

**HAMMERSMITH AND FULHAM HOUSING MARKET ASSESSMENT**  
**December 2010**

## **Executive Summary**

### **How H&F will meet housing need**

The borough has a higher proportion of social housing than Greater London as a whole. In 2009, the borough had 32% of dwellings that were social housing compared to 24% for Greater London as a whole.<sup>1</sup>

Determining actual housing need in the borough is difficult as the housing register has not been validated since late 2005 with additional households in housing need being added to the register since then.

Extrapolating findings from a 15% stratified sample of the housing register, it is estimated that the actual level of housing need was 3037 households.<sup>2</sup>

Housing need includes all those current applications in the highest priority bands (A and B) and all households that are severely overcrowded or overcrowded, are homeless, and / or have a medical award (Band C).

Based on 2009-10 data, there are an additional 1,273 households applying in actual need throughout the year (either as new applicants or as a change in priority need).

On average the borough re-houses 663 households per annum (excluding transfers and sheltered housing).<sup>3</sup>

Over a 10 year period, considering preventative measures and new additions to the housing register through newly formed households LBHF can meet the housing requirements for those households in need through the effective use of the existing stock.

### **Making best use of existing social housing - tackling overcrowding and under-occupancy**

H&F's innovative Rehousing Opportunities Initiative has had impressive results. This has enabled :

- moving a total of 48 under occupied households
- moving 50 overcrowded households,
- enabling 20 adult children to move to alternative housing and
- providing 93 households with in situ space saving solutions.

Where estate renewal is a priority, for example in opportunity areas, the Council will re-provide social housing through redevelopment. Given the prevalence of unsuitable one bed stock, redevelopment will provide opportunities to build housing

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<sup>1</sup> Housing Strategy Statistical Appendix returns 2009-10

<sup>2</sup> 15% stratified sample of housing register, see methodology

<sup>3</sup> Rehousing figures from I World – 2009-10

more suitable for families. Estate renewal will also provide an unparalleled opportunity to deal with the large numbers of under occupied properties, re-providing properties much more suited to households whose adult children have moved on.

In addition, the Council proactively seeks to fund lateral conversions of its existing one bed stock to better meet family demand, particularly to address overcrowding.

These initiatives to improve the use of existing stock will lead to a reduction in the need for transfers and free up social housing units for households in housing need.

### **Increasing the existing supply of social rented housing - Targeted HomeBuy and Employment services**

The borough is increasing the supply of social housing available for re-housing by using our resources in a more effective way. Employment and HomeBuy services are targeting existing council tenants and households on the housing register to assist them into employment and secure their preferred form of tenure.

It is estimated that 7% of those on the housing register will have an income at a sufficient level to consider low cost home ownership products or rental in the private sector.<sup>4</sup> From the last housing needs survey<sup>5</sup> it was estimated that there were 1800 households living in council tenancies with an income of £29k pa or more who could afford low cost home ownership and want to buy their own property.<sup>6</sup>

Employment services are working intensively work with people on the housing register to assist them into employment and reduce the likely demand for social housing. It is estimated that 52% of those on the housing register are not in employment<sup>7</sup>, and 63% of council tenants are not in employment<sup>8</sup>. Any increase in these employment rates would help increase the number of households who could potentially afford market housing and so increase the supply of social housing units for those households in most need.

Through effective targeting of our existing services, the supply of units available for rehousing those in housing need will increase. The employment service has an annual target of helping 50 households requiring rehousing into employment and reduce the need for social housing. The HomeBuy service has a target of assisting 50 households that are in existing council tenancies to purchase their own homes per year.

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<sup>4</sup> Data from the 15% stratified sample of the housing register, 2010

<sup>5</sup> Hammersmith and Fulham Borough Council Housing Needs and Demand Study Update 2007, based on 2003 survey

<sup>6</sup> Fordhams LBHF Housing Need Survey

<sup>7</sup> Data from the 15% stratified sample of the housing register, 2010

<sup>8</sup> Fordhams LBHF Housing Need Survey

## **Increasing Supply of Affordable Housing for Purchase and Rent**

H&F are working to increase the provision of housing, including affordable housing. LDF policy is to exceed the Revised London Plan (RLP) target of 615 additional dwellings/year not only for 2011-2021 (in accordance with RLP) but to continue to seek this level for 2022-2032.

The current London Plan target is only 450 additional dwellings a year, but H&F are proposing this much higher target of at least 615 additional dwellings a year. This will produce 1,650 more homes over 10 years. This is a 37% increase in the target compared with a London-wide increase of 9%.

Increasing the housing target will also result in an increase in the provision of affordable housing. The 40% affordable housing target in accordance with Replacement London Plan will produce at least 2,460 additional affordable dwellings in 10 years. This compares with 2,250 additional affordable dwellings with the current London Plan target.

Proposals for estate regeneration will provide opportunities to tackle under occupation and overcrowding and of re-providing housing more suitable for families.

### **Why H&F want to provide most of the additional affordable housing as intermediate housing for purchase or rent**

The local area is polarised both demographically and economically; with areas of deprivation close to affluent, wealthy areas, and areas of high economic activity and income next to areas with very high inactivity and unemployment and low incomes.

The economy of the borough is strong and resilient but despite this the borough has one of the lowest employment rates of working age people in London.<sup>9</sup>

The borough has consistently struggled to fill job vacancies in the occupations with low wage levels. These include “key worker” areas such as health and social care. This impacts on the provision of a wide range of essential services because many key workers move out of the borough and possibly London when they want to buy a house.

An analysis of those job vacancies in the lowest paid areas shows that these positions are not filled by local people on job seekers allowance.

House prices and sales have recovered well since entering and leaving recession. The borough has the 4<sup>th</sup> highest average house price in London, with an average of £495k.<sup>10</sup> The majority of properties sold in the borough are flats. An average

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<sup>9</sup> Huggins 2010 Competitiveness Index

<sup>10</sup> 2010 Land Registry data

household income of £86k pa is required to purchase an entry level (ie lower quartile house price) property in the borough.

H&F has one of the highest house price to household income ratios in the country, meaning that the majority of first time buyers cannot afford to buy in the borough.

Low cost home ownership and other forms of intermediate housing account for only 2% of all dwellings in the borough.

Even so, 3000 households are on the HomeBuy register (71% residents, 57% workers in the borough and 33% both resident and local workers. 62% have household income £20-40k).

Also at the 2001 census, nearly quarter of households rented from a private landlord. It is estimated that this may have increased to over a third of all households now renting from a private landlord. A MORI survey for the GLA (2009) showed that 87% of households in private rented housing wanted to own their own home.

The aspiration for home ownership also includes households on the council's housing register. A survey<sup>11</sup> of people on the council's housing register shows that 57% of housing register applicants are interested in owning their own home. Home ownership for these households would free up further social housing units.

Increasing home ownership opportunities for these households would free up more housing to meet housing need and would help to maintain an appropriately skilled local workforce. Where home ownership cannot be achieved because of income and/or mortgage availability constraints, we will provide more intermediate homes at below market rents.

## **Summary and Conclusions**

1. About 2% of the housing stock is intermediate housing and there is evidence that the overwhelming need in H&F is for more intermediate housing to meet the aspirations of local residents and workers for home ownership.
2. About 32% of the housing stock is already social rented housing, compared to 24% in London as whole.
3. H&F aims to build a minimum of 6150 additional dwellings over the next 10 years and 2,460 additional affordable dwellings. These targets are likely to be exceeded if the proposals for estate regeneration go ahead.
4. Housing need can be met from the existing annual supply of social rented housing.

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<sup>11</sup> 2010 15% Stratified sample of the housing register

5. The supply of social rented housing can be increased by targeting employment and HomeBuy services to existing council tenants and those in housing need.
6. The Rehousing Opportunities Initiative is tackling under occupation and overcrowding.
7. Proposals for estate regeneration will provide opportunities for tackling under occupation and overcrowding and of reprovding housing more suitable for families.

## **1 Introduction**

- 1.1 The following Local Housing Needs Assessment has been prepared in accordance with the CLG guidance on preparing Housing Market Assessments and highlights the current levels of housing supply, demand and need for housing in the borough.
- 1.2 Using available evidence from the local authority and partners, the Assessment highlights how certain social, demographic and economic characteristics of the borough are shaping the levels of housing demand, need and supply.
- 1.3 Major conclusions for each section appear in boxes at the beginning.

## **2 Context**

### **2.1 National Policy Context**

- 2.1.2 Planning Policy Statement 3 (PPS 3) Housing (June 2010) sets out the Government's national policy framework for delivering the Government's housing objectives. Local Planning Authorities need to take account of this policy framework when preparing Local Development Documents. The current PPS 3 was first issued in 2006, but underwent minor amendments in June 2010. The Coalition Government has indicated that there will be a fundamental reform and streamlining of national planning policy with consultation commencing in 2011.
- 2.1.3 The Coalition Government's consultation on 'Local Decisions: a fairer future for social housing' (November 2010) sets out the Government's intention to change legislation governing the way social housing is allocated and the types of tenancies granted to new social housing tenants. Provisions on these matters will be introduced in the forthcoming Localism Bill. This consultation provides more detail on the proposed new Affordable Rent tenancy and on changes to existing social rent tenancies. Affordable Rent tenancies will be at rents above social rents but below 80% of market rents and would appear to equate with the PPS 3 definition of intermediate housing. RSLs and other social landlords will in future be able offer a fixed term tenancy at either an affordable rent or at a social rent, depending on local needs and circumstances. There will be a duty on local authorities to publish a strategic tenancy policy (para. 2.19) which will set out the broad objectives to be taken into consideration by social landlords in the local area regarding their policies on the grant and reissue of tenancies. The consultation makes clear that legislation will give local authorities very substantial freedom over the tenancies they provide (para 2.23).

- 2.1.4 These proposed changes will have significant implications for the definition of affordable housing in PPS 3 which underpins all planning policies for affordable housing. The changes between social rented and intermediate tenures is likely to take place in response to the strategic tenancy policy and outside the planning system. The need for an early alteration to the London Plan affordable housing policies has been recognised by the GLA at the EIP for the draft replacement London Plan.
- 2.1.5 The council's Proposed Submission Core Strategy seeks to implement H&F's Community Strategy and expresses the council's preference for what is currently defined as intermediate housing because of the local circumstances in the borough and the local housing market assessment. The housing market assessment has been carried out in the context of existing legislation and the regulatory framework but may need to be revised to take account of proposed changes outlined in the consultation paper 'Local Decisions: a fairer future for social housing'. In addition to the proposed changes to legislation and regulation, the annex to the consultation document on the new funding model for affordable housing makes clear that from 2011 there will be no HCA funding for additional social rent housing; most funding will be for the new Affordable Rent housing although *"there may be some scope for delivery of low cost home ownership as part of the contractual arrangements, where this is appropriate for local circumstances and helps to promote the overall supply of affordable homes."*
- 2.1.6 The New Homes Bonus scheme consultation needs to be considered alongside the above consultation. It proposes to give responsibility to local communities to determine its policies in relation to housing. Starting in 2011, it aims to reward council's and communities for building new homes rather than relying on top-down targets which served only to antagonise. The consultation states that *"The New Homes Bonus will return the ownership of this debate to a local level and encourage local authorities and communities to develop their housing plans in ways that meet their needs and concerns."*

## **2.2 Planning policy Statement 3 (PPS 3) Housing (June 2010)**

- 2.2.1 PPS 3 (June 2010) will be amended to reflect the new legislative and regulatory framework that is currently being consulted on and will be included in the Localism and Decentralisation bill. The amended guidance will be incorporated into the proposed national policy framework in 2011. However until this amended guidance is published, the Core Strategy housing policy and the evidence base for that policy should be consistent with PPS3 guidance unless there is clear and convincing reasoning to justify a different approach.
- 2.2.2 PPS 3 reflects pre-Coalition Government guidance and advice and responds to the recommendations of the Barker Review of Housing Supply. It states that



*“The government’s key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford and in a community where they want to live.”* To achieve this objective, PPS 3 is seeking:

- To increase the delivery of housing;
- To achieve a wide choice of high quality homes, both affordable and market, to address the requirements of the community;
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing;
- To improve affordability across the housing market including by increasing the supply;
- To create sustainable, inclusive and mixed communities in all areas;
- The design of housing should improve the quality and character of the area.

2.2.3 One of the aims of PPS 3 is *“to create sustainable, inclusive and mixed communities in all areas”*. The Egan Review defined sustainable communities as communities that *“meet the diverse needs of existing and future residents, their children and other users, contribute to a high quality of life and provide opportunity and choice. They achieve this in ways that make effective use of natural resources, enhance the environment, promote social cohesion and inclusion and strengthen economic prosperity.”*

2.2.4 PPS 3 (paras. 20-21) states that the *“Key characteristics of a mixed community are a variety of housing, particularly in terms of tenure and price and a mix of different households such as families with children, single person households and older people.”*

*Regional Spatial Strategies should set out the region’s approach to achieving a good mix of housing. Local Planning Authorities should plan for a mix of housing on the basis of the different types of households that are likely to require housing over the plan period. This will include having particular regard to:*

- *Current and future demographic trends and profiles.*
- *The accommodation requirements of specific groups, in particular, families with children, older and disabled people.*
- *The diverse range of requirements across the area, including the need to accommodate Gypsies and Travellers.”*

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

- *The likely overall proportions of households that require market or affordable housing, for example, x% market housing and y% affordable housing.*
- *The likely profile of household types requiring market housing eg multi-person, including families and children (x%), single persons (y%), couples (z%).*
- *The size and type of affordable housing required.”*

2.2.4 PPS3 (Annex B) defines affordable housing as follows: *“Affordable housing includes social rented and intermediate housing, provided to specified eligible*

households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative housing provision.” PPS 3 specifically excludes low cost market housing from the definition.

PPS 3 (para 29) sets out what Local Development Documents should include:

- “An overall (ie plan-wide) target for the amount of affordable housing to be provided” which “should aim to ensure that the provision of affordable housing meets the needs of both current and future occupiers, taking in account information from the Strategic Housing Market Assessment”
- “Set separate targets for social rented and intermediate housing where appropriate. A sufficient supply of intermediate affordable housing can help address the needs of key workers and those seeking to gain a first step on the housing ladder, reduce the call on social- rented homes, provide a wider choice for households and ensure that sites have a mix of tenures.”
- “Specify the size and type of affordable housing.”
- “Set out the range of circumstances in which affordable housing will be required.”
- “Set out the approach to seeking developer contributions”

2.2.5 PPS 3 makes it clear that the government is committed to helping people make the step from social-rented housing to home ownership (para 27). The former Secretary of State in a speech on 13 February 2007 said that the government recognised the challenge of the rising cost of home ownership. The Coalition Government in “Our Programme for Government” (May 2010) stated that they would promote shared ownership schemes to help social tenants and others to own or part-own their home.

2.2.6 The National Housing and Planning Advice Unit (NHPAU)<sup>12</sup> report supports the statement in PPS 3 (para.29) that intermediate housing can reduce the call on social rented housing. it states that

*“Overcoming housing affordability problems in the owner occupied sector can therefore have positive impacts on the social and private rented sectors. The analysis supports the view that building more social homes alone would not resolve the affordability problems in the wider homeownership market.”*

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<sup>12</sup> Rapid Evidence Assessment of the economic and social consequences of worsening housing affordability. The University of York and NHPAU May 2009

## 2.3 Regional Guidance

2.3.1 Guidance issued by the Mayor of London is also relevant to local planning authorities in London. However, as a result of changes to national guidance, regional guidance may change. The Secretary of State has announced that he will abolish Regional Spatial Strategies, although the London Plan will remain and the Mayor and London partners are to decide on which targets should remain in London. The Mayor of London has issued a statement to the Replacement London Plan Examination saying that he considers that most London Plan targets should remain, although this statement did not make reference to London Plan affordable housing targets. The statement was issued without consultation with London boroughs or other partners contrary to government's localism agenda which seeks to return decision-making powers on housing and planning to local councils. The Localism Bill is expected to be introduced in Parliament in November 2010.

2.3.2 The key policies and guidance that local planning authorities currently have to consider in relation housing policies are as follows:

The main planning document is the London Plan (Feb 2008) and Draft Replacement London Plan (2009). The London Plan is a part of boroughs' development plans and boroughs' DPDs have to be in general conformity with the London Plan. The key housing policies that H&F planning policies need to be in general conformity with are:

- To maximise the provision of additional housing and to exceed the target of 450 additional homes a year in H&F (Policy 3A.2);
- To identify new sources of housing supply, such as in Opportunity Areas and by the redevelopment of low density commercial sites to secure mixed use residential development;
- "To set an overall target for the amount of affordable housing provision, based on an assessment of housing need and a realistic assessment of supply."
- Ensure a range of housing choice, including specialist housing;

2.3.3 The Mayor of London has also published Interim Housing Supplementary Planning Guidance (SPG) (April 2010) which gives more detailed guidance on the implementation of the London Plan policies and published a Housing Strategy in February 2010.

2.3.4 The draft Replacement London Plan was published for consultation in 2009 and is currently subject to Examination. The following policies are relevant to the council's housing policies:

- Policy 3.3 *"Boroughs should seek to achieve and exceed the relevant minimum borough housing annual average target in Table 3.1 and, if a target beyond 2021 is required, roll forward and seek to exceed that in Table 3.1 until it is replaced by a revised London Plan target. The annual*

*average housing provision monitoring target for H&F is 615 dwellings from all sources of supply.”*

- *Policy 3.8A “Londoners should have a genuine choice of homes that they can afford and which meet their requirements for different sizes and types of dwellings in the highest quality environments”.*
- *Policy 3.10A “Communities mixed and balanced by tenure and household income should be promoted across London through incremental small scale as well as larger scale developments which foster social diversity, redress social exclusion and strengthen communities’ sense of responsibility for, and identity with, their neighbourhoods.”*
- *Policy 3.10B “A more balanced mix of tenures should be sought particularly in neighbourhoods where social renting predominates.”*

2.3.5 Paragraphs 3.52-3.54 expand on this strategic policy and recognise that mono-tenure estates have in some cases contributed to concentrations of deprivation and worklessness and states that *“New social housing development should be encouraged in areas where it is currently under represented. These are essentially local matters for boroughs to address in light of their local circumstances because the key concern is the concentrations of deprivation in individual, or groups, of mono-tenure estates rather than the overall level of social renting in a borough.”*

2.3.6 Para 3.55 of the draft Replacement London Plan defines the income range for intermediate housing as being above social rent and up to £61,400 and for homes with more than two bedrooms up to £74,000. The figures will be updated annually.

2.3.7 Policy 3.12 Affordable Housing Targets states *“A The Mayor will and boroughs, the Homes and Communities Agency and other relevant partners should seek to maximise affordable housing provision and seek an average of at least 13,200 more affordable homes per year in London over the term of this Plan, and within this seek to ensure that 60 per cent is social housing and 40 per cent is intermediate housing. That priority should be accorded to provision of affordable family housing.”* In preparing LDFs

*“B Boroughs should set an overall target in LDFs for the amount of affordable housing provision needed over the plan period in their areas and separate targets for social rented and intermediate housing and reflect the strategic priority accorded to provision of affordable family housing.*

*C LDF affordable housing targets should take account of current and future housing requirements identified in line with Policies 3.8, 3.11 and 3.12”*

2.3.8 The Mayor’s London’s Housing Strategy (February 2010) recognises that *“achieving overall housing numbers is not enough. Equally important is ensuring that these homes are fit to meet the range of Londoners’ needs and aspirations - for larger homes, for supported homes, and for both social rented and intermediate homes. I am particularly committed to helping*

*London's hard-pressed families, who have suffered so badly from London's housing shortages and affordability problems."* Home ownership remains the tenure of choice for the majority of Londoners. In a recent survey for the GLA, four out of five middle income Londoners currently renting or living with parents said they would like to own their own home. At the same time, intermediate rented products and rent-to-buy have proved popular options for buyers who are unable to take up low cost home ownership.

2.3.9 Expanding the intermediate housing offer is a vital part of ensuring London's housing market does not become polarised between those with the greatest housing wealth, and those with the most severe housing need.

2.3.10 The concentration of social housing in a small number of London neighbourhoods is more than outweighed by the number of areas in which social housing is almost non-existent. In 2001, 56 per cent of wards in London were more than three quarters market housing (owner occupied and private rented), while 0.5 per cent of wards were more than three quarters social housing. In total, half of London's social housing was concentrated in a quarter of its wards. Despite more mixed tenure developments being built in recent years, these patterns have not greatly changed because most development takes place in areas with sizeable amounts of existing social housing. Between 2004/05 and 2006/07, a quarter of new affordable housing in London was located in the ten per cent of wards with the most social housing (Section 1.1.3)

## **2.4 Strategic Housing Market Assessment Guidance**

2.4.1 As outlined above, Strategic Housing Market Assessments (SHMAs) are an important part of the evidence base informing policy and contributing to shaping strategic thinking in housing and planning. Practice Guidance (Version 2) was issued in 2007 and specifies the 8 Core Outputs that an SHMA should meet. These are:

- Estimates of current dwellings in terms of size, type, condition, tenure
- 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
- Estimate of total future number of households, broken down by age and type where possible
- Estimate of current number of households in housing need
- Estimate of future households that will require affordable housing
- Estimate of future households requiring market housing
- Estimate of the size of affordable housing required
- Estimate of household groups who have particular housing requirements e.g. families, older people, key workers, black and minority ethnic groups, disabled people, young people

2.4.2 Following the issuing of the SHMA Practice Guidance there were discussions in London on the best approach to meet the requirements of the Guidance. It was recognised that in London it is difficult to identify housing market areas. London has many overlapping housing market areas and the areas extend well outside the GLA boundary, including an international market. GOL, GLA and London Councils therefore issued a statement in March 2008 stating that they

*“believe that London-specific Sub-regional HMAs offer the most pragmatic, cost-effective and timely way to quickly put in place evidence that meets PPS3 requirements and that can deliver usable results to individual boroughs. Paragraph 10 of the CLG advice note states that any alternative approach must demonstrate that it is likely to provide a credible and robust means of understanding housing markets as well as enabling a co-ordinated approach to evidence base work and policy making. Paragraph 9 of the advice note also supports a pragmatic approach of grouping together local authority administrative areas as an approximation to sub-regional housing market areas.”*

The note also recognised that

*“In the longer term, the GLA will work with London Councils and other stakeholders to explore the potential for a single, London-wide strategic housing market assessment that fully addresses regional and local needs for a robust and shared evidence base of housing need and demand.”*

2.4.3 In response to this joint statement the West London Housing Partnership commissioned a West London Housing Market Assessment in 2009. It was decided by the Partnership not to commission a new household survey for the sub-region but to rely on existing data sources, including borough housing needs and housing market assessment surveys carried out over a period of six years from 2003 to 2009 and other secondary data sources.

2.4.4 The accuracy of the survey data for the ORS model is a concern. H&F’s 2003 survey had an overall response rate of 35% which was recognised by Fordhams as a low response rate and of those surveys that were completed the finance questions had a lower response rate, giving a response rate to the financial questions of 28%. Owner occupiers and private renters were significantly under represented in the household survey with 55% of the returns from the social rented sector.

2.4.5 The quality of the household surveys has meant that a variety of data sources have had to be used by ORS to estimate migration flows in the sub-region and the net borough housing requirements. The adjustments to migration data allocate H&F the highest net migration rate in the sub-region (1248 additional households from net migration pa) when ONS and GLA figures show a net loss for H&F.

2.4.6 Although we have concerns about the reliability of the sub-regional housing requirement figures, given the borough data on which they are based, our greatest concern relates to the borough housing requirement figures (paras 6.90 – 6.121). The W London HMA allocates housing requirements across the boroughs on the basis of the annual monitoring targets set out in the draft replacement London Plan and need is based on the London Council's Housing Need index . The draft WL HMA states in para 6.99

*"For clarity, the share of the sub-regional housing need identified in each borough is based exclusively upon the London Council's HNI and does not use information drawn from the household surveys or other secondary data sources. It was judged that the data collection period (2003-2009) for the household surveys was too wide to help provide a consistent measure of housing need across the sub-region".*

2.4.7 H&F do not consider that this method of allocating need to boroughs meets the CLG SHMA guidance or provides the robust evidence required to underpin the Core Strategy affordable housing policy. Given these concerns relating to the emerging W London SHMA it was considered necessary to supplement the W London SHMA by carrying out a borough-wide SHMA. Five of the other West London boroughs have also carried out strategic housing market assessments for their local authority area to supplement the W London SHMA.

## **2.5 H&F Strategies**

2.5.1 The main H&F strategies that are relevant to housing policy in H&F are the Community Strategy 2007-14 and the Housing Strategy 2007-2014

2.5.2 The vision of the H&F Community Strategy is to create a borough of opportunity for all. A key priority of this vision is to promote home ownership – to make home ownership more affordable for a greater number of residents. This will help address the current tenure imbalances and ensure that more local people stay in the borough and have a stake in the future. In particular we will provide more home ownership opportunities, for key workers, first time buyers and those on low to middle incomes.

2.5.3 The Housing Strategy 2007-2014 aims to meet the vision and priorities of the Community Strategy by increasing housing supply, by providing more home ownership opportunities for low to middle income households and deliver more mixed and balanced communities and to increase levels of satisfaction with social housing and all housing services delivered in the borough

2.5.4 The Housing Strategy recognises the failure of the current housing offer to provide opportunities for households on low to middle incomes to progress up the housing ladder from private and social renting to homeownership given the very high house prices found locally and the flight of these households from the borough.

2.5.5 The Housing Strategy was subject to extensive stakeholder consultation some of which is relevant to the Strategic Housing Market Assessment. The consultation included:

- Presentation of the consultation document to Housing Scrutiny Committee
- Circulation to Citizens Panel members of the consultation document and a questionnaire.
- Consultation strategy sent out to stakeholders including RSL's and voluntary sector groups.
- Publicity in HF News inviting interested parties to complete online survey.
- Programme of "one to one" meetings held with key stakeholders including: voluntary and community groups, RSL's, developers, and internal stakeholders

### **3 Location of Hammersmith and Fulham**

3.1 Hammersmith and Fulham is situated in the centre-west of London on the transport routes between the City and Heathrow airport. It borders the boroughs of Brent to the north, Kensington & Chelsea to the east, Wandsworth and Richmond-upon-Thames to the south, and Ealing and Hounslow to the west. The borough has three thriving town centres – Hammersmith, Fulham and Shepherd's Bush.

3.2 It's the third smallest of the London Borough's in terms of area, covering 1,640 hectares (Census 2001). H&F is made up of 16 electoral wards from College Park & Old Oak in the north to Sands End in the south.

3.3 Map 1 below shows the location of Hammersmith and Fulham in relation to the other West London boroughs and London as a whole. Map 2 shows the wards of the borough and which sub-area of the borough they belong to.



**Map 1 – Location of Hammersmith and Fulham**



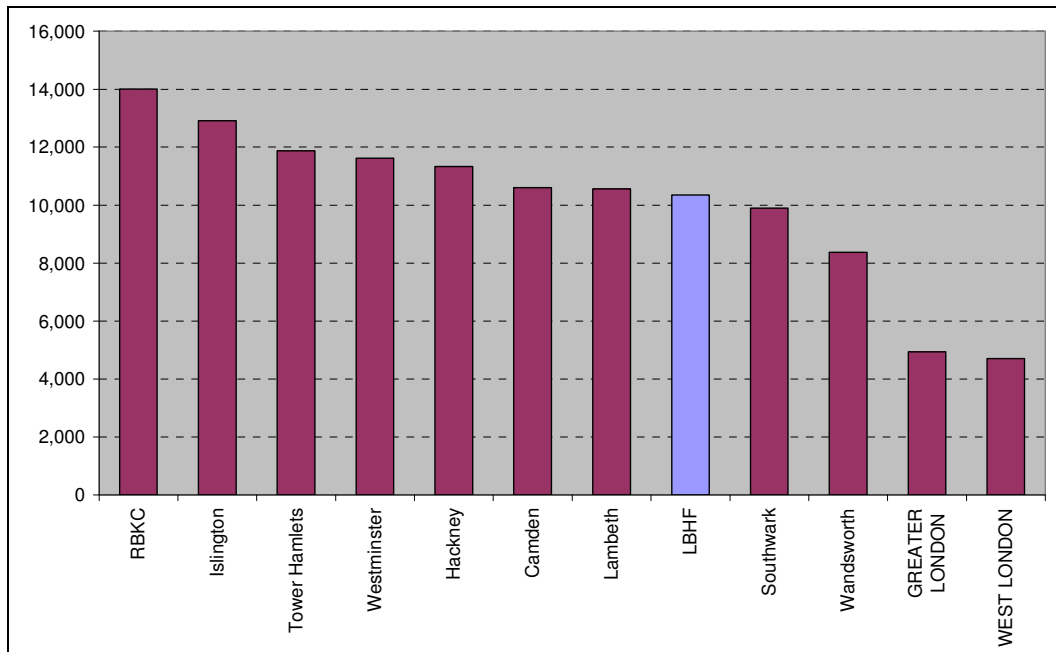
Map 2 – ward map of Hammersmith and Fulham



## 4 Demographic Context

4.1 Hammersmith & Fulham is the country's eighth most densely populated area, with density of 10,349 people per square kilometre. It is more than twice as densely populated as both West London and London.

