Chapter 6 The need for new housing

Key points

- This chapter examines the overall requirement for housing up to 2031, and the need for affordable housing. Concerning the overall requirement:
    - Projected household growth from 2011-2031 under the GLA Central Trend household projection is just over 129,000 in South East London.
    - In 2013 there were approximate 11,900 concealed and homeless households to be added to this.
    - Allowing for a vacancy rate of 1.8% (the South East London-wide rate for 2013) leads to a total housing requirement during the 2011-2031 period of about 143,800 dwellings or just under **7,200 per annum.**
- In terms of the breakdown of future dwelling requirements by size, high levels of under-occupancy and changes in future household composition point to a need for more small private sector dwellings (with 1-2 bedrooms). Under-occupation in the private sector arises from consumer preferences for higher occupancy levels, but the current occupancy patterns may reflect restricted choice or historic trends. In the future, the high costs of housing may bring pressure to bear on many households to accept tighter occupancy standards even in the private sector.
- Estimates of the need for affordable housing are derived from a separate official methodology. The calculation involves adding the current unmet housing need ('backlog') and projected future housing need and then subtracting the current supply of affordable housing stock from this. The current unmet need for affordable housing in South East London, is estimated to be circa 55,500. It is made up of overcrowded households (42,650), concealed households (9,150) and homeless households currently housed in temporary accommodation (3,700). We assume that this backlog will be addressed over 20 years (as does the GLA SHMA).
- The next component of affordable housing need concerns newly forming households. Based on the GLA "Central" household projection, there will be approximately 12,700 newly forming households per annum over the next 20 years. Based on price and income information, near 60% of these households (circa 7,600) cannot afford open market housing. Around 1,300 existing households are also expected to "fall into need of affordable housing" each year. Together, the final estimate for newly arising need for affordable housing is **8,900** households per annum.
- Around 20,300 social sector homes are occupied by households in backlog need. Based on social housing re-lets and intermediate sector re-sales the total annual supply is calculated to be close to 5,600 units per annum. The components of the model are brought together to generate a final estimate of net annual need: close to **5,000**. This is 70% of the total requirement (7,200). The process of calculation is shown here (figures may not add exactly because of rounding):

Existing need	A: Backlog need	55,462
	B: Affordable stock available	20,258
	C: Net current need (A-B)	35,204
	D: Backlog reduction period	20
	E: Annual backlog quota (C/D)	1,760
New need	F: Newly forming households	12,663
	G: % unable to afford market	60%
	H: Newly forming households in need (F*G)	7,583
	I: Existing households falling into need	1,284
	J: Annual newly arising need (H+I)	8,867
Final steps	K: Gross annual need (E+J)	10,627
	L: Annual supply	5,610
	M: Net annual need (K-L)	5,017

- At borough level estimates for net annual affordable housing need are: 837 in Bexley, 1,404 in Bromley, 835 in Greenwich, 1,144 in Lewisham and 799 in Southwark. The model also indicates the tenure and size mix needed across the sub region.

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,785	6,112	10,746	14,085	19,734	55,462
	B: Affordable stock available	779	1,724	3,627	4,620	9,508	20,258
	C: Net current need (A-B)	4,006	4,388	7,119	9,465	10,226	35,204
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	200	219	356	473	511	1,760
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing hh falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,867
Final steps	K: Gross annual need (E+J)	1,348	1,953	1,865	2,717	2,743	10,627
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	837	1,404	835	1,144	799	5,017

- The SHMA is also required to provide evidence about the size and tenure breakdown of affordable housing need. The household profile of those in need is translated into demand for various sized homes by applying the bedroom standard. An affordability test applied to these households results in a distinction between those that require the social and affordable rented tenure and those that can afford intermediate housing but not open market housing. These figures are then compared to the annual supply of affordable housing which is also broken down by size and tenure. This results in the balance between demand and supply by size and tenure.

		1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings	All dwellings
Social and affordable rent	Gross annual need	2,709	2,975	1,744	586	8,014
	Annual supply	2,986	1,822	590	92	5,491
	Net annual need	(278)	1,152	1,154	494	2,523
Intermediate sector	Gross annual need	633	1,062	665	253	2,613
	Annual supply	40	67	12	-	119
	Net annual need	593	996	653	253	2,495
Total	Gross annual need	3,341	4,037	2,409	839	10,627
	Annual supply	3,027	1,889	602	92	5,610
	Net annual need	315	2,148	1,808	747	5,017

Introduction

6.1 This chapter looks firstly at the overall amount of new housing required to meet future demand, as determined by reference to key market drivers such as demographic or economic change. It is derived by estimating household numbers at the end of the plan period and deducting from this the current dwelling supply, including provision for any current shortage of housing or households not in self-contained housing, and making an allowance for vacancies in the dwelling stock to facilitate household movement between dwellings. The second part of the chapter focuses specifically on the need for affordable housing for those with insufficient means to meet their needs on the open market[1]. This concerns both current households whose housing falls short of meeting certain accommodation standards (or who do not have housing at all) and households that form each year. "Overall housing

[1] Under the previous Strategic Housing Market Assessment Practice Guidance (DCLG, August 2007) the term "housing need" referred only to the need for affordable housing while "housing demand" was used to denote open market housing requirements. This distinction has been discontinued under the new guidance "Housing and economic development needs assessments" (March 2014). In the new guidance the term "housing need" covers all housing requirements across every sector.

need" and "affordable housing need" are different concepts and different approaches to estimation are specified in the official guidance. The chapter concludes by comparing these two aspects, discussing their relationship and setting out implications for housing and planning policy responses.

The overall requirement for new housing

6.2 GLA population and household projections, described in Chapter 5, provide three alternative scenarios of future household growth, based in the main on variations made in assumptions on future migration into and out from South East London. Alternative Interim ONS Population Projections were felt likely to be less accurate but they are shown below for comparative purposes in the table below.

Table 6.1 South East London: projected household growth 2011-2031

			GLA Trend Projection 2013 Round			CLG
			Low	Central	High	Interim*
Households	Number	2011	562,894	562,894	562,894	562,892
		2021	629,104	633,689	638,296	608,786
		2031	677,048	692,180	707,606	654,137
	2011-2021	Increase	66,210	70,795	75,403	45,894
		Ave pa	6,621	7,080	7,540	4,589
		% increase	11.8	12.6	13.4	8.2
	2011-2031	Increase	114,154	129,286	144,712	NA
		Ave pa	5,708	6,464	7,236	NA
		% increase	20.3	23.0	25.7	NA

Sources: GLA, ONS, CLG (*2011-based)

6.3 Table 6.1 summarises projected levels of household change under the three GLA scenarios, showing total projected household change over the 2011-2021 and 2011-2031 periods, together with annual average change and the percentage increase in each case. This SHMA is primarily concerned with the 2011-2031 period, but as the table shows, projected rates of growth in the first ten years are somewhat higher than those over the whole projection period. The Central projection indicates that the number of households in South East London will grow by just under 6,500 per annum.

6.4 Table 6.2 below breaks this data down by borough. Relative to the number of households in 2011 in each borough, the level of household growth is highest in Greenwich, followed by Lewisham, Southwark, Bexley and Bromley.

6.5 In addition, households which currently exist but which do not have a separate dwelling must be added to net new household formation, as additional supply will be required to house these households. There are two groups of households in this situation, both of which are identified in Chapter 4 of this report. First there are concealed households currently sharing the accommodation of another household, which is estimated to be 10,330 in South East London. Second there are homeless households currently housed in certain types of temporary accommodation: bed-and-breakfast accommodation, hostels, women's refuges and the like. There are 1,577 of these households. The remaining households in temporary accommodation are occupying self-contained dwelling stock and therefore do not add towards future requirement. Overcrowded and under-occupied households and other households living in unsuitable accommodation are similarly not counted as they already occupy houses and thus do not require provision of an additional dwelling to meet their needs.

6.6 An allowance must also be made for vacant dwellings within the new dwelling stock. Although the current dwelling stock includes vacancies, there will also be a need for vacant dwellings to allow for movement within the additional dwellings to be added to the stock over the next 20 years. Frequently this is assumed to be equivalent to 3% of net new household formation. In South East London however, vacancy rates are low, even in the private sector, probably reflecting the high pressure of housing demand in the area. Vacancy rates in 2013 have therefore been utilised. Across South East London as a whole the vacancy rate across all tenures was 1.81%, with borough rates ranging from 1.33% in Bexley to 2.12% in Southwark.

Table 6.2 Overall housing requirements by borough and demographic scenario

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Net household growth 2011-2031	Low	15,501	20,521	25,013	26,947	26,172	114,154
	Central	*17,865*	*23,813*	*27,798*	*30,222*	*29,588*	*129,286*
	High	20,276	27,167	30,637	33,559	33,073	144,712
Concealed		1,643	1,614	2,597	2,146	2,331	10,330
Homeless		180	418	139	515	325	1,577
Net additional households requiring housing 2011-2031	Low	17,324	22,553	27,749	29,608	28,828	126,061
	Central	*19,688*	*25,845*	*30,534*	*32,883*	*32,244*	*141,193*
	High	22,099	29,199	33,373	36,220	35,729	156,619
Vacancy rate		1.33	1.95	1.96	1.57	2.12	1.81
Net additional dwelling requirement allowing for vacancies 2011-2031	Low	17,554	22,993	28,293	30,072	29,439	128,351
	Central	*19,950*	*26,349*	*31,133*	*33,399*	*32,927*	*143,758*
	High	22,393	29,768	34,027	36,788	36,486	159,463
Net additional dwelling requirement per annum allowing for vacancies	Low	878	1,150	1,415	1,504	1,472	6,418
	Central	*997*	*1,317*	*1,557*	*1,670*	*1,646*	*7,188*
	High	1,120	1,488	1,701	1,839	1,824	7,973

Sources: GLA 2013 Round Household Projections, DCLG Interim 2011-based Household Projections.

6.7 Overall, as a result of these adjustments, future housing requirements across South East London range from just over 128,000 (approximately 6,400 dwellings per annum from 2011-2031) to just over 159,000 (8,000 per annum) with the total based on the Central household forecast being **143,758** which works out to be just under **7,200 dwellings per annum**. If it is anticipated that there will be significant levels of demolition in the dwelling stock, an addition also needs to be made to the required supply to allow for the net loss. At present no adjustment for demolitions is included.

Comparison with existing targets

6.8 The original London Plan 2011 (since updated by the 'Revised Early Minor Alterations' version 2013) set out housing targets for London Boroughs as shown in Table 6.3 below[2]. Revised targets have been proposed in Draft Further Alterations to the London Plan January 2014 (FALP). For South East London as a whole, 2011 London Plan and FALP targets roughly match the housing requirements estimated above based on the lower and higher population growth scenarios respectively. Though targets and requirements appear roughly equivalent at sub-regional level, the differences at Borough level are considerable, with targets for Bexley, Bromley and Lewisham considerably below assessed requirements and those for Greenwich and Southwark above assessed requirements.

Table 6.3 Comparison of housing requirements by borough with London Plan targets and proposed new targets

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Net additional dwelling requirement per annum allowing for vacancies	Low	878	1,150	1,415	1,504	1,472	6,418
	Central	*997*	*1,317*	*1,557*	*1,670*	*1,646*	*7,188*
	High	1,120	1,488	1,701	1,839	1,824	7,973
2011 LP		335	500	2,595	1,105	2,005	6,540
2014 FALP consultation		446	641	2,685	1,385	2,736	7,893
Change between annualised 2011 and proposed 2014 targets		33%	28%	4%	25%	37%	21%

Sources: GLA, 2011 London Plan, FALP 2014

[2] The 2013 Revised Early Minor Alterations to the 2011 London Plan did not contain any significant changes relating to housing, and did not change the housing targets. Hence, for the sake of simplicity, we refer to the original 2011 version when comparing the targets their compared to the new ones in the 2014 Further Alterations to the London Plan documentation.

Completions, pipeline supply and capacity

6.9 Net additions to the dwelling stock since 2011 will have an impact on the requirements shown in Table 6.2 above. Based on Authority Monitoring Report data for the years 2011-12 and 2012-13 and other local sources, Table 6.4 shows net additions to stock for 2011-13 and the impact on overall and average annual dwelling requirements. Additions over this period have been below the rates needed to meet requirements both overall and in each borough, so the future required annual rate of additions to the stock has increased. Against 2011 London Plan targets however, the shortfall is less, and in Bexley, Bromley and Lewisham average net annual additions in 2011-12 and 2012-13 have exceeded the 2011 London Plan target.

Table 6.4 Comparison of completions with housing requirements by borough

		Bexley	Bromley	Greenwich	Lewisham	Southwark	South East London
Estimated supply 2011/12 - 2012/13		1,103	1,047	2,163	2,993	2,337	9,643
Net additional requirement less supply above	Low	16,451	21,946	26,130	27,079	27,102	118,708
	Central	18,847	25,302	28,970	30,406	30,590	134,115
	High	21,290	28,721	31,864	33,795	34,149	149,820
Requirement per annum 2013-2031	Low	914	1,219	1,452	1,504	1,506	6,595
	Central	1,047	1,406	1,609	1,689	1,699	7,451
	High	1,183	1,596	1,770	1,878	1,897	8,323

Sources: Local Authority Monitoring Reports 2011-12 and 2012-13; local reports on Five Year Land Supply, and CLG Live Table 123.

6.10 Table 6.5 shows housing requirements against projected supply over the 2013-2031 period based on data from the 2013 GLA Strategic Housing Land Availability Assessment (SHLAA) and local authority housing trajectory estimates. For the period 2013-15, supply is derived from local trajectory data or other local sources where this was not available. For 2015-2025, supply is derived from the GLA SHLAA. For 2025-31, the SHLAA 2015-2025 estimates have been projected forward on a pro rata basis.

Table 6.5 Comparison of housing requirements and Greater London Plan targets with GLA SHLAA 2013 capacity

		Bexley	Bromley	Green-wich	Lewis-ham	South-wark	SE London
Net additional requirement p.a. less net supply 2011-13	Low	914	1,219	1,452	1,504	1,506	6,595
	Central	1,047	1,406	1,609	1,689	1,699	7,451
	High	1,183	1,596	1,770	1,878	1,897	8,323
Projected supply 2013-15 (AMR)		939	988	6,189	2,533	4,279	14,928
Proj. supply 2015-25 (GLA SHLAA)		4,457	6,413	26,850	13,847	27,362	78,929
Projected supply 2025-31		2,674	3,848	16,110	8,308	16,417	47,357
Net additional requirement 2013-25, less projected supply	Low	5,571	7,229	-15,619	1,673	-13,573	-14,718
	Central	7,168	9,467	-13,726	3,891	-11,247	-4,448
	High	8,797	11,746	-11,796	6,150	-8,875	6,023
Net additional requirement 2013-31, less projected supply	Low	8,381	10,696	-23,019	2,391	-20,956	-22,506
	Central	10,777	14,053	-20,179	5,718	-17,468	-7,100
	High	13,220	17,472	-17,285	9,107	-13,909	8,606

Sources: 2013 GLA SHLAA Appendix 1 page 109, Local Authority Monitoring Reports 2011-12 and 2012-13; local reports on Five Year Land Supply, and DCLG Live Table 123, and Table 7.4.

6.11 Based on these calculations, projected supply levels across South East London as a whole are sufficient to cope with overall housing requirements under both the Low and Central Trend forecasts up to both 2025 and 2031 (a surplus of sites is indicated in the table by a negative figure). However this is largely a result of the high level of identified supply from large sites in Southwark and Greenwich. Taken individually Bexley, Bromley and Lewisham do not have sufficient capacity to meet the requirement under any of the three household growth scenarios. However, if capacity is compared to London Plan targets (up to 2025), the picture changes. Bexley, Bromley and Lewisham have sufficient capacity to meet their (lower) targets whilst Greenwich falls short of its higher target. Southwark has sufficient capacity to meet the requirements under all of the growth scenarios. Please note that assessed capacity does not necessarily provide a forecast of what will actually be delivered – there are many external factors that can hinder (or expedite) delivery.

6.12 The levels of need assessed in this SHMA for South East London as a whole are of the same order as current and proposed GLA targets, although the proposed targets are at the upper end of the assessed need spectrum. Overall, South East London can meet its projected household growth and backlog needs, but not within individual borough boundaries. In particular, Bexley, Bromley and Lewisham have identified insufficient land supply to meet projected needs.

Dwelling size, type and tenure requirements

6.13 The National Planning Policy Framework (NPPF), supported by official guidance, indicates that a SHMA should estimate the size, type and tenure requirements for new housing provision. If actual 2011 occupancy levels within the housing stock in South East London are compared to a measure such as the bedroom standard, it is clear that the existing stock is significantly under-occupied. Across South East London as a whole, 33% of households occupied their housing at the bedroom standard level. 7% were overcrowded and in theory at least could be accommodated within the under-occupied stock. The remaining 60% of households were living in dwellings too large for their needs as assessed against the standard. If a better fit with the bedroom standard were to be achieved in South East London there would be an overwhelming requirement for smaller dwellings.

6.14 However this approach is impractical, mainly because the bedroom standard plays no part in determining occupancy rates in the private sector, where occupancy levels are instead determined by the market. Households can consume the amount of space which they are willing and able to pay for, especially in the private sector. Options to address occupancy rates in the social / affordable sector are considered in section 6.39.

6.15 This might suggest that existing patterns of occupancy in the private sector should be assumed going forward, as in the recent GLA SHMA[3]. However cost concerns play an important part in influencing household space consumption decisions, especially in London where affordability is severely constrained. Some households do adjust their consumption, for example through the process of trading down by households which have contracted in size. Over a longer time-scale, the market has also adjusted the housing stock in London to create smaller units in response to cost pressures, for example through the conversion of single family houses into flats. Further pressures for adjustments of the existing housing stock of this kind must be expected in London, given the intensification of demand and resultant squeeze on affordability.

6.16 Changes in the projected composition of household types also provide an indication of the required dwelling size mix. Table 6.6 shows the breakdown of bedroom requirements in 2011 and 2031 compared to actual housing stock in 2011. This calculation is based to the following:

- One person and couple households are assumed to require one bedroom and couples/single parents with one child two bedrooms.
- Each additional child is assumed to require one bedroom up to a maximum of four bedrooms for the whole household.
- Other adults in couple households are assumed to require one bedroom.
- Multi-adult households are assumed to require three bedrooms.

[3] See for example para 6.10, *The 2013 London Strategic Housing Market Assessment*, GLA 2014

Table 6.6 Actual housing stock and projected bedroom requirements 2011-2031

		% requiring each number of bedrooms			
		1	2	3	4
Bexley	2011 actual	10.2	26.6	45.7	17.6
	2011 projected	51.1	20.2	23.2	5.6
	2031 projected	44.6	23.3	25.5	6.5
Bromley	2011 actual	13.1	26.4	37.5	23.0
	2011 projected	56.1	18.5	20.8	4.6
	2031 projected	53.3	21.7	20.4	4.6
Greenwich	2011 actual	18.9	32.8	36.5	11.8
	2011 projected	49.3	18.1	26.2	6.3
	2031 projected	43.9	20.7	28.6	6.8
Lewisham	2011 actual	24.0	34.4	30.3	11.3
	2011 projected	49.9	17.5	27.4	5.3
	2031 projected	48.5	17.9	28.8	4.8
Southwark	2011 actual	29.3	37.0	22.8	10.9
	2011 projected	49.9	15.5	29.1	5.5
	2031 projected	48.4	15.4	31.6	4.6
South East London	2011 actual	19.4	31.5	34.0	15.1
	2011 projected	51.4	17.9	25.3	5.4
	2031 projected	48.1	19.6	27.0	5.4
Greater London	2011 actual	21.7	31.7	31.5	15.1
	2011 projected	50.0	17.5	26.6	6.0
	2031 projected	45.6	19.9	28.2	6.2

Source: GLA 2013 Round Central Trend Household projections, ONS 2011 Census Table QS411EW, with assumptions as indicated in text.

6.17 Based on these assumptions there was apparently a very substantial under-supply of one-bedroomed dwellings and an over-supply of all other dwelling sizes across South East London as a whole and in all boroughs in 2011, reflecting under-occupancy levels as described above. Looking at changing requirements over the period 2011-2031 for South East London as a whole, the requirement for one-bedroom units will decline as a result of a projected fall in the proportion of single person households and couples. The requirement for two and three bedrooms is projected to increase slightly, whilst the requirement for four or more bedrooms will remain more or less static. Overall, Table 6.6 confirms a clear requirement for smaller homes if occupancy levels are assessed against a standard similar to the bedroom standard.

6.18 The mix of dwellings by type in South East London reflects a variety of factors. Overall, the proportion of flats is high by national standards but compared to London as a whole there are currently more houses (especially semi-detached houses). Between 2001 and 2011 there was an increase of three percentage points in the proportion of purpose built flats, a small decline in the proportion of terraced houses, and a small increase in the proportion of converted flats. Rather than household preferences, these changes are likely to reflect the intensity of demand for housing in London and high land values which is likely to continue over the period up to 2031.

Affordable housing need

6.19 So far this chapter has dealt with the overall requirement for new dwellings across all tenures. The rest of this chapter concerns only the requirement for affordable dwellings. Government guidance issued in March 2014[4] sets out how the need for affordable housing is to be calculated. The calculation involves adding together the current unmet need for affordable housing and the projected future need for affordable housing and then subtracting this from the current supply of affordable housing stock.

[4] *Housing and economic development needs assessments*, National Planning Policy Framework: Planning Practice Guidance, DCLG March 2014

The main components and outputs of the calculation are set out here while a more detailed account of the approach is provided as an appendix to this report.

"Backlog" need

6.20 The first stage of the calculation of affordable housing need concerns the current unmet need (i.e. "backlog."). In line with the guidance the following types of households are considered to be in affordable housing need:

- homeless households or insecure tenure (e.g. housing that is too expensive compared to disposable income);
- households where there is a mismatch between the housing needed and the actual dwelling (e.g. overcrowded households);
- households containing people with social or physical impairment or other specific needs living in unsuitable dwellings (e.g. accessed via steps) which cannot be made suitable in-situ
- households that lack basic facilities (e.g. a bathroom or kitchen) and those subject to major disrepair or that are unfit for habitation;
- households containing people with particular social needs (e.g. escaping harassment) which cannot be resolved except through a move.

6.21 Sources providing output at local authority and/or sub-regional level are not available for many of the above categories, necessitating the partial use of regional sources in some cases. Furthermore it is reasonable to expect there to be a considerable degree of overlap between some of the categories – for example households that are both overcrowded and in housing that is too expensive for them. To reduce the possibility of double-counting a conservative approach, one erring on the side of caution, has been taken in arriving at an estimate of backlog need for affordable housing in South East London.

6.22 Concealed households include "couples, people with children or single adults over 25 years of age sharing a kitchen, bathroom or WC with another household"[5]. They concern households that are sharing the accommodation of another household out of necessity rather than out of choice, with the underlying assumption being that they do not have their own independent accommodation because, in the main, they cannot afford it. As described in Chapter 4 data from the 2011 Census, the English Housing Survey and work done by the GLA for the London-wide SHMA leads to an estimate of concealed households in South East London: approximately 10,300. However calculations by the GLA indicate that some of these households could afford housing on the open market. When these are subtracted just over **9,100 concealed households** in South East London are estimated to be in need of affordable housing.

6.23 Evidence of overcrowding in South East London from the 2011 Census was presented in Chapter 4: there are just over 53,000 overcrowded households, 83% of which were one bedroom short of the bedroom standard and the remaining 17% two or more bedrooms short. However evidence from the English Housing Survey points to an overlap between this group and concealed households – if concealed households were to be provided with their own home then some of the remaining households would no longer be overcrowded. The survey data also indicates that some overcrowded households are likely to have sufficient income to rectify their situation in the open market should they choose to do so. Following adjustment for these two factors an estimate is arrived at concerning the number of **overcrowded households** in South East London in need of affordable housing: just over **42,600**.

6.24 According to the latest available local authority administrative data on homelessness for the South East London boroughs (end of year 2013) there were a total of **3,689 homeless households** housed in temporary accommodation across the sub-region. All of these households are considered to be in need of affordable housing. In paragraph 6.5 above it was noted that only 1,577 homeless households in temporary accommodation in South East London contribute to overall need for new

[5] *Strategic Housing Market Assessments Practice Guidance Version 2*, DCLG, August 2007, p. 44.

housing. This is because 2,112 of the 3,689 households are already occupying self-contained dwelling stock either in the private or social sector.

6.25 There are no secondary data sources providing a clear picture of other categories of need at the local or sub-regional level. English Housing Survey data analysed by the GLA as part of the London-wide SHMA estimated just over 20,000 London households in various categories including sharers, accommodated in homes lacking basic facilities, non-homeless households in non-self-contained accommodation and households suffering from harassment. Given that there is no way of apportioning these households across the boroughs of South East London these households have been excluded from the estimate of current unmet gross need for affordable housing. The figures shown in the table below are therefore considered to be a conservative estimate.

Table 6.7 Current unmet gross need for affordable housing in South East London

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Concealed	1,455	1,429	2,300	1,900	2,064	9,147
Overcrowded	2,830	3,877	8,198	10,814	16,909	42,628
Homeless	501	806	249	1,372	761	3,689
Total	4,785	6,112	10,747	14,086	19,734	55,464

Source: Cobweb Consulting based on data from Census 2011, English Housing Survey 2010-2012, GLA SHMA (2013) and SELHP Administrative data (final quarter 2013).

6.26 Gross backlog need for affordable housing in South East London is estimated to be just under **55,500**. Some of these households are already occupying affordable housing units. With regard to overcrowded households and homeless households in temporary accommodation the resolution of their needs would in effect free up their current home for re-use and therefore would not require any additional affordable supply. The number of these households is estimated using the available data: Census 2011 on overcrowded households and administrative data on homeless households in temporary accommodation. The affordable supply that would become available if existing social / affordable sector tenants were to have their needs met totals **20,258** in South East London. This is equivalent to 37% of the total backlog.

Newly arising need

6.27 The next component of affordable housing need concerns newly forming households each year that are unable to afford access to market housing. Household projections supplied by the GLA are used: specifically the Central trend projection. The total number of newly forming households in SE London is estimated to be just under **12,700** per annum.

