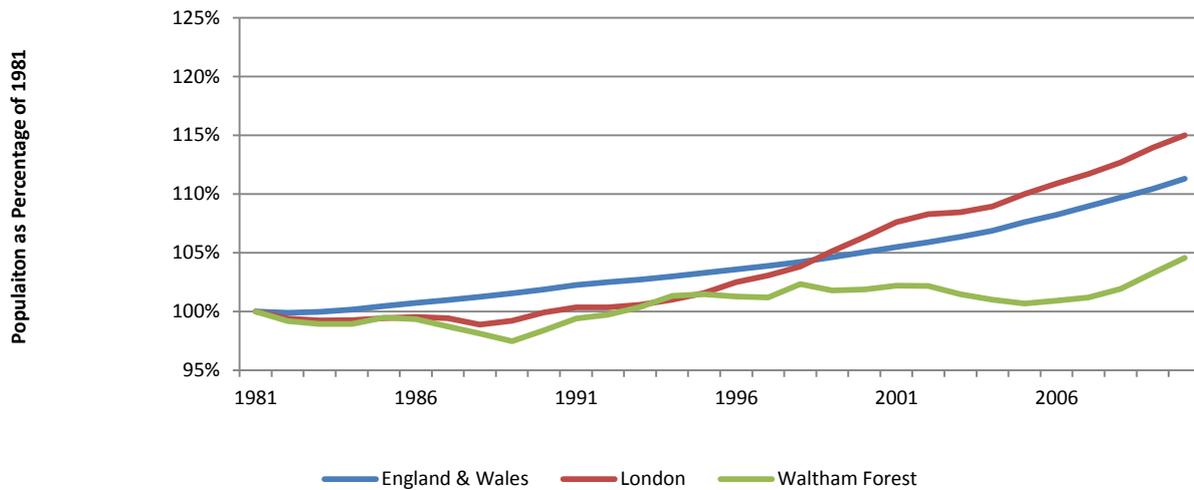
5.4 Figure 9 shows that there is a natural increase in the UK population. The natural population increase between 2004/05 and 2005/06 was 170,100 people. This increase is commonly attributed to improvements in health care, which reduces child mortality rates and allows people to live for longer.

- 5.5 Figure 10 demonstrates that there has been fairly rapid net growth of migration into the UK, with particularly high growth in 2004/05. The ONS reports that this increase was mainly due to the rise in the number of citizens coming from the ten accession countries (A10) that joined the European Union (EU) in May 2004. The figures for 2005/06 indicate that net international migration declined, due to a combination of lower in-migrant and higher out-migrant numbers.
- 5.6 In addition to a growing population, the size of households has been reducing over recent years, hence housing requirements have increased. The average household size in England was 2.67 in 1981 and is predicted to be 2.15 in 2021. As a comparison, the Waltham Forest household survey indicates a household size of around 2.60 so is well above the English average. This would be expected in an outer London borough with many family households having lower numbers of older persons when compared to rural districts.
- 5.7 This significant projected reduction in household size across England has several possible causes. These include,
- » young adults moving out of the parent home,
  - » increases in relationship breakdown and divorce,
  - » people choosing to have fewer children and
  - » many older people who outlive their partners continuing to live alone for significantly longer than older people lived in the past.
- 5.8 However, while household size in England may be falling, evidence set out below indicates a sharp rise in the population of the borough which may have seen the average household size of the borough rise.

### **Population Trends in Waltham Forest**

- 5.9 In 2010 Waltham Forest had an official total population of 227,100 people (ONS Mid-year Population Estimates). Since 1981 Waltham Forest saw a slight fall in its population, reaching a low of 211,700 in 1989, after which it began to steadily rise again and then stayed relatively stable between 1993 and 2007. Since this time, the population of Waltham Forest has begun to rise again (Figure 11). Taking the 1981 population as a base, the population of Waltham Forest rose by 4.6% in the period up to 2008 from 217,200 to 227,100 people. This compares with a rise in population of around 11.3% for the whole of England and Wales and 15.0% for London.

Figure 11  
Population of Waltham Forest London and England & Wales: 1981-2010 (Source: ONS Mid-Year Population Estimates)



5.10 The age structure of the population of Waltham Forest from the ONS mid-year population estimates for 2010 (Figure 12) shows that there are fewer adults aged 45 + in the borough than in England and Wales as a whole, but that the population share for young children and adults aged 20 to 40 years, is higher than the national average.

5.11 Figure 13 compares the age structure of the population of Waltham Forest from the 2010 mid-year population estimates and the GLA 2011 estimates with that from the 2011 Household Survey. The results of the ORS household survey are broadly consistent with both the GLA estimates and the mid-year population estimates for most age bands. However, the household survey found that the population of children aged 0-9 years and adults aged 25-39 is higher in Waltham Forest than is shown by both the 2010 mid-year estimates and the GLA estimate, with the total population estimated to be 261,000.

Figure 12  
Age Profile for Waltham Forest Compared with England and Wales: 2010 (Source: ONS Mid-Year Population Estimates 2010)

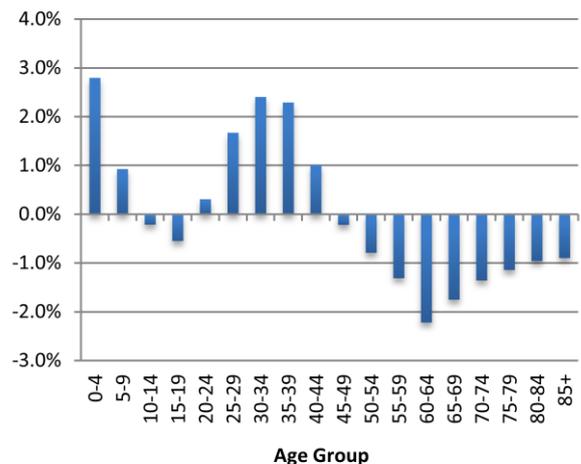
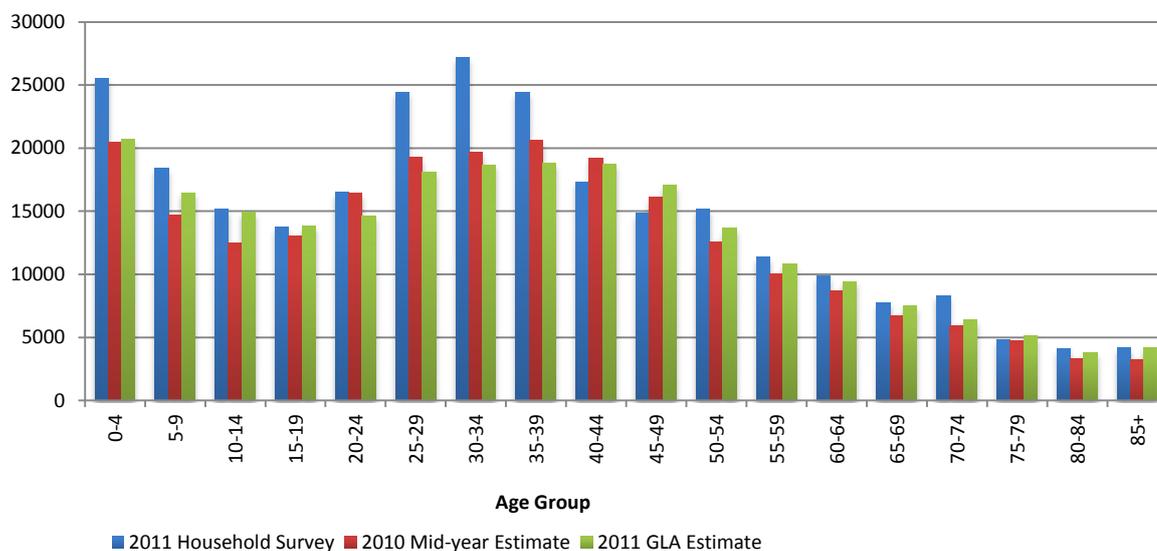


Figure 13

Age Profile for Waltham Forest from 2011 Household Survey, 2010 Mid-year Estimates, and 2011 GLA Estimates (Source: 2011 Household Survey, ONS Mid-Year Population Estimates 2010, GLA Population Estimates 2011)



- 5.12 The likely drivers of the extra population in Waltham Forest are explored below, but it appears the main factor is international migrant workers who have moved to the area for job opportunities, in many cases linked to the Olympics. The most difficult area for official population estimates is international migration, with information on where migrants will move to being extremely scarce. In Waltham Forest's case, the Household Survey indicates a high growth in households from the White Other, Pakistani, Indian and Other Ethnic Group categories, many of whom are likely to be migrant workers.
- 5.13 This extra population has a number of implications for Waltham Forest. These include, increasing pressures on its housing stock which has seen a sharp rise in the size of its private rented sector, the number of Houses in Multiple Occupation in some parts of the borough and the number of converted dwellings. As noted above there appears to have been a rise in the average household size in Waltham Forest as the existing housing stock is used more intensely.
- 5.14 The higher population has also seen increasing demands on school places and also social services who are being asked to provide services to a larger population. The impact on school places has meant that Waltham Forest has sought to open many new school classes and is seeking to open more in the future.
- 5.15 This has direct implications for housing policy because funding for new schools can come from Section 106 agreements and the Community Infrastructure Levy, while funding can also be drawn from the New Homes Bonus which provides funding for each dwelling completed or vacant property returned to use. Affordable housing can also be provided through Section 106 agreements and the Community Infrastructure Levy so there can be a direct trade-off between social infrastructure and affordable housing. It is also the case that Waltham Forest is faced with stark choices on the disposal of its own land, with space for new schools competing with a potential desire to release land cheaply to registered providers and developers to provide affordable housing.

## Household Structure

- 5.16 It is important to consider the structure of households when assessing housing requirements. More single people in an area will require more dwellings to accommodate the same number of people, while an area with large families will require larger houses to accommodate them.
- 5.17 Figure 14 and Figure 15 show household size in 2001 and 2011. It is clearly demonstrated that over 60% of the households in Waltham Forest contain only one or two persons with around a third containing just one person. Only just over 20% contain more than four people indicating that there is a need for a large number of dwellings to accommodate the population of Waltham Forest.

Figure 14  
Household Size 2001  
(Source: UK Census of Population 2001)

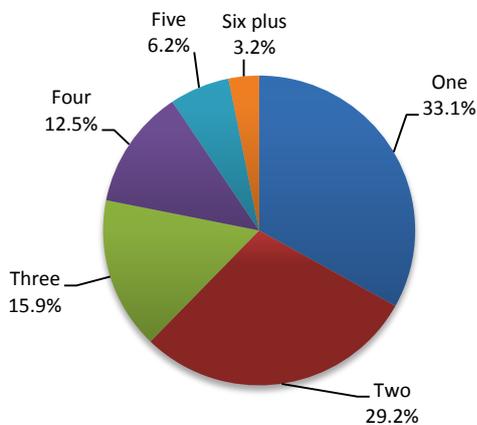
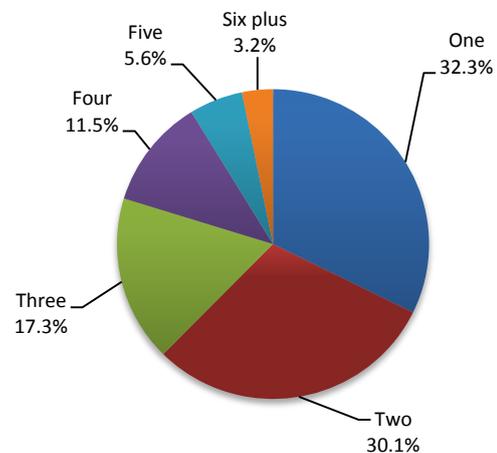


Figure 15  
Household Size 2011  
(Source: Waltham Forest Household Survey 2011)



## Population Migration

- 5.18 It is important to distinguish between population and household migration. In this section we examine secondary data information to describe the scale of population migration and learn more about migration origins and destinations.

### Domestic Migration

- 5.19 Since 1996-97, the ONS has published relatively localised migration data using information from the National Health Service Central Register (NHSCR) which records the movement of individuals who change GP. The NHSCR data provides an effective way of monitoring changes in migration over time, but it is important to recognise the limitations of the data. Not everyone who moves will register with a doctor, so some migration will not be counted. Nevertheless, as the data provides the best available basis for analysis, the following information details migration patterns for Waltham Forest over the most recent 5-year period, 2005-10.
- 5.20 Figure 16 shows the net migration to Waltham Forest by region of England and Wales over the five year period 2005-2010. Overall, migration accounted for a fall in the local authority's population of 2,866 people from 2005 to 2010 from across England and Wales. Waltham Forest gained the most population from the rest of London (2,000) but lost population to all other regions with the exception of the North

East. The local authority lost the most population to the Eastern region (11,500) and the South East (2,600).

Figure 16

Net Migration to Waltham Forest by England and Wales Region 2005-2010 (Source: ONS Migration Statistics Unit: Movements between local authorities in England and Wales. Note: Figures may not sum due to rounding)

UK Region	2006	2007	2008	2009	2010	5-year Total	Annual Average
<b>In Migrants</b>							
North East	90	120	120	180	100	610	122
North West	310	300	290	390	370	1,660	332
Yorkshire and Humberside	270	270	290	330	400	1,560	312
East Midlands	230	250	260	380	280	1,400	280
West Midlands	280	290	260	360	440	1,630	326
Eastern	1,040	1,140	1,060	1,180	1,200	5,620	1124
London	4,340	4,470	4,730	9,560	10,110	33,210	6642
South East	670	710	710	810	840	3,740	748
South West	230	240	270	320	330	1,390	278
Wales	80	100	110	160	140	590	118
<b>Total</b>	<b>7,540</b>	<b>7,890</b>	<b>8,100</b>	<b>13,670</b>	<b>14,210</b>	<b>51,410</b>	<b>10,282</b>
<b>Out Migrants</b>							
North East	110	110	130	110	100	560	112
North West	430	370	370	410	400	1,980	396
Yorkshire and Humberside	320	330	340	360	310	1,660	332
East Midlands	370	410	410	420	410	2,020	404
West Midlands	360	400	380	410	420	1,970	394
Eastern	3,410	3,810	3,520	3,110	3,290	17,140	3428
London	3,810	3,800	3,870	9,680	10,040	31,200	6240
South East	1,200	1,260	1,220	1,310	1,330	6,320	1264
South West	460	450	440	450	390	2,190	438
Wales	160	140	120	160	120	700	140
<b>Total</b>	<b>10,630</b>	<b>11,080</b>	<b>10,800</b>	<b>16,420</b>	<b>16,810</b>	<b>65,740</b>	<b>13,148</b>
<b>Net Migrants</b>							
North East	-20	10	-10	70	0	50	10
North West	-120	-70	-80	-20	-30	-320	-64
Yorkshire and Humberside	-50	-60	-50	-30	90	-100	-20
East Midlands	-140	-160	-150	-40	-130	-620	-124
West Midlands	-80	-110	-120	-50	20	-340	-68
Eastern	-2,370	-2,670	-2,460	-1,930	-2,090	-11,520	-2304
London	530	670	860	-120	70	2,010	402
South East	-530	-550	-510	-500	-490	-2,580	-516
South West	-230	-210	-170	-130	-60	-800	-160
Wales	-80	-40	-10	0	20	-110	-22
<b>Total</b>	<b>-3,090</b>	<b>-3,190</b>	<b>-2,700</b>	<b>-2,750</b>	<b>-2,600</b>	<b>-14,330</b>	<b>-2,866</b>

- 5.21 Figure 17 shows the individual local authorities which have had the highest net migration to Waltham Forest – with most people coming from other East and North London boroughs (Hackney, Haringey, Islington and Newham). Figure 18 shows the local authorities to which Waltham Forest lost population through migration – with almost 5,000 people moving to neighbouring Redbridge and 2,580 to neighbouring Epping Forest in Essex.

Figure 17  
Top 10 Local Authorities with the Highest Net Migration to Waltham Forest 2005-2010  
(Source: ONS Migration Statistics Unit)

Exporting Local Authority	In-migrants	Out-migrants	Net
Hackney	6,240	2,560	+3,680
Haringey	4,590	2,400	+2,190
Islington	2,520	1,280	+1,240
Newham	7,780	6,600	+1,180
Tower Hamlets	2,760	2,020	+740
Brent	1,250	860	+390
Camden	1,070	760	+310
Lambeth	1,280	1,050	+230
Southwark	1,160	980	+180
Hammersmith and Fulham	630	520	+110

Figure 18  
Top 10 Local Authorities with the Highest Net Migration from Waltham Forest 2005-2010  
(Source: ONS Migration Statistics Unit)

Importing Local Authority	In-migrants	Out-migrants	Net
Redbridge	4,780	9,760	-4,980
Epping Forest	1,200	3,780	-2,580
Barking and Dagenham	1,260	2,850	-1,590
Havering	590	1,870	-1,280
Harlow	200	950	-750
Tendring	150	840	-690
East Hertfordshire	160	780	-620
Uttlesford	60	670	-610
Braintree	140	730	-590
Basildon	220	730	-510

- 5.22 Figure 19 shows the age structure of migrants to and from Waltham Forest. The area has experienced a net loss across all age groups between 2005 and 2010, including more than 1,000 children aged 0-15 years as well as almost 900 adults aged 25-44 indicating a high net out-migration of families.

Figure 19

Net Migration to and from Waltham Forest by Age Group 2005-2010 by Year (Source: ONS Migration Statistics Unit. Note: Local Authority migration figures include cross-boundary moves within the sub-region)

Age Group	2006	2007	2008	2009	2010	5-year Total	Annual Average
<b>In Migrants</b>							
0-15 years	2,180	2,150	2,170	2,350	2,520	11,370	2,274
16-24 years	2,460	2,550	2,590	2,660	2,710	12,970	2,594
25-44 years	6,480	6,900	7,200	7,180	7,330	35,090	7,018
45-64 years	1,050	1,090	1,130	1,180	1,330	5,780	1,156
65+ years	380	350	320	290	340	1,680	336
<b>Total</b>	<b>12,560</b>	<b>13,050</b>	<b>13,380</b>	<b>13,670</b>	<b>14,210</b>	<b>66,870</b>	<b>13,374</b>
<b>Out Migrants</b>							
0-15 years	3,050	3,270	3,340	3,300	3,460	16,420	3,284
16-24 years	2,700	2,820	2,680	2,720	2,880	13,800	2,760
25-44 years	7,630	7,890	7,850	8,020	8,010	39,400	7,880
45-64 years	1,780	1,960	2,030	1,730	1,810	9,310	1,862
65+ years	750	770	760	670	660	3,610	722
<b>Total</b>	<b>15,910</b>	<b>16,730</b>	<b>16,650</b>	<b>16,420</b>	<b>16,810</b>	<b>82,520</b>	<b>16,504</b>
<b>Net Migrants</b>							
0-15 years	-870	-1,120	-1,170	-950	-940	-5050	-1,010
16-24 years	-240	-270	-90	-60	-170	-830	-166
25-44 years	-1,150	-990	-650	-840	-680	-4310	-862
45-64 years	-730	-870	-900	-550	-480	-3530	-706
65+ years	-370	-420	-440	-380	-320	-1930	-386
<b>Total</b>	<b>-3,350</b>	<b>-3,680</b>	<b>-3,270</b>	<b>-2,750</b>	<b>-2,600</b>	<b>-15,650</b>	<b>-3,130</b>

## Migration International

<sup>5.23</sup> At the time of the 2001 Census around 75% of the population of Waltham Forest was born in the UK. Figure 20 shows the share of the population that was born outside the UK. This includes around 11,500 Europeans (5.5%), 13,500 from Africa (6.2%), 19,000 from Asia, mainly India, Pakistan and Bangladesh, (8.7%) and 7,000 from the Caribbean and Jamaica (3.3%).

Figure 20  
Country of Birth (Source: UK Census of Population 2001)

Country of Birth	Number living in Waltham Forest
United Kingdom	163,308
Republic of Ireland	3,574
Channel Islands and Isle of Man	75
France	750
Germany	733
Italy	823
Netherlands	151
Spain	398
Other EU	1,115
Non EU countries in Western Europe	234
Poland	419
Other Eastern Europe	3,291
North Africa	877
Central and Western Africa	4,802
South and Eastern Africa	7,886
Middle East	2,356
Far East	2,479
South Asia (India, Bangladesh, Pakistan)	14,194
Caribbean and Jamaica	7,097
Other North America	698
South America	1,176
Oceania	1,192
Other	716
<b>Total</b>	<b>218,344</b>

5.24 Records for international migration for local authorities have recently begun being published by the Office for National Statistics. The records are drawn from the International Passenger Survey which interviews approximately 1 in 500 people who travel to and from the UK.

5.25 Figure 21 shows that between 2003 and 2010, it was estimated that a net 13,500 international migrants moved to the study area from overseas, including students as well as migrant workers.

Figure 21  
International Migration by Local Authority (Source: ONS Migration Statistics)

Area	Waltham Forest
<b>International in-migration</b>	34,300
<b>International out-migration</b>	20,800
<b>Net international migration</b>	<b>+ 13,500</b>

5.26 Another source of the location of migrant workers is the number of new National Insurance numbers issued to workers in particular locations.

5.27 Figure 22 shows the number of new National Insurance numbers to non-UK nationals issued between 2002 and 2010. (NB these figures do not take account of those leaving the UK). NI registration numbers highlight a clear growth in the number of migrants after 2004 when migration rules from Eastern

Europe were relaxed. It should be noted that this figure relates only to employees who have received new National Insurance numbers and does not include any of their dependents. It should also be noted that new NI numbers are issued to individuals, not jobs, so they will be issued to address of residence, not workplace.

Figure 22  
New National Insurance Registrations of Non-UK Nationals (Source: DWP)

Financial Year of Registration	Waltham Forest
2002/03	5,130
2003/04	5,880
2004/05	7,010
2005/06	9,900
2006/07	9,460
2007/08	12,670
2008/09	12,390
2009/10	10,080
2010/11	13,520
<b>9-year Total</b>	<b>86,040</b>
<b>Annual average over last 5-years</b>	<b>9,560</b>

5.28 Figure 23 shows that in 2009 the majority of all new national insurance numbers in Waltham Forest were issued to Polish and Pakistani nationals.

5.29 To place the results for new national insurance numbers for non-UK nationals into context, Figure 24 overleaf shows the numbers for each London borough. This shows that the figures for Waltham Forest are relatively high when compared with outer and even some other central London boroughs. As discussed earlier, the number of migrant workers is likely to have had a major impact upon the housing market of Waltham Forest and appears to have given rise to a sharp growth in population in the borough.

Figure 23  
New National Insurance Registrations of Non-UK Nationals in Waltham Forest 2009 by Country of Origin (Source: DWP)

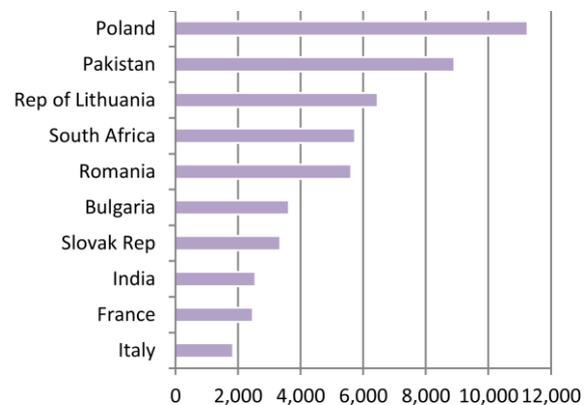
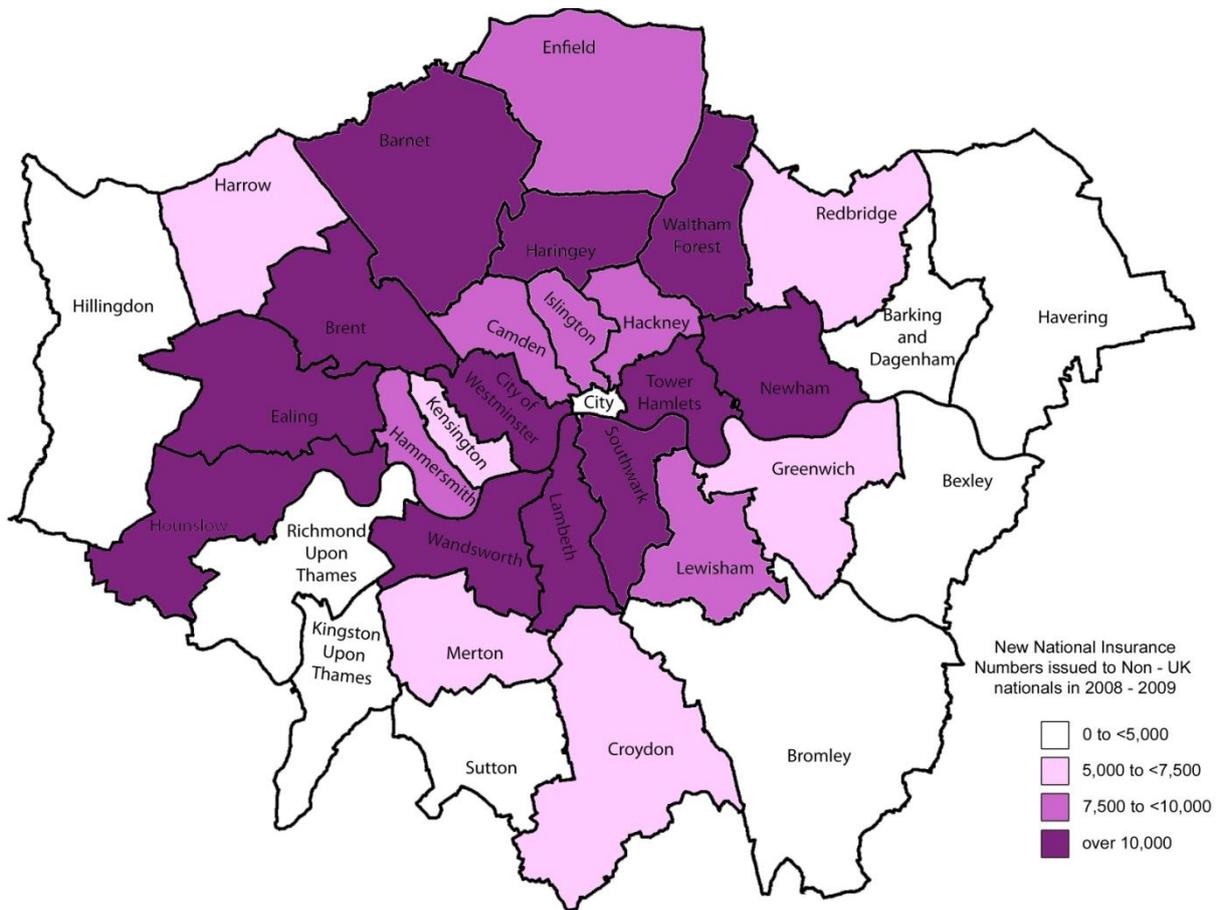


Figure 24  
New National Insurance Registrations of Non-UK Nationals by London Borough 2008/09 (Source: DWP)



5.30 Figure 25 shows how the levels have changed for each ethnic group between 2004 and 2010 where it is evident that the number of White British children has fallen by 31.4% while the White Other ethnic group has increased by 51.4%. The Asian ethnic group has also increased by 15.7% while there has been little change in the Black ethnic group.

Figure 25  
Percentage Change in Number of Waltham Forest School Children by Ethnic Group (Source: Department of Education Annual Schools Census)

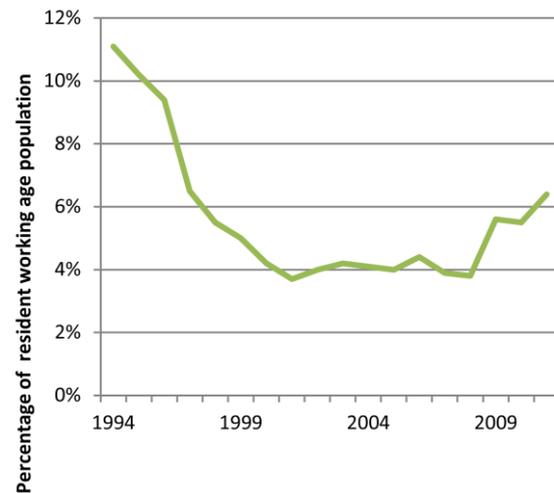
Population	Total Children Attending Waltham Forest Schools		
	2004	2010	% Change
White British	10,700	7,339	-31.4%
Other White	2,700	4,089	51.4%
Mixed	2,800	3,140	12.1%
Asian	6,900	7,980	15.7%
Black	6,700	6,950	3.7%
Chinese	200	140	-30.0%
Other	500	970	94.0%
<b>Total</b>	<b>30,500</b>	<b>30,608</b>	<b>0.4%</b>

## The Local Economy

### Economic Activity

5.31 Figure 26 shows a long-term decline and levelling off of the unemployment rate in Waltham Forest; however data from recent years (2009-2011) reflect the economic downturn by showing that unemployment rates began to rise again at a rapid rate.

Figure 26  
Unemployment Rate for Working Age Population for Waltham Forest: 1994-2011 (Source: Claimant Count. Note: Data relates to August each year)

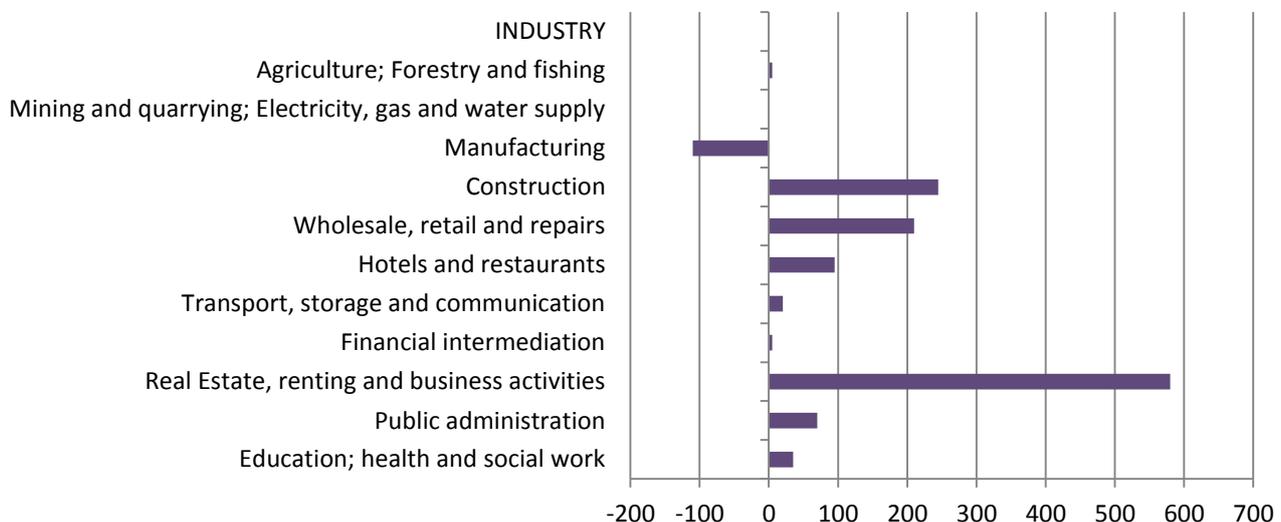


### New VAT Registrations

5.32 A measure of innovation and entrepreneurship is the number of new VAT registered businesses in a year. A business must register for VAT if its turnover exceeds £72,000 per year. It can de-register if its turnover falls below £70,000. In practice most de-registration is likely to be due to the business being acquired, merged or liquidated.

5.33 In the period 1998-2007 the total net new VAT registrations in Waltham Forest were almost 1,200. Please note that data since 2007 has been released in a different format and cannot be compared with that from 2007 or earlier. Whilst this appears to be encouraging for the economic performance of the Waltham Forest economy a more detailed analysis shows a significant trend. The majority of the new registrations have either been in real estate, construction or wholesale, retail and repairs. Given the impact of the ‘credit crunch’ and the slowdown in house building and house sales many of these businesses are now likely to be facing difficulties.

Figure 27  
Total Net New VAT Registered Businesses by Industry: 1998-2007 (Source: Department of Business, Enterprise and Regulatory Reform VAT Registrations)



## Incomes and Earnings

- 5.34 Alongside economic activity the other key component of the economy of an area is the wages earned by workers. There are two separate ways to analyse average earnings in a local authority. One is to examine the income of only those who are employed within the borough. The other is to examine the earnings of the residents of the borough. Employees are not necessarily residents so the results will differ.
- 5.35 Since 2002 the New Earnings Survey (NES) and subsequently the Annual Survey of Hours and Earnings (ASHE) has recorded both measures for all local authorities. There are some concerns about the sample sizes within ASHE at district level; nevertheless it is worth emphasising that this data is shown for information only, in order to understand how relative incomes have changed over time.
- 5.36 Figure 28 shows the comparisons for median gross annual earnings for 2010 for Waltham Forest. The results show that residents in Waltham Forest in general earn more than those employed in the borough with total and full-time workers living in the borough earning on average £3,400 more than workers in the area.

Figure 28

Median Gross Annual Earnings for Waltham Forest for All and Full-time Employees (Source: ASHE 2010.)

Employment Status	Waltham Forest
<b>Employed in borough</b>	
All employees	£21,509
Full-time employees	£27,688
<b>Resident in borough</b>	
All employees	£25,454
Full-time employees	£28,843

- 5.37 Figure 29 shows the gross household income levels in Waltham Forest and shows how this varied by tenure. Gross household income includes income from all sources such as earnings, pensions, interest on savings, rent from property and state benefits, but does not include housing benefit.
- 5.38 Of note, it can be seen that there are great differences in household incomes between the different tenures. Around 45% of those who own with a mortgage have a household income of over £40,000, while over half of all those in social rent have an income of less than £10,000 and nearly 90% have incomes of less than £20,000 per annum. This implies that few households in social rent can afford any other tenure. It is also the case that there are a high number of low income households in the private rented sector, many of whom receive housing benefit to help with their housing costs. Therefore, the number of non-owner low income households is much higher than the supply of dedicated social rent dwellings.

- 5.39 It is also the case that a high number of households who own outright have incomes of less than £10,000 per annum. While they do not have to meet their own housing costs, they do have to meet their own repair bills and this may be problematical for people on low incomes, leading to a deterioration in the quality of the private sector stock.

Figure 29

Household Income by Tenure (Source: Waltham Forest Household Survey 2011)

Income Band	Own outright	Own with a mortgage	Social Rent	Private Rent	Waltham Forest
Less than £5,000	4.7%	3.1%	14.7%	5.9%	6.6%
£5,000-£10,000	23.3%	5.9%	43.3%	16.3%	19.7%
£10,000-£15,000	26.4%	6.2%	20.4%	12.7%	14.7%
£15,000-£20,000	11.9%	5.6%	10.4%	18.2%	12.2%
£20,000-£30,000	14.8%	17.0%	6.0%	26.0%	17.8%
£30,000-£40,000	8.0%	16.9%	3.4%	11.5%	10.9%
£40,000-£60,000	7.4%	22.1%	1.9%	6.0%	9.9%
£60,000 or more	3.5%	23.3%	0.0%	3.3%	8.3%
Total	100%	100%	100%	100%	100%

## Travel to Work

- 5.40 Evidence from the 2001 Census shows that around 62% of Waltham Forest's residents travel more than 5km to work, with 35% travelling 10km or more.
- 5.41 Figure 31 shows that around 57% of Waltham Forest's residents spend half an hour or more travelling to work, and 38% travel for 45 minutes or more. This reflects the travel to work circumstances of many people who work in London with relatively short travel to work distances taking relatively long periods of time. It also indicates that many residents of Waltham Forest work outside the borough in central London and may be residing in Waltham Forest due to factors such as affordability or a better quality of life than would be found elsewhere.

Figure 30

Travel to Work Distance (UK Census of Population 2001)

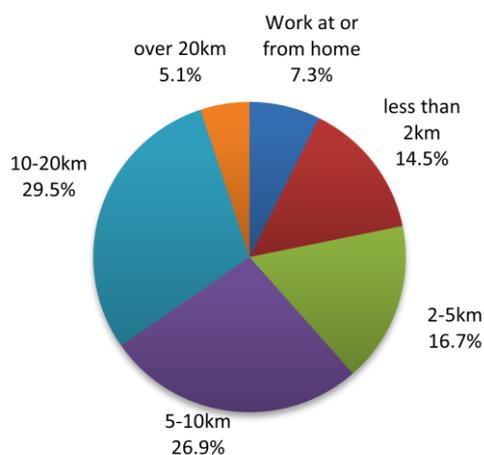
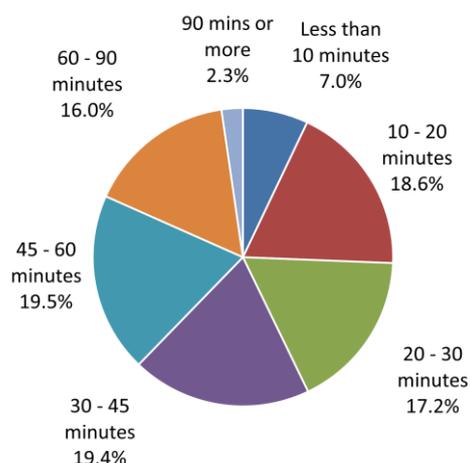


Figure 31

Travel to Work Time (Waltham Forest Household Survey 2011)



## Local Area

5.42 Figure 32 shows that while the majority (74%) of Waltham Forest residents were satisfied with Waltham Forest as a place to live (with 39% being very satisfied), around 15% were dissatisfied.

5.43 Figure 33 shows that almost half (49%) felt that the local area has stayed the same, however 39% felt that it had got worse while only 12% felt it had got better.

Figure 32

Satisfaction with Waltham Forest as a Place to Live (Waltham Forest Household Survey 2011)

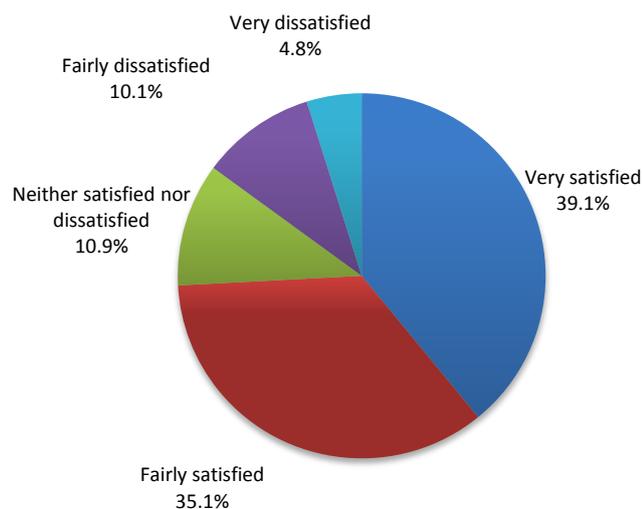
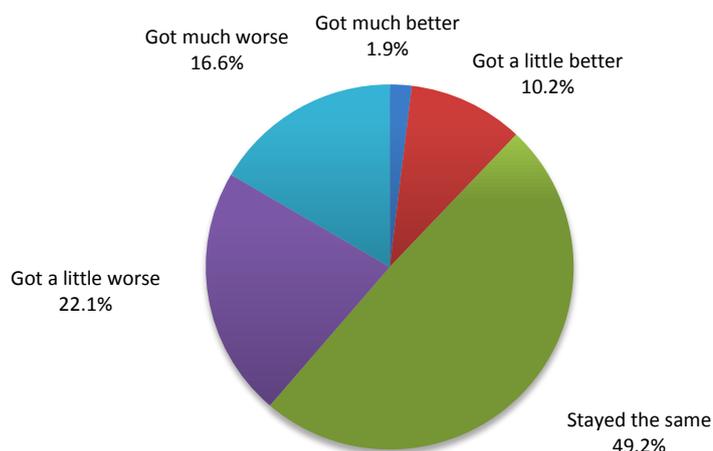


Figure 33

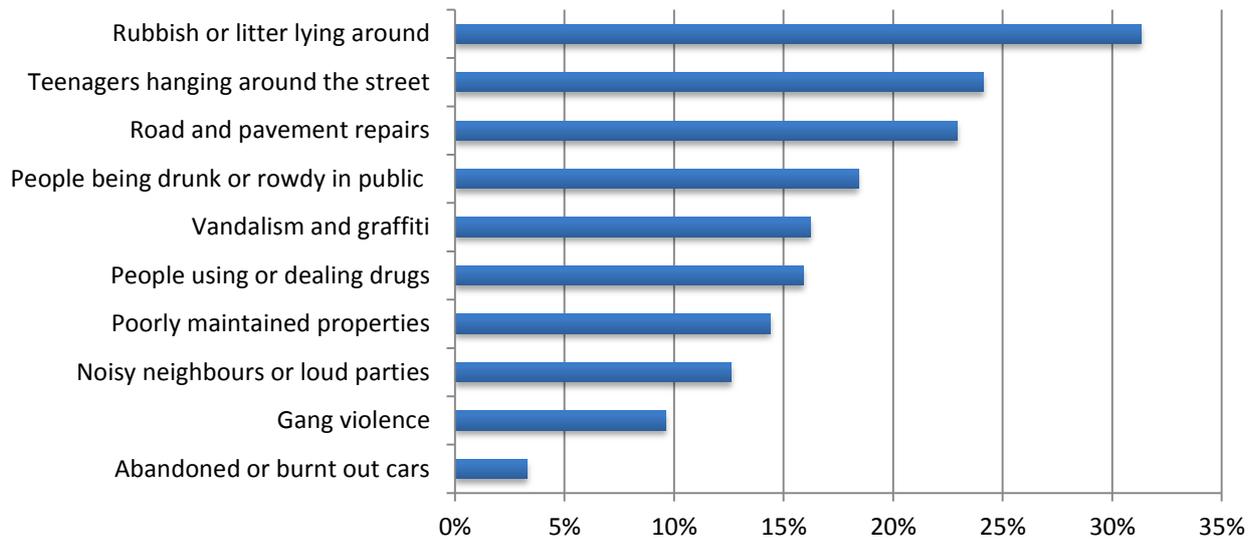
Satisfaction with Waltham Forest as a Place to Live (Waltham Forest Household Survey 2011)



5.44 Rubbish or litter lying around was considered to be a problem by the largest proportion (31%) of residents in Waltham Forest followed by teenagers hanging around on the streets (24%) and road and pavement repairs (23%).