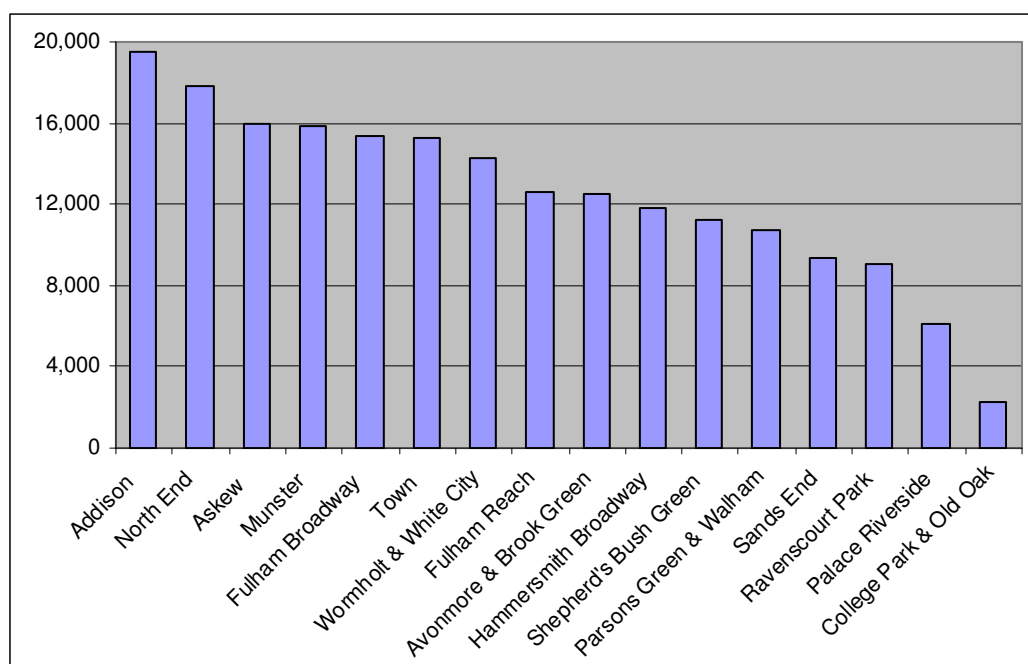
**Chart 1 – Population Density of London Boroughs**



Source : 2009 ONS Mid Year Estimates

4.2 In general, the boroughs' central sub area is more densely populated than the north and south sub areas, but densities vary greatly between individual wards and neighbourhoods. The most densely populated wards are Addison and North End, with density of 19,512 people per km<sup>2</sup> and 17,790 people per km<sup>2</sup> respectively.

**Chart 2 – Population Density by ward**



Source : GLA Ward level projections 2009

**2009 Mid Year Population Estimates**

4.3 The 2009 figure, based on the ONS mid-year population estimates for Hammersmith & Fulham shows a total population of 169,729 people, compared with 169,374 for mid 2001. This represents a very small increase of 0.2% or 355 people, a lower rate of increase than those for both West London (3.4%) and London as a whole (5.9%).

**Table 1: Population trends comparison, 2001-09**

	2001	2005	2009	2001-2009 % change
<b>LBHF</b>	169,374	169,066	169,729	0.2%
<b>West London</b>	1,417,906	1,426,041	1,466,724	3.4%
<b>London</b>	7,322,403	7,484,931	7,753,555	5.9%

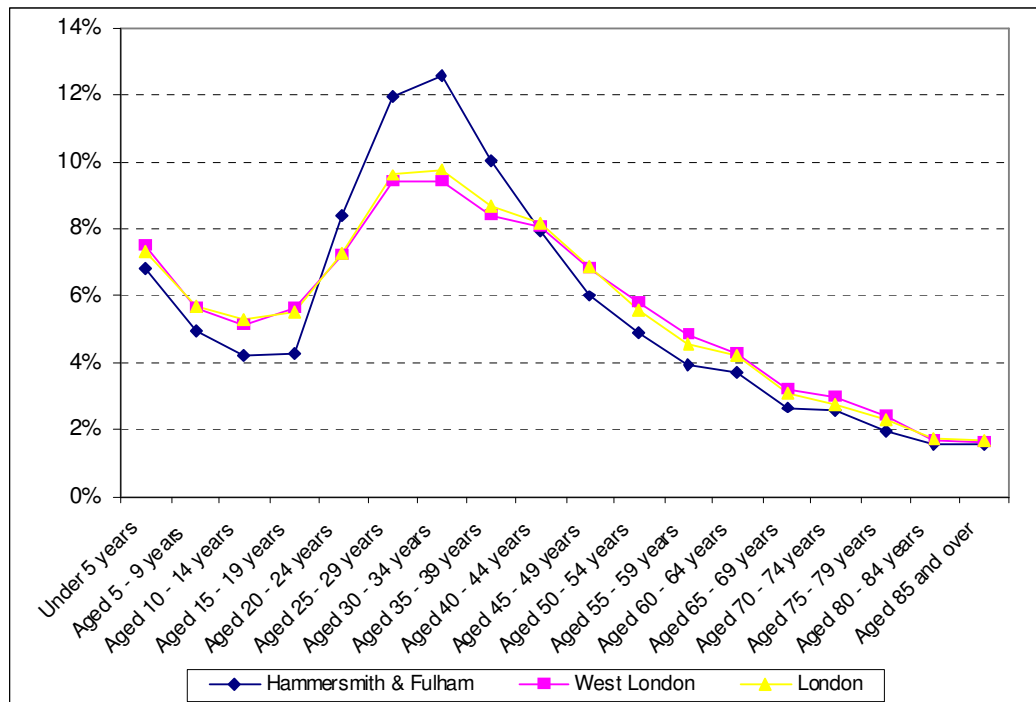
Source: ONS mid-year population estimates

4.4 There are slightly more males (50.2%) than females (48.2%) in Hammersmith & Fulham

4.5 The age profile in the borough is typical of an affluent urban population. There are fewer people near the retirement age and a corresponding lower level of younger children. The proportion of children and predominantly dependent young population in the 0-15 age group (16.8%) is lower than both West London (19.3%) and London (19.3%). 120,450 (71.0%) people are

of working age (16 to 64 age group). This compares to 66.5% in West London and 66.9% in London. 10.2% of H&F residents are aged 65 and over, lower than the average for West London (11.9%) and lower than the average for London as a whole (11.5%).

**Chart 3 – Age profile of Hammersmith and Fulham**

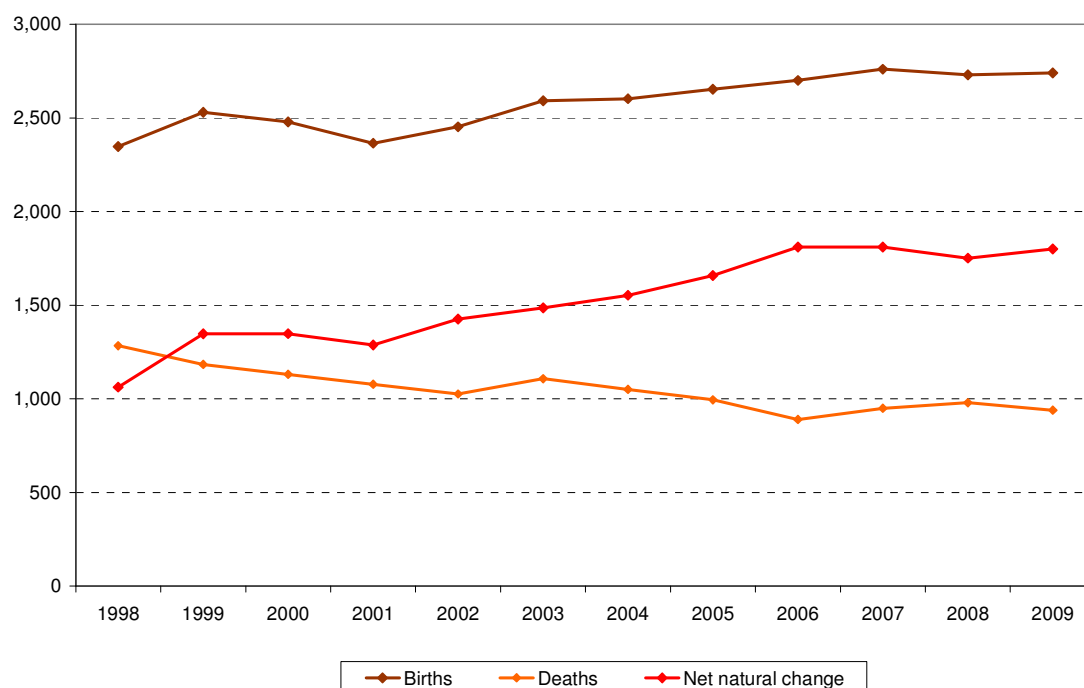


Source : 2009 Mid Year Estimates, ONS

### Components of Change

- 4.6 The reason for a net population increase has been the process of natural change (the excess of births over deaths) whereby Hammersmith & Fulham gained 1,800 people. The number of births in the Borough is at a higher level now than the average for the 1990s, and the number of deaths is at a lower level.
- 4.7 There were estimated to be a net loss of 700 people through migration from the Borough in the year 2008-09.

**Chart 4: Natural change, 1998-2009**



Source: Office for National Statistics (MYE)

- 4.8 The Census shows that in year 2001, one in five residents in the Borough moved address. This mobility rate was the sixth highest of any local authority in England and Wales. Of 32,000 residents who had moved into the Borough during this time, over 22,000 (13.4%) had arrived from the UK and 5,600 (3.4%) had arrived from outside the UK.
- 4.9 The boroughs' Central Sub Area (Hammersmith) has seen the highest level of migrants (15,000). Two thirds of those had moved into the Borough from elsewhere inside the UK.
- 4.10 Increase in migration in Hammersmith & Fulham between 2001 and 2006 was mainly due to a rise in the number of 'short-term migrants' coming from Australia and from ten accession countries that joined the EU in May 2004.
- 4.11 The latest (Sep 09) ONS report on short-term migration shows that H&F has the 7th largest estimates of short-term migration as a proportion of its population (some 15,200 in total or 9% of population).
- 4.12 The 2009 mid-year estimates show nearly a quarter less international migrants coming into the Borough while around 15% more left the Borough than in previous years which means overall lower net gain in international migrants.
- 4.13 There were 6,800 non-UK nationals registered for National Insurance Number (NINo) in the borough in 2009/10. This is around a quarter less compared to the previous years. According to those figures, 2,230 (33%) are coming from

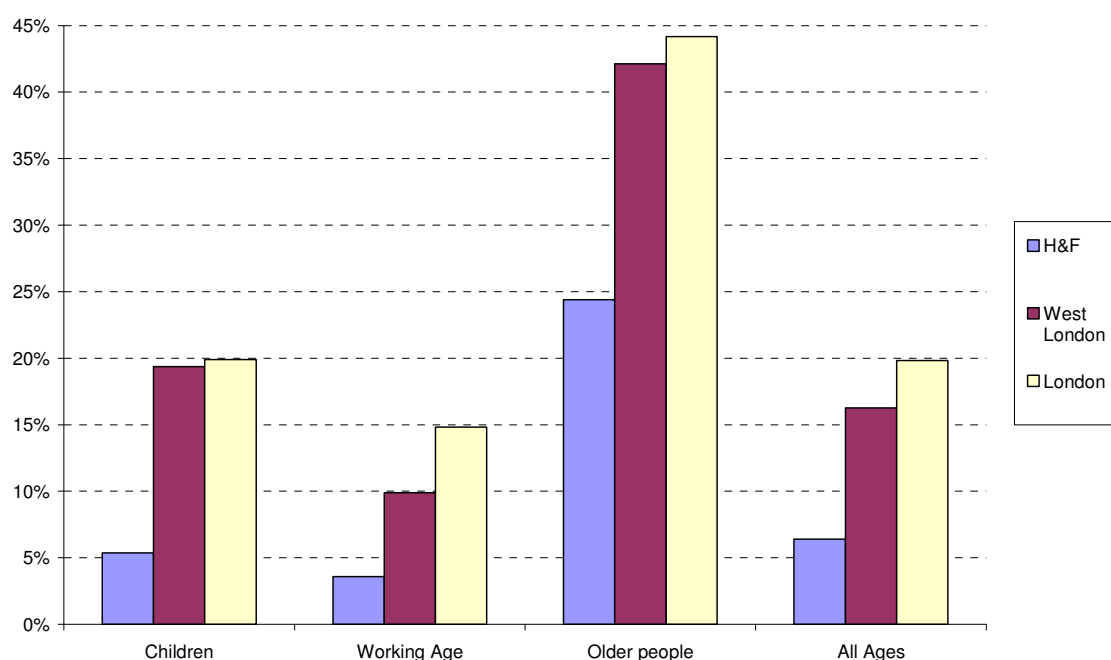
the EU (excluding accession countries), while 1,540 (23%) of migrants are coming from Australia and New Zealand. In 2009/10, some 720 (11%) people from EU Accession countries were registering for NINo, reduction of 60% compared to 2005/06.

- 4.14 The data from the GP Patient Register Data Service (PRDS) about Flag 4 registrations shows that between 2001 and 2009 Hammersmith & Fulham had the fourth largest rate of people registering with GPs (whose previous address was abroad) per 1,000 population in Great Britain.
- 4.15 Since 2005, H&F had one of the largest increases in rate (19%) of any local authority in London of GP registration per 1,000 population which shows evidence of short term migration. Between mid-year 2008 to 2009, the borough's rate of GP registration was 45 per 1,000 population.

### **Population projections**

- 4.16 The future population projections suggest that H&F's population will continue to grow, but at a slower pace than West London and London as a whole. The currently projected increase in population between 2009-2018 is 2%, with a further projected increase between 2018 and 2033 ranges of 5%. This is the third slowest population growth rate in London (Newham and Brent with the slowest rates).
- 4.17 While there is a growth in the Borough population in all age groups, the main growth occurs at ages between 65 and 74. The population of that age group is expected to increase by 2,200 by 2033, equivalent to 25%. The population aged 55 to 64 is expected to grow by 21% during the same period, and population aged 75+ to grow by 26%.

**Chart 5: % Population growth by broad age groups, 2008-2033**



Source: *Subnational population projections, ONS 2008*

- 4.18 According to the GLA Ward population projections, four wards (Askew, Avonmore & Brook Green, Wormholt & White City, and North End) have the highest number of adults aged 18-64, while Palace Riverside and College Park & Old Oak wards have the lowest number.
- 4.19 The majority of population aged 65+ is concentrated in the Boroughs' Central sub area (Ravenscourt Park, Hammersmith Broadway and Fulham Reach ward), as well as in Wormholt & White City ward. The population aged 85+ also spread out across Palace Riverside, Avonmore & Brook Green, and Munster ward.

### **General Health and Limiting long term illness (LLTI)**

- 4.20 Residents in H&F have better general health compared to West London and London as a whole, as 73% of all people reported good health. Parsons Green & Walham and Town ward show the highest rate of good health, while College Park & Old Oak shows the lowest.
- 4.21 7.2% of population aged 16-64 in H&F reported not to have good health (West London 7.1% and London 7.5%). Over a quarter of older residents in the borough have reported the same; this compares to 23.1% in West London and 23.3% in London.
- 4.22 Limiting long term illness is often used as a proxy for disability. Limiting long term illness is defined as any long-term illness; health problem or disability that limits daily activities or work. The percentage of H&F residents suffering from limiting long-term illness (14.7%) was lower compared to London



(15.5%) but higher compared to West London (15.0%). North and Central parts of the Borough have generally higher proportion of residents suffering from LLTI, with College Park & Old Oak ward 19.4% and Wormholt & White City 16.9%.

**Table 2 : Self reported health and limiting long term illness by ward**

	Good Health (%)	Fairly Good Health (%)	Not Good Health (%)	People with LLTI (%)
Addison	73.0	18.7	8.3	14.0
Askew	72.5	18.9	8.6	14.7
Avonmore & Brook Green	73.6	18.9	7.5	14.0
College Park & Old Oak	64.5	24.9	10.6	19.4
Fulham Broadway	71.2	19.3	9.5	16.1
Fulham Reach	71.7	19.6	8.7	15.5
Hammersmith Broadway	70.5	20.3	9.3	16.5
Munster	76.4	17.1	6.5	12.2
North End	73.7	18.5	7.8	13.9
Palace Riverside	76.9	16.0	7.1	13.4
Parsons Green & Walham	78.4	15.3	6.3	11.4
Ravenscourt Park	74.5	17.6	7.8	14.6
Sands End	73.6	18.2	8.3	14.8
Shepherd's Bush Green	70.6	19.9	9.5	16.3
Town	77.5	16.5	6.0	11.4
Wormholt & White City	69.2	21.2	9.6	16.9
<b>Hammersmith &amp; Fulham</b>	<b>73.0</b>	<b>18.8</b>	<b>8.2</b>	<b>14.7</b>
<b>West London</b>	<b>71.3</b>	<b>20.8</b>	<b>8.0</b>	<b>15.0</b>
<b>London</b>	<b>70.8</b>	<b>20.9</b>	<b>8.3</b>	<b>15.5</b>

Source: 2001 Census

4.23 30.2% of all Irish residents in H&F reporting to suffer from LLTI, while 21.2% of residents from Black Caribbean ethnic group reported the same.

4.24 The proportion of H&F working age population suffering from limiting long-term illness (11.6%) was lower compared to West London (12.0%) and London (12.4%). Conversely, a half of H&F older residents reported to suffer from LLTI; this compares to 48% in both West London and London as a whole.

### Household composition

4.25 There are estimated 80,600<sup>13</sup> households in Hammersmith & Fulham, compared with 75,500 in 2001. Analysis of Census data by the GLA indicates that the number of households is expected to grow by 3,000 over the period to 2016. As household growth is projected to be in line with population

<sup>13</sup> GLA Household Projections 2011

growth, the average household size will fall from 2.21 in 2001 to only 2.10 by 2021.

- 4.26 40.3% of all households in the Borough are single person households (London 34.7% and England 30.1%). Single elderly accounts for 12.9% of all households in H&F (London 12.7% and England 14.4%). The highest proportion of single person households are in Shepherd's Bush Green, North End and Addison ward, while Palace Riverside and College Park & Old Oak wards have the highest proportion of single elderly residents.
- 4.27 The borough has the second highest proportion (54.7%) of any local authority in England and Wales of **single people** in the adult population. On the other hand, the borough has the third lowest proportion (26.0%) of adults who are married or re-married. Some 13.1% of adults in Hammersmith & Fulham are living as cohabiting couples.
- 4.28 Of all households in the borough, just over 30% are couple households and 10% are lone parent households. Only one fifth of all households in the borough are 'family' households consisting of one or more dependent children. Some 6% consist of family households with non-dependent children.
- 4.29 One in five households (20.1%) had a different address one year before the Census date, a **mobility rate** which is seventh highest rate of any local authority in England and Wales. Of those who have moved, 3.4% had arrived from outside the UK.
- 4.30 The most recent household projections released by the Government in 2006 indicate that the number of household in Hammersmith & Fulham will grow by 520 per annum up to 2026 (total increase of 14%).
- 4.31 A combination of smaller average household sizes and the growing population have seen the projected growth in household numbers accelerate. It is estimated that in H&F by 2026 the main growth will occur in 'one person' households (32%), while the number of 'couple' households will decrease by nearly 8%.

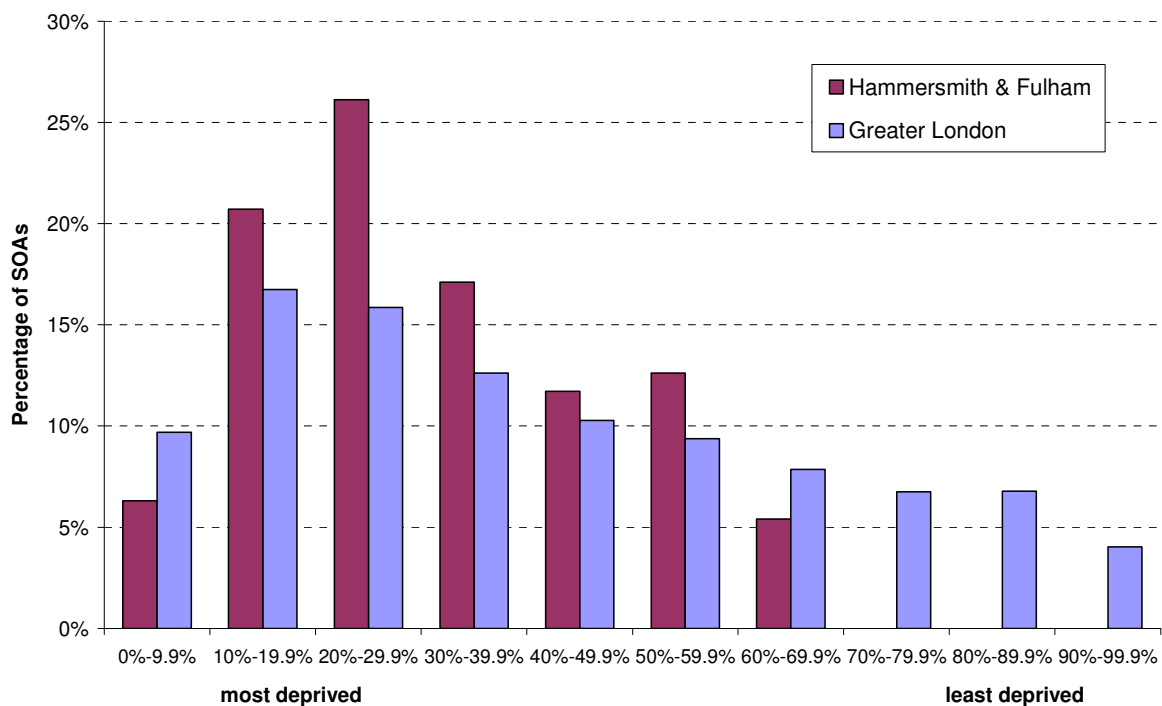
### Deprivation

- 4.32 According to the index of Multiple Deprivation (IMD) 2007, Hammersmith & Fulham is within the top 50 most deprived in England (ranked 38<sup>th</sup> from 354 local authorities and 13<sup>th</sup> out of the 33 London boroughs).
- 4.33 Seven (6%) of the borough's LSOAs are within the top 10% most deprived nationally compared to 10% of London's LSOAs. These LSOAs comprise major public sector estates: White City, Wormholt, Edward Woods, Charecroft and Clem Attlee. A further 21% of the borough's LSOAs are in the 10-20% worst

nationally (London 18%). Most of these areas are in the north of the borough but also extend down into parts of Hammersmith and North Fulham.

- 4.34 Within the Index there are seven 'domains' and the highest scores for Hammersmith & Fulham are in the Living Environment, Crime, Income, Employment and Barriers to Housing and Services Domains, in that order.
- 4.35 Deprivation levels are also relatively high in a sub-domain of Income, Income Deprivation Affecting Children, where more than a quarter (27%) of the borough's SOAs fall within the worst 10% nationally.
- 4.36 Figure below shows that Hammersmith & Fulham has a greater proportion of SOAs on the left-hand side (most deprived) of the graph, showing that its deprivation is more spatially concentrated than London as whole.

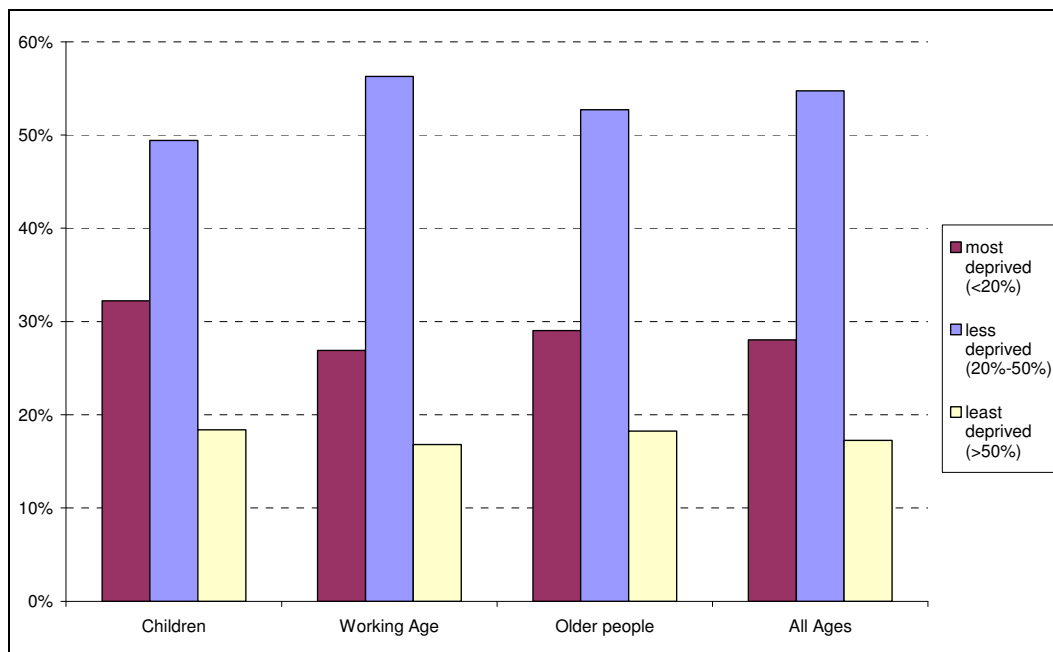
**Chart 6 : Proportion of deprived SOAs by 10% National bands, IMD 2007**



Source: *The Index of Multiple Deprivation, CLG 2007*

- 4.37 Some 47,277 (28%) of H&F residents live in the LSOAs that are classified as being in the 20% most deprived areas in England. This increases to 32% for children and 29% for older people.

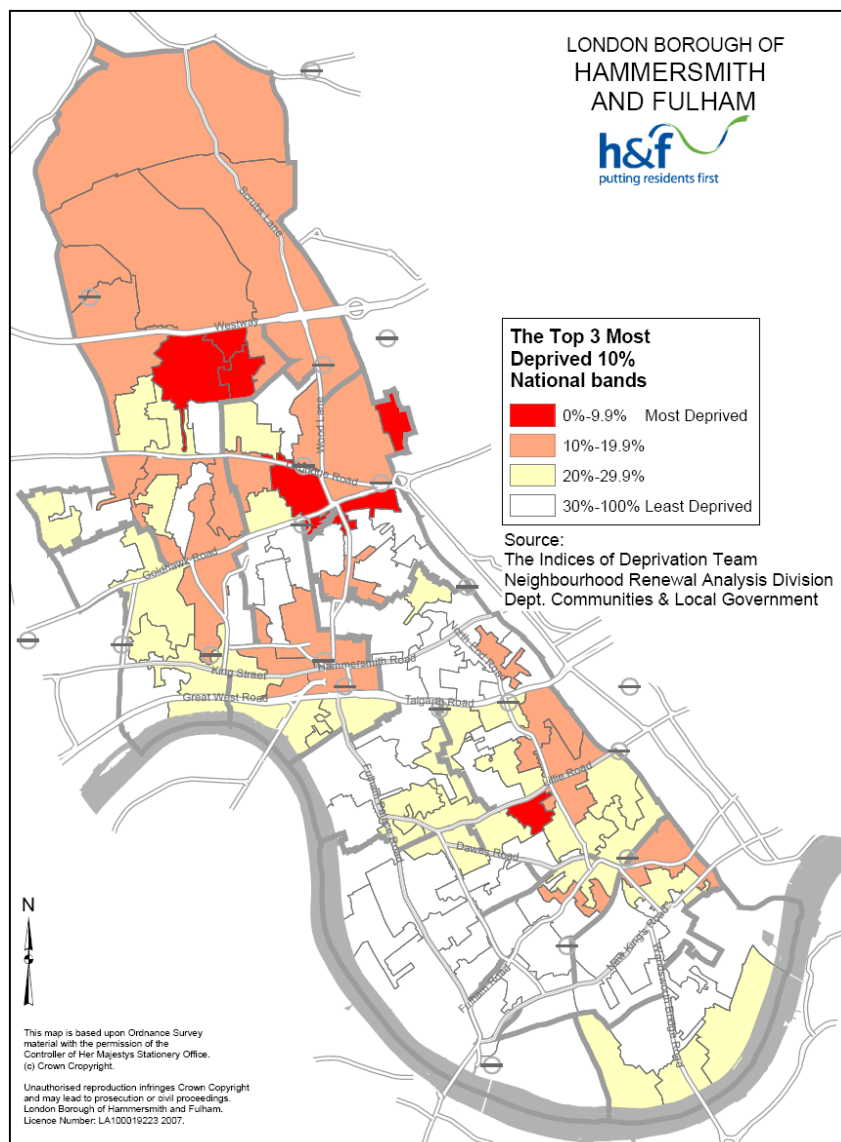
**Chart 7 - Proportion of population groups by deprivation in H&F**



Source: *The Index of Multiple Deprivation 2007 CLG, Mid Year estimates 2008, ONS*

- 4.38 17% of residents live in the areas that are classified as being in the 50% least deprived in the country.
- 4.39 The Indices of Deprivation 2007 included a child poverty measure. This measures the proportion of children in LSOAs living in income deprived households.
- 4.40 Nearly a half of all H&F's children were living in the areas where child poverty levels were amongst the 20% most deprived nationally.