6.28 Next an affordability test is applied to these households. In line with the Guidance the market entry price level is deemed to be the lower quartile price of either renting or buying on the open market, whichever is the cheaper. Market entry prices were shown in Chapter 4, although the model takes account of price variations between boroughs. The calculation also takes account of the differing income profile and demand for different sized units of each household type. Further details of the affordability calculation are described in the appendix to this report but one key assumption is worth noting here: housing is considered unaffordable to a household if it needs to spend more than one-third of its gross income (33.3%) to access it. Later in this Chapter and in the appendices the implications of varying this key assumption are examined. Following the application of the affordability test 5,080 (40%) of the newly forming households are estimated to be able to afford open market housing and the remaining **7,583** are not. This second group of households is deemed to be in need of affordable housing and/or assistance of one kind or another.

6.29 A second component of newly arising need concerns existing households who “fall into need” each year. The Ministry of Justice data on mortgage possessions has been chosen as a proxy estimate for existing households falling into need: **1,284** households per annum in South East London. This number is added to the number of newly forming households in need to arrive at a total figure for annual newly arising need for affordable housing: **8,868**.

Table 6.8 Total newly arising affordable housing need (gross per year)

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
% unable to afford in open market	49%	57%	53%	64%	71%	60%
Number unable to afford	894	1,508	1,238	1,923	2,020	7,583
Existing h.holds falling into need	254	226	271	321	212	1,284
Total newly arising affordable need	1,148	1,734	1,509	2,244	2,232	8,868

Affordable supply

6.30 The next stage of the calculation of affordable housing need concerns the total affordable stock available. Firstly there are the social sector dwellings currently occupied by households in need as set out in paragraph 6.26 above: **20,258**. To this is added surplus stock (the number of affordable properties that can be normally expected to be vacant at any one time). It is generally considered that approximately 3% vacant stock is a necessary feature of a normal functioning market as these voids are required to facilitate household movements, renovations and the like. As shown in Chapter 3 the percentage of empty social sector properties is below 3% in all boroughs except for Bexley. However the high figure in Bexley is due to regeneration activities – these empty homes are scheduled for demolition and therefore cannot be counted among the available supply. In conclusion, this component of affordable housing supply is considered to be zero. In other words there is no "spare capacity" from empty properties to meet affordable housing need.

6.31 A further step could involve committed additional housing stock i.e. homes that are certain to be built at the point of assessment. The decision was made to omit this from the calculation because to do so would confuse the "snap shot" picture of housing need we are endeavouring to present (this rationale is further explained in the technical appendix). This step could also involve subtracting the number of units to be taken out of management. These are social sector homes that are currently occupied by households in need of affordable housing but which are due to be demolished. No homes have been confirmed as being in this category, so again no adjustment is made at this stage. The estimate of total current affordable housing supply available remains **20,258**.

6.32 The next component of supply is called "future housing supply" and consists of an annual estimate of future annual supply of social / affordable housing re-lets, calculated on the basis of past trends - an average of the past three years is advised. It concerns the expected turnover of existing stock and excludes new build lettings. It is also limited to re-lets to new tenants and excludes transfer lettings. Social rent and affordable rent are treated together and longer-term supported housing lettings are also included. For the most part this supply consists of General Needs lettings but a half of supported housing lettings are also included due to the fact that many of these units are being let to the very households in need (both "backlog" and "newly arising") estimated above. Not all units are included because a significant proportion are let on a temporary basis or are units reserved for older people and/or specific vulnerable groups. CORE is the data source used for these estimates, with the exception of Greenwich Council stock lettings data which was supplied by the borough itself.

6.33 A second component of future housing supply is the supply of intermediate affordable housing. Again it concerns the number of homes that come up for re-let or re-sale and as such excludes new build properties. It is also an estimate based on an average from the past three years. Data from the South East London Housing Partnership has been used for this estimate. The two parts are then added together, as shown in the next table.

Table 6.9 Future annual supply of affordable homes

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social/affordable re-lets	498	530	1,003	1,555	1,906	5,491
Intermediate re-lets/re-sales	14	20	28	18	39	119

Total annual supply	512	549	1,031	1,573	1,945	5,610

Sources: CORE, SELHP and Royal Borough of Greenwich; average of annual figures for 2010-11,2011-12 and 2012-13

Finalising the calculation

6.34 At this stage of the calculation the various components are brought together to arrive at an estimate for net annual need for affordable housing. This is done in a number of steps, briefly:

1. Total affordable stock available is subtracted from current unmet gross need ("backlog") to calculate net current need;
2. Net current need is converted into an annual flow by dividing it by a backlog reduction period, generating a so-called annual backlog reduction quota. A 20 year period is assumed in keeping with the period used by the GLA for the London-wide SHMA 2013;
3. This quota is then added to total newly arising need, with the sum termed "gross annual need";
4. Future housing supply is then subtracted from gross annual need resulting in a final figure for "net annual need."

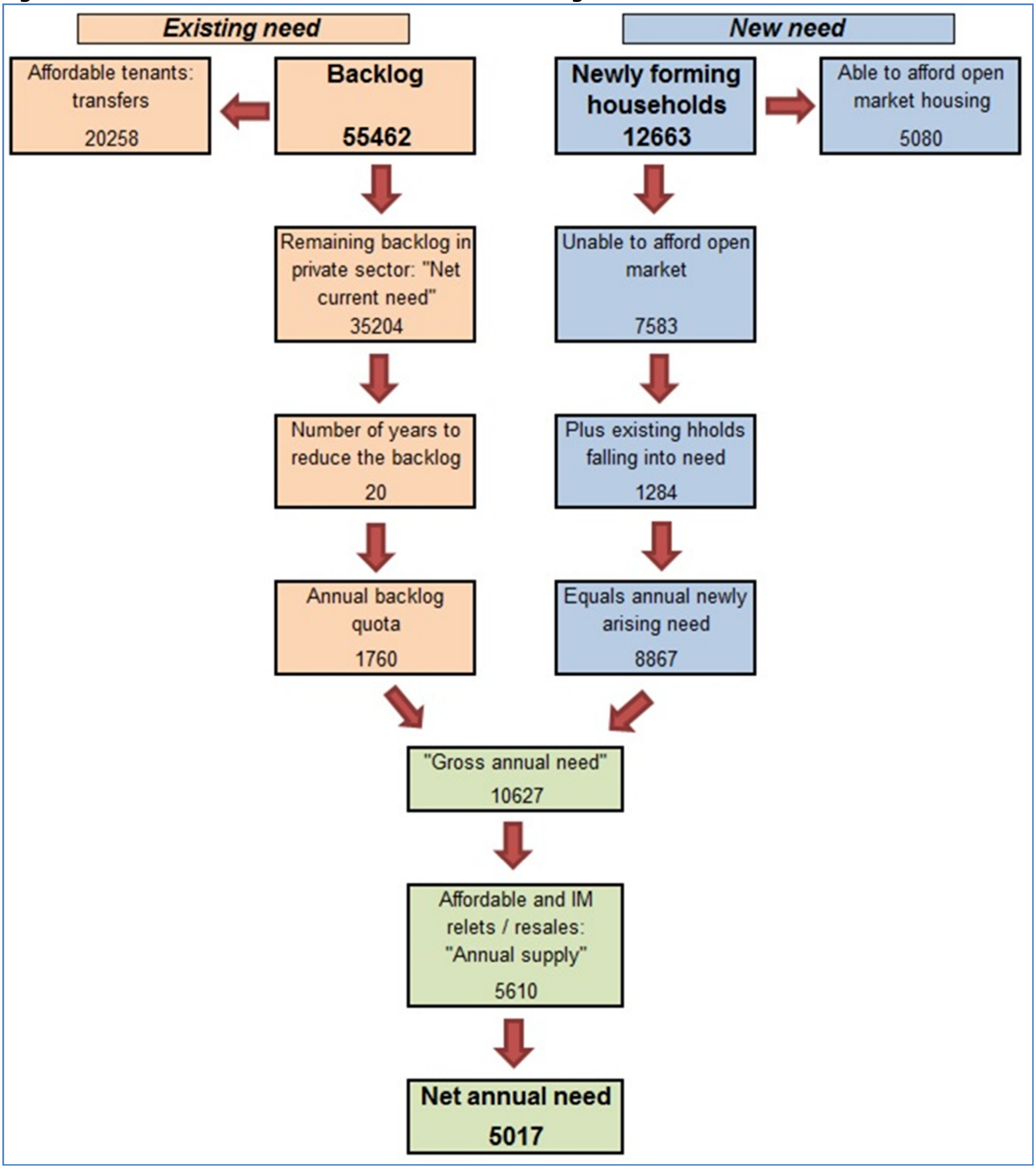
6.35 This results in an estimate for the net annual need for affordable housing in South East London: **5,017**. All components of the calculation for each of the five boroughs of South East London are shown in the next table. Net annual need ranges between 799 in Southwark and 1,144 in Lewisham. While Southwark has the largest backlog and the largest gross annual need it also has the highest annual supply.

Table 6.10 Calculation of the need for affordable housing: borough-level outputs

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,785	6,112	10,746	14,085	19,734	55,462
	B: Affordable stock available	779	1,724	3,627	4,620	9,508	20,258
	C: Net current need (A-B)	4,006	4,388	7,119	9,465	10,226	35,204
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	200	219	356	473	511	1,760
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing hh falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,867
Final steps	K: Gross annual need (E+J)	1,348	1,953	1,865	2,717	2,743	10,627
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	837	1,404	835	1,144	799	5,017

6.36 Figure 6.1 overleaf is a flow diagram providing a schematic overview of the calculation. The numbers pertain to the whole sub-region. It should be noted that "total affordable stock available" is the same as affordable tenant transfers as shown in the top left-hand box - the former concerns the actual dwellings while the latter concerns the households that currently reside in these homes.

Figure 6.1 Calculation of the need for affordable housing: South East London



Required size and tenure of affordable housing

6.37 In addition to estimating the overall magnitude of housing need the SHMA is also required to provide evidence about the size and tenure breakdown of affordable housing need. The household profile of those in need of affordable housing is translated into demand for various sized homes by applying the bedroom standard. The affordability test applied to these households results in a distinction between those that require the social and affordable rented tenure and those that can afford intermediate housing but not open market housing. These figures are then compared to the annual supply of affordable housing which is also broken down by size and tenure. This results in the balance between demand and supply by size and tenure. The results for South East London are shown in Table 6.11.

Table 6.11 Balance of affordable housing needed by tenure and dwelling size

		1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings	All dwellings
Social and affordable rent	Gross annual need	2,709	2,975	1,744	586	8,014
	Annual supply	2,986	1,822	590	92	5,491
	Net annual need	(278)	1,152	1,154	494	2,523
Intermediate sector	Gross annual need	633	1,062	665	253	2,613
	Annual supply	40	67	12	-	119
	Net annual need	593	996	653	253	2,495
Total	Gross annual need	3,341	4,037	2,409	839	10,627
	Annual supply	3,027	1,889	602	92	5,610
	Net annual need	315	2,148	1,808	747	5,017

6.38 The model indicates a shortfall of all sized dwellings in both tenures with the exception of 1 bed social and affordable rent dwellings for which supply and demand are more or less in balance; in fact there is a surplus of supply according to the model due to the large numbers of 1 bed units becoming available for re-let each year, particularly in Southwark. Under the proviso that all affordable housing need will be able to be met by future new build supply the outputs shown above can serve as the basis for sub-regional recommendations regarding the mix of new affordable housing supply to be targeted going forward. These conclusions are shown in the next table.

Table 6.12 Target mix of new affordable housing supply (baseline scenario)

Tenure	1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings	Tenure split (% ↕)
Social and affordable rent	-	41%	41%	18%	50%
Intermediate sector	24%	40%	26%	10%	50%

6.39 As was noted in Chapter 4 there is both overcrowding and under-occupation within the social sector in South East London. Census figures indicate that 15% of social sector households are overcrowded, while twice that amount has bedrooms to spare. If this under- and over-occupation were to be eliminated through proactive policy interventions (such as are already being put in place) then this will result in a shift in demand particularly as larger homes vacated by 'downsizers' are then occupied by households that were previously overcrowded. This scenario (2nd scenario) has been modelled, assuming that a half of currently under- and over-occupying households will be re-housed through transfer or mutual exchange within the next 10 years, additional to the ongoing transfer movements already reflected in the lettings data. The results of this scenario, presented in the table below, show a net shift in demand for social and affordable rented units: from 2 and 3 bedroom units to 1 and 4+ bedroom units.

Table 6.13 Target mix of new affordable housing supply (2nd scenario addressing under-occupation and over-crowding)

Tenure	1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings	Tenure split (% ↕)
Social and affordable rent	26%	28%	25%	21%	50%
Intermediate sector	24%	40%	26%	10%	50%

6.40 In addition to the sub-regional "target mix" outputs shown above the model also suggests the mix of new affordable housing supply at borough level. These outputs, shown in the next two tables, can serve as a starting point for discussion when it comes to setting development policy at the local level. As stated above the model takes account of the large supply of one bedroom units in the sub-region due to the turnover of the existing stock. 82% of the annual re-lets supply of one bedroom units comes from Greenwich, Lewisham and Southwark, resulting in a "zero" target for this unit size in these three boroughs.

Table 6.14 Target mix at borough level (baseline scenario)

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark
Social and affordable rent					
1 bedroom units	8%	27%	0%	0%	0%
2 bedroom units	49%	39%	34%	35%	27%
3 bedroom units	33%	26%	46%	43%	46%
4+ bedroom units	9%	8%	20%	22%	27%
Intermediate sector					
1 bedroom units	18%	22%	23%	28%	24%
2 bedroom units	43%	42%	38%	37%	40%
3 bedroom units	29%	27%	26%	24%	26%
4+ bedroom units	10%	9%	12%	10%	10%
Tenure split: % intermediate	34%	35%	43%	51%	57%

Table 6.15 Target mix at borough level (2nd scenario addressing under-occupation and over-crowding)

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark
Social and affordable rent					
1 bedroom units	24%	40%	20%	42%	0%
2 bedroom units	42%	34%	20%	13%	4%
3 bedroom units	23%	18%	35%	18%	37%
4+ bedroom units	11%	8%	25%	27%	59%
Intermediate sector					
1 bedroom units	18%	22%	23%	28%	24%
2 bedroom units	43%	42%	38%	37%	40%
3 bedroom units	29%	27%	26%	24%	26%
4+ bedroom units	10%	9%	12%	10%	10%
Tenure split: % intermediate	34%	35%	43%	51%	57%

6.41 The outputs of the model are sensitive to a number of decisions regarding inputs and parameters. For some factors it is not a case of a "right or wrong" approach but rather a case of making a choice following the weighing up of the pros and cons of several options and alternatives. These include the following factors:

- Income affordability threshold: 25% or 40% instead of 33.3%;
- Whether or not an adjustment should be made to annual supply in anticipation of a shift of lettings due to proactive policy to address overcrowding and under-occupation in the existing affordable stock (as per the 2nd scenario above);
- Whether or not to include supported housing as well as general needs housing in the annual supply;
- Changing the intermediate price threshold relative to the market entry price threshold, thus making the intermediate sector broader or narrower.

6.42 The appendix to this report presents other scenarios based on the alternative inputs above. These are provided for illustrative purposes only in order to demonstrate the sensitivity of the model to different assumptions. However the baseline scenario and the 2nd scenario, as presented above, are the only recommended scenarios. The justification for this is set out in the technical appendix document.

Conclusion

6.43 This chapter has identified a requirement for an additional 143,800 dwellings in South East London to be constructed during the 2011-2031 period. This is to meet requirements of future household growth as well as alleviate current unmet demand by catering for existing households currently lacking their own accommodation. This works out to be an average of **7,200** per year which is just over 60% above the recent rate of increase of the housing stock in the sub-region: the stock increased by an average of 4,470 units per year between 2009 and 2013.

6.44 The need for affordable housing in South East London, independently calculated using the methodology set out in the official guidance, is estimated to be circa **5,000** per annum. This equates to 70% of the total requirement.

6.45 This then is the evidence of overall housing requirements and of the need for affordable housing. Boroughs will need to formulate policy in response to this and other sources of evidence. The latest Guidance contains the following instruction:

> "The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes."[6]

[6] *Housing and economic development needs assessments*, DCLG March 2014, Paragraph 030 Reference ID: 2a-030-20140306

Chapter 7 The housing requirements of specific groups

Key points

Older people

- South East London has the highest projected growth in numbers of 75+ residents among all sub-regions
- A 41% increase in the number of households with members aged 65 or more is forecast by 2032
- Under 7.9% of existing residents aged 65 or over live in specialist elderly accommodation
- Tenure, existing provision, support arrangements and overall approach to older persons housing differs across the different boroughs in the sub-region.
- No single model forecasting requirements in the future is definitive. Further work is required at a local level to consider future provision.

Households with disabilities and wheelchair requirements

- A steady increase in the number of households with physical disabilities is forecast between now and 2020, both of older people and working age households
- Some 32% of households currently needing wheelchair accommodation require 3 bed or larger homes
- Around 2,500 households have unmet wheelchair accessible accommodation requirements
- There is a mismatch between the numbers needing social / affordable housing wheelchair accessible stock, and the allocations to that stock. However, much of the mismatch could be accounted for by allocations of wheelchair-accessible accommodation to older people.
- There are a number of other reasons for such a situation, and the process of appropriate allocations to reconcile stock with needs is complex; SELHP are actively considering practices to resolve this situation

Students

- Both Higher Education academic facilities and student residents are concentrated in Southwark and Greenwich; only 7% of students in South East London live in halls of residence: 23% live with their parents and probably 50% are in the private rented sector
- There is a rough balance between the proportion of student places in SE London and the number of student purpose-built bedspaces; though the proportion of bedspaces is scheduled to reduce
- There is a concern that the pressure of increasing demand - especially from higher-paying international students –will put pressure on the PRS, squeezing out lower income non-students.
- There is a case for developing more purpose built student accommodation – but not at the expense of affordable housing for other low-income groups

Black and Minority Ethnic (BAME) households

- South East London will continue to diversify in terms of ethnicity mix between now and 2040
- While BAME growth is expected this will not significantly change this proportion in different authorities
- Proportionately large segments of the BAME community will be reaching the age 65+ over the next decade
- There are differences in current tenure between different BAME communities; there are a range of implications that stem from this, including access to capital resources
- The 'Other White' community (which is likely to be predominantly from Central and Eastern Europe) is perhaps most precariously housed in the PRS
- There are issues related to the proportionately large African community in South East London, including their reliance on the social / affordable rented sector
- There may be issues around stock condition for ageing Asian owner-occupier households
- BAME households are more likely to be overcrowded and less likely to under occupy than White households
- The welfare reform programme is likely to disproportionately negatively impact on BAME households.

Armed forces households and self-builders

- There are limited housing supply and demand issues and scope for strategic intervention by local authorities relating to these two groups

Introduction

7.1 This chapter discusses the housing requirements of some specific groups : older households, households with disabilities, students, BAME communities, service families and those wishing to build their own homes.

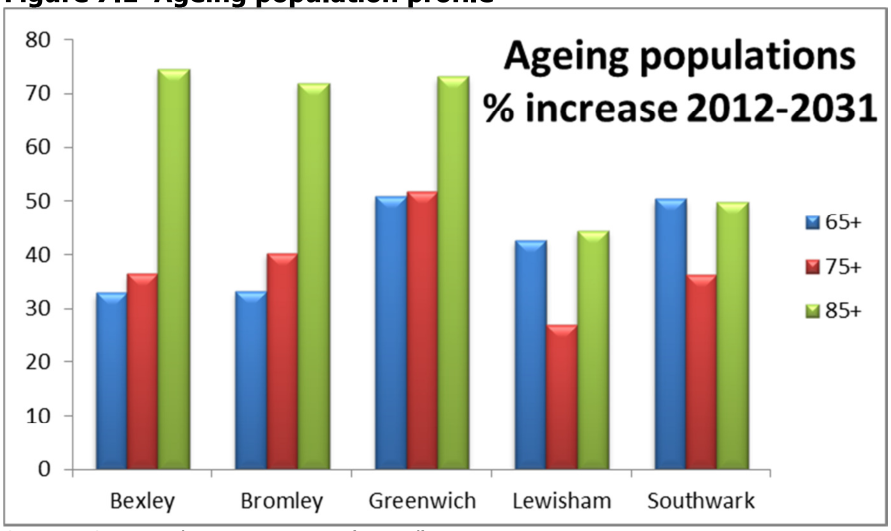
Older households

Population of older persons

7.2 As noted in Chapter 5, projections suggest that the main feature of demographic change will be the ageing process. Increases are projected in the proportion of people in all age groups 35 and over, with the largest increases in the 65 and over groups. The proportion of people aged 65 or more in South East London is projected to grow from 12% to 15% in 2031 whilst the working age population (16-64 year olds) is projected to fall back to 66%. By 2031 the over 75s population is projected to rise to 7%. South East London has the highest projected growth of numbers of 75+ among all London sub-regions. BAME elder households are also expected to increase at a fast rate (discussed further below).

7.3 All the South East London boroughs are expected to follow this trend. But for Bexley and Bromley in particular, where the ageing demographic is already well-established, an increase in the over 75s by around 2 percentage points in each case is expected. And, as can be seen from figure 7.1 below, the proportionate increase in the over 85s is particularly significant in Bexley and Bromley, and in Greenwich to some extent. Also as noted earlier the relative proportion of working age, younger people in the population will reduce, with implications for the care, housing and support services required for older people.

Figure 7.1 Ageing population profile



Source: GLA population projections (central)

7.4 Numerically, GLA projections forecast that by 2032 there will be increases in the population of over 65s as follows:

- Bexley – increase of 15,000
- Bromley – increase of 22,500
- Greenwich – increase of 16,000
- Lewisham – increase of 14,200
- Southwark – increase of 14,000

Households containing older persons

In terms of the increase in the number of households that will hold this population[1], the figures are as follows:

Table 7.1 Projections of households with at least on member aged 65 or over

	2012	2032	Increase	% increase
Bexley	26,076	33,880	7,804	30%
Bromley	37,086	48,476	11,390	31%
Greenwich	18,214	27,423	9,209	51%
Lewisham	19,710	29,900	10,190	52%
Southwark	17,460	28,383	10,923	63%
TOTAL	118,546	168,062	49,516	41%

Source: GLA household projections 2013, Central trend

7.5 GLA projections do allow for patterns of migration – but it is possible that there would be a greater tendency for older residents of the inner boroughs to move out. Otherwise the relatively large increases in Greenwich, Lewisham and Southwark are particularly remarkable, especially when compared to a previous review of accommodation for older people in South East London based on the 2010 Strategic Housing Market Assessment[2].

7.6 However, during this period the number of households of over 85s is projected to nearly double, with particularly high rates of increase in Bexley, Bromley and Greenwich:

Table 7.2 Projections of households with at least on member aged 85 or over

	2012	2032	Increase	% increase
Bexley	4,165	7,978	3,813	92%
Bromley	6,127	11,377	5,250	86%
Greenwich	2,488	4,705	2,217	89%
Lewisham	2,857	4,778	1,921	67%
Southwark	2,342	4,054	1,712	73%
TOTAL	17,979	32,892	14,913	83%

Source: GLA household projections 2013, Central trend

7.7 So the underlying pattern is substantial increases in 'younger' elderly households in Greenwich Lewisham and Southwark, and 'older' elderly households in Bexley, Bromley and Greenwich. This may be significant – over 85s are most likely to need specialist accommodation (though traditionally this has been mainly residential or nursing care) and relatively greater growth in this part of the population may result in a relatively higher need for specialist accommodation.

Supply of older persons' housing

7.8 When looking at supply of (and demand for) specialist accommodation for older people, this SHMA restricts itself to the forms of accommodation that would be normally termed 'housing', including sheltered, enhanced sheltered, and extra care. It therefore excludes accommodation that primarily caters for those with care, nursing and medical needs – residential and nursing care.

7.9 It is noted however that the need for residential care may be reduced if there is provision of appropriate 'extra care' sheltered housing. We also note that both residential and nursing care very frequently involve accommodating people from one area in another. The reasons for this vary – probably a mixture of choice and the market for the provision of such accommodation, but this is why some of

[1] 'Household' in this sense is any household with at least one member aged 65 or more (table 7.1), or 85 or more (table 7.2),
[2] http://www.selondonhousing.org/selondonhousing/downloads/file/222/housing_requirements_of_older_people_2010

the assumptions about accommodation involving care being provided primarily for the residents of the borough in which it is situated are not applicable.

7.10 There is some variation in estimates of the supply of specialist accommodation in South East London for the over 65s, though most are derived from the Elderly Accommodation Counsel (EAC) database[3]. Particular scrutiny of this database in 2012 may account for why South East London Housing Partnership's estimate[4] is slightly less than that used in modelling for the GLA – i.e. some schemes that were known to no longer exist were removed from the calculation of supply. Greenwich in particular has different figures than those in the EAC database (more social / affordable rented and less leasehold / owner occupier). However, for the sake of consistency we will use the EAC figures

7.11 This shows that there are around 6,604 units of sheltered social / affordable housing, 1,030 social / affordable housing Extra Care units and 2,376 leasehold, owner-occupied, or shared ownership sheltered units. Analysing these by borough, the pattern is as follows:

Table 7.3 Current supply of specialist elderly accommodation

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social / affordable rented sheltered	1,414	1,563	1,114	1,202	1,311	6,604
Extra Care	0	399	321	218	92	1,030
Leasehold / owner occupied / Shared Ownership sheltered	874	1,132	157	213	0	2,376

Source: SELHP/EAC

7.12 These figures are the basis for the calculations of requirements and supply. Based on the GLA population projection of 118,546 households in 2012, it is calculated that existing total specialist accommodation can cater for 8.4% of households aged over 65 in South East London. It is noted that:

- This proportion is likely to have decreased as population grows while provision has not.
- An assumption that 5% of current provision is void would result in a figure of 7.9% - i.e. a more realistic estimate of the proportion of over 65 year old households actually living in specialist accommodation.
- The authors of modelling for the GLA state that 8% of households in London aged over 65 live in specialist accommodation (compared to 9% in England and 12% in Australia and the US).
- If relatively more single person households live in specialist accommodation than non-specialist accommodation, then the proportion of the people aged over 65 that live in specialist accommodation is likely to be less than 7.9%.