Figure 34

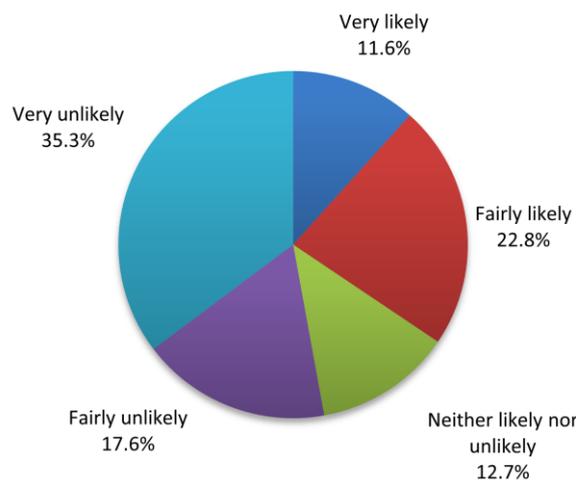
Problems in the Local Area – Proportion that stated it was a very or fairly big problem. (Source: Waltham Forest Household Survey 2011)



5.45 Just over a third (34%) of residents in Waltham Forest felt that it was likely that the 2012 Olympic and Paralympic Games would improve the local area in the future, however over half (53%) felt it is unlikely including over a third (35%) who felt it was very unlikely. Therefore, there is not a high level of optimism that the Olympics will improve Waltham Forest. This is important for the future because, as discussed later in this report, many higher income households are seeking to leave Waltham Forest because they do not like the area.

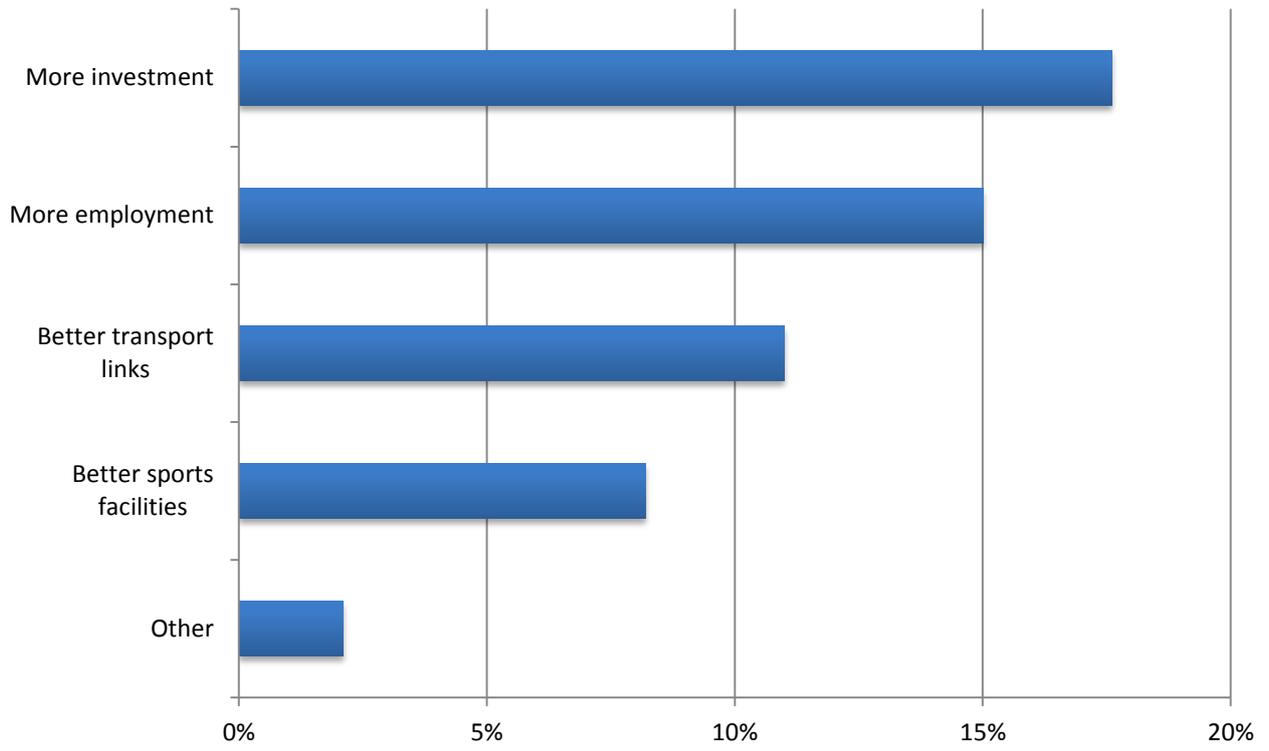
Figure 35

Likelihood that the 2012 Olympic and Paralympic Games will Improve the Local area in the Future (Waltham Forest Household Survey 2011)



5.46 Households were also asked why they thought the Olympics will improve the local area, with almost 18% of all households (60% of those who thought there would be an improvement) believing there would be more investment in the area, while 15% felt there would be more employment. Other reasons given included better roads and regeneration/more attractive area.

Figure 36  
Why the Olympics will Improve the Local Area (Source: Waltham Forest Household Survey 2011)



## 6. Existing Housing Stock

### Characteristics, Condition and Tenure

- 6.1 The general character of the existing housing stock is important in understanding the type of housing available to residents of an area and the relationship that dwelling type, age and location has on dwelling condition. The mix of property type available will have a bearing on home-owners' choices in terms of accommodation and the type of investment properties available to landlords and therefore also in the make-up of the population.
- 6.2 The following analysis examines a number of general physical characteristics of the stock before exploring the relationship between dwelling characteristics and the condition of housing across the borough.

#### Property Type

- 6.3 Figure 37 shows the mix of existing properties in Waltham Forest in terms of property type. Across the whole of the borough, almost two thirds (64%) are houses as opposed to flats, over 15% are purpose built flats, almost 16% are a part of a converted dwelling, and 5% are houses in multiple occupation (HMOs).
- 6.4 The stock of housing in Waltham Forest has changed considerably in recent years, with a significant growth in the private rented sector, which has seen strong growth in HMOs and converted dwellings. The number of households occupying whole houses has fallen, with more houses being occupied by groups of adults. This is discussed in more detail below.

Figure 37

Building use profile Waltham Forest and England (Source: House Condition Survey 2011 and EHS 2009)

Dwelling use	Dwellings	Per cent	EHS 2009
House	49,070	63.8%	85.4%
Purpose Built Flat	11,860	15.4%	8.6%
Converted Flat	6,620	8.6%	3.0%
Converted Flat (section 257)	5,430	7.1%	0.5%
HMO	3,470	4.5%	2.0%
Licensable HMO	440	0.6%	0.5%
<b>Total</b>	<b>76,900</b>	<b>100%</b>	<b>100%</b>

- 6.5 When considering dwelling size, Figure 38 shows that over two thirds have two or three bedrooms. Only 10% have four or more bedrooms, compared to 19% containing only one bedroom.
- 6.6 Figure 39 and Figure 40 show how property size (total number of rooms) has changed between 2001 and 2011. It is clear that the number of smaller properties, particularly those with only one or two rooms, has increased while the proportion of larger homes has decreased. This is further evidence that larger properties have been sub-divided into smaller flats and bedsits, which in turn has allowed more households to live in the existing dwelling stock of Waltham Forest. This process has allowed housing requirements to be addressed in the borough, but it may also be associated with a deterioration in living conditions.

Figure 38  
Number of Bedrooms (Source: Waltham Forest Household Survey 2011)

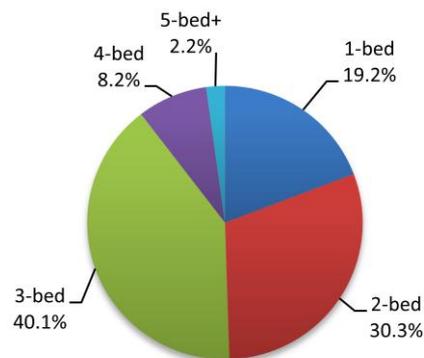


Figure 39  
Number of Rooms 2001 (Source: Census 2001)

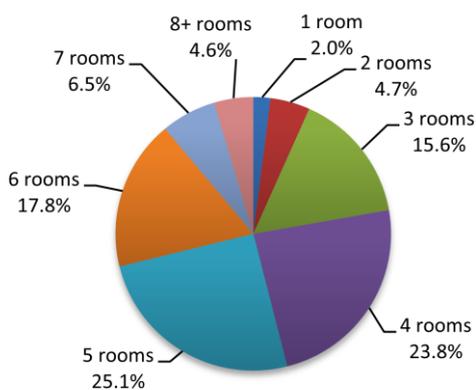
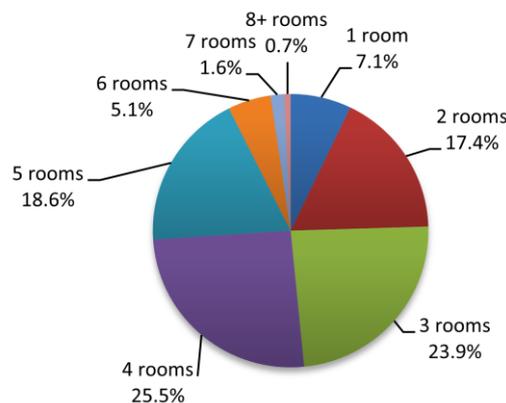


Figure 40  
Number of Rooms 2011 (Source: Waltham Forest Household Survey 2011)



### Age of Stock

- 6.7 In terms of age, around 13% of the households interviewed estimated that their property was built after 1980, with a further 14% estimating a build date of 1945-1979. 49% of the stock predates 1919, with an estimated 24.5% having a build date of 1919-1945. Therefore almost three quarters of the housing stock of Waltham Forest was built before 1945. As the English Condition Survey indicates, the pre 1945 dwellings are more likely to be larger than their more modern equivalents, but older dwellings are more prone to having physical defects. It is also the case that many older homes were larger than more recent dwellings and therefore more suited to conversion to HMOs.

6.8 Figure 41 shows that 75% of the stock of houses was built before 1945. However, over 50% of the purpose built flats were built after 1945 and 17% were built after 1980.

6.9 The converted properties are dominated by properties built before 1945 with around 83% built before 1919. Therefore, it is clear that many older properties in Waltham Forest have been sub-divided to form smaller units. It is also of note that there are still a large number of older houses in Waltham Forest which in turn may be suitable for conversion, therefore there does not appear to be a natural cap on this process.

Figure 41  
Property Age (Source: Waltham Forest Household Survey 2011)

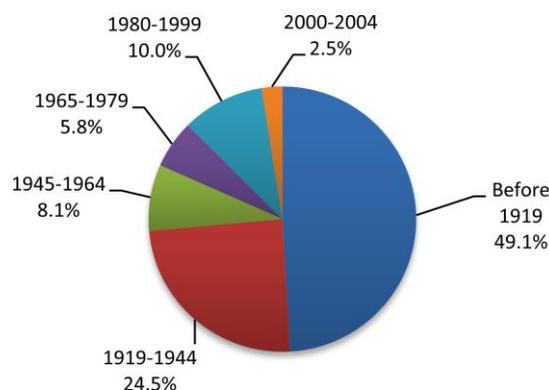


Figure 42  
Property Age by Property Type (Source: Waltham Forest Household Survey 2011)

Dwelling Type	Before 1919	1919-1945	1945-1964	1965-1979	1980-1999	2000 or later
Whole house/bungalow	19,921	13,385	2,737	2,464	4,544	1,239
Converted property	6,183	605	211	32	283	140
Purpose-built flat	3,103	766	1,939	1,009	1,206	140
<b>Waltham Forest Total</b>	<b>29,609</b>	<b>14,756</b>	<b>4,887</b>	<b>3,505</b>	<b>6,033</b>	<b>1,519</b>

Figure 43  
Tenure by Property Type (Source: Waltham Forest Household Survey 2011)

Dwelling Type	Owned with a mortgage	Owned outright	Social rent	Private rent
Whole house/bungalow	19,237	18,378	9,466	13,724
Converted property	1,777	508	2,558	12,122
Purpose-built flat	2,707	1,438	9,035	5,280
<b>Waltham Forest Total</b>	<b>23,975</b>	<b>20,324</b>	<b>21,129</b>	<b>31,647</b>

6.10 Figure 44 shows how satisfaction with home varies by tenure. It is clear that those who own outright are most likely to be very satisfied (74%) whilst those in private rent are least likely to be very satisfied (47%). However, those living in social rent are the most likely to be dissatisfied (14%).

Figure 44  
Satisfaction with Home by Tenure (Source: Waltham Forest Household Survey 2011)

Tenure	Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied
Owned with a mortgage or loan	14,293	7,803	1,104	691	300
Owned outright	15,104	3,880	428	745	252
Social rent	11,512	5,274	1,462	1,437	1,480
Private rent	14,949	10,905	2,850	2,288	655
<b>Waltham Forest Total</b>	<b>55,858</b>	<b>27,862</b>	<b>5,844</b>	<b>5,161</b>	<b>2,687</b>

## Problems with Condition of Stock

- 6.11 A full private sector condition survey was undertaken for Waltham Forest by ORS in March and April 2011. Full details for the condition of the private and registered provider stock for Waltham Forest can be found in the report associated with that study. For this study we have added new maps of data gathered from the Private Sector Stock Condition Survey.

## The Decent Homes Standard

- 6.12 It is Government policy that everyone should have the opportunity of living in a “decent home”. The Decent Homes Standard contains four broad criteria that a property should:
- A - be above the legal minimum standard for housing, and
  - B - be in a reasonable state of repair, and
  - C - have reasonably modern facilities (such as kitchens and bathrooms) and services, and
  - D - provide a reasonable degree of thermal comfort (effective insulation and efficient heating).
- 6.13 If a dwelling fails any one of these criteria it is considered to be “non-decent”.
- 6.14 The legal minimum standard for housing is measured through a Hazard Rating System which covers 29 hazards across 4 main categories outlined below.
- Physiological Requirements (e.g. damp & mould growth, excess cold, asbestos, carbon monoxide, radon, etc.)
  - Psychological Requirements (crowding and space, entry by intruders, lighting, noise)
  - Protection Against Infection (domestic hygiene, food safety, personal hygiene, water supply)
  - Protection Against Accidents (e.g. falls on the level, on stairs & steps & between levels, electrics, fire, collision).
- 6.15 The primary hazard failures observed in Waltham Forest were excess cold, falling on level surfaces and falls on stairs.
- 6.16 Figure 45 overleaf shows Category 1 hazard failures as a percentage of the stock and Figure 46 shows the percentage of dwellings which fail to meet the Decent Homes Standard across the study area. In total, 33.5% of all private sector dwellings are considered to be non-decent. As a comparison 35.3% of all

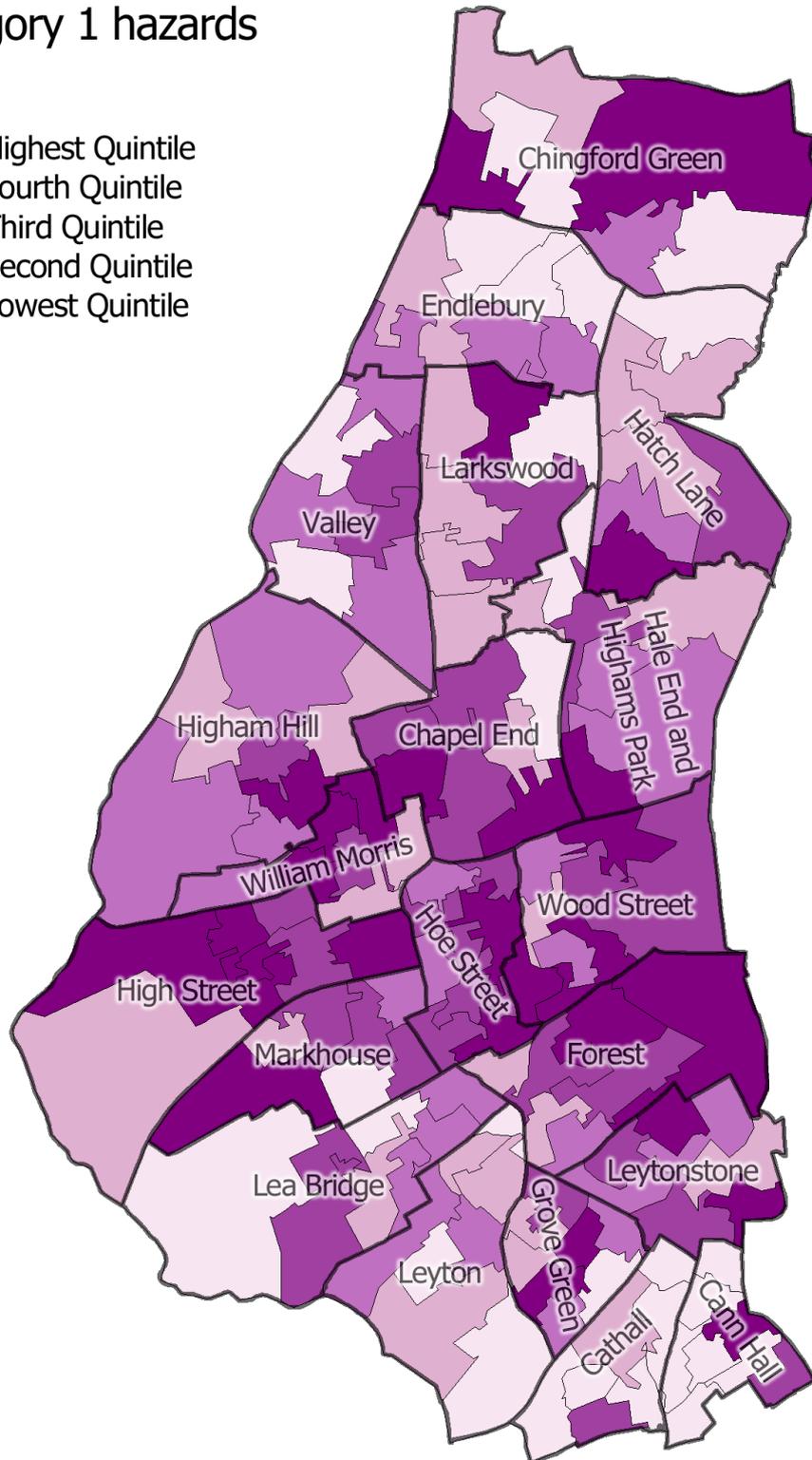
dwelling in England were assessed as being non-decent by the Survey of English Housing in 2006. Therefore, while there are many problems in the private stock of Waltham Forest, these problems are not exceptional by national standards.

Figure 45

Category 1 Hazard Failure by Area: (Source: Waltham Forest Private Sector Stock Condition Survey 2011)

## Category 1 hazards

- Highest Quintile
- Fourth Quintile
- Third Quintile
- Second Quintile
- Lowest Quintile





## Energy Performance

- <sup>6.17</sup> The Standard Assessment Procedure or SAP is a government rating for energy efficiency. It is expressed on a 0-100 scale. The higher the number the better the energy rating for that dwelling. Figure 47 shows the percentage of dwellings with inadequate thermal comfort by area and Figure 48 shows the percentage of stock which has a SAP of less than 35 by area.

Figure 47  
Inadequate Thermal Comfort by Area: (Source: Waltham Forest Private Sector Stock Condition Survey 2011)

### Inadequate thermal comfort

- Highest Quintile
- Fourth Quintile
- Third Quintile
- Second Quintile
- Lowest Quintile

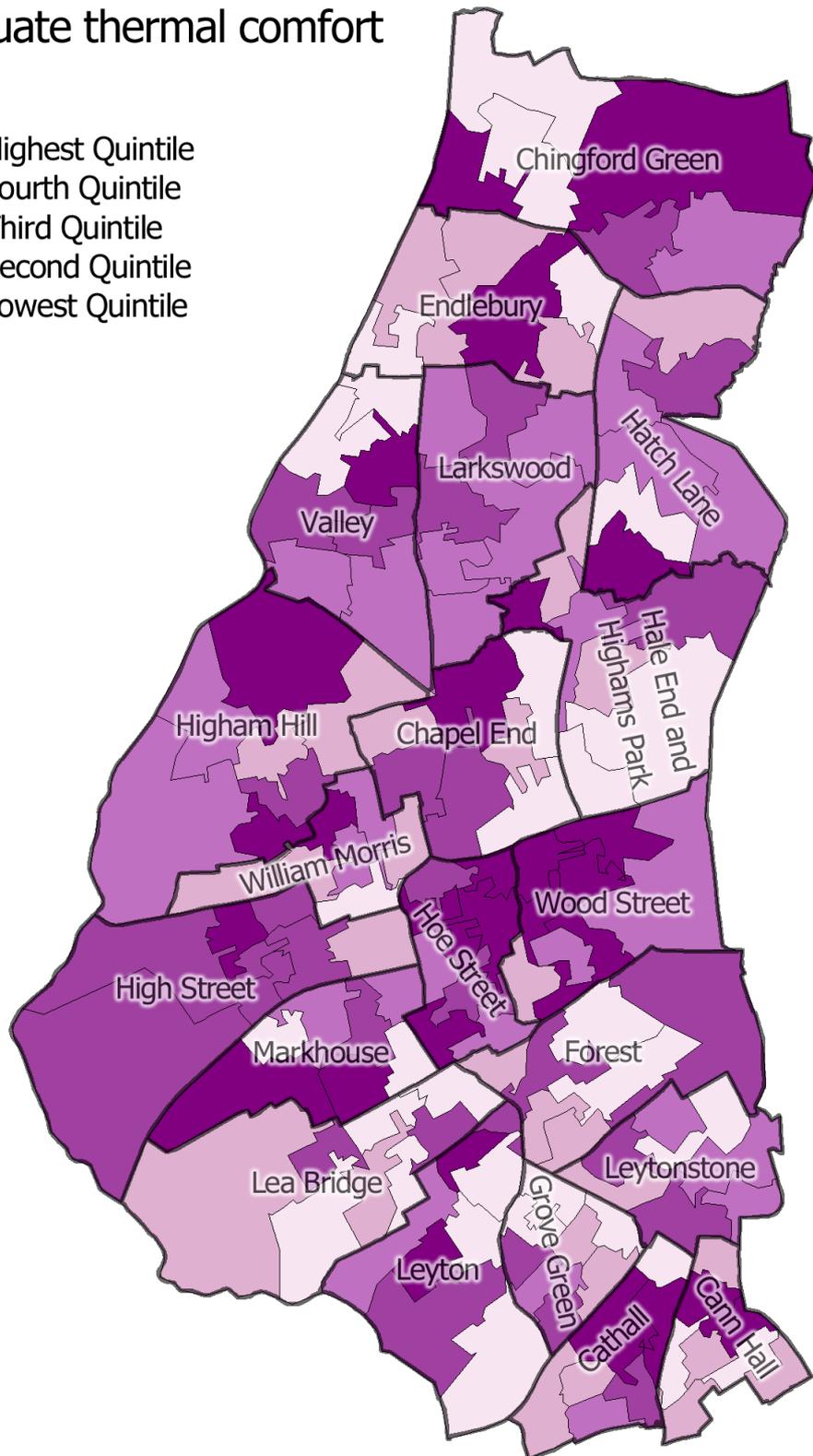
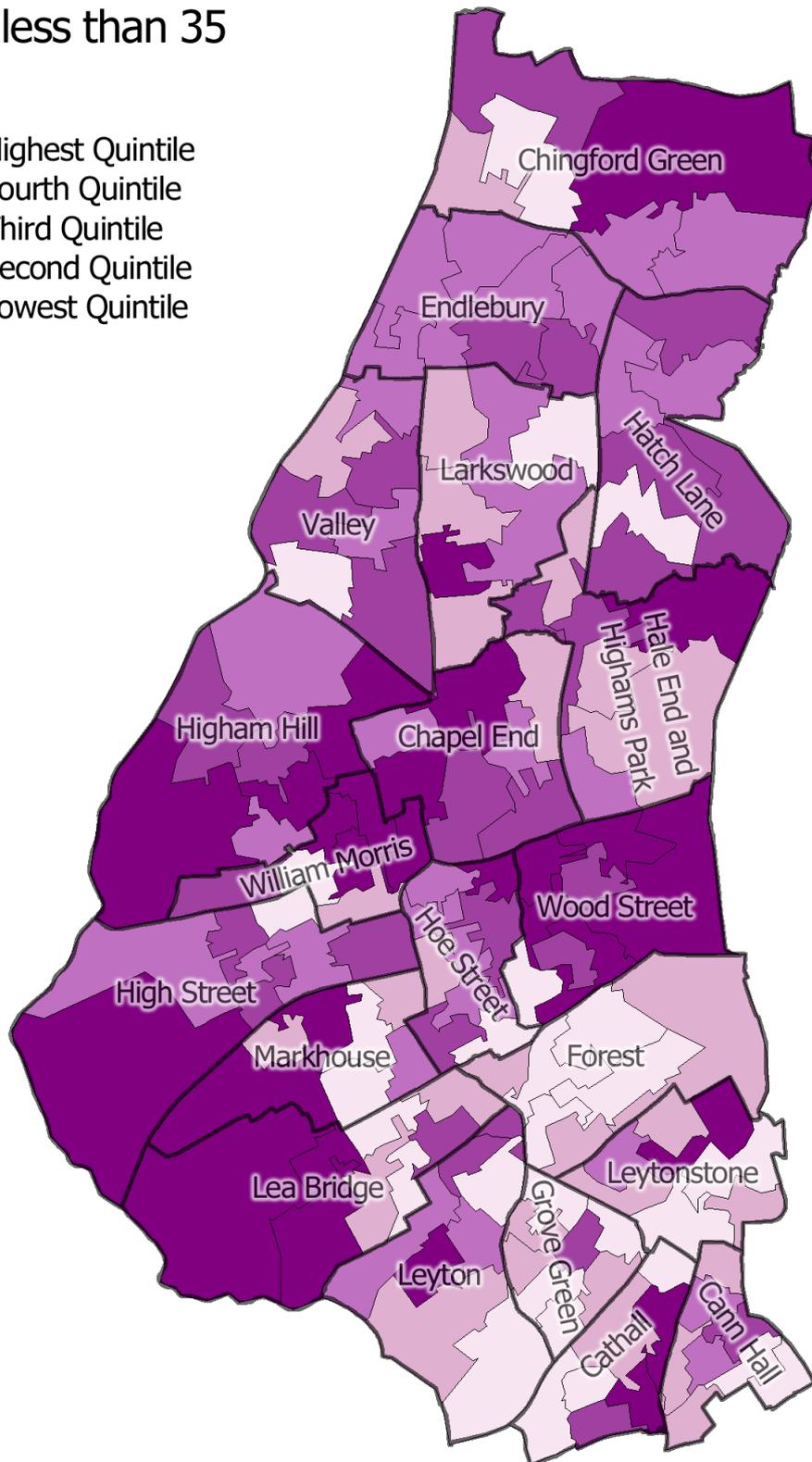


Figure 48  
SAP of Less than 35 by Area Source: Waltham Forest Private Sector Stock Condition Survey 2011)

### SAP less than 35

- Highest Quintile
- Fourth Quintile
- Third Quintile
- Second Quintile
- Lowest Quintile



## Housing Tenure

- 6.18 Figure 49 shows the proportion of dwellings in each of the local authorities in London that were classified as social rented housing in 2010.
- 6.19 At around 22% Waltham Forest has a typical proportion of social rented housing for London average (23%).

Figure 49  
Proportions of Social Rented Housing in London by Borough 2010  
(Source: Housing Strategy Statistical Appendix, DCLG)

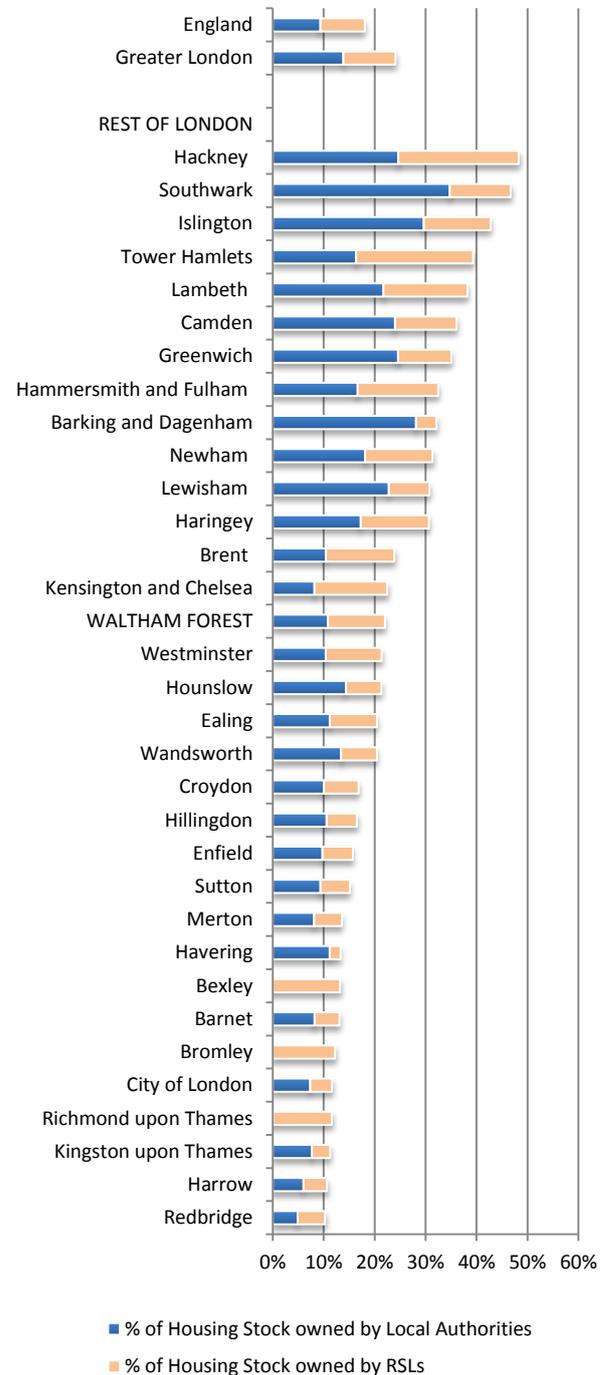
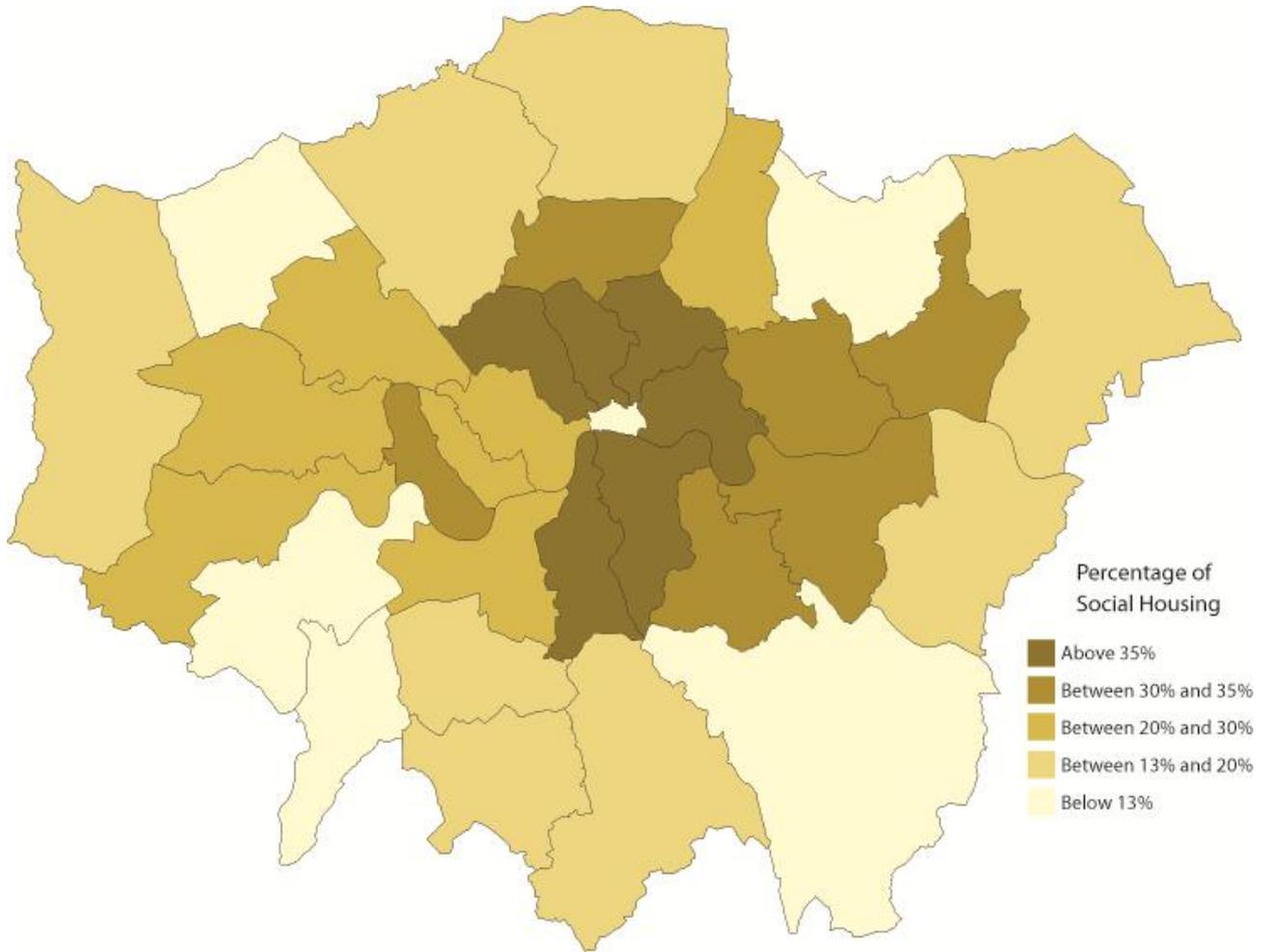


Figure 50  
Proportions of Social Rented Housing in London by Borough 2010 (Source: Housing Strategy Statistical Appendix, DCLG)



## Tenure Change in Waltham Forest

- 6.20 One of the most important findings of the Waltham Forest Private Sector Housing Stock Condition Survey is the change in housing tenure which has occurred in the borough. Figure 51 shows that the privately rented sector makes up 32% of all residential dwellings. This has increased from just under 18% at the time of the 2001 Census, representing a growth of around 6.5% per annum since 2001. The growth in the private rented sector is consistent with evidence from the English Housing Survey which has found a very strong growth in the private rented sector in London as a whole each year since 2001.

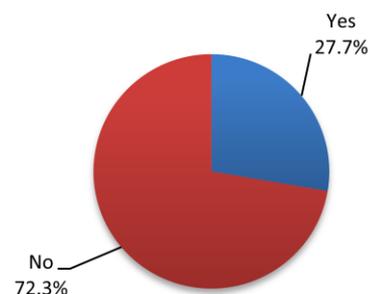
Figure 51  
Tenure proportions (Source: 2011 House Condition Survey)

Tenure	Dwellings	Per cent
Owner occupied	45,090	46%
Privately Rented	31,810	32%
<b>Private Sector Stock</b>	<b>76,900</b>	<b>78%</b>
Housing Association (RSL)	10,860	11%
Local Authority	10,420	11%
<b>Social Housing</b>	<b>21,280</b>	<b>22%</b>
<b>All Tenures</b>	<b>98,180</b>	<b>100%</b>

## Households Wanting to Move

- 6.21 One of the key factors which will influence how the Waltham Forest housing market develops in the future is the number of current households who are seeking to move. Where these households want to move to, and the type and tenure of dwellings they are seeking will influence the requirement for the future provision of housing in the Borough. Households seeking to move will also leave their existing dwellings behind to form part of the future supply which will help to meet other households' requirements within Waltham Forest.

Figure 52  
Households who are Seeking to Move (Source: Waltham Forest Household survey 2011)

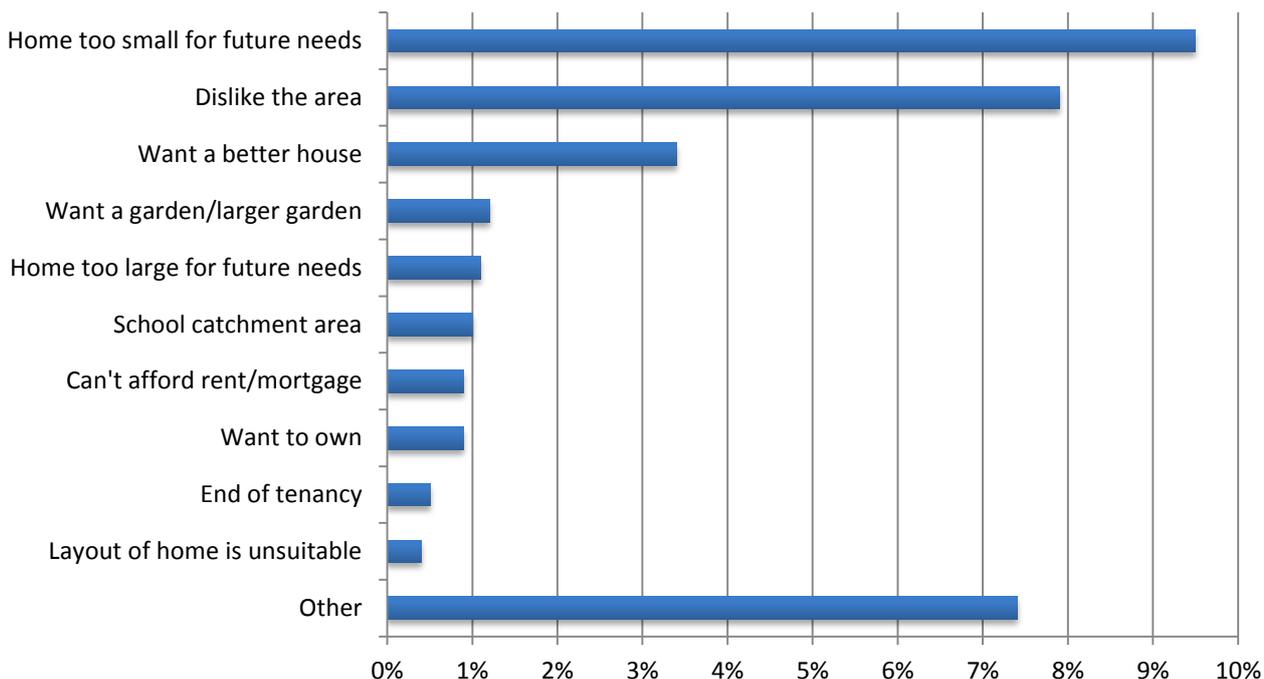


- 6.22 From the household survey, 28% of respondents across Waltham Forest reported that they wanted to move, with the remaining 72% being content to remain in their current property.
- 6.23 Figure 53 (overleaf) shows the main reasons given for wanting to move. It should be noted that respondents were allowed to offer multiple reasons for why they wish to move from their current home.
- 6.24 Almost 10% of all households currently living in Waltham Forest want to move because their current home is too small for their future needs, while almost 8% want to move because they dislike the area and over 3% want a better house. These results imply that households feeling overcrowded and seeking a larger dwelling is a key factor which is likely to drive the housing market of Waltham Forest.

6.25 The most pressing of these issues for Waltham Forest is likely to be the number of households seeking to move because they dislike the area. It is common for many areas to see households want to move to bigger dwellings and the observed growth in converted dwellings and smaller living spaces for households is likely to be a driver behind this result. However, the figure for household wishing to move because they dislike the area is exceptionally high and indicates a significant level of dissatisfaction.

Figure 53

Why Want to Move (Source: Waltham Forest Household Survey 2011) Note: Figures do not sum to 100 as respondents were allowed to give multiple reasons.



6.26 Less than 5% of all households felt that the 2012 Olympic and Paralympic Games influenced their decision about staying in the area.

Figure 54

Has the 2012 Olympic and Paralympic Games influenced your decision about staying in the area ? (Waltham Forest Household Survey 2011)

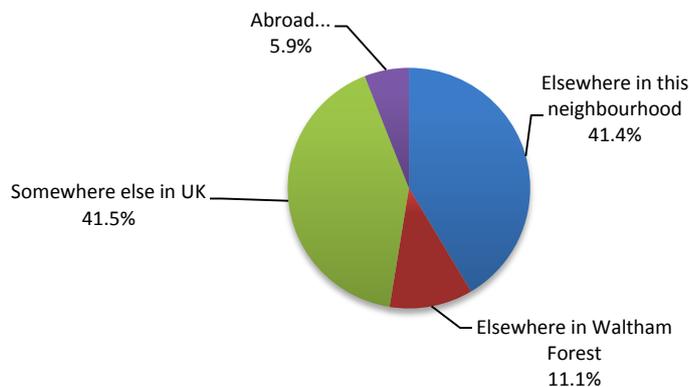


6.27 Figure 55 shows that of those who are expecting to move:

- » 41% expect to remain in the same neighbourhood;
- » 11% expect to move to other areas of Waltham Forest; and
- » 42% expect to move to another part of London or elsewhere in the UK.

6.28 Therefore, it does not appear that all households are seeking to leave the area. Instead, many expect to move within the area and of those who expect to leave many are seeking better housing rather than wanting to move because they dislike the area. However, while many households do not expect to move across local authority boundaries, in practice it is likely that the need to find suitable affordable housing will lead to more households moving to neighbouring boroughs.

Figure 55  
Expected Destination (Source: Waltham Forest Household Survey 2011)

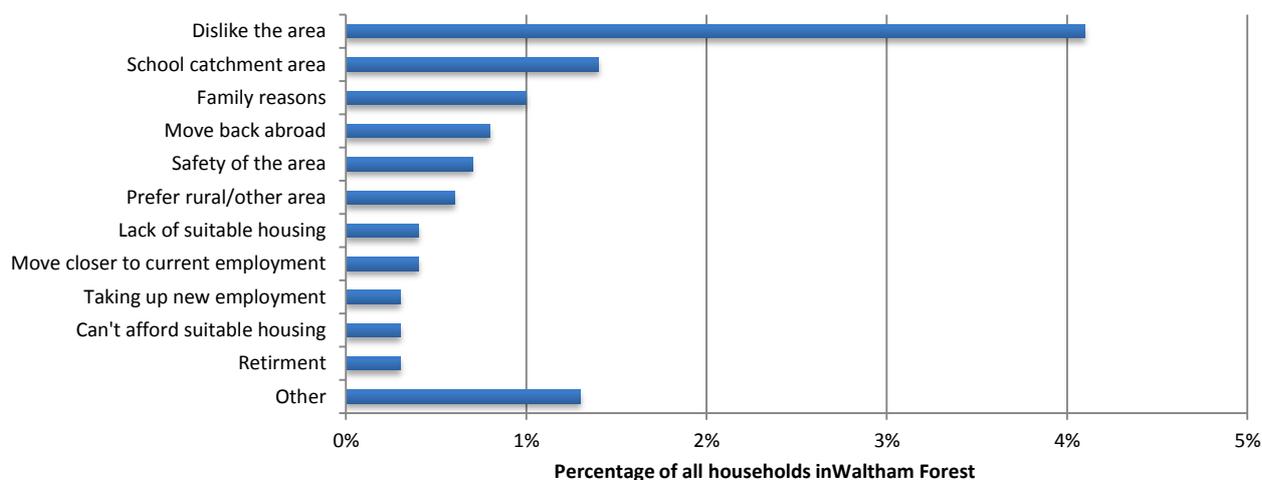


### Reasons for Wanting to Move

6.29 Figure 56 documents the reasons given for wanting to move by those households who expect to leave the borough as a percentage of all households in Waltham Forest. It is clear that negative perceptions of Waltham Forest are an important factor in households seeking to leave the borough with factors such as disliking the area, the safety of the area and lack of suitable housing being important. It is also noticeable that issues such as school catchment areas are important when we only analyse those seeking to leave the borough. Therefore, an improvement in local schools could be seen to reduce the number of households seeking to leave the borough.