**Map 3: IMD 2007, LSOAs falling in the 30% most deprived nationally**



Source: The Index of Multiple Deprivation, CLG 2007

### Child Poverty

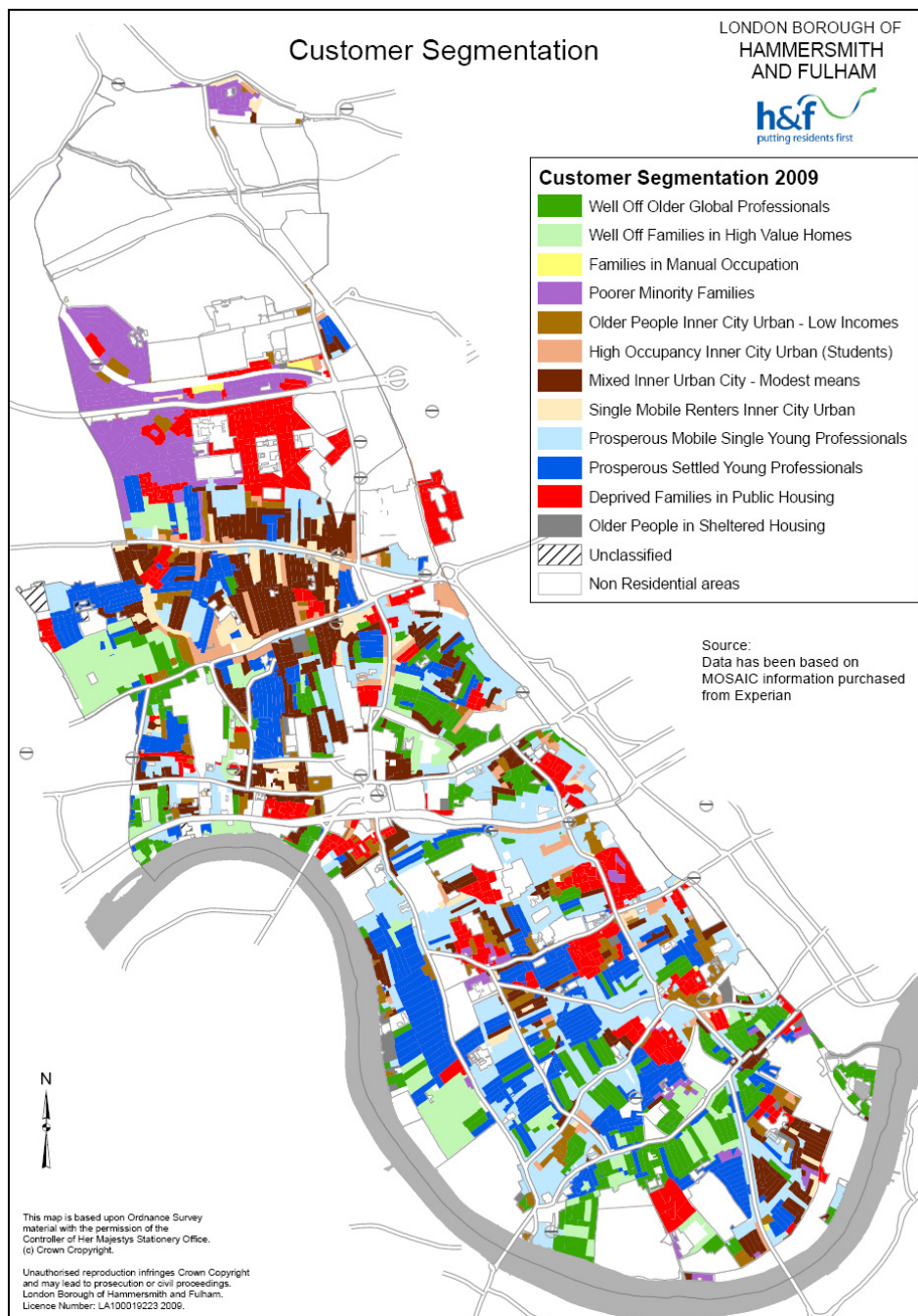
- 4.41 Poverty has been defined as a family with an income less than 60% of the national average. According to 2001 Census data, some 9,303 or 32.1% of all children in the Borough were living in households in poverty.
- 4.42 In 2010, the GLA has published “Children in Poverty” report which shows the proportion of children living in families in receipt of out of work benefits or of tax credits where their reported income is less than 60% of median income. According to that measure, 36% of children in the borough were in poverty in 2008; this is the 10th highest level within London.

- 4.43 The highest levels (50-60%) of child poverty are in those LSOAs that covers most of the council estates in the borough.

**Mosaic segmentation**

- 4.44 In 2005/06 the council undertook an exercise to help it to understand more fully the make up of the resident population of the borough, classifying them into one of 12 groups or segments. The classification into segments allows assumption to be drawn about the preferred behaviour of the segment groups and helps the council understand where to focus its service provision to meet the needs and preferences of its residents.

## Map 4: Resident segmentation



Source: LBH&F Customer Segmentation, Experian 2009

4.49 The three predominant resident segmentations in the North Sub Area are Deprived Families in Public Housing, Mixed Inner City Urban – Modest means, and Poorer Minority Families. 30% of the residents in the Central Sub Area are classified as Prosperous Mobile Single Young Professionals and 17% as Deprived Families in Public Housing. The three predominant resident segmentations in the South Sub Area are Prosperous Mobile Single Young Professionals, Prosperous Settled Young Professionals, and Well off Older Global Professionals. Less than 14% of residents are classified as coming from Deprived Families in Public Housing, and Poorer Minority Families.

## **5 Economic Context**

### **5.1 General Economic Strength**

The local economy is a strong and resilient one, and has remained in the top 6 most competitive since the development of the local index. The level of JSA claimants has decreased and recovered well since entering and leaving recession.

5.1.1 There is little data on economic strength produced by the Government at a local authority level (for London boroughs). Hammersmith and Fulham is considered to be part of Inner London West<sup>14</sup> in terms of national economic figures.

5.1.2 This area has the highest level of Gross Value Added (GVA) out of all regions in the country and makes up almost 9% of the UK's total GVA. The major strength of this area is in business services and finance, with comparatively low levels of employment and activity in the public sector.

5.1.3 In 2010, the BBC commissioned Experian to develop a measure of local authorities' resilience to "economic shocks". Hammersmith and Fulham came out as the 65<sup>th</sup> most resilient authority in the country, and 8<sup>th</sup> most resilient in London.

5.1.4 Similarly, the Huggins Competitiveness Index (2010) shows that the borough is the 5<sup>th</sup> most economically competitive in the country. The local economy is very stable, and has remained in the top 6 most competitive since the beginning of the index.

### **5.2 Employment and Economic Activity**

#### **Employment rate**

Despite the strength and resilience of the local economy, the borough has one of the lowest employment rates in the capital. Much of the strength of the local economy rests with the physical location of the borough and business strength and not necessarily with people who live in the borough.

5.2.1 This economic strength and resilience hides a large degree of economic polarisation in the borough.

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<sup>14</sup> The Nomenclature of Units for Territorial Statistics (NUTS) considers Inner London West to comprise of Camden, City of London, Hammersmith and Fulham, Kensington and Chelsea, Wandsworth and Westminster.



- 5.2.2 Despite having one of the most resilient and stable economies in the country, the borough has one of the lowest rates of employment. The borough has the 12<sup>th</sup> lowest employment rate in the Capital with only 64.6% of the working age population aged 16-64 in employment.
- 5.2.3 The employment rate data also shows significant variances between the genders. The borough has the 4<sup>th</sup> lowest rate of employment for males in London, and the 14<sup>th</sup> lowest for females.
- 5.2.4 Furthermore, data from the Annual Population Survey shows that Hammersmith and Fulham has the lowest rate of people of working age from ethnic minorities that are in employment.

### **5.3 Job Seekers Allowance claimant count**

The JSA claimant count has recovered well since recession, further evidence of a stable and competitive economy. Despite this there are marked variations in the borough between the genders, ethnicities and locations.

The North of the borough has a claimant rate twice as high as the South of the borough.

- 5.3.1 The borough has the 16<sup>th</sup> highest Job Seekers Allowance claimant rate in London (at 3.9%) compared to a London rate of 4.0% and an England rate of 3.6%.
- 5.3.2 The number and rate of the working age population claiming Job Seekers Allowance is improving. Since the UK officially entered recession in December 2008, the claimant numbers have increased in the borough by 24% (to July 2010) which was one of the lowest increases in London.
- 5.3.3 Since officially leaving recession in December 2009, the claimant count has fallen by 9.6% within the borough, with only five Outer London boroughs having a larger decrease.
- 5.3.4 There has been an 11% decrease in the claimant count between July 2009 and July 2010.
- 5.3.5 Within these figures there are marked differences between the level of claiming JSA between genders (with males at twice the rate of females), by ethnicity (ranging from 1.3% for those from Chinese backgrounds, to 14% for those from Caribbean backgrounds); and by ward of residence (from 6.3% in Wormholt and White City to 1.4% in Palace Riverside).

5.3.6 The North of the Borough has a claimant rate of almost twice that of the South of the borough.

**Table 3—JSA Claimants and rates by ward**

Ward	July 2009 number	July 2009 rate	July 2010 number	July 2010 rate	Annual change (%)
Addison	346	4.2	275	3.3	-20.5
Askew	512	5.7	481	5.3	-6.1
Avonmore and Brook Green	333	3.8	279	3.2	-16.2
College Park and Old Oak	325	6.2	288	5.5	-11.4
Fulham Broadway	297	3.6	293	3.6	-1.3
Fulham Reach	277	3.3	247	3.0	-10.8
Hammersmith Broadway	437	4.8	371	4.1	-15.1
Munster	225	2.8	178	2.2	-20.9
North End	353	3.8	311	3.4	-11.9
Palace Riverside	97	2.0	71	1.4	-26.8
Parsons Green and Walham	172	2.3	172	2.3	0.0
Ravenscourt Park	343	4.6	289	3.9	-15.7
Sands End	380	5.0	309	4.1	-18.7
Shepherd's Bush Green	488	5.4	460	5.1	-5.7
Town	241	2.9	233	2.8	-3.3
Wormholt and White City	543	6.5	529	6.3	-2.6
<b>Hammersmith and Fulham</b>	<b>5,411</b>	<b>4.4</b>	<b>4,823</b>	<b>3.9</b>	<b>-10.9</b>
<b>North</b>	<b>1,868</b>	<b>6.0</b>	<b>1,758</b>	<b>5.7</b>	<b>-5.9</b>
<b>Central</b>	<b>2,089</b>	<b>4.2</b>	<b>1,772</b>	<b>3.6</b>	<b>-15.2</b>
<b>South</b>	<b>1,412</b>	<b>3.3</b>	<b>1,256</b>	<b>2.9</b>	<b>-11.0</b>

Source : NOMIS, July 2010 JSA Claimant data

## 5.4 Commuting data

The borough has a comparatively low percentage of the working age, residential population that live and work in the borough.

Across West London, with the exception of Brent, the borough has the lowest percentage of the resident, working age population that live and work in the borough. The borough is in a similar position to Wandsworth, Sutton and Merton who have comparatively low percentages. LBHF's position (of 29%) is low compared to the average across all London boroughs of 33.7%.

5.4.1 Table 4 below shows the percentage of the working age resident population that live and work within the same borough.

5.4.2 Hammersmith and Fulham has one of the lowest percentages of residents that live and work within the borough. Croydon has the highest percentage with over 46% of residents living and working in the borough, with Newham having the lowest at just over 23%.

5.4.3 Similarly, Hammersmith and Fulham has a comparatively low proportion of workers in the borough that live in the borough. Almost 32% of workers in

the borough live in the borough. City of London has the lowest percentage, with Sutton having the highest with almost three quarters of all workers also living in the same borough.

**Table 4 – Commuting patterns of residents and workers by London Borough**

London Borough	Percentage of residents who work in same borough Where do residents work ?				Percentage of workers who live in the same borough Where do workers live ?			
	2001	2008	2001 rank	2008 rank	2001	2008	2001 rank	2008 rank
Barking and Dagenham	33.5	31.4	15	15	40.9	42.3	13	14
Barnet	37.8	44.4	23	32	56.5	61.4	27	32
Bexley	38.7	37.5	25	23	61.4	57.9	30	27
Brent	31.4	28.4	11	7	41.9	42.4	14	15
Bromley	32.5	30.9	13	13	50.4	50.9	23	22
Camden	37.8	33.7	23	19	18.2	22.4	4	5
City of London	88.5	40.9	33	26	0.5	0.5	1	1
Croydon	50.4	46.3	31	33	62.4	58.2	31	28
Ealing	35.2	33.7	17	19	48.7	51.7	20	23
Enfield	46.1	43.1	29	30	57.2	58.9	28	29
Greenwich	32.9	35.7	14	22	52.6	50.2	24	21
Hackney	28.3	28.4	7	7	38.1	47.5	12	18
<b>Hammersmith and Fulham</b>	<b>33.6</b>	<b>29.0</b>	<b>16</b>	<b>9</b>	<b>35.9</b>	<b>31.8</b>	<b>11</b>	<b>11</b>
Haringey	27.5	26.2	5	4	43.4	49.1	16	19
Harrow	35.9	31.1	20	14	50.2	45.8	22	16
Havering	47.1	42.9	30	29	62.8	60.3	32	30
Hillingdon	50.4	43.2	31	31	35.7	31.2	10	10
Hounslow	36.4	31.5	21	17	29.8	29.8	8	8
Islington	29.2	29.5	9	11	22.8	30.0	6	9
Kensington and Chelsea	38.7	34.9	25	21	27.2	28.6	7	6
Kingston upon Thames	41.8	42.6	27	28	49.7	47.0	21	17
Lambeth	25.8	23.6	2	3	30.1	28.7	9	7
Lewisham	25.2	29.2	1	10	47.9	60.7	19	31
Merton	28.2	27.1	6	6	45.0	56.2	18	26
Newham	30.2	23.3	10	1	42.7	34.7	15	12
Redbridge	31.7	31.7	12	18	53.9	52.2	25	24
Richmond upon Thames	36.5	37.9	22	24	54.1	49.4	26	20
Southwark	35.7	39.8	19	25	18.2	12.0	4	3
Sutton	27.1	26.9	4	5	72.0	74.4	33	33
Tower Hamlets	28.3	30.7	7	12	15.3	15.3	3	4
Waltham Forest	35.3	31.4	18	15	60.4	52.6	29	25
Wandsworth	26.2	23.4	3	2	43.9	41.7	17	13
Westminster	44.5	41.0	28	27	9.4	10.3	2	2

Source : Annual Population Survey (Jan – Dec 2008)

## 5.5 Current Vacancies in the Labour Market

There are high vacancies in the borough compared to other London Boroughs, and there is a high ratio of vacancies to JSA claimants.

Well over 50% of all current vacancies are in the lowest paid 6 occupational areas. This has been the case for the last three years. These areas tend to be in the health and social care sector, sales and customer service and in elementary administration and occupations.

The borough has had consistently high vacancies in these areas with a reducing / stable employment rate – suggesting that a proportion of the lower paid jobs in the borough are filled by people who do not live in Hammersmith and Fulham. With the exception of health and social care jobs, the vacancies do not remain unfilled for long.

Comparatively few people per vacancy are seeking work in the lower paid occupations.

The lower paid occupations remain relatively unattractive to those living and seeking work in the borough. This includes some key workers in health and social care.

**Table 5 – vacancies as a rate per thousand working age population and per thousand JSA claimants**

London borough	Total vacancies	working age population	vacancies / 1000 working	rank	Total JSA claimants	vacancies per thousand JSA claimants	rank
Barking and Dagenham	869	112,200	7.75	11	5,932	146.49	22
Barnet	932	226,400	4.12	32	6,615	140.89	25
Bexley	652	144,500	4.51	28	4,404	148.05	21
Brent	1,455	171,500	8.48	9	9,168	158.70	17
Bromley	1,122	198,300	5.66	20	5,273	212.78	12
Camden	1,779	175,100	10.16	4	5,517	322.46	6
City of London	865	9,500	91.05	1	87	9942.53	1
Croydon	2,282	227,300	10.04	5	9,567	238.53	10
Ealing	1,345	221,000	6.09	18	8,705	154.51	19
Enfield	1,693	189,700	8.92	8	9,087	186.31	15
Greenwich	786	152,600	5.15	24	7,451	105.49	28
Hackney	650	151,000	4.30	30	9,791	66.39	32
<b>Hammersmith and Fulham</b>	<b>1,220</b>	<b>123,800</b>	<b>9.85</b>	<b>7</b>	<b>4,857</b>	<b>251.18</b>	<b>7</b>
Haringey	803	160,000	5.02	25	9,729	82.54	31
Harrow	812	152,700	5.32	22	4,134	196.42	14
Havering	1,038	149,000	6.97	14	4,920	210.98	13
Hillingdon	1,900	174,900	10.86	3	5,443	349.07	4
Hounslow	1,219	164,600	7.41	12	5,042	241.77	9
Islington	1,013	144,800	7.00	13	7,165	141.38	24
Kensington and Chelsea	490	118,900	4.12	31	3,350	146.27	23
Kingston upon Thames	743	117,300	6.33	17	2,029	366.19	3
Lambeth	1,027	211,400	4.86	26	11,030	93.11	30
Lewisham	610	187,200	3.26	33	9,414	64.80	33
Merton	860	144,800	5.94	19	3,665	234.65	11
Newham	1,608	161,400	9.96	6	10,144	158.52	18
Redbridge	784	177,100	4.43	29	6,806	115.19	27
Richmond upon Thames	700	128,200	5.46	21	2,088	335.25	5
Southwark	1,457	210,500	6.92	15	9,823	148.33	20
Sutton	808	127,400	6.34	16	3,293	245.37	8
Tower Hamlets	1,407	172,700	8.15	10	10,244	137.35	26
Waltham Forest	792	151,700	5.22	23	8,401	94.27	29
Wandsworth	1,028	213,400	4.82	27	6,123	167.89	16
Westminster	2,766	191,200	14.47	2	4,996	553.64	2
<b>Greater London</b>	<b>37,515</b>	<b>5,362,100</b>	<b>7.00</b>		<b>214,293</b>	<b>175.06</b>	

Source: vacancies and JSA claimants (Aug 2010). 2009 Mid Year Estimates

5.5.1 Table 5 above shows that LBHF has the 7<sup>th</sup> highest rate of vacancies per thousand residents of working age population across London. Likewise, the borough has the 7<sup>th</sup> highest rate of vacancies per thousand Job Seekers Allowance claimants.

5.5.2 As at August 2010, there were 1,220 vacancies advertised in local Job Centres. This is the highest number of vacancies in a single month since November 2008. With 4,857 people claiming JSA, this gives a rate of almost 4 people seeking work per vacancy available.

5.5.3 This is the 7<sup>th</sup> lowest in London, with only Camden, City of London and Westminster having a lower ratio in Inner London.

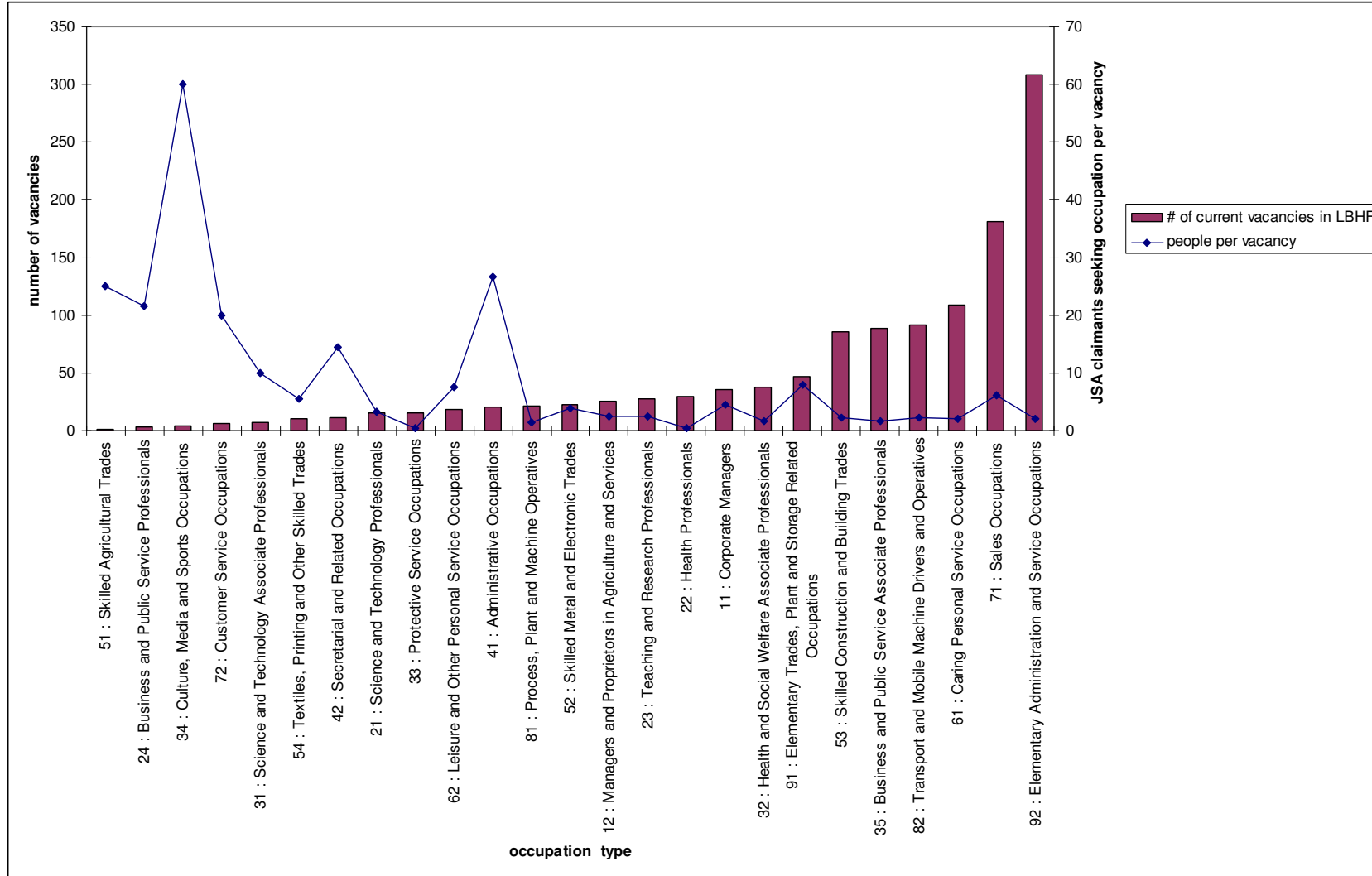
5.5.4 54% of the current vacancies as at August 2010 for Hammersmith and Fulham were in the lowest paid occupations (61,62,71,72,91 and 92). Over the last three years, on average, these low paid occupations have made up 52% of all vacancies in the borough.

- 5.5.5 The following graph shows (as at August 2010) the current number of vacancies by occupation and the number of Job Seekers Allowance claimants who are seeking work in that sector. There is an almost perfect negative correlation in that as the number of vacancies in a sector goes up the number of people seeking that work per vacancy goes down.
- 5.5.6 For example in the Elementary Administration and Service Occupations, there were 308 vacancies as at August 2010 and 645 claimants seeking that occupation (therefore 2.09 claimants per vacancy). At the other extreme, there were 4 vacancies in culture, media and sports occupations and 240 claimants seeking that occupation (60 people per vacancy).
- 5.5.7 54% of all claimants would seek jobs in the lowest paid occupations. This is contrasted to the data from the Annual Population Survey which shows that the borough has one of the lowest proportions of people working in these occupations.
- 5.5.8 This does suggest that whilst claimants would seek work in that occupational area, that often the vacancies are filled by a person from outside of Hammersmith and Fulham.
- 5.5.9 Vacancies in the borough do not appear to be left vacant for a long period of time, further developing the hypothesis that the low paid jobs based in Hammersmith and Fulham are filled by people who do not live in the borough.
- 5.5.10 The Housing Needs Survey (2002) identified that a large number of employers regarded housing as the main stumbling block in recruiting staff.
- 5.5.11 Local research identifies that the main priorities for key workers are stability of tenure, affordability of accommodation, and reasonable access to work.<sup>15</sup>

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<sup>15</sup> LBHF Key People, Key Homes

Chart 8 – Current vacancies by occupation against number of JSA claimants seeking work in those occupations (Aug 2010 – NOMIS)



## 5.6 Income profile

Hammersmith and Fulham has a comparatively high average income compared to the rest of London. As with other data highlighted above, there is large scale economic polarisation with 21% having incomes less than 20k per annum, and 19% having incomes of £60k or more per annum.

The wards in the North of the borough have the lowest incomes in the borough.

8 out of the 20 biggest estates have over 40% of their households earning less than 20k pa. 18 of the 20 estates have 10% or more households with an income of 40k or more per annum.

5.6.1 Income data comes from CACI paycheck for 2009. This data is used as it considers income at a household level, and includes savings and benefits.

5.6.2 The borough has a mean income of £41,045 pa, and a median income of £34,821, both ranked 12<sup>th</sup> highest in London.

**Table 6 – Mean and Median Income of LBHF compared to London, Inner London and Outer London**

<b>Area</b>	<b>Mean Income</b>	<b>Median Income</b>
London	£39,384	£33,430
Inner London	£38,959	£32,825
Outer London	£39,686	£33,850
Hammersmith and Fulham	£41,045	£34,821

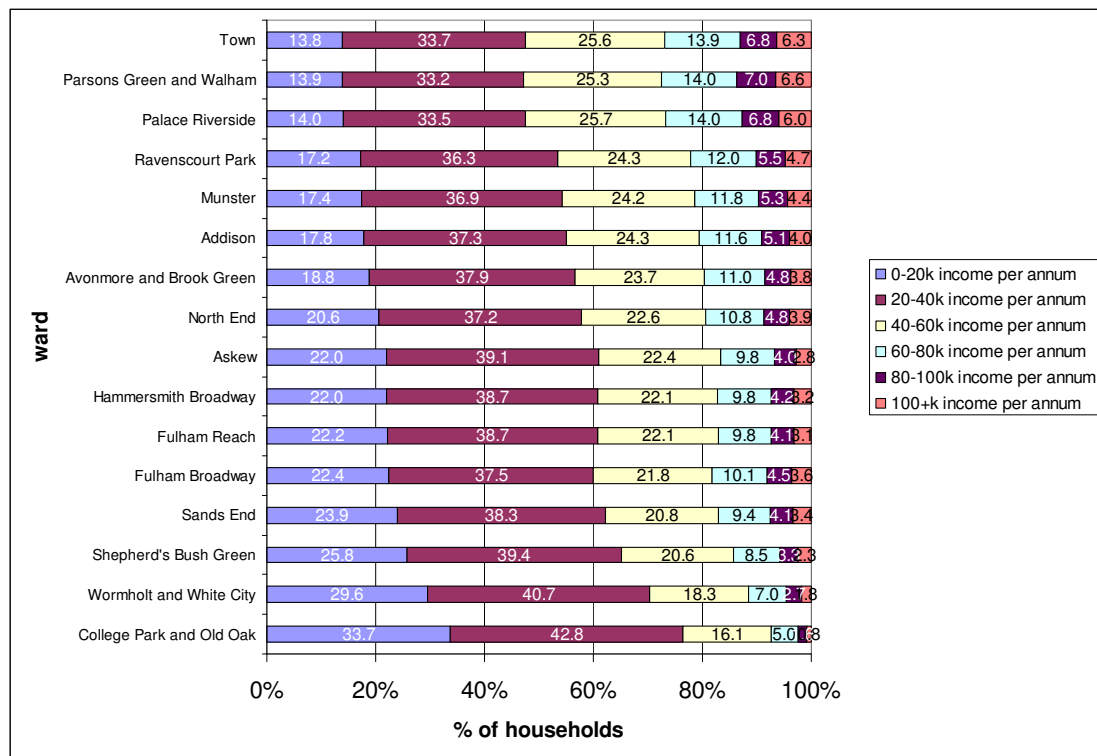
Source : CACI Paycheck data 2009

5.6.3 The borough shows a degree of polarisation in terms of income with 21% of all households having an income of less than £20k per annum, and 19% having an income of £60k per annum or more.