Demand for specialist provision

7.13 As with other elements of this SHMA, there are a number of different ways of modelling supply and demand for older people's accommodation. No single model has been entirely accepted as definitively assessing future need. There are three main approaches:

Rolling out current patterns

7.14 The most straightforward estimate for the requirement for additional specialist accommodation up to 2032 is to assume that the current proportion (8%) of households aged over 65 who live in specialist accommodation will continue to apply. This would result in an additional requirement for 3,896 homes by 2032

[3] http://www.eac.org.uk/
[4] http://www.selondonhousing.org/selondonhousing/downloads/file/221/housing_for_older_people_in_se_london

GLA modelling of demand in London

7.15 The GLA commissioned research to update earlier estimates of housing demand and supply for older persons, following the availability of Census 2011 data[5]. This modelling is based on the assumption that 15-20% of over 65 year olds would move if suitable accommodation existed. This results in a requirement for between 2,743 and 6,662 additional homes between 2014 and 2025

Housing LIN SHOP tool

7.16 The Housing Learning and Information Network (LIN) has developed a modelling tool (SHOP – Strategic Housing for Older People Analysis Tool) based on combining demographic data, projections and supply to assess requirements for different types of housing for older people. The data sources it uses are similar to those in the GLA model (using Elderly Accommodation Counsel data for example), but they use ONS rather than GLA population projections. It covers a longer time period than the GLA model (2012-2030), and a different age range (over 75s) so the results are not totally comparable. However, this model results in a need for 8,552 homes between 2012 and 2030.

Tenure and type of accommodation required

7.17 In terms of tenure, across the sub-region two-thirds of over 65s are owner occupiers, 29% are social / affordable renters, and 5% are private renters or live rent free. This is a similar breakdown to the overall London picture, but this profile diverges sharply between the authorities:

Table 7.8 Tenure of over 65s (based on Household Reference Persons)

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London	London
Owners 65+	82%	82%	54%	54%	33%	66%	65%
Social / affordable renters 65+	14%	13%	40%	39%	61%	29%	27%
Private renters 65+	4%	5%	5%	7%	6%	5%	8%

Source: Census 2011 DC4601EW

7.18 In particular the preponderance of owner-occupiers in Bexley and Bromley (which has the highest number in London), and of social / affordable renters in Southwark (also the highest in London) all have implications for future planning of services and management of housing resources. Currently, owner-occupiers are less likely to move to specialist accommodation than social / affordable housing tenants – though arguably this could simply be a result of the relative lack of supply of specialist accommodation for owner occupiers. This deserves further investigation.

7.19 Research undertaken by Fordham on behalf of SELHP in 2006-2006[7] indicated that residents of sheltered housing in Bexley and Bromley in particular included both households that had previously been owner occupiers and households who had originated from other boroughs. Not all owner-occupiers have sufficient equity or income to be able to afford private or even intermediate schemes (e.g. many local authority leaseholders occupying former council properties bought under the Right to Buy). It is reasonable to assume that social / affordable rented accommodation will still need to cater for a group of households that were previously owner occupiers.

7.20 Despite the overall prevalence of owner occupiers, evidence of actual demand at a regional, sub-regional or local level is far from clear. For example, within South East London, of 20 shared ownership homes on the Halton Court development in Kidbrooke Village only 5 have been sold and the prospects of all 20 selling must be considered remote. Some developers may find it commercially attractive to develop specialist housing for the over 65s (sometimes described as "extra care") but this is based on selling entire such schemes in their entirety to housing associations and in South East London most housing associations consider schemes other than rented to be too risky in terms of sales. McCarthy &

[5] *Assessing potential demand for older persons housing in London*, Three Dragons / Celandine Consulting / GLA, March 2014, updating *The role of the planning system in delivering housing choices for older Londoners,* CCHPR/ Three Dragons/Land Use Consultants / Heriot-Watt/GLA, December 2012

[6] http://www.selondonhousing.org/selondonhousing/downloads/file/223/housing_mobility_of_older_people_2006

[7] http://www.selondonhousing.org/selondonhousing/downloads/file/223/housing_mobility_of_older_people_2006

Stone in particular have a well-developed 'product' that caters for a particular part of the owner occupied market. This however does not appear to be applicable throughout the sub region.

7.21 As regards the social / affordable rented sector, though the amount of (social / affordable rented) sheltered housing in each borough does not vary greatly (within a range of c.1,300 in Lewisham to c.2,110 in Bromley) there are significant differences if this is expressed as a ratio of the number of over 65s living in non-sheltered accommodation in the social / affordable and private rented sectors:

Bexley	2.12
Bromley	2.92
Greenwich	6.29
Lewisham	6.01
Southwark	7.20

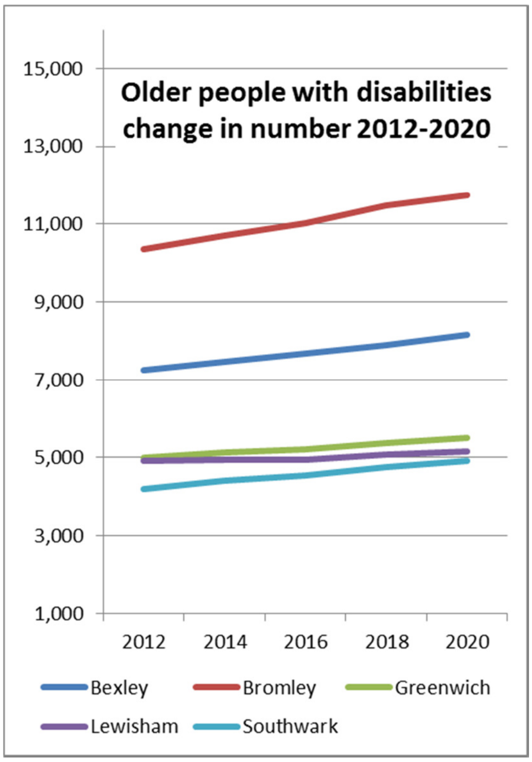
7.22 To conclude, tenure, existing provision, support arrangements and overall approach to older persons housing varies across the boroughs in the sub-region. As noted, no single model forecasting requirements in the future is definitive. Further work is required at a local level to consider future provision.

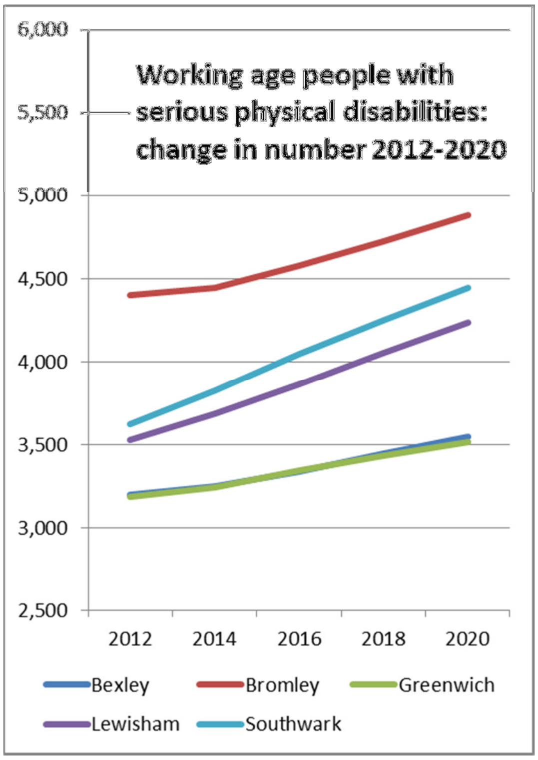
Households with disabilities and wheelchair requirements

Context

7.23 Understanding the housing requirements of those with disabilities and in particular wheelchair users is intrinsically linked to the age of the population. 75% of current wheelchair users are aged 60 or over in England, including 20% who are 85 or over[8]. In South East London as with the rest of the country, numbers of older people are forecast to rise over the coming years. As figures 7.3 (a and b) indicate, both for older people and working age people (including households with disabled children) a steady increase in the numbers with mobility related disabilities is projected.

Figures 7.3 (a and b) Demographic change among people with physical disabilities





Source: Poppi and Pansi data

[8] English Housing Survey 2011 Table A6.11

There are several other indicators that highlight the housing-related elements of disability:

Council Tax exemptions and disregards

7.24 Households can be exempted from or have a reduced rate of Council Tax for various degrees and aspects of disability (including having to move into residential care). In total there are slightly over 2,500 homes that are in this category in South East London. It can be seen from comparing these figures with figure 7.3a above that there is a reasonably close match between the borough-based proportions of Council Tax exemptions and the number of older people with disabilities.

Table 7.9 Council tax

Council Tax disregards / exemptions	
Bexley	724
Bromley	726
Greenwich	523
Lewisham	332
Southwark	224
SE London	2529

Source: DCLG Council Tax Base

Disability Living Allowance (DLA)

7.25 Though DLA is being phased out and replaced with Personal Independence Payments, the historic data and trends are useful in tracking changes in numbers and needs and as a contextual indicator of actual and future potential wheelchair needs across the authorities. Higher mobility award DLA is paid to people with a physical disability that affects their ability to walk outdoors and is paid if a person's disability is severe enough for them to have any of the following walking difficulties:

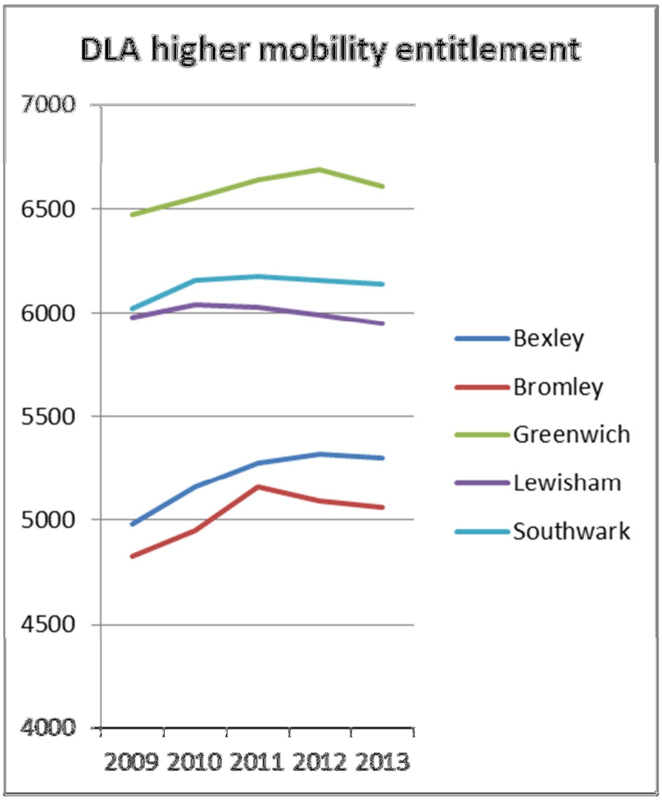
- they are unable or virtually unable to walk
- they have no feet or legs
- the effort of walking could threaten their life or be likely to lead to a serious deterioration in their health

7.26 Higher mobility DLA may also be paid to those with a severe learning impairment that has a physical basis, and those with severe sight impediments, so the figures cannot automatically be assumed to be related to potential wheelchair use

7.27 Figure 7.4 tracks the caseload over the last five years. What is perhaps interesting here is that while numbers of claimants had been increasing steadily between 2009 and 2012 in most authorities, all authorities are now seeing a reducing number of claims. Lewisham and Southwark, to some extent, did not experience the early years increase. Indeed, Lewisham’s numbers have been decreasing steadily throughout the period, and are now lower than in 2009.

7.28 As noted, we put this data in for context rather than as an indicator of actual wheelchair housing requirement. When we compare these figures with the ones we model in Table 7.6 it appears that wheelchair requirement represents between 6% and 11% of the numbers of those with higher mobility DLA entitlement. We reflect the falling-off of DLA entitlement by using more conservative estimates for wheelchair requirements.

Figure 7.4 South East London Higher mobility DLA entitlement



Source: DWP statistics tabulation tool

Housing register data

7.29 There is some limited information from the housing registers of some of the South East London authorities on demand for wheelchair-accessible accommodation. Because of different practices in managing housing registers, and in determining the categories that are accepted on to the registers, it is difficult to gain a full picture from such data. However, Greenwich and Southwark hold data on wheelchair requirement by bedsize. Between them, there are 229 applicants on the register (71 in Greenwich, 158 in Southwark). It is striking how similar the proportions of different bedsizes requirements there are, particularly for smaller properties. There is no equivalent data available for the other authorities.

Table 7.10 Housing register wheelchair requirements

Wheelchair / mobility requirements from housing registers (% by bedsize)		
	Greenwich	Southwark
1 bed	32%	35%
2 bed	31%	32%
3 bed	24%	14%
4+ bed	12%	18%

Source: local authority housing registers

Calculating unmet wheelchair-accessible housing need

7.30 The English Housing Survey 2012 estimates that there are 726,000 households where there are wheelchair users, representing 3.3% of all households. The comparative figures for 2007 were 587,000 and 2.8%. Work by South Bank University[9] re-analysing EHS data has estimated that nationally around 13% of wheelchair-using households have unmet housing requirements; this figures rises to 18% in London (the data cannot be disaggregated to a local authority level).

7.31 In spite of the fact that the demographic data noted earlier shows that the population is ageing at a similar (or slightly faster rate for over 75s) than the London average, and that general health levels are similar to the London average, we will use the more conservative 13% figure, to reflect the falling-off of DLA levels as noted above. This results in a set of figures for South East London as below:

Table 7.11 Current unmet wheelchair housing requirements:

	A All households	B Wheelchair needs households (3.3% of A)	C Wheelchair needs households: unmet housing needs (13% of B)
Bexley	95,705	3,158	411
Bromley	135,212	4,462	580
Greenwich	106,542	3,516	457
Lewisham	122,251	4,034	524
Southwark	126,529	4,175	543
SE London	586,239	19,346	2,515
London	3,278,340	108,185	14,064

Source: Cobweb Consulting modelling of South Bank University and GLA Central trend population Projections 2013

Meeting accessible housing need

7.32 For those without the means to move to appropriate private sector accommodation or adapt their existing homes to meet wheelchair standards, the principle route into wheelchair accessible accommodation for those who need it will be through accessing social housing stock. There is a paucity of data on the amount of wheelchair accessible stock available. There are at least 1,570 general needs and supported / sheltered housing units managed by Registered Providers. Given that the latest data available is from 2011[10], the likelihood is that this will be over 1,650 by now. At a borough level this breaks down as follows:

Table 7.12 Wheelchair accessible stock managed by Registered Providers (2011)

	General needs	Supported / sheltered housing
Bexley	45	30
Bromley	53	93
Greenwich	251	116
Lewisham	267	112
Southwark	280	326
Total	896	677

Source: Regulatory and Statistical Return, 2011

There is no equivalent data available for local authority stock

7.33 In terms of the use of this stock (and local authority stock that does not appear in the table above), the fullest indicator of the number of disabled-accessible dwellings coming into use in the social

[9] *Mind the Step – an estimation of housing need among wheelchair users in England*, Habinteg / South Bank University 2010

[10] This is from the last Regulatory and Statistical Return collected. This information is no longer collected centrally

/ affordable rented sector is the CORE log, which records both the housing needs of new tenants, and the type of property that was let. This covers both general needs housing and supported housing. The key points that emerge from our analysis are that over the last three years:

- 71% of lettings of general needs wheelchair accessible accommodation (594 of 836 units) went to households without immediate need for such accommodation

- 96% of supported housing adapted or wheelchair standard accommodation went to households without immediate need for such accommodation; however, the likelihood is that a substantial proportion of these lettings were into sheltered schemes, many of which would be wheelchair-accessible. Though in-coming residents may not – at that stage of their lives – require wheelchair accessible accommodation, this could be considered sensible use of the allocations process, obviating a further move later in life.

Conversely:

- 29% (99 of 342 households) who needed general needs wheelchair accessible accommodation were rehoused into non-adapted accommodation

- 13% (17 of 133 households) who need supported wheelchair accessible accommodation were rehoused into non-adapted accommodation

Table 7.13 General needs lettings South East London: wheelchair access

Dwelling size and level of adaption		Tenant requires fully wheelchair accessible housing	Tenant requires wheelchair access to essential rooms	No wheelchair requirement	Total
1 bed	Wheelchair adapted property	54	13	238	305
	Property not adapted	25	9	10,586	10,620
2 bed	Wheelchair adapted property	96	14	229	340
	Property not adapted	23	5	8,839	8,867
3 bed	Wheelchair adapted property	47	8	100	156
	Property not adapted	20	6	4,492	4,518
4+ bed	Wheelchair adapted property	5	4	27	36
	Property not adapted	6	4	937	947
All dwellings	Wheelchair adapted property	203	40	594	836
	Property not adapted	75	24	24,854	24,953

Source: CORE data; combines social rent (23,672) and affordable rent (1,281) lettings from the 2010/11, 2011/12 and 2012/13 financial years.

Table 7.14 Supported housing lettings South East London: wheelchair access

Mobility Standard of property	Tenant requires fully wheelchair accessible housing	Tenant requires wheelchair access to essential rooms	No wheelchair requirement	Total
Property fitted with equipment and adaptations	61	8	2,699	2,768
Property designed to wheelchair user standard	42	5	583	630
"None"	14	3	3,019	3,036
"Missing"			156	156
Total	117	16	6,457	6,590

Source: CORE data; supported housing lettings from the 2010/11, 2011/12 and 2012/13 financial years.

7.34 There can be a number of reasons for this apparent mismatch:

- The need to minimise void periods conflicting with the sometimes long periods that households with wheelchair needs (who may be elderly or with learning difficulties as well) need to prepare for a move

- The general inflexibility of the nominations / allocations procedures between local authorities and housing associations, with the need to fill the void quickly trumping the need to fill it appropriately

- As noted above, the fact that many sheltered housing schemes (which are included in the Supported Housing CORE log) will be wheelchair accessible throughout; but will let accommodation to many older people who do not at that stage in their lives necessarily need wheelchair accessible homes, though they may do in future.

- The impact of new schemes coming on line, with a 'bulge' of new wheelchair units coming on stream that need to be let quickly
- Issues around choice and preference – it may be that wheelchair units are not located where individuals with wheelchair housing needs have their networks of support
- Unrealistic expectations – it may be that applicants still envisage a 'bungalow' type unit as what they would be offered, whereas it will be more likely that it would be a flat or maisonette, sometimes lifted and on higher floors
- 'Pre-emptive' allocations – allocating a wheelchair accessible home to a household that does not immediately need it, but is likely to in the foreseeable future
- Concerns about inaccuracies in the CORE log

7.35 To conclude, although there is evidence of need for wheelchair accessible housing, in practical terms there are barriers to meeting this need from existing resources. We know that SELHP are actively considering these issues and their solutions; and the data in this SHMA should supply evidence to support policy initiatives to resolve some of these issues.

Students

Context

7.36 South East London currently houses eight major universities and colleges, and is home to many more smaller colleges, professional education institutions, and training centres. The northern edges of the area especially from Southwark, but also to a lesser extent from Lewisham and Greenwich, offer relatively easy access to the higher education heartland of London, in Westminster and Camden.

Students attending higher education establishments in South East London

7.37 Student numbers attending just the eight institutions – and therefore either living in or commuting into the area – are difficult to estimate because of multiple campuses. According to HESA[11] data there are 63,863 students attending South East London institutions, with a further 177,000 students attending institutions in Westminster and Camden across the river. Solely looking at those attending South East London institutions, 84% students are UK domiciled and 16% are from the EU or other nations. 74% are undergraduates, 23% are postgraduates, and 3% are at Further Education colleges. There is a significant split between undergraduate proportions (64%) and postgraduate proportions (34%). Around 17% of higher education students in London attend establishments in South East London.

[11] Higher Education Statistics Agency: statistics by institution http://www.hesa.ac.uk/content/view/1897/239/

Table 7.15 Major Higher Education institutions in South East London

	Institution	Total postgraduate students	Total undergraduate students	Total HE students	Total FE students	Total all students	% International students
Bexley	Rose Bruford College	45	780	820	0	820	9.1%
Greenwich	The University of Greenwich	5,300	18,620	23,925	0	23,925	19.6%
Greenwich	Ravensbourne	95	1,595	1,695	0	1,695	8.6%
Lewisham	Goldsmiths College	3,200	4,880	8,075	0	8,075	26.3%
Lewisham	Trinity Laban Conservatoire of Music and Dance	240	645	885	0	885	24.3%
Southwark	London South Bank University	4,695	15,105	19,795	0	19,795	8.6%
Southwark	Camberwell College of Art	253	997	1,250	439	1,689	10.4%
Southwark	London College of Communication	558	4,606	5,164	1,815	6,979	20.0%
	Total	14,386	47,228	61,609	2,254	63,863	16.4%
	LONDON	117,065	255,815	372,880		375,980	26.1%
	SE London as % of London	12.3%	18.5%	16.5%		17.0%	

Source: HESA and college websites; Camberwell College of Art and London College of Communication are part of the University of Arts, London.

7.38 As can be seen from table 7.15 above, numbers are dominated by the universities of Greenwich and London South Bank, with substantial student populations at Goldsmiths and London College of Communication. When we summarise these by borough (table 7.16), it is clear that Southwark and Greenwich are the centres of student concentration, holding 89% of places. Proportionately, Lewisham and Southwark hold the largest proportions of international students.

Table 7.16 Places at major Higher Education institutions by borough

Local authority	Total postgraduate students	Total undergraduate students	Total HE students	Total FE students	Total all students	% International students	% SE London students
Bexley	45	780	820	0	820	9.1%	1.3%
Greenwich	5,395	20,215	25,620	0	25,620	18.8%	40.1%
Lewisham	3,440	5,525	8,960	0	8,960	26.0%	14.0%
Southwark	5,506	20,708	26,209	2,254	28,463	8.0%	44.6%
Total	14,386	47,228	61,609	2,254	63,863	16.4%	100.0%
LONDON	117,065	255,815	372,880	3,100	375,980	26.1%	
SE London as % of London	12.3%	18.5%	16.5%	72.7%	17.0%		

Source: HESA

7.39 The housing implications of this demographic and geographic focus have several aspects: although a substantial proportion of UK-domiciled students may live at home, London universities attract students from throughout the UK and – when added to the 16% of international students – this represents a significant additional housing requirement. Secondly, the relatively high proportion of postgraduates – nearly a quarter of the total – might imply an older and possibly family profile for at least a proportion of this group, leading to a larger size accommodation requirement, with the option of house-sharing being less appropriate. Thirdly, the concentration of student places in two of the five South East London authorities may place disproportionate demands on housing and planning resources – including on the private rented sector – in those boroughs.

Student numbers living in South East London

7.40 When we look at Census data on the number of full-time students that actually live in the South East London boroughs, we can see there are at least 59,187 resident students[12] – marginally below the actual student places in the South East London-based universities and colleges. Of these slightly under

[12] This figure is based on Census data of 'students in full-time education aged 20 or over'. Other Census student data conflates 16+ students, which would include schoolchildren and FE students doing A levels or similar. So our figures probably underestimate college and university attendees.

a quarter – 23% - are living with their parents. Only 7% are living in halls or residence or similar accommodation. 50% are living in either an 'all student household' or in 'other household type', which we are assuming will be predominantly in the private rented sector (the Census does not provide detailed tenure breakdowns for students, though we do have data on 'household reference persons' who are students, discussed below).

7.41 There has been a certain amount of work done on the housing requirements of students in London. The London Academic Forum, set up by the Mayor to advise on student housing requirements, predicts an increase in student numbers in Greater London of between 6,000 and 10,000 per annum until 2025. Assuming a proportionate increase across colleges, this implies an additional 1,020 to 1,700 additional students in South East London per annum (17%). How this need is to be met is the subject of debate on the proportion of purpose built versus existing private rented sector HMOs that are required. The Forum, through the London Strategic Housing Market Assessment, has produced a range of scenarios. The principal one that feeds into the 'Further Alterations to the London Plan' suggests that 33% of students should be housed in purpose-built accommodation, implying an annual requirement of 2,500 to 3,100 units per annum[13]. This position has been taken in the context of built up pressure from an expanding student population, and the scope that purpose-built accommodation has to reduce pressure on the conventional private rented sector, freeing it up for others in housing need.

7.42 The Forum also identified issues around the affordability of purpose-built accommodation, especially that provided by the private sector. A 2012 report noted that rental values for developers were particularly high in Southwark (and Camden), because of good transport links. Average London 'direct lets' (of private sector student flats and studios) are running at £231 per week, compared to university-controlled lets of £135 per week[14]. The expanding international student market in London is driving this to some extent. They recommend that a new clause is introduced into the London Plan which, subject to viability, requires those providers who have not entered into an undertaking with a specific academic institution(s), to deliver an element of student accommodation that is affordable for students in the context of average student incomes and rents for broadly comparable accommodation provided by London universities.

Meeting student housing need in South East London

7.43 The most number of purpose-built student accommodation bedspaces has been taken from the Drivers, Jones, Deloitte student accommodation database[15], which is used by the Mayor's Academic Forum. Approximately 60% of the 59,000 purpose built student accommodation units in London are located in six inner London boroughs, including Southwark. Southwark currently contains around 5,600 units, the fourth largest amount in London. Greenwich holds around 3,000 units, and Lewisham slightly over 1,000 units. There do not appear to be significant amounts of purpose-built student accommodation in Bexley or Bromley. Approximately 16% of purpose built supply is in South East London – a figure that seems to be proportionate to the 17% of student places in South East London. However, noting the Census figures above, it appears that only 7% of students living in South East London are in halls of residence. It would seem that the existing purpose-built supply is only meeting a minority of potential demand.

7.44 The other aspect of meeting student housing needs for purpose-built accommodation is the rate of completions of new dwellings, and the approvals pipeline for future dwellings. Between 1999 and 2012, 4,511 of the 26,001 London completions were in South East London – again, 17% of the total. If we also look at the number of approvals granted in the period - viewed by the Mayor's Academic Forum[16] as a better indicator of trends - South East London approvals amounted to 6,795 bedspaces – 14% of the total, running slightly below the completion rate, implying a slight pulling back from supply. Bromley recorded a negative pipeline figures, implying previously-planned schemes were withdrawn.