Figure 56

Why Want to Move for Households Leaving Waltham Forest (Source: Waltham Forest Household Survey 2011)



6.30 Figure 57 shows how income varies for those who plan to move locally and those who plan to move further afield. It can be seen that those who expect to stay either in the local area or within Waltham Forest are more likely to have a lower income while those who plan to move to another part of the UK have the highest levels of income.

Figure 57

Income by Expected Location of Move (Source: Waltham Forest Household Survey 2011)

Income Band	Another town, village or city in the UK				
	In this local area	Elsewhere in Waltham Forest	Abroad	Waltham Forest	Waltham Forest
Less than £5,000	8.0%	11.2%	6.4%	8.3%	7.7%
£5,000-£10,000	17.6%	19.9%	6.7%	13.0%	13.0%
£10,000-£15,000	12.6%	14.5%	7.6%	0.0%	10.0%
£15,000-£20,000	17.8%	6.8%	12.8%	24.8%	14.9%
£20,000-£30,000	20.3%	8.8%	16.9%	23.8%	17.9%
£30,000-£40,000	10.1%	8.7%	15.5%	8.0%	12.1%
£40,000-£60,000	11.0%	14.2%	15.3%	8.0%	13.0%
£60,000 or more	2.7%	15.8%	18.9%	14.2%	11.4%
Total	100%	100%	100%	100%	100%

6.31 Figure 58 shows how tenure varies for those who plan to move locally and those who plan to move further afield. It can be seen that a higher proportion of those who plan to move to another part of the UK own their home with a mortgage (40%) when compared to those who plan to move within Waltham Forest (30%) or within the local area (10%) which indicates that households who own their home with a mortgage are more able or have more of a desire to move further afield.

6.32 Therefore, in summary, a disproportionate number of households who are seeking to leave Waltham Forest are owner occupiers with relatively high incomes. Meanwhile those who are seeking to move within Waltham Forest are more likely to be lower income households in private and social rent.

Figure 58  
Tenure by Expected Location of Move (Source: Waltham Forest Household Survey 2011)

Tenure	In this local area		Elsewhere in Waltham Forest		Another town, village or city in the UK		Abroad		Waltham Forest	
Owned with a mortgage	9.0%		29.5%		40.0%		18.2%		24.7%	
Owned outright	3.0%		5.4%		14.6%		13.0%		8.7%	
Social rent	23.3%		38.1%		14.0%		0.0%		19.7%	
Private rent	64.7%		26.9%		31.4%		68.7%		46.9%	
<b>Total</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>	

## Households Who Have Moved

- 6.33 Figure 59 shows over 35% of those who have recently moved did so within Waltham Forest, including almost 20% who moved within the local area. Those who have lived in their current home for between 2 and 3 years are more likely to have moved within Waltham Forest than those who have moved more recently, indicating that more people are now moving in from further afield.

Figure 59  
Location of Previous Home by length of time at Current Home (Source: Waltham Forest Household Survey 2011)

Previous Address	Less than 12 months		12 months but less than 2 years		2 years but less than 3 years		Waltham Forest	
<b>In this local area</b>	12.5%		25.7%		24.1%		18.7%	
<b>Elsewhere in Waltham Forest</b>	14.3%		9.1%		34.7%		17.1%	
<b>Another town, village or city in the UK</b>	50.8%		29.8%		24.1%		39.2%	
<b>Abroad</b>	22.5%		35.4%		17.2%		25.0%	
<b>Total</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>	

- 6.34 Around 60% of those who have moved within the last 3 years were previously living in the private rented sector; this increases to 65% for those who have moved within the last 12 months. The chart can be seen to starkly illustrate that a high proportion of recent moves have occurred in the private rented sector.

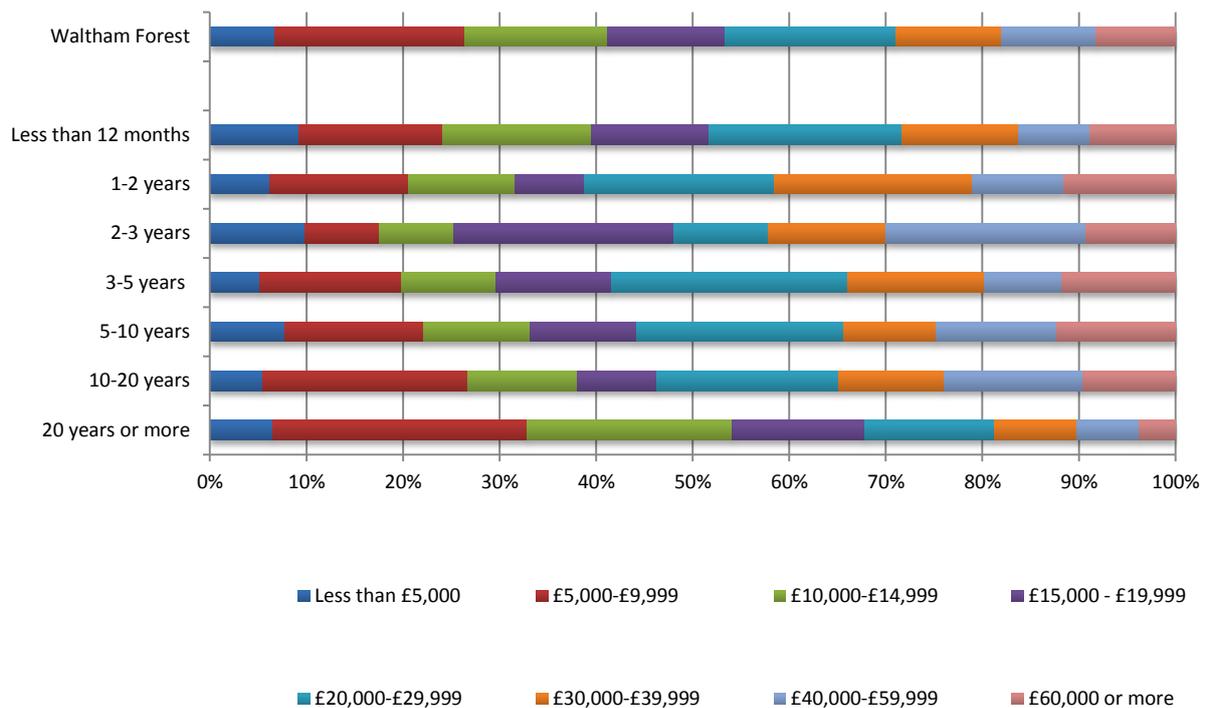
Figure 60  
Tenure of Previous Home by length of time at Current Home (Source: Waltham Forest Household Survey 2011)

Previous Address	Less than 12 months		12 months but less than 2 years		2 years but less than 3 years		Waltham Forest	
Owned with a mortgage	9.2%		10.3%		11.7%		10.1%	
Owned outright	0.9%		3.1%		4.3%		2.3%	
Social rent	6.4%		11.9%		9.6%		8.7%	
Private rent	65.3%		52.4%		59.6%		60.3%	
Rented room in lodgings	2.4%		0.0%		1.2%		1.4%	
Living with parents	6.2%		12.2%		4.8%		7.5%	
Living with other friends or family	8.1%		7.6%		6.1%		7.5%	
Other	1.6%		2.5%		2.8%		2.2%	
<b>Total</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>	

- 6.35 Figure 61 compares income levels by the length of time the household has been living in the area. Income does not appear to vary greatly between the groups, however those who have lived in the area for longer, particularly 20 or more years, have the lowest levels of income suggesting that perhaps these households are unable to move out of the area.

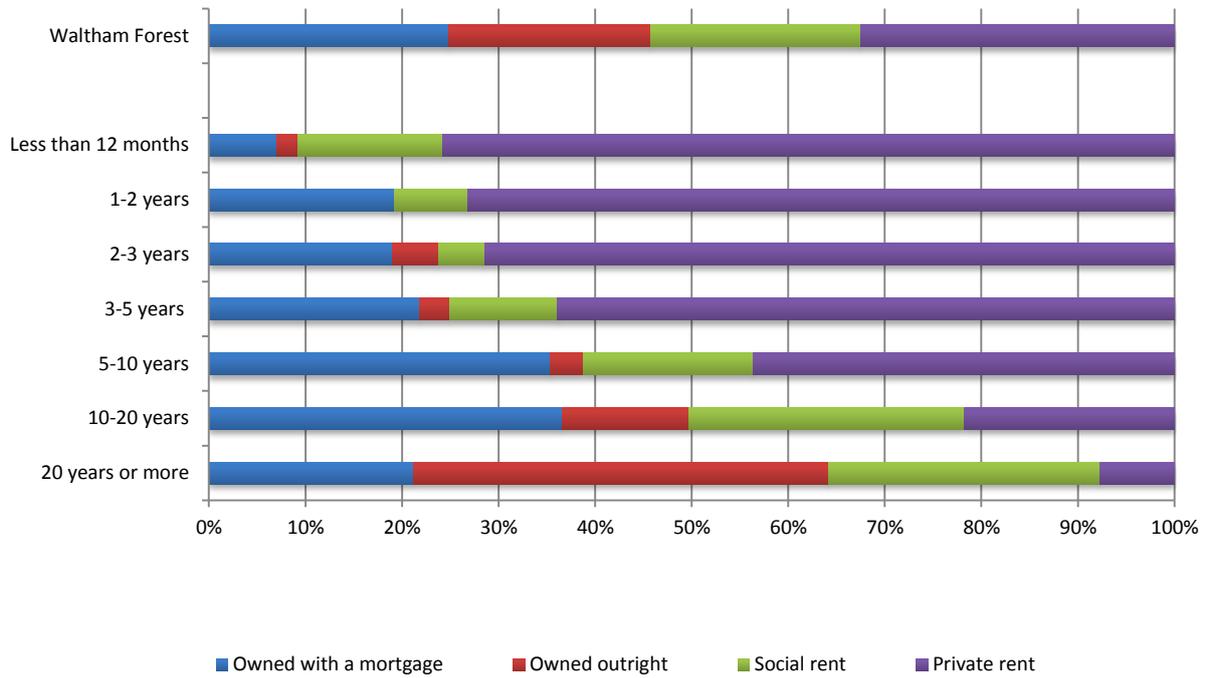
Figure 61

Income by Length of Time Living in the Area (Source: Waltham Forest Household Survey 2011)



- 6.36 In terms of tenure. It can clearly be seen in Figure 62 that households who have moved into the area more recently are more likely to be living in privately rented accommodation while a higher proportion of those who have lived in the area for 5 or more years own their home with a mortgage. Those who have lived in the area for 20 or more years are most likely to own outright.
- 6.37 This result should be contrasted with the findings for households who want to move out of the borough who are more likely to have higher incomes. Therefore, the net impact of changes in the composition of households in Waltham Forest due to migration is likely to be a reduction in the average household income in the borough.

Figure 62  
 Tenure by Length of Time Living in the Area (Source: Waltham Forest Household Survey 2011)



# 7. House Prices and Affordability

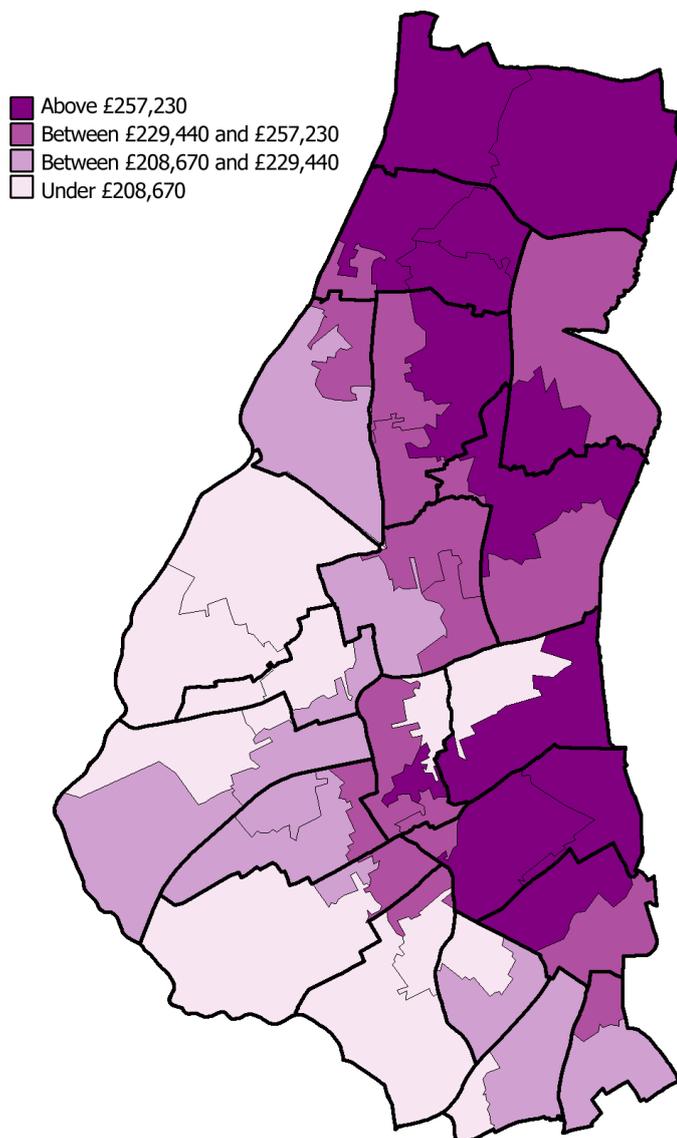
## House Prices, Volume of Sales, Housing Benefit

### Property Prices and Affordability

<sup>7.1</sup> Figure 63 shows how house price vary across Waltham Forest. While there is a clear north/east and south/west split, the overall range of house prices is not that high between expensive and lower priced areas.

Figure 63

Average Price of Properties Sold. April 2010-March 2011 (Source: HM Land Registry)



7.2 Figure 64 shows the average property prices in Waltham Forest as a whole. Between 2000 and 2011, the average property price in the area rose by 139.8%.

7.3 Figure 65 shows the ratio of median full time earnings to average house prices in Waltham Forest between 2006 and 2010 (earnings data pre-2006 is missing due to inaccuracies in the data). The figure clearly shows a worsening affordability trend up until 2007, but affordability has improved over recent years.

Figure 64  
Average Price of Properties Sold. Q4 2000-  
Q2 2011 (Source: HM Land Registry)

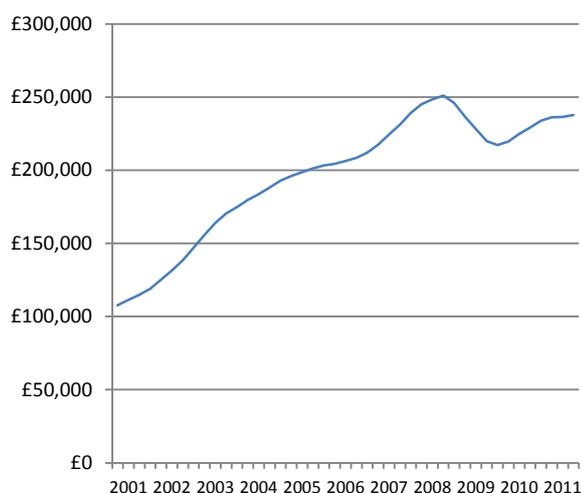
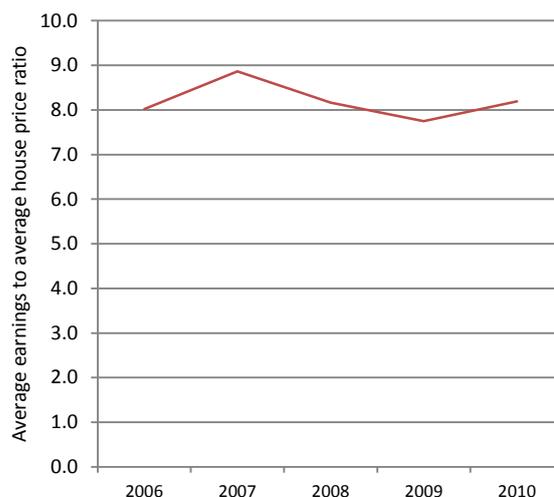


Figure 65  
Median Full-time Earnings to Average House Price Ratio for  
Properties Sold. (Source: ASHE and HM Land Registry)



7.4 Affordability for single first-time buyers has declined sharply since mid-2004 with currently only around 10% of all sales at less than £150,000 and 18% selling for over £300,000 (Figure 66 overleaf).

7.5 The impact of the recession and housing market downturn can be seen by considering market activity since peak. Over the year from July 2010 to June 2011, there were 2,179 property transactions across Waltham Forest of which 700 (8%) were below £150,000. The level of transactions in recent years has been much lower than in previous years, so while affordability had improved slightly, the number of dwelling sold for lower house prices fell when compared to 2009. It is also the case that at least some of the properties at the very lowest prices wouldn't be fit for habitation in their current state and would require significant investment to bring them up to an appropriate standard.

Figure 66  
Percentage of Houses Sold for Less Than Key Price Bands:  
Q1 2000-Q2 2011 (Source: HM Land Registry)

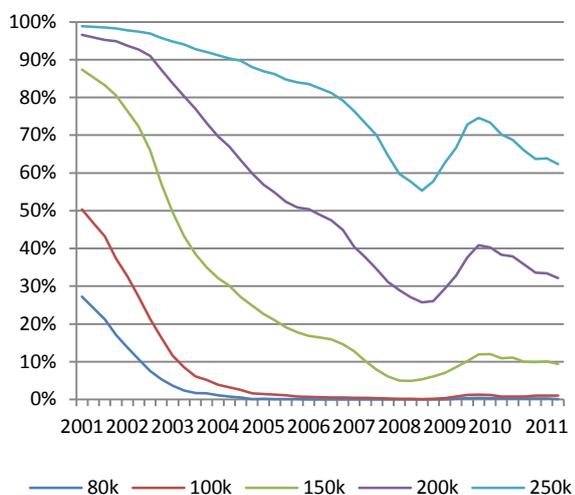
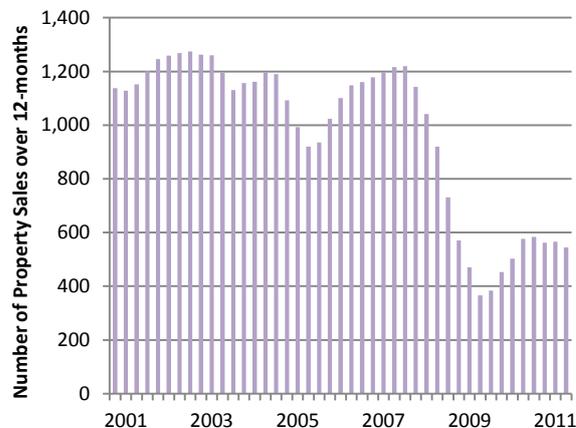


Figure 67  
Volume of Properties Sold: Q4 2000-Q2 2011 (Source: HM  
Land Registry. Note: Figures show rolling annual total based  
on quarterly data)



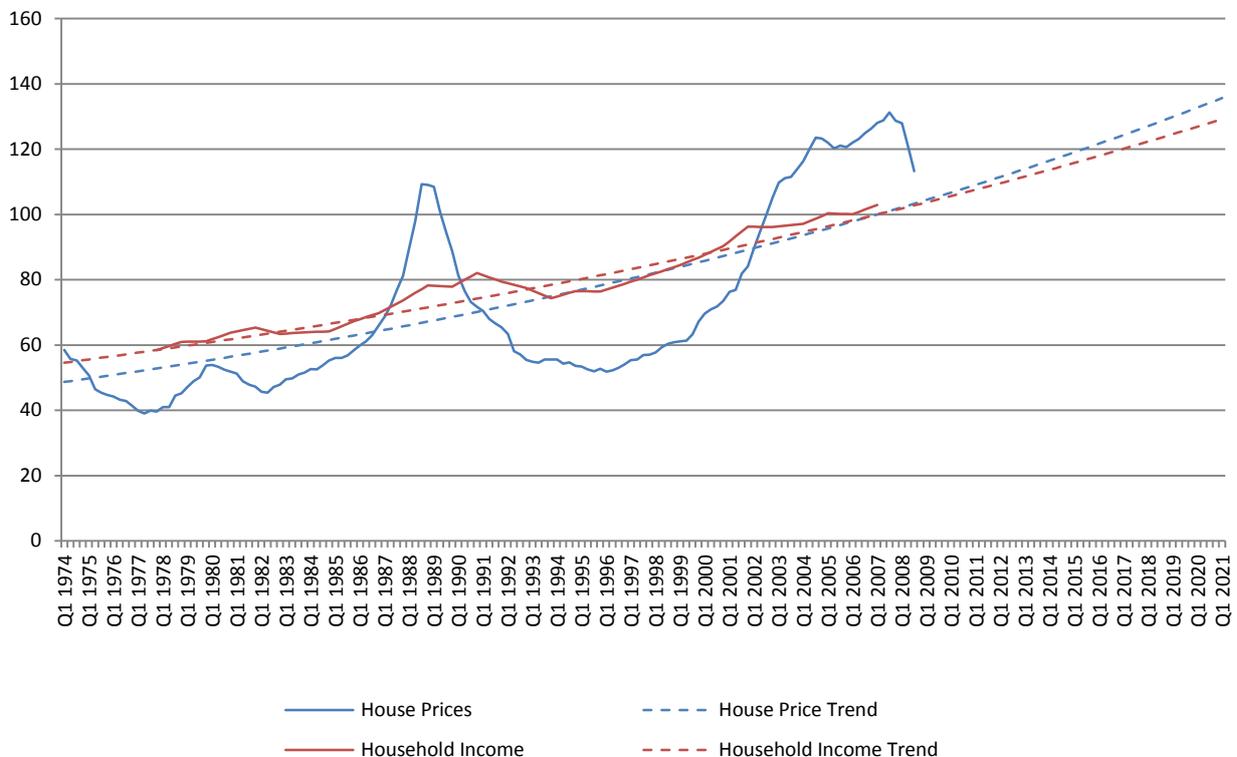
- 7.6 Since peak market in 2008, the housing market has been in downturn. House prices have reduced and sales volumes fallen. Commentators note weak availability of mortgages and weak buyer and seller confidence. As a consequence, first time and other buyers are unable to enter or re-enter the market. Commentators note that market confidence seems unlikely to return in the short term (one to three years).

### Longer-term Affordability trends

- 7.7 The SHMA analysis of housing requirements is based upon an estimate of long term house price and income trends. Figure 68 shows long-term trends in income and house price growth for England as a whole, with each having a base of 100 in the first quarter of 2007. This chart shows that income levels are less volatile than house prices, house price changes are cyclical and the long term trend is likely to be that house prices grow more quickly than incomes, reducing the affordability of housing.

Figure 68

Average House Price and Average Household Income Trends (Note: Long-term trends at Q1 2007 = 100. Source: Nationwide House Price Index, Seasonally Adjusted; Halifax House Price Index, Seasonally Adjusted; CLG Live Tables; Retail Price Index, ONS; Social Trends ONS, Regional Trends ONS)



## The Legacy of the Credit Crunch

- 7.8 The legacy of the credit crunch is currently unclear. Indications are that mortgage lending is likely to be constrained, and exclude sub-prime borrowers, for the short to medium term. This seems also likely to reduce the number of first time buyers entering the market.
- 7.9 The recession may accelerate other socio-economic factors in the market – the market in 2015, 2020 or 2030 is likely to be significantly different to that in 2011:
- » The pattern of employment shifting further toward labour mobility rather than long term permanent secure employment
  - » Fewer households with capital in the form of housing equity to help fund retirement
  - » Inadequate portable pension funds
  - » Possible changes in international migration and (at least in the short-term) reduced demand for cheap shared accommodation.
- 7.10 The nation's tenure balance may also change. Higher numbers of private rented stock (from existing and new build) seems likely and this may affect supply of homes for owner occupation.
- 7.11 The current, possibly short-medium term, slow-down in the delivery of new housing (especially market housing) during the recession will also have a long-term impact on the local delivery of housing, including affordable housing. This clearly poses a real challenge for Waltham Forest with many of the

potential solutions such as higher grant funding sitting outside the hands of the borough. However, there are a number of policies the borough could consider including:

- » Looking at the disposal of public land to registered providers and developers to stimulate development;
- » Re-evaluate existing Section 106 agreements on stalled sites to seek to bring them back online
- » Offer support to underwrite mortgages through a scheme such as the Local Authority Mortgage Scheme (LAMS).

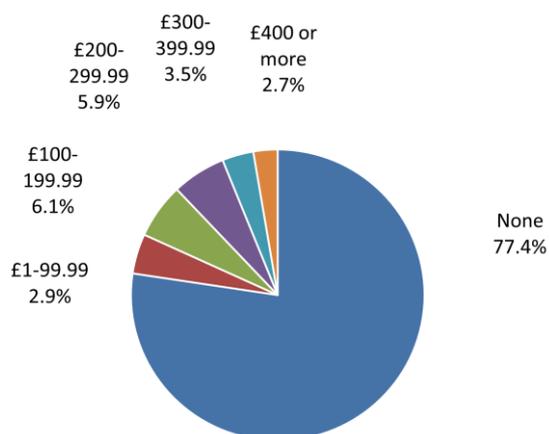
7.12 While potentially stimulating development all of these options would also have costs for Waltham Forest, so should not be seen as panaceas for problems with development in the borough.

## Housing Benefit

7.13 Figure 69 shows that over 77% of all new social rented tenants in Waltham Forest had no earnings from employment. This indicates that many of the new lettings are to households which are entirely dependent upon benefits. Almost 3% of new lettings were to households with net take-home earnings from work of over £400 per week. This is equivalent to a gross salary of around £20,000 per annum.

7.14 Many households in both the social and private rented sectors are able to claim support with rent costs in the form of housing benefit. The Department of Work and Pensions (DWP) publish quarterly statistics for Housing Benefit recipients.

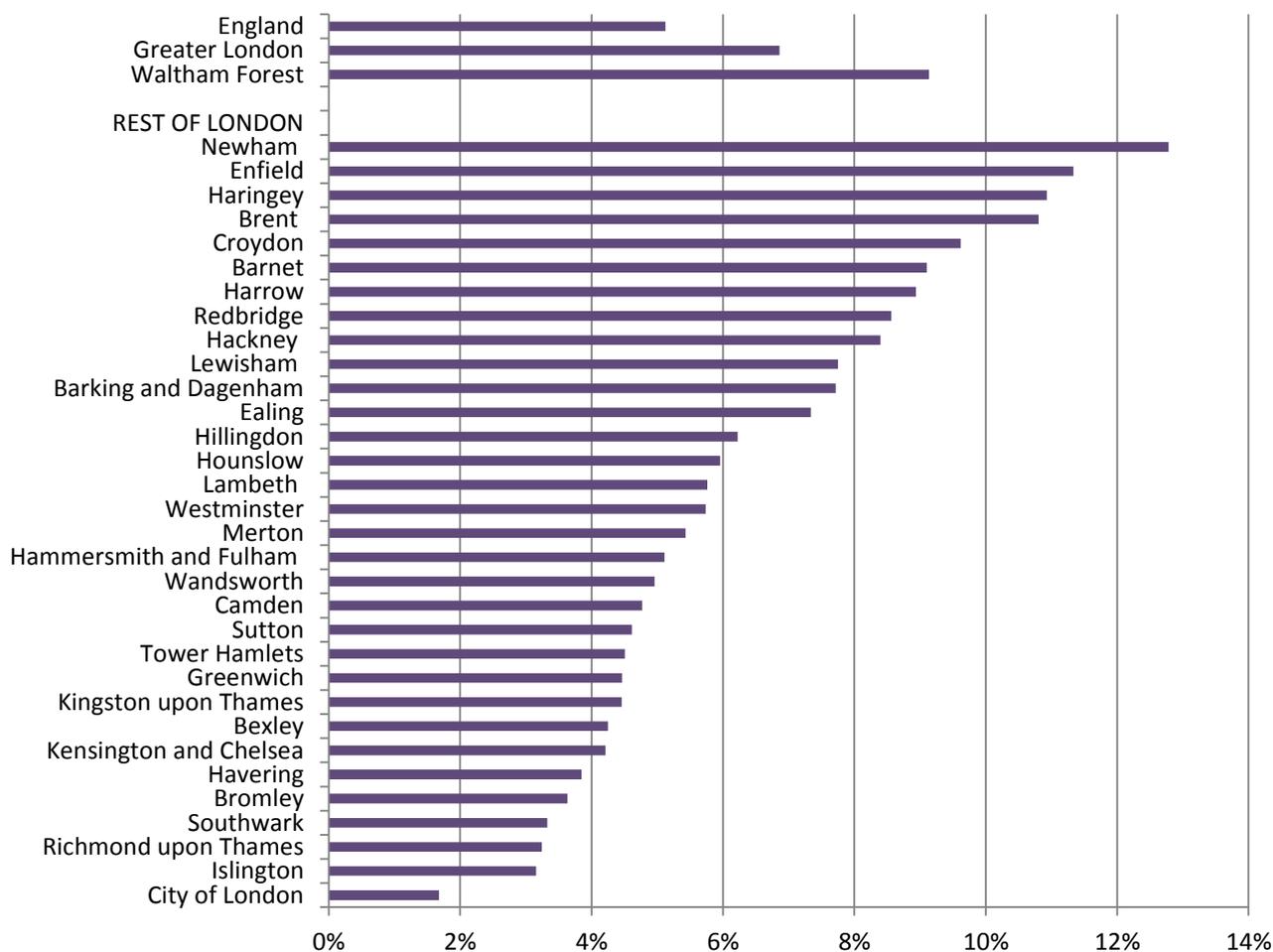
Figure 69  
Weekly Take-home Earnings of New Social Rented Tenants in Waltham Forest (Source: University of St Andrews CORE Records 2006-2009)



<sup>7.15</sup> Figure 70 shows that 9% of households in Waltham Forest claim housing benefit while living in the private rented sector, which is relatively high when compared to other London boroughs. While many households choose to live in private rented accommodation with housing benefit support, other households would prefer a social tenancy, but are unable to obtain one due to shortages in social rented stock. To reduce the number of households claiming housing benefit in the private rented sector, more affordable housing would need to be provided.

Figure 70

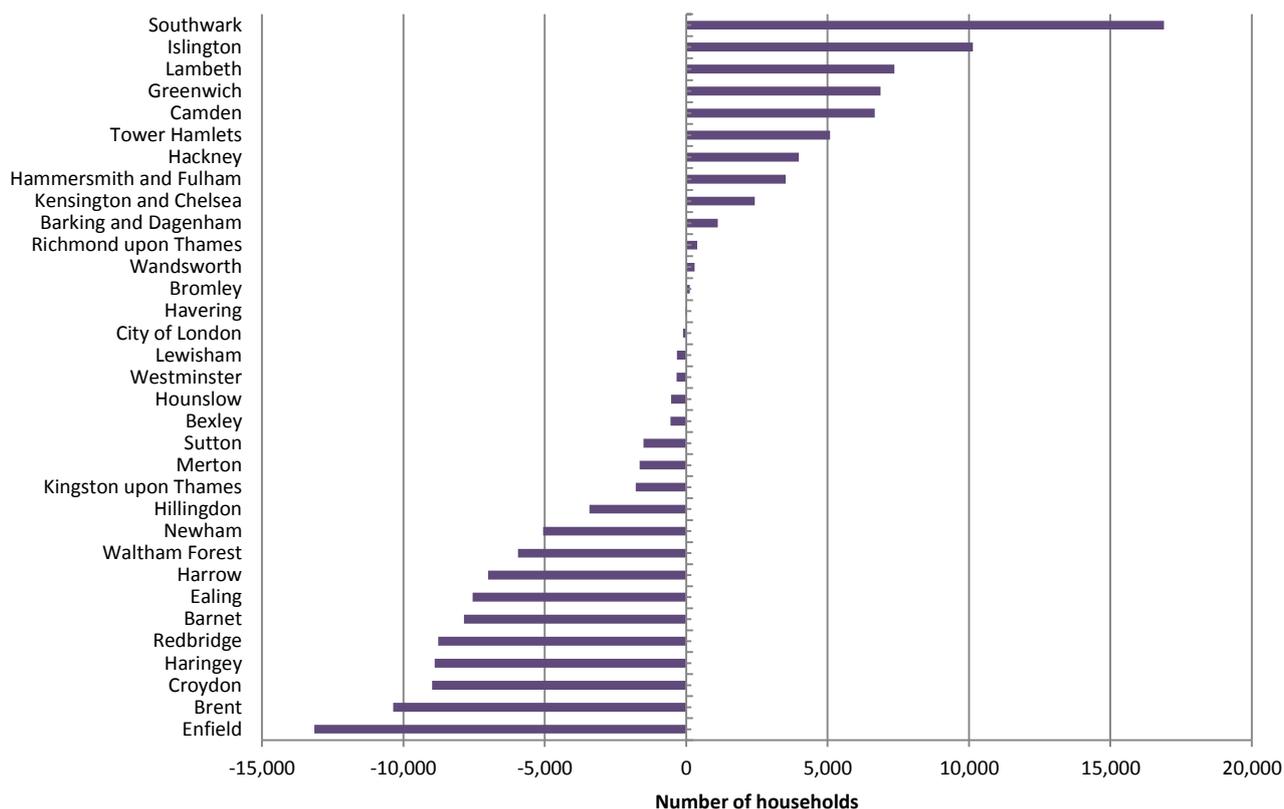
Housing Benefit in Private Rented Sector as a Share of Total Dwellings (Source: DWP and CLG Live Table 100)



7.16 Figure 71 illustrates an alternative way of looking at the issue. It shows the difference which exists between the number of social rented dwellings in the local authority, and the number of households claiming housing benefit. This shows that even if only households claiming housing benefit were to be housed in social rented dwellings there would be a shortfall of 6,000 dwellings.

Figure 71

Gap between Number of Social Rented Dwellings and Number of Local Housing Allowance/Housing Benefit Recipients by Local Authority (Source: CLG Live Table 100 March 2010; DWP Feb 2011)



## Changes to Social Housing Letting Policy and Local Housing Allowance in June 2010 Budget

7.17 The Coalition Government's first budget in June 2010 contained a number of proposed reforms to the local housing allowance. These included:

- » From April 2011, local housing allowance rates will be capped at £250 per week for a one bedroom property, £290 per week for a two bedroom property, £340 per week for a three bedroom property and £400 per week for four bedrooms or more.
- » From April 2011, local housing allowance rates will be set at the 30<sup>th</sup> percentile of local rents (previously the 50<sup>th</sup> percentile)
- » From 2013-14, local housing allowance rates will be uprated in line with CPI
- » Deductions for non-dependents will be uprated in April 2011 on the basis of prices. This will reverse the freeze in these rates since 2001-02

- » From April 2013, housing entitlements for working age people in the social sector will reflect family size.
- » From April 2011, housing benefit claimants with a disability and a non-resident carer will be entitled to funding for an extra bedroom.

7.18 The change from using the 50th percentile to the 30th percentile for calculating local housing allowance rates could have a significant impact on Waltham Forest. Figure 72 shows the local housing allowance rates for March 2011 (based on the 50th percentile) alongside the 30th percentile rents which currently set the LHA limit.

**Figure 72:**

March 2011 and October 2011 Local Housing Allowance Thresholds for Broad Rental Market Areas in Waltham Forest. (Source: LHA Direct)

Broad Market Rental Area	March 2011 LHA (50 <sup>th</sup> percentile)				October 2011 LHA (30 <sup>th</sup> percentile)			
	1 bed	2 bed	3 bed	4 bed	1 bed	2 bed	3 bed	4 bed
<b>Outer East London</b>	£168.46	£207.69	£265.00	£300.00	£167.31	£207.00	£253.85	£300.00
<b>Outer North East London</b>	£155.77	£196.15	£242.31	£323.08	£150.00	£184.62	£230.00	£300.00

### Further Consideration of the Government's June 2010 Budget

7.19 The key issue to consider is how the changes to the local housing allowance will affect the market for affordable housing, particularly in terms of demand and supply. Some considerations are set out below.

*In April 2013, housing entitlements for working age people in the social sector will reflect family size*

7.20 Example: a working age couple with two adult children occupy a 3 bed social rented property and receive housing benefit. If the adult children move out of the house, the couple will technically only require a 1 bed dwelling. The policy impact is that they will no longer receive housing benefit for a 3 bedroom property but a 1 bed – they will either;

- » be required to pay the balance of rent from their own funds, or,
- » move to a small dwelling and continue to receive housing benefit.

7.21 There are a range of possible implications arising from such a change (and we have not considered the ethical implications of the change):

- » More households may downsize from family sized social rented dwellings into smaller units
- » Some larger properties may become available for overcrowded households with children
- » there may be or may not be a corresponding 'balancing effect', as larger homes and smaller homes are vacated
- » Adult children may subsidise their parents to allow them to remain in the larger family home

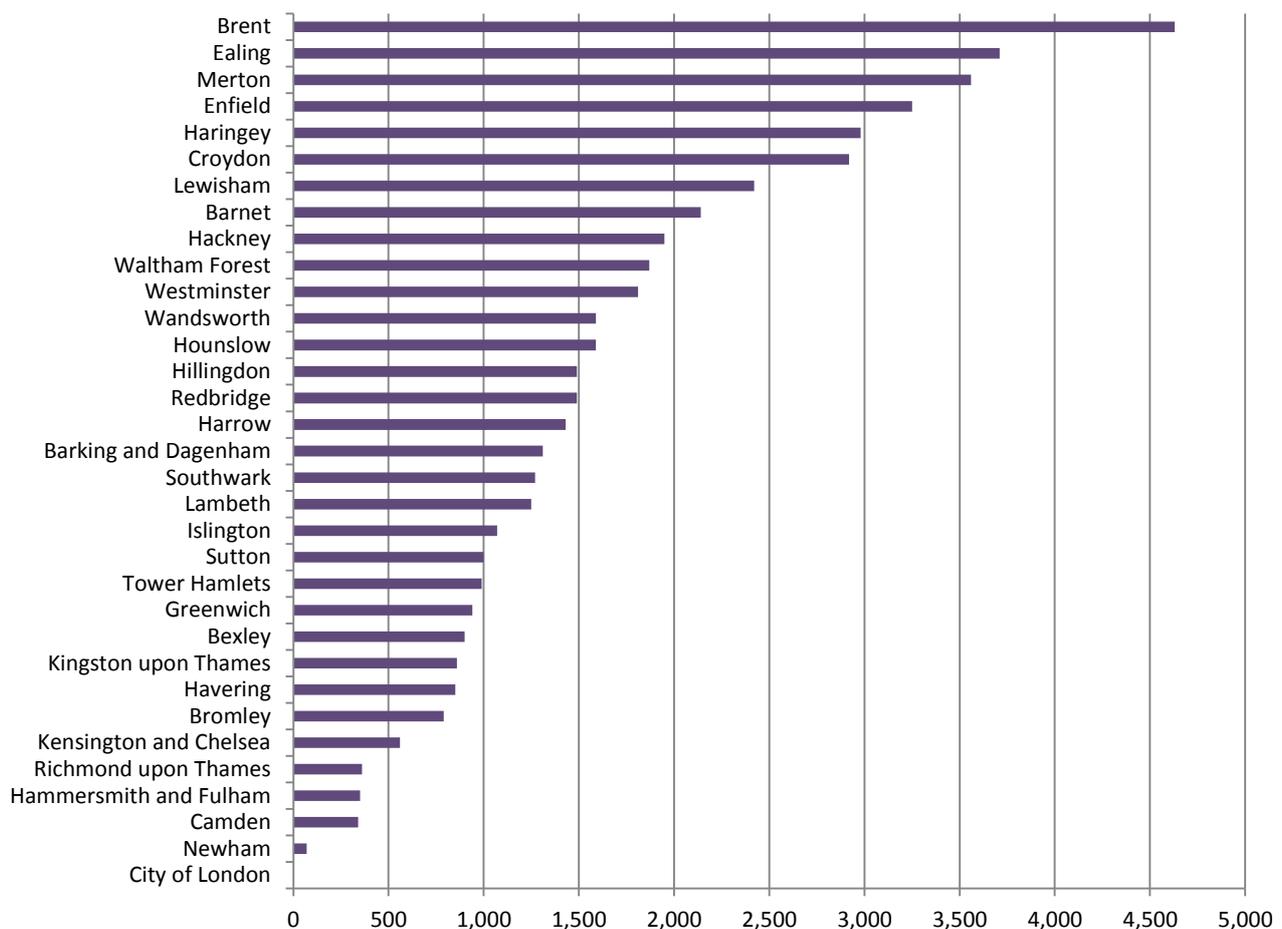
*Deductions for non-dependents will be uprated in April 2011 on the basis of prices. This will reverse the freeze in these rates since 2001-02*

- 7.22 Example: a pensioner couple with two adult children occupy a 3 bed social rented property and receive housing benefit. Current deductions for non-dependents will rise in April 2011, hence reducing the amount of housing benefit received by this household. If the adult children move out of the house, the couple will be allowed to remain in their dwelling because they are not working age and will receive more housing benefit.
- 7.23 The policy impact is that the financial incentive is for the adult children to leave home and seeking their own independent accommodation, hence the rate of household formation will rise.
- 7.24 Other welfare benefit changes could also have an impact. The ability of boroughs to meet housing need is dependent upon many issues. For example, how willing will private landlords in Waltham Forest be to accept households in receipt of housing benefit at the reduced levels available since April 2011? Potential scenarios include:
- » Market rent levels fall as landlords accept lower yields on their investments.
  - » If the new rent thresholds are too low then landlords may simply not be willing to accept housing benefit dependent households and instead return their stock to the market sector.
  - » This in turn may see house prices and rents fall as more housing becomes available to buy or rent - more households may be able to meet their housing requirements in the open market.
- 7.25 However, if landlords are not prepared to accept households in receipt of housing benefit, where will these households have their housing needs addressed? Social housing has limited supply. Homelessness presentations may increase and overcrowding might rise. The percentage of disposable income paid to rent may rise in households seeking housing in the private sector.
- 7.26 In summary:
- » Potentially, there could be reduced household formation rates which may reduce the number of households seeking affordable housing. However, some changes in the LHA may also see formation rates rise.
  - » The supply of private rented dwellings may change significantly, especially for households on lower incomes.
  - » The total number of housing benefit claimants in the private rented sector is unlikely to fall, but their locations will change to lower priced areas.
  - » Alternatively, where landlords do not accept the lower rents more properties may return to 'pure' market housing.
  - » Local authorities may be pressed to find housing solutions for increasing demand from households who cannot resolve their own needs - homelessness presentations and overcrowding may also rise further.