5.6.4 There are large variances between the wards, with the ward having the largest income being 60% higher than the ward with the lowest.



**Chart 9 – income distribution by wards**

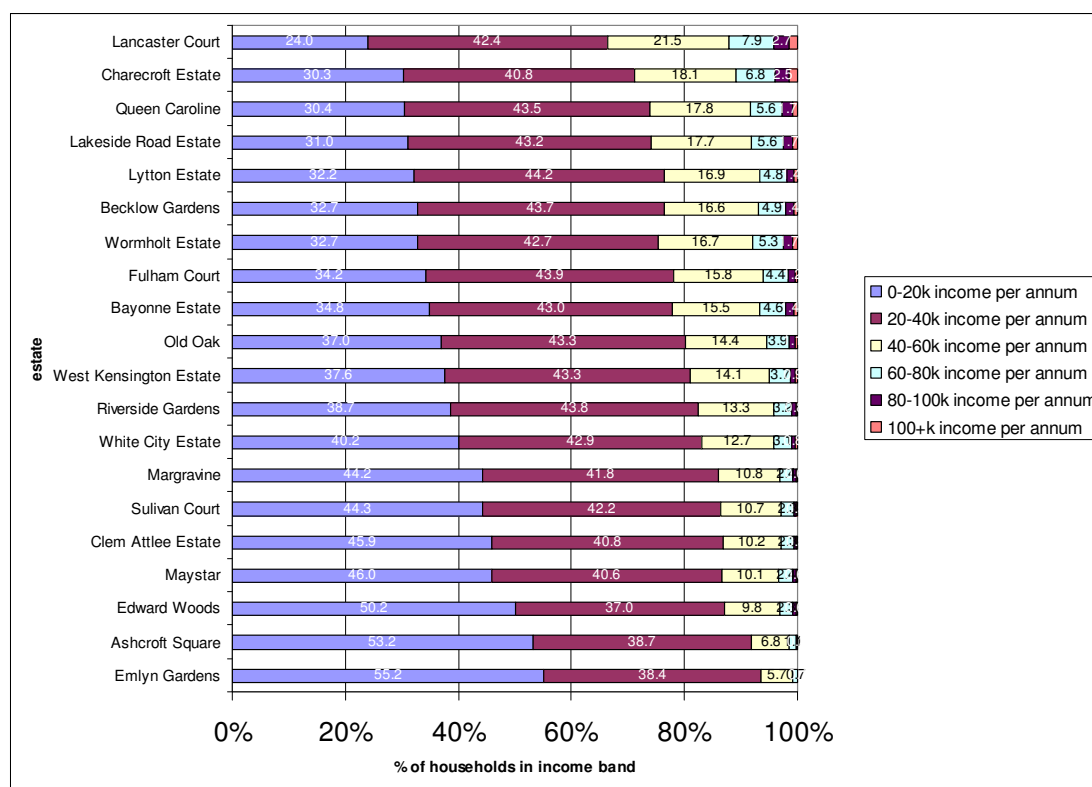


Source : 2009 CACI Paycheck data

5.6.5 The pattern of income tends to follow deprivation, with the wards in the North tending to have lower incomes than the wards in the Central and South regions. Sand End ward in the South is the one exception and has the 4<sup>th</sup> highest percentage of households with an income of less than £20k per annum.

5.6.6 The graph below shows the mean income of the 20 largest estates in the borough (in terms of households). 8 estates have over 40% of households with an income of less than 20k per annum. Despite this, there are a number of estates where over 10% have an income over 40k per annum. This data does include leaseholders.

**Chart 10 – Income distribution of households living in the largest 20 estates in the borough**



Source : CACI 2009 Paycheck data

## 6 House Prices, Sales and Affordability

### 6.1 Estimates of current tenures and room sizes

The borough continues to have a higher proportion of households in the social housing sector (either Local Authority or RSL) than Greater London as a whole (32% compared to 24%).

Owner Occupation increases the further South you go in the borough with the South having over 13% more owner occupiers (by proportion).

Nearly a third of all properties in the borough are one bedroom properties. The largest proportion of one-bed properties is in the Central sub area (38%), compared to 35% in the North, and 26% in the South sub area.

Family sized dwellings tend to be in the South of the borough, with smaller dwellings in the North / Central areas.

Since 2004, RSL social housing has developed fewer one bed units and significantly more 2 bed units, addressing the need for larger units in the borough.

Private rented dwellings have the highest levels of 'unfitness'. In general the vast majority of unfit dwellings were built pre 1919.

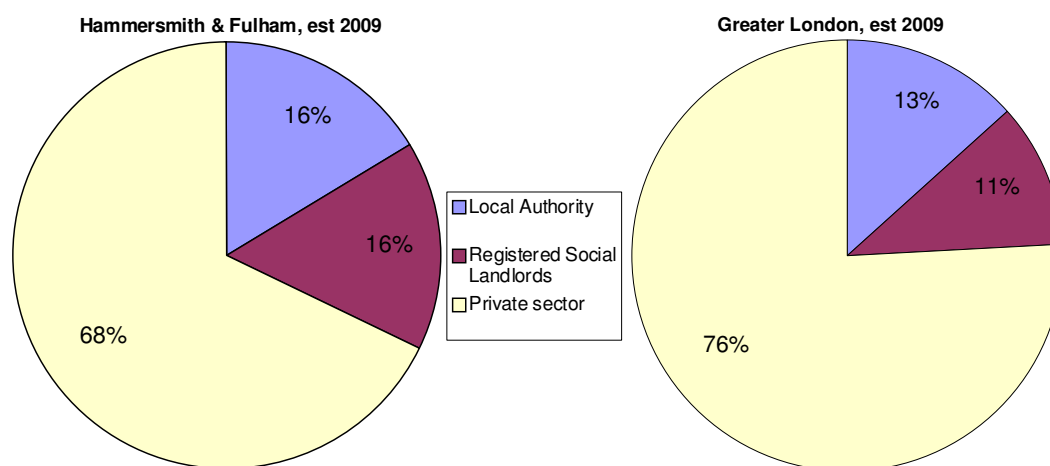
As at 1<sup>st</sup> April 2010 7.6% of H&F Homes properties did not meet the Decent Homes Standard.

6.1.1 According to 2001 Census, 44% of households in Hammersmith & Fulham were owner occupier, 33% rented their home from a social housing landlord and 23% of households were in private rented accommodations.

6.1.2 There were 81,566 dwellings in April 2010 in Hammersmith & Fulham, some 4,500 more than in April 2001. Just over two thirds of housing stock or 55,741 dwellings in the borough are in the private sector while less than a third or 26,224 dwellings are from the public/RSL stock. This compares to 76% and 24% in London.

6.1.3 There are 13,159 Local Authority dwellings in the borough; this represents 16.1% of all dwellings. RSL properties accounts for further 15.5% or total of 12,613 dwellings.

**Chart 11 - Estimated tenure split**



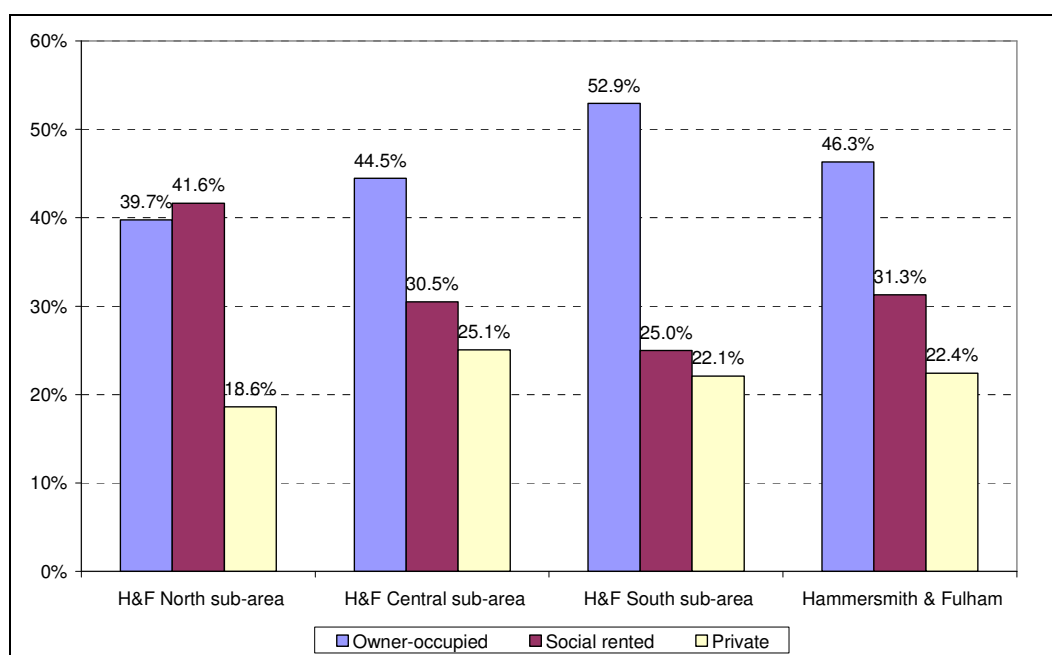
Source: CLG HIP Data, 2009

6.1.4 The 2009/10 tenure estimates for H&F's sub areas have been derived by applying the number of new build homes, conversions and demolitions, and sold properties to the 2001 Census tenure figures.

6.1.5 The highest concentration of social rented housing dwellings is estimated to be in the borough's North sub area where nearly 42% of all households rent from the LA or RSL. The highest proportions of owner-occupied dwellings are

estimated to be in the South sub area (53%), although Sands End Ward also has concentrations of social rented housing.

**Chart 12 - Current estimated tenure mix by sub-areas, 2009/10**



Source: LBHF estimates based on newly built and sold properties, 2001 Census

6.1.6 Nearly a third of all properties in the borough are one bedroom properties. The largest proportion of one-bed properties is in the Central sub area (38%), compared to 35% in the North, and 26% in the South sub area. The highest proportions of smaller properties (studio, 1 bedroom) are in the social rented sector 47% (Council 40% and RSL 53%).

6.1.7 Overall, 44% of properties in the South sub area with three or more bedrooms, compared to 34% in the North sub area.

**Table 7 - Current estimated bedsize by sub-areas, 2009/10**

Sub areas	1-bed		2-bed		3-bed		4+ bed		Total	
	#	%	#	%	#	%	#	%	#	% of all
<b>North</b>	7,209	35.2	6,188	30.2	5,287	25.8	1,775	8.7	<b>20,459</b>	<b>25.1</b>
<b>Central</b>	12,032	37.8	9,658	30.3	4,894	15.4	5,284	16.6	<b>31,868</b>	<b>39.1</b>
<b>South</b>	7,530	25.8	8,988	30.7	6,901	23.6	5,820	19.9	<b>29,239</b>	<b>35.8</b>
<b>LBHF</b>	<b>26,770</b>	<b>32.8</b>	<b>24,834</b>	<b>30.4</b>	<b>17,081</b>	<b>20.9</b>	<b>12,881</b>	<b>15.8</b>	<b>81,566</b>	<b>100.0</b>

Source: LBHF estimates based on newly built and sold properties, H&F Housing Needs Survey 2004

**Table 8 - Current estimated bedsize of Council owned properties, 2009/10**

**Council only**

Sub areas	1-bed		2-bed		3-bed		4+ bed		Total	
	#	%	#	%	#	%	#	%	#	% of all
<b>North</b>	1,390	30.7	1,938	42.8	1,031	22.7	172	3.8	<b>4,531</b>	<b>34.4</b>
<b>Central</b>	1,989	44.7	1,440	32.3	912	20.5	112	2.5	<b>4,452</b>	<b>33.8</b>
<b>South</b>	1,332	31.9	1,607	38.5	1,074	25.7	162	3.9	<b>4,176</b>	<b>31.7</b>
<b>Council All</b>	<b>4,711</b>	<b>35.8</b>	<b>4,984</b>	<b>37.9</b>	<b>3,017</b>	<b>22.9</b>	<b>447</b>	<b>3.4</b>	<b>13,159</b>	<b>100.0</b>

Source : Housing Needs Survey and local data of new build

**6.2 Trends in social housing bed sizes**

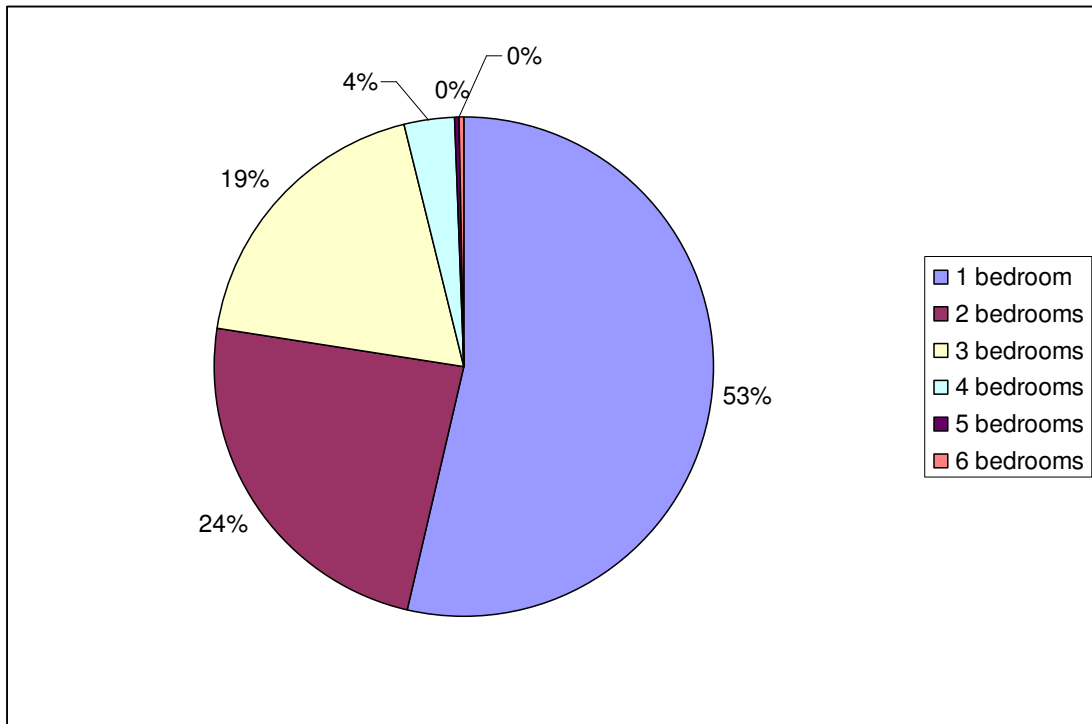
6.2.1 Since 2003/4 there have been an additional 1,094 new RSL social housing units completed in the borough. Of those, there is a larger proportion of units with 4 or more bedrooms completed (5.8%) than existing in council stock, slightly fewer one bed units and more 2 bed units completed than within the existing council stock.

6.2.2 The table below shows the trends in completion by bed size for RSL social rented units in Hammersmith and Fulham.

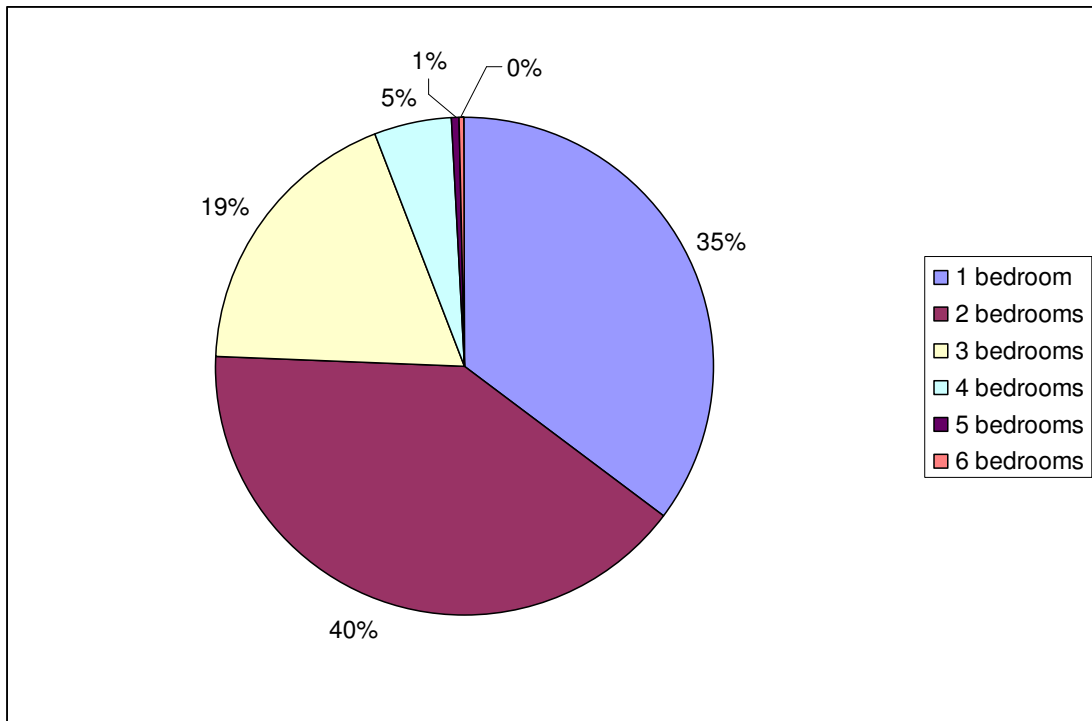
**Table 9 – RSL completions by bed size**

Completed Financial Year	Completions						Grand Total	Percentages					
	1	2	3	4	5	6		1	2	3	4	5	6
FY2004	71	61	57	20	2	0	211	33.6	28.9	27.0	9.5	0.9	0.0
FY2005	49	29	11	4	0	0	93	52.7	31.2	11.8	4.3	0.0	0.0
FY2006	64	128	31	15	1	0	239	26.8	53.6	13.0	6.3	0.4	0.0
FY2007	84	120	68	7	4	2	285	29.5	42.1	23.9	2.5	1.4	0.7
FY2008	85	97	31	8	0	0	221	38.5	43.9	14.0	3.6	0.0	0.0
FY2009	33	6	6	0	0	0	45	73.3	13.3	13.3	0.0	0.0	0.0
<b>Grand Total</b>	<b>386</b>	<b>441</b>	<b>204</b>	<b>54</b>	<b>7</b>	<b>2</b>	<b>1094</b>	<b>35.3</b>	<b>40.3</b>	<b>18.6</b>	<b>4.9</b>	<b>0.6</b>	<b>0.2</b>

**Chart 13 - Existing RSL stock pre 2004**



**Chart 14 - RSL Completions from 2003/04**



6.2.3 The graphs above show that the profile of bedroom sizes in RSL stock has changed between pre 2004 and completions since 2004. Within that time period, there have been a significantly lower proportion of one bedroom

units completed, the proportion of new build consisting of two bedrooms is almost double that of the pre 2004 proportion, and 5.7% of the new build completions have 4 or more bedrooms compared to the pre 2004 proportion of 4%.

### **6.3 Stock condition – LBHF and Private Sector**

- 6.3.1 Under the provisions of Section 604 of the 1985 Housing Act (amended by the 1989 Local Government and Housing Act) a dwelling house is fit for human habitation unless it fails to meet one or more of eleven requirements and as a result of that failure, is not reasonably suitable for occupation.
- 6.3.2 The 2004 private sector stock condition survey estimated that 2,961 private sector dwellings were unfit, which constituted 4.7% of the private housing stock. This compared to an unfit rate of 4.2% nationally and 5.6% in London (2001 EHCS). The unfitness rate had reduced from 15% in the 1998 survey.
- 6.3.3 The most common reasons for unfitness were disrepair (43.2%), food preparation (35.2%) and bath/shower (34.3%) but all were below the national average of 45.5%, 39.4% and 20.9% respectively.
- 6.3.4 Of those dwellings which were estimated as being unfit, 31.5% had two or more reasons for unfitness, this compared to 44.8% nationally.
- 6.3.5 According to tenure, the survey showed that private rented dwellings had the highest level of unfitness (7.8%) whilst owner-occupier dwellings (with mortgage) showed the lowest level (2.3%). An estimated 43.6% of all unfit dwellings were private rented.
- 6.3.6 Generally, unfitness is associated with the age of the property, the survey found no evidence of unfitness in post-1964 stock. An estimated 89.6% of unfit dwellings date from before 1919.
- 6.3.7 North of the borough<sup>16</sup> had the highest level of unfitness (5.2%) whereas the Centre of the borough<sup>17</sup> shows a low level of unfitness at 4.0%
- 6.3.8 End terrace houses showed high levels of unfitness (8.9%), whilst 59.9% of all unfit dwellings are converted flats.
- 6.3.9 In addition to unfit dwellings, it was estimated that there were 10,828 dwellings (17.1% of the private sector dwelling stock) which were ‘fit but defective’. Of these 65.2% were in relation to Disrepair and 27.5% to Dampness.

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<sup>16</sup> North Wards - Askew, College Park & Old Oak, Shepherd’s Bush Green and Wormholt & White City

<sup>17</sup> Centre Wards - Addison, Avonmore & Brook Green, Fulham Reach, Hammersmith Broadway, North End and Ravenscourt Park

- 6.3.10 In 2000, the Government set a standard for 'decent homes' whereby housing should:
- i. Meet the current statutory minimum standard for housing (i.e. not unfit)
  - ii. Be in a reasonable state of repair
  - iii. Have reasonably modern facilities and services
  - iv. Provide a reasonable degree of thermal comfort
- 6.3.11 Through the public service agreement (PSA) the government indicated targets for bringing private sector homes up to the decent homes standard (PSA target 7).
- 6.3.12 The 2001 EHCS estimates that there were 5.4m private sector dwellings nationally which are 'non-decent'; this represented 32% of the private sector.
- 6.3.13 Within the borough, it was estimated that there were 15,502 private sector dwellings which were 'non-decent', 24.5% of the private sector.
- 6.3.14 The main reason for decent homes failure was thermal comfort, 62.4% of 'non-decent' homes failed under this heading. This compared to 79.5% nationally, also the main reason for failure.
- 6.3.15 72.6% of 'non-decent' homes fail on only one of the four factors. An estimated 74.3% of 'non-decent' dwellings date from before 1919. North of the borough<sup>18</sup> had the highest level of 'non-decent' homes (32.3%) whereas the South of the borough<sup>19</sup> shows a lower level of 'non-decent' homes (18.1%) Converted flats showed high levels of non-decent homes (28.7%), which constituted 43.8% all 'non-decent' homes.
- 6.3.16 As at 01/04/2010 there were 979 (7.56%) H&F Homes properties which were non-decent. This was a reduction from 2301 properties at the same point in 2009. It is planned that 1% of properties will be non-decent as at 01/04/2011.
- 6.3.17 22.5% of council rented dwellings are based within 66 high rise blocks and a further 60% are within 1,213 medium rise blocks. Of 508 medium-rise mansion or deck access blocks only 85 (17%) have lift access. Retro-fitting lifts to blocks is often difficult, if not impossible or prohibitively costly. Opportunities to redesign homes to be accessible to residents who need to use a wheelchair or have limited mobility are severely limited.

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<sup>18</sup> North Wards - Askew, College Park & Old Oak, Shepherd's Bush Green and Wormholt & White City

<sup>19</sup> South Wards – Munster, Palace Riverside, Parsons Green & Walham, Fulham Broadway, Sands End, Town



## 6.4 House Prices and Sales

Despite the recession Hammersmith and Fulham remains an attractive place to live with a dynamic housing market.

House prices have recovered well since the recession and are close to their peak (pre recession) in November 2007. The majority of properties sold in the borough are flats / maisonettes.

House sales show a degree of stability when compared to London and have shown significant increases since entering and leaving recession. The property market in the borough remains dynamic.

The borough is one of the most attractive in terms of demand for market housing, with very high viewings per sale alongside a low average length of time to sell properties.

42%<sup>20</sup> of households that moved into the borough in the last two years moved from elsewhere in London, demonstrating how LBHF continues to meet the pan London market housing need.

6.4.1 As at July 2010 the average house price in the borough is £495k. This is the 4th highest in London.

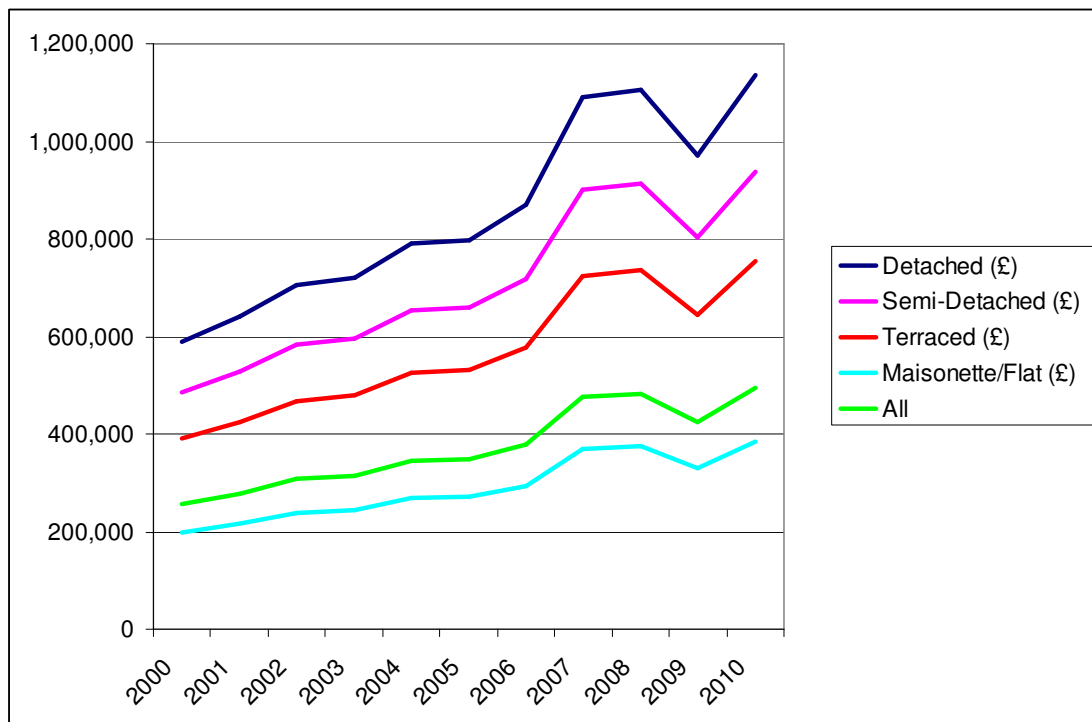
6.4.2 The graph below shows the average house price as at every July since 2000. With the exception of July 2009 there have been continuous increases in average house prices for all types of accommodation.

6.4.3 The graph shows the position as at July 2010 and highlights how quickly house prices have recovered since the recession.