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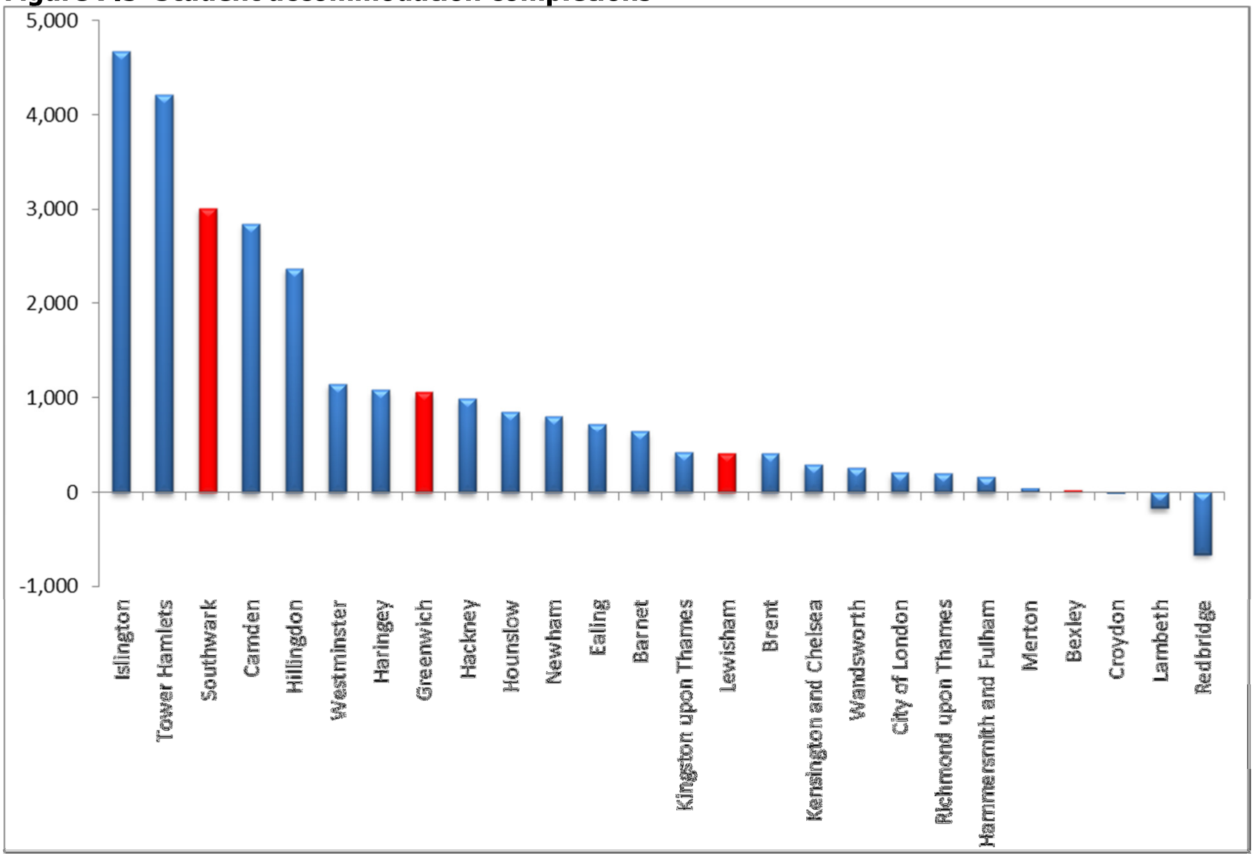
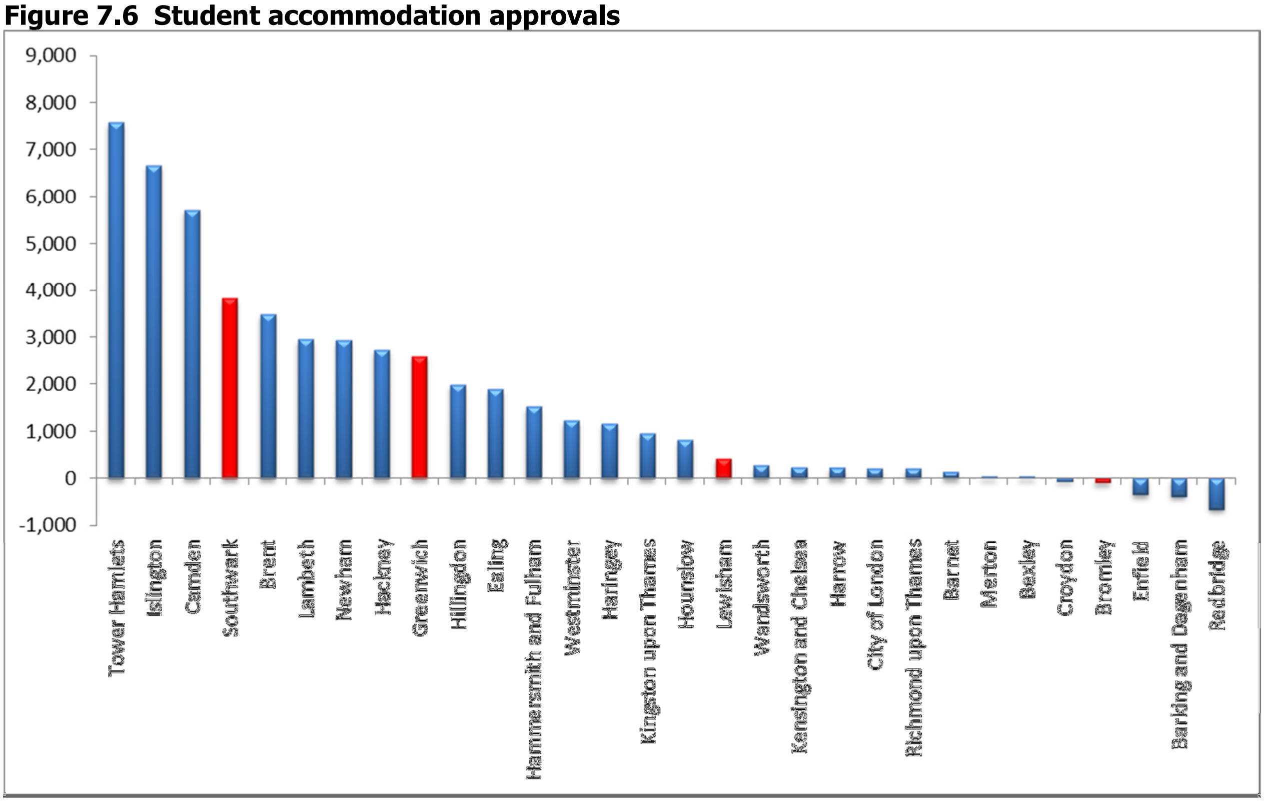
[13] *London Strategic Housing Market Assessment*, GLA 2013
[14] *Crane Survey: London Student Housing 2012*, Drivers, Jones, Deloitte 2012
[15] ibid
[16] *Strategic planning issues for student housing in London*, Mayor's Academic Forum, March 2014

Figure 7.5 Student accommodation completions



Source: Mayor's Academic Forum; negative values are accounted for by demolitions / redesignations

Figure 7.6 Student accommodation approvals



Source: Mayor's Academic Forum; negative values are accounted for by demolitions / redesignations

7.45 However, clearly, there are other factors at work. Transport links into central London, the higher costs of development in central London and land scarcity are clearly putting pressure on at least Southwark to supply housing for those studying north of the Thames. There is a tension between developing for students and meeting conventional and affordable housing needs for other residents. The 'Further Alterations to the London Plan' documents indicate that student demands should not compromise capacity to meet the need for conventional dwellings. It also recommends more dispersed distribution of further development, taking account of regeneration potential in accessible areas outside central London[17]. The Mayor's London Academic Forum has also suggested scenarios whereby it is acceptable to meet student housing demand by providing accommodation at certain travel time distances from higher education facilities.

7.46 As regards the role of the private rented sector, the Census does enumerate by tenure the number of 'household reference persons' – that is, responsible adult within a household, who are students. The numbers are of course substantially lower that actual student numbers, but this does give us an indication of the proportion of private rented stock in relation to the number of students. Table 7.17 below notes the numbers of student-headed households by borough, and also the number of PRS units per students. It can be used as a measure of 'student stress' on the wider PRS.

7.47 As can be seen there are strong variations within the sub-region, ranging from 15 PRS units per student in Bromley, to 5.4 units per student in Southwark. We also include figures for London, England and some neighbouring authorities. South East London PRS as a whole is under slightly more student stress than London or England as a whole. Lambeth and Croydon to the west are under less stress; Dartford to the south east has potentially considerable additional PRS capacity. Southwark is under more student stress than even Westminster and Camden, with their high numbers of student-headed households. We can conclude from this that in some but not all parts of South East London students will be disproportionately competing with others for access to the PRS

Table 7.17 Student-headed households and the PRS

	No. student-headed households	No. PRS units per student
Bexley	1,288	8.8
Bromley	1,238	15.0
Greenwich	3,332	6.3
Lewisham	4,184	7.0
Southwark	5,550	5.4
SE London	15,592	7.1
London	103,569	8.3
England	413,545	9.7
Croydon	3,508	9.1
Lambeth	4,717	8.4
Dartford	356	19.0
Westminster	5,898	5.6
Camden	5,841	7.7

Source: Census 2011 table DC 4601EW

7.48 There may therefore be scope for more internal discussion about meeting student housing need within the sub-region and outside it. Whilst it is clear that there are some parts of inner South East London that are particularly attractive to the student market (including the private rented market), lower development costs might make more outer South East London locations viable for affordable accommodation, especially when allied to improved transport links such as Crossrail. Given the relatively high proportion of international students currently studying in South East London, issues around affordability are particularly important (as noted by the Mayor's Academic Forum, above), as unless controlled, private sector student development will generally cater for the higher rents that the international market can afford.

7.49 As well as issues concerning the purpose-built sector, there are also concerns about the use of the PRS. It is apparent that there is competition for certain segments of the private rented sector

[17] *Further Alterations to the London Plan*, section 3.53a, Mayor of London, 2014

between students and other lower income residents. With at least half the student sector reliant on the PRS, and with the inflationary factors that international students may bring to the market (allied to the good transport links into central London from much of South East London), there is a danger that the student market will squeeze out younger, single South East Londoners who are not students – and others traditionally reliant on the PRS. The impact of the welfare reform agenda, and the Shared Accommodation Rate for the under-35s is a factor in this.

7.50 There may be a range of planning issues associated with the further development of purpose-built student housing across the whole sub-region, that may make development difficult, And clearly authorities will not want to see student accommodation competing with social / affordable for development opportunities. Nevertheless there may be a case for developing more purpose-built accommodation in parts of South East London, with the exception of Southwark where there is not considered to be a need, in order to help reduce the stress on the private rented supply and on the younger, non-student population of South East London.

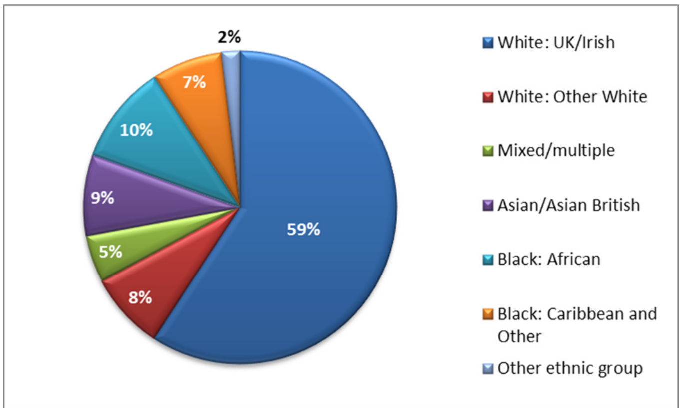
Black and Minority Ethnic (BAME) households

Population, growth and distribution

7.51 As at the 2011 Census, 61% of the population of South East London came from an ethnic background that was not White UK or Irish. The proportions of the different core groups are illustrated in figure 7.8, and the actual figures and percentages are given in table 7.18.

7.52 As regards the proportions of BAME population across the authorities, there are highly divergent figures, with a clear split between inner and outer South East London. Bexley and Bromley are predominantly White, with around 15% - 20% BAME population, while the other authorities have between 38% and 46% BAME population. This divergence means that, at a sub-regional level, South East London has a smaller BAME community than the London average. This split is shown in table 7.11

Figure 7.7 SE London population by ethnicity 2011



Source: Census 2011 table DC 2101EW

Table 7.18 SE London population by ethnicity

Ethnic group	Number	%
White: UK/Irish	805,721	59.24%
White: Other White	108,148	7.95%
Mixed/multiple	66,816	4.91%
Asian/Asian British	113,930	8.38%
Black: African	140,373	10.32%
Black: Caribbean and Other	99,045	7.28%
Other ethnic group	26,081	1.92%
Total population	1,360,114	100.00%

Source: Census 2011 table DC2101EW

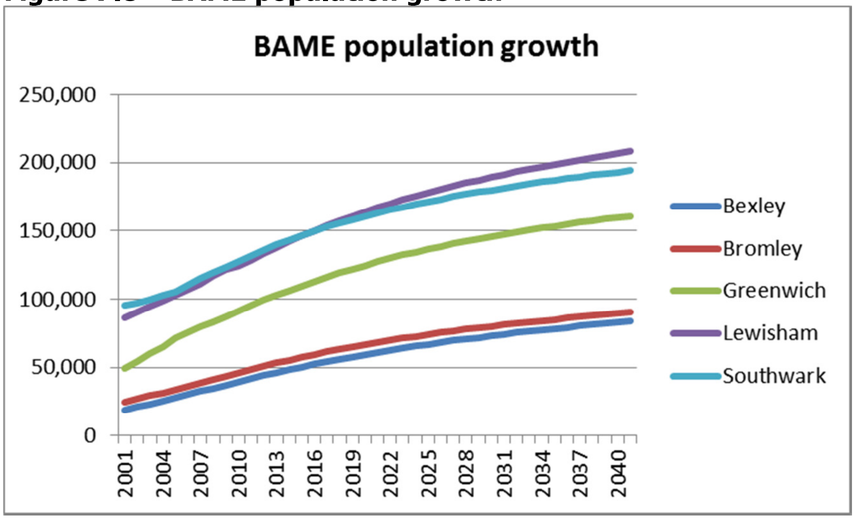
Table 7.19 BAME population proportion across authorities

	London	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
White	59.8%	81.9%	84.3%	62.5%	53.5%	54.2%	67.2%
Mixed/multiple	5.0%	2.3%	3.5%	4.8%	7.4%	6.2%	4.9%
Asian	18.5%	6.6%	5.2%	11.7%	9.3%	9.4%	8.4%
Black	13.3%	8.5%	6.0%	19.1%	27.2%	26.9%	17.6%
Other	3.4%	0.8%	0.9%	1.9%	2.6%	3.3%	1.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Census 2011 table DC 2101EW

7.53 As noted in Chapter 5, GLA projections indicate that, along with the rest of London, South East London will continue to diversify, with the numbers of people from Black, Asian and other minority ethnic communities expected to increase. It is forecast that by the mid-2030s half of London's population will be from a BAME background. This is both a consequence of natural growth, as the populations of these ethnic minority households tend to be younger than the White population, and as a result of continuing migration from abroad. BAME population growth is forecast to increase at a roughly similar rate across the five authorities, slowing down from the 2020s onwards. The most significant change is that Lewisham is projected to overtake Southwark as the authority with the largest BAME population in around 2020.

Figure 7.8 BAME population growth



Source: GLA SHLAA 2014

7.54 Fundamentally, all households regardless of ethnic origin require decent housing. However, there are some socio-economic factors relating to particular groups that affect their ability to access this housing. We now look in slightly more detail at some particular communities, and at the factors that will impact on housing need and requirements**.**

The African community

7.55 If there is one ethnic group that has a particularly substantial presence in parts of South East London, it is the African community, who form over 10% of the population (significantly above the London-wide 7% figure). It makes up over 16% of Southwark's population, nearly 14% of Greenwich's, and nearly 12% of Lewisham's. While all Black groups are under-represented in the owner-occupied sector compared to White and Asian groups, African households are particularly absent, with under 25% owning their own homes (compared to, for example, 37% of other Black groups and 50% of Asian households). 50% of African households live in the social / affordable rented sector, the highest proportion among any ethnic group in South East London, and a significant proportion - a quarter – are in the private rented sector. In terms of employment and skills – indicators of access to the market housing sector - while a similar proportion to other groups are economically active (i.e. in employment or seeking work), 12% of African residents are unemployed (twice the sub-regional average). There are relatively low rates of economic inactivity (i.e. being outside the labour market), signalled by the very low proportion of retired African residents (3%).

7.56 In terms of educational qualification, African residents are better qualified than all other residents bar 'Other White' with 44% of adults having level 4 (A level or higher) qualifications. Conversely, they have the lowest proportion of adults with no qualification (3% compared to, for example 21% of White residents). We do not have income data at a local level, but in terms of the housing impact of this position, we can surmise that in spite of better qualifications and engagement with the labour market, African residents do not have access to the jobs and therefore income that would allow the community to choose to reduce its reliance on the social / affordable rented sector.

The Caribbean and 'Other Black' community

7.57 Caribbean and Other Black residents make up the other 7% of Black South East London residents, and are particularly concentrated in Lewisham, making up nearly 16% of the population. In terms of tenure, as with African residents, nearly 50% live in the social / affordable rented sector. However, a relatively low proportion live in the private rented sector (14%), and 37% are owner-occupiers. In terms of engagement with the labour market, there are substantially more retired residents (10%) than other BAME groups, perhaps representing the historic Caribbean immigration story of the late 1940s onwards. In terms of working-age households there are similar numbers for unemployment to the African community – 11% compared to the White community figure of 4%. As regards educational qualifications which could lift residents into higher earning jobs only 28% of Black adult residents (excluding those from an African background) have A level or superior qualifications – the lowest proportion among all ethnic groups.

7.58 We can therefore surmise that as with African residents, Caribbean and Other Black residents will continue to struggle to access market housing – but without the potential educational and skills backgrounds that might allow African residents to meet their own housing needs through accessing employment.

The Asian community

7.59 The Asian population is relatively small compared to the London-wide profile; however it does represent approaching or over 10% of the population in Greenwich, Lewisham and Southwark. Asian households (like White UK households) are heavily embedded in the owner-occupier sectors, but also have a strong presence in the private rented sector and are under-represented in social housing. The community has a low rate of unemployment among the economically active sector (6%). It has a lower number of retired residents than the average. It also has a greater proportion of residents with no academic qualifications than other BAME groups, but in contrast an above average proportion of Level 4 residents – possibly a reflecting the fact that under-qualified early migrants are now reaching retirement, while younger residents progress into higher education.

The 'Other White' community

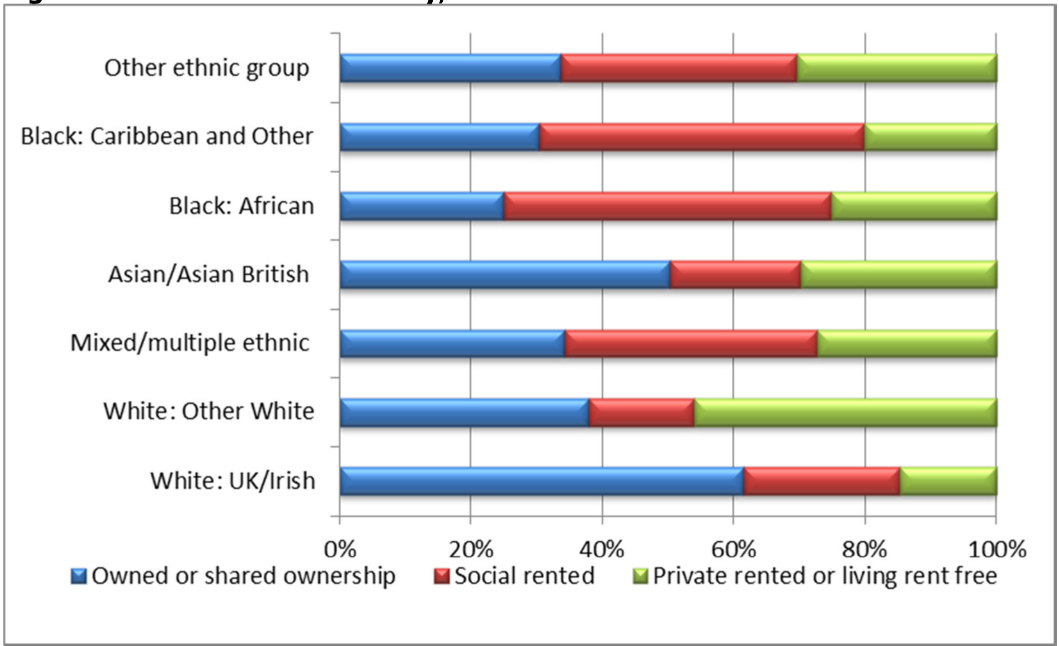
7.60 It is also worth separately identifying the 'Other White' category to highlight the significance of this group in some boroughs – particularly Southwark and Lewisham - whose presence in the demographic has grown since the 2001 Census, and who are predominantly from Central and Eastern Europe. In terms of qualifications, this group has the lowest level of unqualified or level 1 qualified residents among all ethnic groups (17%, compared to 31% on average) and conversely, the highest proportion of level 4 or higher qualifications (45%). They also have the highest economic activity and employment rates (79% and 74% respectively), and one of the lowest unemployment rates. In terms of tenure, they are substantially settled in the private sector, especially the private rented sector (46%), and are very under-represented in the social / affordable sector (16%)'

Table 7.20 'Other White' residents

	White UK/Irish	Other White	BAME
Bexley	78.7%	3.2%	18.1%
Bromley	79.0%	5.3%	15.7%
Greenwich	54.2%	8.3%	37.5%
Lewisham	43.4%	10.1%	46.5%
Southwark	42.0%	12.3%	45.8%
SE London	59.2%	8.0%	32.8%
London	47.1%	12.6%	40.2%

Source: Census 2011 table DC2101EW

Figure 7.9 Tenure and ethnicity, South East London



Source: Census 2011 table DC 4201EW

7.61 Some of the housing implications arising from this brief analysis of the characteristics of different ethnic groups include

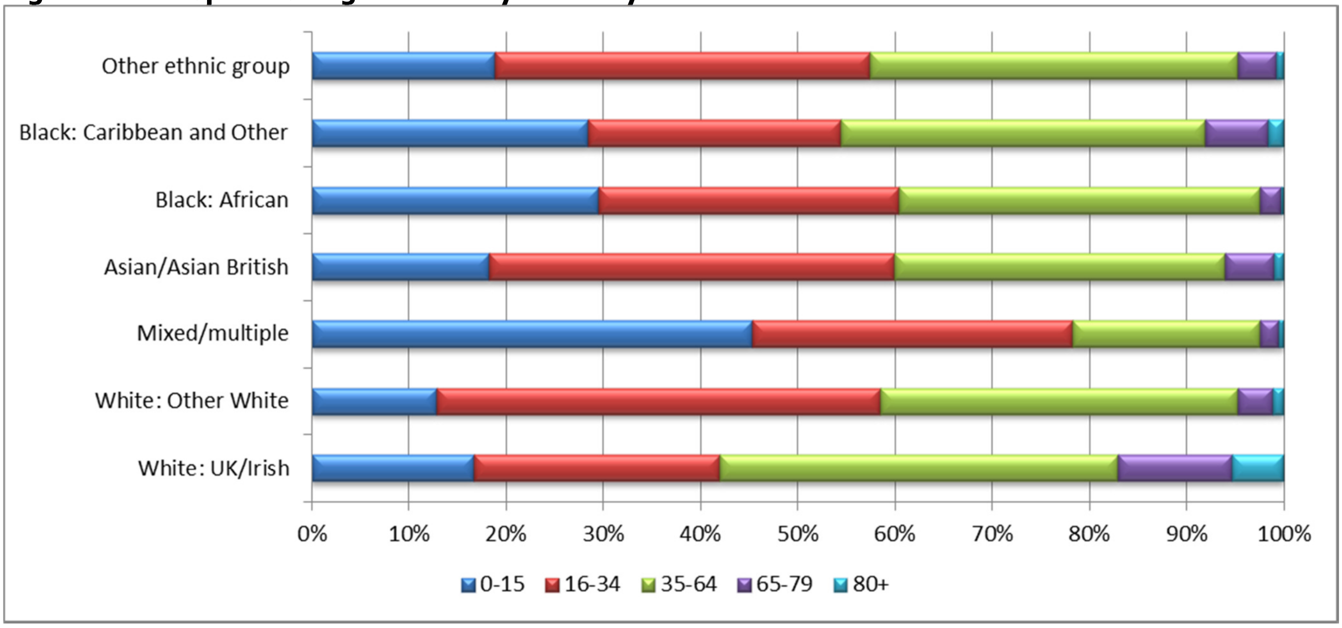
- Issues around housing conditions and overcrowding particularly among older Asian households with lower incomes, including consideration of options to downsize or remodel existing accommodation to meet future needs
- Conversely, the absence of property assets and capital among Black communities, and the implication that this will mean continued social sector reliance; and potentially concentration in areas of deprivation and poverty (which still characterise concentrations of social / affordable housing)
- The insecurity of 'Other White' households in the PRS, and concern about evictions and homelessness, including non-priority homelessness; 39% of London rough sleepers are from Europe (excluding the UK)[18].

Issues around age groups and ethnicity

7.62 In terms of the current age profile of BAME in South East London communities, while proportionately White UK / Irish households have an older structure than other groups, it is significant that there are proportionately large segments of BAME communities who are older working age adults and who over the next decade will reach the 65 plus age bands; in particular the combined Black grouping, with a similar position for Asian households. Conversely, residents in the mixed / multiple ethnicity category have a very young profile, with 45% aged under 15. We have discussed the housing implications of an ageing South East London population earlier in this chapter and elsewhere, and we will touch on the implications for BAME housing below.