- 7.27 An indication of the likely changes which will occur due the changes in LHA can be seen by extrapolating forward past trends as shown in Figure 73. This shows the growth which has occurred in housing benefit claimant numbers in the private rented sector each London Borough between October 2009 and June 2011. It is clear that the highest growth has been in outer Boroughs such as Brent, Ealing and Merton, but with there still being a strong growth in Waltham Forest. Meanwhile many central London boroughs have seen little growth in their figures. Paragraphs 7.33 to 7.34 discuss reasons why this figure may rise by even more in the future in Waltham Forest.
- 7.28 This does not necessarily mean that Brent, Ealing and Merton have higher levels of local housing need, but instead may reflect that these areas have more capacity in their private rented stock to house housing benefit claimants. Many central London boroughs appear to have already reached capacity for absorbing housing benefit in the private rented sector before the LHA changes came into effect.
- 7.29 The LHA reforms are likely to see this process exaggerated with landlords withdrawing housing benefit supported stock and returning it to the open market. This will potentially see more households seeking housing benefit supported private rented accommodation in Waltham Forest. This is most likely to impact on lower price areas in the south and west of the borough and will also be most likely to impact on areas with older housing stock which is more suited to conversion to smaller dwelling spaces.

Figure 73

Growth in Housing Benefit Claimants in the Private Rented Sector Oct 2009-June 2011 by London Borough (Source: DWP)



## Awareness of Housing Budget Changes

7.30 Just over a quarter of households who receive housing benefit were aware of the recent and planned changes to the housing benefit system. Of these households 37% felt that the changes would have a direct impact on their household, however over a quarter of households (28%) were unsure.

Figure 74

Are you aware of the recent and planned changes to the housing benefit system? (Source: : Waltham Forest Household Survey 2011).

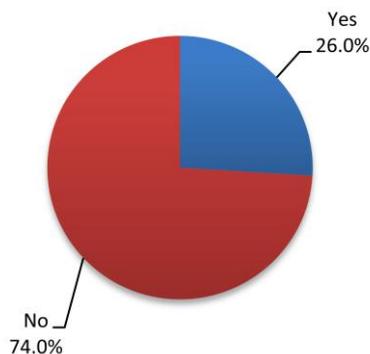
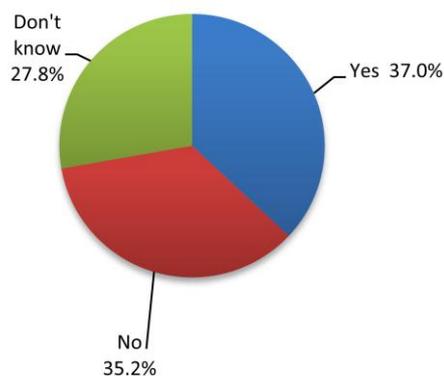


Figure 75

Do you anticipate that the changes to the housing benefit system will have a direct impact on your household? (Source: Waltham Forest Household Survey 2011).



## Further Changes to Benefits Announced in October 2010

7.31 Additional changes to the benefit system which will impact upon the receipt of housing benefit were announced in October 2010. These will see the total level of benefit received by any household capped at £500 per week. The amount of housing benefit any household can receive will be assessed after any Jobseekers Allowance, Income Support, council tax benefit, child tax credit and child benefit have been deducted. The worked example below shows this calculation for an unemployed couple with 5 children who receive;

- » £102.75 couple rate for Jobseekers Allowance
- » £25.00 council tax benefit
- » £231.63 child tax credit for five children
- » £73.90 child benefit for five children
- » £66.72 amount left for housing benefit

7.32 Therefore, in the example above, the housing benefit received will not cover the typical rent on a larger social rented unit and will fall a long way short of the rent required for a larger private rented dwelling.

### **Extending the Limit for a Single Person Receiving the Shared Accommodation Rate Allowance to 35 Years of Age**

- 7.33 Currently, any single person aged 24 years or younger is entitled to only the Shared Accommodation Rate (SAR) LHA allowance, rather than allowance for a self-contained dwelling. In October 2010 it was announced that this would be extended to any single person aged 34 years or younger.
- 7.34 The SAR allowance will enable the single person only to receive a share of a dwelling. Therefore, a major impact of this change is likely to be a rise in the demand for shared accommodation within HMOs. More single persons will be forced to share accommodation for longer and this is likely to see more of the existing housing stock turned over to HMOs.

### **Priority Need Homeless No Longer Able to Refuse Private Sector Housing**

- 7.35 Whilst local authorities could previously offer private sector accommodation to homeless households (to whom they have accepted a housing duty under Part 7 of the Housing Act 1996), the applicant was entitled to refuse this offer. Under new legislation, these households are no longer able to refuse the offer of a private sector dwelling, provided that it is a suitable offer.
- 7.36 The stated aim of this proposal is to reduce the pressures on the social housing stock. However, the indirect result of the change is that there will be further demands placed upon the private rented sector as Councils increasingly seek to house homeless households outside the social rented sector.

## 8. Profiling Housing Needs

### Overcrowding, Housing Registers, Unsuitably Housed and Homelessness

8.1 This chapter begins by looking at the acute indicators of need (overcrowding and homelessness). We then estimate the proportion of households in unsuitable housing and the nature of unsuitability by using a predictive model that has been developed by ORS model to estimate the proportion of households in unsuitable housing on the basis of a wide range of other secondary data sources.

#### Overcrowding

8.2 As noted earlier, the population of Waltham Forest was estimated to be higher in the 2011 Private Stock Condition Survey and 2011 Household Survey than other previous estimates for the borough. However, this is not necessarily reflected in a high number of households being overcrowded.

8.3 The 2004 Housing Act provides an objective calculation of overcrowding. The number of rooms required by a household is assessed through analysing the household profile against an agreed “bedroom & living room standard”. This requirement is then set against the number of rooms available in the home. It provides one bedroom for each of the following groups or individuals:

- » Each adult couple;
- » Each remaining adult (aged 21 or over);
- » Each pair of children of the same gender;
- » Each pair of children aged under 10;
- » Each remaining child that has not been paired.

8.4 Waltham Forest’s own bedroom standard follows a similar pattern, but allows for less expected sharing amongst older children.

8.5 There are two potential ways of counting the number of bedrooms in the dwelling stock. The first method compares the current number of bedrooms in use in the dwelling with the requirements of the household to assess if they have sufficient space. Under this method, rooms such as lounges, studies and loft conversions may be used as bedrooms to meet the requirements of the households even though they were not designed to be bedrooms.

8.6 Under this calculation, the 2011 Private Sector Stock Condition Survey estimated that 2.2% of non-Council dwellings in Waltham Forest were overcrowded using the 2004 Housing Act Bedroom Standard definition and the number of bedrooms in use in the dwelling. The 2011 Household Survey supports this finding with a finding of only 1.5% of all households in Waltham Forest being overcrowded based upon the number of current bedrooms in use. Therefore, both surveys identified that there were

relatively few cases of people sharing bedrooms who should not have been doing so under the 2004 Housing Act definitions.

- 8.7 Figure 76 below shows overcrowding by tenure including both the 2004 Housing Act Bedroom Standard and also the impact of assessing overcrowding against Waltham Forest's own bedroom standard.

Figure 76  
Overcrowding by Tenure (Source Waltham Forest Household Survey 2011)

Tenure	Housing Act 2004 Bedroom Standard	Waltham Forest Housing Allocation Bedroom Standard
Owner occupied	0.6%	1.2%
Rent from the Council	4.2%	5.7%
Rent from a RSL/RP	3.4%	4.3%
Private Rent	1.4%	2.0%
<b>All Households</b>	<b>1.5%</b>	<b>2.2%</b>

- 8.8 Figure 77 shows more detail on overcrowding by tenure. It is most noticeable that no household who receives housing benefit in the private rented sector was assessed as being overcrowded. The Local Housing Allowance provides housing benefit support up to the number of bedrooms required by the households, so for example if the household needs a 3 bedroom dwelling they have an allowance which should allow them to find a 3 bedroom dwelling.

Figure 77  
Detailed Overcrowding by Tenure (Source Waltham Forest Household Survey 2011)

Tenure and Household Type	Housing Act 2004 Bedroom Standard	Waltham Forest Housing Allocation Bedroom Standard
Owner occupied with dependent children	0.4%	2.2%
Owner occupied without dependent children	0.7%	0.7%
Rent from the Council with dependent children	10.7%	14.2%
Rent from the Council without dependent children	0.0%	0.0%
Rent from a RSL/RP with dependent children	7.7%	9.8%
Rent from a RSL/RP without dependent children	0.0%	0.0%
Private Rent with housing benefit with dependent children	0.0%	2.1%
Private Rent with housing benefit without dependent children	0.0%	0.0%
Private Rent no housing benefit with dependent children	2.8%	3.7%
Private Rent no housing benefit without dependent children	1.5%	1.5%
<b>All Households</b>	<b>1.5%</b>	<b>2.2%</b>

- 8.9 However, there is a second potential method for analysing the number of bedrooms in a dwelling. The 2011 Private Sector Stock Condition Survey also collected information on the number of bedrooms in a dwelling which were built to be used as bedrooms. Therefore, rooms built as lounges, studies or loft conversions which are currently used as bedrooms would not be counted as bedrooms.

- 8.10 Calculating overcrowding using the number of rooms in a dwelling designed to be bedrooms produces a much higher figure. This is most notably in the private rented sector where 17.6% of dwellings were

overcrowded when comparing the number and composition of people in the dwelling against the number of bedrooms in the dwelling. Therefore, the dwelling stock of Waltham Forest appears to be being used more intensively with rooms other than those designed as bedrooms being used for sleeping.

Figure 78

Overcrowding by Tenure Using Number of Bedrooms in Dwelling (Source Waltham Forest Private Sector Stock Condition Survey 2011)

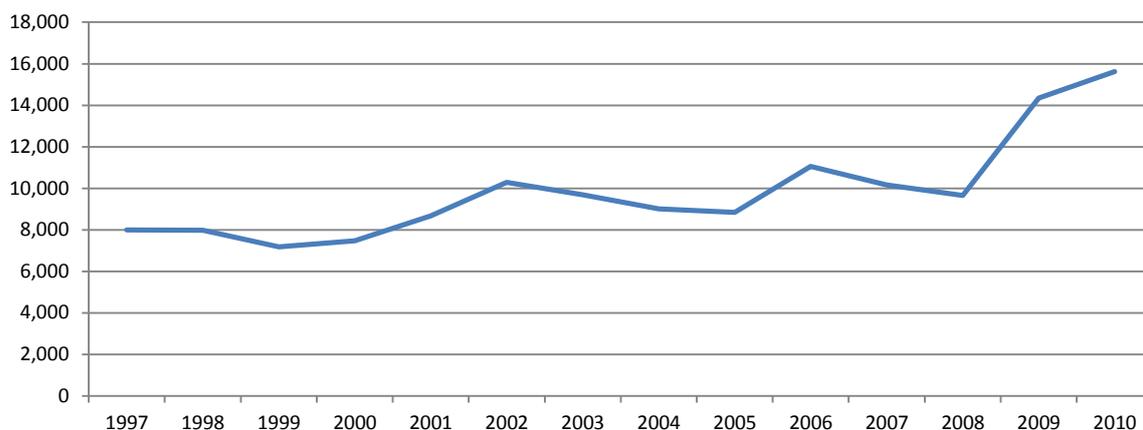
Tenure	Housing Act 2004 Bedroom Standard
Owner occupied	7.9%
Rent from a RSL/RP	8.1%
Private Rent	17.6%
<b>All Households</b>	<b>11.0%</b>

- 8.11 Therefore, if we analyse how the private rented stock of Waltham Forest is currently being used it is the case that 1.4% of households are overcrowded. However, if we look at how those same dwellings were designed to be used, 17.6% of the private rented stock is overcrowded.
- 8.12 The only area where Waltham Forest could directly influence overcrowding is in the social sector where moves to encourage mutual exchanges and voluntary downsizing could be used to stimulate the release of larger under-occupied dwellings. It may also be that the LHA reforms affecting under-occupying social dwellings will see some households not be able to afford their rents and be forced to leave their properties.
- 8.13 Waltham Forest can also seek to influence overcrowding in the private rented sector through enforcement action and the potential licensing of landlords or HMOs. However, these are strong measures which cannot be implemented easily and would have major impacts on the housing market in the borough.

### Analysing Housing Register Data to Determine Housing Need

- 8.14 A source for identifying local housing need suggested by the Practice Guidance is the use of local housing registers, operated by individual local authorities and other social landlords.
- 8.15 Figure 79 indicates that the total number of non-transfer applications on the housing register has risen in the last 13 years from around 8,000 to around 16,000.

Figure 79  
Waltham Forest Housing Register (excluding transfers) trends 1997-2010 (Source: CLG)



8.16 The Practice Guidance suggests that data cannot usually be considered robust due to a wide range of problems.

8.17 The 2001 DETR publication “Local Housing Needs Assessment: A Guide to Good Practice” specifically noted:

*“Housing registers should preferably be open to all, but even then it is likely that not all need, and possibly only a minority of need, will be registered; estimates based only on housing registers are likely to be an underestimate for this reason, but this may be offset by the inclusion of ‘deadwood’ and ‘insurance’ registrations”*

*“Many people potentially in housing need fail to apply [to the housing register] – in some cases because they judge that there is little chance of their being offered a suitable property”*

*“The reliability of [housing registers] ... would depend, of course, on landlords’ approaches to reviewing their registers.”*

8.18 On the basis of our own analysis of housing registers, including a study for the National Assembly for Wales specifically concerned with waiting list applicants, we have found that often:

- » Households who are not currently in need (who are registered “just in case”) are included, although these are usually identified and may not be regarded as part of the overall quantity of housing need ;
- » Households can be double counted, as registers overlap between landlords and newly forming households often registered more than once (as two or more individuals register independently but anticipate living together);
- » Households who can afford local housing may be included – as many registers are open and do not necessarily restrict application based on financial circumstances;
- » There are significant amounts of “deadwood” (where households have moved and/or no longer require social housing), especially where registers are not actively maintained; and
- » Households seeking intermediate housing are often excluded, as they do not apply to the Council or other landlords for housing.

- 8.19 It is apparent that whilst housing registers can provide invaluable information on current need, in particular in relation to specific localities, they do not normally provide a good basis for strategic analysis because they;
- » do not have a common set of criteria for inclusion so household not in need will be included;
  - » are not consistently monitored so may be out of date;
  - » will not include all households in need as not all households will join a register, particularly if they feel they have little chance of getting a property.

### **Right to Buy: Housing Need and the Housing Register**

- 8.20 Right to buy sales have fallen to negligible levels in recent years in Waltham Forest. However, the Government announced in September 2011 that it is planning to revive the scheme with greater discounts being offered to tenants to buy their property. Each property sold under right to buy would be replaced by an Affordable Rent property, though there is no confirmation yet that this would occur in the same borough.
- 8.21 This clearly has long-term implications for a borough such as Waltham Forest which has a significant social housing stock. A large number of sales per annum may reduce the long-term capacity of the borough to meet its own housing needs.
- 8.22 The policy may also have more subtle effects such as on the housing register. An improved incentive to exercise the right to buy will make social rent a potentially more attractive housing solution to those who cannot afford owner occupation in the borough. Therefore, the housing register may start to grow as households hope to access social rent to be able to access right to buy.

### **Identifying Unsuitably Housed Households**

- 8.23 The NPPF defines that housing need exists when a household cannot access suitable housing without financial assistance. Figure 80 outlines the four main categories of unsuitable housing and the associated sub-divisions that are set out in the Practice Guidance.
- 8.24 It is apparent that most of the identified issues concern established households that will already be housed. Some of the issues around unsuitability will mean households need to move home but others could continue to live in the same property if appropriate changes were made. Typical examples of such changes would be to attend to disrepair or provide adaptations to suit an occupant with mobility problems.

Figure 80

Classification of Unsuitable Housing (Source: Table 5.1, CLG Housing Market Assessment Practice Guidance: Version 2, August 2007)

Main Category	Sub-divisions
<b>Homeless or with insecure tenure</b>	i. Homeless households
	ii. Households with tenure under notice, real threat of notice or lease coming to an end; housing that is too expensive for households in receipt of housing benefit or in arrears due to expense
<b>Mismatch of household and dwelling</b>	iii. Overcrowded according to the 'bedroom standard'
	iv. Too difficult to maintain (e.g. too large) even with equity release
	v. Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household
	vi. Households containing people with mobility impairment or other specific needs living in unsuitable dwelling (e.g. accessed via steps), which cannot be made suitable in-situ
<b>Dwelling amenities and condition</b>	vii. Lacks a bathroom, kitchen or inside WC and household does not have the resources to make fit (e.g. through equity release or grants)
	viii. Subject to major disrepair and household does not have the resources to make fit (e.g. through equity release or grants)
<b>Social needs</b>	ix. Harassment from others living in the vicinity which cannot be resolved except through a move

<sup>8.25</sup> Even where a move is necessary, facilitating households to relocate from one property to another does not necessarily imply additional homes are needed. The characteristics of the newly occupied dwellings may differ, but the overall number of homes remains the same.

<sup>8.26</sup> However, there is a need to ensure all needs are considered. It may, therefore, be necessary to provide some additional 'non-standard' housing for specific needs. By doing so, an equivalent number of 'standard' dwellings are 'left behind' to meet other housing need-

### Modelling Established Households Living in Unsuitable Housing

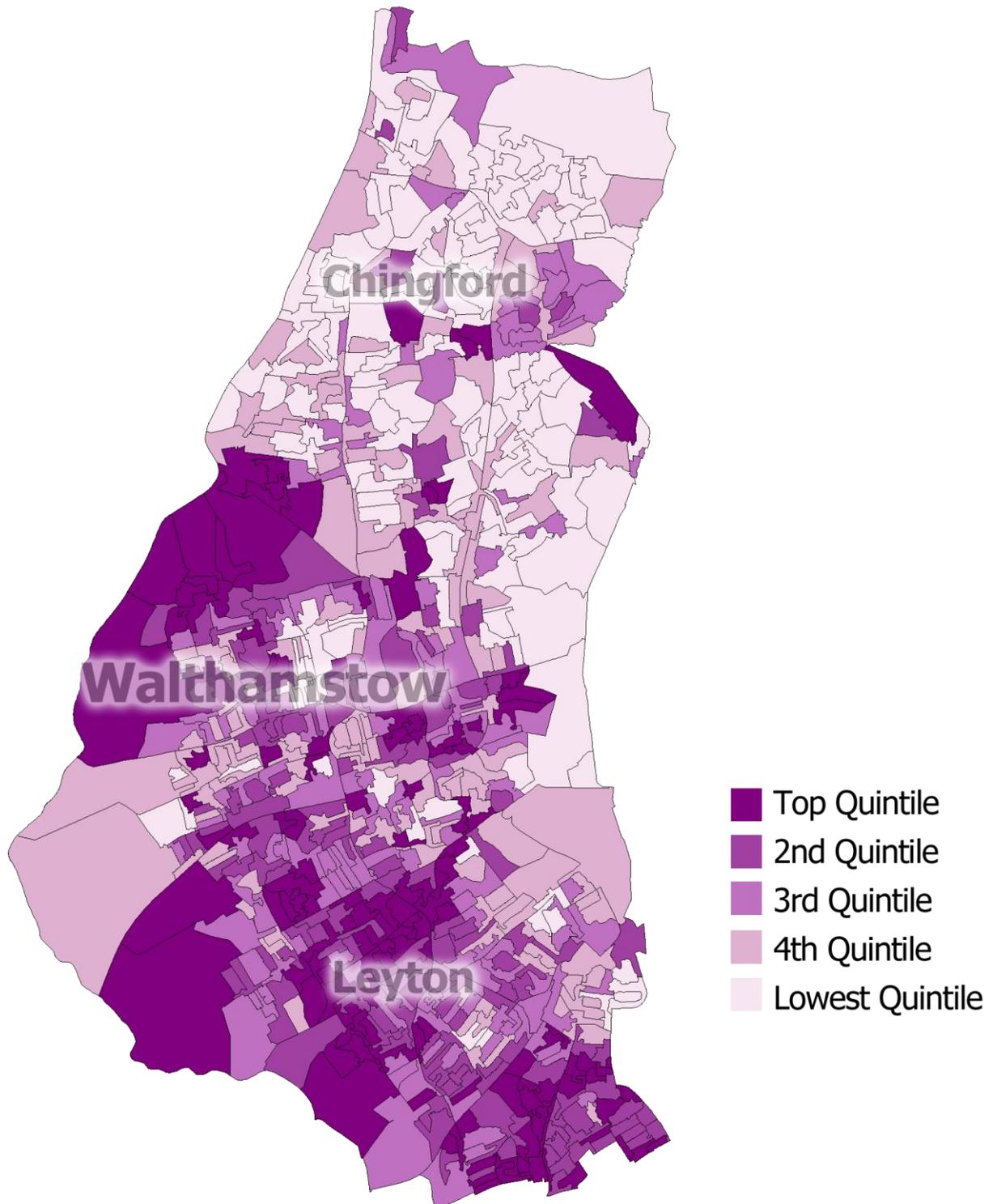
<sup>8.27</sup> ORS has developed a predictive model that estimates the number of unsuitably housed households based on a range of correlated indicators. It uses Logit regression estimation to estimate the percentage of households in each Census Output Area who are unsuitably housed.

<sup>8.28</sup> The model has been extensively tested to ensure that the predicted results for unsuitable housing are consistent with those which would be obtained from a large-scale face to face primary survey.

<sup>8.29</sup> Figure 81 shows the modelled results for Waltham Forest. This shows that many of the predicted areas of high unsuitable housing are contained within the south and west of the borough, with northern and eastern areas typical showing lower levels of predicted unsuitable housing..

Figure 81

Modelled Unsuitably Housed by Output Area (Source: ORS Unsuitably Housed Model. Note: Quintile refers to the proportion of the frequency distribution containing one fifth of the sample and is ranked highest to lowest)



8.30 Across the entire study area, it is estimated that around 28% of households are unsuitably housed. For comparison equivalent figures for other London boroughs are:

- » Newham – 38%
- » Southwark 31%
- » Lewisham 30%
- » Greenwich 25%.

8.31 Therefore the figures for Waltham Forest are comparable with boroughs such as Lewisham and Greenwich.

8.32 As previously noted, not all households in unsuitable housing need to move; and even where a move is necessary, some households will be able to resolve their problems without assistance – so the households in housing need will only form a proportion of those in unsuitable housing. In studies involving a household survey, ORS has typically found that only a small proportion of people in unsuitable housing both need and want to move.

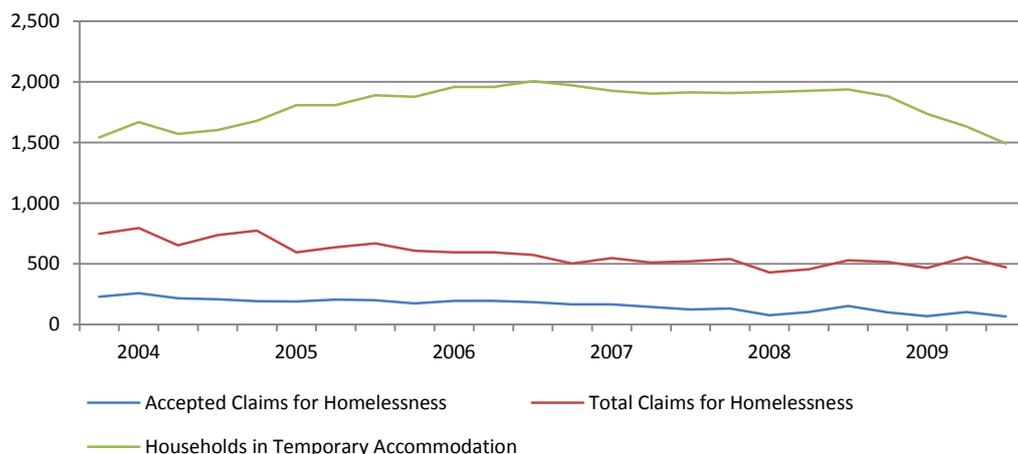
### Acute Housing Need: Homelessness

8.33 A key duty of local authorities is to provide a service to households who become homeless or are at risk of becoming homeless where they are satisfied that the applicant has a priority need.

8.34 Figure 82 shows that the total number of claims for homelessness has progressively fallen in Waltham Forest since 2004. Homelessness claims that have been accepted have also fallen gradually.

Figure 82

Homeless Applications and Acceptances and Homeless Households in Temporary Accommodation Q1 2003- Q4 2010 for Waltham Forest (Source: Local Authority P1E Homelessness Data. Note: Number of cases based on 12-months to end of quarter)



- 8.35 The number of households housed in temporary accommodation grew to a peak in excess of 2,000 in mid-2006, and subsequently has seen a levelling out and a decline since mid-2008.
- 8.36 One of the major factors influencing these numbers is an increased emphasis from councils on preventing homeless presentations through providing housing advice at an earlier stage. All councils reduced the number of households in temporary accommodation through homelessness prevention initiatives.
- 8.37 However, we would note that the changes currently being implemented to the LHA system will almost certainly see more households become homeless as landlords withdraw their private rented dwellings. The number of households who present as homeless will vary between local authorities depending upon a number of factors, including the scale of the benefit cuts and the number of households currently receiving benefit to live in the private rented sector.
- 8.38 However, it will also depend upon the level of preventive action taken by local authorities, so if the housing options service in Waltham Forest is able to engage in proactive case management they may be able to prevent a significant rise in homelessness presentations.

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# 9. Profiling Future Housing Requirements

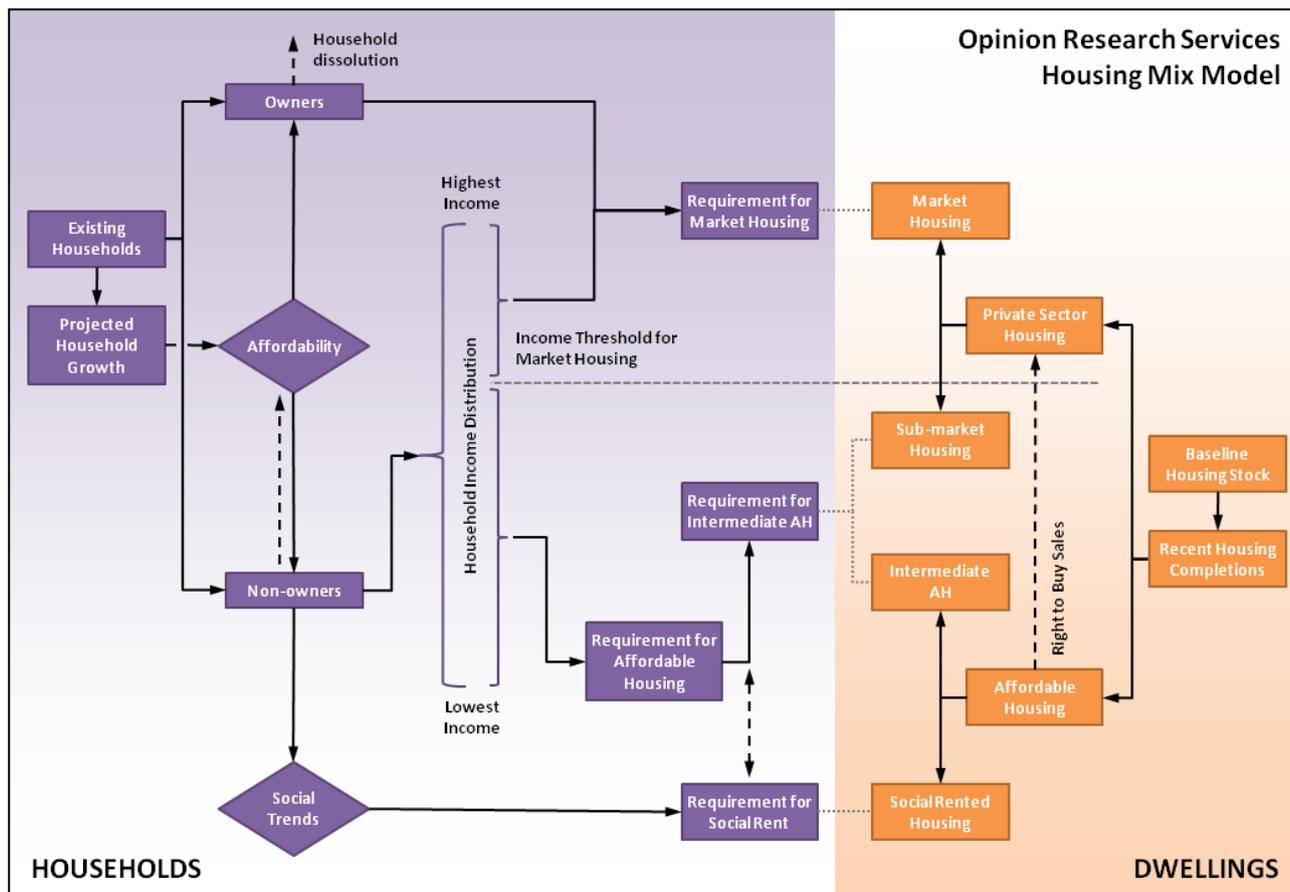
## Modelling Future Housing Requirements

- 9.1 The Practice Guidance considers the future housing market from a high-level, strategic perspective, considering how key drivers and long-term trends will impact on the structure of the household population over the full planning period. In order to meaningfully compare the assessment of housing need with the change in total numbers of households (and the overall requirement for additional housing), both numbers need to be derived in comparable ways.
- 9.2 The ORS Housing Mix Model considers both housing need and overall housing requirements on a longer-term basis, providing robust and credible evidence about the required mix of housing over the full planning period and understanding how key housing market drivers (such as affordability) will impact on the appropriate housing mix.
- 9.3 The model uses a wide range of secondary data sources to build on existing household projections and to profile how the housing stock will need to change in order to accommodate the projected future population.
- 9.4 The following points summarise the way in which the model determines the total housing requirement and the required mix of housing:
- » The overall housing requirement is based upon the projected increase in the total number of households (with an allowance for a proportion of vacancies within the stock).
  - » The change in the number of owner occupiers is based on those additional households able to afford home purchase (including newly forming households and net migrants with sufficient income to purchase, and existing households whose income has increased to now enable them to purchase) offset against the number of owner occupier households likely to suffer complete dissolution following the death of all household members.
  - » The level of market housing demand counts owner occupier households and other households with sufficient income to access market housing, determined by an income threshold.
  - » The need for social rented housing is based upon the projected mix of households and the propensity of each household type to need social housing, taking account of changing trends in these propensity rates over the period since 1981.
  - » The level of intermediate affordable housing is determined by the number of households unable to afford market housing but who are not counted within the need for social rented housing.
- 9.5 The model considers the overall requirement for market housing, intermediate affordable housing and social rented housing alongside the mix of existing housing stock, including properties which have been

delivered since the baseline year. An allowance is also made for past and future tenure changes, where properties transfer from the affordable housing to private stock. In summary:

- » The requirement for market housing is matched against the stock of market housing to buy or rent – i.e. owner occupied housing and housing in the private rented sector which requires incomes at or above the identified threshold for market housing.
  - » The cheapest private sector housing (requiring incomes below the identified threshold for market housing) is considered as below market housing supply, and is matched to households that would otherwise require intermediate affordable housing. The existing stock of intermediate affordable housing is also matched to this group of households.
  - » The need for social rented housing is matched against the social rented housing stock.
- 9.6 The secondary data sources are readily updateable as new information is published, and a range of assumptions can be varied to enable effective sensitivity testing to be undertaken. In particular, the model has been designed to help understand the key issues and provide insight into how different assumptions will impact on the required mix of housing over future planning periods.
- 9.7 Figure 83 provides a detailed overview of the structure of the Housing Mix Model and the way in which the different stages of the model interact.
- 9.8 The left hand section of the diagram considers households in terms of the baseline population and projected household growth, and their associated affordability and housing requirements.
- 9.9 The right hand section of the diagram considers the dwelling stock in terms of the tenure and housing costs for both the existing stock and the recent housing completions.

Figure 83  
Detailed Overview of the ORS Housing Mix Model



## Housing Supply

<sup>9.10</sup> National Planning Policy Framework March 2012 contains the following statements on the supply of new dwellings across all tenures.

- » **Affordable housing:** Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.
- » **Social rented housing** is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
- » **Affordable rented housing** is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

- » **Intermediate housing** is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.
- » Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

- 9.11 As will be discussed later in this report, Affordable Rent can typically be considered as another form of social rent, so is not treated separately here.
- 9.12 The key issue these definitions raise is how to define market housing costs. In practice the very cheapest second hand open market dwellings can be cheaper than any intermediate (and on some occasions social rented) dwelling. Therefore, for the definitions in the NPPF to have practical relevance there is a need to identify a market housing threshold price which then sets the upper limit for the cost of intermediate affordable housing products.
- 9.13 On this point, SHMA Practice Guidance (Chapter 3, page 27) states that for house prices, ‘Entry-level prices should be approximated by lower-quartile house prices’. The cheapest available property prices should not be used since these often reflect sub-standard quality or environmental factors,’ and for private rents, ‘As with house prices, lower-quartile rents should be used to estimate the entry level’. Therefore SHMA Practice Guidance identifies that the threshold point for market housing commences at the lowest quartile for owner occupation and private rents. In practice private rents are more affordable in Waltham Forest than owner occupation, so it is these which define the point where market housing costs begin and act as the upper limit for intermediate affordable housing costs. This also means the threshold for market housing is dependent upon private rents, so if these rise then fewer households will be able to afford intermediate housing.
- 9.14 This issue is very important because the NPPF is predominantly about the delivery of new dwellings. However, while the ORS Housing Market Model is also in part about the delivery of new dwellings, the majority of households requiring accommodation will be housed in the existing housing stock of Waltham Forest. Therefore, while the NPPF sets out clear definitions for newbuild dwellings, the role of second hand housing makes the classification of dwellings by tenure much more complicated.
- 9.15 Such an example is for housing which is available to those who can afford no more than Social Target Rents. For this group, it is possible to consider the supply to comprise of dedicated supply such as Council and RSL lettings, but also housing benefit supported private rented dwellings. The rationale for this is to recall the NPPF definition of households in housing need (as outlined in Chapter 5 of SHMA Practice Guidance) and the requirement for financial assistance within the definition:
- » **Housing need is:** ‘Households who are lacking their own housing or who are living in housing which is judged to be inadequate or unsuitable, who are unlikely to be able to meet their own housing needs in the market without some financial assistance.’
- 9.16 Whilst housing benefit supported private rent does not have the same tenancy rights as full social rent, it nevertheless contributes to the effective supply of affordable housing in that it is affordable to households who require social housing. In practical terms there is a shortage of social rented housing and households unable to access it will seek housing in the private rented sector with housing benefit support.

- 9.17 Similarly further supply assumptions can be considered for intermediate affordable housing. The current supply of dedicated intermediate housing products in Waltham Forest as defined by the NPPF is relatively small. However, Waltham Forest has a large private rented sector. The lower quartile private rented sector falls below the entry threshold for 'market' housing as defined by the NPPF and SHMA Practice guidance. While not enjoying the same tenancy or ownership rights as dedicated intermediate affordable housing products, cheaper (lower quartile) private rented properties are affordable to households within the intermediate affordable housing income band and are counted as part of the supply to this group of households in a number of the scenarios set out below.
- 9.18 Support for these positions can be found in SHMA Practice Guidance where it is noted, (Chapter 5, Stage 4: The Housing Requirements of Households in Need Page 49) 'Furthermore, some households in need may choose to live in the private rented sector (possibly with the use of housing benefit) or housing that would be classified as unsuitable, even though they are eligible for affordable housing.
- 9.19 This leads to a conclusion there are a number of private sector dwellings which are not market housing under the NPPF and SHMA Practice Guidance definitions because they are below market rents thresholds. Similarly, they are not intermediate or social supply under the NPPF definition because they are not a dedicated supply of affordable housing.
- 9.20 However, lower quartile private rented and housing benefit supported private rented sector dwellings will continue to be occupied by households despite not meeting the definition of market, intermediate or social housing in the NPPF. When considering the appropriate housing supply, the following sources of supply are therefore considered within the model;
- » **Social rented housing** – social housing provided to rent from local authorities and Registered Social Landlords, Affordable Rent with housing benefit support and housing benefit supported private rented accommodation at 2007 levels;
  - » **Intermediate housing** – dedicated intermediate housing products (such as shared ownership, discount market sale, sub-market rent but not shared equity sales), Affordable Rent without housing benefit support and a proportion of the housing in the private rented sector with rents below the market rent threshold (i.e. within the lowest quartile); and
  - » **Market housing** – owner-occupied housing and housing in the private rented sector above market rent thresholds.

## Understanding Housing Requirements

- 9.21 Using the NPPF and SHMA Practice Guidance definitions, affordability tests are used to apportion households to specific housing tenures;
- » **Social rented housing** – for those households unable to afford any more than social rents;
  - » **Intermediate housing** – for those households able to afford more than social rents, but unable to afford to buy owner-occupied housing or to rent privately at the market rent threshold; and
  - » **Market housing** – for those households able to afford to buy owner-occupied housing or able to afford to rent privately at rents at or above the market rent threshold.

9.22 The requirement for housing is therefore defined purely on affordability grounds with those who have incomes above market housing thresholds being identified as requiring market housing. It is also the case that those with incomes below market housing thresholds who report no difficulties with their housing costs are also identified as requiring market housing because using the NPPF definition:

- » **Housing need** is households who are lacking their own housing or who are living in housing which is judged to be inadequate or unsuitable, who are unlikely to be able to meet their own housing needs in the market without some financial assistance.

9.23 On this basis households meeting their own housing requirements in the market are deemed to be suitably housed, do not require financial assistance and are not in housing need.

### Affordability of the Dwelling Stock

9.24 The Housing Mix Model considers the projected household population alongside the existing dwelling stock to establish the necessary balance between Market Housing and Affordable Housing with as a proportion of the additional dwellings to be provided, and within the Affordable Housing dwelling provision it establishes the level of Intermediate housing required.

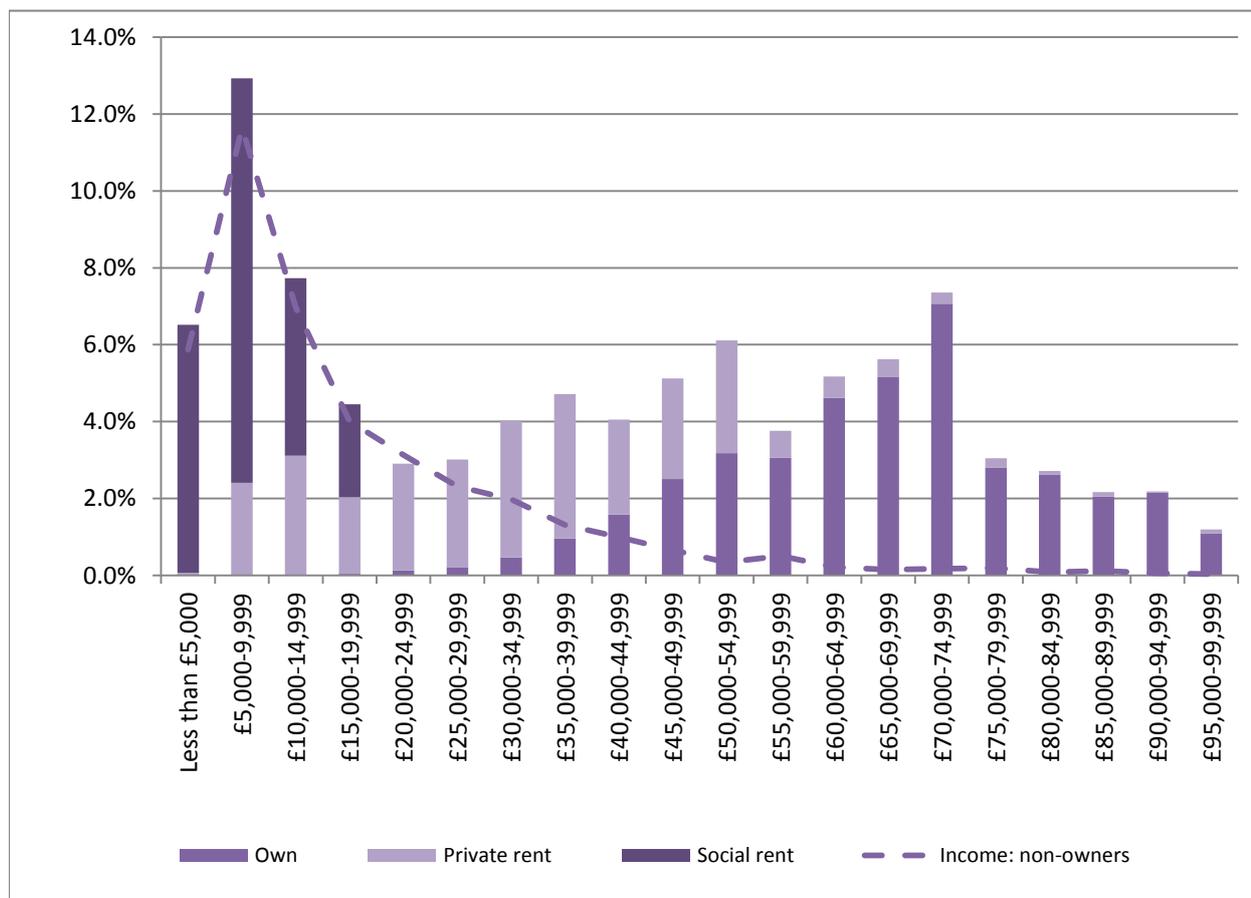
9.25 Using the Model, Figure 84 shows the proportion of properties in the sub-region that households who are dependent on their income alone could afford to buy or rent, broken down by the minimum income band that households would require. As an example, around 4% of dwellings become affordable to rent privately and 1% become affordable to buy for households with incomes of £35k-£40k. These dwellings are not affordable to households with incomes of less than £35k, but are clearly also affordable to households with incomes of more than £40k.

9.26 This analysis assumes that households will spend up to 25% of their gross income on their rent and would be able to borrow up to 3.5 times their main income to purchase a property (which is based on Government guidance), although some households will commit more than 25% of their income to improve the choice of housing available.

9.27 On the basis of households spending up to 25% of their income on rents, all social rented dwellings in Waltham Forest are affordable to households with incomes of £20,000 per annum or more.