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<sup>20</sup> Fordham Research 2007 update

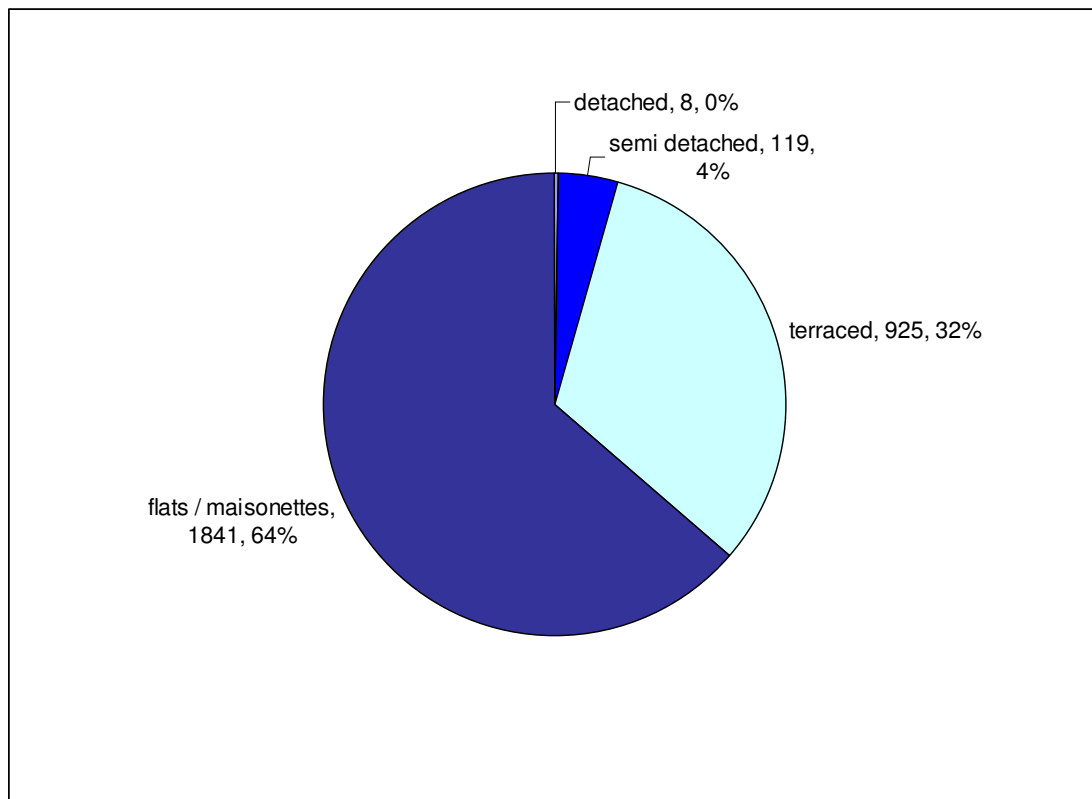
**Chart 15 – Average house prices by type of property – LBHF 2000-2010**



Source : Land Registry

6.4.4 Using data provided to LBHF from the Land Registry at postcode sector level, almost 65% of all sales are for flats / maisonettes, with the vast majority of the remainder being terraced houses.

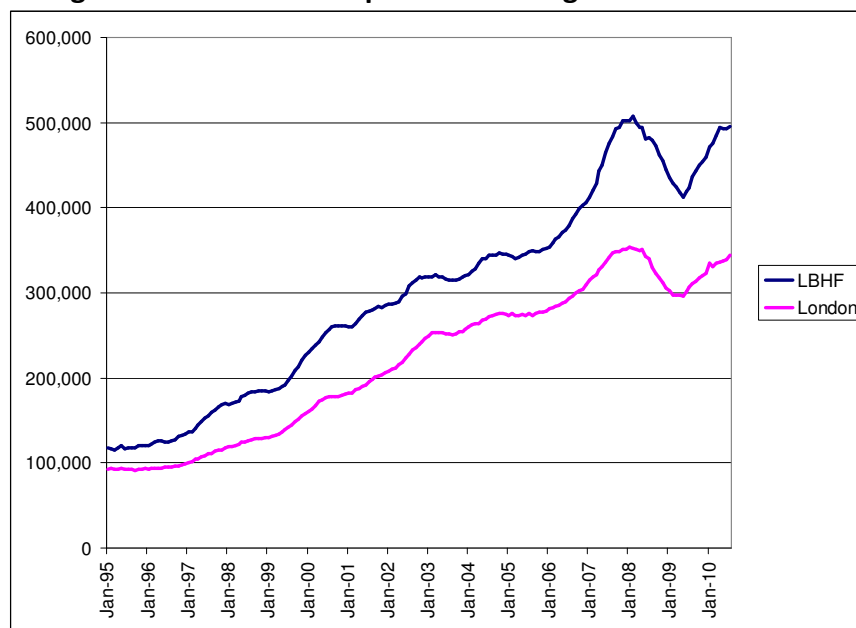
**Chart 16 – house sales by type of property sold – LBHF 2009**



Source : Land Registry data

6.4.5 The graph below shows the long term trend in average house prices compared to London as a whole. House Prices in the borough are now near to their peak in November 2007 (£495k compared to £502.5k in November 2007).

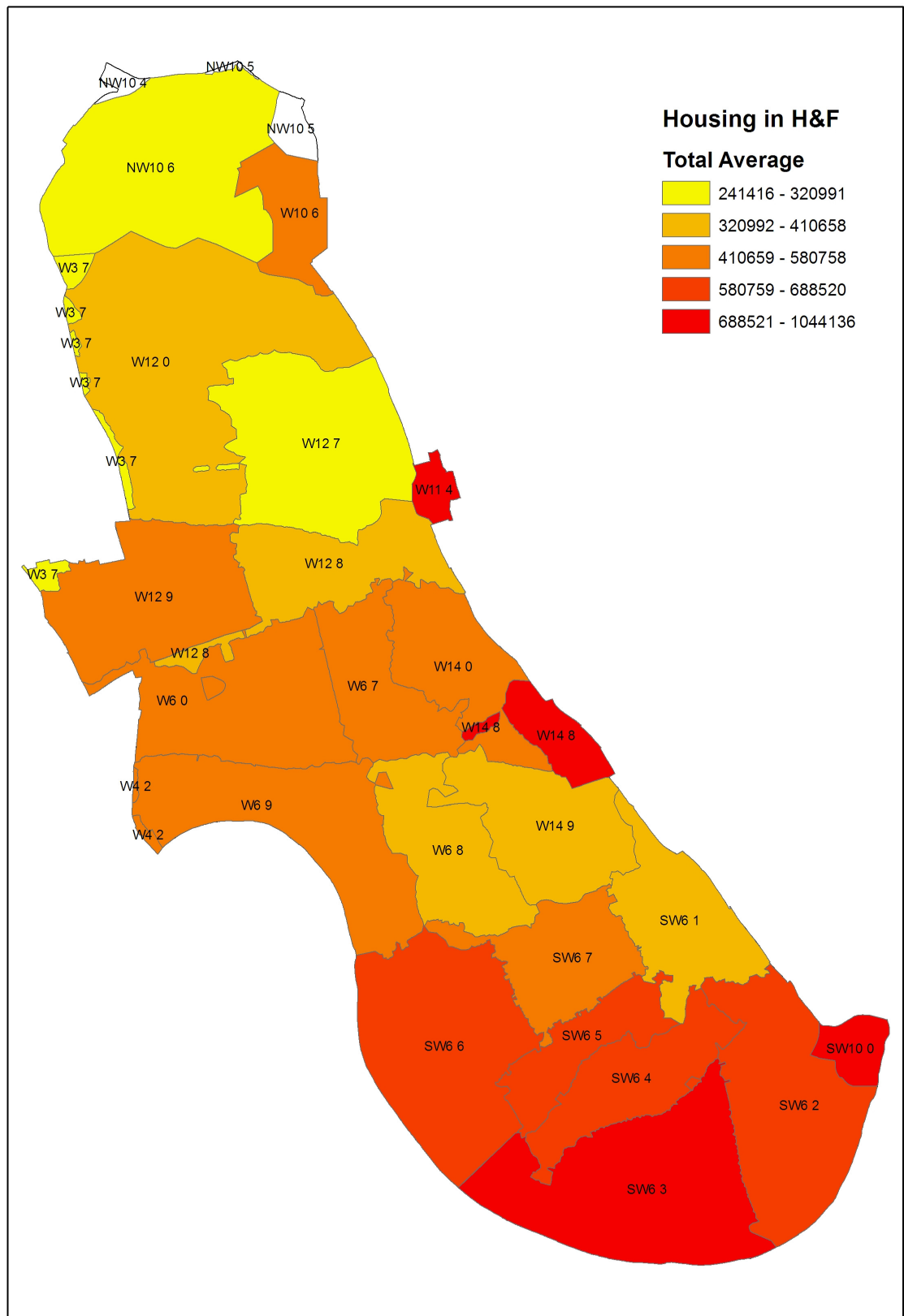
**Chart 17 – long term trend in house prices – LBHF against London**



*Source : Land Registry data*

- 6.4.6 House sales have shown comparative stability compared to London as a whole. In May 2010 there were 187 sales, compared to 134 in May 2009 (an increase of 39%). Compared to May 2008 (pre-recession) there was the same 39% increase.
- 6.4.7 For London as a whole, there has been a smaller 29% increase in sales between May 2009 and May 2010; but a decrease in sales between May 2008 and May 2010 (of 15%)
- 6.4.8 The data provided by the Land Registry does shed light on some variances within the borough in terms of house prices and sales. The further north you go in the borough the cheaper properties tend to become. The areas in the South tend to be by far the most expensive properties in the borough. Sales tend to follow a similar level, with the most occurring in the postcodes in the south, and the least in the north.

**Map 5 – Average 2009 house prices by postcode sector (Land Registry data)**

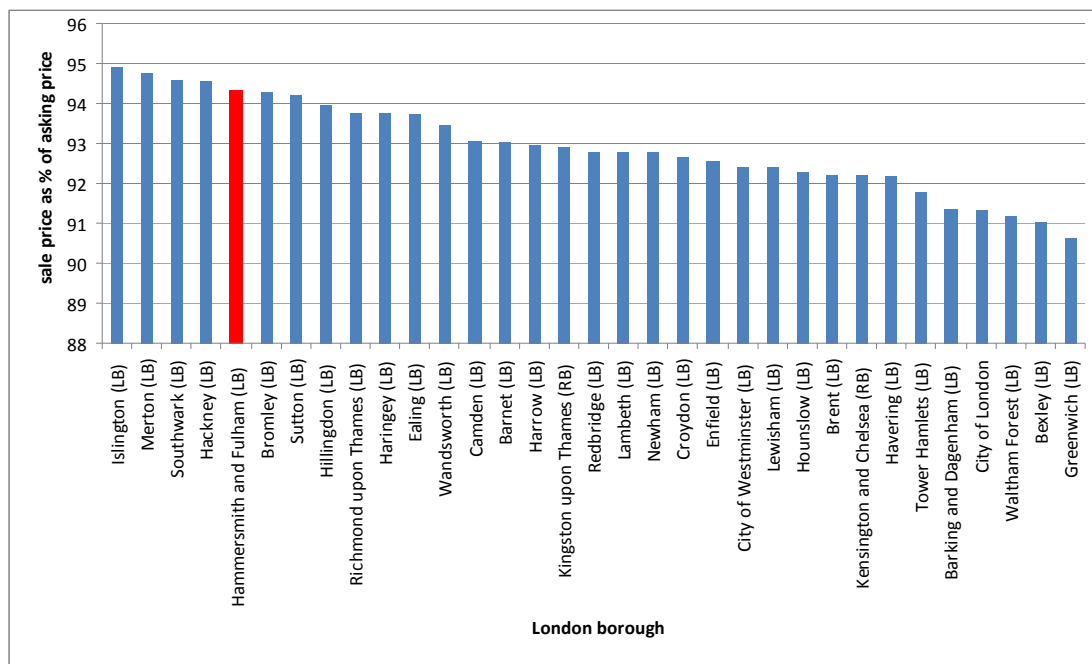


## Demand for market housing in Hammersmith and Fulham

6.4.9 Data from HomeTrack suggests that Hammersmith and Fulham remains a desirable place to live with very high demand for market housing. Data above from the Land Registry showing the recovery in house prices and sales confirms this.

6.4.10 The graph below shows that Hammersmith and Fulham has the 5<sup>th</sup> highest sale price to original asking price for house sales in London.

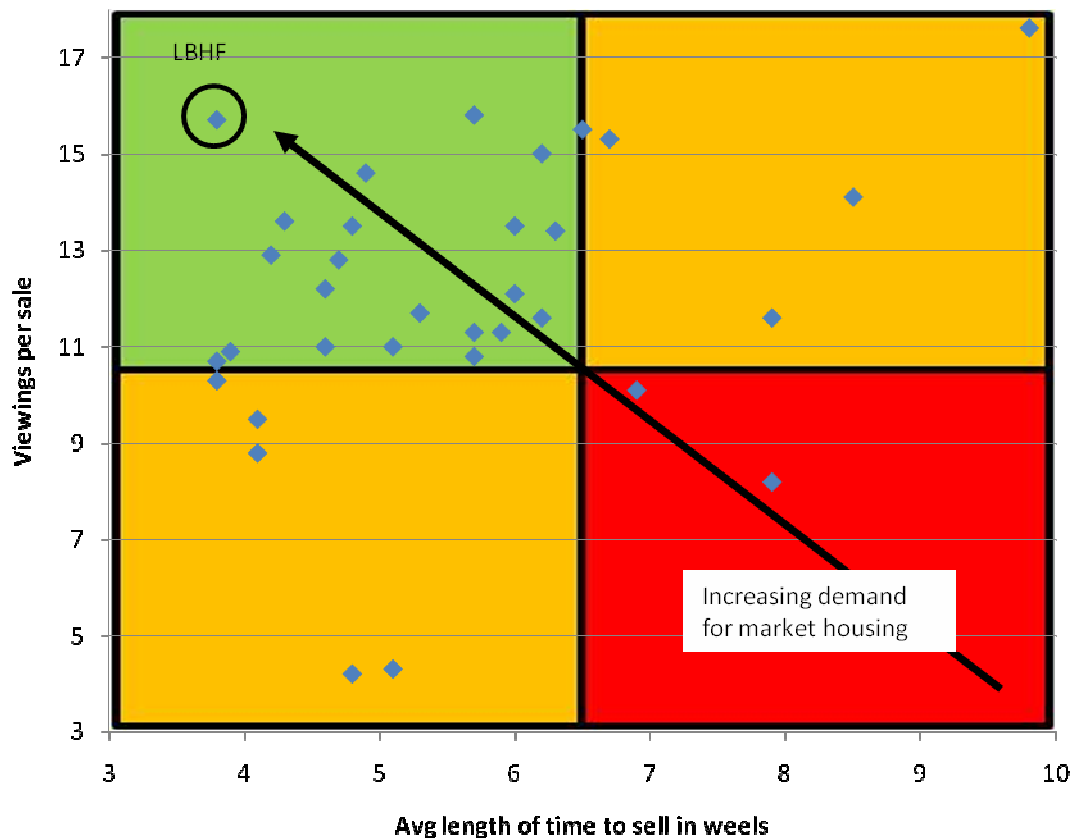
**Chart 18 – sales price as % of asking price**



Source : HomeTrack 2009

6.4.11 As a measure of demand this does suggest that the market is still strong for sellers in that their asking prices for properties are often either met, or very close to being met.

**Chart 19 – average time to sell property against average viewings per sale**



Source : HomeTrack 2009

6.4.12 The matrix above compares the average waiting times in weeks to sell properties compared to the average viewings made per sale. The data has been combined to act as a proxy for demand for property in a local area, with the lower the length of time taken to sell and the higher the viewings per sale taken as an indicator of high demand for property.

6.4.13 The top left hand corner of the matrix then becomes the section which contains the most “desirable” boroughs in London in terms of viewings and length of time to sell. Hammersmith and Fulham appears in the top left hand corner (and is identified) with an average of 3.8 weeks to sell properties and an average of 15.7 viewings per property. This does suggest that there is very high demand for market properties in the borough.

6.4.14 The table below shows the origins of households that have moved to or within Hammersmith and Fulham in the last two years (from 2007 Fordhams Housing Needs Survey).

**Table 10 – Households moving to LBHF in the last two years**

<b>Area</b>	<b>Within the last year</b>	<b>1 to 2 years ago</b>	<b>Totals</b>
In the London Borough of Hammersmith and Fulham	6,268	3,477	9,745
Elsewhere in London	6,665	4,252	10,917
Elsewhere in the South East	435	384	819
Elsewhere in the United Kingdom	1,652	745	2,397
Abroad	1,338	646	1,984
<b>Totals</b>	<b>16,358</b>	<b>9,504</b>	<b>25,862</b>

6.4.15 As a further illustration of the attractiveness of the borough in terms of people wanting to live in the borough, in the last two years, over 42% of all households that have moved into the borough have come from elsewhere in London, higher than the 37% of households that move *within* the borough.



## 7 Affordability measures

Property in Hammersmith and Fulham is prohibitively expensive and the vast majority of people (93%) who live in the borough have incomes beneath the level required even for an “entry level” property.

The borough has one of the highest lower quartile house prices and one of the highest lower quartile income / lower quartile house price ratios.

The only properties that are sold beneath the current lower quartile house price are flats / maisonettes.

Given the data in the vacancies section it is difficult to see how the borough can fill positions in the lower income occupations with its own residents given the high entry level house prices and the low average incomes of those occupations.

At postcode sector level, there is only one area in the borough which has an average house price less than £300k – that is NW10 6, in College Park and Old Oak. Affordability worsens the further south you go in the borough.

Key workers in specific occupations, often in areas where the borough has high vacancy rates have less than 40% of the income required to purchase a property. Those in elementary occupations where the highest level of vacancies are often have a lower percentage of income required. Over 45% of key workers registered with the HomeBuy service work in the Health and Social Care sectors.

There are just over 3000 households on the HomeBuy register with almost 30% not currently resident in the borough, evidence of how LBHF is addressing the London strategic need for intermediate housing products.

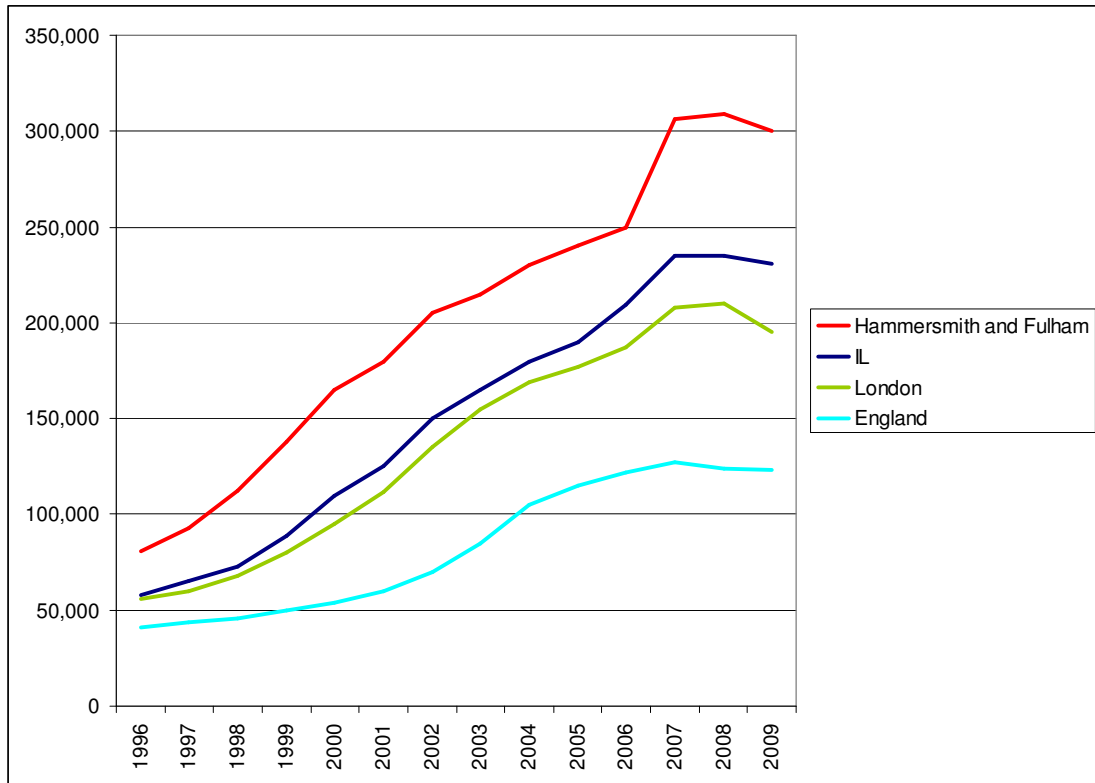
The vast majority of purchases through the HomeBuy scheme are made on incomes significantly lower than the H&F Standard Minimum Household income.

It is estimated that 1,434 households per annum could require intermediate products or need to have their housing needs met through the private rented sector.

- 7.1 Examining the data in sections 5 and 6 it is apparent that there are significant problems with the affordability of properties within the borough, especially given the economically polarised nature of the borough.
- 7.2 Taking the lower quartile house price to be “entry level” it is clear to see how difficult it is to afford a property within Hammersmith and Fulham. The graph below shows the trends in lower quartile prices for the borough, compared to Inner London, London as a whole, and England.

7.3 The lower quartile house price in the borough is now £300k. Only Kensington and Chelsea and Westminster has a higher lower quartile house price (City of London has the same at £300k).

**Chart 20 – Lower quartile house prices – LBHF against Inner London, London and England**



Source : CLG Live tables

7.4 Over the last 5 years there has been a 25% increase in the lower quartile house price within the borough (from £240k to the current position of £300k). For the same time period Inner London has seen a 22% increase in lower quartile house prices, with London seeing a 10% increase and England a 7% increase.

7.5 Up until the point of recession, the lower quartile price in the borough was increasing at a sharper rate than the other areas considered. Given the element of recovery seen it is possible that the lower quartile position will begin to increase again making affordability even more problematic.

7.6 As a simple measure of affordability the ratio between lower quartile income and lower quartile house prices is used. Over the same time period used above, there is a similar pattern appearing, with Hammersmith and Fulham having a significantly higher ratio than Inner London, London and England as a whole.

**Table 11 – Trend in the ratio of lower quartile income against lower quartile house price**

Area	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Hammersmith and Fulham	5.63	6.82	7.68	8.85	8.96	9.87	9.84	10.69	10.91	11.51	12.85	12.85	10.75
Inner London	-	-	-	-	-	-	-	-	-	8.55	9.50	9.60	8.67
London	3.99	4.34	4.93	5.58	6.30	7.31	7.73	8.26	8.51	8.71	9.09	9.32	8.04
England	3.65	3.65	3.84	3.98	4.22	4.72	5.23	6.28	6.82	7.15	7.25	6.97	6.28
Camden	5.72	6.34	7.70	9.03	8.94	10.01	9.72	9.92	10.56	10.66	12.15	12.16	10.57
City of London	5.44	6.30	6.40	6.75	7.27	7.60	9.15	8.91	8.08	8.34	10.17	10.31	8.24
Hackney	3.46	3.43	4.40	5.66	6.61	7.48	7.40	7.78	7.95	7.79	9.67	9.32	7.96
Haringey	4.54	5.16	5.47	6.12	7.00	8.38	8.47	8.90	9.48	9.53	10.44	10.64	9.62
Islington	4.82	5.47	6.51	7.20	7.43	7.71	7.58	8.43	8.80	9.08	10.49	11.03	9.44
Kensington and Chelsea	10.42	10.44	12.02	13.77	14.93	14.14	13.88	16.05	16.67	18.90	21.00	21.44	19.57
Lambeth	3.70	4.11	4.67	5.85	6.69	7.98	7.89	8.04	8.14	8.25	9.37	9.58	7.98
Lewisham	3.50	3.88	4.00	4.79	5.33	6.91	7.22	8.35	7.95	7.93	8.65	9.11	7.40
Newham	3.11	3.53	4.03	4.71	5.51	6.68	8.25	8.56	8.89	9.87	9.72	10.16	7.54
Southwark	3.54	4.17	4.57	5.57	5.71	6.13	6.22	7.79	8.45	7.82	8.45	9.41	8.75
Tower Hamlets	3.66	4.04	4.97	5.52	5.77	6.69	6.39	6.59	6.94	7.04	7.57	8.02	7.57
Wandsworth	5.25	5.63	6.80	8.10	9.36	10.22	10.16	10.67	10.75	11.30	12.52	13.04	12.30
Westminster	6.41	7.08	8.48	9.86	10.16	11.31	11.60	11.36	11.42	12.51	13.19	13.61	12.80

Source : CLG Live Tables

7.7 Using the 3.5x earnings as a measure of affordability and the current lower income house price for the borough (at £300k), a household would need an income of £86k per annum to purchase an “entry level” property in the borough.

**Table 12 – Affordability at different income bands - LBHF**

	Percent of households priced out of market		
	3x income	3.5x income	4x income
FTB households - Flats	86.07%	79.20%	69.27%
FTB households - Terraced houses	100.00%	100.00%	100.00%
FTB households - Semi-detached houses	100.00%	95.86%	92.41%
FTB households - Detached houses	100.00%	100.00%	94.94%
Owner occupier - Flats	79.20%	69.27%	62.91%
Owner occupier - Terraced houses	100.00%	100.00%	94.94%
Owner occupier - Semi-detached houses	95.86%	92.41%	88.62%
Owner occupier - Detached houses	100.00%	94.94%	90.71%

7.8 The Land Registry data in Chart 13, shows that the only properties that are ever beneath £300k are flats or maisonettes.

7.9 The table above from HomeTrack confirms the difficulties in affordability in the borough. For first time buyers (FTB), only flats appear as a viable purchase, with almost all first time buyers priced out of the markets for terraced, semi detached and detached houses.

- 7.10 The percentage of households that are already owner occupiers priced out of the market is also high for terraced and detached houses. Some owner occupiers however are not priced out of the market due to their existing levels of capital with flats again being the most affordable type of property.
- 7.11 The table below shows calculated estimates of mean income to house price ratios at a local level within the borough. Ignoring W11 4 and W10 6 both of which are being skewed by bordering Kensington and Chelsea, all the postcode areas which have the highest ratios are in SW6 and in the south of the borough.

**Table 13 – Affordability at postcode sector level in LBHF**

postcode area	Total Averages	Total Sales	average income	ratio
W11 4	£959,648	65	26,130	36.7
W10 6	£546,520	91	22,054	24.8
W14 8	£864,829	126	39,104	22.1
SW6 3	£1,044,136	137	47,573	21.9
SW6 2	£637,069	190	39,362	16.2
SW10 0	£863,603	86	55,387	15.6
SW6 7	£555,718	153	38,724	14.4
SW6 5	£688,520	102	48,796	14.1
SW6 6	£629,427	154	45,707	13.8
W6 7	£569,145	67	43,112	13.2
SW6 4	£658,525	110	49,907	13.2
W12 9	£500,052	149	40,260	12.4
W6 9	£487,078	76	41,314	11.8
W14 0	£506,702	140	43,825	11.6
W6 0	£489,129	99	42,607	11.5
W4 2	£580,758	110	53,669	10.8
W6 8	£391,128	66	36,317	10.8
W12 7	£320,991	46	31,205	10.3
W12 0	£350,337	77	34,488	10.2
SW6 1	£410,658	74	42,132	9.7
W14 9	£409,213	141	41,992	9.7
W12 8	£370,338	75	39,943	9.3
W10 5	£429,910	52	47,398	9.1
W3 7	£310,528	172	37,291	8.3
NW10 6	£241,416	18	30,694	7.9

*Source : Land Registry data, CACI 2009 Paycheck data*

- 7.12 Table 12 below shows, for selected occupations, the percentage of income required to purchase an entry level property, and updates the Wilcox work for the Joseph Rowntree Foundation.<sup>21</sup>

<sup>21</sup> Can't Work, Can't Buy, Steve Wilcox, Joseph Rowntree Foundation, 2003

7.13 Key workers such as social workers have 39.1% of the income required to purchase an entry level property in the borough. Those in teaching professions have 43.9% of the required income, and nurses have 35.7%.

7.14 For those in elementary occupations, this percentage is significantly lower, at 24.1% and 14% (for those in elementary administration positions).