[18] DCLG rough sleeping statistics Autumn 2013 – CHAIN data for London

Figure 7.10 Population ages bands by ethnicity



Source: Census 2011 table DC2101EW

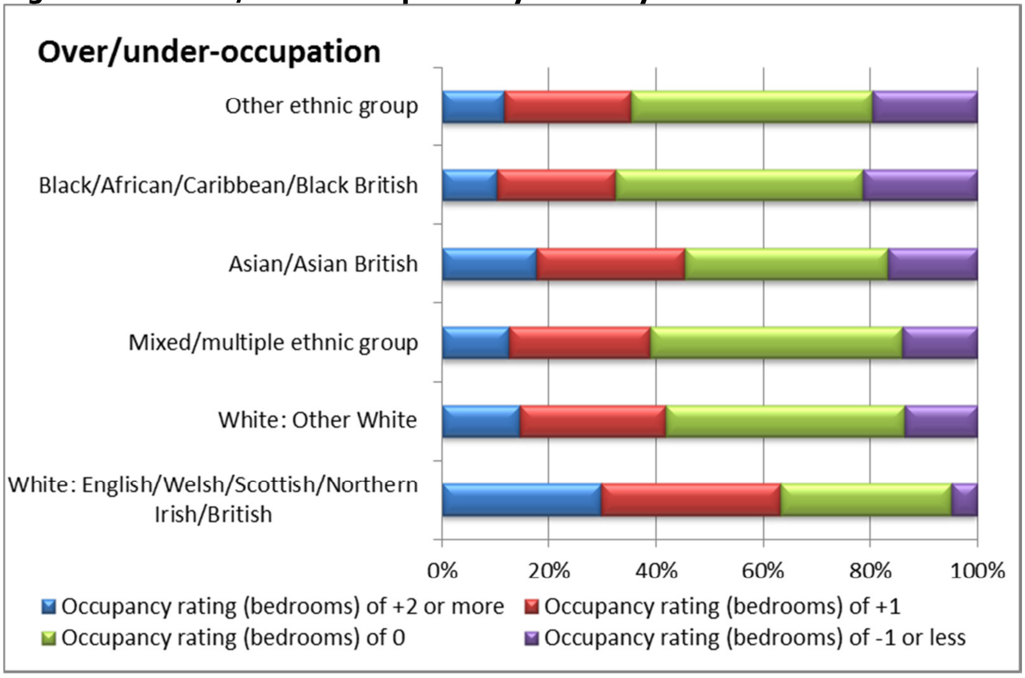
Other indicators of housing requirements

7.63 In terms of other evidence and indicators of actual or potential housing needs, BAME households primarily require access to the same type and range of stock as all other households, but there are some underlying factors that distinguish their needs.

Household size and over/under-occupation

7.64 Figure 7.11 shows the degree to which different ethnic groups over-or under-occupy their homes, based on the Census concept of the occupancy rate for bedroom requirements in (discussed in Chapter 4). It can be seen that around 30% of White households (based on the ethnicity of the Household Reference Person) have two beds more than required, and 60% have at least one extra bedroom. The position is different for most BAME groups. Over 20% of Black households are two bedrooms short, and there are shortage levels in excess of 10% for all other BAME groups. In terms of over-occupation only 10% of Black households over-occupy by two bedrooms or more, and the figure remains below 20% for all other BAME groups. In part this will be the result of the higher proportions of White households in owner-occupation, where under-occupation is an established factor; and in turn this will be a function of family size and composition. But underlying this will be the overall economic and social factors that prevent many BAME households from accessing appropriately sized housing

Figure 7.11 Over/under-occupation by ethnicity



Source: Census 2011 table LC4206EW

Older BAME households

7.65 We have already noted the demographic pressure that ageing will bring on housing requirements. Although *currently* BAME households tend to be younger, there will be a significant increase in the number of elderly BAME residents particularly the Black African, Black Caribbean, Pakistani, Bangladeshi and Chinese communities between now and 2030[19]. SELHP has done research into this in 2010 (and in the previous SHMA) and identified among other areas:

- this accelerated growth rate of BAME older households
- problems around take-up of sheltered housing
- the presence of BAME elders as part of extended households and consequent overcrowding

Creative and in some areas culturally-sensitive solutions will need to be part of the South East London boroughs' response to these pressures.

Income and poverty and BAME communities

7.66 About 70% of people living on low-incomes in inner London and 50% in outer London are from backgrounds other that White British; 20% of Black African, Black Caribbean and Bangladeshi men are workless, compared to 10% of White men; over 60% of women born in Somalia, Turkey, Pakistan and Bangladesh were not in paid work, compared with 30% of White women born in, for example, Poland, South Africa and France.[20] While it would be too crude to simply argue that BAME communities are poorer than White communities (for example, households from Indian backgrounds across London are relatively wealthy), nonetheless there are substantial numbers who will find it difficult or impossible to meet their housing needs in the private sector, especially the owner-occupier sector. A recognition of the limited resources available to segments of the BAME community enabling them to exercise choice in acquiring housing is an element in policy formation. And, as illustrated in figure 7.9, the low level of owner-occupation in some BAME communities will debar them from benefitting from 'cashing in' on that resource later in life.

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[19] *The role of the planning system in delivering housing choice for older Londoners*, GLA, 2012
[20] *London's poverty profile 2013*, NPI, 2013

Welfare reform and BAME communities

7.67 The measures in the welfare reform programme are likely to disproportionately impact on the resources available for housing for BAME households; the DWP's own impact assessment (2011) estimates that 30% of households affected by LHA caps contain a BAME member, compared to 20% of White households. Lower incomes, greater unemployment and larger families all contribute to this disproportionate impact[21]. The significant presence of 'Other White' residents in the private rented sector in South East London may also be a warning sign of potential housing and homelessness problems ahead for this group, given the levels of insecurity in the sector.

Service personnel

7.68 As part of the implementation of the Localism Act 2011 (as it relates to how authorities manage their housing allocation policies) Supplementary Guidance was issued by the DCLG in December 2013. This encouraged authorities to adopt a two-year residency test for allowing applications, but stated that authorities "must make an exception for certain members of the regular and reserve Armed Forces."[22] This includes allowing applications to any authority within a five year period after discharge, in cases where spouses or civil partners leave service accommodation after bereavement related to service in the armed forces, or where service or reserve service personnel need to move because of serious injury, medical condition or disability sustained as a result of their service.

7.69 All South East London authorities have either introduced or are consulting on the introduction of amendments to their allocation polices, to give reasonable preference to the groups covered by the guidance, and are waiving the local connection criteria. In terms of the assessment of existing need from this group, there is limited information available. What there is indicates that there are a total of 13 Armed Forces households on the housing registers of Bexley and Greenwich. In view of this relatively low demand and the fact that all authorities are already making provision for Armed Forces personnel, there does not appear to be an additional uncatered for housing requirement.

People wishing to build their own homes

7.70 National Planning Policy Guidance notes the Government's desire to enable more people to build their own homes, and to make this form of housing a mainstream housing option. It suggests that local planning authorities should, therefore, plan to meet such demand. In 2011 a £30m fund was announced to support self- and custom – builders, £8m of which was directed at London, via the GLA.

7.71 The nature of the housing stock and housing market in South East London means that the availability of single plots suitable for the building of single homes is very limited. Accordingly evidence of demand from individuals for building their own homes is currently limited to 7 entries, all seeking to build single houses, on the Self Build Portal. There are currently no particular planning barriers to individuals purchasing their own plots of land to build their own homes. The development of 'serviced' plots of land suitable for sub-division between a number of individuals for individual dwellings may require more support through the planning system but it will be difficult to identify appropriate sites in the area and currently authorities are not aware of any local demand from groups of individuals.

7.72 However, parts of South East London have a tradition of (small scale) community build or 'co-housing' projects. Lewisham Council, who pioneered self-build in the 1980s, are now looking at options for a community build project. Some local housing associations have a track record in supporting community build agencies and housing co-operatives. There are also a number of community build agencies already actively involved in the delivery of small empty homes programmes in South East London including, for example, Habitat for Humanity working with Southwark Council to refurbish and

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[21] *Housing Benefit and Welfare Reform – impact of proposed changes on BAME communities*, S. Beasor, Race Equality Foundation, 2011

[22] *Providing social housing for local people,* DCLG December 2013, para 18

develop homes for the local community, using volunteers and 'sweat equity' (an assessed contribution based on direct building and labouring work by potential residents).

7.73 Community build projects may be relevant to small infill plots of land that have capacity for a few houses or a single block of flats, also to the conversion of buildings currently used for non-residential purposes. The capacity of such organisations may be limited - though the GLA funding noted above is designed to address this. Similarly the timescales associated with community build are usually longer than more conventional ways of construction.

7.74 In view of the above evidence of lack of demand, and the existing positive climate in South East London relating to community build, there does not appear to be additional activity that the South East London authorities should be undertaking in this area.

Appendix: Modelling affordable housing need - alternative scenarios

The Baseline Scenario (1A)

As described in the main report: Income threshold: 33.3%; no adjustment for resolution of overcrowding and under-occupation; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years.

This is the recommended scenario.

Main calculation		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,785	6,112	10,746	14,085	19,734	55,462
	B: Affordable stock available	779	1,724	3,627	4,620	9,508	20,258
	C: Net current need (A-B)	4,006	4,388	7,119	9,465	10,226	35,204
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	200	219	356	473	511	1,760
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing households falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,867
Final steps	K: Gross annual need (E+J)	1,348	1,953	1,865	2,717	2,743	10,627
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	837	1,404	835	1,144	799	5,017

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	8%	27%	0%	0%	0%	0%
2 bedroom units	49%	39%	34%	35%	27%	41%
3 bedroom units	33%	26%	46%	43%	46%	41%
4+ bedroom units	9%	8%	20%	22%	27%	18%
Intermediate sector						
1 bedroom units	18%	22%	23%	28%	24%	24%
2 bedroom units	43%	42%	38%	37%	40%	40%
3 bedroom units	29%	27%	26%	24%	26%	26%
4+ bedroom units	10%	9%	12%	10%	10%	10%
Tenure split: % intermediate	34%	35%	43%	51%	57%	50%

Scenario 1B

Described in the main report as the "2nd Scenario" : Income threshold: 33.3%; size mix of annual supply has been adjusted assuming 50% of overcrowding and under-occupation within the existing affordable stock will be resolved in a 10 year period; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years. The main calculation and tenure split are the same as scenario 1A above.

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	24%	40%	20%	42%	0%	26%
2 bedroom units	42%	34%	20%	13%	4%	28%
3 bedroom units	23%	18%	35%	18%	37%	25%
4+ bedroom units	11%	8%	25%	27%	59%	21%
Intermediate sector						
1 bedroom units	18%	22%	23%	28%	24%	24%
2 bedroom units	43%	42%	38%	37%	40%	40%
3 bedroom units	29%	27%	26%	24%	26%	26%
4+ bedroom units	10%	9%	12%	10%	10%	10%

Scenario 2A
Income threshold: 25%; no adjustment for resolution of overcrowding and under-occupation; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years.

The 25% income threshold is not considered to be an adequate reflection of the reality on the ground in South East London in terms of the amount new households are commonly spending on their accommodation (see technical note). This scenario is therefore not recommended.

Main calculation		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	5,298	6,717	12,129	15,800	20,717	60,661
	B: Affordable stock available	921	1,963	4,231	5,326	10,046	22,486
	C: Net current need (A-B)	4,377	4,754	7,898	10,474	10,671	38,175
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	219	238	395	524	534	1,909
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	62%	71%	68%	77%	86%	74%
	H: Newly forming hh in need (F*G)	1,144	1,877	1,569	2,329	2,435	9,354
	I: Existing households falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,398	2,103	1,841	2,650	2,647	10,639
Final steps	K: Gross annual need (E+J)	1,617	2,341	2,236	3,174	3,180	12,547
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	1,105	1,791	1,205	1,600	1,236	6,938

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	11%	27%	2%	10%	0%	5%
2 bedroom units	48%	39%	41%	38%	38%	43%
3 bedroom units	32%	26%	41%	35%	41%	37%
4+ bedroom units	9%	7%	17%	17%	21%	15%
Intermediate sector						
1 bedroom units	15%	22%	24%	31%	24%	24%
2 bedroom units	45%	43%	39%	36%	42%	41%
3 bedroom units	30%	28%	27%	24%	26%	26%
4+ bedroom units	9%	8%	10%	9%	9%	9%
Tenure split: % intermediate	27%	28%	32%	36%	45%	36%

Scenario 2B
Income threshold: 25%; size mix of annual supply has been adjusted assuming 50% of overcrowding and under-occupation within the existing affordable stock will be resolved in a 10 year period; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years. The main calculation and tenure split are the same as scenario 2A above.

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	22%	36%	20%	36%	1%	26%
2 bedroom units	43%	36%	31%	25%	32%	33%
3 bedroom units	25%	21%	31%	21%	34%	25%
4+ bedroom units	10%	8%	18%	18%	33%	16%
Intermediate sector						
1 bedroom units	15%	22%	24%	31%	24%	24%
2 bedroom units	45%	43%	39%	36%	42%	41%
3 bedroom units	30%	28%	27%	24%	26%	26%
4+ bedroom units	9%	8%	10%	9%	9%	9%

Scenario 3A

Income threshold: 40%; no adjustment for resolution of overcrowding and under-occupation; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years.

The 40% income threshold, though a reflection of the affordability reality on the ground in South East London, is considered too high to use as the basis for policy recommendations given the pressure this puts on lower income households (see technical note). This scenario is therefore not recommended.

Main calculation		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,248	5,736	9,908	13,039	18,831	51,761
	B: Affordable stock available	631	1,575	3,261	4,189	9,014	18,670
	C: Net current need (A-B)	3,616	4,161	6,647	8,850	9,817	33,091
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	181	208	332	442	491	1,655
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	41%	48%	45%	56%	62%	51%
	H: Newly forming hh in need (F*G)	758	1,277	1,039	1,675	1,749	6,498
	I: Existing households falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,012	1,503	1,311	1,996	1,961	7,782
Final steps	K: Gross annual need (E+J)	1,193	1,711	1,643	2,438	2,452	9,437
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	681	1,161	612	865	507	3,827

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	5%	28%	0%	0%	0%	0%
2 bedroom units	50%	39%	26%	26%	11%	35%
3 bedroom units	35%	26%	52%	48%	55%	45%
4+ bedroom units	10%	8%	23%	26%	34%	20%
Intermediate sector						
1 bedroom units	18%	22%	24%	29%	22%	24%
2 bedroom units	44%	41%	37%	36%	40%	39%
3 bedroom units	29%	27%	26%	24%	26%	26%
4+ bedroom units	9%	9%	13%	11%	12%	11%
Tenure split: % intermediate	44%	40%	52%	61%	69%	64%

Scenario 3B

Income threshold: 40%; size mix of annual supply has been adjusted assuming 50% of overcrowding and under-occupation within the existing affordable stock will be resolved in a 10 year period; annual supply includes 50% of supported housing lettings; backlog reduction over 20 years. The main calculation and tenure split are the same as scenario 3A above.

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	28%	44%	19%	49%	0%	27%
2 bedroom units	40%	32%	1%	0%	0%	17%
3 bedroom units	20%	16%	42%	11%	20%	25%
4+ bedroom units	12%	8%	38%	40%	80%	31%
Intermediate sector						
1 bedroom units	18%	22%	24%	29%	22%	24%
2 bedroom units	44%	41%	37%	36%	40%	39%
3 bedroom units	29%	27%	26%	24%	26%	26%
4+ bedroom units	9%	9%	13%	11%	12%	11%

Scenario 4A
Income threshold: 33.3%; no adjustment for resolution of overcrowding and under-occupation; annual supply includes 50% of supported housing lettings; backlog reduction over 5 years.

This scenario is the same as the baseline scenario except that a 5 year backlog reduction period is inputted instead of a 20 year backlog reduction period. Because this results in net annual need that is several times the level of total recent new build volumes across all sectors of the market this scenario is considered to be unrealistic and is therefore discarded (see technical note).

Main calculation		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,785	6,112	10,747	14,086	19,734	55,464
	B: Affordable stock available	780	1,724	3,627	4,620	9,508	20,259
	C: Net current need (A-B)	4,006	4,388	7,120	9,466	10,226	35,206
	D: Backlog reduction period	5	5	5	5	5	5
	E: Annual backlog quota (C/D)	801	878	1,424	1,893	2,045	7,041
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing households falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,868
Final steps	K: Gross annual need (E+J)	1,949	2,611	2,933	4,137	4,278	15,909
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	1,437	2,062	1,903	2,564	2,333	10,299

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	23%	31%	10%	13%	0%	10%
2 bedroom units	36%	33%	28%	28%	28%	32%
3 bedroom units	27%	24%	35%	32%	38%	33%
4+ bedroom units	14%	13%	27%	27%	35%	25%
Intermediate sector						
1 bedroom units	19%	21%	20%	21%	19%	20%
2 bedroom units	35%	36%	32%	32%	35%	34%
3 bedroom units	28%	27%	27%	27%	27%	27%
4+ bedroom units	18%	15%	21%	20%	19%	19%
Tenure split: % intermediate	31%	34%	36%	38%	42%	38%

Scenario 4B
Income threshold: 33.3%; size mix of annual supply has been adjusted assuming 50% of overcrowding and under-occupation within the existing affordable stock will be resolved in a 10 year period; annual supply includes 50% of supported housing lettings; backlog reduction over 5 years. The main calculation and tenure split are the same as scenario 4A above.

Size/tenure mix	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bedroom units	32%	39%	23%	29%	1%	25%
2 bedroom units	32%	29%	21%	20%	22%	24%
3 bedroom units	21%	19%	29%	23%	34%	25%
4+ bedroom units	15%	13%	28%	28%	43%	26%
Intermediate sector						
1 bedroom units	19%	21%	20%	21%	19%	20%
2 bedroom units	35%	36%	32%	32%	35%	34%
3 bedroom units	28%	27%	27%	27%	27%	27%
4+ bedroom units	18%	15%	21%	20%	19%	19%

Technical appendix: calculating the need for affordable housing

This document sets out in detail the approach taken to calculate the need for affordable housing by Cobweb Consulting for the South East London Strategic Housing Market Assessment. The approach follows that of the official government Guidance, both the old Guidance (August 2007) and the National Planning Policy Guidance issued in March 2014.

A secondary data approach was taken following the requirements of the South East London Housing Partnership's brief. A wide range of data sources were examined and the best sources were selected in order to achieve robust outputs. It is important to emphasise however than that the outputs are estimates rather than exact measurements. No sources provide a comprehensive picture of the matter at hand and combining different sources inevitably means that there are gaps and overlaps. This necessitates the making of assumptions and the use of proxies at certain stages of the calculation in order to complete the estimate. These assumptions and proxies are explained in this note so that the methodology is not a "black box". In doing so Process Requirements 4 and 5 of the 2007 Guidance are met, these being:

- (4) Contains a full technical explanation of the methods employed, with any limitations noted;
- (5) Assumptions, judgements and findings are fully justified and presented in an open and transparent manner.

The structure of this technical note follows the main stages of the calculation, organised under these headings:

- Calculating Backlog Need;
- Calculating Newly Arising Need;
- Supply;
- Completing the Calculation.

Calculating backlog need

The first component is that of **concealed households**. The first source examined is the Census 2011 which counted 8,257 concealed "families" in SE London. Being a comprehensive headcount of the population the Census is a robust source, although the measurement was made just over three years ago and is therefore somewhat out of date. The Census Analysis Unit within the Population Statistics Division at ONS defines a concealed family as "a family living in a multi-family household, in addition to the primary family". It further notes that concealed family statistics are a useful indicator of housing demand for house building and planning in the future.

Concealed families Census 2011	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
	1,313	1,290	2,076	1,715	1,863	8,257
% of London (68,600)	1.9%	1.9%	3.0%	2.5%	2.7%	12.0%

According to the Census Analysis Unit a concealed family can be a couple (with or without children) or a lone parent. An adult offspring living without a partner or child is not considered to be a family. This exclusion of single person concealed households is a problem because ideally we would like to include them in our estimate of concealed households. Anecdotal evidence suggest large numbers of younger adults who are "still living with mum and dad" well into their thirties, not out of choice but because they can't afford to move to independent accommodation. This is resulting in the suppression of household formation and this suppression is built into the latest household projections.

Work done on the GLA SHMA concluded that there were 85,826 concealed households in the whole of London. This number was arrived at following analysis of the most recent 3 years of data from the English Housing Survey (EHS). EHS variable "WhInform2" was the key to this approach. The question reads: *"We are interested in the number of people in the household who might, in other circumstances, be living in their own accommodation. Which of the statements on this card best describes your current situation?"* Response (3) reads: "*Would like to buy or rent but can't afford it at the moment."* When this response was chosen this was taken to indicate the presence of a concealed household. Further analysis of the EHS carried out by the GLA led to the following table which differentiates concealed households by tenure and size of dwelling required.

All concealed hholds in London: GLA data (from EHS)

	1 bed	2 bed	Total	1 bed	2 bed	% (vertical)
Social rent	40,116	-	40,116	100%	0%	47%
Intermediate	32,225	3,653	35,877	90%	10%	42%
Private rent	7,483	2,349	9,832	76%	24%	11%
Total	79,824	6,002	85,826	93%	7%	100%

According to the Census data there were a total of 68,600 concealed families in the whole of London. Upon consideration the exclusion of single person households from the Census figures justifies the adoption of the higher number yielded from the EHS analysis. Therefore the Census outputs for SE London were scaled up by a factor of 1.25 (68,600/85,826) to arrive at a final estimate of concealed households in SE London. Furthermore the breakdown by tenure and size of dwelling required from the GLA work was applied to the up-scaled SE London data, resulting in the following final estimate of concealed households in the sub-region. The 11% of households deemed to be able to afford private rented accommodation (see the previous table) have been discarded. In arriving at this estimate it is assumed that the Census is a good source for the numbers of concealed households in each borough relative to each other, but that the work done by the GLA using EHS is a better indicator of the overall level of concealed households, this being higher than the Census indicates. Furthermore the assumption is made that bedroom size requirements and the tenure split outputs at the London level are transferable to the local level. Given the lack of alternative sources this was considered the best way to proceed.

Concealed households in need of affordable households

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social/afford. Rent	1,148	1,065	1,813	1,479	1,475	6,980
of which 1 bedroom needed	1,093	1,014	1,726	1,408	1,404	6,645
of which 2 bedrooms needed	55	51	87	71	71	336
Intermediate sector	306	364	487	421	588	2,167
of which 1 bedroom needed	291	347	464	401	560	2,063
of which 2 bedrooms needed	15	18	23	20	28	104
Total in need	1,455	1,429	2,300	1,900	2,064	9,147

The next component of backlog need concerns **overcrowded households**. Again, Census 2011 is the primary source used, showing there to be 53,093 overcrowded households in SE London. There is no better or more recent source available.

Census 2011 "Occupancy rating"

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
1 bedroom short	3,763	4,646	8,892	11,704	14,949	43,954
2 or more bedrooms short	604	575	2,119	2,314	3,526	9,138
Total number overcrowded	4,367	5,221	11,011	14,018	18,475	53,092

However there is inevitably an overlap between overcrowded and concealed households: were concealed households to be given their own accommodation then in some cases this would solve the overcrowding in the remnant household. According to work done by GLA based on an analysis of three years of EHS data (London-wide) around 25% of concealed households were also overcrowded. Applying this to SE London, assuming the sub-regional situation does not differ markedly from the regional one, the census figures for overcrowded households in SE London were reduced by 25% of the number of concealed households in each borough. This reduced the overcrowded number down from 53,092 to 50,509.

However it is not necessarily the case that all of these households are unable to afford open market housing. Data from the EHS (again, for the whole of London) provided an indication of the income distribution of overcrowded households when measured against the income distribution of all households:

- 11.4% in the lowest income quintile;
- 30.9% in the 2nd income quintile;
- 29.7% in the 3rd (middle) income quintile;
- 19.6% in the 4th income quintile;
- 8.4% in the highest income quintile.

The analysis of EHS also provided an indication of the dwelling size requirements of overcrowded households (again, London-wide):

- 26% required a 2 bedroom dwelling;
- 34% required a 3 bedroom dwelling;
- 40% required a 4+ bedroom dwelling.

An affordability test was carried out using these two inputs from the EHS analysis, in combination with household income data for SE London (CACI Paycheck) and market entry price levels (SELHP Market Monitor). The detailed method of the affordability test is explained later in this document under the heading "newly arising need." Those unable to afford market entry are deemed to be in need of affordable housing. The full results of the affordability test applied to overcrowded households are shown in the following table. In total 42,626 of the 50,509 households are deemed unable to afford.

Overcrowded households in housing need

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social/afford. rent	1,793	2,359	5,750	7,554	12,398	29,856
of which 2 bedrooms needed	473	622	1,516	1,992	3,269	7,872
of which 3 bedrooms needed	606	797	1,943	2,552	4,189	10,087
of which 4+ bedrooms needed	715	940	2,291	3,010	4,940	11,896
Intermediate sector	1,036	1,517	2,447	3,259	4,511	12,771
of which 2 bedrooms needed	273	400	645	859	1,189	3,367
of which 3 bedrooms needed	350	513	827	1,101	1,524	4,315
of which 4+ bedrooms needed	413	605	975	1,299	1,798	5,089
Total in need	2,830	3,877	8,198	10,813	16,909	42,626

The next component of backlog need concerns **homeless households** in temporary accommodation. The source for this component is P1E administrative data. There is a statutory requirement for Local Authorities to collect this data on homelessness. The most recent dataset showed there to be 3,689 homeless households in temporary accommodation in SE London at the close of 2013. This source is therefore more up to date than the sources used for the other components of backlog need. However it is unlikely that the P1E figures have 100% coverage of the situation of the ground as only those households that have come into contact with local authority homelessness teams are counted. There are likely to be others that are homeless but have not sought assistance. Therefore the P1E figures are considered to be an undercount. Given that there is no alternative source with which to estimate the likely scale of the undercount the P1E figures are taken on face value as the best source available.

Furthermore the assumption is made that all of these households require social rented accommodation (i.e. they cannot afford the intermediate sector). This assumption is made because it is considered unlikely that a household would find itself in local authority assisted temporary accommodation if it had sufficient financial resources to be able to afford the intermediate sector. A household in this situation would be far more likely to "stretch" their income to access the PRS. This assumption might mean that the requirement for intermediate accommodation as opposed to social rented accommodation is very slightly understated.

The size of dwellings required by homeless households in temporary accommodation is estimated following an analysis of CORE data. Three years of data from CORE (2010/11-2012/13) covering General Needs lettings to new tenants (as opposed to transferring tenants) was examined. Using the variable "PREVTEN", records were selected if it was indicated that the tenant had previously been housed in a form of temporary accommodation including hostels, Bed & Breakfasts and rough sleeping. An assumption is made that the needs for this group are broadly similar across the sub-region (i.e. they don't differ markedly from one borough to the next). According to this method the size of dwellings required to house the homeless in SE London breaks down as follows:

- 68% requiring 1 bedroom dwellings;
- 25% requiring 2 bedroom dwellings;
- 6% requiring 3 bedroom dwellings;
- 1% 4 bedroom dwellings.

Applying these percentages to the P1E data resulted in the following table.

Homeless households in housing need

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social/afford. rent	501	806	249	1,372	761	3,689
of which 1 bedroom needed	340	546	169	930	516	2,501
of which 2 bedrooms needed	126	203	63	346	192	930
of which 3 bedrooms needed	29	47	14	80	44	214
of which 4+ bedrooms needed	6	10	3	17	9	45

To generate a final figure for backlog housing need the numbers of concealed, overcrowded and homeless households were added together, resulting in the next table.