Figure 84

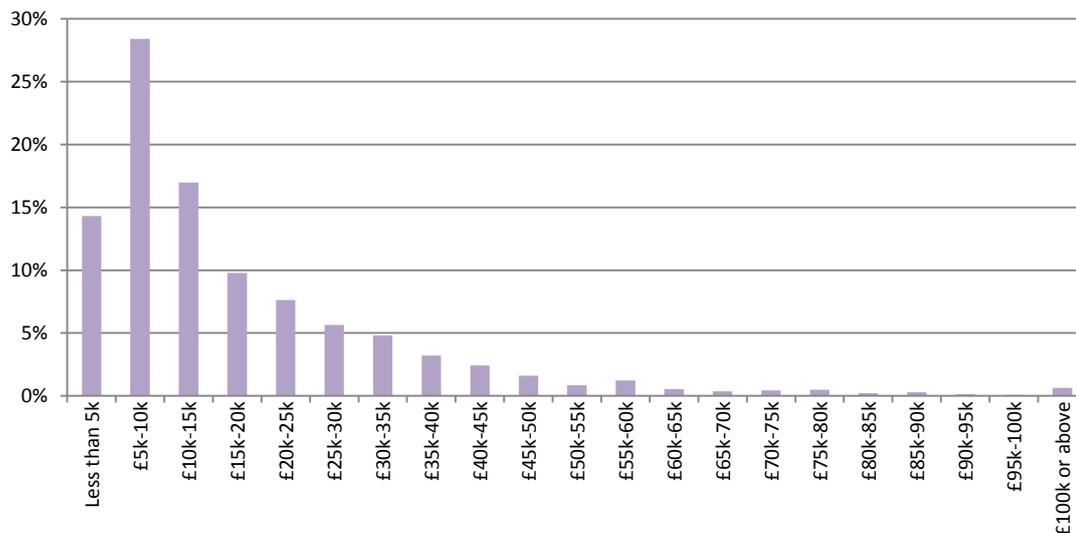
Minimum Income required by households to afford to buy or rent in Waltham Forest (Source: ORS Housing Mix Model)



<sup>9.28</sup> Next we have modelled **local incomes of existing households** to determine the income distribution of those households without existing equity (non-owners). This enables us to start to distinguish between households who may have no choice but to seek affordable housing and those who can afford market housing. It is assumed that most households with equity who intend to move have the means to access market housing whether owned or rented. This is because equity extends the spending power of households when they are seeking to move home.

<sup>9.29</sup> Analysis of the income distribution of non owners shows some interesting results. Figure 85 reveals that 69.5% of non-owners in Waltham Forest have incomes of under £20,000 per annum and these households can typically only afford social rent housing, or dwellings with housing benefit support. The distribution is heavily skewed toward the lower income groups. Across the sub-region there are estimated to be around 7,000 households who are non-owners who have an income of between £20,000 and £35,000. These households may be able to access appropriately priced intermediate housing, or the new Affordable Rent product, as discussed later in this report.

Figure 85  
Income distribution of non-owners in Waltham Forest (Model based on Modelled Income for Non-Owners)



### Dwelling Delivery, Demographic Projections and the London Plan

9.30 Figure 86 compares the projected growth in households based on demographic forecasts against the strategic allocation of new housing provision. Figure 86 compares the following data sources:

- » CLG Household Projections (2004-based) – the annual projected number of additional households over the period 2006-26 modelled using trend-based data from a reference point of 2004.
- » CLG Household Projections (2006-based) – the annual projected number of additional households over the period 2006-26 modelled using trend-based data from a reference point of 2006.
- » CLG Household Projections (2008-based) – the annual projected number of additional households over the period 2008-28 modelled using trend-based data from a reference point of 2008.
- » London Plan 2011 Annual monitoring target – the final policy led number of dwellings that the London Plan to provide over the period 2011-21.

Figure 86  
Comparison of Annual Growth Rates in Households and Dwellings from Household Projections and the London Plan (Source: CLG Household Projections and Greater London Plan 2011)

Local Authority	Annual Household Growth 2006-2026		Annual Household Growth 2008-2028	London Plan 2011 Annual Monitoring Target 2011-2021
	2004-based Trend	2006-based Trend	2008-based Trend	2011 based Policy
<b>Waltham Forest</b>	800	550	750	760

9.31 This and subsequent sections use the London Plan Annual Monitoring Target 2011-2021 as the starting point for estimating the future housing tenure mix which will be required in Waltham Forest. We estimate results to 2031 by extrapolating the dwelling delivery target to cover the period 2010-2031.

- 9.32 Household projections produced as part of the 2010 round by the DMAG Unit of the Greater London Authority cover the period 2006-2031. These household projections have been developed specifically for London Boroughs and are constrained by planned dwelling delivery in each borough.
- 9.33 Over the 25 year period 2006-2031, using the projections, it has been identified that a total of 17,900 extra households will live in Waltham Forest. The household projections have broken this projection down into likely household types as follows:

Figure 87

2010 Based Household Projections to 2031 by Household Type (Source: GLA DMAG Unit)

Household Type	Year						
	2001	2006	2011	2016	2021	2026	2031
<b>Married couple</b>	32,900	29,550	27,100	26,100	25,200	24,300	23,500
<b>Cohabiting couple</b>	8,000	9,850	12,000	13,600	14,700	15,900	17,100
<b>Lone parent</b>	9,600	10,800	12,100	13,700	14,900	15,400	15,600
<b>Other multi-person</b>	9,100	8,700	8,400	8,300	8,100	7,900	7,700
<b>Single person</b>	30,300	32,700	35,100	38,100	40,700	43,300	45,600
<b>Total</b>	<b>89,900</b>	<b>91,600</b>	<b>94,700</b>	<b>99,800</b>	<b>103,600</b>	<b>106,800</b>	<b>109,500</b>

- 9.34 In the period 2006-2010 a total of 2,450 new dwellings were provided in Waltham Forest. Allowing for a vacancy rate of 3.8% per annum and in line with the annual monitoring target of the London Plan, to meet the outstanding projected household growth to 2031, a total of 15,900 additional dwellings (760 per annum) will be required.

## Core Modelling Assumptions

- 9.35 For the current document we wish to be explicit on the assumptions which underlie the model. For the results presented below the following assumption are contained within the model:
- » Mortgage multiplier used is 3.5%, so households are able to borrow up to 3.5 times their household income;
  - » Households can spend up to 25% of their income for rent in accordance with CLG Practice Guidance recommendations;
  - » The annual rental yield for private rented dwellings is 5.4%. This is the rate of return on private rented dwellings so a property valued at £100,000 is assumed to yield a rent of £5,400 per annum. There are no official statistical sources for rental yields, so the figure used in the model is taken from the FindaProperty Private Rented Sector Trends Bulletin Spring 2011.
  - » House prices are set as a baseline rate of their 2010/11 levels.
  - » A vacancy rate on households to dwellings of 3.8%. Therefore, at any point in time 3.8% of dwellings will be vacant including new build dwellings. This figure is consistent with recent HSSA submissions on vacant dwellings.
  - » It is assumed that any right to buy/right to acquire sales since 2001 are required to be replaced within the model by additional new build of social rented dwellings. This is due a right to buy/right to acquire sales representing a loss of a social rented dwelling without any reduction in the number

of households seeking social rent, so each sale require a new build to replace it. Projected right to buy/right to acquire sales are based upon average number of sales since 2005.

- » The requirements assume a site delivery threshold of zero, so all sites yield affordable housing. If some sites do not deliver affordable housing, the remaining sites will be required to absorb the remaining requirements. Therefore, if only 50% of sites deliver affordable housing the then identified percentages for delivery would require doubling if all requirements are to be met.
  - » Intermediate affordable housing is housing whose cost is above target social rents, but below the cost of market housing (rent or owner occupier). Therefore, intermediate affordable housing it must be cheaper than the cost of renting a dwelling at the lower quartile of private rents.
  - » The private rented sector has been increased to 75% of its 2001 Census levels
  - » The number of converted dwellings has been increased by 75% on their 2001 Census levels.
  - » A converted dwelling has a 20% uplift on the rent it receives. Therefore, the landlord receives 20% more rent if they let their property as an HMO or they formally convert the dwelling than if they let in the private rented sector to one household.
  - » The period for results is 2010-2031.
  - » All figures are rounded to the nearest 100.
- 9.36 We would wish to stress that while the results presented below assume that the private rented sector and converted dwellings in Waltham Forest have grown significantly in the past 10 years, we have not assumed that any extra growth occurs in these sectors in the future.

### Key Finding: 2010 to 2031

- 9.37 The overall housing tenure mix required for Waltham Forest can be summarised as in the following figures. As discussed earlier in this report, much private sector housing in Waltham Forest has been converted in recent years to cheaper private rent or housing benefit supported private rent to accommodate household who would otherwise require social or intermediate housing. The model assumes that the driver of this process, namely a growth in lower income households in the borough, continues into the future. Hence a substantial affordable housing requirement has been identified.

Figure 88  
Overall Housing Requirement 2010-2031 (Note: Figures may not sum due to rounding)

	Tenure	Requirement	%
<b>2010-2031 Housing Requirements</b>			
	Market Housing	2,900	18.3%
	Intermediate Affordable Housing	5,700	35.8%
	Social Rented Housing	7,300	45.9%
	<b>Overall Housing Requirement</b>	<b>15,900</b>	<b>100.0%</b>

9.38 Figure 89 shows the modelled size mix requirements across the tenures.

Figure 89

Size mix of the Housing Requirement 2010-2031 (Notes: All figures rounded to the nearest 50)

Tenure and Size	Market Housing	Intermediate Housing	Social Rented Housing
<b>1 bedroom</b>	600	1,700	2,300
<b>2 bedrooms</b>	850	2,350	2,050
<b>3 bedrooms</b>	1,200	1,500	2,650
<b>4+ bedrooms</b>	250	150	300
<b>Sub-total</b>	<b>2,900</b>	<b>5,700</b>	<b>7,300</b>

9.39 It is important to emphasise that these figures are based:

- » Purely upon the affordability of households, not their preferences or the affordable housing allocation policies of London Borough of Waltham Forest ;
- » The future supply of social housing including existing housing benefit supported private rent dwellings;
- » The future supply of intermediate housing includes the lower quartile of the private rented sector;

9.40 The key point to understand in this calculation is the implications from not delivering the identified requirements. If the 7,300 units of social rented dwellings are not provided, the households who are identified as requiring to occupy these properties will have to find alternative accommodation. The number of households who have been claiming housing benefit support in the private rented sector in London has been rising by around 25,000 per annum over recent years. The most obvious conclusion from not being able to deliver the 7,300 units of social rent is that housing benefit will continue to be used extensively in the private rented sector and also that some households will be forced to spend very high shares of their income to find accommodation in the private rented sector.

9.41 The intermediate affordable housing requirement represents the shortfall which is likely to exist between households requiring intermediate affordable housing and the supply of genuine intermediate housing products plus the existing lower quartile of the private rented sector. If the dwellings cannot be provided, the households will again be forced to seek alternative accommodation. This could include paying more than they can afford for market rent units and this is sensitivity tested below.

9.42 The market housing requirement does not represent the requirement for new build housing. Instead, it represents the number of units which market housing could potentially increase by in the next 5 years in Waltham Forest. The distinction between these two points can be illustrated by a simple example.

9.43 Taking a scenario where a newbuild dwelling is bought by a household who are currently occupying an existing owner occupied property in Waltham Forest, the key question is what happens to the dwelling they vacate. If it is bought by another household who occupy the dwelling the total market housing stock has been increased by one unit (the newbuild dwelling). However, if the dwelling is bought by a landlord who subsequently rents the property to a household receiving housing benefit this effectively becomes part of

the affordable housing supply. Therefore, completing one newbuild dwelling can see the market housing supply remain unchanged, but the affordable housing supply rise as part of the second hand stock finds its way into the affordable housing sector.

9.44 This situation has been common in London as newbuild dwelling are occupied as market housing, but parts of the second hand stock have been turned over to housing benefit receipt private rent or sub-divided and let as lower quartile private rent. The implication is that while the market housing requirement is identified, this does not necessarily equate to the newbuild market requirement. If more of the second hand stock becomes part of the effective affordable supply then potentially more units of newbuild could be required. However, if sufficient genuine affordable housing can be provided, units of current effective affordable supply can be returned to the market sector: i.e. households could vacate the lower quartile or housing benefit supported private rent and these dwelling could return to being part of the market supply. However, this would require a provision of social and intermediate housing of at least the levels identified in Figure 89.

### Size Mix and Smaller Dwellings

9.45 The modelled findings identify a high requirement for 1 bed social rented dwellings, driven by a projected growth in single person households in Waltham Forest. The model is stock, rather than flow, based so it compares the number of households likely to require a particular size of dwelling with the number of dwellings of that size which currently exist. Therefore, it does not directly take into consideration the fact that turnover in smaller social rent units is higher than in larger units, meaning that more become available each year to let.

9.46 The group requiring 1 bed social rent dwellings contains many single persons aged under 35 years who only qualify for the SAR LHA allowance and not for a 1 bedroom dwelling. For this group there is a tension between demand side aspirations of households for a spare bedroom in their home, the ability of affordable housing supply side to meet this, as well as issues around Housing Benefit restrictions limiting access to certain types of housing. This has implications for policy which requires careful consideration.

9.47 Demand from households is aspirational for two bedrooms:

- » Many younger households aspire to a spare bedroom to enable the size of their household to grow without triggering the need to move home.
- » Older households value a spare bedroom to enable children, guests and carers to stay occasionally.

9.48 Under new LHA rules the under 35 years household group, however, will receive only the SAR allowance – this will enable a single person, in receipt of Housing Benefit, to receive only a share of a dwelling, rather than allowance for a fully self-contained dwelling.

9.49 Therefore, a major impact of this change is likely to be a fall in demand for self-contained dwellings but a rise in the demand for shared accommodation within HMOs rather than for self-contained dwellings.

9.50 A possible policy position for Waltham Forest is to prioritise delivering larger affordable units to meet more pressing housing needs and allowing the needs of lower priority groups, such as single persons under 35 years, to be met in the private rented sector, often in HMOs. This would see a further growth in the

number of HMOs in the borough, but would maximise the number of households whose needs are met within the LHA rules.

### The Impact of Government Policy Changes: Affordable Rent and Housing Needs

- 9.51 The Government's new Affordable Rent model will allow housing association to charge rents which are up to 80% of market rents for the area on new build developments and re-lets. The Affordable Rent model is designed to bring greater flexibility for housing associations and to provide financial support to allow new affordable housing to be delivered.
- 9.52 Waltham Forest have set guidelines for Affordable Rents for different bedroom sizes which seek to ensure that affordable rented homes are affordable to local people and families. The Council is clear that larger homes let at 80% market rents will not help the borough meet priority housing need in the borough. Based on research undertaken on behalf of the East London Housing Partnership, the Council's guidance is that rents for property types must not be higher than the rents set out in the table below in order for them to be affordable to our residents in housing need.

Bedroom size	Percentage of local market rents
1 bedroom	Up to 80%
2 bedroom	Up to 70%
3 bedroom	Up to 60%
4 bedroom	Up to 50%

### Key Findings on Affordable Rent

- 9.53 Under the following combined circumstances the introduction of Affordable Rent will have no impact on the requirement for affordable housing:
- » The allocation policies currently in place continue and households are required to pay Affordable Rent if they are able to afford to do so; and
  - » Households who cannot afford to meet the costs of Affordable Rent receive housing benefit to cover the cost of the Affordable Rent.
- 9.54 If the circumstances outlined above apply, then this would allow all new build lets and re-lets to be converted to Affordable Rent without any consequence for affordable housing requirements. It should be noted that both the London Housing Strategy 2011 and London Plan Supplementary Planning Guidance 2011 consider that Affordable Rent should be considered to be part of the social housing provision for the target tenure split in London for new dwelling provision.
- 9.55 A major impact of Affordable Rent will be on the rents paid by those who do not receive housing benefit. Currently they only pay Target Social Rents, but would now be required to pay Affordable Rents. The higher rents may also mean that some households who could afford Target Social Rents would now require financial assistance in the form of housing benefit to meet the costs of Affordable Rents.
- 9.56 Affordable Rent may also make the problem of the poverty trap worse for many households who are currently out of work, as they will have to pay higher rents if they take a job. Therefore, the disincentive to take a job will become worse. However, this in turn should at least be partly addressed by the introduction on the Universal Credit which will see a more gradual withdrawal of benefits for those in work.

- <sup>9.57</sup> However, the introduction of the Universal Credit, with a total household benefit cap of £500 per week, may raise further issues in Waltham Forest. It is the case that the level of rents on larger dwellings may be set at such a level that households not in work will not be able to afford to meet them even with the help of housing benefit. Housing benefit will only be assessed within the £500 per week cap after other benefits such as jobseekers allowance, council tax benefit and child benefit have been deducted. Therefore, there may be insufficient space within the £500 benefit cap for larger households to cover the costs of a larger Affordable Rent property in Waltham Forest.
- <sup>9.58</sup> An area where Affordable Rents may impact upon housing requirements is if they are only let to households who can afford to pay the cost of the property and are not let to households in receipt of housing benefit. Under these circumstances Affordable Rent becomes interchangeable with Intermediate Rent. This could see existing social rented dwelling converted to become part of the effective intermediate stock and then let to households who would not normally be considered for social rent.
- <sup>9.59</sup> The introduction of Affordable Rent comes as part of a wider package of changes to the social housing system. Among these changes, local authorities have been encouraged by CLG to show greater flexibility in local letting policies. The future allocation criteria to Affordable Rent is therefore a policy decision facing Waltham Forest with the possibility that the Council may choose to use Affordable Rent to meet the needs of households who would not have qualified for social rent in the past.

## Housing Requirements Summary

- <sup>9.60</sup> In summary the following can be said to cover the main components of the housing requirements of Waltham Forest.
- » The affordable housing requirements of Waltham Forest is over 80% of the total housing requirement to 2031, so a policy position of 50% affordable housing in line with the London Plan is fully justified;
  - » The split between the intermediate and social housing requirement is 40:60 which is in line with London Plan requirements;
  - » There is a requirement for dwellings of all sizes, so a balanced policy of development with 50% of dwellings containing 3 or more bedroom units is recommended;
  - » Delivering affordable housing in the current economic climate is challenging and this will continue for some time to come;
  - » Registered providers have confirmed that the economics of delivering larger Low Cost Home Ownership products in Waltham Forest are difficult and that it is financially easier to develop smaller units.
  - » Reforms to the Local Housing Allowance (LHA) may mean more households move to WF from Central London – these will be households who require social housing or housing benefit support in the private rented sector. The market may respond by converting more existing stock into HMOs especially to meet the needs of single persons under 35 years.
  - » Reforms to the LHA may also mean landlords are less willing to bring forward dwellings for households who receive housing benefit. Such a fall in supply may make it difficult for Waltham Forest to meet all the needs which arise in the borough.

## Housing Requirements Policy Options

- 9.61 In the current economic climate and against the backdrop of LHA reform the policy options facing Waltham Forest are extremely limited.
- 9.62 In terms of planning policy, the findings for housing requirements provide **clear support for the London Plan position of seeking 50% affordable housing on qualifying sites**. However, housing need requirements must also be considered alongside supply side factors such as the viability of delivering affordable housing and land availability, as well as local policy priorities including the creation of mixed and balanced communities.
- 9.63 The evidence for the split between intermediate affordable housing and social rent indicates **support for the London Plan** policy position of affordable housing being provided with a 60:40 split between social rent and intermediate affordable housing.
- 9.64 The modelled size mix requirements indicate that **in the market nearly 50% of households are seeking 3 bedrooms or more**, with 80% seeking at least 2 bedrooms. The model also identifies a high requirement for **larger affordable units**. Those in the social rent requirement are typically to meet the needs of high priority need households. It can be argued that the needs of larger households are more pressing than those of smaller ones, so prioritising building larger affordable dwellings is a potential policy response to meeting the greatest needs. Overall, the findings show that a range of dwelling sizes, including 50% with 3 bedrooms or more, are required in Waltham Forest to meet the needs all households.
- 9.65 More generally the findings for housing requirements also identify a number of priorities for Waltham Forest :
- » Examine planning policy in the light of the new Affordable Rent model to achieve a balanced delivery of property size and tenure;
  - » Examine implications of new Affordable Rent on the delivery of affordable homes locally, particularly how the potential benefit caps will impact on the viability of larger dwellings;
  - » Ensure that a range of options are available to older persons to meet their needs within the borough;
  - » Monitor the population trends of Waltham Forest to ensure a clearer understanding of the processes driving its housing market are understood;
  - » Develop a strategy to bring empty homes in the Borough into effective use;
  - » Strengthen Council's Enforcement and Standard's Team to address expected decline in the housing standards and increase in HMOs due to factors such as supply, affordability and HB reforms;
  - » Work with existing or new accreditation schemes to seek to improve housing standards in the private rented sector.
  - » In line with the policies of a number of other London boroughs, potentially look at ways of meeting the housing needs which arise in Waltham Forest outside of the borough.

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# 10. Key Sub-Groups

## Sub-groups

- <sup>10.1</sup> The previous section established an understanding of the housing needs and housing requirements of the overall population across Waltham Forest. This section considers the needs of certain sub-groups of the population and how their needs might differ from those of the general population.
- <sup>10.2</sup> The sub-groups of the population considered by the study include:
- » Black and Minority Ethnic (BME) groups;
  - » Faith Groups;
  - » Older People and vulnerable groups with Supported Housing and health needs;
  - » Lesbian, Gay, Bisexual and Transgender Groups;
  - » Young People;
  - » Key Workers; and
  - » People living in Regeneration Areas.
- <sup>10.3</sup> The following sections provide a general context for each of these identified groups. Independent studies profiling the requirements of some of these sub-groups already exist, but for other sub-groups further studies may be needed to understand fully how their housing needs differ from those of the general population.

## Black and Minority Ethnic Population

- 10.4 The 2011 Census classified ethnic groups on the basis of eighteen categories which are standardised across all UK government sources (Figure 90). This classification is also used by London Borough of Waltham Forest.
- 10.5 These eighteen categories can be grouped together into five aggregate groups – these being White, Mixed, Black, Asian and Other – and some information sources do not provide any details beyond these broad groupings (though White British and White Non-British are sometimes reported independently).

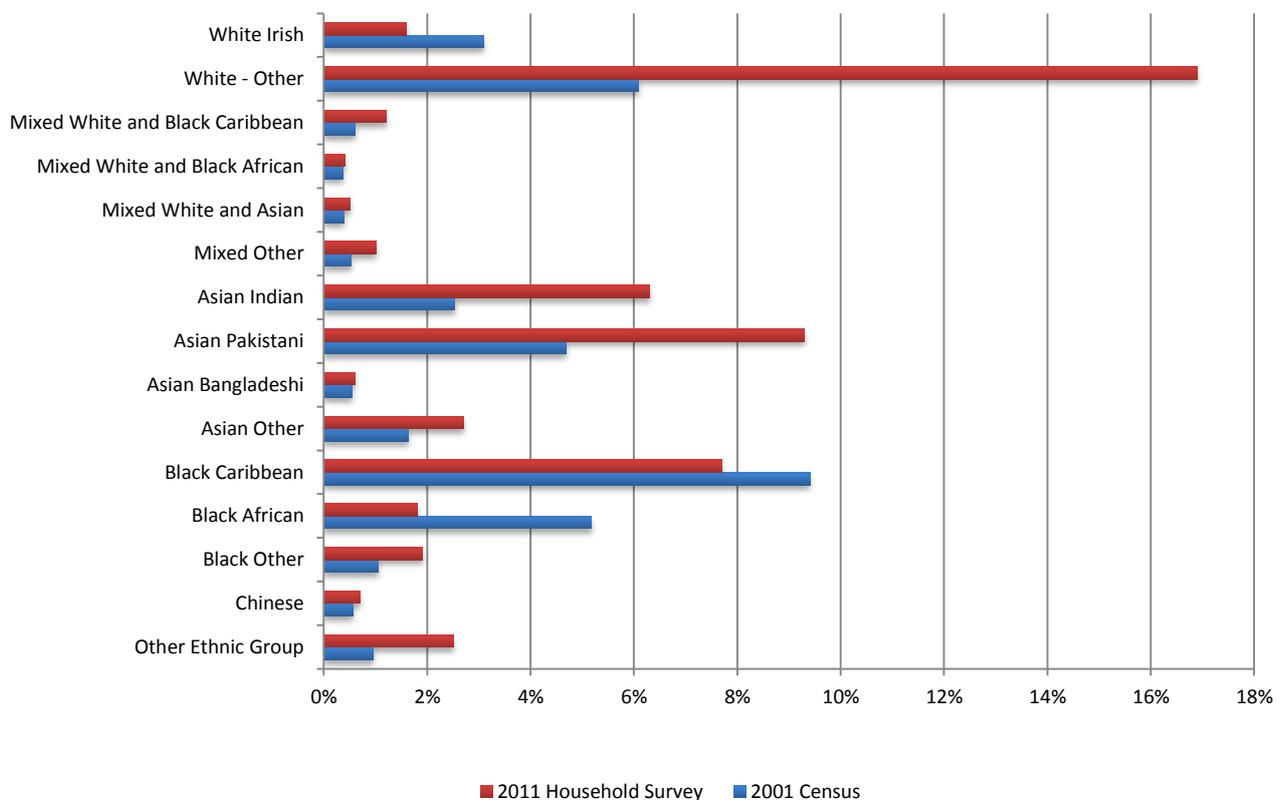
Figure 90  
Ethnic Group Classification (Source: UK Census of Population 2001)

White	Mixed Background	Asian or Asian British	Black or Black British	Other Ethnic Group
British	White and Black Caribbean	Indian	Black Caribbean	Arab
Irish	White and Black African	Pakistani	Black African	Any Other Ethnic Background
Any Other White Background	White and Asian	Bangladeshi	Any Other Black Background	
Romany Gypsy and Irish Traveller	Any Other Mixed Background	Chinese		
		Any Other Asian Background		

- 10.6 At the time of the 2001 Census (which utilised slightly different classifications), BME households in Waltham Forest made up around 38% of the total households. This included 9% of households who were White, but not White-British. Figure 91 shows that the 2011 Waltham Forest household survey indicates that the proportion of BME households has risen substantially to around 55% of all households. The proportion of Other ethnic group has also more than doubled while the Pakistani and Indian ethnic groups have increased by 50%.
- 10.7 For ease of interpretation ethnic groups have been aggregated into six broad categories for the remainder of this section.

Figure 91

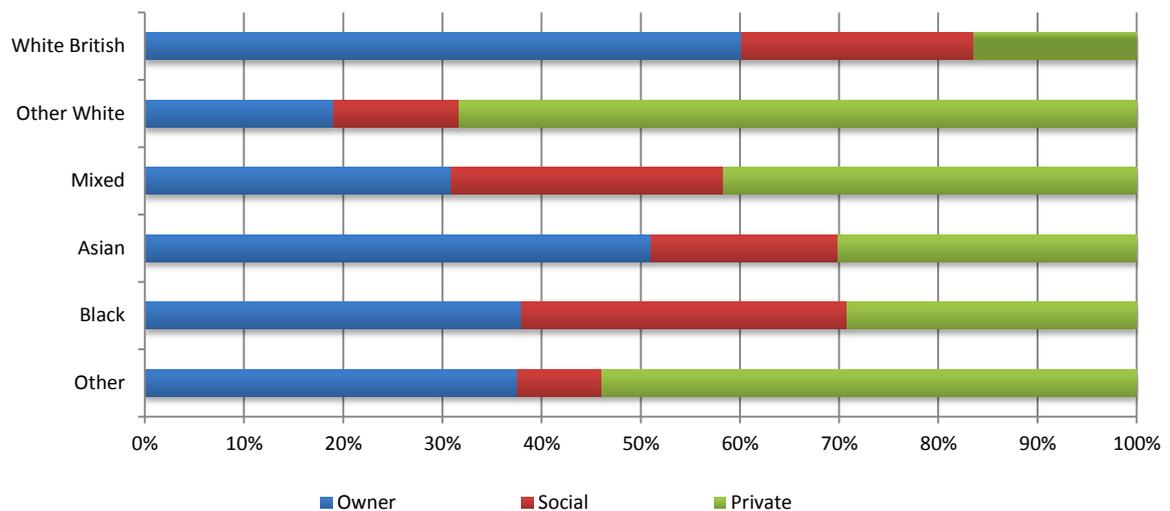
Ethnic Group of Household Respondent 2001 and 2011 (Source: UK Census of Population 2001 and Waltham Forest Household Survey 2011)



### Current Housing Conditions

<sup>10.8</sup> When compared by tenure, the White British and Asian ethnic groups have the highest proportions of owner occupation (60% and 51% respectively); however the remainder of the White British population are slightly more likely to be living in the social rented sector (23%) than Asian households (19%) (Figure 92). Social renting rates are highest for the Mixed (28%) and Black (33%) ethnic groups while around two thirds of the Other White population in Waltham Forest live in a privately rented property – this is markedly higher than for any other ethnic group.

Figure 92  
Tenure by Ethnic Group (Source: Waltham Forest Household Survey 2011)



10.9 Figure 93 shows how household types vary by ethnic group: it can be seen that the Black and Mixed ethnic groups have the highest proportion of single parents while the Asian and Other ethnic groups have the highest proportion of adult couples with children. There is a higher proportion of households where all members are aged 65 or more in the White British ethnic group, however the Black ethnic group also has a relatively high proportion.

Figure 93  
Household Type by Ethnic Group (Source: Waltham Forest Household Survey 2011)

Household Type	White British	Other White	Mixed	Asian	Black	Other
Single Person	17.3%	10.5%	25.4%	5.4%	18.0%	18.8%
Single Parent	6.6%	8.6%	21.1%	6.2%	18.2%	3.2%
Adult Couple	16.8%	17.1%	13.9%	6.9%	11.7%	11.6%
Adult Couple with Dependent Children	17.0%	32.4%	19.8%	46.9%	22.6%	41.7%
Group of Adults	14.4%	20.5%	11.8%	18.2%	13.4%	20.6%
Group of Adults with Dependent Children	1.9%	6.0%	4.5%	12.2%	3.3%	0.0%
All 65+	26.1%	4.9%	3.6%	4.2%	12.8%	4.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

10.10 Figure 94 demonstrates how income varies by ethnic group where it can be seen that the Other White and Other ethnic groups have higher levels of incomes than other groups, most likely because these groups contain fewer older or unemployed persons. The lowest levels of income are found in the Black ethnic group.

Figure 94  
Income by Ethnic Group (Source: Waltham Forest Household Survey 2011)

Income Band	White British	Other White	Mixed	Asian	Black	Other
Less than £5,000	6.1%	4.1%	8.5%	7.6%	9.4%	8.9%
£5,000-£10,000	20.3%	13.3%	21.0%	20.9%	26.6%	8.9%
£10,000-£15,000	15.0%	13.2%	10.5%	17.2%	14.9%	9.1%
£15,000-£20,000	10.6%	16.0%	5.4%	12.2%	13.1%	12.2%
£20,000-£30,000	14.0%	28.6%	19.7%	19.9%	15.8%	14.9%
£30,000-£40,000	9.8%	10.8%	17.0%	13.7%	8.7%	18.6%
£40,000-£60,000	12.4%	8.6%	8.2%	3.2%	7.5%	18.9%
£60,000 or more	11.8%	5.4%	9.8%	5.3%	3.9%	8.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

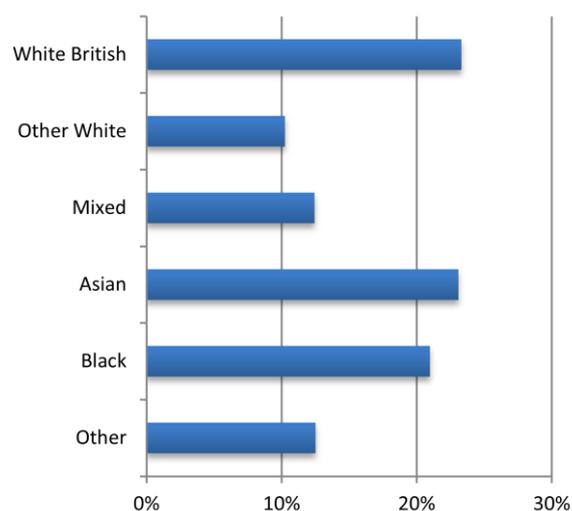
## Health

10.11 An important household characteristic which may have an impact on housing needs is health. A population which is suffering from more ill health may require greater care in residential homes, or special provision of housing to help them cope with their illness.

10.12 The respondents to the Waltham Forest household survey were asked about health issues for their households. The question was designed to discover if the household contained anyone who was suffering from long-term health problems. It was not designed to discover how chronic the health problems were. Instead, the follow-up questions were largely designed to assess the impact of any health problems on the housing and care needs of the household.

10.13 Figure 95 indicates that White British households are the most likely to contain a member with a health problem. This can partly be explained by the fact that the White British population tends to be older (Figure 94). However, other ethnic groups that have a relatively higher age profile, i.e. the Black ethnic group, have a slightly lower proportion of households with health problems, which shows that this is only one element to the explanation as to why White British households have a high percentage of health problems.

Figure 95  
Percentage of Households with Health Problems by Ethnic Group  
(Source: Waltham Forest Household Survey 2011)

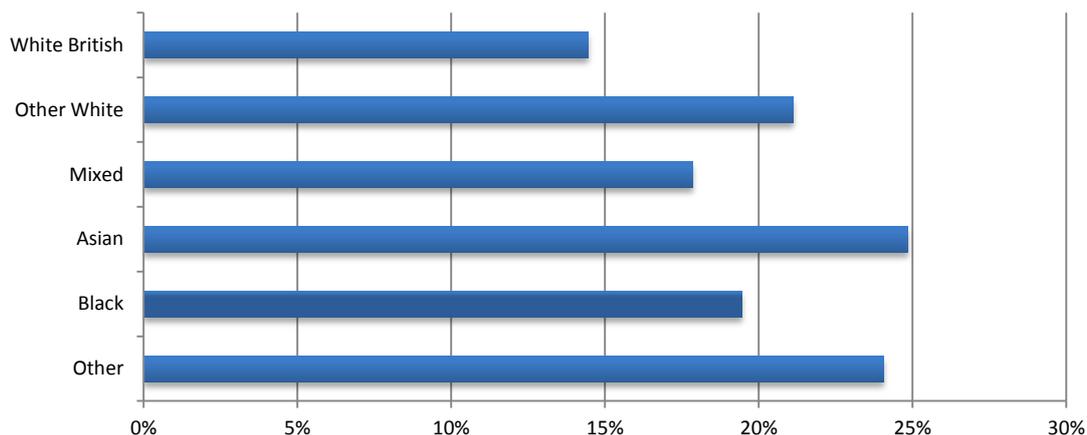


## Housing Needs

10.14 Figure 96 indicates households which had at least one room too few for the needs of its occupants. It is clear that those in minority ethnic groups, particularly Asian households, are more likely to report that they have too few rooms than the White British population.

Figure 96

Percentage of Households With Too Few Rooms by Ethnic Group (Source: Waltham Forest Household Survey 2011)



## Homelessness

10.15 Figure 97 identifies that there is an ethnic minority dimension to homelessness acceptances across Waltham Forest. Of all households accepted as being homeless and in priority need in the period 2003-10, almost three quarters were from the Non-White population, which is a higher proportion than their share of the total population, but relates to the higher than average figures for those living in overcrowded housing. Almost a third of these are from Black ethnic groups.

Figure 97

Homeless and in Priority Need by Ethnic Group Q1 2003-Q4 2010 (Source: P1E Returns to CLG)

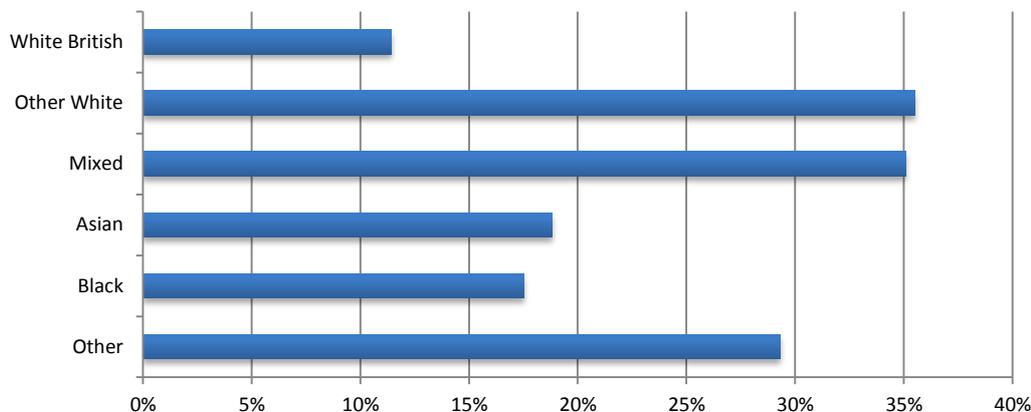
Ethnic Group	Homelessness Cases	% of cases
White	1,441	29.1%
Black (African or Caribbean)	1,597	32.2%
Asian (Indian, Pakistani or Bangladeshi)	894	18.0%
Other	758	15.3%
Unknown	265	5.3%
<b>Total</b>	<b>4,955</b>	<b>100%</b>

## Moving

10.16 Figure 98 compares the length of time at current address by ethnic group; it is clear that over a third of households in the Other White and Mixed ethnic groups have been living in their current home for less than 2 years. This is higher than for any other group, suggesting these groups are more mobile.

Figure 98

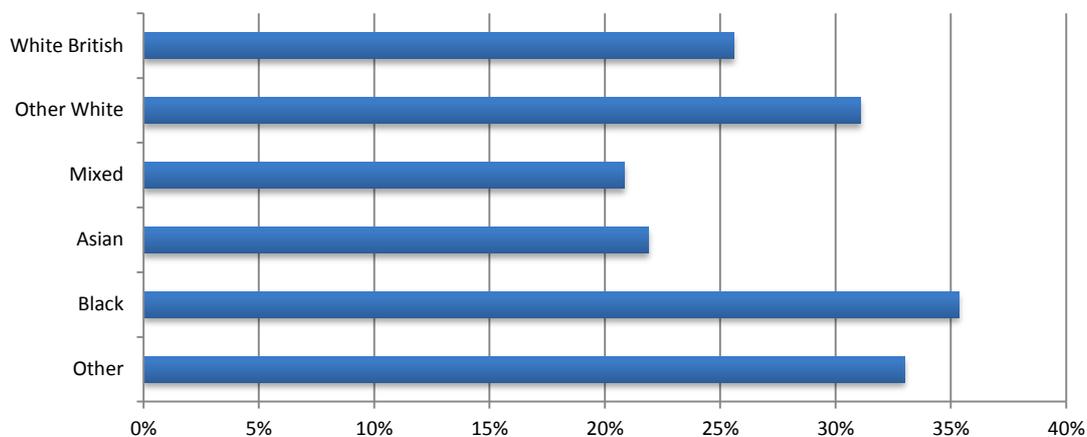
Move to Current Home Less than 2 year ago by Ethnic Group (Source: Waltham Forest Household Survey 2011)



10.17 Across all households, 27.7% of households want to move; however this varies by ethnic group with a higher proportion (over 30%) of Other White, Black and Other ethnic groups wanting to move.

Figure 99

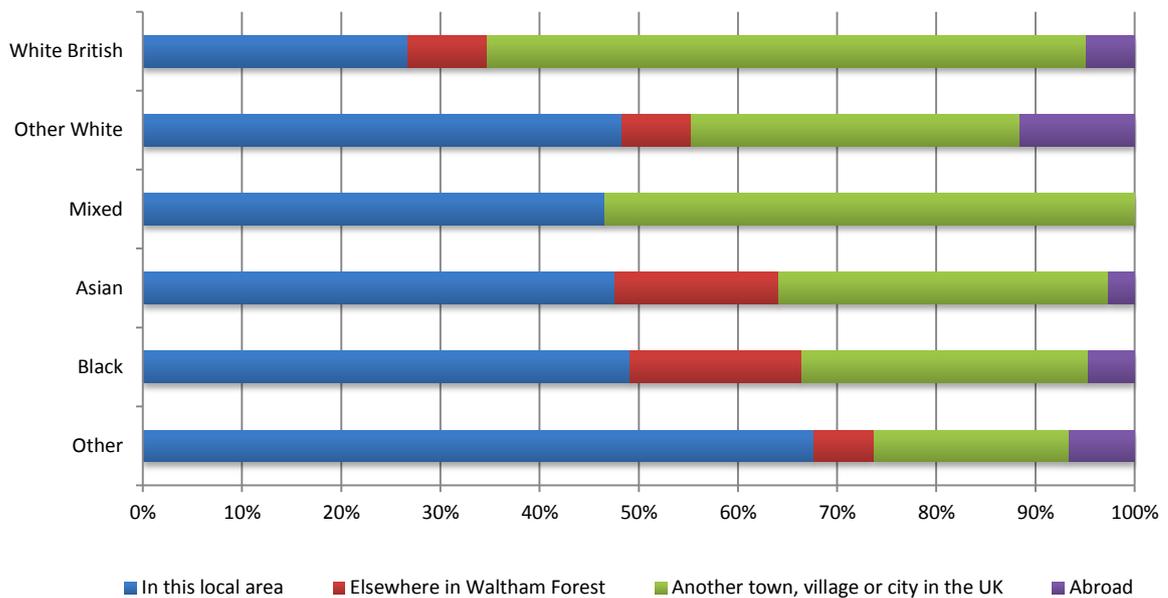
Want to Move by Ethnic Group (Source: Waltham Forest Household Survey 2011)



10.18 Respondents to the household survey who said that they their household did want to move were asked where they expected they would move to. Figure 100 shows that the White British population are the most likely of all ethnic groups to expect to move outside of Waltham Forest suggesting that they are more likely to be able to do so. The Other ethnic group are most likely to move within the local area and the Other White ethnic group are the most likely to move abroad.

Figure 100

Where Expect to Move to by Ethnic Group (Source: Waltham Forest Household Survey 2011)



### The Housing Requirements of Gypsies and Travellers

- 10.19 It is widely recognised that there has been an under-provision of adequate accommodation for Gypsies and Travellers in London and other regions and that this has contributed to very poor health, educational and economic outcomes for these communities.
- 10.20 The London Plan states that boroughs should assess the accommodation needs of gypsies and travellers, protect existing sites, set out criteria for identifying the suitability of new sites, and identify locations for new sites where shortfalls are identified. Similarly, the Housing Act 2004 requires local authorities to assess the accommodation needs of Gypsies and Travellers, and to have a strategy in place which sets out how any identified needs will be met as part of their wider housing strategies.
- 10.21 National Planning Policy (Circular 01/2006) requires regional planning bodies (in London, the Mayor) to specify targets for provision in the form of pitch numbers for each local authority, taking into account the Gypsy and Traveller Accommodation Needs Assessments (GTANAs) carried out in the region and any other relevant evidence.
- 10.22 Thirty two London boroughs in co-operation with the GLA have undertaken and published a London-wide GTANA. Within the London plan (published in March 2011), the Mayor identified the number of pitches required for each borough, with the requirement for Waltham Forest being 4 additional pitches for Gypsies and Travellers.
- 10.23 The Mayor's draft Housing Strategy (published December 2011) allows boroughs the freedom to identify and meet the needs of Gypsies and Travellers within their borough. It should also be noted that the Waltham Forest Household Survey contained no interviews with people who identified themselves as being Gypsies and Travellers. A previous study undertaken by ORS to consider licensing HMOs in selected parts of the Northern Olympic Fringe Area of the borough identified one Gypsy and Traveller from over 800

respondents. Therefore, the number of Gypsies and Travellers in bricks and mortar in Waltham Forest appears to be low.