**Table 14 – Income of key occupations as % of income required to purchase an entry level property in LBHF**

<b>Occupation</b>	<b>Average Annual Income</b>	<b>Income as % of income required to purchase</b>
Managers and senior officials	£51,099	59.4%
Professional occupations	£44,298	51.5%
Key workers	£34,751	40.4%
Nurses	£30,676	35.7%
Police officers	£46,213	53.7%
Social workers	£33,621	39.1%
Teaching Professionals	£37,764	43.9%
Prison service officers	£30,701	35.7%
Probation officers	£33,883	39.4%
Fire service officers	£33,087	38.5%
Town planners	£42,811	49.8%
Associate professional / technical occupations	£33,871	39.4%
Skilled trades occupations	£28,617	33.3%
Administrative and secretarial occupations	£20,954	24.4%
Personal service occupations	£16,062	18.7%
Customer service occupations	£17,578	20.4%
Sales occupations	£11,638	13.5%
Elementary occupations	£20,742	24.1%
Elementary administration	£12,068	14.0%

Source: Annual Survey of Hours and Earnings (ASHE) - 2009

Link

<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>

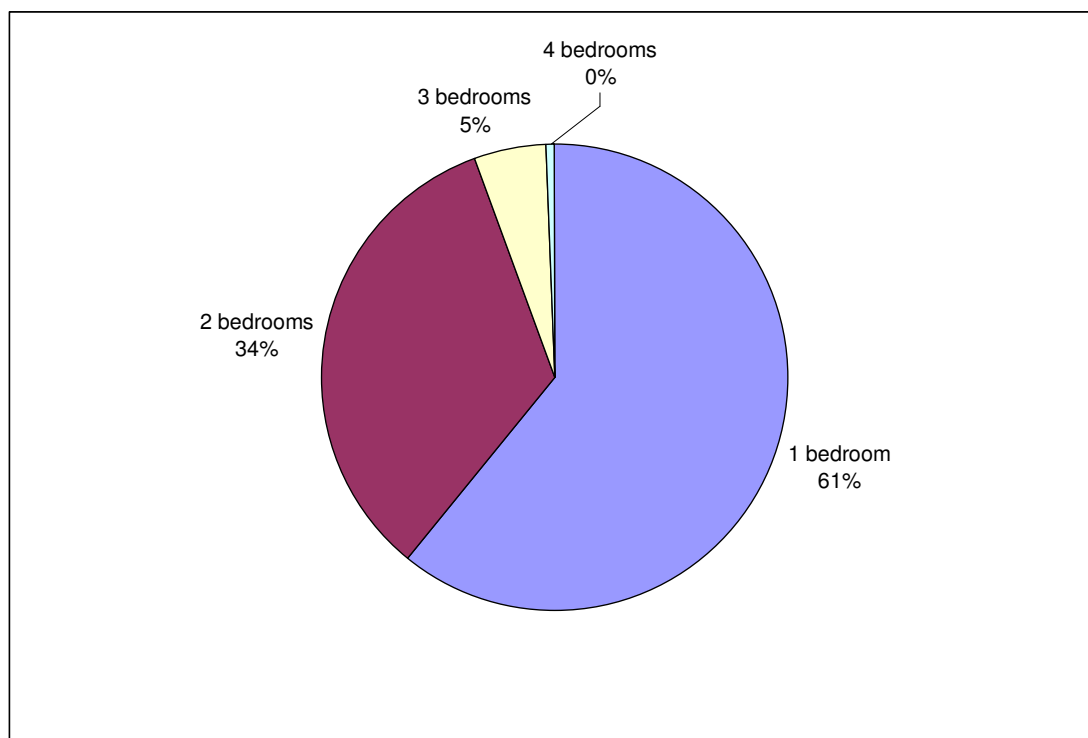
Note: Figures weighted to reflect the Inner London wages

## **8 Size of intermediate housing requirements and profile**

8.1 As at 23<sup>rd</sup> November 2010, there were 3005 “open” applications on the HomeBuy register.

8.2 The chart below shows the number of bedrooms *needed* by each applicant. Just over 60% of applicants need one bedroom properties in the borough. The vast majority of the remainder require two bedroom properties.

**Chart 21 – bedrooms needed by HomeBuy applicants**

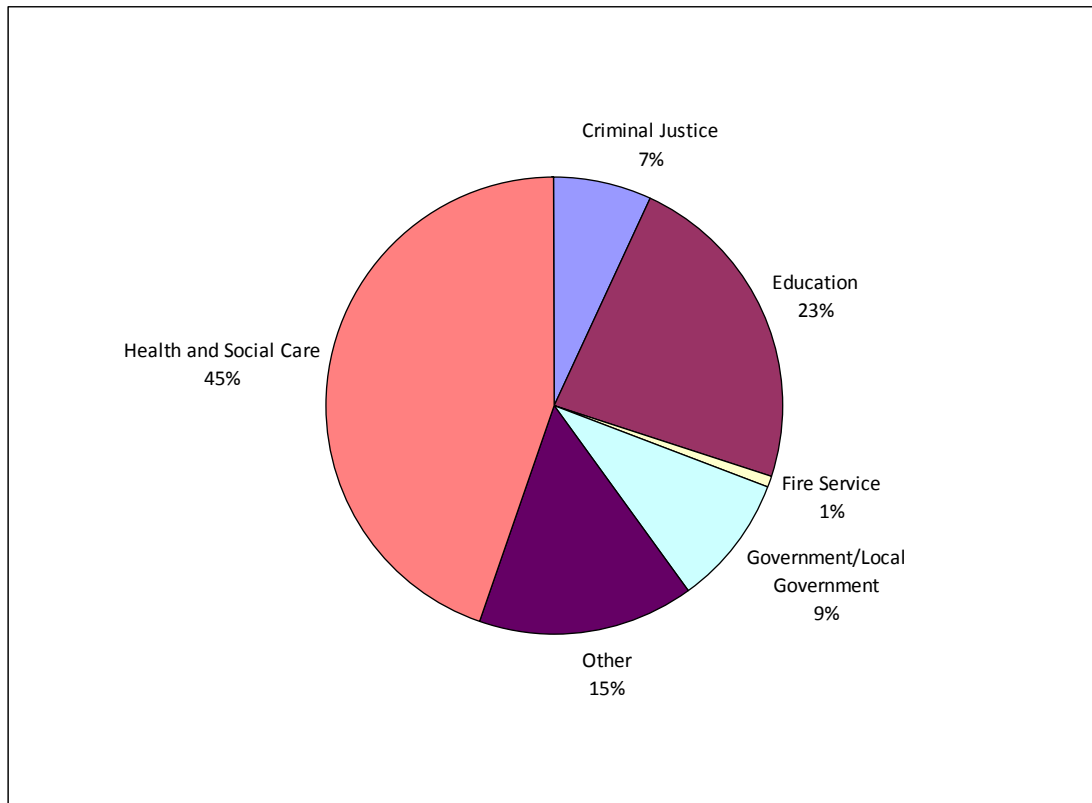


Source : HomeBuy LBHF

- 8.3 Of the 3,005 current applicants, 2,117 are currently living within the borough, with the remainder working in the borough but not currently living within LBHF. This equates to 29.6% of the total number of applicants not currently resident in LBHF. The borough continues to offer the HomeBuy service to all non-residents and addresses the need for affordable housing for people who would want to live and work in the borough, but are not currently resident; as such the borough is contributing to the London-wide need to meet affordable housing need.
- 8.4 Of those who do not live in the borough but work in LBHF, the majority of applicants currently reside in Ealing, Wandsworth, Hounslow, Kensington and Chelsea and Brent.
- 8.5 The average income of current applicants is £34.6k per annum. This breaks down into £34.9k per annum for key workers, and £34.5k per annum for non key workers. In total, there are 1,169 applicants who would be classed as key workers (representing 38.9% of the total).
- 8.6 The graph below shows the breakdown of current key workers on the HomeBuy register. 45% are within the Health and Social Care sector, often

the area where there are the highest number of vacancies. A further 23% are in the education sector.

**Chart 22 – Sector of key workers on the HomeBuy register**



Source : HomeBuy LBHF

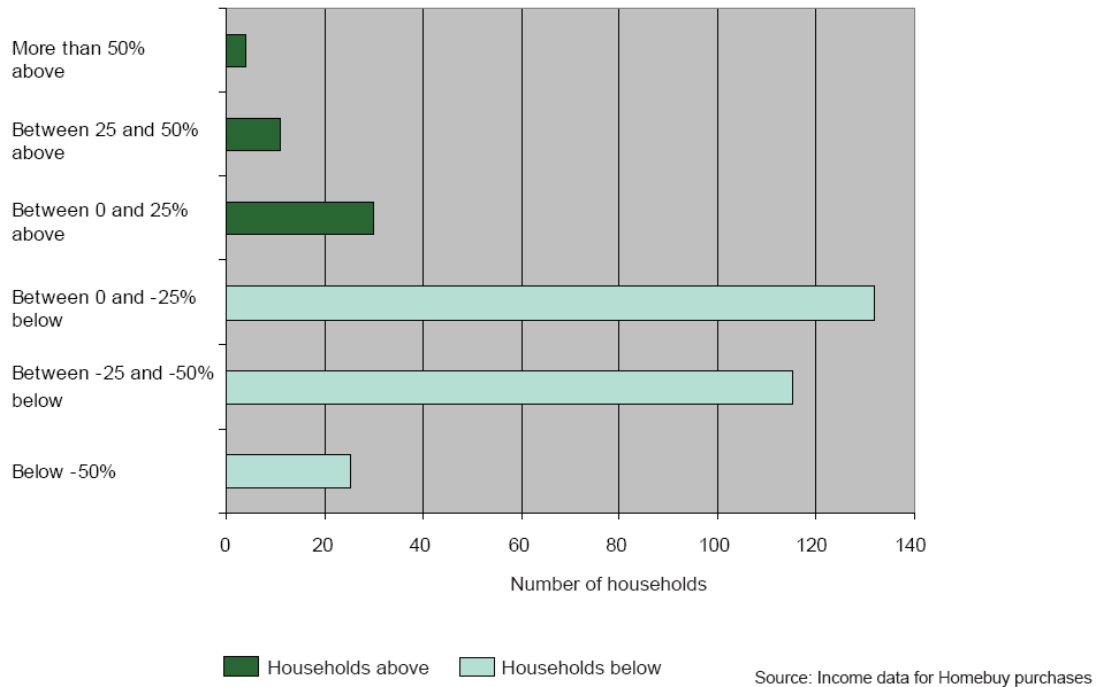
8.7 The table below shows the number of bedrooms *wanted* by each applicant against the number of bedrooms *needed* to by each applicant. The table clearly shows that a large proportion of applicants want one or more bedrooms than they actually need.

**Table 15 – Bedrooms wanted against bedrooms needed (HomeBuy register)**

Bedrooms Needed	Bedrooms Wanted					Grand Total
	One	Two	Three	Four	Five	
One	945	877	9	1		1832
Two	26	813	167	2	1	1009
Three		21	113	14	3	151
Four		2	5	6		13
<b>Grand Total</b>	<b>971</b>	<b>1713</b>	<b>294</b>	<b>23</b>	<b>4</b>	<b>3005</b>

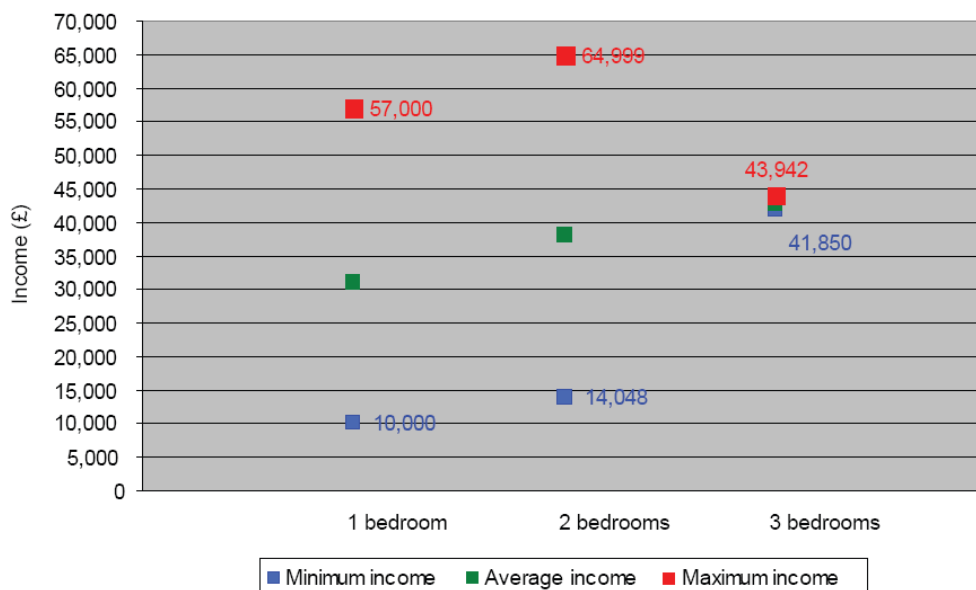
8.8 For the sake of the model that follows, the number of bedrooms *needed* will be used.

**Chart 23 – Number of HomeBuy Households whose household income is above / below the H&F Standard Minimum Income**



8.9 The graph above shows that the majority of HomeBuy purchases are made on incomes below the Hammersmith and Fulham Standard Household minimum income.

**Chart 24 – Minimum, average and maximum Homebuy household income by housing size**





8.10 The chart above shows that the average household income of purchasers of one bed units is just over £30k per annum, for 2 beds just under £40k per annum. Some households have had significantly lower incomes than this and successfully purchased properties through the scheme. This includes a specialist scheme to assist adults with disabilities to purchase a share of their own homes.

## 9.1 Need for affordable housing from newly formed households

9.1.1 There are an estimated 2,282 households in housing need forming each year in the borough (gross). 40% have an income less than £29k per annum and would be unlikely to be able to afford low cost home ownership products. Of those that remain 9% have an income of £86k per annum or higher and could afford market properties. The remaining 51% have an income which would allow for the purchase or rent of intermediate housing products. (CACI paycheck 2010).

9.1.2 This means that there are likely to be 1173 newly formed households that would require affordable housing, but not social rented accommodation per annum.

9.1.3 The table below shows the bedrooms required by newly formed households from the Housing Needs Survey and extrapolating to the number of newly formed households.

**Table 16 – Bedrooms required by newly formed households (intermediate housing)**

Number of bedrooms	Households	%s
1	769	65.56
2	235	20.03
3	103	8.78
4+	66	5.63
<b>totals</b>	<b>1173</b>	<b>100</b>

## 9.2 Supply of intermediate housing (voids)

9.2.1 The last Housing Needs Survey used an estimate of 40<sup>22</sup> intermediate housing units that become available for re-let or resale at sub market levels. At the time of the Survey, this equalled a void rate of 3.6%, similar to the void rate for social rented housing.

<sup>22</sup> Hammersmith and Fulham Borough Council Housing Needs and Demand Study Update 2007 (April 2008 – Fordham Research)

### 9.3 Meeting the demand for intermediate housing

**Table 17 – Model for meeting intermediate housing**

	Number of bedrooms				totals
	1	2	3	4+	
Homebuy register	971	1713	294	27	3005
Newly arising need per annum	769	235	103	66	1173
<b>Total demand</b>	<b>1740</b>	<b>1948</b>	<b>397</b>	<b>93</b>	<b>4178</b>
<b>Total supply per annum</b>		<b>40</b>			

#### Over 10 years

Homebuy register (baseline)	3005
Newly formed households	11730
<b>Total</b>	<b>14735</b>
minus supply over 10 years	400
<b>balance</b>	<b>14335</b>
<b>divided by 10</b>	<b>1434</b>

9.3.4 The model above shows an annual need of 1,434 new intermediate units. This very high level of demand would need to be met by the private rented sector or by newly built affordable units.

## 10 The Private Rented Sector

The private rented sector has continued to grow since the 2001 Census to a current position of 30% of total households.

Entry level market rents in the borough are higher than in West London as a whole.

The majority of the private rented sector is located in the central region of the borough.

65% of all households who stated that they wanted to move due to a lack of suitable or affordable accommodation were in the private rented sector. Similarly a large percentage of those in the private rented sector wanted to move to buy their own homes, but a lower percentage believed that they would be able purchase within the borough.

## 10.1 Rental levels in Hammersmith and Fulham

10.1.1 Unlike house prices, private sector rents have risen since 1994 at the same rate as earnings growth and so are significantly lower than mortgage costs for an equivalent size local property (Can't Supply: Can't Buy: Hometrack 2008). Average rents in H&F are 65% of average monthly mortgage costs but they are still high compared to the rest of London. Other data sources indicate higher lower quartile local rents. Average rents are 37% of average household earnings; 49% of younger working households (under 40 age group) can afford private rents, compared to 30% that can afford owner occupation but still only 5% of families in the same age group can afford private rents.<sup>23</sup>

10.1.2 The unmet demand for homeownership has been displaced to the private rented sector which has expanded to meet this demand. The private rented sector also provides housing of relatively easy access (and exit) for young and mobile households, such as young professional singles, couples and students. Some households occupy private rented housing through choice for at least a period of their lives and there are other households who cannot afford owner occupation and are unable and/or unwilling to access social rented housing. Households who cannot afford private sector rents are supported by the payment of housing benefit or through private sector leasing. There are estimated to be over 5000 of these tenancies in H&F or 18% of the private rented sector.<sup>24</sup>

10.1.3 The private rented sector is characterised by high levels of mobility and the majority of tenants (over 50%) are in the 25-34 age band<sup>25</sup> in 2001. This is the age group where many will be expecting to become first time buyers. The tenants in the private rented sector are also very mobile with most tenancies for periods of 6 months. In 2001 only 58% of households living in the private rented sector nationally were living at the same address as one year earlier compared with over 86% of all households in all tenures. There are clearly some advantages in young people being able to move relatively easily, but there can also be some disadvantages for the local area where there are concentrations highly mobile residents. People do not establish links or a responsibility to the local community and the types of goods and services that they require are different from longer term residents.

10.1.4 It also impacts on the provision of a wide range of essential services because many of the younger people who live in rented accommodation are key workers and they move out of the borough and possibly out of London when they want to buy a house. The London Assembly Report Key Issues for Key

<sup>23</sup> Evaluating requirements for market and affordable housing NHPAU 2010

<sup>24</sup> West London Strategic Housing Market Assessment

<sup>25</sup> The Modern Private Rented Sector, David Rhodes, Joseph Rowntree Foundation, University of York. 2006

Workers Feb 2001 highlighted the problems that lack of affordable housing for key workers raises.

10.1.5 A MORI survey conducted for the GLA showed that 87% of private renters wanted to own their own home.<sup>26</sup>

10.1.6 Table 18 below shows the entry level (or market rent thresholds) for properties to rent in the private rented sector.

**Table 18 – Entry level market rents and required incomes LBHF and West London**

		Bedsit	1 bed	2 beds	3 beds	4+ beds
West London	Threshold price	£100.00	£185.00	£250.00	£292.50	£353.75
	Required income	£20,900.00	£38,600.00	£52,100.00	£61,000.00	£73,800.00
Hammersmith and Fulham	Threshold price	£107.55	£198.96	£268.87	£314.58	£380.45
	Required income	£22,400.00	£41,500.00	£56,100.00	£65,600.00	£79,400.00

Source : ORS data in West London SHMA

10.1.7 Lowest quartile rents are significantly higher in Hammersmith and Fulham than in much of West London. Kensington and Chelsea is the only area which has higher entry level rents.

10.1.8 To rent a bedsit in the private sector a minimum income of £22.4k per annum is required. This increases rapidly with the number of bedrooms required to a required income of £79.4k per annum for a 4 bed property in the private rented sector.

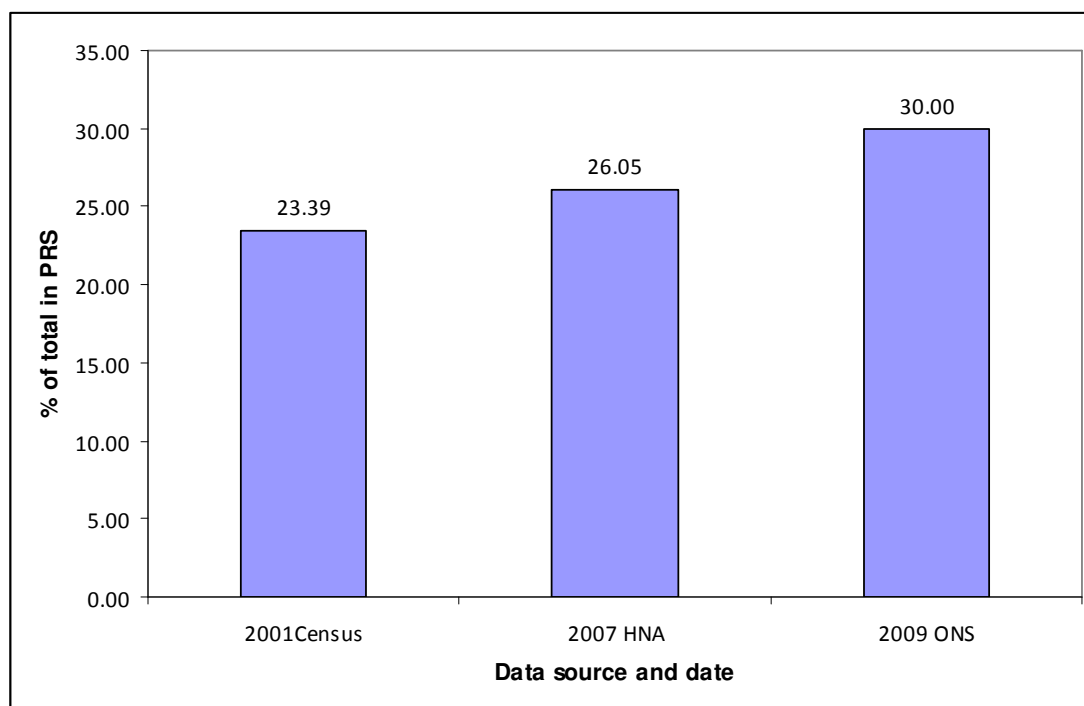
10.1.9 Of those on the housing register, it is estimated that 25.7% have an annual income of more than £19k per annum, and 7% have an annual income of £30k per annum or higher, and could seek alternative housing opportunities in the private rented sector.

## **10.2 Size of the Private Rented Sector in Hammersmith and Fulham**

10.2.1 The graph below shows the proportion of total households that are in the Private Rented Sector. From the 2001 Census, 23.4% of all households were in the Private Rented Sector, rising to 26 % from the 2007 Fordhams Housing Need Survey to 30% from the 2009 Office of National Statistics figures.

<sup>26</sup> Housing in London. The Evidence Base for the London Housing Strategy. Nov 2009

**Chart 25 – Trends in the size of the Private Rented Sector in LBHF**



Source : Census, 2007 HNA, ONS 2009

10.2.2 The table below from the 2007 Fordhams Report shows the location in the borough of households in the private rented sector. Almost 50% of all households in the PRS are in the central region of the borough, with the lowest in the South.

**Table 19 – Households in the PRS in LBHF**

Area	total households in PRS	%
North	5775	28.24
South	5337	26.10
Central	9335	45.65
<b>LBHF</b>	<b>20447</b>	<b>100</b>

10.2.3 In general, the North of the borough has the highest proportions of households in social housing, the Central region has the highest proportion in the private rented sector, and the South has the highest proportions of households that are owner occupiers.

### 10.3 Private rented sector data from the housing needs survey

10.3.1 From the 2007 Housing Needs Survey, of all households in Private Rented Sector who were seeking to move, 28% stated that the main reason why they wanted to move was the lack of suitable, affordable housing in the local area.

This increases to almost 36% for households containing at least one key worker.

10.3.2 Of all those households who wanted to move and who stated that one of the main reasons why they wanted to move was the lack of suitable, affordable housing, over 65% were households in the private rented sector.

10.3.3 Likewise, 57% of all households in the Private Rented Sector that were seeking to move were seeking a move to buy their own property. However, only 39% of those households realistically expected to be able to purchase within Hammersmith and Fulham.

10.3.4 A large number of households, including those households which contain key workers, often leave Hammersmith and Fulham to purchase their own properties.

## **11 Housing Need**

The borough can meet the backlog of social housing need through the effective use of the existing stock. Using a 10 year model, it is estimated that the backlog would have been completed by year 7.

The borough recognises that the bedroom mix will need to change to reflect the local need for more family sized units. This will be achieved through the ambitious and unprecedented opportunity for estate renewal in the borough to address overcrowding issues.

The borough's resources will be targeted to help those households on the housing register seek alternative housing solutions and assist them into employment and training, reducing the further need for social housing. Similarly, supply of social housing units will be increased as these services assist more existing tenants into employment and HomeBuy opportunities.

### **11.1 Introduction**

11.1.1 It is difficult to determine what the actual level of housing need is within Hammersmith and Fulham. Although a housing register is kept, the data is inaccurate and has not been validated since 2005.

11.1.2 Working on the basis that we could not use the housing register as it was, a method was developed to identify the true levels of housing need in the borough. The model is based on a number of key points :

- There are significant numbers of applications that could be closed due to various reasons. The most common ones include lack of activity (ie bidding)

over a long period of time, or applicants that have never bid, but also includes applications with no identifiable housing need, or very low housing needs.

- Transfers not included as they are “neutral” to the supply of housing, in that they free up a property and then fill another.
- Sheltered housing is excluded from the model and covered under the vulnerable people section.
- Those applicants in the most urgent priority bandings (A and B) would remain in that Band (including those homeless applicants).
- Band C is the largest band, with numbers of very differing levels of need considered next to each other. Building on work carried out in 2008 we assumed that we could effectively prioritise within that Band.
- Those households that have been accepted as homeless, are either overcrowded or severely overcrowded by the CLG Bedroom Standard, or have a medical award at Band C or higher, or were in Bands A and B to begin with, are classed as being in housing need.
- Those households who have not been accepted as homeless, are not overcrowded, do not have a medical award and do not lack any amenities are removed from the model as they have very low housing needs and not likely to be housed in the borough.
- The model has an in built 10% reduction to take into account fraudulent applications.

11.1.3 The original model developed was based on assumptions of how the level of need could actually look if the data was routinely validated.

11.1.4 To validate the initial model a survey of over 15% of the housing register (minus transfers, homeless cases and those requiring sheltered housing) was carried out. The findings from this survey are used in the following model.

11.1.5 The survey asked applicants on the housing register to confirm their personal details, confirm their level of income and employment status and confirm their current household members.

11.1.6 The survey also asked applicants if they would like more information on the low cost home ownership products available in the borough.

11.1.7 The survey clearly stated that those people who did not respond by a certain date would have their applications closed. Lastly, “Do Not Forward” (anti-fraud) envelopes were used in the survey.

- A total of 772 surveys were sent out representing 15% of the housing register (excluding those requiring sheltered housing or transfers and those accepted as homeless).
- 441 (57%) of applicants responded to the survey with the vast majority wishing to remain on the housing register (96% of respondents).

- 99 “Do Not Forward” anti-fraud envelopes were returned to the Department (12.8% of the total) with the vast majority stating that the applicant was no longer at that address.
- In total, 331 applicants did not respond and can have their applications closed. This represents 42.8% of the sample. When extrapolated to the entire housing register this signifies a dramatic reduction in the true level of housing demand.
- The response rates varied by the current banding of the applicant. Of the few in Band A who were sampled, there was a 100% response rate. Band B was 76%, and Band C as a whole was 55%.
- 295 respondents answered the question on income. Of those 7% had an income over £29k per annum, widely used as the minimum threshold income for low cost home ownership products in the borough. The remaining 93% had an income lower with the vast majority having an income less than £19k per annum.
- 57% of those who answered the question based on requesting further information on low cost home ownership products available in the borough indicated a level of interest (220 out of 384). This includes a significant number of applicants without the requisite income levels.
- Of those that did indicate an interest (220), 16 had an income of more than £29k per annum (or 7% of those interested).
- 47% of those that answered the relevant question were employed or their partner was employed.

11.1.8 The survey has confirmed that the housing register urgently needs validating and that the total number of applicants on the register could be significantly reduced.

## **11.2 Estimate of actual housing need in the borough.**

11.2.1 In total, there are 3,037 households currently in housing need in the borough. This includes a number of households who are not on the register (251 in temporary accommodation and 258 overcrowded households).<sup>27</sup>

11.2.2 Of those rehoused in 2009-10 18.4% were either on inward mobility schemes or had a presenting postcode from another London borough (excluding transfers and homeless cases). The majority of these homeseeker households came from the neighbouring West London boroughs (over 60% from Brent, Ealing, Harrow, Hillingdon, Hounslow).

11.2.3 17.5% of the current housing register are households who have presenting addresses outside of Hammersmith and Fulham. The vast majority of those outside of the borough have addresses in the West London boroughs of Ealing, Kensington and Chelsea, Hounslow and Brent. Wandsworth also

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<sup>27</sup> Fordham Research, LBHF Housing Needs Survey 2007 update – based on overcrowded households not in council / RSL stock that who are not on the housing register, removing those who do not want or need social housing.



accounts for a large number. Of all households on the register with addresses outside of the borough, 53% come from these 6 London boroughs.

11.2.4 Table 15 below shows the bedroom requirements for those in housing need, including the requirements of those households that are homeless and overcrowded but not on the housing register.