Gross current need (i.e. "Backlog")

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and afford. rent	1 bed	1,433	1,560	1,894	2,338	1,920	9,145
	2 bed	654	876	1,666	2,409	3,532	9,137
	3 bed	635	844	1,957	2,632	4,233	10,301
	4+ bed	721	950	2,294	3,027	4,949	11,941
	Total	3,443	4,230	7,812	10,406	14,634	40,525
Intermediate sector	1 bed	291	347	464	401	560	2,063
	2 bed	288	418	669	879	1,218	3,471
	3 bed	350	513	827	1,101	1,524	4,315
	4+ bed	413	605	975	1,299	1,798	5,089
	Total	1,342	1,882	2,934	3,680	5,099	14,937
Total, all affordable		4,785	6,112	10,746	14,085	19,734	55,462

Some of the backlog concerns households already housed in the social sector. It is necessary to differentiate this group as the resolution of their housing needs will release their current dwelling for re-use. This unit therefore counts towards "available stock" later in the calculation. This is estimated to be 20,258 units, as shown in the next table.

Available stock

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Backlog households already in social rented sector accomodation	Overcrowded %	28%	40%	44%	41%	55%	46%
	Overcrowded number	779	1,533	3,581	4,452	9,254	19,599
	Concealed %	0%	0%	0%	0%	0%	0%
	Concealed number	-	-	-	-	-	-
	Homeless %	0%	24%	18%	12%	33%	18%
	Homeless number	-	191	46	168	254	659
	Total %	16%	28%	34%	33%	48%	37%
	Total number	779	1,724	3,627	4,620	9,508	20,258

The percentages in the table are based on the following sources:

- Overcrowded: Census 2011, showing breakdown of overcrowding by tenure and by borough;
- Concealed: None of these households are counted because they are sharing the accommodation of another household. As a result providing them with independent accommodation will not free up their current dwelling for re-use.
- Homeless: P1E data. It concerns homeless housed temporarily in council or RSL stock.

Netting off the available stock from the gross backlog results in "net current need" i.e. those households in need that are currently outside the social sector plus concealed households within the affordable sector. These households require additional affordable units to meet their needs.

Net Current Need		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rented sector	1 bed	1,199	1,120	1,255	1,571	995	6,141
	2 bed	548	629	1,104	1,619	1,830	5,730
	3 bed	532	606	1,297	1,769	2,193	6,396
	4+ bed	603	682	1,520	2,034	2,565	7,404
	Total	2,882	3,037	5,175	6,993	7,583	25,671
Intermediate sector	1 bed	244	249	307	269	290	1,360
	2 bed	241	300	443	591	631	2,206
	3 bed	293	368	548	740	790	2,739
	4+ bed	346	434	646	873	931	3,230
	Total	1,124	1,351	1,944	2,473	2,643	9,534
Total all affordable sectors		4,006	4,388	7,119	9,465	10,226	35,204

The above estimate excludes certain categories of need for which there are no robust secondary data sources available to derive borough or sub-regional level estimates. The GLA London-wide SHMA for example used the EHS to estimate the numbers of sharing households, households in homes lacking basic facilities, non-homeless households in non-self-contained accommodation and households suffering from harassment. Avoiding double counting the number of households in these categories requiring affordable accommodation was estimated to be 20,050 London-wide. Applying this number to SE London simply on the basis of proportionality (of population or households) would result in an additional gross current need of approximately 3,450 households in SE London, and net current need would be around 2,100 households higher (assuming circa 40% available stock).

Due to the exclusion of these households from the calculation, plus the cautious approach taken to estimating concealed, overcrowded and homeless households it is likely that the final estimate of backlog need is an undercount. The actual number could be considerably higher than the figure given. This is especially the case given that the sources used for the two biggest components of backlog need – overcrowded and concealed households – are now several years old. Market signals from the past two or three years indicate a worsening affordability situation in SE London (see chapter 4 of the main report) therefore the backlog is likely to have increased in the years since the

2011 Census and the EHS survey years from which data is available (2008/09 – 2010/11). In conclusion it is considered to be extremely unlikely that the estimate of backlog need constitutes an over-count.

Calculating newly arising need

The first component of newly arising need concerns newly forming households in need. The SHMA Practice Guidance (CLG, 2007) states that an estimate of new household formation must be based on "gross" rather than "net" household formation i.e. it is the total number of newly forming households that must be measured as opposed to newly forming households minus dissolving households. The method employed to calculate gross newly forming households is set out in paragraph 15 of Annex B of the Practice Guidance (CLG, 2007). We call this approach "the cohort method".
The source used to estimate newly forming households is the 2013 central trend household projection from the GLA. This source provides borough-level figures for the estimated number of households for each year between 2011 and 2041, broken down into 10-year age cohorts and into household types. The approach is to use the GLA Central household projection to track the development of each age cohort at ten year intervals to measure change, with an increase in the size of the cohort being ascribed to newly forming households. The resultant numbers are then divided by ten to arrive at annual figures. For example according to the projections data there were 908 single parent households in Bexley in 2011 in the 15-24 age band and there are projected to be 3,479 single parent households in 2021 in the 25-34 age band. The expansion is therefore 2,571. Furthermore there were 2,200 single parent households in Bexley in 2011 in the 25-34 age band and there are projected to be 3,796 single parent households in 2021 in the 35-44 age band. The expansion is therefore 1,597. These two numbers are then added together to make 4,168 which is then divided by 10 to make 417 newly forming single parent households per annum in Bexley.

As acknowledged in the Guidance most household formation is concentrated in the younger age ranges and it is therefore not necessary to look at all age cohorts. It is reasonable to assume that newly forming households in age cohorts older than 45 years will have already found suitable accommodation be it in the market or in the social sector. Moreover, if these older households suffer a reversal of circumstances they will be captured later in the calculation as existing households falling into need. For these reasons older households are excluded.

Some household types, e.g. couples without children, expand up to the 25 age mark then contract thereafter. In this case the negative number is subtracted from the positive number so that the final number shows a sort of "net" newly forming households of that type over the period. What is happening is that one type of household evolves into another type of household (single => couple no children => couple with children => single parent household). This is a complicated dynamic as many individuals will "pop in and out" of different household categories within the 10 year period being measured. However taking the net approach at decades end means there will not be any double counting of households. Instead what we are left with is a steady demographic progression that reveals the overall levels of change. The cohort method is the officially sanctioned method and given the lack of workable alternative approaches it is considered to be the best way to gauge the overall annual number of newly forming households and fit for purpose. The approach yields the following estimate of annual newly forming households.

Estimated number of newly forming households per year 2011-2021						
HH-type	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Single person	301	651	461	927	627	2,966
Couple, no dependent children	58	246	257	307	661	1,528
Couple with child(ren)	816	1,091	864	586	470	3,827
Single parent with child(ren)	417	465	330	630	372	2,214
Other multiperson households	248	207	411	563	700	2,128
Total	1,839	2,659	2,323	3,013	2,829	12,663

The next step is to apply an affordability test to these households, to estimate the share able or not able to access open market housing. There are several steps to this. First, market entry price levels must be determined. This is done using data from Housing Market Trends Bulletin No.18 SELHP, 3rd quarter 2013. This provides lower quartile prices for buying and renting a dwelling on the open market in each borough, broken down by dwelling size. Buyer's prices are converted to annual mortgage sums by applying the following criteria:

- A 5% deposit is assumed, so the mortgage amount is 95% of the price;
- An interest rate of 5% APR is assumed (the cheapest available rate as per mid-January 2014);
- A mortgage repayment period of 25 years.

Following the conversion of lower quartile purchase prices to annual mortgage payments these are compared to the lower quartile annual cost of renting in the PRS. Of the two tenures the lower cost is selected, this being taken to represent the market entry price level. These are shown in the next table.

Market entry threshold: annual cost

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
1 bed	£ 7,660	£ 9,000	£ 9,259	£ 10,188	£ 12,344	£ 9,906
2 bed	£ 9,124	£ 12,000	£ 11,245	£ 12,693	£ 16,329	£ 12,585
3 bed	£ 13,200	£ 15,000	£ 14,484	£ 15,600	£ 23,400	£ 18,269
4 bed	£ 16,200	£ 20,400	£ 20,148	£ 19,200	£ 28,080	£ 23,167

The SHMA Guidance requires assumptions concerning intermediate housing to be based on actual prices of intermediate products being offered in the market (p. 59 of the 2007 Guidance). In keeping with this instruction the intermediate threshold, demarcating the lower boundary of the intermediate sector and separating it from the social and affordable rent sector, was determined following an analysis of the shared ownership prices in SE London as contained in CORE data. The annual cost of shared ownership dwellings was calculated by adding the rent sum to the nominal cost of financing the mortgage on the equity share of the property (applying the same financial criteria set out above). The lower quartile price level of each dwelling size in each borough was calculated; however the small number of records was an obstacle in some cases. Therefore to make the intermediate threshold more robust the upper quartile price of social and affordable rent lettings was also determined using CORE data. The intermediate threshold price was set at the mid-point between upper quartile social/affordable rent and lower quartile shared ownership.

Intermediate threshold: annual cost

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
1 bed	£ 6,511	£ 7,200	£ 7,407	£ 7,641	£ 9,258	£ 7,925
2 bed	£ 7,756	£ 9,600	£ 8,996	£ 9,520	£ 11,431	£ 10,068
3 bed	£ 9,240	£ 9,000	£ 11,587	£ 10,920	£ 12,870	£ 11,875
4 bed	£ 9,720	£ 10,200	£ 11,081	£ 11,520	£ 14,040	£ 12,742

The intermediate range lies between the intermediate threshold and the market entry threshold. It is important to keep in mind that the outputs of the affordability calculation are predicated on intermediate products being offered for sale or for rent within this price range. Furthermore should intermediate products only be offered at the top end of this range (i.e. 5% or 10% under the market entry price level) then many of the households calculated to be able to afford the intermediate sector will not in fact be able to do so. It is therefore important to ensure that intermediate products are offered at different price points within the intermediate range, including at lower price points, so as not to invalidate the tenure-split outputs of the model.

The next step is to convert the annual costs of market entry and the intermediate sector into the income levels required to afford them. This is done using the affordability threshold percentage, i.e. the maximum percentage of gross income to be spent on housing for this to be considered affordable. The percentage used in the baseline scenario is **33.3%**. It is considered unaffordable if a household needs to spend more than a third of its gross income to access market housing. Therefore the income needed is three times the amounts shown in the 2 tables above.

The 2007 Guidance recommends an affordability percentage of 25% however it goes on to state that "local circumstances could justify a figure other than 25 per cent of gross household income being used" (p. 42). Anecdotal and quantitative evidence (e.g. from the EHS) indicates that households in London are commonly spending a much higher share of their income on housing costs in order to be able to access the market, more than 50% in some cases. This is particularly the case with younger households i.e. newly forming households. Another related consideration is that household incomes in London, including SE London, are generally higher than elsewhere in the country, which means a greater amount can be paid toward housing while having enough left over for other necessities. Given the reality on the ground in SE London a 25% income threshold is considered too low. 40% income threshold was tested in the affordability model, which is close to the reality facing many new entrants in the housing market. However given the pressure this places on the finances of those on lower incomes it was considered to be too high a percentage to use as the basis for future housing policy recommendations. On consideration, one-third of income was considered the most appropriate level for the affordability threshold, this being on the one hand closer to the reality on the ground while on the other not overstretching the spending capacity of lower income households.

The next step is to determine the size of dwellings required by different types of household. This is done using data from the EHS. Record-level data for London covering the most recent three years available (2009/10-2011/12) was analysed. Those households occupying their homes in line with the bedroom standard were selected (i.e. overcrowded and under-occupying households were discarded) which resulted in the following patterns of occupation. An assumption made here is that requirements by household type in SE London do not differ greatly from those across London as a whole.

Bedroom mix by household type: affordable sector

	1 bed	2 bed	3 bed	4+ beds
Single person hh	100%	0%	0%	0%
Couple, no dependent children	61%	25%	11%	3%
Couple with dependent children	0%	55%	38%	7%
Lone parent household	0%	65%	32%	3%
Other multi-person household	0%	65%	29%	5%

Next both the market entry and intermediate price thresholds were weighted for each household type according to the mix of dwelling sizes required by each household type. For single person households this simply meant a 100% weighting for one-bedroom dwellings. For couples with dependent children the weighting was 55% two-bed, 38% three-bed and 7% 4+ bed. Following this method a single price level for each household type in each borough was arrived at. This "weighted price" is the price level against which household income is tested. Using this method of a “weighted price” is considered to be an effective way of taking the differing size requirements of different types of households into account. The approach is considered to be better than simply testing affordability against the price of either a 2-bed or 3-bed dwelling.

CACI Paycheck household income data was used to ascertain income levels. This dataset showed the numbers of households in South East London in income bands of £5,000. Inter-quintile nodal points (the boundary values demarcating 5 evenly sized groups of households with 20% of households in each group) were estimated from this dataset (in determining the exact value of the inter-nodal point, a linear distribution across each of the £5,000 bands was assumed). The CACI data pertained to 2012. To bring this into line with the price data which pertained to the 3rd quarter 2013 the inter-nodal values were inflated by a factor of 1.5% (this value was derived from ASHE data on income and earnings, the rise in incomes in SE London between 2012 and 2013). The resultant household income quintiles were:

- lowest income quintile: £0 - £14,138
- 2nd income quintile: £14,138 - £25,609
- 3rd (middle) income quintile: £25,609 - £40,193
- 4th income quintile: £40,193 - £60,734
- highest income quintile: > £60,734

The next step was to determine the income distribution of newly forming households across the 20% income quintiles of all households. This was done using London-wide figures from the EHS because sub-regional or borough level figures with the necessary breakdowns are not available. First the whole dataset was ordered by household income and coded up into 5 equal groups of 20% (income quintiles). Then records of households in the age-band 16-44 were selected for all household types with the exception of single person households for which the age selection was 25-44. Together these records were taken to represent newly forming households. The income distribution of these households was examined, yielding the following table. This approach is in keeping with the 2007 Guidance which states “where possible, information about household incomes should be estimated by age and household type” (p. 22).

Income distribution of newly forming households by household type

	Single person hh	Couple, no child(ren)	Couple with child(ren)	Lone parent hh	Other multiperson hh
1st quintile	42%	8%	4%	40%	10%
2nd quintile	23%	15%	17%	33%	20%
3rd quintile	20%	20%	20%	16%	23%
4th quintile	10%	26%	27%	8%	25%
5th quintile	5%	31%	31%	3%	21%

The figures were then multiplied by the table containing the estimate for the annual number of newly forming households broken down by borough and by household type. This yielded the number of newly forming households in each borough broken down by household type and income quintile. The market entry price level for each household type (the price weighted by dwelling sizes required), converted into income required to afford that price-level (i.e. multiplied by 3) was then compared to the inter-quintile income nodal values to determine if households in that quintile were able to afford the price level being tested. This was done in a series of calculations in excel using a complex if/then formula which worked out:

- If the income required to afford was lower than the lower nodal point of the income quintile then all households in the quintile could afford market entry;
- If the income required to afford was higher than the upper nodal point of the income quintile then none of the households in the quintile could afford market entry;

- If the income required to afford fell between the lower and upper nodes then some of the households were calculated able to afford, the proportion being determined by the exact point at which the inter-nodal range was cut (again a linear distribution between inter-nodal points is assumed).

Market entry and intermediate price levels were tested in turn to determine the number of households able to afford the open market, those able to afford the intermediate sector but unable to afford the open market, and the remaining households unable to afford either. The following table demonstrates the outputs of the affordability calculation using the example of single parent households. There are four other tables (not shown here) covering single person households, couples without dependent children, couples with dependent children and finally "other multi-person households".

Affordability calulation - single parent households

	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Income distribution						
1st quintile	166	186	132	251	148	883
2nd quintile	139	156	110	211	124	741
3rd quintile	68	76	54	103	61	363
4th quintile	32	35	25	48	28	169
5th quintile	11	12	9	17	10	58
Households of each quintile able to afford intermediate						
1st quintile	0	0	0	0	0	0
2nd quintile	12	0	0	0	0	12
3rd quintile	68	62	41	74	19	264
4th quintile	32	35	25	48	28	169
5th quintile	11	12	9	17	10	58
Households of each quintile able to afford open market						
1st quintile	0	0	0	0	0	0
2nd quintile	0	0	0	0	0	0
3rd quintile	39	3	9	0	0	51
4th quintile	32	35	25	45	5	143
5th quintile	11	12	9	17	10	58

The collated results of the affordability calculation are shown in the next table. In all 7,583 newly forming households are calculated to be unable to afford open market housing, which is 60% of the total.

Summary of affordability, newly forming households						
	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Single person households						
Social/afford. rent	160	373	270	555	428	1,786
Intermediate	21	64	45	112	79	320
Market	120	214	147	260	121	860
Couples, no children						
Social/afford. rent	10	52	57	71	200	391
Intermediate	4	26	23	38	122	213
Market	44	167	176	198	339	924
Couples with children						
Social/afford. rent	169	270	240	164	170	1,014
Intermediate	93	196	108	99	144	639
Market	554	624	517	323	155	2,173
Single parent households						
Social/afford. rent	293	355	256	492	314	1,710
Intermediate	42	60	31	77	42	252
Market	81	51	43	62	15	252
Other multi-person households						
Social/afford. rent	73	73	153	214	332	845
Intermediate	29	38	55	101	189	412
Market	146	95	203	248	179	871
All newly forming households						
Social/afford. rent	706	1,124	976	1,497	1,444	5,746
Intermediate	188	384	262	426	576	1,837
Total affordable sectors	894	1,508	1,238	1,923	2,020	7,583
Market	945	1,151	1,085	1,090	809	5,080

The next step is to convert these figures into requirements for dwellings of different sizes. This is done using the table "**Bedroom mix by Household Type: affordable sector**" (i.e. the bedroom standard, see above). The percentages in this table are applied to the numbers in the table above to generate the next table. Again, an assumption made here is that the size requirements of each household type in SE London do not differ greatly from those across London as a whole.

Housing need and demand from newly forming households						
	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bed	166	404	305	599	549	2,023
2 bed	334	441	413	568	566	2,322
3 bed	181	243	224	291	285	1,223
4+ beds	25	35	34	40	45	178
Intermediate						
1 bed	23	80	59	135	153	449
2 bed	98	179	122	180	262	841
3 bed	57	107	69	96	137	467
4+ beds	9	18	12	16	25	80
Market						
1 bed	79	171	138	206	181	775
2 bed	381	453	433	435	336	2,039
3 bed	377	412	394	342	220	1,745
4+ beds	107	115	119	107	73	522

Although not relevant to the calculation of the need for affordable housing, the market requirements shown in the table above are derived from a different household/dwelling-size table, because the bedroom standard is not relevant to the open market sector. The approach was also based on an analysis of London-wide data from the EHS. In this case records pertaining to newly forming households (based on age, see above) housed in open market accommodation were selected, and overcrowded households were excluded. The occupancy pattern of the remaining households is represented in the table below, and this was used to generate the figures for the open market in the table above.

Bedroom mix by household type: open market				
	1 bed	2 bed	3 bed	4+ beds
Single person hh	53%	30%	13%	3%
Couple, no children	34%	47%	15%	4%
Couple with children	0%	38%	49%	13%
Lone parent hh	0%	71%	29%	0%
Other multi-person hh	0%	40%	41%	19%

The method used to calculate affordability for newly arising households was also applied to overcrowded households in "backlog need" as alluded to earlier. The inputs concerning income distribution and dwelling size requirements by household type were those given as bullet points on page 3 of this paper.

There is a second component of newly arising need – existing households that fall into need each year due to a reversal in fortune. It is difficult to get a clear measure of this group from the available secondary data sources. It was decided to use mortgage possession orders as a proxy for this component. The data source for this originates from the Ministry of Justice. The figures are based on an annual average from the period 2010 to 1st quarter 2013, which yield a total for SE London of 1,284.

Alternative sources for existing households falling into need were considered. One such source was PRS evictions, terminations & mortgage possessions as recorded in the SELHP Homelessness data. The 12 months to Q3 2013 showed a total of 644 cases in the sub-region. However the distribution of the data across the boroughs was very different to that of the Min. Justice figures which raised question marks about a possible lack of consistency in the way of the data was collected. Consistency is far less of an issue with the Min. Justice data as it constitutes a full count of court judgements without any variance of definition or subjectivity at the local level. Using landlord possession orders from the Ministry of Justice was also considered. The annual average for the sub-region in the period 2010 to 1st quarter 2013 was 4,504 – much higher than for mortgage possession orders. However there is a possibility of double counting with landlord possession orders as in some cases the same households could be evicted more than once within the same year (far less likely for mortgage possessions). Furthermore evicted tenants are more likely to be counted among those in backlog need. After careful consideration it was decided to limit the estimate to mortgage possession orders only. This is in keeping with taking a conservative approach to the estimate of housing need.

The breakdown into required dwelling sizes of existing households falling into need was based on an analysis of CORE data: dwellings in SE London let to households who had been evicted, repossessed or had been unable to afford their previous rent or mortgage (variable = "RSNVAC") were counted. The results: 38% needing 1-bedroom dwellings, 37% 2-bed, 20% 3-bed and 4% needing 4+ bedroom dwellings. Robust data on the income profile of this group of households was lacking, ruling out the possibility of an affordability calculation to separate those able to afford the intermediate sector from those needing social or affordable rented accommodation. Therefore it was decided to use the tenure split results of the affordability calculation pertaining to newly forming households as the best proxy available, applying this to existing households falling into need. Implicit therefore is an assumption that the income profile of existing households falling into need is broadly similar to those newly forming households unable to afford the open market. It is possible that this overstates the demand for the intermediate sector among repossessed households. The outputs are shown here:

Existing households falling into need by sector and dwelling size						
	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bed	77	65	82	96	58	379
2 bed	75	63	80	93	56	366
3 bed	41	34	44	51	31	201
4+ beds	8	6	8	10	6	38
Intermediate						
1 bed	21	22	22	27	23	115
2 bed	20	21	21	26	22	112
3 bed	11	12	12	15	12	61
4+ beds	2	2	2	3	2	12
Total all affordable sectors	254	226	271	321	212	1,284

The two components of newly arising need – newly forming households in need and existing households falling into need – were then added together as shown here:

Total newly arising need						
	Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable rent						
1 bed	243	469	387	695	607	2,402
2 bed	409	503	493	661	622	2,688
3 bed	222	278	268	342	316	1,424
4+ beds	33	41	42	49	50	216
Intermediate						
1 bed	44	102	81	162	176	565
2 bed	118	200	143	206	284	952
3 bed	68	119	81	110	149	528
4+ beds	11	20	14	18	27	92
Total all affordable sectors	1,148	1,734	1,509	2,244	2,232	8,867

Supply

As described in the Guidance there are two distinct types of supply, each of which is treated very differently within the calculation. The first type concerns the **total affordable stock available**. As explained above (under "backlog") this is primarily made up of those affordable units currently occupied by households in need that would come free for re-use if the needs of these households were met. The number is 20,258.

To this is added surplus stock (the number of affordable properties that can be normally expected to be vacant at any one time). It is generally considered that approximately 3% vacant stock is a necessary feature of a normal functioning market as these voids are required to facilitate household movements, renovations and the like. As shown in Chapter 3 of the report the percentage of empty social sector properties is below 3% in all boroughs except for Bexley. However the high figure in Bexley is due to regeneration activities – these empty homes are scheduled for demolition and therefore cannot be counted among the available supply. In conclusion, this component of affordable housing supply is considered to be zero. In other words there is no "spare capacity" from empty properties to meet affordable housing need.

This housing needs model excludes any assumptions concerning the future pipeline of new-builds. The rationale for this is that by excluding these assumptions the model provides a clearer picture of the current situation and thereby serves as a better basis when it comes to formulating appropriate policy responses. According to the SHMA Guidance (CLG, 2007) "committed additional housing stock" should be added to affordable stock available. However the Guidance doesn't define the meaning of the word "committed". We suggest that this should be given a narrow interpretation, to mean those new build units that are currently under construction or about to start construction.

While it is true that some of the backlog will be catered for when the new build units currently under construction are let (likely sometime in the next 12-18 months), this period will also see additional newly arising need piling up. If affordable delivery falls short of newly arising need then rather than the backlog being diminished by committed additional stock, it may instead be inflated further during the period in question. By opting for what could be termed a "policy-off" approach what we are in effect presenting is a snap shot of housing need as it currently stands. Conclusions concerning the amount of future new build required can then be drawn because they have not been pre-factored into the calculation.

The last component of total affordable stock available concerns the subtraction of units to be taken out of management. These are social sector homes that are currently occupied by households in need of affordable housing but which are due to be demolished. No homes have been confirmed as being in this category, so again no adjustment is made at this stage. The estimate of total current affordable housing supply available therefore stands at 20,258. The breakdown by borough is shown in the table "**available stock**" above.

The second part of supply is called "**future housing supply**" and consists of an annual estimate of future annual supply of social housing re-lets, calculated on the basis of past trends - an average of the past three years is advised. It concerns the expected turnover of existing stock and excludes new build lettings. It is also limited to re-lets to new tenants and excludes transfer lettings. Social rent and "affordable rent" are treated together and longer-term supported housing lettings are also included. For the most part this supply consists of General Needs lettings but a half (50%) of supported housing lettings are also included due to the fact that many of these units are being let to the very households in need (both "backlog" and "newly arising") estimated above. For example, young single mothers with dependent children make up a significant number of new tenants in supported accommodation – the same households are measured in both the backlog and newly arising components of housing need. Not all supported housing units are included because a significant proportion are let on a temporary basis (e.g. for less than one year) and therefore cannot be considered part of the permanent housing stock. Also many units are reserved for older people and/or specific vulnerable groups, and these groups fall outside the backlog and newly arising components of need being modelled.

CORE is the data source used for the estimate of future housing supply, with the exception of Greenwich Council stock lettings data which was supplied separately by the borough itself due to the fact that these lettings were missing from the CORE data. Average annual lettings from a three year period (2010/11-2012/12 in the case of CORE and 2011/12-2013/14 in the case of Royal Borough of Greenwich) are derived from the sources. They show the number of lettings of existing properties to new tenants (therefore excluding new build "first lettings" as well as lettings to transferring tenants) broken down by borough and by dwelling size.