### **Black and Minority Ethnic Population: Summary**

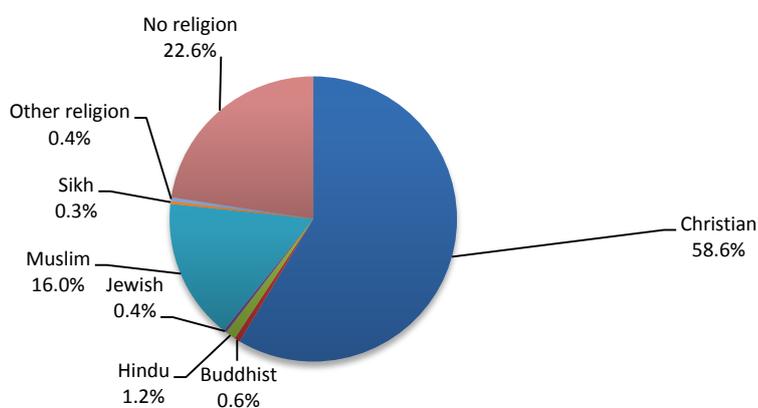
- <sup>10.24</sup> At the time of the 2001 Census, Black and Minority Ethnic (BME) households in Waltham Forest made up around 38% of the total households. The 2011 Waltham Forest household survey indicates that BME households has risen substantially to around 55% of all households, with 19% being White, but not White British – more than double the proportion in 2001. The Pakistani and Indian ethnic groups have increased by 50%.
- <sup>10.25</sup> Many recent migrants to Waltham Forest have been attracted by employment opportunities in the area and this is reflected in the Other White and Other ethnic group having higher levels of incomes than other groups. Of most concern is the lowest levels of income are found in the Black ethnic group.
- <sup>10.26</sup> An issue of concern is that Asian households are more likely to report that they have too few rooms than the White British population.

## Faith Groups

### Religion of Household

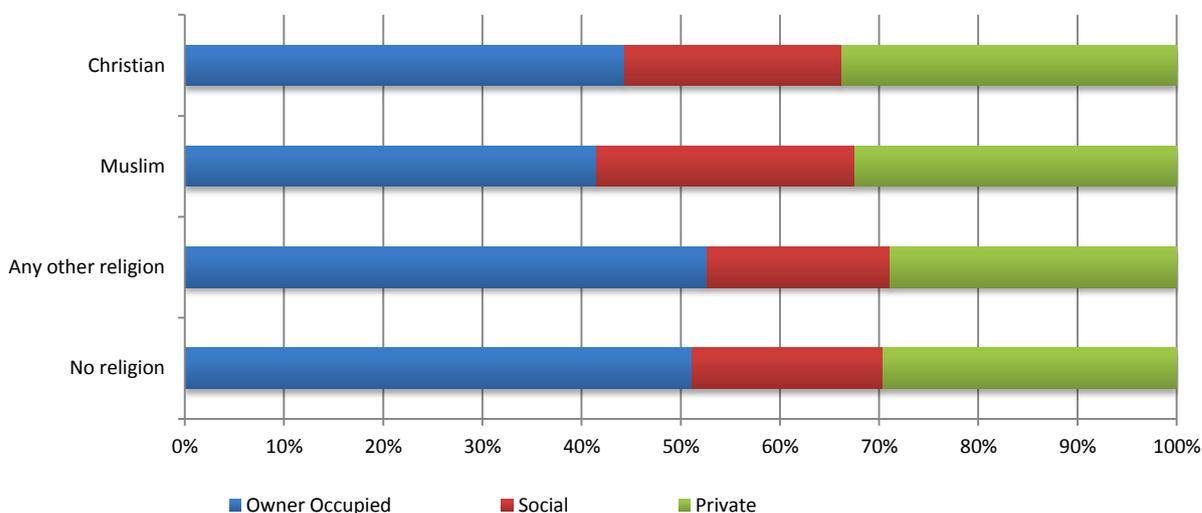
10.27 Respondents to the household survey were also asked what religion they followed. Figure 101 shows that 59% of the population of Waltham Forest stated that they were Christian. However 16% are Muslim and 23% have no religion. The proportion of the population who are Buddhist, Jewish, Sikh or another religion is very small and therefore for further meaningful analysis they will be grouped as 'Any other religion'.

Figure 101  
Religion of Household Respondent (Source: Waltham Forest Household Survey 2011)



10.28 When compared by tenure, Christian and Muslim households are least likely to be living in the owner occupied sector and Muslim households are most likely (27%) to be renting in the social sector. Any other religion households have the highest incidence of owner occupation (52%).

Figure 102  
Tenure by Religion (Source: Waltham Forest Household Survey 2011)



10.29 Figure 103 shows how household types vary by Faith Group; where it can be seen that around 70% of Muslim households contain children, which is markedly higher than any other group, while Christian households have the highest proportion of households where all members are aged 65 or above. Households with no religion are more likely than other groups to contain only one adult (22%).

Figure 103

Household Type by Religion (Source: Waltham Forest Household Survey 2011)

Household Type	Christian	Muslim	Any other religion	No religion
Single Person	14.6%	6.8%	13.7%	21.0%
Single Parent	8.6%	10.4%	7.5%	11.3%
Adult Couple	14.1%	4.6%	19.7%	20.5%
Adult Couple with Dependent Children	21.3%	49.0%	30.3%	22.8%
Group of Adults	15.9%	16.3%	14.4%	15.8%
Group of Adults with Dependent Children	3.5%	10.3%	6.0%	1.5%
All 65+	22.0%	2.6%	8.4%	7.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

10.30 Figure 104 demonstrates how income varies by faith group; it can be seen that differences are only very slight and there is no clear pattern. However, it is apparent that households with no religion in Waltham Forest have higher levels of income than households belonging to a religion. The Muslim religious group have the highest proportion of households with total incomes of less than £10,000.

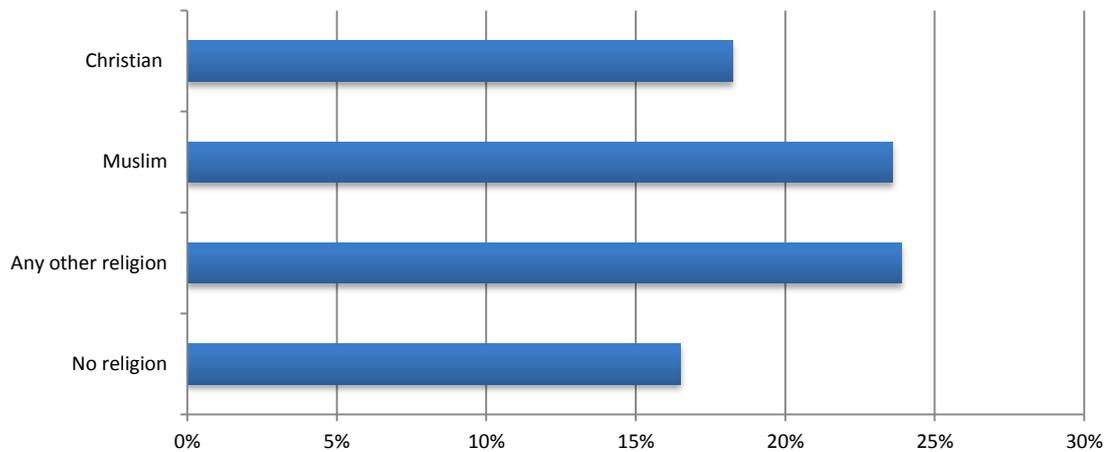
Figure 104

Income by Religion (Source: Waltham Forest Household Survey 2011)

Income Band	Christian	Muslim	Any other religion	No religion
Less than £5,000	6.5%	7.8%	3.2%	7.0%
£5,000-£10,000	18.2%	26.7%	13.1%	19.9%
£10,000-£15,000	17.0%	15.7%	24.5%	7.9%
£15,000-£20,000	11.3%	12.8%	15.9%	13.1%
£20,000-£30,000	19.7%	18.4%	23.1%	12.0%
£30,000-£40,000	10.7%	8.2%	13.4%	11.9%
£40,000-£60,000	10.2%	5.7%	0.0%	12.7%
£60,000 or more	6.3%	4.6%	6.7%	15.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

10.31 Figure 105 indicates households which had at least one room too few for the needs of its occupants. It is clear that despite having more bedrooms on average, those in Muslim and Any other religion households (24%) are more likely to report that they have too few rooms than Christian or no religion households. This corresponds with these groups also having more people living in each household.

Figure 105  
Percentage of Households with Too Few Rooms by Religion (Source: Waltham Forest Household Survey 2011)



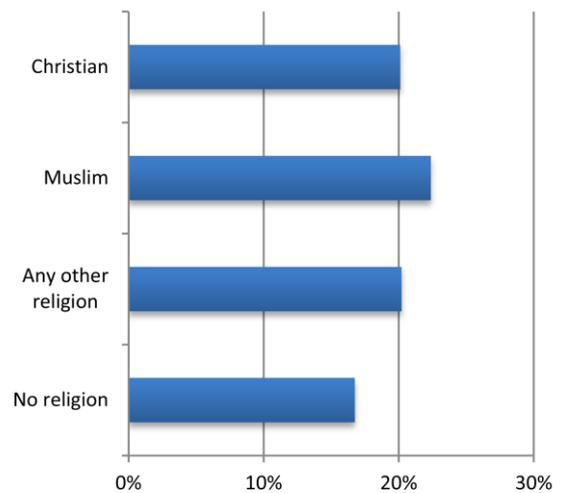
## Health

10.32 An important household characteristic which may have an impact on housing needs is health. A population which is suffering from more ill health may require greater care in residential homes, or special provision of housing to help them cope with their illness.

10.33 The respondents to the Waltham Forest household survey were asked about health issues for their households. The question was designed to discover if the household contained anyone who was suffering from long-term health problems. It was not designed to discover how chronic the health problems were. Instead, the follow-up questions were largely designed to assess the impact of any health problems on the housing and care needs of the household.

10.34 Figure 106 indicates that there is little difference in terms of Faith Groups in the proportion of households that contain at least one member with a health problem, although Muslim households are slightly more likely to have health problems.

Figure 106  
Percentage of Households with Health Problems by Religion (Source: Waltham Forest Household Survey 2011)

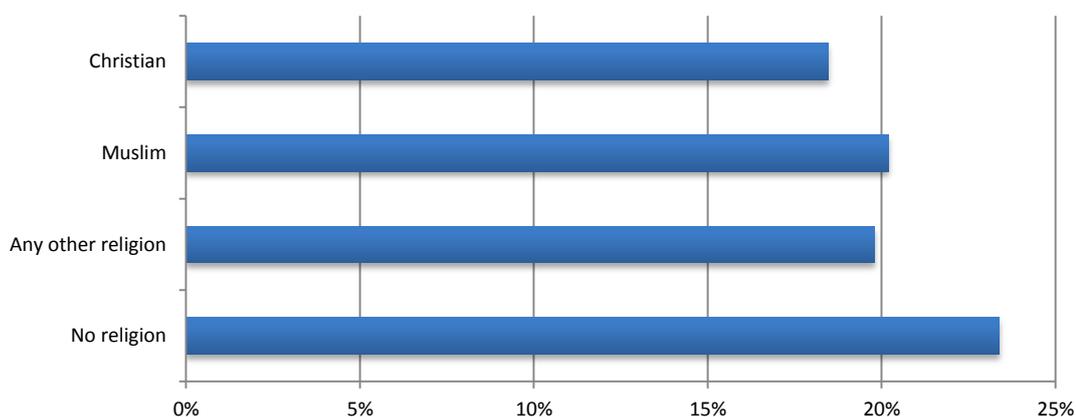


## Moving

10.35 Figure 107 compares the length of time at current address by religion; it is clear that those of no religion are the most likely to have moved within the last 2 years.

Figure 107

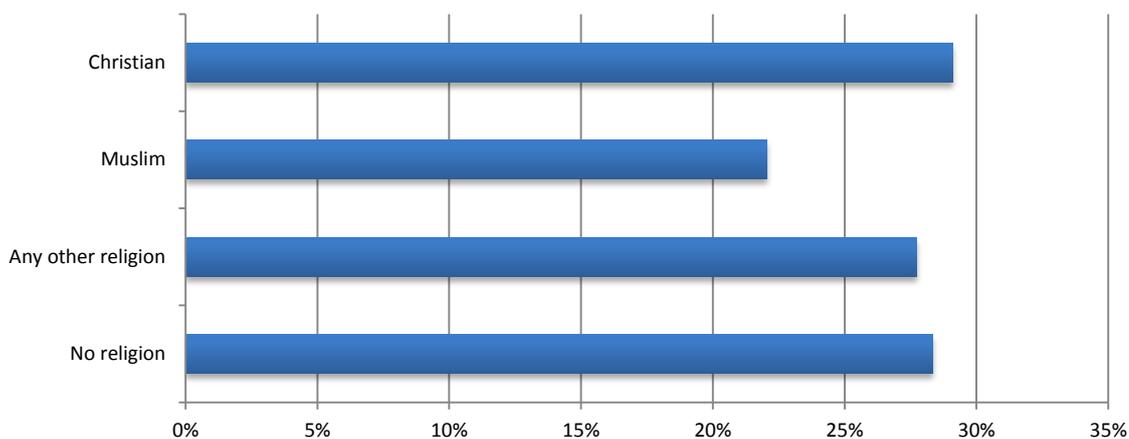
Lived at Current Home for Less than 2 Years by Religion (Source: Waltham Forest Household Survey 2011)



10.36 Across all households 27.7% of households want to move; however this varies slightly by religion with a lower proportion (22%) of Muslim households wanting to move.

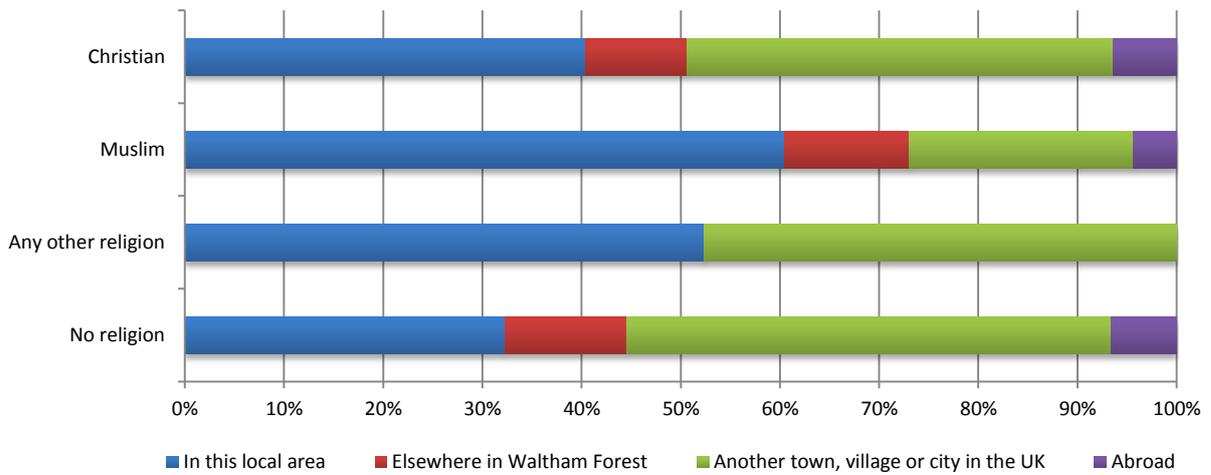
Figure 108

Want to Move by Religion (Source: Waltham Forest Household Survey 2011)



10.37 Respondents to the household survey who said that they their household did want to move were asked where they expected they would move to. Figure 109 shows that those of no religion and Christian households are the most likely of all religious groups to expect to move outside of Waltham Forest while Muslim households are the most likely to move within the local area.

Figure 109  
Where Expect to Move to by Religion (Source: Waltham Forest Household Survey 2011)



### Faith Group: Summary

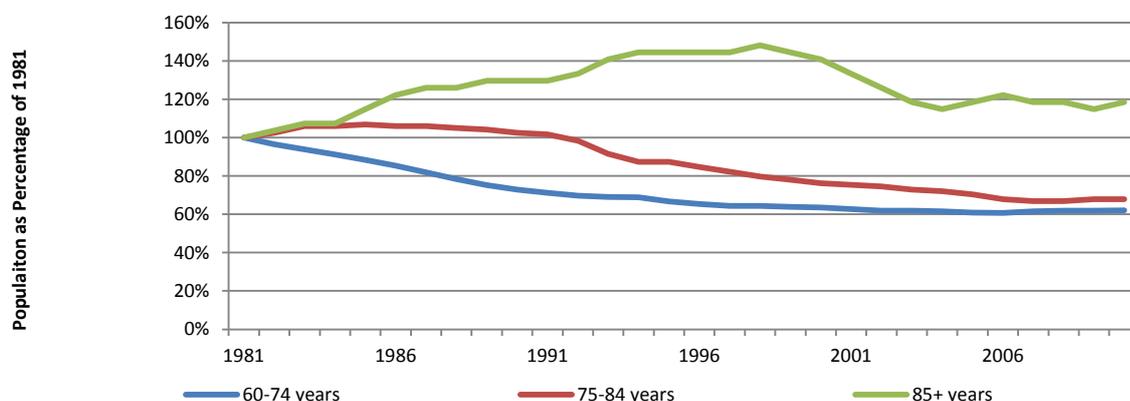
- <sup>10.38</sup> Around 60% of household respondents in Waltham Forest identified themselves as being Christian, 16% as Muslim, 22% had no religion and the remainder came from a range of other religions.
- <sup>10.39</sup> Muslim households are more likely to have dependent children in the household, to be found in lower incomes bands, to have health problems and also to feel that they are have too few rooms. Many of the characteristics of Muslim households are also associated with households from non-Christian religions.

## Housing Requirements of Older People and Those with Support Needs

### Background Data

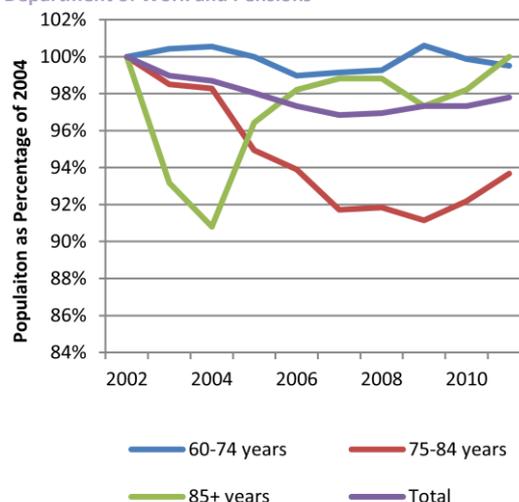
- 10.40 Figure 110 shows the longer term change in the older person population of Waltham Forest. We would note that definitions of when someone becomes an older person vary for different sources, so a range of ages are used throughout this section.
- 10.41 The population aged 60-74 years has been declining since 1981 with a recent levelling off of this decline. The population aged over 85 years rose until 1998 before declining and again levelling off in recent years. This rise between 1981 and 1998 is likely to have been due to young households moving to Waltham Forest in the immediate post war years.

**Figure 110**  
Population by Age Group: 1981-2010 (Source: ONS Mid-Year Population Estimates)



- 10.42 Figure 111 shows the age profile of state pension claimants in Waltham Forest 2002-11. State pensions are claimed by the overwhelming majority of the older people.
- 10.43 Overall there has been very little change in the numbers claiming state pension with a fall of less than 2% between 2002 and 2011. However, there has been pronounced fall in those aged 75-84 years and a fall followed by a rise in those aged 85 years or more.

**Figure 111**  
Pension Claimants in Waltham Forest by Age 2002-2011 (Source: Department of Work and Pensions)



10.44 Waltham Forest's projected older peoples population is estimated to rise by 25% (6,100 net extra older people) between 2011-2030 based on population estimates from 2008; Office of National Statistics). Projections show an extra 1,400 people aged over 85 years - a rise of 45% on present numbers.

Figure 112

Persons by Age Group 2011-2030 (Source: Projecting Older People Population Information System)

Age Group	2011	2015	2020	2025	2030	Total Change 2011-2030
Age Group						
65-69 years	6,600	7,000	6,900	7,800	9,200	2,600
70-74 years	5,700	5,500	6,000	5,900	6,700	1,000
75-79 years	4,600	4,800	4,600	5,100	5,000	400
80-84 years	3,300	3,400	3,700	3,600	4,000	700
85+ years	3,100	3,100	3,500	4,100	4,500	1,400
Total	23,300	23,800	24,700	26,500	29,400	6,100

10.45 A significant number of the increased older person population will be single person households.

10.46 Figure 113 shows that of the extra 6,100 older persons projected living in Waltham Forest by 2030, almost 2,400 are expected to be found in single person households.

Figure 113

Living Alone by Age Group 2011-2030 (Source: Projecting Older People Population Information System)

Age Group	2011	2015	2020	2025	2030	Total Change 2011-2030
Total population aged 65-74 predicted to live alone	3,150	3,180	3,290	3,510	4,040	890
Total population aged 75 and over predicted to live alone	5,522	5,658	5,848	6,350	6,730	1,508
Total	8,672	8,838	9,138	9,860	10,770	2,398

10.47 The number of older people who have difficulties in carrying out typical self care activities is projected to rise by over 2,000 by 2030. Typical self care activities include bathing, showering or washing all over, dressing and undressing, washing face and hands, feeding, cutting toenails.

10.48 Currently, 7,900 older persons in Waltham Forest are identified as having difficulties completing at least one self-care activity, which represents around 33% of all older persons.

Figure 114

Unable to Manage at Least one Self-care Activity by Age Group 2011-2030 (Source: Projecting Older People Population Information System)

Age Group	2011	2015	2020	2025	2030	Total Change 2011-2030
People aged 65-74 unable to manage at least one self-care activity on their own	2,739	2,748	2,859	3,032	3,475	736
People aged 75 and over unable to manage at least one self-care activity on their own	5,140	5,269	5,506	6,033	6,459	1,319
<b>Total</b>	<b>7,879</b>	<b>8,017</b>	<b>8,365</b>	<b>9,065</b>	<b>9,934</b>	<b>2,055</b>

10.49 11,830 older persons in Waltham Forest are identified as having a limiting long-term illness (2011), which represents around 50% of all older persons. The growth in the older person population is projected to see over 3,100 more older persons who will have a limiting long-term illness by 2030.

Figure 115

Limiting Long-term Illness by Age Group 2008-2025 (Source: Projecting Older People Population Information System)

Age Group	2011	2015	2020	2025	2030	Total Change 2011-2030
People aged 65-74 with a limiting long-term illness	5,370	5,458	5,632	5,982	6,942	1,572
People aged 75-84 with a limiting long-term illness	4,428	4,596	4,652	4,876	5,044	614
People aged 85 and over with a limiting long-term illness	2,032	2,032	2,295	2,688	2,950	918
<b>Total</b>	<b>11,830</b>	<b>12,086</b>	<b>12,579</b>	<b>13,546</b>	<b>14,936</b>	<b>3,106</b>

10.50 Some of the key illnesses which affect older persons in Waltham Forest are shown in Figure 116 while Figure 117 shows that the nearly two-thirds of additional households projected to be living alone will suffer from a long-term illness.

Figure 116

Illnesses by Age Group 2011-2030 (Source: Projecting Older People Population Information System)

Health Problem	2011	2015	2020	2025	2030	Total Change 2011-2030
Total population aged 65 and over predicted to have dementia	1,633	1,672	1,785	1,952	2,160	627
Total population aged 60 and over predicted to have a learning disability	482	493	513	551	614	132
Total population aged 65 and over unable to manage at least one domestic task on their own	9,614	9,798	10,244	11,078	12,128	2,514

Figure 117  
Illnesses by Living Alone by Age Group 2011-2030 (Source: Projecting Older People Population Information System)

Age Group	2011	2015	2020	2025	2030	Total Change 2011-2030
People aged 65-69 with a limiting long-term illness, living alone	763	809	798	902	1,064	301
People aged 70-74 with a limiting long-term illness, living alone	905	873	952	936	1,063	158
People aged 75-79 with a limiting long-term illness, living alone	1,090	1,138	1,090	1,209	1,185	95
People aged 80-84 with a limiting long-term illness, living alone	992	1,022	1,112	1,082	1,202	210
People aged 85 and over with a limiting long-term illness, living alone	1,332	1,332	1,504	1,762	1,934	602
<b>Total</b>	<b>5,082</b>	<b>5,174</b>	<b>5,456</b>	<b>5,891</b>	<b>6,448</b>	<b>1,366</b>

10.51 Data is also available on disabilities or illnesses experienced by younger persons. Figure 118 shows how a range of characteristics are expected to change to 2030. All figures are derived by projecting current propensities for the condition to the future size of the population.

10.52 For information, common mental disorders comprise different types of depression and anxiety, and include obsessive compulsive disorder. Two or more psychiatric disorders include the most common mental disorders (namely anxiety and depressive disorders) as well as: psychotic disorder; antisocial and borderline personality disorders; eating disorder; posttraumatic stress disorder (PTSD); attention deficit hyperactivity disorder (ADHD); alcohol and drug dependency; and problem behaviours such as problem gambling and suicide attempts.

Figure 118  
Illnesses for Persons Aged 18-64 years for 2011-2030 (Source: Projecting Adult Needs and Service Information)

Health Problem	2011	2015	2020	2025	2030	Total Change 2011-2030
People aged 18-64 with a learning disability	3,564	3,588	3,630	3,702	3,748	186
People aged 18-64 with a severe physical disability	2,823	2,896	3,051	3,182	3,209	386
People aged 18-64 predicted to have alcohol dependence	8,756	8,814	8,906	9,057	9,175	419
Total population aged 18-64 predicted to be dependent on drugs	4,957	4,991	5,045	5,132	5,197	240
People aged 18-64 predicted to have a common mental disorder	23,366	23,554	23,866	24,291	24,567	1,199
People aged 18-64 predicted to have two or more psychiatric disorders	10,465	10,545	10,677	10,865	10,993	538

## Household Survey Data for Older Persons

10.53 For the purposes of this section we will define an older person household as one which contains someone who is over the age of 60 years. However, we have then separated households into those who only contain older persons and those who have younger persons in the households. Throughout this section households as a whole are the most relevant source of information and therefore we will use the categorisation outlined below:

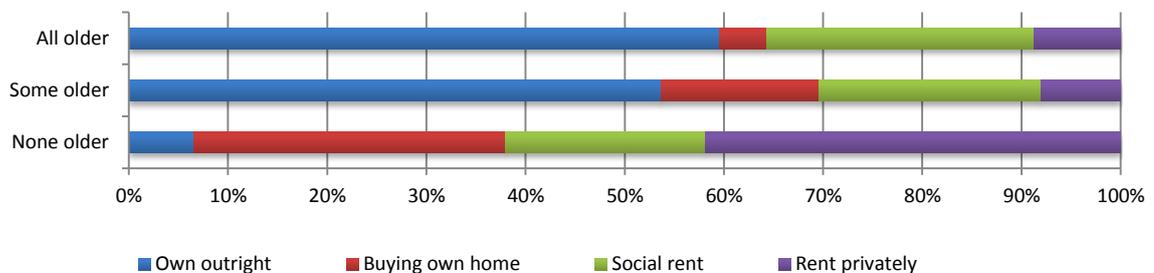
- » **All older:** At least one person in the household is aged 60 years or over and no-one in the household is aged under 50 years
- » **Some older:** At least one person in the household is aged 60 years or over, but at least one member of the household is aged under 50 years
- » **None older:** No member of the household is aged over 60 years

10.54 The Waltham Forest household survey indicated that 20.0% of households in Waltham Forest were “all older” and another 8.1% contained at least one older member of the household alongside younger members.

## Current Housing Circumstances

10.55 The Waltham Forest household survey indicated that there are significant differences between older and non-older households in their housing tenure (Figure 119). Almost 60% of ‘All older’ households own their home outright and over a quarter are renting in the social sector. Households with no older members are more likely to be buying their own home, or renting in the private sector.

Figure 119  
Tenure by Age Group (Source: Waltham Forest Household Survey 2011)



10.56 Figure 120 demonstrates how income varies by age group; it can be seen that ‘All older’ households have the lowest levels of incomes of all groups with almost half having incomes of less than £10,000 while ‘None older’ have the highest levels of income.

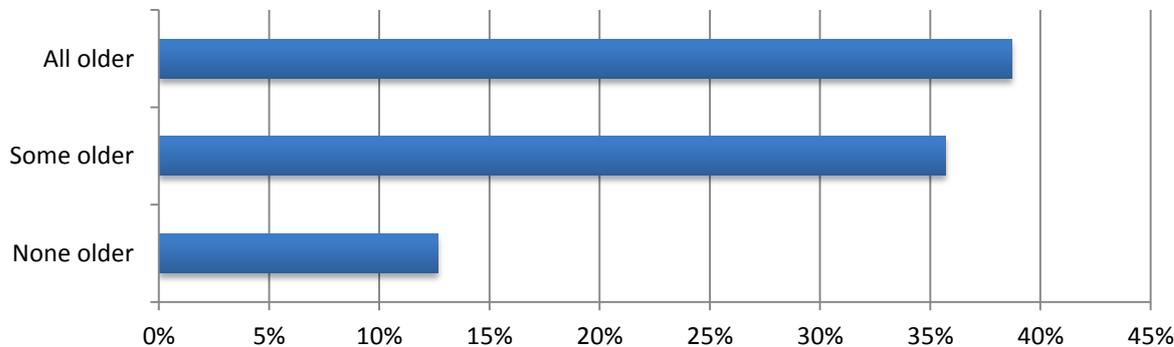
Figure 120  
Income by Age Group (Source: Waltham Forest Household Survey 2011)

Income Band	All older	Some older	None older
Less than £5,000	5.7%	2.5%	7.2%
£5,000-£10,000	40.1%	24.8%	14.7%
£10,000-£15,000	32.5%	22.2%	10.2%
£15,000-£20,000	12.0%	12.2%	12.2%
£20,000-£30,000	6.2%	21.3%	20.0%
£30,000-£40,000	2.7%	10.4%	12.7%
£40,000-£60,000	0.8%	3.0%	12.5%
£60,000 or more	0.0%	3.7%	10.4%
Total	100.0%	100.0%	100.0%

## Health Problems

10.57 The Waltham Forest household survey indicated that 39% of all older households and 36% of households which contain some older members have at least one member suffering from a self-reported health problem (Figure 121). This compares with 13% of households which have no older members.

Figure 121  
Health Problems and Housing Need in Household by Age Group (Source: Waltham Forest Household Survey 2011)



## Older People: Summary

10.58 The older person population of Waltham Forest has fallen in recent years, but is projected to rise in to the future. A high proportion of this population growth is expected to occur among people living on their own who have health problems and difficulties with self-care.

10.59 The Waltham Forest household survey indicates that almost 60% of 'All older' households (only containing members aged over 50 years and including at least one person over 60) own their home outright and over a quarter are renting in the social sector.

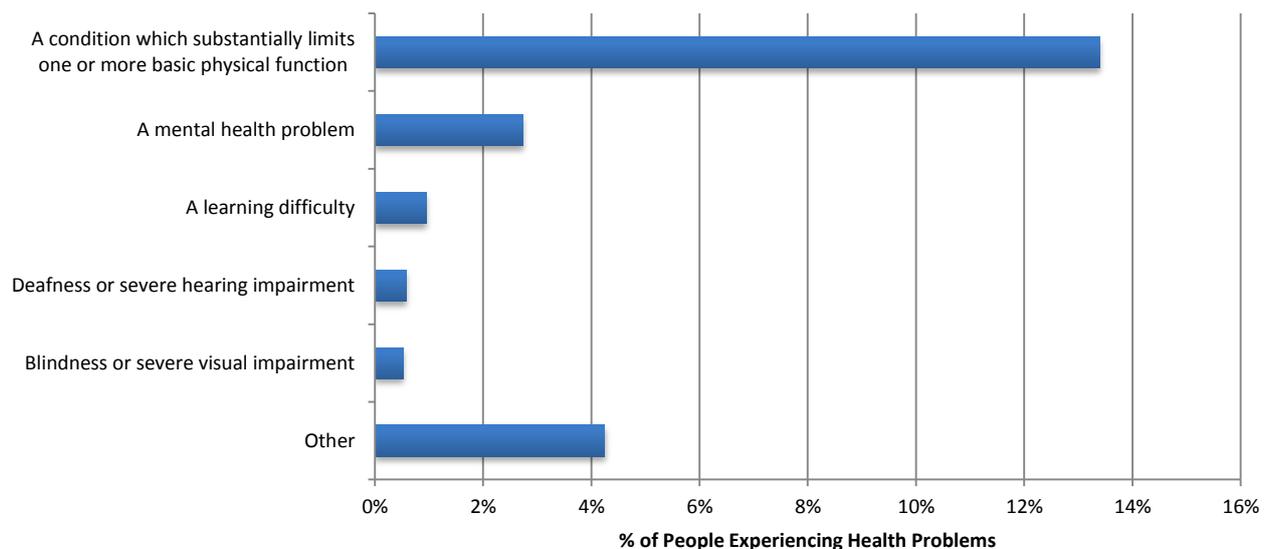
10.60 Almost half of all older households have incomes of less than £10,000 per annum. Therefore, while home ownership rates are high, many older people can be described as 'equity rich but cash poor'.

- 10.61 This has implications regarding quality of the housing stock: repair bills can be unaffordable, and quality may decline over time.
- 10.62 Older people's housing aspirations can be complex: studies show that older people wish to remain in their current home, yet a significant minority can be expected to wish to move should the right alternative housing product be available. Policy responses vary for those remaining in their homes (for example, equity release schemes or care and repair), to those who wish to move (for example, care villages or lifestyle schemes for active older people).
- 10.63 Waltham Forest may wish to consider this area in more detail in order to derive a more comprehensive and targeted strategy response.

### Household Survey Data for People with Support Needs

- 10.64 The respondents to the ORS Waltham Forest household survey were asked about health issues for their households. The questions were designed to discover if the household contained anyone who was suffering from long-term health problems and to assess the impact of any health problems on the housing and care needs of that household.
- 10.65 In total 19,300 households in Waltham Forest contained at least one person with health problems. This represents around 20% of all households. It should be noted that some of the households contained more than one individual with health issues.
- 10.66 The main problems identified were conditions which substantially limit one or more physical functions and mental health problems (Figure 122).

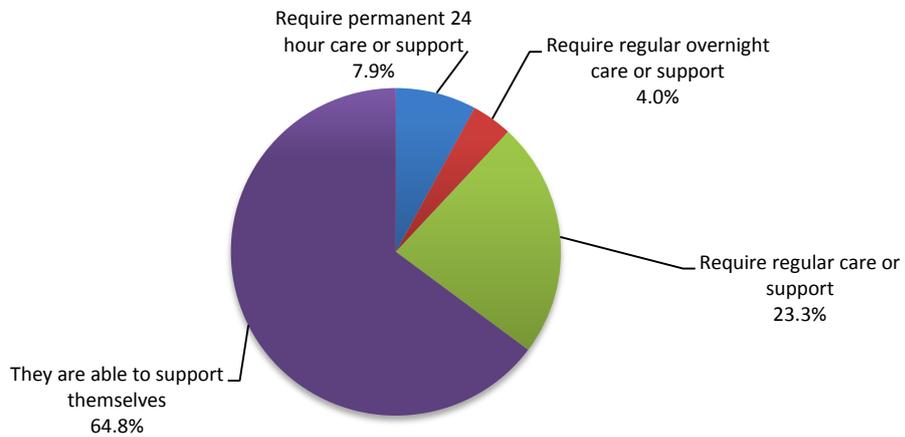
Figure 122  
Nature of Health Problems Experienced (Source: Waltham Forest Household Survey 2011)



**Care and Support Needs**

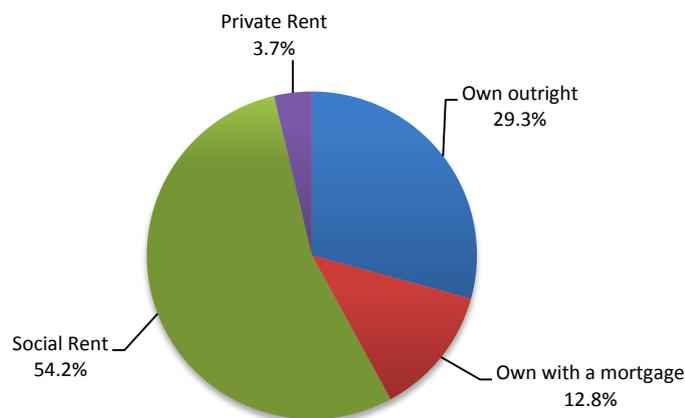
10.67 Figure 123 shows that of the household members with a health problem, 65% were able to care for themselves and the remaining 35% (5,620) needed some form of care or support.

Figure 123  
Care Needs of Households with 1+ Members Experiencing Health Problems (Source: Waltham Forest Household Survey 2011)



10.68 Of the 20% of households which contained someone who had a health problem 31% felt that their health problem affected their housing requirements. Of these households, around 42% own their own home and are therefore responsible for their own adaptations; however over half (54%) rent from a social landlord.

Figure 124  
Tenure of Households with 1+ Members Experiencing Health Problems and Feel that their Health Problem Affects their Housing Requirements (Source: Waltham Forest Household Survey 2011)



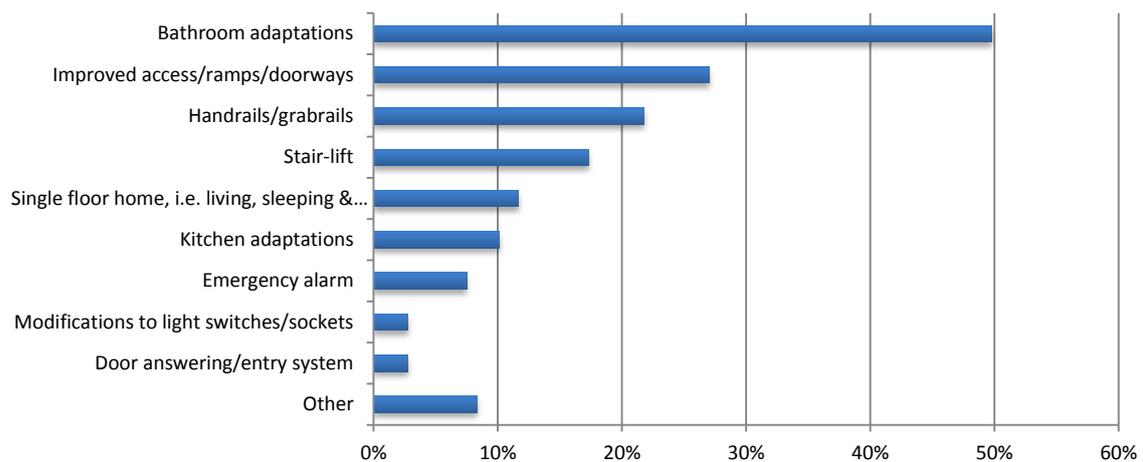
<sup>10.69</sup> Of those who do have special housing requirements, 52% felt that their requirements were already met by their current home, which implies that 48% of households felt that their homes were not currently adequately adjusted to the health problems of household members. This represents around 3% (2,800) of all households in Waltham Forest.

### Housing Problems and Required Adaptations

<sup>10.70</sup> From those households who stated that their current home does not satisfactorily meet housing needs due to health problems, 48% thought that their current home could be adapted to meet their needs and 43% felt that they would need to move to another home which was more suitable for their needs. Of households who lived in homes where there could be physical adaptations, the majority would like to have bathroom adaptations and improved access/ramps/doorways.

Figure 125

Nature of Adaptations Required for Households with 1+ Persons with Health Problems and Where Their Current Home Required at Least One Adaptation (Source: Waltham Forest Household Survey 2011)



<sup>10.71</sup> Of those households who thought that their current home could be adapted, just fewer than half (47%) own their home, and the remaining 53% rent from a social landlord. Of those who would need to move, a higher proportion (60%) live in the social rented sector.

### People with Support Needs: Summary

<sup>10.72</sup> 19,300 households in Waltham Forest contained at least one person with health problems. This represents around 20% of all households. It should be noted that some of the households contained more than one individual with health issues. The main problems identified were conditions which substantially limit one or more physical functions and mental health problems.

<sup>10.73</sup> Around 5,600 households include members who need some form of care or support. Around 6,000 households reported that the health problem affected the housing requirements of their household. Of these households, over half (54%) rent from a social landlord while around 42% own their own home

and therefore responsible for their own adaptations. Given that many of these households will have relatively low incomes, the affordability of adaptations could be a problem.

<sup>10.74</sup> Of those who do have special housing requirements, 52% felt that their requirements were already met by their current home, which implies that 48% of households felt that their homes were not currently adequately adjusted to the health problems of household members. This represents around 3% (2,800) of all households in Waltham Forest:

- » Of this group 48% thought that their current home could be adapted to meet their needs;
- » 43% felt that they would need to move to another home which was more suitable for their needs.

<sup>10.75</sup> Therefore, there are currently around 1,400 households in Waltham Forest who require adaptation in their current homes and 1,200 who need to move to another home, split approximately equally between the private and social sector.

<sup>10.76</sup> Waltham Forest may wish to consider these housing aspirations further and thereby develop a suite of responses that will support people in their own home. In addition, and given the level of support needs in the Borough, new supply which is wheelchair accessible and/or adaptable is key.

## Housing Requirements of Young Person Households

10.77 Across Waltham Forest, 2.6% (2,528) of households are made up entirely of people aged under 25 years. This section focuses on young person households (that is all households that contain nobody aged 25 years or more) and examines how their housing circumstances vary from those of other households.

### Current Housing Circumstances

10.78 It is clear from Figure 126 that almost half (47%) of young person households are either single person households or a group of adults, compared to around 30% of all households. It is also interesting that while young person households are less likely to consist of an adult couple with dependent children they are more likely to contain a lone parent (23%).