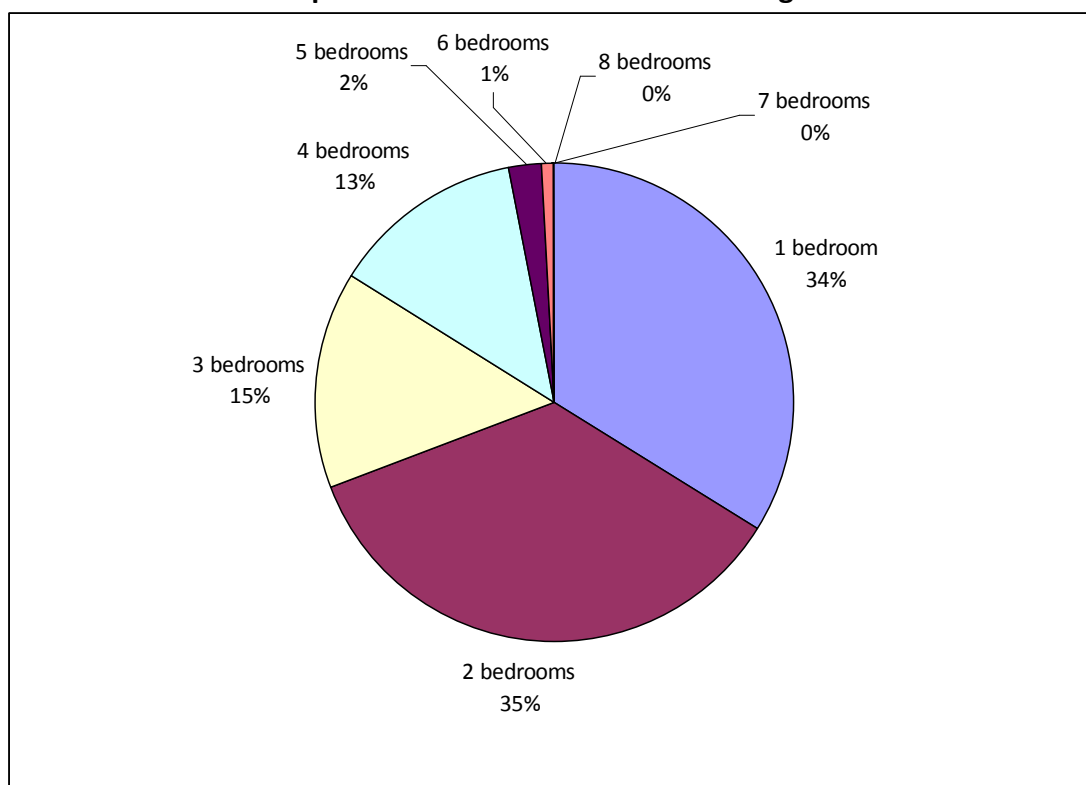
**Table 20 – Bedrooms required by those households in housing need**

	Number of bedrooms							
	1	2	3	4	5	6	7	8
Number of households in need	945	905	423	163	63	25	2	2
Overcrowded but not on register	0	29	0	229	0	0	0	0
Households in TA not on register	87	138	21	4	1	0	0	0
Backlog of housing need	1032	1072	444	396	64	25	2	2
Number rehoused	318	211	82	14	1	0	0	0
ratio of demand to supply	3.25	5.08	5.41	28.29	64.00	-	-	-

Source : Internal LBHF analysis based on estimate of those in housing need

11.2.5 The graph below shows that 34% of households in housing need require one bedroom, with 35% requiring two bedrooms.

**Chart 26 – Bedroom requirements of households in housing need**



### 11.3 Housing Supply

11.3.1 Over the last three years, the borough has rehoused an average of 663 households per year (excluding transfers and sheltered housing) (Table below).

**Table 21 – rehousing by bedroom size 2007-2010 LBHF**

	number of rooms in rehoused properties										Total	
	Bedsits / studios	1	2	3	4	5	6	7	8	total		no rooms data
2007/08	55	268	223	108	20	3	0	0	0	677	0	677
2008/09	46	237	225	69	14	0	0	0	0	591	77	668
2009/10	88	261	184	68	8	1	0	0	0	610	33	643
3 year average	63	255	211	82	14	1	0	0	0	626	37	663
%s	10.06	40.79	33.65	13.05	2.24	0.21	0.00	0.00	0.00			

*\*figures exclude transfers and sheltered housing*

Source : I World analysis

11.3.2 Table 17 below shows the ratio between the average number of bedrooms of the properties used in rehousing, and the number of bedrooms required by those on the housing register.

11.3.3 The ratio compares the demand for units by bedroom size against the number of units available of that size. The ratio increases with the number of bedrooms required.

11.3.4 For example, for every one three bed unit that becomes available there are almost 5 households requiring that size unit. Demand for larger size units outstrips availability.

**Table 22 – Housing need by bedroom size compared to availability of bedrooms**

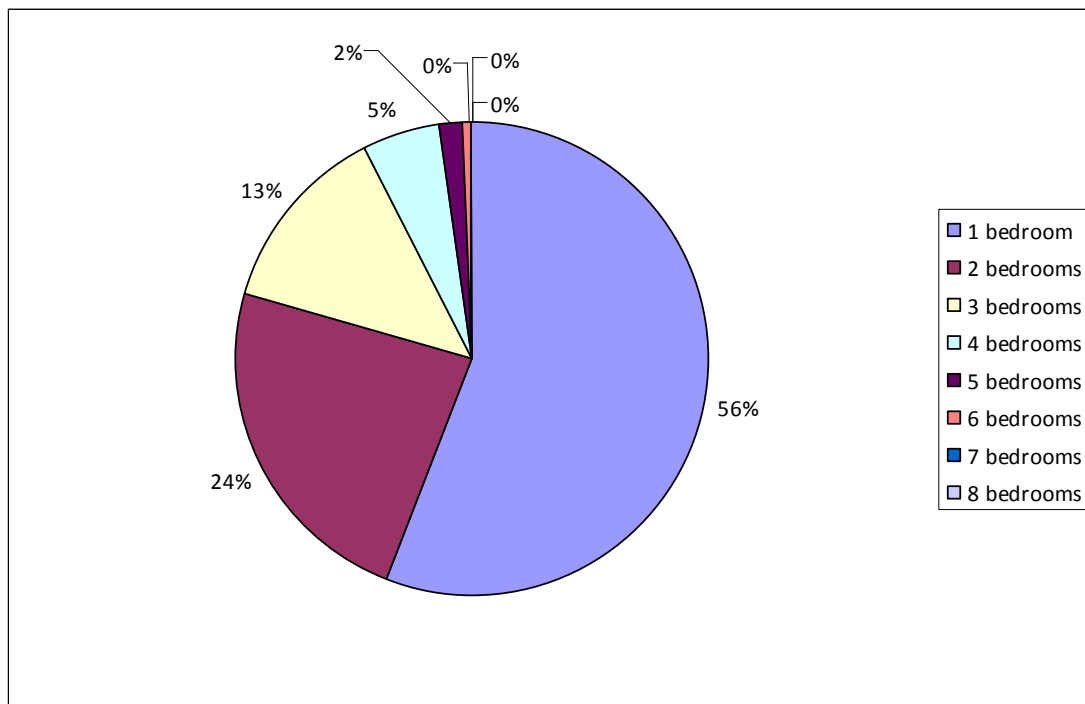
	Number of bedrooms							
	1	2	3	4	5	6	7	8
Number of households in need	945	905	423	163	63	25	2	2
Overcrowded but not on register	0	29	0	229	0	0	0	0
Households in TA not on register	87	138	21	4	1	0	0	0
Backlog of housing need	1032	1072	444	396	64	25	2	2
Number rehoused	318	211	82	14	1	0	0	0
ratio of demand to supply	3.25	5.08	5.41	28.29	64.00	-	-	-

11.3.5 There needs to be more family sized units made available in the borough. Whilst the total number of units can meet housing need, the bedroom mix would need optimising to ensure the maximum number of households can be rehoused.

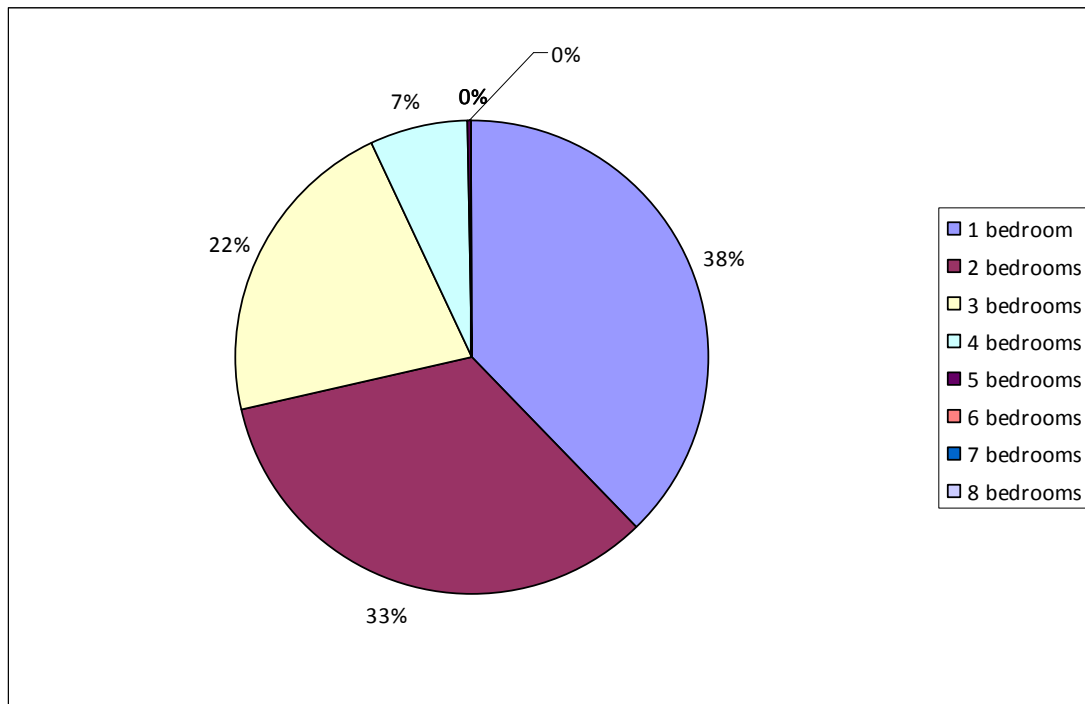
## 11.4 Changes required in size of units

11.4.1 Changes to the mix of bedroom sizes of council stock are needed. The levels of overcrowding and under occupancy in the borough are discussed in 11.6.7 and have a significant affect on the mix required. The graphs below show the percentage of units with each room size for the current situation and the required situation if all households were to meet the CLG bedroom standard.

**Chart 27 - Existing mix of bedroom sizes**



**Chart 28 - Required Bedroom mix to meet CLG bedroom standard**



## **11.5 Reducing Housing Demand**

11.5.1 The model below considers a number of ways in which demand for social housing could be realistically reduced.

### **Use of the Private Rented Sector / targeted “HomeBuy” services**

11.5.2 Of the current applications open to the “HomeBuy” service, only 2.9% are currently on the housing register. Whilst the numbers of households on the housing register who have a sufficient income and the aspiration for home ownership is low, work to seek alternative housing solutions with these households will reduce demand for the existing social housing stock.

### **Targeted employment services**

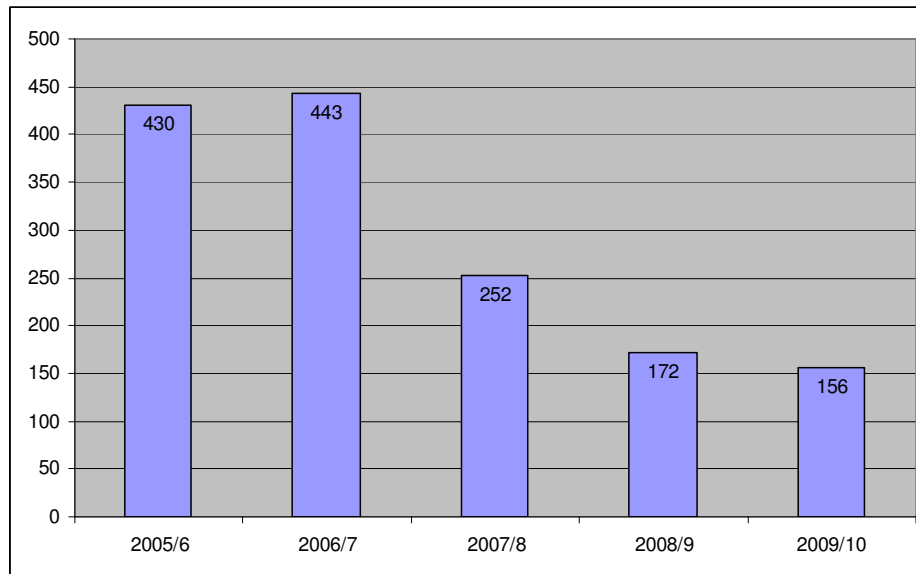
11.5.3 From the survey, 47% of those that answered the relevant question were employed or their partner was employed. This is a significantly lower employment rate than the general population (see section 5).

11.5.4 Any increase in these employment rates would help increase the number of households who could potentially afford intermediate or market housing and so increase the supply of social housing units for those households in most need.

## Further homelessness preventions

11.5.5 The graph below gives details of the homeless duty acceptance rates over the last five years. From its peak level of 443 acceptances in 2006/7, to the level of 156 acceptances in 2009/10, there has been a 65% reduction in the number of duty acceptances given. This can be due to an increase in alternative/preventative options being explored.

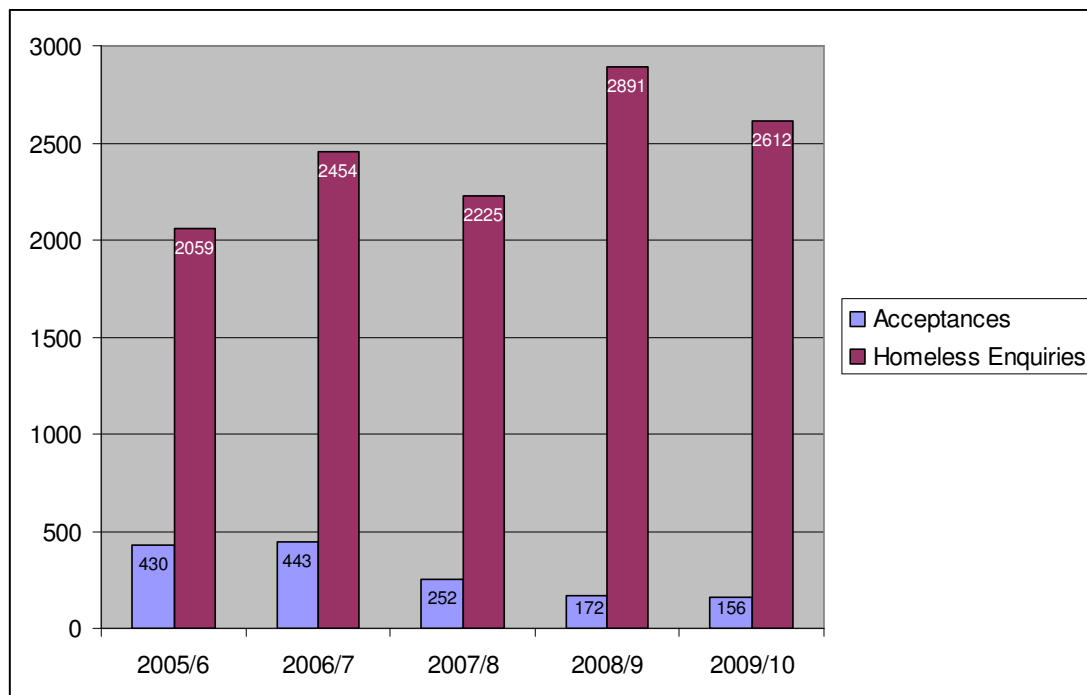
**Chart 29 – Homelessness acceptances 2005-06 to 2009-10**



Source: p1e homeless submission

11.5.6 When looking at the number of homeless enquires against the number of duty acceptances, 21% of applicants who made a homeless enquiry in 2005/6 were accepted as homeless whereas this figure reduced to 6% in the years 2008/9 and 2009/10.

**Chart 30 – Homelessness acceptances against homeless enquiries**

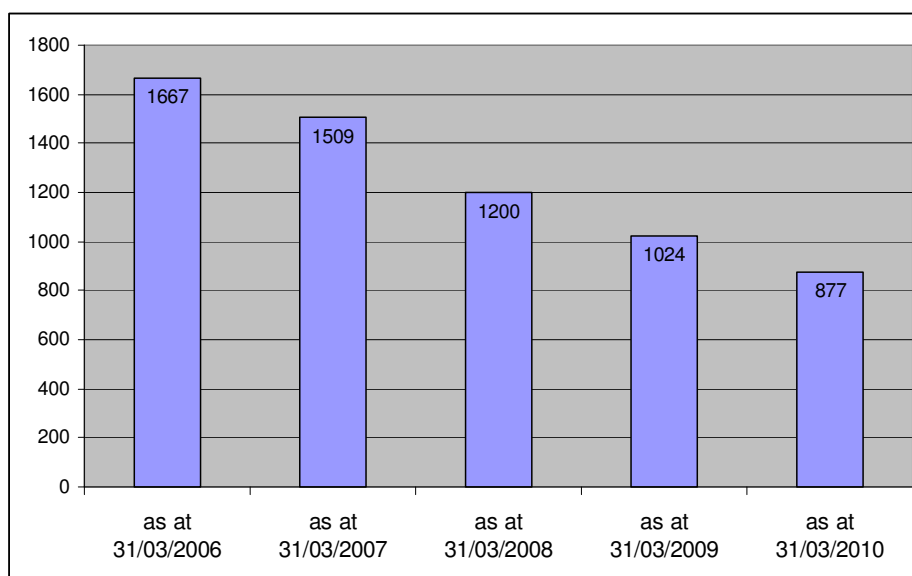


Source: p1e homeless submission & internal reporting

11.5.7 Continuing improvements in homelessness prevention as seen over the last five years, and consequent reductions in homelessness acceptances will reduce the demand for social housing.

11.5.8 Below shows the yearly trend for the number of households in temporary accommodation (TA) since 31 March 2006. The level has been steadily decreasing, this follows the 5 year target to halve the number households in TA by the end of 2010, the target for H&F was 915 households.

**Chart 31 – Trends in the use of temporary accommodation in LBHF**



Source : p1e returns 2006-2010

## **11.6 Increasing Housing Supply**

### **Targeted HomeBuy interventions (Affordability)**

11.6.1 At present 13% of applicants on the HomeBuy register are either in H&F Homes properties or in other RSL / Housing Association social housing.

11.6.2 The last housing needs survey indicates that there were 1,800 households with an income of £29k pa or more living on estates. If the 57% from the survey is used to extrapolate forward, this suggests that 1,026 current households could move to an affordable low cost home ownership solution freeing up significant numbers of existing properties.

11.6.3 This would require a re-focussing or prioritisation of this cohort of people by the HomeBuy service.

### **Expansion of MOOL and Seaside / Countryside Homes**

11.6.4 In 2009-10 18 households were rehoused to either Seaside and Countryside Homes, private sector or other RSLs / LAs . To date in 2010-11 (to the end of September 2010), 12 households have been rehoused.

11.6.5 An increase in activity in this area would free up further units for rehousing each year, and it is recommended that the service examine ways in which uptake can be improved.

### **Targeted employment services**

11.6.6 Unemployment and worklessness is significantly higher for those living on estates and council properties than those who do not. Although more difficult to quantify, any improvement in the employment status of households in existing council tenancies and subsequent assistance in purchasing affordable products will further increase the supply of social housing for those in most housing need.

### **Overcrowding and Under-occupancy**

11.6.7 Currently it is not possible to ascertain the exact levels of overcrowding and under-occupancy in council tenancies. The housing system (I World) does not contain information on all household members for tenancies that started before December 2006.

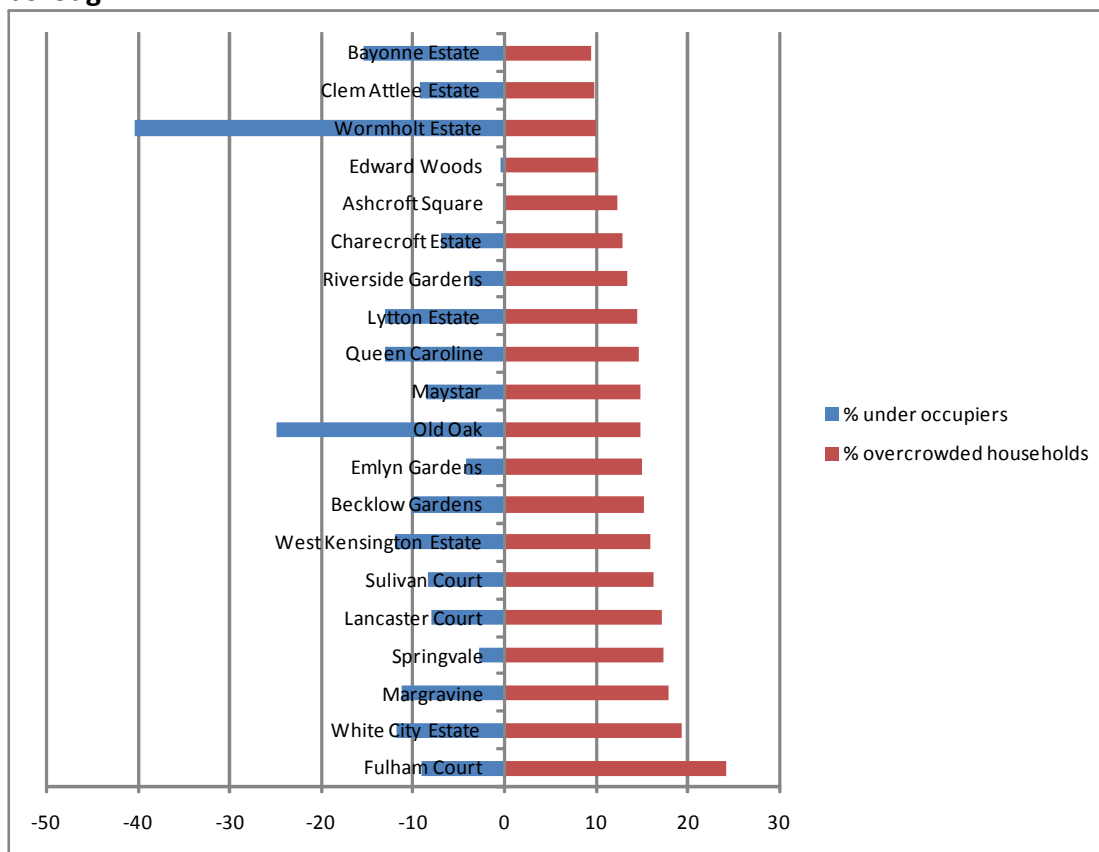
11.6.8 In Spring 2010, the Department carried out an analysis of those households claiming housing benefit and council tax benefit to assess their overcrowding / under occupancy levels as defined by the CLG bedroom standard.

11.6.9 The exercise matched almost 65% (or 6,577) council owned properties using data from I World and Academy.

11.6.10 Using the overcrowding definition from the CLG bedroom standard, just over 13% of all households were overcrowded. Just over 9% of households were considered to be under-occupiers.



**Chart 32 – Under Occupancy and Overcrowding in the largest 20 estates in the borough**



Source : I World data matched against Housing Benefit caseload

11.6.11 The CLG Bedroom standard considers under occupancy to be where a household has 2 or more bedrooms in excess.

11.6.12 These findings closely correlate to the last Housing Need Survey which stated that 11.3% of households was either overcrowded or severely overcrowded, and 10.2% were under occupiers.

11.6.13 There are currently 655 households on the housing register on transfer lists that are either overcrowded or severely overcrowded. Any reduction in this number would free up additional, and often family sized units. In 2009-10, 224 households were rehoused as tenant transfers, with 119 of them (53% being rehoused in 2 bedroom units or more).

11.6.14 Of the 655 households, 40 are all adult households, that is, where every member of the household on the application is age 18 or older. Intensive work with these households may produce housing solutions to prevent the household requiring a transfer and free up some of the average 200 units that are used for rehousing each year.

11.6.15 In addition, there are a further 56 households that are either overcrowded or severely overcrowded that are on the transfer register, that have one room

too few; but have one family member (not spouse or partner) that is aged over 21. According to the CLG Bedroom Standard anyone over that age requires a bedroom of their own.

11.6.16 As with households where all members are aged over 18, work with these households to encourage those over 21 to move on to ease the overcrowding, either into the private rented sector or home ownership (if income permits) or to other council properties. As discussed in Section 11.3 there is a greater annual supply of one bedroom properties and this will help to free up large units currently being used in transfers.

11.6.17 In addition, the Council proactively seeks to fund lateral conversions of its existing one bed stock to better meet family demand, particularly to address overcrowding.

## **12 Meeting Strategic Housing Needs**

12.1 The changing national policy context (outlined in Section 2) will change the assessment of housing requirements in London and across the W London sub-region. Both the London SHMA (2008) and the draft W London SHMA identify a significant net requirement for additional housing at costs below social rent levels. However as the W London SHMA recognises these figures ***“do not equate to a newbuild target for housing delivery, but instead represent the changes which will occur across the whole housing market if current trends continued”***

12.2 The report continues :

*“As noted earlier in this chapter, the dynamics of the second hand market are more important than newbuild completions to the tenure mix of an area. While boroughs can clearly not achieve over 100% affordable housing on new dwellings, changes in the second hand market can see market dwellings become part of the affordable housing stock. Therefore, if past trends were to continue, the model is projecting that more market dwellings will need to be part of the effective affordable housing supply.*

*As noted above, the changes of social housing allocation policies and the LHA announced in the June 2010 budget may change trends in the housing market. However, the announcements will have little direct impact on the number of households seeking housing, only on the ability of local authorities to meet these needs. Therefore, we have not adjusted the requirements in light of the June 2010 changes because the impact will be felt on the supply of dwellings, not the requirement for them.”*

12.3 The new proposals relating to the provision of affordable rent housing and no funding for additional social rented housing will change where and how the need for housing at or below social rents will be met across London and across W London. The proposals would indicate that in future, changes between social and affordable rent tenancies will be in response to the local

authorities strategic tenancy policy. It is not clear how planning policies for social rented and intermediate housing will in the future be able to address strategic housing needs.

- 12.4 H&F throughout the 1990s and much of the 2000s has had high completion rates for additional social housing compared to most London boroughs and has over these years contributed to meeting strategic need. These high social rented completion rates and relatively low completion rates for market housing has contributed to the continuing polarisation in the borough which the vision and priorities of the borough's Community Strategy 2007 – 14 are trying to address.

### **13.1 The Model**

- 13.1.1 The following sections bring all of the available evidence together into a five year model tracking how annual housing need and supply will change.
- 13.1.2 The model builds in ways of reducing the need for social housing and increasing the existing supply through more effective and targeted interventions as outlined above.
- 13.1.3 The model assumes, as per the Strategic Housing Market Assessment Guidance, that there is a one-to-one relationship between households and dwellings.

### **13.2 Methodology**

- 13.2.1 Following the CLG guidance, known households that are homeless but not on the housing register have been added to the model as a backlog of households in need. At present this equates to 251 households who, as yet, have not been accepted as homeless.
- 13.2.2 An estimate of households that are either overcrowded or severely overcrowded has been added to the model. Using data from the 2007 Housing Needs Survey, the number of households that are overcrowded were identified, excluding those in council or RSL stock. Then a proportion were removed as they had stated that they either did not want nor need council or RSL accommodation and did not see their overcrowding as a problem. The remaining (258) households are those that are overcrowded, and not on the housing register.
- 13.2.3 The baseline of housing need is the sum of all households currently on the housing register that are in Band A, Band B, either overcrowded or severely overcrowded, accepted as homeless and / or have a medical award at Band C or higher. This equates to a baseline of 2,528 households.