A second component of future housing supply is the supply of intermediate affordable housing. Again it concerns the number of homes that come up for re-let or re-sale and as such excludes new build properties. It is also an estimate based on an average from the past three years. Data from the South East London Housing Partnership has been used for this estimate, augmented by data from CORE which showed the breakdown of shared ownership re-sales by dwelling size. The two parts are then added together, as shown in the next table.

As alluded to above, it was discovered that CORE data excluded all the lettings of RB Greenwich stock in 2010/11 and 2011/12, necessitating the gathering of this data directly from the borough itself. This raises doubts as to whether CORE data covers all lettings of other providers in the sub-region. It has not been possible to assuage this doubt and therefore the possibility remains that the estimate of annual re-lets is an undercount.

Annual supply							
		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Social and affordable re-lets	1 Bed	258	275	515	808	1,131	2,986
	2 Beds	164	177	372	542	567	1,822
	3 Beds	65	72	97	182	174	590
	4+ Beds	11	6	18	24	33	92
	Total	498	530	1,003	1,555	1,906	5,491
Intermediate sector re-sales	1 Bed	6	5	6	8	17	40
	2 Beds	9	11	17	10	21	67
	3 Beds	-	5	6	-	2	12
	4+ Beds	-	-	-	-	-	-
	Total	14	20	28	18	39	119
All affordable sectors	1 Bed	263	279	521	816	1,147	3,027
	2 Beds	173	188	389	552	588	1,889
	3 Beds	65	76	103	182	176	602
	4+ Beds	11	6	18	24	33	92
	Total	512	549	1,031	1,573	1,945	5,610

Another point to bear in mind is that expanding the social sector and/or raising the turnover rate of social sector stock would result in an increase in annual lettings i.e. an increase in future housing supply. The model does not make assumptions about this. Instead it assumes that future re-let supply will be the same as over the past three years (i.e. 5,610 per annum). Should supply increase, then all else being equal, net annual need (see overleaf) will be lower than that modelled at present. Conversely an increase in Right-To-Buy and other sales of affordable dwellings is also a possibility. This could perceivably result in a reduction in the social housing stock which would act to reduce re-let supply and thereby increase the need for affordable housing in the future.

Completing the calculation

The various components are then assembled in accordance with the instructions given in the 2007 Guidance (p. 52). The diagram shows the results for the sub-region as a whole.

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Existing need	A:Backlog need	4,785	6,112	10,746	14,085	19,734	55,462
	B: Affordable stock available	779	1,724	3,627	4,620	9,508	20,258
	C: Net current need (A-B)	4,006	4,388	7,119	9,465	10,226	35,204
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	200	219	356	473	511	1,760
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing households falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,867
Final steps	K: Gross annual need (E+J)	1,348	1,953	1,865	2,717	2,743	10,627
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	837	1,404	835	1,144	799	5,017

The decision was taken to eliminate the backlog over a period of 20 years (i.e. a 5% annual quota). A shorter period is commonly adopted in SHMAs and the 2007 Guidance states "the quota should be based upon meeting need over a period of five years, although longer timescales can be used" (p. 52). However because of the very large size of the backlog in SE London relative to the rates of affordable housing delivery in recent years a five or even ten year backlog reduction period was considered too short to be considered realistically achievable. Adopting a 5-year period (20% annual quota) would have resulted in net annual need for affordable housing being 10,298, which is 2.3 times the average rate of stock growth in recent years across all tenures. The GLA's London-wide SHMA also adopted a backlog reduction period of 20 years so consistency with this study is an additional argument in favour of opting for 20 years.

The final stage is to combine the various components concerning dwelling size and tenure which have been differentiated throughout. The figures below concern SE London but the model also yields outputs for each of the five boroughs.

Housing need by tenure and dwelling size: SE London

		1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings	All dwellings
Social and affordable rent	Gross annual need	2,709	2,975	1,744	586	8,014
	Annual supply	2,986	1,822	590	92	5,491
	Net annual need	(278)	1,152	1,154	494	2,523
Intermediate sector	Gross annual need	633	1,062	665	253	2,613
	Annual supply	40	67	12	-	119
	Net annual need	593	996	653	253	2,495
Total	Gross annual need	3,341	4,037	2,409	839	10,627
	Annual supply	3,027	1,889	602	92	5,610
	Net annual need	315	2,148	1,808	747	5,017

So-called "development mix" recommendations can be generated from the figures above. In the case of an oversupply of dwellings of any size/tenure combination the requirement is adjusted to zero, to avoid calculating with negative numbers. This is the case for 1 bed social and affordable rent units at the sub-regional level.

Recommended development mix: SE London

Tenure	1 bed dwellings	2 bed dwellings	3 bed dwellings	4+ bed dwellings		Tenure split
Social and affordable	-	41%	41%	18%		50%
Intermediate sector	24%	40%	26%	10%		50%

South East London SHMA 2014 – Borough Appendix Southwark

This Appendix summarises the main features of the dwelling stock, population, households, dwelling occupancy, and the estimates of housing need in the South East London SHMA 2014 relating to the Borough of Southwark.

Dwelling stock

The number of dwellings in Southwark increased by 1.21% per annum between 2009 and 2013, rising from 119,660 to 125,570. This rate of increase was greater than in the other four boroughs. In 2011 44% of dwellings were in the social / affordable rented sector, the highest proportion in South East London. Only 31% of dwellings were owner-occupied: the lowest proportion in the sub-region. Flats predominate in Southwark, making up more than three-quarters of the stock. One- and two-bed units make up two-thirds of the stock, a much higher proportion than in the other South East London boroughs. More than 30% of dwellings in Southwark were built after 1972. The vacancy rate in Southwark in 2012 was 2.15 which was close to the sub-regional average.

Table 1 Dwelling stock and rates of addition

	Dwelling stock		% addition to dwelling stock per annum				
	2009	2013	2009-10	2010-11	2011-12	2012-13	2009-2013
Bexley	94,370	95,660	0.46	0.25	0.21	0.44	0.34
Bromley	133,670	136,300	0.47	0.55	0.43	0.51	0.49
Greenwich	102,560	104,620	0.09	0.52	1.28	0.11	0.50
Lewisham	115,580	120,640	0.92	0.87	1.01	1.51	1.08
Southwark	119,660	125,570	1.47	1.52	0.85	1.01	1.21
SE London	565,840	582,790	0.70	0.77	0.76	0.74	0.74
London	3,308,000	3,404,060	0.86	0.65	0.74	0.62	0.72
England	22,694,000	23,235,720	0.64	0.60	0.59	0.54	0.59

Source: DCLG Live Tables 100, 122, 123

Table 2 Tenure of households 2011

	Percentage of all households							
	All owner-occupied	Owned outright	Owned with mortgage	Shared owner	All social rented	Private rented	Private landlord or agent	Other rented/ rent-free
Bexley	73.3	32.5	40.0	0.8	14.4	12.2	10.5	1.7
Bromley	71.7	33.4	37.5	0.8	14.1	14.2	12.4	1.8
Greenwich	44.9	16.4	26.9	1.6	34.3	20.9	18.5	2.4
Lewisham	43.6	14.9	27.5	1.2	31.1	25.3	23.0	2.3
Southwark	31.3	9.8	19.5	2.0	43.7	24.9	22.2	2.6
S E London	52.7	21.3	30.1	1.3	27.7	19.7	17.5	2.3
London	49.5	21.1	27.1	1.3	24.1	26.4	23.7	2.6
England	64.2	30.6	32.8	0.8	17.7	18.2	15.4	2.7

Source: ONS, 2011 Census of Population Table KS402EW

Table 3 Dwelling type 2011

	Percentage of all households					
	Detached	Semi	Terrace	Purpose built flat	Converted and other flat	All
Bexley	7.3	44.7	24.9	20.1	3.0	100
Bromley	18.5	30.3	21.8	21.8	7.6	100
Greenwich	4.3	18.8	31	37.7	8.2	100
Lewisham	3.3	13.2	28.3	36.0	19.3	100
Southwark	2.2	6.5	16	62.7	12.7	100
S E London	7.4	21.9	24.1	36.1	10.5	100
London	6.3	18.9	23.2	37.3	14.3	100
England	22.4	31.2	24.5	16.5	5.4	100

Source: ONS, 2011 Census of Population Table KS401EW

Table 4 Dwelling size (number of bedrooms), 2011

	Percentage of all households				
	1 bed	2 beds	3 beds	4+ beds	
Bexley	10.4	26.6	45.6	17.5	100
Bromley	13.3	26.3	37.4	23.0	100
Greenwich	19.2	32.7	36.3	11.8	100
Lewisham	24.3	34.2	30.2	11.3	100
Southwark	29.6	36.8	22.7	10.8	100
SE London	19.7	31.4	33.9	15.0	100
London	22.0	31.6	31.3	15.1	100
England	12.0	27.9	41.2	19.0	100

Source: ONS, 2011 Census of Population Table QS411EW

Table 5 Dwelling age

	Percentage of all households					
	Pre-1919	1919-1944	1945-1972	1973-1999	2000-2012	
Bexley	11.3	44.8	25.5	17.6	0.8	100.0
Bromley	18.1	32.8	29.4	17.1	2.6	100.0
Greenwich	27.2	21.8	25.8	18.6	6.6	100.0
Lewisham	40.6	21.2	19.9	15.0	3.3	100.0
Southwark	32.1	9.4	28.2	22.9	7.5	100.0
S E London	26.0	25.7	25.9	18.2	4.2	100.0
London	33.6	26.2	20.6	15.4	4.1	100.0
England	22.7	17.2	29.8	24.0	6.3	100.0

Source: Valuation Office Agency

Table 6 Vacancy rates 2011 and 2012 (% total stock)

	All vacant		Long term vacant		Social rented		Private sector	
	2011	2012	2011	2012	2011	2012	2011	2012
Bexley	2.08	2.40	0.82	0.50	1.48	1.84	2.18	2.49
Bromley	2.47	2.36	0.56	0.54	0.98	0.85	2.54	2.51
Greenwich	3.33	2.34	0.63	0.54	2.09	1.47	4.12	3.15
Lewisham	2.02	1.92	1.06	0.97	1.98	2.13	2.16	2.33
Southwark	2.21	2.15	0.82	0.60	3.31	1.06	2.90	3.09
SE London	2.41	2.23	0.94	0.62	1.62	1.15	2.72	2.67
London	2.19	2.10	0.89	0.71	1.67	1.48	2.35	2.30

Source: CLG Live Tables 125 and 615

Table 7 Private sector dwelling conditions

	% dwellings non decent	% dwellings failing HHSRS Cat 1	% households both vulnerable and in non decent housing
Bexley	37.29	20.56	8.83
Bromley	36.10	19.80	7.22
Greenwich	41.28	22.20	10.63
Lewisham	40.16	20.69	11.05
Southwark	43.54	20.05	8.70
SE London	38.96	20.54	9.04

Source: Housing stock models update for the South East London Housing Partnership (Building Research Establishment, 2009).

Housing market

Concerning house prices Southwark is by far the most expensive borough in South East London. In 2013 the average price was £440,483 compared to £338,547 for the sub-region. In that year only 23% of sales in the borough fell in the under £250,000 price band and only 3% of dwellings sold for less than £150,000. Nearly a third of dwellings sold for more than £450,000. Prices in Southwark increased by a factor of 5.34 between 1995 and 2013 which was the largest price rise in the sub-region. The sales turnover rate has also been consistently higher than in the other four boroughs, indicating a more dynamic market. Mirroring the purchase market, the cost of private renting was highest in Southwark by some margin across all dwelling types and sizes. The average rent charged for a new build flat in 2013 was £1,706 for 1-bedroom units and £2,363 for 2-bedroom units.

The average annual household income in Southwark in 2012 was just under £36,700 and compared to the sub-regional household income distribution a greater proportion of Southwark households were in the lower income bands. This is a reflection of the large proportion of social rented dwellings in the borough. Gross average earnings of full time workers resident in Southwark increased from £31,429 in 2008 to £37,767 in 2013. This represents an annual increase of 2.8% which is the largest in South East London by some margin. The completion and subsequent occupation of significant numbers of open market flats in the higher market segments is likely to be a contributing factor to this above average rise in average income.

Bringing prices/rents and incomes together, median house prices were 12.8 times median earnings for full time workers in Southwark in 2013, an increase from 11.5 in 2008. This ratio was the highest in the sub-region, and higher than the London average of 11.8 in 2013. The median dwelling sale price was 11.4 times median *household* income, again the highest in the sub-region. Finally the median private rent was 70% of median household income in 2013, far in excess of the 2nd placed borough Greenwich (54%).

Table 8 Sales market profile 2013

	Number of sales	Average price (£)	5th percentile price (£)	25th percentile price (£)	Median price (£)	75th percentile price (£)	95th percentile price (£)
Bexley	3,319	236,457	121,000	175,000	225,000	275,000	400,000
Bromley	5,305	355,012	155,000	225,000	295,000	415,000	750,000
Greenwich	3,409	327,140	136,500	205,000	270,000	382,500	690,000
Lewisham	4,123	305,855	141,000	205,000	260,000	360,000	590,000
Southwark	4,171	440,483	170,000	250,000	349,995	500,000	974,000
SE London	20,327	338,547	141,000	210,000	277,500	390,000	725,000

Source: Land Registry Price Paid Data, HMLR website.

Table 9 Banded sale price 2013

	Percentage of sales in each price band				
	Up to £150K	£150-250K	£250-350K	£350-450K	Over £450K
Bexley	16	48	27	6	3
Bromley	4	30	30	16	20
Greenwich	8	36	27	14	16
Lewisham	7	38	29	13	13
Southwark	3	20	28	17	32
SE London	7	34	28	14	18

Source: Land Registry Price Paid Data, HMLR website.

Table 10 Average house prices by dwelling size, 2013 (£)

	1 bed flat	2 bed flat	2 bed house	3 bed house	4 bed house
Bexley	127,504	157,332	211,812	254,023	355,535
Bromley	170,806	235,925	256,110	343,591	518,016
Greenwich	194,037	249,943	251,720	312,115	468,624
Lewisham	180,480	237,047	276,794	357,074	484,705
Southwark	251,744	360,068	443,376	549,637	749,251

Source: SELHP Market Monitor

Table 11 Indexed average sale prices 1995-2013

	1995	1998	2001	2004	2007	2010	2013
Bexley	100	126	188	278	318	290	309
Bromley	100	134	204	283	341	318	357
Greenwich	100	136	215	304	365	340	376
Lewisham	100	131	222	313	398	374	444
Southwark	100	145	252	322	438	430	534

Source: Land Registry Price Paid Data, HMLR website.

Table 12 Turnover (sales as percentage of private sector dwellings) 1995-2013

	1995	1998	2001	2004	2007	2010	2013
Bexley	4.27	5.27	6.34	5.98	6.12	3.02	3.88
Bromley	4.53	5.71	6.67	6.45	6.90	3.79	4.34
Greenwich	4.87	6.41	7.91	8.48	7.72	3.35	4.41
Lewisham	4.93	7.00	7.18	7.30	7.56	3.52	4.70
Southwark	5.65	8.67	9.13	8.35	8.10	4.97	5.68

Source: Land Registry Price Paid Data, HMLR website.

Table 13 Median monthly PRS rents Feb 2014 (£)

	Room	Studio	1 bed	2 bed	3 bed	4+ bed	Weighted average
Bexley	433	688	813	895	1,200	1,500	843
Bromley	458	650	838	1,100	1,400	2,100	1,090
Greenwich	498	650	1,075	1,350	1,499	2,338	1,151
Lewisham	542	752	950	1,250	1,451	2,000	982
Southwark	648	1,083	1,517	1,842	2,275	2,600	1,593
SE London	556	873	1,245	1,513	1,769	2,299	1,288

Source: SELHP Housing Market Trends Bulletin

Table 14 Average new build rents 2013

	1 bedroom	2 bedrooms	Number of schemes
Bexley	£748	£955	4
Bromley	£971	£1,125	4
Greenwich	£1,177	£1,523	5
Lewisham	£1,201	£1,481	4
Southwark	£1,706	£2,363	3
S E London	£1,134	£1,447	20
London	£1,314	£1,677	107

Source: *Who buys new homes in London and why?* (British Property Federation/Molior London Ltd, Feb. 2014)

Table 15 Household incomes 2012

	Up to £20,000	£20-£30,000	£30-40,000	£40-50,000	£50-75,000	£75,000 or more	Average £
Bexley	31	16	14	11	17	11	38,206
Bromley	26	15	14	12	19	16	42,860
Greenwich	34	16	13	11	16	10	36,663
Lewisham	34	16	14	11	16	10	36,145
Southwark	35	15	13	11	16	11	36,657
SE London	32	15	14	11	17	12	38,393

Source: Hometrack Real Demand system

Table 16 Gross average earnings of full time workers 2008 and 2013 (£)

	Residence-based*			Workplace-based*		
	2008	2013	% increase p.a.	2008	2013	% increase p.a.
Bexley	28,148	30,511	1.7	22,942	24,763	1.6
Bromley	35,199	41,131	3.4	24,783	25,839	0.9
Greenwich	31,850	35,242	2.1	25,412	26,304	0.7
Lewisham	26,400	31,439	3.8	23,738	24,429	0.6
Southwark	31,429	37,767	4	33,701	38,479	2.8
S E London**	30,814	35,452	3	27,805	30,471	1.9
London	32,001	36,781	3	34,476	41,143	3.9

Source: Annual Survey of Hours and Earnings, 2008 and 2013*Residence-based earnings are those of people living in the area; workplace-based earnings are those of people working in the area. **South East London estimated from job-weighted borough data.

Table 17 Ratio of median house prices to earnings for full time workers/median household incomes and median private rents to median incomes

	Ratio median house price to earnings for full time workers						Ratio median price to median household income 2013	Ratio of median private rent per annum to median household income 2013
	Residence-based			Workplace-based				
	2008	2013	Change	2008	2013	Change		
Bexley	8.34	8.69	0.34	10.76	11.42	0.66	6.68	0.36
Bromley	8.77	9.70	0.93	12.61	13.73	1.11	7.85	0.39
Greenwich	9.22	10.03	0.81	10.25	11.07	0.82	8.21	0.54
Lewisham	10.01	9.49	-0.53	10.66	10.73	0.07	8.28	0.47
Southwark	11.52	12.80	1.27	10.22	11.15	0.93	11.41	0.70
S E London**	9.57	10.14	0.56	10.9	11.62	0.72	8.48	0.49
London	10.12	11.83	1.71	9.47	10.84	1.37	NA	NA

Sources: CLG, Live Table 582; ONS Annual Survey of Hours and Earnings, 2008 & 2013, CACI Paycheck. **South East London figure is the job-weighted average for individual boroughs as SE London median prices and earnings not available.

Key housing needs

At the time of the 2011 Census there were 18,475 overcrowded households in Southwark, a higher number than in any of the other four boroughs of the sub-region and also a higher percentage (15.3%). Nearly 3% of households fell into the category “severely overcrowded” as they were two or more bedrooms short of the bedroom standard. Fewer than 40% of households had “bedrooms to spare” when measured against the bedroom standard. At the end of 2013 there were 761 households in Southwark classed as homeless and in temporary accommodation, ranking the borough 3rd out of 5. The Census counted 1,863 concealed families in Southwark, 40% of which were lone parent families with dependent children and 36% couples without children.

Table 18 Occupancy rating (bedrooms), 2011

	Percentage of all households					
	2 or more bedrooms above	1 bedroom above	At standard	1 bedroom below	2 or more bedrooms below	Number hholds overcrowded
Bexley	31.2	35.7	28.4	4.1	0.7	4,367
Bromley	35.7	33.1	27.2	3.6	0.4	5,221
Greenwich	20.6	30.2	38.3	8.8	2.1	11,011
Lewisham	18.1	28.0	41.9	10.1	2.0	14,018
Southwark	13.4	25.8	45.5	12.4	2.9	18,475
South East London	23.8	30.4	36.4	7.8	1.6	53,092
London	21.1	28.3	39.3	9.2	2.1	370,531
England	34.3	34.4	26.7	3.9	0.7	1,024,473

Source: ONS, 2011 Census, Table QS412EW

Table 19 Homeless households in temporary accommodation

	Q4 2010	Q4 2011	Q4 2012	Q4 2013
Bexley	215	238	394	501
Bromley	397	577	728	806
Greenwich	183	200	219	249
Lewisham	957	1,014	1,168	1,372
Southwark	742	697	668	761
SE London	2,494	2,726	3,177	3,689

Source: South East London Housing Partnership /P1E administrative data

Table 20 Concealed families, 2011

	Couple, no children	Couple with dep. children	Couple, all children non-dep.	Lone parent family with dep. children	Lone parent family: all children non-dep.	Total
Bexley	592	152	56	416	97	1,313
Bromley	638	123	57	370	102	1,290
Greenwich	973	303	91	569	140	2,076
Lewisham	681	196	68	569	201	1,715
Southwark	666	188	74	737	198	1,863
SE London	3,550	962	346	2,661	738	8,257

Source: ONS, 2011 Census, Table DC1110EWla

Demography

Over the period 1981-2012 the population of Southwark increased by 34% which was the fastest growth rate in South East London by some margin. The population is projected to rise by 18% between 2011 and 2031 which is close to the average future rate of growth projected for the sub-region as a whole. Since 2002 the population increase in Southwark has been driven primarily by net inward migration from abroad which has averaged just over 3,900 per annum. Natural growth (i.e. a surplus of births over deaths) contributed an average of circa 3,100 per annum to the population. Net domestic migration has been consistently negative, averaging minus 3,900 per annum. In terms of net migration flows Southwark loses population to each of the other four boroughs in the sub-region. Migration linkages are strongest with the neighbouring boroughs Lewisham, Lambeth and Greenwich.

In terms of population composition, an ageing population trend is projected to set in. In 2012, 27.6% of people in Southwark were aged 45 or more. By 2031 this is projected to increase to 31.2%. For the 65+ age bracket the projected increase is from 7.8% to 10.1%.

The average household size in Southwark was 2.35 in 2011, the lowest figure in South East London. This is projected to fall to 2.24 by 2031 due to the growth in the number of households outpacing population growth. The number of households is projected to increase by almost 30,000 between 2011 and 2031. This represents 25% growth in 20 years which is ahead of the projected sub-regional rate (23%). The proportion of other multi-person households (so-called "complex households") is projected to increase at the fastest rate followed by couples without dependent children. The proportion of single person households is expected to decline over the period to 2031 although in absolute terms this group too will increase in number.

Table 21 Projected population change 2011-2031

	Population			Increase	Index (2011=100)		
	2011	2021	2031	2011-2031	2011	2021	2031
Bexley	233,002	250,506	264,492	31,489	100	108	114
Bromley	311,110	336,976	356,266	45,156	100	108	115
Greenwich	255,483	284,694	304,620	49,137	100	111	119
Lewisham	277,525	312,093	333,539	56,014	100	112	120
Southwark	289,361	323,597	342,350	52,989	100	112	118
London	8,217,475	9,203,293	9,839,366	1,621,891	100	112	120
South East London	1,366,480	1,507,866	1,601,266	234,786	100	110	117

Source: GLA 2013 Round Population Projections, Central Trend Projection

Table 22 Indexed population change 1981-2012 (1981=100)

	1981	1986	1991	1996	2001	2006	2011	2012
Bexley	100	100	100	100	101	103	107	108
Bromley	100	99	98	97	99	101	104	105
Greenwich	100	100	99	98	102	109	119	121
Lewisham	100	100	101	102	107	109	117	119
Southwark	100	100	104	108	117	122	132	134
South East London	100	100	100	101	105	108	115	117

Source: ONS, Mid-year population estimates

Table 23 Components of population change 2002-12

		2002	2004	2006	2008	2010	2012
Bexley	Natural	488	596	772	1,160	1,233	1,345
	International	674	1,629	405	567	1,092	499
	Domestic (UK)	-638	-269	-491	123	179	-257
	Total	524	1,957	686	1,850	2,504	1,587
Bromley	Natural	558	717	1,091	1,334	1,591	1,668
	International	-426	-154	495	423	619	480
	Domestic (UK)	-242	-1,144	493	1,075	216	1,473
	Total	-110	-581	2,079	2,832	2,426	3,620
Greenwich	Natural	1,373	1,533	2,278	2,661	2,857	3,063
	International	1,939	5,461	1,474	2,378	2,655	2,567
	Domestic (UK)	-43	-1,641	-2,434	-3,925	-2,029	-1,442
	Total	3,269	5,352	1,318	1,114	3,483	4,188
Lewisham	Natural	1,737	2,054	2,738	3,096	3,361	3,384
	International	2,801	3,220	2,833	3,214	1,331	2,618
	Domestic (UK)	-3,705	-3,161	-2,952	-1,479	-4,719	-1,513
	Total	833	2,113	2,619	4,831	-27	4,489
Southwark	Natural	2,299	2,643	3,103	3,503	3,465	3,699
	International	1,398	2,742	6,803	5,268	4,134	3,279
	Domestic (UK)	-4,858	-4,581	-3,516	-3,982	-3,976	-2,343
	Total	-1,161	803	6,390	4,789	3,623	4,635
SE London	Natural	6,455	7,543	9,982	11,754	12,507	13,159
	International	6,386	12,898	12,010	11,850	9,831	9,443
	Domestic (UK)	-9,486	-10,796	-8,900	-8,188	-10,329	-4,082
	Total	3,355	9,644	13,092	15,416	12,009	18,519

Source: GLA, 2013 Round Central Trend Population Projections

Table 24 Net internal migration within England, 2009-12

	From									
To	Bexley	Brom-ley	Green-wich	Lewish-am	South-wark	S E London	Rest of London	Outside London	Total	% from within S E L
Bexley		590	3,230	780	530	5,130	1,650	3,530	9,900	52
Bromley	600		910	2,470	920	4,900	4,930	5,450	14,700	33
Greenwich	1,700	570		2,120	1,150	5,540	4,820	5,720	15,700	35
Lewisham	310	1,170	1,750		3,300	6,530	6,880	6,110	19,100	34
Southwark	180	380	530	2,050		3,140	11,550	8,570	23,500	13
S E London	2,790	2,710	6,420	7,420	5,900	25,240	29,830	29,380	82,900	
Rest of London	1,140	3,380	3,830	6,270	11,990	26,610				
Outside London	6,580	8,690	7,560	7,850	8,390	39,070				
Total	10,510	14,780	17,810	21,540	26,280	90,920				
% moves to other SEL Boroughs	27	14	18	31	20					