Figure 126

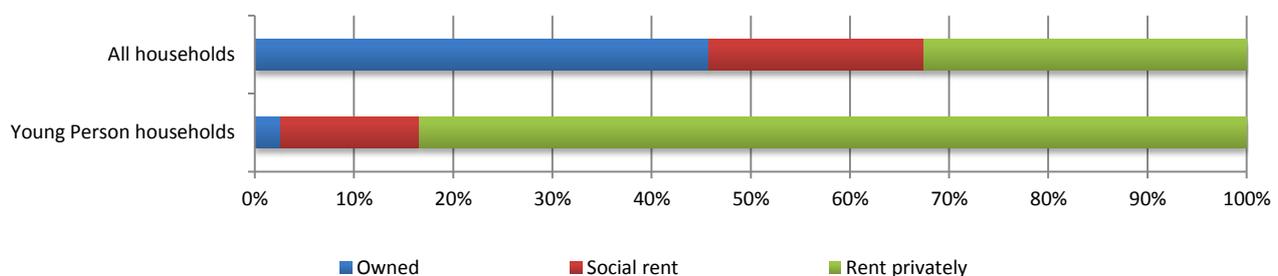
Household Type by Young Person Households (Source: Waltham Forest Household Survey 2011)

Household Type	Young Person	All Households
Single Person	17.2%	14.9%
Single Parent	22.9%	9.3%
Adult Couple	14.7%	14.5%
Adult Couple with Dependent Children	5.7%	26.0%
Group of Adults	31.0%	15.7%
Group of Adults with Dependent Children	8.4%	4.2%
All 65+	0.0%	15.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>

10.79 The Waltham Forest household survey indicated that there are significant differences between young person households and other households in their housing tenure (Figure 127). The vast majority (84%) of young person households are living in the private rented sector, compared to only 33% of all households. Only around 13% live in the social rented sector and very few young person households own their own home.

Figure 127

Tenure by Young Person Households (Source: Waltham Forest Household Survey 2011)



10.80 Around 60% of young person households in Waltham Forest live in flats, with around 26% living in a purpose built block and 34% in part of a converted dwelling; this compares to less than 40% across all households in Waltham Forest.

<sup>10.81</sup> Figure 128 demonstrates that young person households are more likely to have only one bedroom (34%) than the average across all households (20%). A further 39% have 2 bedrooms, with only 28% having three or more bedrooms. We would note that it is likely that more young person households live in bedsits than was recorded by the survey. The 1 bedroom figure is likely to include some who live in bedsits, but who responded to the survey by reporting they have 1 bedroom.

Figure 128

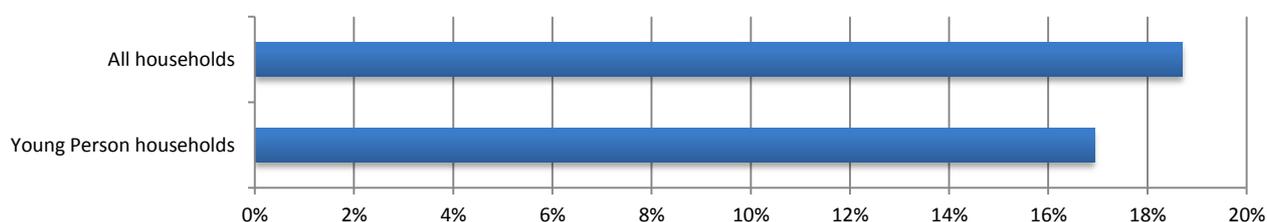
Number of Bedrooms by Young Person Households (Source: Waltham Forest Household Survey 2011)

Number of Bedrooms	Young Person	All Households
<b>Bedsit</b>	0.0%	0.2%
<b>1 Bedroom</b>	33.7%	19.2%
<b>2 Bedroom</b>	38.6%	30.2%
<b>3 Bedroom</b>	16.6%	40.0%
<b>4 Bedroom</b>	8.4%	8.2%
<b>5+ Bedroom</b>	2.8%	2.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>

<sup>10.82</sup> Despite having fewer rooms, young person households are less likely to report that they have too few rooms (16.9%) than all households. This is unsurprising given the high proportion of single person households and the low proportion of households with children.

Figure 129

Too Few Rooms by Young Person Households (Source: Waltham Forest Household Survey 2011)



<sup>10.83</sup> On average, young person households have lower incomes than the average across all households, with 50% having incomes of less than £10,000 and 20% having incomes of less than £5,000 compared to 26% and 7% of all households respectively. This suggests that there is a higher number of young person households not currently in paid employment.

Figure 130

Income by Young person Households (Source: Waltham Forest Household Survey 2011)

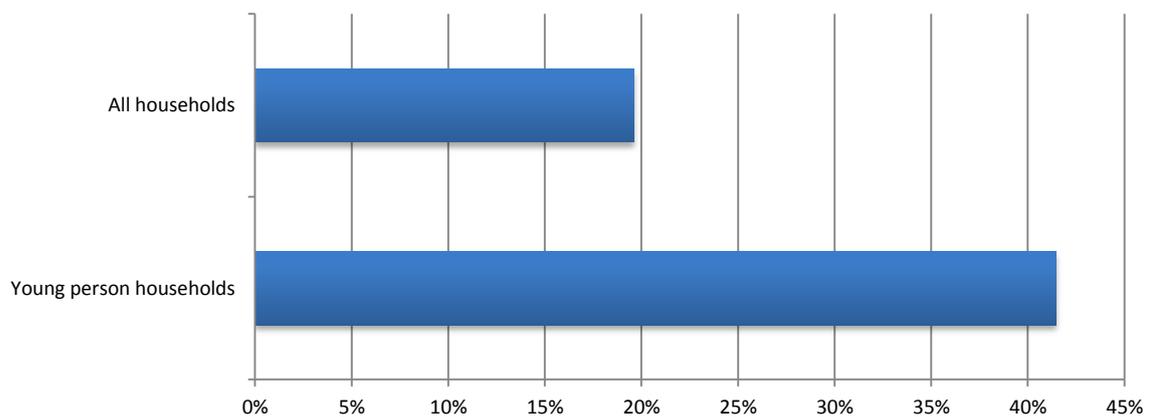
Income Band	Young Person	All Households
<b>Less than £5,000</b>	19.3%	6.7%
<b>£5,000-£10,000</b>	31.1%	19.6%
<b>£10,000-£15,000</b>	14.4%	14.8%
<b>£15,000-£20,000</b>	17.7%	12.1%
<b>£20,000-£30,000</b>	10.5%	17.8%
<b>£30,000-£40,000</b>	7.0%	10.9%
<b>£40,000-£60,000</b>	0.0%	9.9%
<b>£60,000 or more</b>	0.0%	8.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Want to Move

10.84 Figure 131 compares the length of time at current address by household type; it is clear that it varies greatly with over 40% of young person households having lived in their current home for less than 2 years.

Figure 131

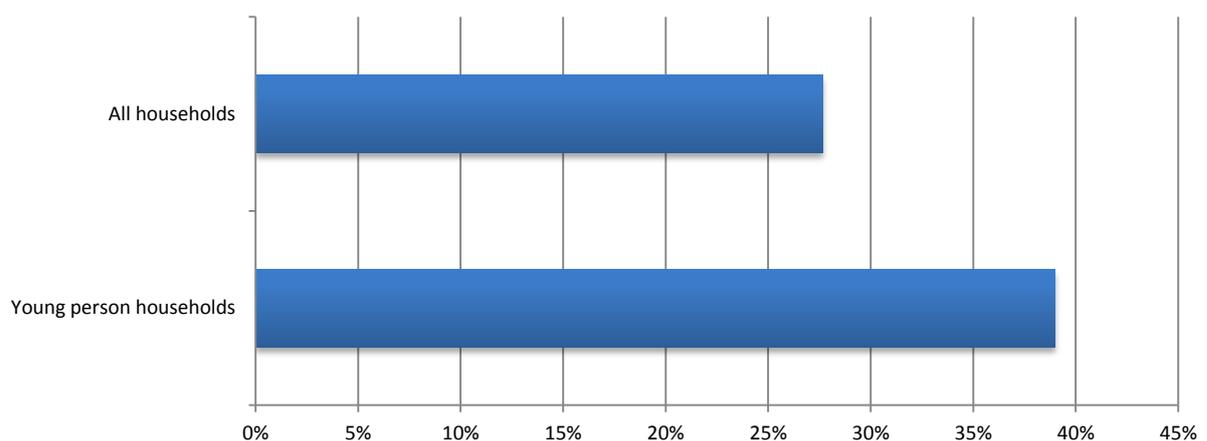
Lived at Current Home for Less than 2 Years by Young person Households (Source: Waltham Forest Household Survey 2011)



10.85 Almost 40% of young person households want to move which is markedly higher than across all households (27.7%). This is further evidence that young households are much more mobile than other households.

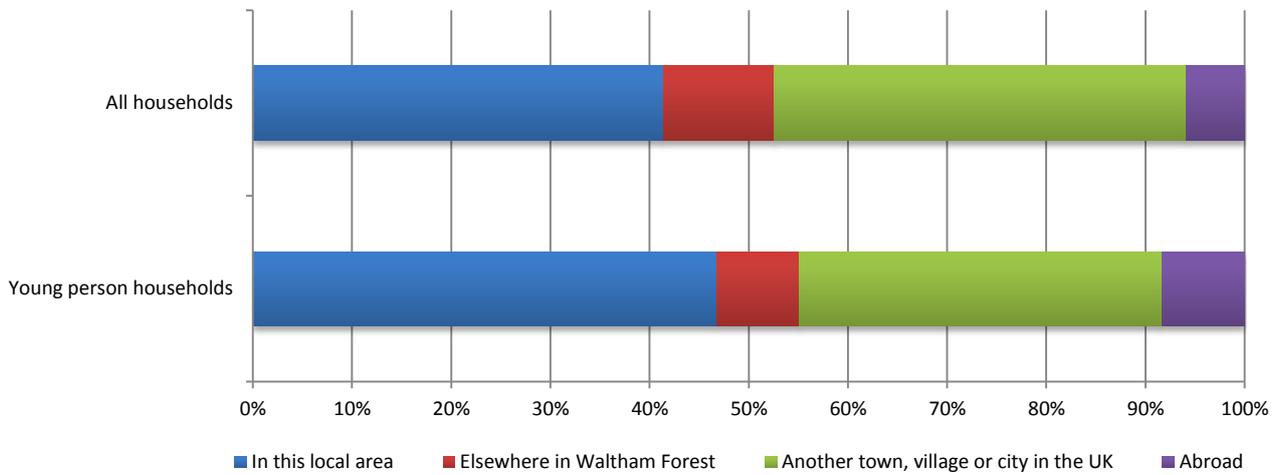
Figure 132

Want to Move by Young Person Households (Source: Waltham Forest Household Survey 2011)



10.86 Respondents to the household survey who said that their household did want to move were asked where they expected they would move to. Figure 133 shows that young person households are slightly more likely than other groups to expect to move within the local area however they are also slightly more likely to move abroad.

Figure 133  
Where Expect to Move to by Young Person Households (Source: Waltham Forest Household Survey 2011)



### Young Person: Summary

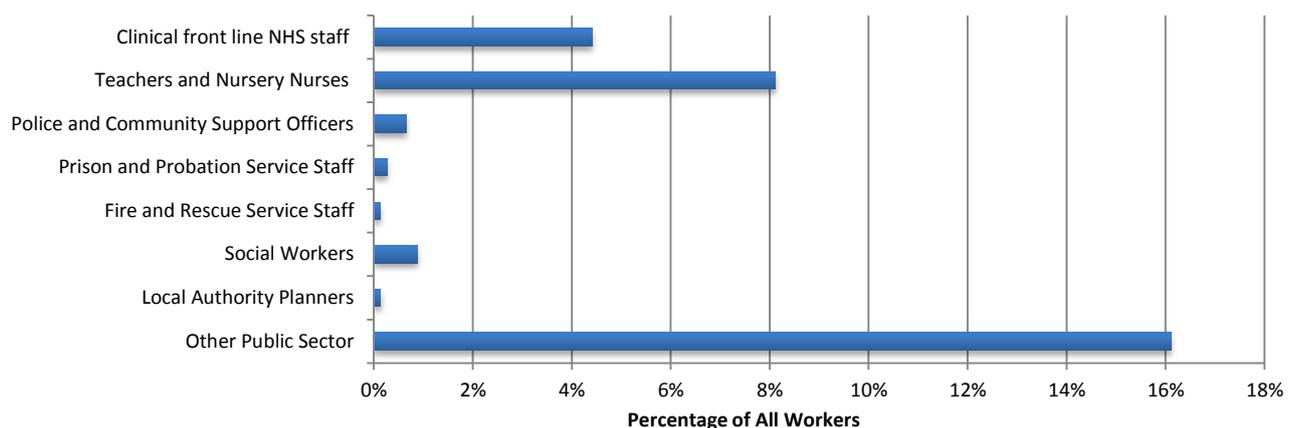
<sup>10.87</sup> Young person households represent only a small share (2.6%) of the total household population of Waltham Forest. Nationally it has been observed that many children are remaining in the parental home for longer as they save for deposits on homes. This seems to be reflected in Waltham Forest where the majority of young person households which do exist are low income households who have formed in small dwellings in the private rented sector. Many of these households will have a low priority need for social housing and will have incomes which are well below those required for owner occupation. Therefore, their only option is to form households in the cheaper parts of the private rented sector.

## Key Workers

- 10.88 For the purpose of this report a key worker is defined as somebody who works in the public sector and also qualifies for key worker housing. In this context those in public sector professions earning a high salary, such as doctors and dentists, are not included. The household survey only asked whether or not the household respondent was a public sector worker and did not explore the professions of other household members, therefore it is not possible to give an indication of the total number of key workers in Waltham Forest. However, in total almost 15,000 households in Waltham Forest contained at least one key worker.
- 10.89 The Waltham Forest household survey identified whether respondents worked in specific jobs in the public sector, classified as key worker professions, and these are detailed below (Figure 134). It can be seen that around half of all key workers in Waltham Forest are clinical front line NHS staff (excluding doctors and dentists), and almost a third are teachers or nursery nurses. It should be noted that those who work in any other public sector profession are not classified as key workers.

Figure 134

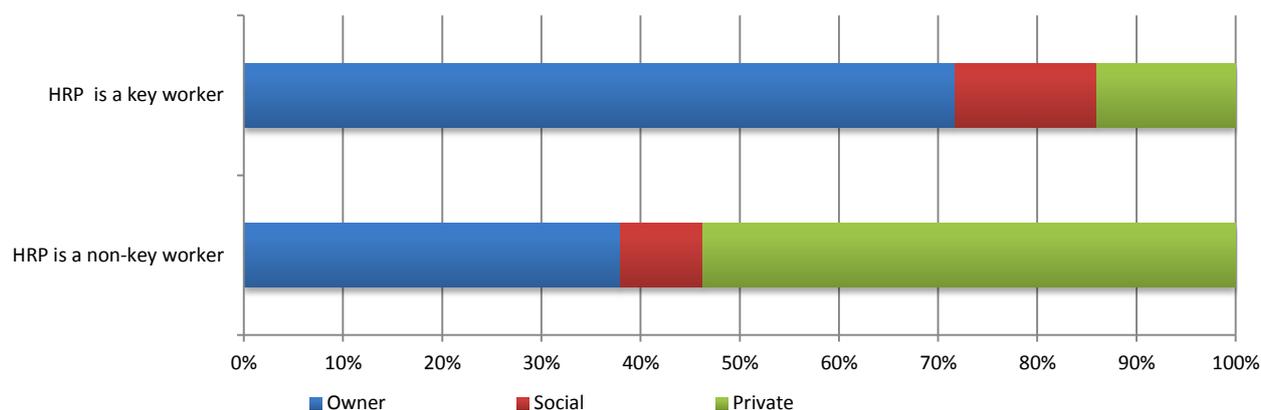
Profession of Key Workers in Waltham Forest (Source: Waltham Forest Household Survey 2011)



## Key Worker Households

- 10.90 For analysis purposes, throughout the remainder of this section, households in Waltham Forest where the representative person is a key worker (key worker households) are compared with households where the representative person is working but is not a key worker (non-key worker households). Households where the representative person is not working are not included in the analysis.
- 10.91 When compared by tenure, key worker households are generally much more likely than non-key worker households to be living in owner occupied housing; over two thirds of households with a key worker representative person live in this sector compared to less than 40% of households where the representative person is not a key worker. However key worker households are also more likely to be living in the social rented sector (15%) than non-key worker households (8%).

Figure 135  
Tenure by Working Status of Household (Source: Waltham Forest Household Survey 2011)



<sup>10.92</sup> A higher proportion of households with a key worker representative person have higher household incomes. Therefore, they are likely to be able to afford higher housing costs.

Figure 136  
Income by key Worker Households (Source: Waltham Forest Household Survey 2011)

Income Band	Key Worker	Non-key Worker
Less than £5,000	0.0%	0.9%
£5,000-£10,000	0.0%	6.0%
£10,000-£15,000	6.5%	8.8%
£15,000-£20,000	6.7%	14.5%
£20,000-£30,000	26.0%	27.0%
£30,000-£40,000	19.5%	16.2%
£40,000-£60,000	14.1%	8.8%
£60,000 or more	8.7%	5.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>10.93</sup> A higher proportion of households with a key worker representative person live in properties with 3 or more bedrooms, and fewer have only one bedroom compared with non-key worker households. However, a similar proportion of all working households have 4 or more bedrooms.

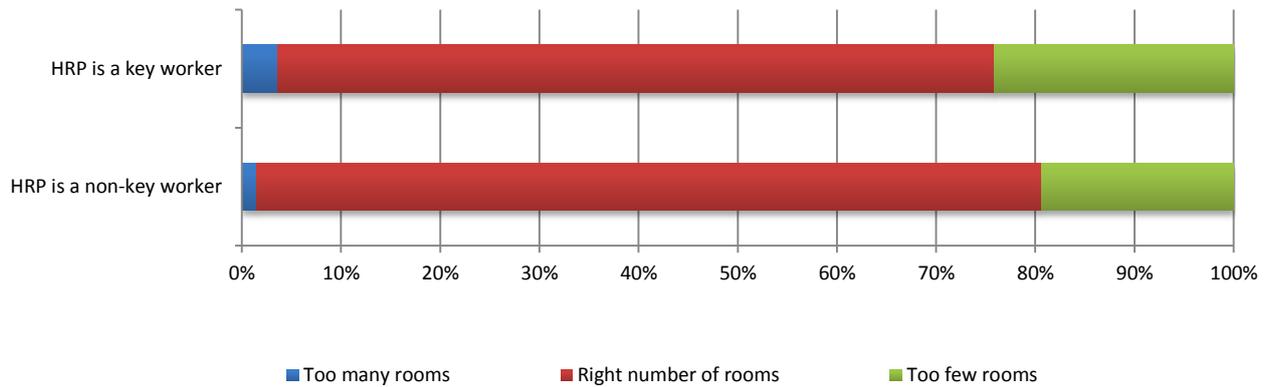
Figure 137  
Number of Bedrooms by Working Status of Household (Source: Waltham Forest Household Survey 2011)

Number of Bedrooms	Key Worker	Non-key Worker
1 Bedroom	12.6%	22.3%
2 Bedroom	29.9%	32.0%
3 Bedroom	46.1%	34.6%
4+ Bedroom	11.3%	11.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

<sup>10.94</sup> Figure 138 shows while the majority of all working households feel that they have about the right number of rooms, key worker households are slightly more likely than non-key worker households to feel that they had too few rooms.

Figure 138

Too Many or Too Few Rooms by Working Status of Household (Source: Waltham Forest Household Survey 2011)

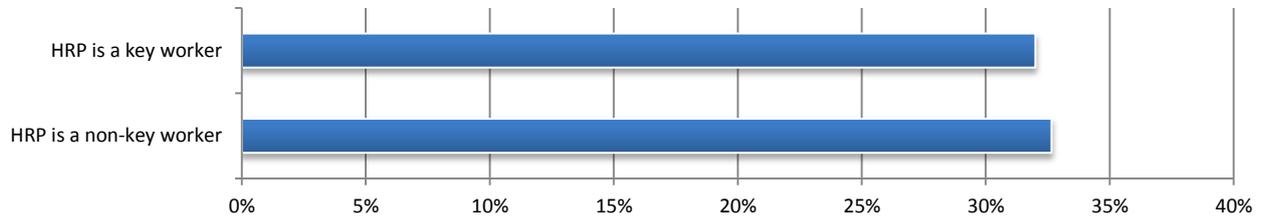


## Moving

<sup>10.95</sup> The Waltham Forest household survey indicated that around 32% of households with a key worker representative person want to move, which is only slightly lower than the figure for households where the representative person is not a key worker (33%).

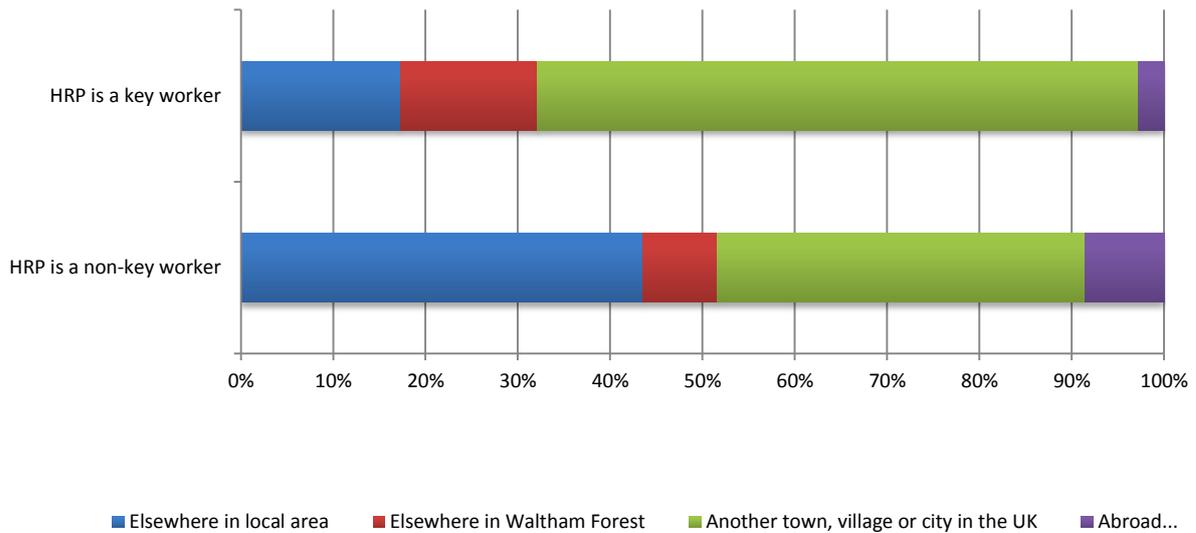
Figure 139

Want to Move by Working Status of Household (Source: Waltham Forest Household Survey 2011)



<sup>10.96</sup> Figure 140 shows that of the households that want to move, a higher proportion of non-key worker households expect to move to somewhere else within the same local area than households with a key worker representative person suggesting that key-worker households are more able to move away from the area.

Figure 140  
Desired Destination of Move (Source: Waltham Forest Household Survey 2011)



### Key Worker: Summary

<sup>10.97</sup> Key workers in Waltham Forest are more likely to be owner occupiers who have higher levels of household income and are more likely to live in larger properties. Therefore, their housing needs appear to be less pressing than those for non-key workers.

<sup>10.98</sup> An area of concern for Waltham Forest would appear to be that key workers are more likely to be looking to leave the authority. While some of these households may be looking to move so they can access larger or better properties, others will be looking to move because of general living conditions or specific issues such as the quality of schools in the borough. Given that key worker households tend to be more affluent it would seem that it should be a priority of the borough to retain them. However, key worker housing schemes are likely to play only a part of any attempt to retain key workers because most are already owner occupiers.

## Sexuality

### Lesbian, Gay, Bisexual and Transgender Households

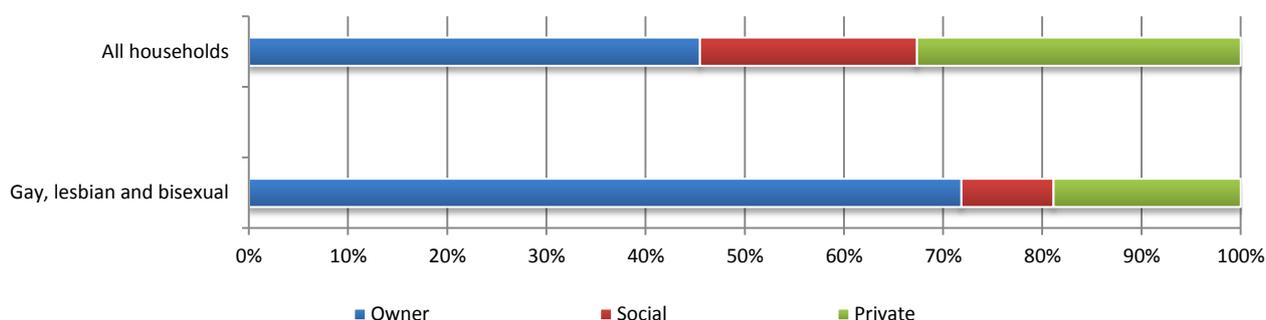
10.99 The respondents to the ORS Waltham Forest household survey were asked about their sexuality to ensure that the survey addressed the six strands of equality. 33 respondents declared that they were either gay, lesbian or bisexual. No respondent identified themselves as being transgender. When weighted, these respondents account for over 2,300 households (2.3% of all households) in Waltham Forest. However, owing to the small sample size and lower self-reporting amongst certain socio-economic and ethnic groups, these results should be treated with caution.

10.100 While this is a small number of cases, the data does highlight the general circumstances of gay, lesbian and bisexual households. The following section briefly outlines the housing circumstances of gay, lesbian and bisexual households in Waltham Forest.

### Current Housing Conditions

10.101 When compared by tenure, gay, lesbian and bisexual households are more likely to be found in owner occupied housing with a smaller share in social and private rented housing.

Figure 141  
Tenure by Sexuality (Source: Waltham Forest Household Survey 2011)



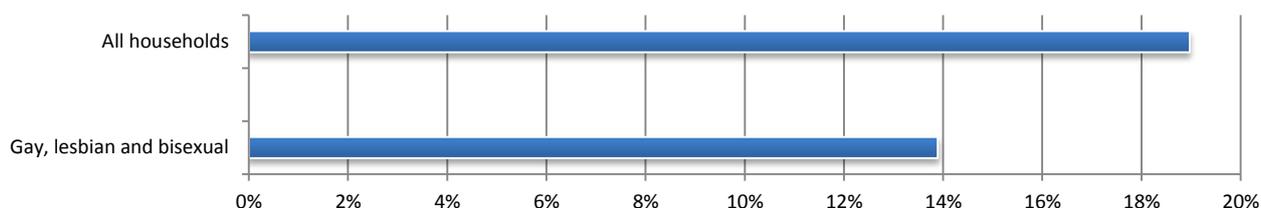
10.102 Household type varies greatly when gay, lesbian and bisexual households are compared to all households. Almost no gay, lesbian or bisexual households contain children, with the majority (89%) comprising just one adult or an adult couple.

Figure 142  
Household Type by Sexuality (Source: Waltham Forest Household Survey 2011)

Household Type	Gay, lesbian or bisexual	All Households
Single Person	38.7%	14.9%
Single Parent	3.1%	9.3%
Adult Couple	49.8%	14.5%
Adult Couple with Dependent Children	0.0%	26.0%
Group of Adults	5.6%	15.7%
Group of Adults with Dependent Children	0.0%	4.2%
All 65+	2.8%	15.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>

10.103 Gay, lesbian and bisexual households are less likely to be in households who report that they have too few rooms than all households, which reflects the smaller size of gay, lesbian and bisexual households on average.

Figure 143  
Too Few Rooms by Sexuality (Source: Waltham Forest Household Survey 2011)



10.104 Gay, lesbian and bisexual households are also more likely to have higher household incomes, with 43% having incomes of £40,000 or more per annum (Figure 144).

Figure 144  
Income by Sexuality (Source: Waltham Forest Household Survey 2011)

Income Band	Key Worker	Non-key Worker
Less than £5,000	3.8%	0.9%
£5,000-£10,000	22.9%	6.0%
£10,000-£15,000	8.1%	8.8%
£15,000-£20,000	0.0%	14.5%
£20,000-£30,000	12.3%	27.0%
£30,000-£40,000	9.9%	16.2%
£40,000-£60,000	17.9%	8.8%
£60,000 or more	25.1%	5.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

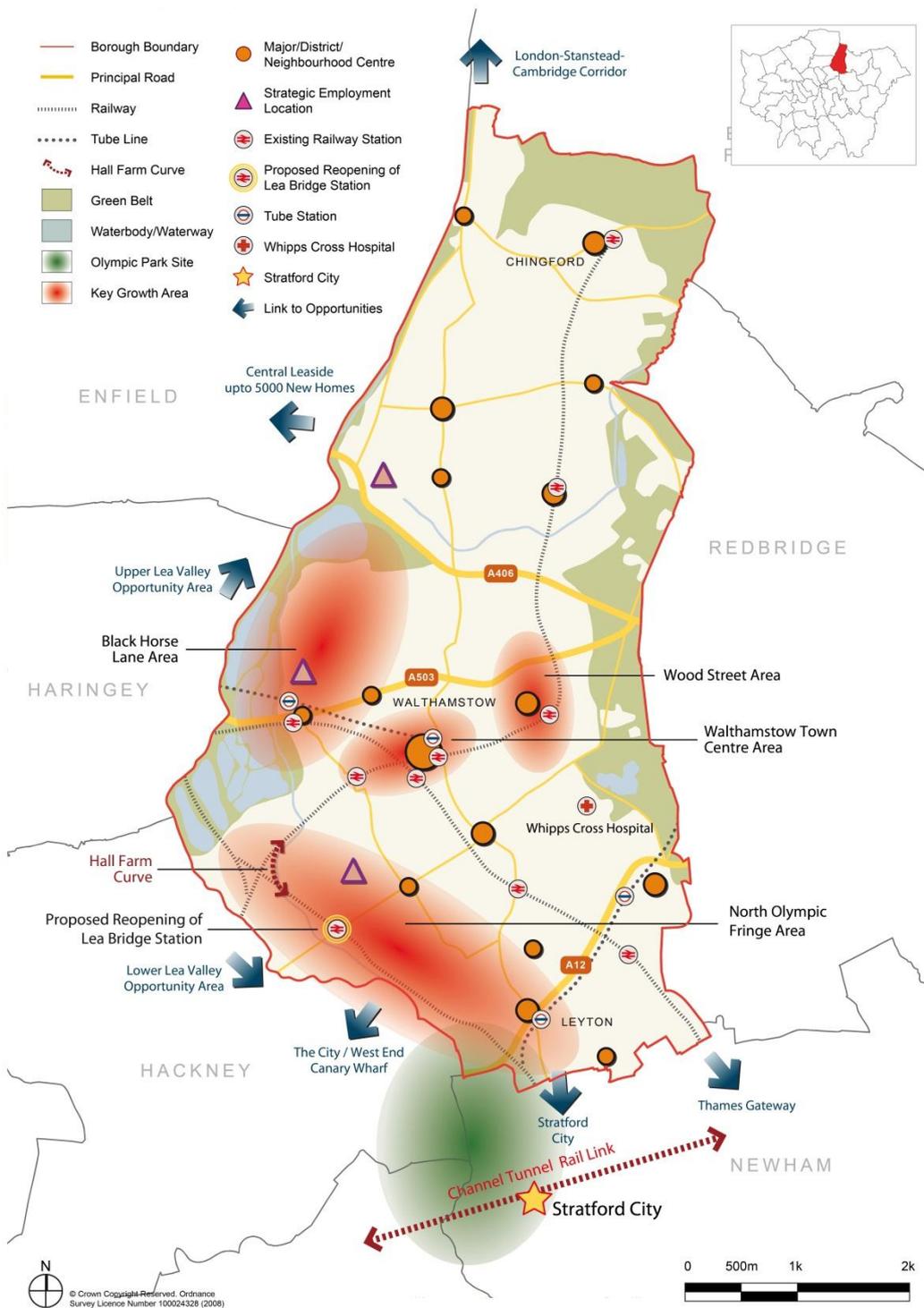
## Sexuality: Summary

10.105 2.3% of household respondents in Waltham Forest identified themselves as being gay, lesbian or bisexual. This may be an underestimate of the true size of the population as under-reporting of sexuality is common. Gay, lesbian and bisexual households are more likely to be owner occupiers and have higher levels of income than all households in Waltham Forest.

## Regeneration Areas

10.106 As noted in Section 3, there are four regeneration areas in Waltham Forest: Blackhorse lane, Northern Olympic Fringe, Walthamstow and Wood Street. These are highlighted in the map below.

Figure 145  
Tenure by Sub-area (Source: Waltham Forest Household Survey 2011)

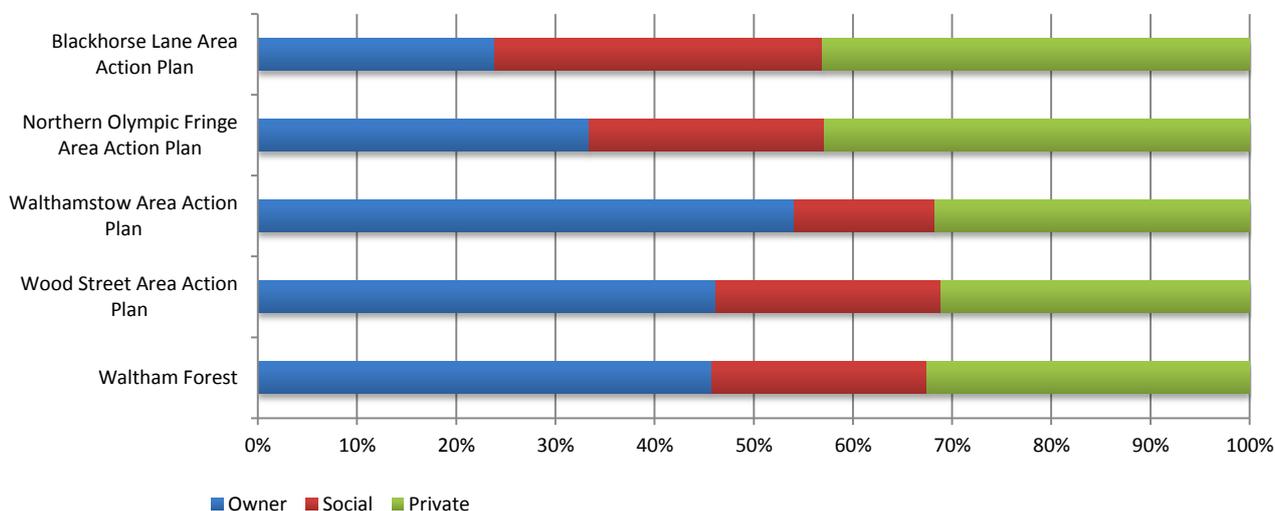


10.107 This section focuses upon data collected in each of the four areas, with 150 interviews having been undertaken in each of the zones.

### Current Housing Conditions

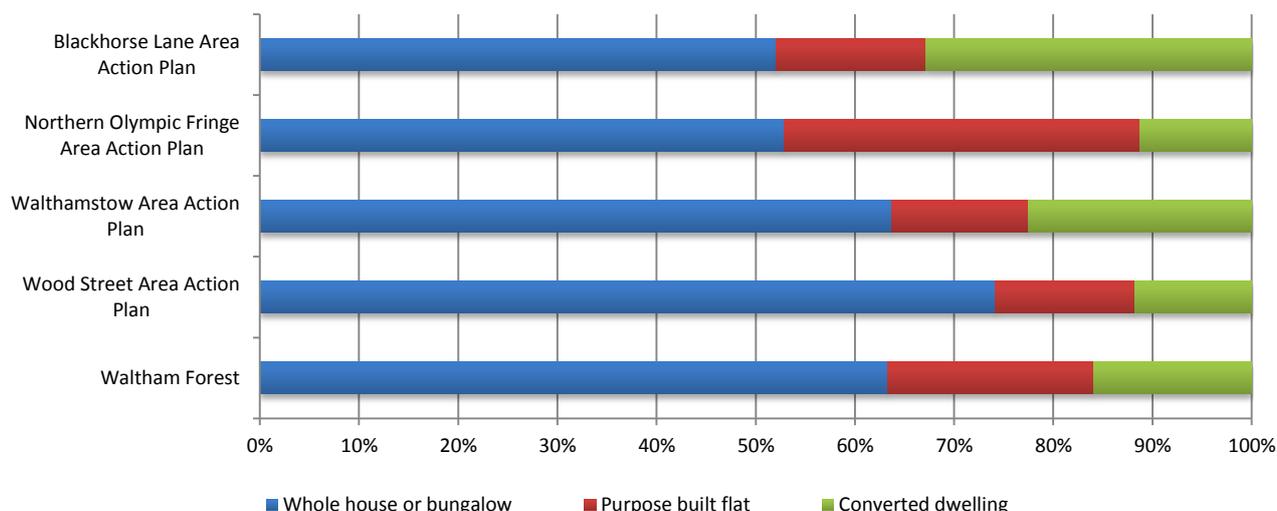
10.108 When compared by tenure, the Walthamstow area and the Wood Street area have the highest proportions of owner occupation (54% and 46% respectively), while the Walthamstow area also has the lowest proportion of social rented dwellings (14%). The Blackhorse Lane area and the Northern Olympic Fringe area have the highest proportions of private rented dwellings (43%), while the Blackhorse Lane area has the highest proportion of social rented properties (32%).

Figure 146  
Tenure by Sub-area (Source: Waltham Forest Household Survey 2011)



10.109 Figure 147 indicates that the Walthamstow area and the Wood Street areas have the highest proportion of dwellings that are a whole house or bungalow, with relatively low proportions of purpose-built flats. However while the Walthamstow area has a lower proportion of whole houses or bungalows, around 23% of dwellings in Walthamstow have been converted compared to only around 12% in the Wood street area. The highest proportion of purpose-built flats can be found in the Northern Olympic Fringe area (36%), while the highest proportion of converted properties can be found in the Blackhorse Lane area (33%).

Figure 147  
Dwelling Type by Sub-area (Source: Waltham Forest Household Survey 2011)



<sup>10.110</sup>Figure 148 shows how household types vary by sub-area. It can be seen that there is little difference between the areas, however households in the Northern Olympic Fringe area are more likely to contain only members aged 65 plus (17%) and less likely to contain an adult couple with dependent children (20%). Conversely the Walthamstow and Blackhorse Lane areas have relatively lower proportions of all older households (10%) and slightly higher proportions of households containing adult couples with dependent children (33% and 29% respectively).

Figure 148  
Household Type by Sub-area (Source: Waltham Forest Household Survey 2011)

Household Type	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Single Person	18.8%	16.2%	13.0%	18.1%
Single Parent	8.9%	11.3%	7.5%	7.9%
Adult Couple	23.0%	16.5%	15.3%	11.0%
Adult Couple with Dependent Children	28.1%	20.2%	32.8%	27.5%
Group of Adults	7.5%	12.8%	15.9%	16.3%
Group of Adults with Dependent Children	4.2%	5.7%	5.4%	6.4%
All 65+	9.5%	17.3%	10.3%	12.8%
Total	100%	100%	100%	100%

<sup>10.111</sup>Figure 149 demonstrates how income varies by sub-area. It can be seen that the Blackhorse Lane area has higher levels of incomes than the other sub-areas, while the lowest levels of income are found in the Northern Olympic Fringe area. Both the Walthamstow area and the Wood Street area have a relatively high proportion of households with low level incomes but also have a relatively high proportion of households with higher incomes, suggesting that there is a mix of households in these areas.

Figure 149  
Income by Sub-area (Source: Waltham Forest Household Survey 2011)

Income Band	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Less than £5,000	4.4%	4.0%	5.1%	5.5%
£5,000-£10,000	14.9%	18.1%	18.0%	22.5%
£10,000-£15,000	10.6%	20.8%	16.7%	5.6%
£15,000-£20,000	9.0%	16.5%	15.6%	19.1%
£20,000-£30,000	23.4%	24.8%	14.1%	13.8%
£30,000-£40,000	20.0%	11.3%	5.5%	17.6%
£40,000-£60,000	14.4%	2.6%	12.1%	6.7%
£60,000 or more	3.1%	1.9%	13.0%	9.1%
Total	100.0%	100.0%	100.0%	100.0%

## Housing Needs

<sup>10.112</sup> Respondents to the household survey were asked how many rooms they have that they currently use as bedrooms. Figure 150 indicates that households in the Walthamstow and Wood Street area have a higher number of bedrooms on average than other areas. In particular around 12% of households in Walthamstow have four bedrooms or more. The Northern Olympic Fringe area has the highest proportion of households with only one bedroom which is unsurprising given the number of purpose-built flats in the area.

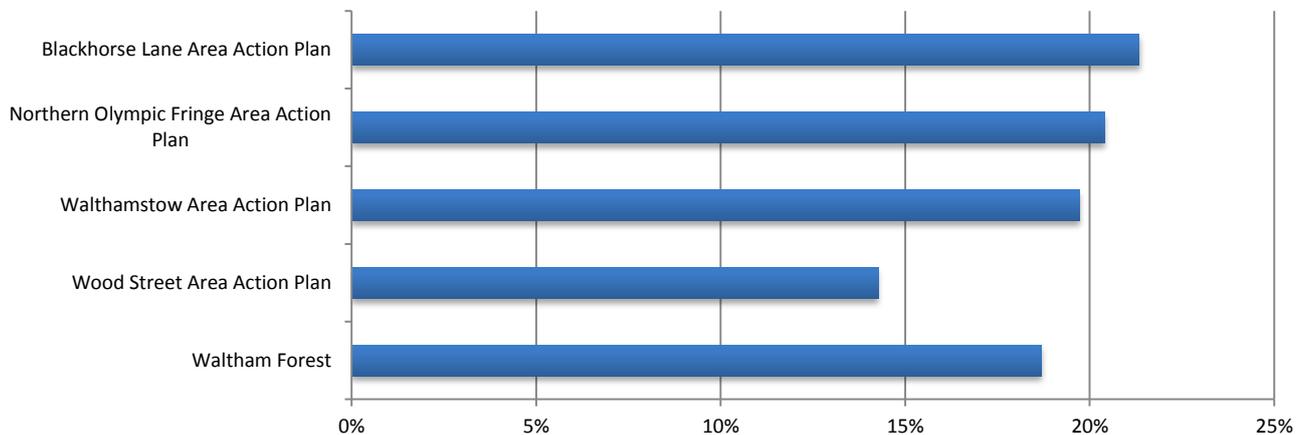
Figure 150  
Number of Bedrooms by Sub-area (Source: Waltham Forest Household Survey 2011)

Number of Bedrooms	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Bedsit	0.0%	0.4%	0.0%	0.7%
1 Bedroom	26.5%	29.4%	18.3%	19.5%
2 Bedroom	34.1%	25.8%	30.8%	23.4%
3 Bedroom	34.1%	37.9%	38.8%	50.4%
4 Bedroom	5.3%	5.3%	10.1%	5.3%
5+ Bedroom	0.0%	1.2%	2.1%	0.7%
Total	100%	100%	100%	100%

<sup>10.113</sup>Figure 151 indicates households which had at least one room too few for the needs of its occupants. It is clear that households in the Blackhorse Lane area are more likely to have too few rooms, and those in the Wood Street area are less likely to have too few rooms when compared by sub-area.