- 13.2.4 Combining the three elements of the backlog of need gives a total of 3,037 households.
- 13.2.5 1,273 households will be added to the housing register in a year. This includes all households registering for the first time, and any household that changes band to reflect a changing level of need. This includes all applicants for Bands A, B and C.
- 13.2.6 A reduction has been applied to these (shown in the model) to take into account fraudulent applications (conservatively estimated as 10%). In addition to these, through ongoing validation of the housing register it is estimated that 45% of those at the lower end of the need spectrum could be removed from the register (based on the survey response rate of 55% for that Band). With the exception of the anti fraud adjustment, no other deflator has been applied to those in the priority need bands.
- 13.2.7 In addition, an estimate has been added for social housing need arising from newly formed households. The Fordhams Housing Needs Survey data shows that there are 4,564 newly formed households over a two year period, equating to 2,282 households per annum. Analysing the number of new households by composition, and removing single adult and pensioner households, and all adult households as they are unlikely to be housed (totalling 3,875 over two year) leaves a total number of households who might require social housing as 689 (over two years).
- 13.2.8 A correction has been added to take into consideration the number of those households that may contain a member who is vulnerable and / or has special needs. Based on the percentage of the current housing register that has a medical award (19%), we have added 131 households back. In total, this gives 820 households over 2 years, or 410 per annum.
- 13.2.9 Using CACI paycheck data, 39.8% will have an income less than £29k per annum and would not be able to purchase market properties and most intermediate products. This equates to 163 new households in housing need per annum.
- 13.2.10 A number of these 163 newly formed households in social housing need are likely to also be on the housing register as new applicants. Using the 2007 Housing Needs Survey data looking at newly formed households and the number of those that are also on the housing register, showed that 26.6% of newly formed households were in social housing need and on the housing register. Applying a 26.6% reduction to 176 (to avoid double counting) results in 120 households per annum.
- 13.2.11 In total, taking the new applicants on the housing register and new demand from newly formed households, gives a total of 1,395 households in need.

- 13.2.12 Reductions in the demand for social housing have been added based on existing targets for services to reduce demand. These include a target of 40 for the HomeBuy service to work with households on the housing register who have the required income to purchase a property or rent and hence not be reliant on social housing. A further reduction in homeless acceptances (of 25 per year) has been built in as the Council continues to drive down acceptances and focus on prevention. The employment services have a local target of helping 50 households into sustained employment and consequently reduce their need for social housing. Lastly, 60 households will be helped via the private rented sector to come off the housing register and secure their own accommodation.
- 13.2.13 A number of households have been removed from the model at this stage, as they are not considered to be in housing need and should be classed as being in Band D. These are households who are not overcrowded, not homeless, are not lacking or sharing amenities and do not have any kind of medical award. The vast majority of these applicants are single people. This will form a key part of the ongoing validation exercise explaining why this adjustment drops after year 1. Based on local analysis, 30% of new Band C applications (minus homeless cases) will be for these low level need cases and should be removed.
- 13.2.14 Over the last three years the council has placed 663 households into accommodation and this forms the baseline for existing supply. In addition to this the services outlined above work closely with those existing council tenants to free up units. Local targets are added to the model for targeted HomeBuy and employment interventions, the Moving Out of London / Seaside & Country Homes, and effectively dealing with overcrowding and under occupation and reducing the need for transfers to free up further social units. On an annual basis, the council has a supply of 868 units.
- 13.2.15 The model shows that at the end of year 1 there would still be almost 1,300 households in housing need that have not had their needs met. By year 5 this has fallen to just 97 households, and at the end of year 7 there is no backlog of need left. After year 7, new demand closely matches available supply.
- 13.2.16 Data in the model excludes transfers – for both demand for social housing and supply of voids.

**Table 23 - The supply and demand model**

Section	Code	Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
<b>HOUSING NEED NOT ON REGISTERS</b>	(A)	Homeless households in B&B not on Housing Register	251	0	0	0	0	0	0	0	0	0	
	(B)	Overcrowded Households not on Housing Register	258	0	0	0	0	0	0	0	0	0	
<b>Existing and Future Housing Demand</b>	(1)	Baseline of housing need (plus need not on registers)	3,037	1,281	833	436	217	97	31	0	0	0	
	(2)	New additions to Register in Housing Need	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	
	(1+2)	<b>Totals</b>	<b>4,310</b>	<b>2,554</b>	<b>2,106</b>	<b>1,709</b>	<b>1,490</b>	<b>1,370</b>	<b>1,304</b>	<b>1,273</b>	<b>1,273</b>	<b>1,273</b>	
	(3)	Estimated demand from newly formed households	120	120	120	120	120	120	120	120	120	120	
	(1+2+3)	<b>Totals with new demand</b>	<b>4,430</b>	<b>2,674</b>	<b>2,226</b>	<b>1,829</b>	<b>1,610</b>	<b>1,490</b>	<b>1,424</b>	<b>1,393</b>	<b>1,393</b>	<b>1,393</b>	
	(4)	Removals from register due to ongoing validation	1,103	553	502	323	225	171	141	127	127	127	
	(1+2+3)-(4)	<b>Validated demand</b>	<b>3,327</b>	<b>2,121</b>	<b>1,724</b>	<b>1,505</b>	<b>1,385</b>	<b>1,319</b>	<b>1,283</b>	<b>1,266</b>	<b>1,266</b>	<b>1,266</b>	
	<b>HOUSING NEED</b>	(5)	Removal through HomeBuy targeting	40	40	40	40	40	40	40	40	40	40
		<b>Reducing demand from the Housing Register</b>	(6)	Reduction of homelessness acceptances	25	25	25	25	25	25	25	25	25
(7)			Extended use of the private rented sector	60	60	60	60	60	60	60	60	60	
(8)			Targeted employment schemes	50	50	50	50	50	50	50	50	50	
(5+6+7+8)		<b>Households prevented as needing social housing</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	
(9)	<b>Remove households in low housing need</b>	<b>1,003</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>		
<b>FINAL DEMAND</b>	$\frac{(((1+2+3)-(4))-(5+6+7+8))-9}{9}$	<b>FINAL SOCIAL HOUSING NEED</b>	<b>2,149</b>	<b>1,701</b>	<b>1,304</b>	<b>1,085</b>	<b>965</b>	<b>899</b>	<b>863</b>	<b>846</b>	<b>846</b>		
<b>HOUSING SUPPLY</b>	(A)	Existing void levels	663	663	663	663	663	663	663	663	663	663	
	(B)	Targeted Homebuy	50	50	50	50	50	50	50	50	50	50	
	(C)	Targeted Employment interventions	50	50	50	50	50	50	50	50	50	50	
	(D)	MOOL / Seaside and country homes	30	30	30	30	30	30	30	30	30	30	
	(E)	Under occupancy / overcrowding	75	75	75	75	75	75	75	75	75	75	
<b>FINAL SUPPLY</b>	(A+B+C+D+E)	<b>TOTAL SUPPLY OF COUNCIL PROPERTIES</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>	<b>868</b>		
<b>FINAL POSITIONS</b>		SOCIAL HOUSING NEED	2,149	1,701	1,304	1,085	965	899	863	846	846	846	
		CLOSING POSITION OF HOUSING NEED	1,281	833	436	217	97	31	-5	-22	-22	-22	
		ADJUSTED CLOSING POSITION OF HOUSING NEED	1281	833	436	217	97	31	0	0	0	0	

## 14 Supporting People services and those living in communal establishments

14.1 Launched in 2003, the supporting people programme aims to help vulnerable people with housing related support needs to achieve a better quality of life by enabling them to live more independently and improve their life chances.

14.2 An element of the programme required all councils to map the existing provision of supported housing (incl. sheltered accommodation for elderly) and floating support schemes available.

14.3 As an Inner London borough, the services Hammersmith & Fulham provide reflect community needs including significant proportion of provision for

groups like rough sleepers, single homeless and those with particular drug and alcohol problems.

14.4 The programme currently funds 90 individual housing related support services in the Borough for a range of vulnerable client groups, including homeless families, young people, refugees, people with learning disabilities, older people, and people with mental health problems.

14.5 The table below shows the quantity and type of supported accommodation that is currently commissioned by Supporting People (NB. these units are not restricted to single homeless people and some can accommodate families as well). There were 754 people who received assistance and support delivered in their own homes (floating support).

**Table 24 - Units of accommodation for special needs groups in LBH&F, 2009-10**

<b>Primary Client Group</b>	<b>Household Units Available</b>
Frail Elderly	<b>27</b>
Offenders or People at risk of Offending	<b>33</b>
Older people with support needs	<b>1,445</b>
People with a Physical or Sensory Disability	<b>234</b>
People with Alcohol Problems	<b>12</b>
People with Learning Disabilities	<b>22</b>
People with Mental Health Problems	<b>201</b>
Refugees	<b>31</b>
Rough Sleeper	<b>74</b>
Single Homeless with Support Needs	<b>180</b>
Teenage Parents	<b>8</b>
Women at Risk of Domestic Violence	<b>23</b>
Young People at Risk	<b>110</b>
Young People Leaving Care	<b>52</b>
<b>TOTAL</b>	<b>2,452</b>

Source: LBHF Supporting People

14.6 In 2009-10, the average void rate for Supporting People Service units was 8%. 4,111 people accessed a Supporting People service, including 905 people who stopped accessing services. 368 (41%) users left short term services and 537 (59%) left longer term services.

14.7 81% of service users who have been supported moved on in a planned way from short term living arrangements, and of those who left longer term services 86% left because they no longer needed the service and 14% because they could no longer live independently.

14.8 The most usual destination that people moved on was a supported housing, Council and RSL tenancy, and renting privately owned accommodation.

- 14.9 The highest rates for planned moves are for refugees and teenage parents, and the lowest rates are for ex-offenders and rough sleepers.
- 14.10 Prior to receiving a support service in 2009-10, 21% of clients were local authority tenants, 17% were in supported housing, 14% were living with friends or family members, 11% were RSL tenants and 9% were living in a hostel or B&B accommodation.
- 14.11 The majority of service users referred from outside Hammersmith & Fulham were from Ealing (13%), Kensington & Chelsea (11%), and Westminster (11%).
- 14.12 Hammersmith & Fulham has a spend per head of population in the upper quartile. Our average weekly unit costs across all services are also in the upper quartile.
- 14.13 Single homeless services for the borough have an average weekly unit cost of £97, people with a physical or sensory disability £55, young people at risk £230 and learning disabilities £295. With exception of rough sleeper services £485 in the Borough compared to £240 for London, and mental health services £350 (London £194), all are less or broadly in line with London comparisons.

## 15 Housing needs of vulnerable and minority groups

### 15.1 Housing needs of minority ethnic groups

#### Demand for non-sheltered housing

15.1.1 Table 25 below shows the bedroom requirements of those currently on the housing register.

**Table 25 – Bedrooms requirements by ethnicity of main applicant**

Ethnicity	Number of bedrooms required								Totals
	1	2	3	4	5	6	7	8	
Bangladeshi	7	5	5	0	3	0	0	0	20
Other Asian Background	19	50	14	5	0	0	0	0	88
Indian	5	4	4	0	0	0	0	0	13
Pakistani	9	10	6	2	1	1	0	0	29
Caribbean	102	61	24	8	9	0	0	0	204
African	210	173	116	46	22	14	0	1	582
Other Black Background	9	9	0	1	0	0	0	0	19
White British	182	171	44	10	2	0	0	0	409
White Irish	15	4	2	0	0	1	0	0	22
Other White Background	61	81	13	7	0	0	0	0	162
White & Black Caribbean	39	16	9	2	0	0	0	0	66
White & Black African	15	13	4	1	1	0	0	0	34
White & Asian	6	9	2	1	0	0	0	0	18
Other Mixed Background	15	13	5	0	0	0	0	0	33
Other	75	149	123	46	10	5	0	0	408
Chinese	2	7	2	0	0	0	0	0	11
Unknown	197	128	53	21	7	3	1	0	410
<b>Totals</b>	<b>968</b>	<b>903</b>	<b>426</b>	<b>150</b>	<b>55</b>	<b>24</b>	<b>1</b>	<b>1</b>	<b>2528</b>



15.1.2 Those households from Asian and Black backgrounds tend to require fewer one or two bedroom properties than those households from White backgrounds (72.3%, 70% and 86.7% respectively).

15.1.3 Almost 13% of households from Black backgrounds require a property with 4 or more bedrooms, compared to 8% for those from Asian backgrounds and 3% for White and Mixed backgrounds.

15.1.4 With almost 60% of the housing register made up of households where the main applicant is from a Black or Minority Ethnic group there is no obvious deterrent or barrier to households from BME groups registering for housing need and support.

### **Demand for sheltered housing**

15.1.5 There are currently 333 households eligible and interested in sheltered accommodation in the borough. Of these 115 (34.5%) are in Band D, and 25 (7.5%) are in Band A.

15.1.6 23.5% of those eligible are from BME groups compared to 24.6% in the general population. BME groups are slightly under-represented in terms of demand for sheltered accommodation. 48.3% of all applicants are White British with an additional 13.5% being from White Irish backgrounds.

**Table 26 – Demand for sheltered housing**

Ethnic Breakdown	BAND A	BAND B	BAND C	BAND D	Grand Total
Asian or Asian British: Indian	0	3	3	1	7
Asian or Asian British: other Asian background	0	3	5	3	11
Asian or Asian British: Pakistani	0	0	0	1	1
Black or Black British: African	0	2	4	2	8
Black or Black British: Caribbean	4	3	10	8	25
Black or Black British: Any Other Black Background	0	1	2	0	3
Mixed: Any Other Mixed Background	0	0	1	2	3
Mixed: White and Black Caribbean	1	0	0	0	1
Other Ethnic Origin: Chinese	0	1	0	0	1
Other Ethnic Origin: other groups	0	4	3	4	11
White - Any other White Background	2	3	9	11	25
White British	11	39	55	56	161
White Irish	6	10	17	12	45
Ethnicity Not Stated	1	8	7	15	31
<b>Grand Total</b>	<b>25</b>	<b>77</b>	<b>116</b>	<b>115</b>	<b>333</b>
White backgrounds	19	52	81	79	231
BME groups	5	17	28	21	71
Unknown	1	8	7	15	31
<b>% from BME groups</b>	<b>20.8</b>	<b>24.6</b>	<b>25.7</b>	<b>21.0</b>	<b>23.5</b>

## 15.2 Housing needs of Gypsies and Travellers

- 15.2.1 The SHMA guidance states that the requirements of Gypsies and Travellers be considered alongside other vulnerable or minority groups. The pan London Gypsy and Traveller Accommodation Needs Assessment (GTANA) was published in March 2008.
- 15.2.2 The GTANA considered a range of groups including English Gypsies, Irish Travellers, New Travellers, Travelling Show-people and Eastern European Roma.
- 15.2.3 The GTANA drew on a number of different data sources including secondary data and a literature review, stakeholder consultation with organisations involved with Gypsy and Traveller affairs and a survey of over 800 Gypsies and Travellers living on sites and in housing. The purpose of the study was to determine the how many units of accommodation are needed, whether they are bricks and mortar or pitches, whether they should be privately owned or in the social sector and what the backlog of need might be.
- 15.2.4 Additional need for pitches in the borough is minimal. According to the GTANA, there is no requirement for additional pitches in the borough between 2007 and 2012 (using the minimum approach), with a possible maximum of 5 pitches in the same time period. The report stresses that these figures are not targets but estimates of additional need.

Table 27 – Estimates of the need for residential site pitches 2007-2012

Summary: pitches required 2007 - 2017					
	Base numbers 2007	Minimum need		Maximum need	
		Additional need 2007-12	Additional need 2012-17	Additional need 2007-12	Additional need 2012-17
Unauthorised pitches	0	-	-	-	-
Residential pitches	0	0	0	5	1
Housing (all)	56	17	12	11	12
<i>Housing (not Roma)</i>	22	2	2	-4	2
<i>Housing (Roma)</i>	34	15	10	15	10

Source : London Borough's Gypsy and Traveller Accommodation Needs Assessment (March 2008)

## 15.3 Housing needs of Older People

- 15.3.1 The number of people aged 65 or over living within the borough is expected to increase by over 21% between 2010 and 2030. There will be a 4.7% increase from 2010 to 2015.
- 15.3.2 Like the rest of the country, the largest percentage increases will be in those aged 85 or over (46% to 2030) with the population aged 90 or over doubling.

15.3.3 This is likely to have significant impacts on the social care and housing needs of older people in the borough in the medium and long term. Within the next 5 years there is expected to be a 7% increase in the numbers of older people with dementia, and a 35% increase in the next twenty years.

15.3.4 Within the next 5 years, the number of older people who cannot carry out one routine mobility activity of daily living (such as getting out of the house, walking down the road and getting up and down the stairs) will increase by almost 4% and by over 26% by 2030. The largest increases will be among those people aged 85 or over.

15.3.5 Likewise the numbers of older people aged 65 or over with a limiting long term illness will increase by over 5% in the next 5 years, and by just over 22% in the next 20 years.

**Table 28 – projected increase of older people with specific conditions, disabilities and impairments**

	2010	2015	2020	2025	2030	% change over	
						5 years	20 years
People aged 65-69	4,300	5,000	4,500	5,100	5,800	16.28	34.88
People aged 70-74	4,300	3,700	4,300	3,900	4,500	-13.95	4.65
People aged 75-79	3,300	3,700	3,200	3,700	3,400	12.12	3.03
People aged 80-84	2,500	2,500	2,900	2,600	3,100	0.00	24.00
People aged 85-89	1,700	1,700	1,800	2,100	1,900	0.00	11.76
People aged 90 and over	900	1,200	1,300	1,600	1,900	33.33	111.11
<b>Total population 65 and over</b>	<b>17,000</b>	<b>17,800</b>	<b>18,000</b>	<b>19,000</b>	<b>20,600</b>	<b>4.71</b>	<b>21.18</b>
People aged 65-69 predicted to have dementia	54	62	55	62	71	14.81	31.48
People aged 70-74 predicted to have dementia	120	100	117	106	121	-16.67	0.83
People aged 75-79 predicted to have dementia	194	212	190	218	207	9.28	6.70
People aged 80-84 predicted to have dementia	302	298	349	302	372	-1.32	23.18
People aged 85-89 predicted to have dementia	344	339	356	417	400	-1.45	16.28
People aged 90 and over predicted to have dementia	268	357	385	444	561	33.21	109.33
<b>Total population aged 65 and over predicted to have dementia</b>	<b>1,280</b>	<b>1,368</b>	<b>1,451</b>	<b>1,548</b>	<b>1,732</b>	<b>6.88</b>	<b>35.31</b>
People aged 65-69 unable to manage at least one activity on their own	377	427	385	437	496	13.26	31.56
People aged 70-74 unable to manage at least one activity on their own	584	496	574	522	606	-15.07	3.77
People aged 75-79 unable to manage at least one activity on their own	558	612	555	633	600	9.68	7.53
People aged 80-84 unable to manage at least one activity on their own	615	604	709	615	756	-1.79	22.93
People aged 85 and over unable to manage at least one activity on their own	1,165	1,285	1,355	1,575	1,710	10.30	46.78
<b>Total population aged 65 and over unable to manage at least one activity on their own</b>	<b>3,299</b>	<b>3,424</b>	<b>3,578</b>	<b>3,782</b>	<b>4,168</b>	<b>3.79</b>	<b>26.34</b>
People aged 65-74 with a limiting long-term illness	3,631	3,674	3,716	3,800	4,349	1.18	19.77
People aged 75-84 with a limiting long-term illness	3,099	3,312	3,259	3,366	3,473	6.87	12.07
People aged 85 and over with a limiting long-term illness	1,680	1,874	2,003	2,391	2,456	11.55	46.19
<b>Total population aged 65 and over with a limiting long-term illness</b>	<b>8,410</b>	<b>8,860</b>	<b>8,978</b>	<b>9,557</b>	<b>10,277</b>	<b>5.35</b>	<b>22.20</b>

Source : POPPI, ONS 2010

15.3.6 The average age of those adults and older people who are registered within the borough with a physical disability or sensory impairment has continued to increase over the last 10 years. The average age is now approaching 65 – therefore it is expected that in the medium term that number of older people with a physical disability will increase.

15.3.7 Using data from adult social care and from POPPI it is reasonable to assume that the demand for adapted properties will increase in the medium and long term as life expectancy continues to increase and the numbers of older people living in the borough increases, and the number of those with mobility issues or disabilities rises.

15.3.8 The average age of older people being admitted into permanent long term care has increased over the last decade, with people being supported to live independently in their own homes either by re-ablement services to help people regain their independence or through services provided by the Council.

15.3.9 As part of the work to integrate social services with the local health services, the borough is looking at the provision of nursing care in existing sheltered and extra care sheltered schemes to reduce the admission rate for nursing care and assist older people to remain independent through the provision of early care services designed to reduce the need for long term placements and hospital admissions and through managed care services to allow people with complex conditions to remain in their own home and receive community based services.

#### 15.4 Housing needs of people with physical disabilities

15.4.1 There is projected to be small increases in the numbers of people aged between 18 and 64 with moderate or severe physical disabilities. In the next five years there will be a 1.17% increase in the number with a moderate disability and a 6.5% increase to 2030. There will be a 0.83% increase over 5 years in those with a severe physical disability and a 9.3% increase over the next 20 years.

**Table 29 – projected numbers of adults aged 18-64 with moderate or severe physical disabilities**

	2010	2015	2020	2025	2030	% change over	
						5 years	20 years
People aged 18-24 predicted to have a moderate physical disability	726	726	689	693	746	0.00	2.75
People aged 25-34 predicted to have a moderate physical disability	1,747	1,789	1,844	1,793	1,743	2.40	-0.23
People aged 35-44 predicted to have a moderate physical disability	1,663	1,562	1,523	1,602	1,646	-6.07	-1.02
People aged 45-54 predicted to have a moderate physical disability	1,814	1,950	1,969	1,882	1,882	7.50	3.75
People aged 55-64 predicted to have a moderate physical disability	1,907	1,922	2,131	2,324	2,354	0.79	23.44
<b>Total population aged 18-64 predicted to have a moderate physical disability</b>	<b>7,857</b>	<b>7,949</b>	<b>8,156</b>	<b>8,294</b>	<b>8,372</b>	<b>1.17</b>	<b>6.55</b>
People aged 18-24 predicted to have a serious physical disability	142	142	134	135	146	0.00	2.82
People aged 25-34 predicted to have a serious physical disability	166	170	176	171	166	2.41	0.00
People aged 35-44 predicted to have a serious physical disability	505	474	462	486	500	-6.14	-0.99
People aged 45-54 predicted to have a serious physical disability	505	543	548	524	524	7.52	3.76
People aged 55-64 predicted to have a serious physical disability	742	748	829	905	916	0.81	23.45
<b>Total population aged 18-64 predicted to have a serious physical disability</b>	<b>2,060</b>	<b>2,077</b>	<b>2,150</b>	<b>2,221</b>	<b>2,252</b>	<b>0.83</b>	<b>9.32</b>
<b>Total population aged 18-64 with moderate or serious disabilities</b>	<b>9,917</b>	<b>10,026</b>	<b>10,306</b>	<b>10,515</b>	<b>10,624</b>	<b>1.10</b>	<b>7.13</b>

Source : PANSI

15.4.2 These increasing numbers may lead to increased demand for adapted properties over the medium and long term in the borough.

15.4.3 Data from adult social services shows that across all tenures, there were 335 adults (aged 18 and over who were referred for major adaptations in 2009-10, and 320 in 2008-09. Within the total there were 203 older people referred in 2009-10 and 193 in 2008-09. Both figures show a 5% increase in the referral rate for major adaptations.

## **15.5 Housing needs of people with learning disabilities**

15.5.1 The number of adults with learning disabilities is predicted to increase by 14 per cent between 2001 and 2021, resulting in more than a million people nationally with learning disabilities by 2021 (Emerson and Hatton 2008).<sup>28</sup>

15.5.2 Within Hammersmith and Fulham there are an estimated 500 adults and older people with learning disabilities. On average there are 20 young adults who come through the transition process into adult social services every year.

15.5.3 The life expectancy of adults with learning disabilities is rising rapidly. In the 1930s average life expectancy was estimated to be less than 20 years of age (Holland 2008). Mean life expectancy is now estimated to be 74, 67 and 58 for those with mild, moderate and severe learning disabilities respectively (Bittles et al 2002).<sup>29</sup>

15.5.4 The number of adults with learning disabilities aged over 60 is predicted to increase by 36 per cent between 2001 and 2021.<sup>(30)</sup>

15.5.5 As part of the national indicator set of performance measures used in Local Area Agreements, the accommodation status of adults aged 18 to 64 with learning disabilities was collected. During 2009-10, 69% of adults with learning disabilities were living in “stable” accommodation, compared to 58.4% for London and 61.7% for England as a whole.

15.5.6 This performance measure (NI 145) considers long term placements in residential care not to be “stable” accommodation.

15.5.7 From this performance measure the majority of adults with learning disabilities live in mainstream housing with family or friends. 88 adults with learning disabilities are tenants in social housing (either with the local authority or other registered social landlords). At the time of the ASC-CAR (Adult Social Care Combined Activity Return), there were 12 adults with learning disabilities living in temporary accommodation.

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<sup>28</sup> Royal College of Nursing  
([http://www.rcn.org.uk/development/practice/social\\_inclusion/learning\\_disabilities](http://www.rcn.org.uk/development/practice/social_inclusion/learning_disabilities))

<sup>29</sup> Royal College of Nursing

<sup>30</sup> Foundation for people with learning disabilities

## 15.6 Housing needs of people with mental health problems

15.6.1 Table 30 below shows the likely increases in the numbers of adults with common mental health disorders living within LBHF. There are minimal changes expected over the 5 year period.

**Table 30 – projected increases in the numbers of adults with common mental health problems.**

	2010	2015	2020	2025	2030	% change over	
						5 year	20 year
People aged 18-64 predicted to have a common mental disorder	19,375	19,540	19,733	19,835	20,028	0.85	3.37
People aged 18-64 predicted to have a borderline personality disorder	541	546	552	554	560	0.92	3.51
People aged 18-64 predicted to have an antisocial personality disorder	424	424	428	431	435	0.00	2.59
People aged 18-64 predicted to have psychotic disorder	481	486	490	493	498	1.04	3.53
People aged 18-64 predicted to have two or more psychiatric disorders	8,674	8,735	8,821	8,870	8,957	0.70	3.26

Source : PANSI

15.6.2 As part of the former national indicator set of performance measures used in Local Area Agreements, the accommodation status of adults aged 18 to 64 with mental health problems was collected. During 2009-10, 74.5% of adults with mental health problems were living in “stable” accommodation, compared to 66.2% for London and 60.8% for England as a whole.

15.6.3 This performance measure (NI 149) considers long term placements in residential care not to be “stable” accommodation.

15.6.4 Local data for 2009-10 shows that there were 53 adults with mental health problems in contact with secondary mental health problems, with 18 placed in temporary accommodation.

## 16 Conclusions

16.1 In considering the mix of tenure that is appropriate for additional dwellings to be built in the borough the Council needs to have regard to this assessment of the housing market, including housing need, and how this can be met.

16.2 The analysis of income and housing costs above highlights a severe lack of affordable market housing in H&F coupled with a probable reduction in owner occupation. This demonstrates a need to increase the supply of intermediate affordable housing. Even if all the 40% affordable housing target (almost 3000 dwellings by 2021/22) is intermediate housing, this will still only increase the intermediate housing stock to about 4,800 dwellings or about 5.5% of the total dwelling stock.

16.3 As house prices and market rents are so high in H&F, intermediate housing needs to be affordable to a broad range of incomes. The income range of households that cannot afford market housing in H&F is £19,900 to £79,400 for households that require 4 or more bedrooms(19). The council will

encourage the provision of a variety of intermediate housing products that will assist people who cannot afford market housing to buy or rent (e.g. shared ownership, equity share, discounted market sale or rent). The provision and affordability of such housing will be taken into account in considering the appropriate proportion of affordable housing on individual sites.

- 16.4 An increase in the supply of intermediate housing and the introduction of social “homebuy” and similar schemes will assist in releasing more of the existing stock of social rented housing for households in need of that type of affordable housing. The council also wants some social rented housing to be provided in ways that enable tenants to be offered some form of equity stake or savings incentive scheme so that they have the opportunity to move into home ownership if their income increases.
- 16.5 The Council will seek new social rented housing where this will enable the regeneration of existing estates and the provision of better accommodation (e.g. quality, dwelling size and conditions) for social rented tenants; and where it is possible to achieve a better mix of tenure and a more mixed and balanced community in the area. The policies for regeneration areas set out details where applicable.
- 16.6 The Council considers that it should be possible to meet newly arising need without increasing the overall amount of social rented housing in the borough. In view of this, the overall net increase in affordable housing in the borough should be intermediate housing but there should be no net decrease in social rented housing. However, the Council will monitor social rented housing supply options to ensure there is sufficient provision to meet need and will seek additional social rented housing where necessary.
- 16.7 Where new social rented is provided the Council will require a mix of dwelling sizes that helps to achieve a better match to household needs. Currently there are over 2,300 overcrowded households in the borough and there are also households that are under occupying their housing; just over 120 households are registered with the council wanting to move into smaller accommodation. There are likely to be other households who have not registered with the council but who may like to move from larger dwellings, if there is alternative housing that would meet their needs.