**Figure 151**

Percentage of Households with Too Few Rooms by Sub-area (Source: Waltham Forest Household Survey 2011)

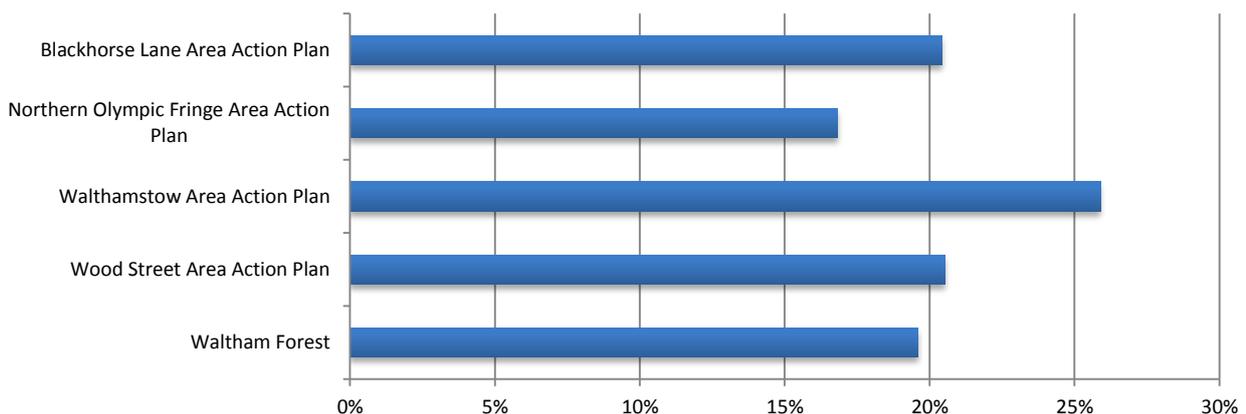


## Moving

<sup>10.114</sup>Figure 152 compares the length of time living in their local area by sub-area. It is clear that the area with the most mobile population is the Walthamstow area where 25% of households have been living in their current home for less than 2 years. .

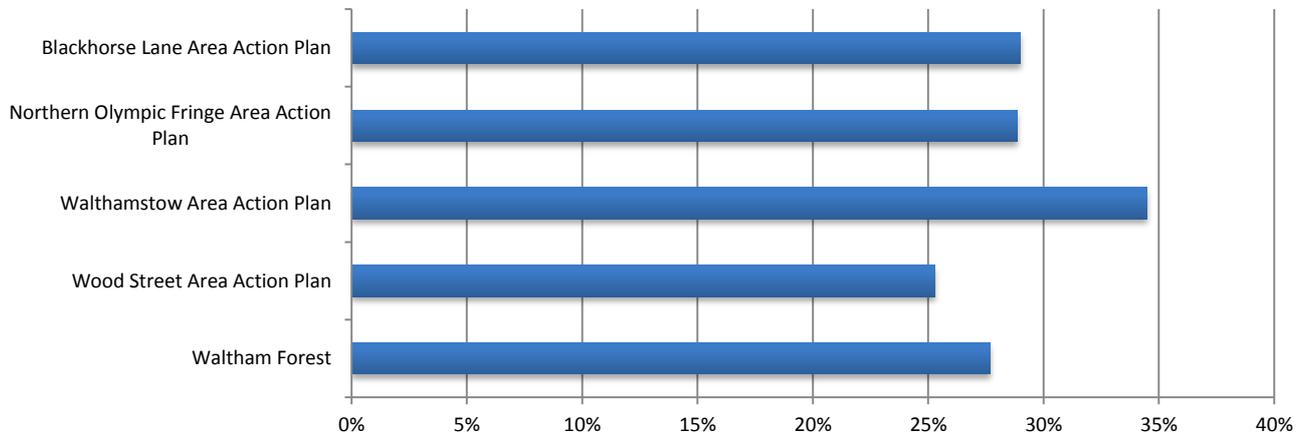
**Figure 152**

Lived at Current Address for Less than 2 Years by Sub-area (Source: Waltham Forest Household Survey 2011)



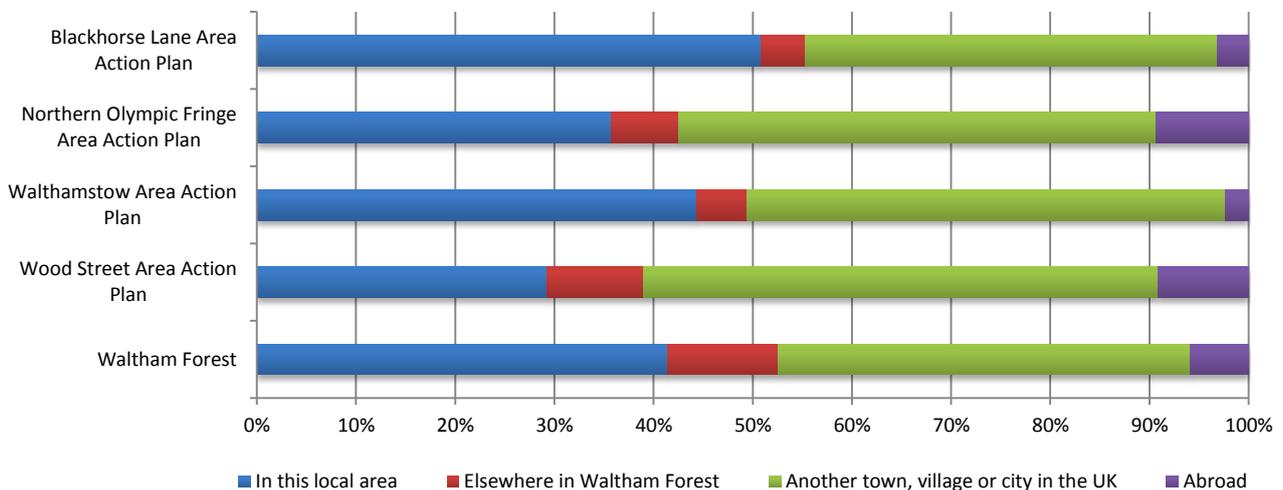
<sup>10.115</sup>Across all households, 27.7% of households want to move, however this varies by sub-area with a higher proportion (almost 35%) of those living in the Walthamstow area wanting to move. The sub-area with the lowest proportion of households wanting to move is the Wood Street area.

**Figure 153**  
**Want to Move by Sub-area** (Source: Waltham Forest Household Survey 2011)



<sup>10.116</sup> Respondents to the household survey who said that their household did want to move were asked where they expected they would move to. Figure 154 shows that households in the Wood Street area and the Northern Olympic Fringe area are more likely than those in other areas to expect to move outside of Waltham Forest. Households in the Blackhorse Lane area are the most likely to expect to move within the same local area.

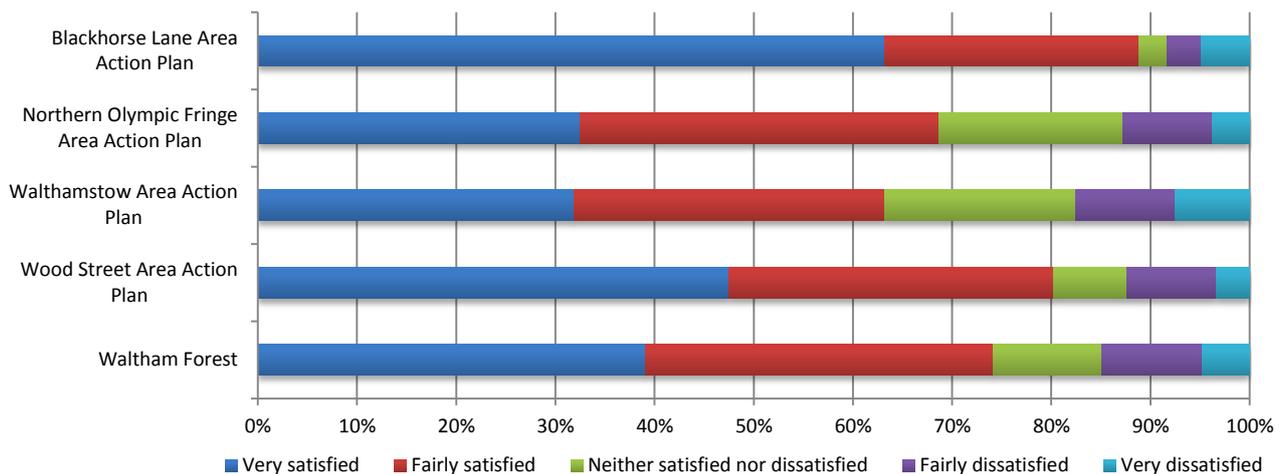
**Figure 154**  
**Where Expect to Move to by Sub-area** (Source: Waltham Forest Household Survey 2011)



## Satisfaction

10.117 Almost 90% of households in the Blackhorse Lane area are satisfied with their neighbourhood as a place to live with 63% being very satisfied, which is higher than for any other area. Households in the Walthamstow area are less likely to be satisfied with around 18% expressing dissatisfaction with their neighbourhood.

Figure 155  
Satisfaction with Neighbourhood as a Place to live by Sub-area (Source: Waltham Forest Household Survey 2011)



10.118 Respondents were also asked whether they thought their local area had got better, worse or stayed the same over the time they have lived there. Almost 50% of households in the Walthamstow area feel that their local area has got worse while around a third of households in the Northern Olympic Fringe area feel this is the case. However around 15% of households in the Northern Olympic Fringe area felt their area has got better, which is higher than in any other area.

Figure 156  
Change in Local Area by Sub-area (Source: Waltham Forest Household Survey 2011)

Area While Living There	Northern Olympic Fringe AAP			
	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Got much better	3.5%	2.9%	1.6%	4.3%
Got a little better	10.4%	12.7%	10.3%	10.6%
Stayed the same	62.8%	51.3%	38.7%	55.0%
Got a little worse	10.1%	19.2%	32.3%	14.1%
Got much worse	13.2%	13.9%	17.1%	16.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

10.119 Following on from this, respondents were asked whether they thought the 2012 Olympic and Paralympic Games would improve the local area in the future. Almost 60% of households in the Northern Olympic Fringe area feel that it is likely that their area will improve including 30% who feel it is very likely. Around half of households in the Blackhorse Lane area feel that it is likely, although almost a quarter of households in this area, the Walthamstow area and the Wood Street area feel it is very unlikely.

Figure 157

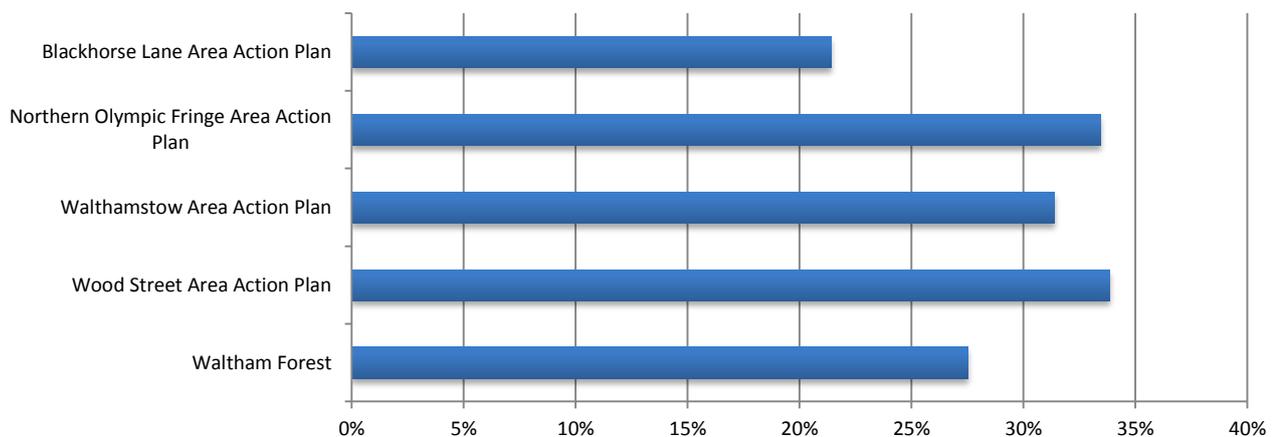
Likelihood that the 2012 Olympic and Paralympic Games will Improve the Local Area in the Future by Sub-area (Source: Waltham Forest Household Survey 2011)

Will Olympics Bring Improvements to the Local Area	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Very likely	13.2%	30.8%	6.3%	11.3%
Fairly likely	36.0%	28.5%	22.3%	18.2%
Neither likely nor unlikely	4.8%	17.8%	11.4%	19.9%
Fairly unlikely	12.2%	13.3%	25.2%	15.4%
Very unlikely	33.8%	9.6%	34.8%	35.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>10.120</sup> Across all areas 27.5% of households are aware of regeneration work going on in Waltham Forest (excluding any work related to the Olympics). When examined by sub-area (Figure 158) it can be seen that households in the Northern Olympic Fringe area and the Wood Street area are most likely to be aware of regeneration work (33%), while only around 21% of households in the Blackhorse Lane area are aware of work going on.

Figure 158

Awareness by Sub-area (Source: Waltham Forest Household Survey 2011)



<sup>10.121</sup> Following on from this, respondents were also asked whether they thought the regeneration works would improve Waltham Forest in the future; almost 90% of households in the Blackhorse Lane and the Northern Olympic Fringe areas feel that it is likely – in the Northern Olympic Fringe area around 74% feel it is very likely. Households in the Walthamstow area are the least likely to feel that the regeneration works will improve the area despite over 30% being aware of work going on.

Figure 159

Likelihood that the Regeneration Works will Improve the Local Area in the Future by Sub-area (Source: Waltham Forest Household Survey 2011)

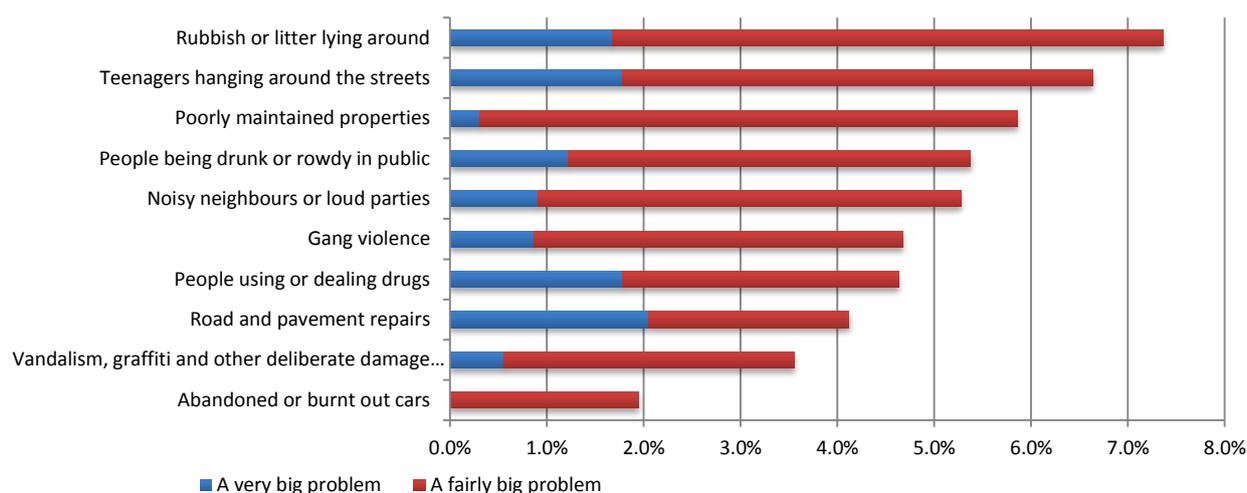
Will Regeneration Work Bring Improvements to the Local Area	Blackhorse Lane AAP	Northern Olympic Fringe AAP	Walthamstow AAP	Wood Street AAP
Very likely	52.1%	74.0%	31.8%	42.6%
Fairly likely	37.6%	14.9%	30.6%	33.3%
Neither likely nor unlikely	4.4%	11.1%	23.7%	15.2%
Fairly unlikely	0.0%	0.0%	13.9%	4.2%
Very unlikely	5.9%	0.0%	0.0%	4.7%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

10.122 Respondents to the household survey were given a range of potential problems and asked how much of a problem they were, if at all, in their local area. A similar pattern emerged in terms of which problems are bigger, however the proportions vary greatly between sub-areas.

10.123 In the Blackhorse Lane area (Figure 160) the largest perceived problems are rubbish or litter lying around (7.4%), Teenagers hanging around on the streets (6.6%) and poorly maintained properties (5.86%). However the proportion of households stating that these are problems is lower than in any other sub-area of Waltham Forest.

Figure 160

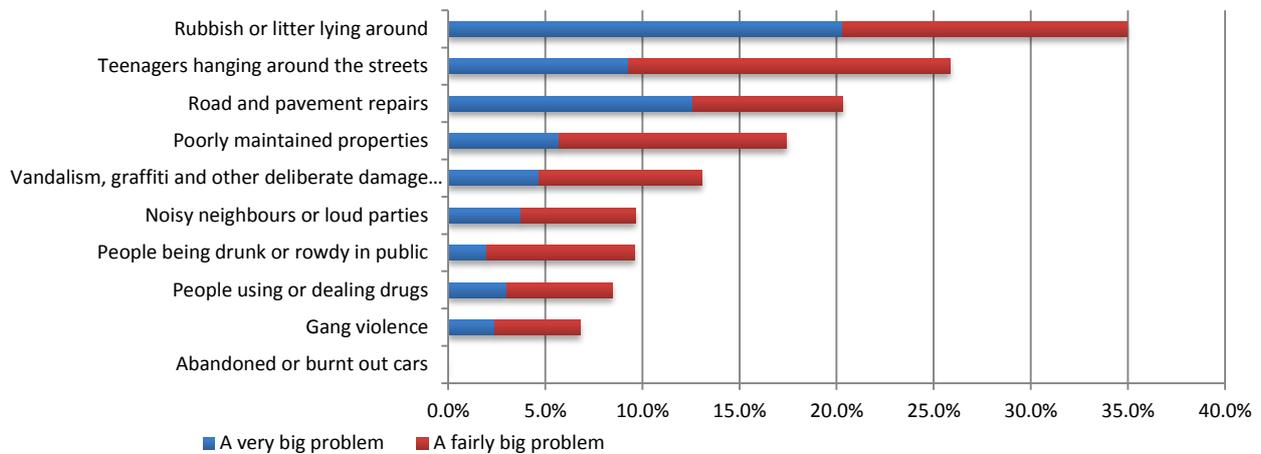
Problems in the local area - Blackhorse Lane (Source: Waltham Forest Household Survey 2011)



10.124 Figure 161 shows that the largest perceived problems in the Northern Olympic Fringe area are rubbish or litter lying around (34.9%), teenagers hanging around on the streets (25.8%) and road and pavement repairs (20.3%). The northern Olympic Fringe area contains the highest proportion of households who feel that road and pavement repairs are a big problem with 12.6% stating a very big problem.

Figure 161

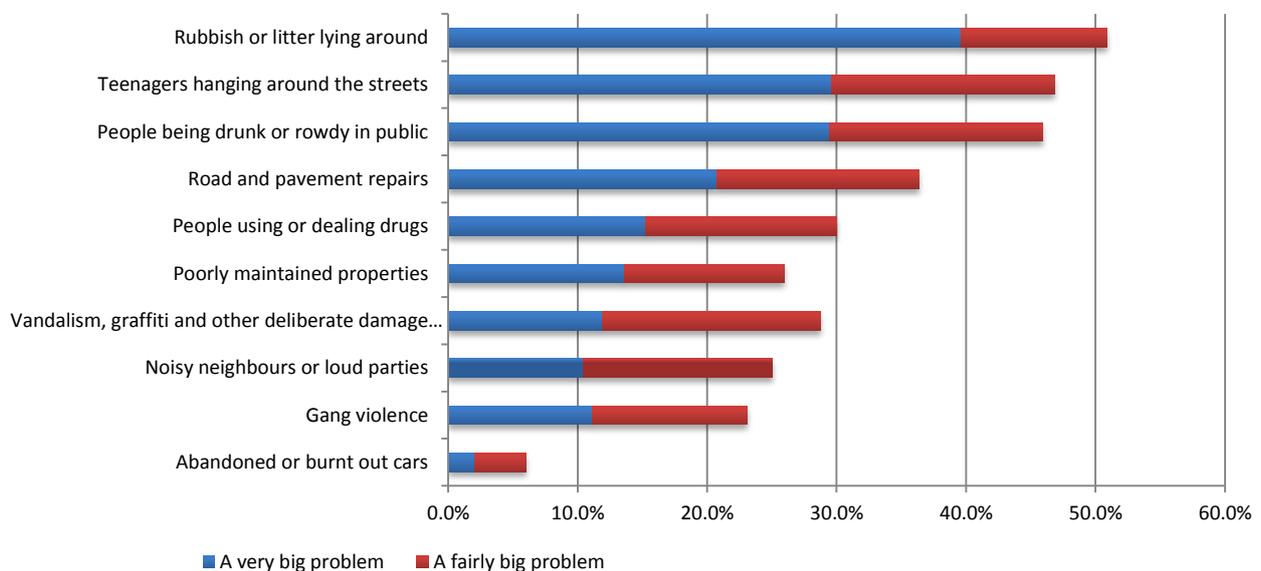
Problems in the local area – Northern Olympic Fringe (Source: Waltham Forest Household Survey 2011)



<sup>10.125</sup>The largest perceived problems in Walthamstow are also rubbish or litter lying around on the streets (50.9%) followed by teenagers hanging around on the streets (46.8%), with 45.9% feeling that people being drunk or rowdy in public is a problem. However the proportions stating that these are a problem are much higher than in any other sub-area. In particular 30% of households feel that teenagers hanging around on the streets is a very big problem, compared to less than 10% in the Northern Olympic Fringe area; 3% in the Wood street area and less than 2% in the Blackhorse Lane area.

Figure 162

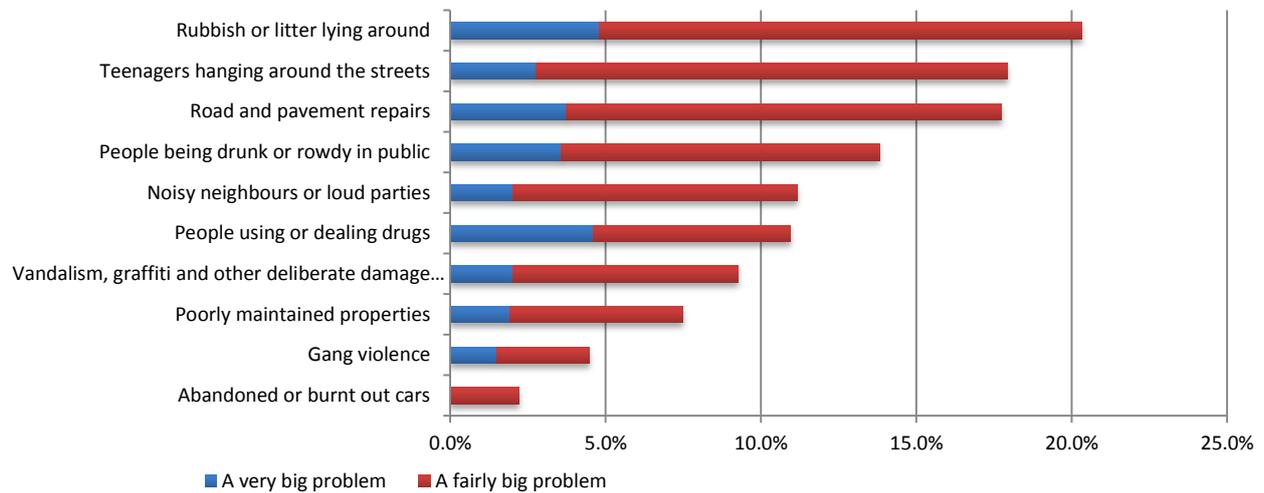
Problems in the local area – Walthamstow (Source: Waltham Forest Household Survey 2011)



<sup>10.126</sup>Figure 163 shows that the three biggest perceived problems in the Wood street area are rubbish and litter lying around on the streets (20.3%); teenagers hanging around on the streets (17.9%); and road and pavement repairs (17.7%).

Figure 163

Problems in the local area – Wood Street (Source: Waltham Forest Household Survey 2011)



# 11. Summary and Conclusions

## The Story of Waltham Forest

11.1 In this section we provide concluding remarks and further examine the main policy issues that arise from the SHMA.

11.2 The evidence supports the 'story' of Waltham Forest;

- » Waltham Forest contains many areas of poverty, but does also contain areas of relative affluence;
- » pressures from many different sources have seen shortages of housing develop in central London which has in turn driven up property prices and has caused households to seek cheaper homes in outer London;
- » this has led to a response from entrepreneurs to provide cheaper housing by subdividing dwellings, a public policy response of promoting family housing and has resulted in many single households opting to live in shared accommodation;
- » the general direction of travel of public policy is to ensure that housing development is sustainable and that there is minimum harm to the environment. This means that policy aims are about more than meeting the housing requirements identified by the SHMA, for example, achieving mixed tenure developments and incentives such as generous intermediate housing policies to contain 'city flight';
- » this in turn means that a serious gap exists in London's housing: there is a lack of housing for lower paid workers vital to the local economy who cannot access social housing and who cannot afford decent market housing;
- » the SHMA has demonstrated that, in whole housing terms, failure to meet estimated affordable housing requirements will impact upon market housing. In the past this has meant that increasing numbers of private sector dwellings have been converted into houses in multiple occupation (HMOs). The potential reduction in housing benefit support for private rented sector housing complicates the picture for the future, but it seems likely that increasing numbers of households will require to have their housing needs met in the private rented sector.

## Population and Migration

11.3 The Office of National Statistics estimates that in 2010 Waltham Forest had a total population of 227,100 people. However, the Greater London Authority estimates the population to be 233,000 while an independent assessment conducted in 2009 estimates the population of Waltham Forest to be at least 243,000. The results of the household survey indicate an estimated population in the borough of around 261,000. The population of children aged 0-9 years and adults aged 25-39 is higher in Waltham

Forest than is shown by both the 2010 mid-year estimates and the GLA estimate, possibly owing to an in-migration of families in recent years which has not been detected by official statistics sources. This extra population has a number of implications for Waltham Forest beyond the pressures on its housing stock, with schools and social services all needing to provide services to a larger population.

- 11.4 The key driving factor behind the growth in the population of Waltham Forest is international migration, with around 10,000 migrant workers moving to the borough each year attracted by the job opportunities in East London. While many of these workers subsequently leave the borough, others do settle and have contributed to the sharp recent growth in population.
- 11.5 Population and migration trends have considerable impact on the local housing market and Waltham Forest may wish to continue to monitor these to assess any Policy implications.
- 11.6 Forecast ranges of population growth highlight significant variation – Waltham Forest may wish to ensure forecasts are updated, especially given the recent change.
- 11.7 Migration, especially for economic reasons, is a key housing market demand driver and housing strategy may wish to understand settlement patterns better over time, particularly from EU accession states.

## Affordability

- 11.8 Household incomes in Waltham Forest vary enormously by tenure. Around 45% of those who own with a mortgage have a household income of over £40,000, while over half of all those in social rent have an income of less than £10,000 and nearly 90% have incomes of less than £20,000 per annum. This creates potential issues with creating mixed and balanced communities in areas with a high preponderance of one particular tenure and encourages the use of planning polices to ensure all tenures are represented on sites.
- 11.9 9% of households in Waltham Forest claim housing benefit while living in the private rented sector, which is relatively high when compared to other London boroughs. To reduce the number of households claiming housing benefit in the private rented sector, more affordable housing would need to be provided. However, a more immediate concern is that changes to the Local Housing Allowance may see low income households leave central London for areas such as Waltham Forest, though evidence does not yet support this.
- 11.10 Respondents to the household survey who wanted to move and leave the borough were disproportionately from higher income households. Therefore, Waltham Forest faces the task of retaining its more affluent population which could focus on issues such as the general living environment in the borough to be addressed through regeneration schemes through to more specific issues such as the quality of its schools.
- 11.11 The ratio of median full time earnings to average house prices shows a worsening affordability trend up until 2007, but affordability has improved over recent years. Affordability for first-time buyers has declined sharply since mid-2004 with currently only around 10% of all sales at less than £150,000.

11.12 Retaining more affluent households helps create more balance and sustainability in a local community, and housing strategy may wish to consider how this may be achieved. Policy may also wish to continue to support new national policy initiatives to support lower income households into owner occupation.

## Dwelling Stock and Tenure

11.13 49% of Waltham Forest's housing stock predates 1919, with an estimated 25% having a build date of 1919-1945. Therefore three quarters of the housing stock of Waltham Forest was built before 1945.

11.14 One of the most important changes which has occurred in Waltham Forest in recent years is the change in housing tenure. The privately rented sector makes up 32% of all residential dwellings, a sharp rise from 18% of all dwellings in the 2001 Census with a match drop in owner occupation rates. This is reflected in 19% of all dwellings in the borough being either a House in Multiple Occupation or a converted property.

11.15 The growth in the private rented sector is a response to affordability pressures in East London and also a general lack of dwellings which has seen households occupy smaller dwelling spaces. Since 2001 the number of smaller properties, particularly those with only one or two rooms has increased while the proportion of larger homes has decreased. This is evidence that larger properties have been subdivided into smaller flats and bedsits which in turn has allowed more households to live in the existing dwelling stock of Waltham Forest in an affordable manner.

11.16 Housing Benefit policy changes will also impact on the market for private rented homes. The significant change in the Private Rented Sector suggests enhanced management initiatives and policy positions may be required.

## Current Housing Need

11.17 Calculating overcrowding using the number of rooms in a dwelling designed to be bedrooms shows 11% of dwellings are overcrowded, with this figure being 17.6% in the private rented sector. However, the dwelling stock of Waltham Forest appears to be being used very intensively, with rooms other than those designed as bedrooms being used for sleeping, particularly in the private rented sector.

11.18 Across Waltham Forest, it is estimated that around 28% of households are unsuitably housed. Unsuitable housing covers a range of categories such as overcrowding, stock condition, support needs and affordability. This figure is comparable with other borough East and South East London.

11.19 Again, for housing strategy, the significant change in the private rented sector suggests enhanced initiatives may be required to support the sector, for example via improved accreditation schemes or affirmative use of statutory powers.

## Future Housing Requirements and the Affordable Housing Target

11.20 The overall housing tenure mix required for Waltham Forest can be summarised as in the following figure (Figure 164). Recent years have seen a high level of conversion of private sector housing In Waltham Forest to cheaper private rent or housing benefit supported private rent to accommodate

lower income households. The model assumes that this process continues into the future. Hence a substantial affordable housing requirement has been identified.

Figure 164  
Overall Housing 2010-2031 (Note: Figures may not sum due to rounding)

	Tenure	Requirement	%
<b>2010-2031 Housing Requirements</b>			
	Market Housing	2,900	18.3%
	Intermediate Affordable Housing	5,700	35.8%
	Social Rented Housing	7,300	45.9%
	<b>Overall Housing Requirement</b>	<b>15,900</b>	<b>100.0%</b>

- 11.21 The findings for housing requirements identify a total affordable housing requirement of over 80% of the total planned dwelling delivery in Waltham Forest. The evidence shows, from a housing need perspective, that there is clear support for the London Plan position of seeking 50% affordable housing on qualifying sites.
- 11.22 However, housing need requirements must also be considered alongside supply side factors such as the viability of delivering affordable housing and land availability, as well as local policy priorities including the creation of mixed and balanced communities.
- 11.23 In policy terms, Waltham Forest should continue to support current supply side initiatives to enhance viability and delivery of affordable housing schemes.

## Size Mix

- 11.24 The evidence for the split between intermediate affordable housing and social rent indicates **support for the London Plan** policy position of affordable housing being provided with a 60:40 split between social rent and intermediate affordable housing.
- 11.25 Overall, the findings support a policy seeking a mix of dwelling sizes in Waltham Forest to meet the needs of all households.
- 11.26 The modelled size mix requirements indicate that in the **market requirement**, nearly 50% of households are seeking 3 bedrooms or more, with 80% seeking at least 2 bedrooms.
- 11.27 The model also identifies a high requirement for **larger affordable units**. Within the social rent requirement, these will typically be used for households in greatest need. It can be argued that the needs of larger households are more pressing than those of smaller ones, so a potential policy response to this is the prioritisation of building larger affordable dwellings.

Figure 165

Size mix of the Housing Requirement 2010-2031 (Notes: All figures rounded to the nearest 50. Figures represented by “-” show any shortfall or surplus which is less than 50, although this will normally be greater than 0. Figures may not sum due to rounding)

Tenure and Size	Market Housing	Intermediate Housing	Social Rented Housing
<b>1 bedroom</b>	600	1,700	2,300
<b>2 bedrooms</b>	850	2,350	2,050
<b>3 bedrooms</b>	1,200	1,500	2,650
<b>4+ bedrooms</b>	250	150	300
<b>Sub-total</b>	<b>2,900</b>	<b>5,700</b>	<b>7,300</b>

### One bed social rented homes

- 11.28 The modelled findings identify a **high requirement for 1 bed social rented dwellings**, driven by a projected growth in single person households in Waltham Forest. This group contains many single persons aged under 35 years who only qualify for the SAR LHA allowance and not for a 1 bedroom dwelling.
- 11.29 For this group there is a tension between demand side aspirations of households for a spare bedroom in their home, the ability of affordable housing supply side to meet this, as well as issues around Housing Benefit restrictions limiting access to certain types of housing. This has implications for policy which requires careful consideration.
- 11.30 Demand from households is aspirational for two bedrooms:
- » Many younger households aspire to a spare bedroom to enable the size of their household to grow without triggering the need to move home.
  - » Older households value a spare bedroom to enable children, guests and carers to stay occasionally.
- 11.31 Under new LHA rules the under 35 years household group, however, will receive only the SAR LHA allowance – this will enable a single person, in receipt of Housing Benefit, to receive only a share of a dwelling, rather than allowance for a fully self-contained dwelling.
- 11.32 Therefore, a major impact of this change is likely to be a fall in demand for self-contained dwellings but a rise in the demand for shared accommodation within HMOs rather than for self-contained dwellings.
- 11.33 A possible policy position for Waltham Forest is to prioritise delivering larger affordable units to meet more pressing housing needs and allowing the needs of lower priority groups, such as single persons under 35 years, to be met in the private rented sector, often in HMOs. This would see a further growth in the number of HMOs in the borough, but would maximise the number of households whose needs are met within the LHA rules.

### Family Housing

- 11.34 Household analysis shows the number of households with 4+ people has declined slightly between 2001 (21.9%) and 2011 (20.3%). However, demand from this group for larger family housing remains relatively high and is less likely to be met from market housing given affordability issues.

- 11.35 Over the same period, housing supply suitable for larger households has declined, driven by a high level of conversions into smaller units (to meet demand from smaller households in the private rented sector).
- 11.36 Overall, there remains continued demand for larger family dwellings in Waltham Forest, especially for affordable housing.

## Regeneration Areas

- 11.37 Fieldwork interviews in Walthamstow were conducted shortly after the riots of August 2011 and this may have impacted on the views of respondents.
- 11.38 There is an extensive on-going regeneration programme in Waltham Forest covering four separate areas - Walthamstow Town, Wood Street, Blackhorse Lane area and the Northern Olympic Fringe areas of the borough. Each area has unique characteristics which has resulted in different policy approaches:
- » Blackhorse Lane area of the Lower Lea Valley: a 10 year regeneration programme to deliver 2,000 homes plus related transport and amenity improvements
  - » The Northern Olympic Fringe: south of the borough close to the Olympic Park (in LB Newham) and includes Leyton, Leytonstone and Cathall. Regeneration is focussed on improving connectivity to the Olympic park, but also includes homes (2,500), retail and visual improvements
  - » Walthamstow Town centre: predominantly retail area with a relatively low resident population
  - » Wood Street: regeneration is concerned with visual appearance and retail
- 11.39 Almost 50% of households in the Walthamstow area feel that their local area has got worse while they have lived there, while around a third of households in the Northern Olympic Fringe area feel this is the case. Almost 60% of households in the Northern Olympic Fringe area thought that the 2012 Olympic and Paralympic Games would improve the local area in the future, including 30% who feel it is very likely. Around half of households in the Blackhorse Lane area feel that it is likely, which indicates that there is a degree of optimism in some areas.
- 11.40 Respondents in Walthamstow were the most likely to identify problems with their area, with issues such as rubbish or litter lying around on the streets (50.9%), teenagers hanging around on the streets (46.8%), people being drunk or rowdy in public is a problem (45.9%) being highlighted as problems.

## Local economy

- 11.41 The local economy in Waltham Forest has undergone significant change between 1998-2007, with some sectors in decline (e.g. manufacturing), but with growth in others (wholesale/retail, the property sector and leisure: hotels and restaurants).
- 11.42 The property sector is currently in downturn and growth (between 1998-2007) is very likely to have subsequently contracted.

- 11.43 The growth in wholesale/retail and leisure is a driver behind in migration rates and private rented sector growth, and seems likely to continue given short term (e.g. Olympics) and longer term (e.g. continued expansion in leisure) drivers.
- 11.44 The Borough may wish to consider the impact of economic growth and/or change on policy, particularly on the link to housing demand.

### **Black and Minority Ethnic Population**

- 11.45 At the time of the 2001 Census, Black and Minority Ethnic (BME) households in Waltham Forest made up around 38% of the total households. The 2011 Waltham Forest household survey indicates that the number of BME households has risen substantially to around 55% of all households, with 19% being White, but not White British – more than double the proportion in 2001. The Pakistani and Indian ethnic groups have increased by 50%.
- 11.46 Many recent migrants to Waltham Forest have been attracted by employment opportunities in the area and this is reflected in the Other White and Other ethnic group having higher levels of incomes than other groups. Of most concern is the fact that the lowest levels of income are found in the Black ethnic group.
- 11.47 Asian households have a higher number of bedrooms on average than other ethnic groups; in particular almost 20% of Asian households have 5 or more bedrooms which is unsurprising given that traditionally many Asian families live together in large family groups. However, an issue of concern is that Asian households are more likely to report that they have too few rooms than the White British population.

### **Housing Requirements of Older People**

- 11.48 The older person population of Waltham Forest has fallen in recent years, but is projected to rise in to the future. A high proportion of this population growth is expected to occur among people living on their own who have health problems and difficulties with self-care.
- 11.49 The Waltham Forest household survey indicates that almost 60% of 'All older' households (only containing members aged over 50 years and at least one person aged 60 years or more) own their home outright and over a quarter are renting in the social sector.
- 11.50 Almost half of "all older" households have incomes of less than £10,000 per annum. Therefore, while home ownership rates are high, many older people can be described as 'equity rich but cash poor'.
- 11.51 This has implications regarding quality of the housing stock - repair bills can be unaffordable, and quality may fall over time.
- 11.52 Older people's housing aspirations can be complex – studies show that most older people wish to remain in their current home, yet a significant minority can be expected to want to move should the right alternative housing product be available. Policy responses vary for those remaining in their homes (for example, equity release schemes or care and repair), to those who wish to move (for example, care villages or lifestyle schemes for active older people).

11.53 Waltham Forest may wish to consider this area in more detail in order to derive a more comprehensive and targeted strategy response

### People with Support Needs

11.54 19,300 households in Waltham Forest contained at least one person with health problems. This represents around 20% of all households. It should be noted that some of the households contained more than one individual with health issues. The main problems identified were conditions which substantially limit one or more physical functions, and mental health problems.

11.55 Around 5,600 households include members who need some form of care or support. Around 6,000 households reported that the health problem affected the housing requirements of their household. Of these households, over half (54%) rent from a social landlord while around 42% own their own home and therefore responsible for their own adaptations. Given that many of these households will have relatively low incomes the affordability of adaptations can be a problem.

11.56 Of those who do have special housing requirements, 52% felt that their requirements were already met by their current home, which implies that 48% of households felt that their homes were not currently adequately adjusted to the health problems of household members. This represents around 3% (2,800) of all households in Waltham Forest:

- » Of this group 48% thought that their current home could be adapted to meet their needs;
- » 43% felt that they would need to move to another home which was more suitable for their needs.

11.57 Therefore, there are currently around 1,400 households in Waltham Forest who require adaptation in their current homes and 1,200 who need to move to another home, split approximately equally between the private and social sector.

11.58 Waltham Forest may wish to consider these housing aspirations further and thereby develop a suite of responses that will support people in their own home. In addition, and given the level of support needs in the borough, new supply which is wheelchair accessible and/or adaptable is key.

### Overall Policy Implications

11.59 This Strategic Housing Market Assessment has identified a number of challenging issues that require the housing and planning authorities of Waltham Forest to work together with the development industry, housing associations, delivery agencies and funders to deliver the housing required across the whole housing market and to find a range of solutions to address the need for affordable housing.

11.60 Joint-working will be needed to design effective policy frameworks, address the delivery of new housing, provide the choice, tenure and mix of housing required and maintain and manage the existing stock. Working together is also likely to maximise the amount of funding secured for affordable housing provision in the future.

11.61 This study provides the basis for working together to meet the housing requirements of Waltham Forest ; however it only constitutes the start of the process necessary to deliver a sequence of solutions

which will be developed and improved over time. Major areas which will require to be addressed include:

- » Examine planning policy in the light of the new Affordable Rent model to achieve a balanced delivery of property size and tenure
- » Examine implications of new Affordable Rent on the delivery of affordable homes locally
- » Examine implications of changes to Housing Benefit and increased risk of homelessness
- » Have in place a flexible tenancy policy to reflect reforms introduced by the new Government
- » Have an overcrowding policy in place to address the likely increase in overcrowding due to Housing and Welfare Benefits reform.
- » Consider possible implications of HB reform on under-occupiers who are of working age, and resource implications to help move under-occupiers.
- » Consider council-led building programme or council land disposal to increase supply
- » Ensure that a range of options are available to older people to meet their needs within the borough;
- » Monitor the population trends of Waltham Forest to ensure a clearer understanding of the processes driving its housing market;
- » Develop a strategy to bring empty homes in the Borough into effective use;
- » Strengthen the Housing Standards team to address an expected decline in housing standards and an increase in HMOs due to factors such as supply, affordability and HB reforms;
- » Work with existing or new accreditation schemes to seek to improve housing standards in the private rented sector.