Source: ONS Internal migration statistics

Table 25 Main migration linkages

	Bexley	Bromley	Greenwich	Lewisham	Southwark
Top 5 outward destinations	**Greenwich**	Croydon	**Bexley**	**Bromley**	**Lewisham**
	Dartford	**Lewisham**	**Lewisham**	**Greenwich**	Lambeth
	Bromley	Sevenoaks	**Bromley**	**Southwark**	**Greenwich**
	Sevenoaks	**Bexley**	**Southwark**	Lambeth	Wandsworth
	Medway	**Greenwich**	Dartford	Croydon	**Bromley**
Top 5 inward origins	**Greenwich**	**Lewisham**	**Lewisham**	**Southwark**	Lambeth
	Lewisham	Croydon	**Bexley**	**Greenwich**	**Lewisham**
	Dartford	**Southwark**	**Southwark**	Lambeth	Wandsworth
	Bromley	**Greenwich**	Lambeth	**Bromley**	Tower Hamlets
	Southwark	Lambeth	**Bromley**	Croydon	Westminster

Source: ONS

Table 26 Projected changes in age composition of population 2001-2031

		Percentage by age group						
		0-15	16-24	25-34	35-44	45-64	65-74	75+
2001	Bexley	21.08	10.02	13.99	15.65	23.46	8.35	7.45
	Bromley	19.72	9.17	14.56	15.81	23.87	8.63	8.24
	Greenwich	21.38	12.21	18.48	15.63	19.53	6.34	6.43
	Lewisham	20.85	12.01	21.11	17.49	17.76	5.57	5.19
	Southwark	20.16	13.29	22.26	17.33	16.74	5.49	4.73
	S E London	20.57	11.28	18.08	16.41	20.31	6.91	6.43
	London	19.97	11.97	20.12	15.97	19.74	6.41	5.81
2012	Bexley	20.36	11.88	12.63	13.48	25.20	8.34	8.10
	Bromley	19.68	9.87	12.78	14.73	25.70	8.75	8.50
	Greenwich	21.71	12.75	18.42	15.93	20.70	5.61	4.88
	Lewisham	20.69	12.06	20.17	16.63	21.02	4.97	4.46
	Southwark	18.58	13.83	23.55	16.43	19.80	4.24	3.56
	S E London	20.15	12.04	17.60	15.49	22.47	6.36	5.88
	London	19.97	12.09	19.99	15.46	21.23	5.94	5.32
2031	Bexley	19.31	10.61	12.66	14.23	23.80	9.58	9.80
	Bromley	18.78	9.29	12.15	14.61	24.87	9.78	10.52
	Greenwich	20.16	11.97	15.18	15.69	23.51	7.18	6.31
	Lewisham	19.71	11.09	18.15	17.26	22.41	6.59	4.78
	Southwark	17.80	13.05	20.92	17.00	21.16	5.91	4.17
	S E London	19.12	11.19	15.94	15.82	23.13	7.76	7.05
	London	18.91	11.44	17.32	15.92	22.64	7.11	6.66

Source: GLA 2013 Round Trend Central Household Projection

Table 27 Projected household change 2011-2031

	Households			Increase 2011-2031		Average hhd size	
	2011	2021	2031	Total	Annual average	2011	2031
Bexley	92,905	102,226	110,771	17,865	893	2.50	2.37
Bromley	131,353	143,688	155,166	23,813	1,191	2.35	2.28
Greenwich	101,435	116,461	129,234	27,798	1,390	2.47	2.32
Lewisham	116,550	133,450	146,771	30,222	1,511	2.36	2.25
Southwark	120,650	137,864	150,239	29,588	1,479	2.35	2.24
S E London	562,894	633,689	692,180	129,286	6,464	2.40	2.29
London	3,278,340	3,738,132	4,104,484	826,144	41,307	2.48	2.37

Source: GLA 2013 Round Trend Central Household Projection

Table 28 Household composition 2012 and 2031 (% total households)

		One person	Couple with no dep. children	Couple or lone parent with 1 dep. child	Couple or lone parent with 2 dep. children	Couple or lone parent with 3+ dep. children	Couple or lone parent family with other adults	Other
Bexley	2012	28.23	22.64	10.24	10.75	4.96	16.08	7.12
	2031	25.31	19.33	12.47	10.88	5.82	17.3	8.89
	Change	-2.91	-3.31	2.23	0.13	0.87	1.22	1.78
Bromley	2012	31.77	24.28	10.26	10.74	4.16	12.27	6.53
	2031	31.92	21.4	12.5	10.68	4.2	12.6	6.7
	Change	0.15	-2.88	2.24	-0.06	0.04	0.33	0.17
Greenwich	2012	31.95	17.15	10.13	9.7	5.26	15.63	10.18
	2031	27.21	16.71	10.62	9.8	5.55	18.79	11.32
	Change	-4.74	-0.44	0.49	0.1	0.29	3.16	1.14
Lewisham	2012	34.59	15.34	10.72	8.2	4.43	13.83	12.9
	2031	35.71	12.78	10.57	7.41	4.1	14.22	15.22
	Change	1.12	-2.56	-0.15	-0.79	-0.33	0.38	2.33
Southwark	2012	33.7	16.24	8.89	6.13	3.92	14.55	16.56
	2031	30.82	17.57	8.03	4.46	3.25	14.95	20.92
	Change	-2.88	1.33	-0.86	-1.68	-0.67	0.39	4.37
S E London	2012	32.22	19.14	10.03	9.04	4.49	14.32	10.76
	2031	30.55	17.53	10.76	8.5	4.48	15.36	12.81
	Change	-1.67	-1.6	0.73	-0.54	-0.01	1.04	2.05
London	2012	31.93	17.85	9.18	8.35	4.7	15.97	12.03
	2031	28.93	16.72	9.6	7.62	4.67	18.6	13.85
	Change	-3	-1.13	0.42	-0.72	-0.03	2.63	1.83

Source: GLA 2013 Round Central Trend Household Projection

Table 29 Household projections 2014-2034 by type and age band - Southwark

HH-type	Age band	Households in 2014	Households in 2024	% change 2014-2024	Change p.a. 2014-2024	Households in 2034	% change 2024-2034	Change p.a. 2024-2034
One person households	15-24	1,582	1,147	-27%	-43	941	-18%	-21
	25-44	16,007	15,310	-4%	-70	13,311	-13%	-200
	45-64	15,196	17,945	18%	275	19,122	7%	118
	64-84	7,814	8,724	12%	91	10,598	21%	187
	85+	1,694	2,071	22%	38	2,770	34%	70
	Total	42,293	45,198	7%	290	46,741	3%	154
Couple, no dependent children	15-24	314	188	-40%	-13	127	-32%	-6
	25-44	11,030	13,166	19%	214	14,097	7%	93
	45-64	5,525	6,048	9%	52	5,907	-2%	-14
	64-84	3,495	4,340	24%	85	5,762	33%	142
	85+	491	769	57%	28	1,239	61%	47
	Total	20,855	24,511	18%	366	27,133	11%	262
Couple with dependent child(ren)	15-24	29	9	-69%	-2	6	-37%	-0
	25-44	7,687	6,447	-16%	-124	4,998	-22%	-145
	45-64	5,440	6,591	21%	115	7,993	21%	140
	64-84	137	208	52%	7	325	56%	12
	85+	-	-	0%	0	-	0%	0
	Total	13,292	13,256	0%	-4	13,322	1%	7
Single parent with dependent child(ren)	15-24	359	159	-56%	-20	82	-48%	-8
	25-44	6,363	6,057	-5%	-31	5,483	-9%	-57
	45-64	2,847	3,476	22%	63	4,278	23%	80
	64-84	220	309	40%	9	455	47%	15
	85+	40	61	51%	2	96	58%	4
	Total	9,829	10,061	2%	23	10,394	3%	33
Other multiperson households	15-24	4,472	5,439	22%	97	7,168	32%	173
	25-44	17,971	21,384	19%	341	22,966	7%	158
	45-64	13,675	16,125	18%	245	17,458	8%	133
	64-84	3,900	5,534	42%	163	8,212	48%	268
	85+	242	236	-2%	-1	253	7%	2
	Total	40,260	48,718	21%	846	56,057	15%	734
All household types	15-24	6,756	6,942	3%	19	8,324	20%	138
	25-44	59,058	62,364	6%	331	60,855	-2%	-151
	45-64	42,682	50,185	18%	750	54,757	9%	457
	64-84	15,566	19,115	23%	355	25,352	33%	624
	85+	2,467	3,138	27%	67	4,359	39%	122
	Total	126,529	141,744	12%	1,522	153,647	8%	1,190

Source: GLA 2013 Round Central Trend Household Projection

Employment

More than 40% of jobs in South East London are located in Southwark. The 242,000 jobs in 2011 are projected to increase to 292,000 by 2031, a rise of just under 21%. Only 13% of workers in Southwark live in the borough and there is net inward commuting on a large scale. When set against the projected growth in the working age population, there are expected to be more jobs created than workers in the borough to fill them which means that inward commuting flows are projected to increase further.

Table 30 Employment projections 2011-2031

	Employment (000s)					Growth 2011-2031	
	2011	2016	2021	2026	2031	Number	%
Bexley	76	81	78	80	82	6	7.9
Bromley	118	120	123	127	130	12	10.2
Greenwich	79	85	89	93	97	18	22.8
Lewisham	73	77	81	85	89	16	21.9
Southwark	242	260	270	280	292	50	20.7
South East London	588	623	641	665	690	102	17.3
London	4,896	5,057	5,224	5,396	5,573	677	13.8

Source: Mayor of London (2014*) Draft further alterations to the London Plan, the spatial development strategy for Greater London*, January 2014 table 1.1 p23.

Table 31 Commuting 2010-11

	Living and working within borough/sub-region	Travelling out of borough/sub-region	Travelling into the borough/sub-region	Net outward commuting	Percentage of workers living in the borough/sub-region
Bexley	40,867	65,057	28,541	36,517	59
Bromley	48,802	100,911	39,312	61,599	55
Greenwich	36,033	68,869	40,529	28,340	47
Lewisham	30,600	97,297	27,380	69,917	53
Southwark	51,374	93,977	339,645	-245,668	13
South East London	304,550	329,476	378,531	-49,055	45

Source: ONS Annual Population Survey 2010, 2011 *Average of 2010 and 2011. See ONS (2013) Information About Commuter Flows Data from the Annual Population Survey at http://www.ons.gov.uk/ons/rel/regional-trends/area-based-analysis/commuting-patterns-from-the-annual-population-survey--local-authorities--2010-and-2011/information-about-commuter-flows-data-from-the-annual-population-survey.html

Table 32 Working age population and employment growth 2011-2031

	Working age population								
	2011	2031	Addition-al aged 65/66	Increase in WAP	Econom-ically active	Employ-ed	Forecast employ-ment growth	Living and working in area	Workers less Jobs
Bexley	147,684	162,153	5,841	20,310	16,004	14,765	6,000	8,694	2,694
Bromley	197,398	217,017	8,082	27,701	22,022	20,776	12,000	11,507	-493
Greenwich	173,696	202,088	5,311	33,703	25,277	22,446	18,000	10,564	-7,436
Lewisham	193,427	229,868	5,412	41,853	33,273	29,799	16,000	15,727	-273
Southwark	212,927	246,901	4,939	38,914	29,652	26,422	50,000	3,471	-46,529
S E London	927,143	1,060,058	29586	162,500	126,229	114,209	102,000	49,963	-52,037

Sources: GLA 2013 Round Central Trend population projections for working age population, with adjustments as indicated in text; forecast employment growth as in Table 5.4.

Housing requirements

On the basis of the GLA's 2013 Round Central Trend household projection, Southwark will experience net household growth of almost 30,000 over the 2011-2031 period, leading to a net additional dwelling requirement of close to 33,000 if allowance is made for concealed households, homeless households, and for a vacancy level in the stock sufficient to permit mobility. The average annual rate of addition is circa 1,650 dwellings. This is a considerably lower level of requirement than that contained in the 2011 London Plan or 2014 FALP targets. Taking account of actual supply between 2011-13, and projected supply from 2013-2031, this leaves a surplus of nearly 17,500 or about 970 dwellings per annum. As with all of the South East London boroughs, Southwark has a significant under-supply of one-bedroomed units against demand as measured by the bedroom standard, as well as an under-supply of three-bedroomed units. There is over-supply of two-bedroom homes. However this takes no account of expressed market preferences of consumers in the private sector, nor of the practicality of making such large scale adjustments to the size profile of the housing stock overall.

Table 33 Overall housing requirements by borough and demographic scenario

		Bexley	Bromley	Greenwich	Lewisham	Southwark	SE London
Net household growth 2011-2031	Low	15,501	20,521	25,013	26,947	26,172	114,154
	Central	*17,865*	*23,813*	*27,798*	*30,222*	*29,588*	*129,286*
	High	20,276	27,167	30,637	33,559	33,073	144,712
Concealed		1,643	1,614	2,597	2,146	2,331	10,330
Homeless		180	418	139	515	325	1,577
Net additional households requiring housing 2011-2031	Low	17,324	22,553	27,749	29,608	28,828	126,061
	Central	*19,688*	*25,845*	*30,534*	*32,883*	*32,244*	*141,193*
	High	22,099	29,199	33,373	36,220	35,729	156,619
Vacancy rate		1.33	1.95	1.96	1.57	2.12	1.81
Net additional dwelling requirement allowing for vacancies 2011-2031	Low	17,554	22,993	28,293	30,072	29,439	128,351
	Central	*19,950*	*26,349*	*31,133*	*33,399*	*32,927*	*143,758*
	High	22,393	29,768	34,027	36,788	36,486	159,463
Net additional dwelling requirement per annum allowing for vacancies	Low	878	1,150	1,415	1,504	1,472	6,418
	Central	*997*	*1,317*	*1,557*	*1,670*	*1,646*	*7,188*
	High	1,120	1,488	1,701	1,839	1,824	7,973

Sources: GLA 2013 Round Household Projections, DCLG Interim 2011-based Household Projections

Table 34 Comparison of housing requirements by borough with London Plan targets and proposed new targets

	Net additional dwelling requirement per annum allowing for vacancies			2011 LP	2014 FALP consultation	% change 2011-2014
	Low	Central	High			
Bexley	878	997	1,120	335	446	0.33
Bromley	1,150	1,317	1,488	500	641	0.28
Greenwich	1,415	1,557	1,701	2,595	2,685	0.04
Lewisham	1,504	1,670	1,839	1,105	1,385	0.25
Southwark	1,472	1,646	1,824	2,005	2,736	0.37
SE London	6,418	7,188	7,973	6,540	7,893	0.21

Sources: GLA, 2011 London Plan, FALP 2014; *the change between annualised 2011 and proposed 2014 targets.

Table 35 Comparison of housing requirements, Greater London Plan targets and GLA SHLAA 2013 capacity

	Net additional requirement p.a. less net supply 2011-13	Projected supply 2013-2015 (AMR)	2015-2025	2025-2031	Net additional requirement 2013-25, less projected supply	Net additional requirement 2013-31, less projected supply
Bexley	1,047	939	4,457	2,674	7,168	10,777
Bromley	1,406	988	6,413	3,848	9,467	14,053
Greenwich	1,609	6,189	26,850	16,110	-13,726	-20,179
Lewisham	1,689	2,533	13,847	8,308	3,891	5,718
Southwark	1,699	4,279	27,362	16,417	-11,247	-17,468
SE London	7,451	14,928	78,929	47,357	-4,448	-7,100

Sources: GLA 2013 Round Central Trend Household projections ,2013 GLA SHLAA Appendix 1 page 109, Local Authority Monitoring Reports 2011-12 and 2012-13; local reports on Five Year Land Supply, and CLG Live Table 123, and Table 7.4.

Table 36 Actual housing stock and projected bedroom requirements 2011-2031

		% requiring each number of bedrooms 1	2	3	4
Bexley	2011 actual	10.2	26.6	45.7	17.6
	2011 projected	51.1	20.2	23.2	5.6
	2031 projected	44.6	23.3	25.5	6.5
Bromley	2011 actual	13.1	26.4	37.5	23.0
	2011 projected	56.1	18.5	20.8	4.6
	2031 projected	53.3	21.7	20.4	4.6
Greenwich	2011 actual	18.9	32.8	36.5	11.8
	2011 projected	49.3	18.1	26.2	6.3
	2031 projected	43.9	20.7	28.6	6.8
Lewisham	2011 actual	24.0	34.4	30.3	11.3
	2011 projected	49.9	17.5	27.4	5.3
	2031 projected	48.5	17.9	28.8	4.8
Southwark	2011 actual	29.3	37.0	22.8	10.9
	2011 projected	49.9	15.5	29.1	5.5
	2031 projected	48.4	15.4	31.6	4.6
S E London	2011 actual	19.4	31.5	34.0	15.1
	2011 projected	51.4	17.9	25.3	5.4
	2031 projected	48.1	19.6	27.0	5.4
London	2011 actual	21.7	31.7	31.5	15.1
	2011 projected	50.0	17.5	26.6	6.0
	2031 projected	45.6	19.9	28.2	6.2

Source: GLA 2013 Round Central Trend Household projections, ONS 2011 Census Table QS411EW, with assumptions as indicated in text.

Affordable housing need

Due to high house prices on the open market the intermediate "gap" between social rented and open market prices is very wide in Southwark. This is particularly the case for three- and four-bedroomed dwellings. The current or backlog level of unmet need for affordable housing in the borough is 19,734 with the majority consisting of overcrowded households (16,909). This reduces to 10,226 if those already living in affordable housing are discounted. Assuming that this backlog is eliminated gradually over a 20 year period, the net annual backlog need from existing households will be just over 500 per annum. An additional 2,232 households per annum are projected to have newly-arising affordable housing need in the future. These are mainly made up of newly-forming households of whom 71% are estimated to be unable to afford to buy in the open market, plus an additional 212 existing households falling into need each year. The estimated annual supply of affordable homes in Southwark is 1,945 units, mostly in the social / affordable rented sector.

Bringing these components together net annual affordable housing need is assessed at close to 800 units per annum. This number is lower than in the other four boroughs, due largely to the magnitude of the re-let supply in Southwark. More than half of the requirement is estimated to be for the intermediate segment (57%).

Two scenarios were developed to assess the required size mix of affordable housing. Under the baseline scenario, the largest demand was for 3-bed units in the social/affordable rented sector. Under the scenario addressing under-occupation and overcrowding, the highest demand in the social/affordable rented sector was for four bedroom units. Under both scenarios there is calculated to be no additional requirement for 1-bed units in the social/affordable rented sector. Concerning the intermediate sector, the greatest demand is calculated to be for 2 bedroom units.

Table 37 Price thresholds used for the affordability calculation: Southwark

		Social rented sector	Intermediate sector	Open market
Monthly price	1 bed	<£771	£771-£1,029	>£1,029
	2 bed	<£953	£953-£1,361	>£1,361
	3 bed	<£1,073	£1,073-£1,950	>£1,950
	4 bed	<£1,170	£1,170-£2,340	>£2,340
Capitalised value	1 bed	<£137,500	£137,500-£183,300	>£183,300
	2 bed	<£169,800	£169,800-£242,500	>£242,500
	3 bed	<£191,100	£191,100-£347,500	>£347,500
	4 bed	<£208,500	£208,500-£417,000	>£417,000

Table 38 Current unmet gross need for affordable housing in South East London

	Concealed	Overcrowded	Homeless	Total
Bexley	1,455	2,830	501	4,785
Bromley	1,429	3,877	806	6,112
Greenwich	2,300	8,198	249	10,747
Lewisham	1,900	10,814	1,372	14,086
Southwark	2,064	16,909	761	19,734
SE London	9,147	42,628	3,689	55,464

Source: Cobweb Consulting based on data from Census 2011, English Housing Survey 2010-2012, GLA SHMA (2013) and SELHP Administrative data (final quarter 2013).

Table 39 Total newly arising affordable housing need (gross per year)

	Newly forming households	% unable to afford in open market	Number unable to afford	Existing hholds falling into need	Total newly arising affordable need
Bexley	1,839	0.49	894	254	1,148
Bromley	2,659	0.57	1,508	226	1,734
Greenwich	2,323	0.53	1,238	271	1,509
Lewisham	3,013	0.64	1,923	321	2,244
Southwark	2,829	0.71	2,020	212	2,232
SE London	12,663	0.6	7,583	1284	8,868

Source: Cobweb Consulting based on data from Census 2011, English Housing Survey 2010-2012, GLA SHMA (2013) and SELHP Administrative data (final quarter 2013).

Table 40 Future annual supply of affordable homes

	Social / affordable relets	Intermediate re-lets/sales	Total annual supply
Bexley	498	14	512
Bromley	530	20	549
Greenwich	1,003	28	1,031
Lewisham	1,555	18	1,573
Southwark	1,906	39	1,945
SE London	5,491	119	5,610

Sources: CORE, SELHP and RB Greenwich; average of annual figures for 2010-11, 2011-12 and 2012-13

Table 41 Calculation of the need for affordable housing: borough-level outputs

		Bexley	Bromley	Green-wich	Lewis-ham	South-wark	SE London
Existing need	A:Backlog need	4,785	6,112	10,746	14,085	19,734	55,462
	B: Affordable stock available	779	1,724	3,627	4,620	9,508	20,258
	C: Net current need (A-B)	4,006	4,388	7,119	9,465	10,226	35,204
	D: Backlog reduction period	20	20	20	20	20	20
	E: Annual backlog quota (C/D)	200	219	356	473	511	1,760
New need	F: Newly forming households	1,839	2,659	2,323	3,013	2,829	12,663
	G: % unable to afford market	49%	57%	53%	64%	71%	60%
	H: Newly forming hh in need (F*G)	894	1,508	1,238	1,923	2,020	7,583
	I: Existing hh falling into need	254	226	271	321	212	1,284
	J: Annual newly arising need (H+I)	1,148	1,734	1,509	2,244	2,232	8,867
Final steps	K: Gross annual need (E+J)	1,348	1,953	1,865	2,717	2,743	10,627
	L: Annual supply	512	549	1,031	1,573	1,945	5,610
	M: Net annual need (K-L)	837	1,404	835	1,144	799	5,017

Source: Cobweb Consulting based on data from Census 2011, English Housing Survey 2010-2012, GLA SHMA (2013) and SELHP Administrative data (final quarter 2013).

Table 42 Target mix at borough level (baseline scenario) (%)

Size/tenure mix	Social and affordable rent				Intermediate sector				% inter-mediate
	1 bed	2 bed	3 bed	4+ bed	1 bed	2 bed	3 bed	4+ bed	
Bexley	8	49	33	9	18	43	29	10	34
Bromley	27	39	26	8	22	42	27	9	35
Greenwich	0	34	46	20	23	38	26	12	43
Lewisham	0	35	43	22	28	37	24	10	51
Southwark	0	27	46	27	24	40	26	10	57

Table 43 Target mix at borough level (2nd scenario addressing under-occupation and overcrowding) (%)

Size/tenure mix	Social and affordable rent: 1 beds-room units	2 bed-room units	3 bed-room units	4+ bed-room units	Intermediate sector: 1 bed-room units	2 bed-room units	3 bed-room units	4+ bed-room units	% inter-mediate
Bexley	24	42	23	11	18	43	29	10	34
Bromley	40	34	18	8	22	42	27	9	35
Greenwich	20	20	35	25	23	38	26	12	43
Lewisham	42	13	18	27	28	37	24	10	51
Southwark	0	4	37	59	24	40	26	10	57

Source tables 42 and 43: Cobweb Consulting based on data from Census 2011, English Housing Survey 2010-2012, GLA SHMA (2013) and SELHP Administrative data (final quarter 2013).

Housing needs of particular groups

Southwark is projected to experience a 63% increase in the number of people aged 65 or more between 2012 and 2032. This is the highest rate of growth in the sub-region. There is projected to be a 73% increase in the population aged 85 or more over the same period, which is a below average rise for South East London as a whole. Set against this, Southwark has a below average supply of elderly-focussed accommodation (relative to the sub-regional average). There is no leasehold, shared ownership or owner-occupied sheltered housing in the borough according to the data. Just a third of households in the 65+ age group are in the owner-occupied tenure which is close to the proportion for the population at large. 61% of this age group are in the social/affordable rented sector. Reflecting the age profile of the population, Southwark has fewer older people with mobility difficulties than in the other boroughs (close to 4,200 in 2012) but this group is projected to increase by 17% between 2012 and 2020.

The number of working age people with serious physical disabilities is projected to increase by 23% over the same period, from 3,620 to 4,446. Current unmet wheelchair housing need stands at 543 households.

The most recent Census counted 21,500 full-time students resident in Southwark which is the highest number in the sub-region by some margin. Of the 4,300 students in South East London living in Halls of Residence 56% were in Southwark.

Together with Lewisham, Southwark has the most ethnically mixed population in the sub-region. The borough has a significant number of African households. Compared to the population at large a very high proportion of Black households (70%) are housed in the social/affordable rented sector and a small proportion of this group (17%) is in owner-occupation. A greater proportion of White households in Southwark are in the 64+ age group compared to the other ethnic groups in the borough.

Table 44 Projections of households aged 65 or over

	2012	2032	Increase	% increase
Bexley	26,076	33,880	7804	30%
Bromley	37,086	48,476	11390	31%
Greenwich	18,214	27,423	9209	51%
Lewisham	19,710	29,900	10190	52%
Southwark	17,460	28,383	10923	63%
SE London	118,546	168,062	49516	41%

Source: GLA 2013 Round Central Trend Household Projection

Table 45 Projections of households aged 85 or over

	2012	2032	Increase	% increase
Bexley	4,165	7,978	3,813	92%
Bromley	6,127	11,377	5,250	86%
Greenwich	2,488	4,705	2,217	89%
Lewisham	2,857	4,778	1,921	67%
Southwark	2,342	4,054	1,712	73%
SE London	17,979	32,892	14,913	83%

Source: GLA 2013 Round Central Trend Household Projection

Table 46 Current supply of specialist elderly accommodation

	Social / affordable rented sheltered	Extra Care	Leasehold/owner -occupied/SO sheltered
Bexley	1,414	0	874
Bromley	1,563	399	1,132
Greenwich	1,114	321	157
Lewisham	1,202	218	213
Southwark	1,311	92	0
SE London	6,604	1,030	2,376

Source: SELHP / Elderly Accommodation Counsel

Table 47 Current tenure households aged 65+

	Owners	Social sector	Private renters
Bexley	82%	14%	4%
Bromley	82%	13%	5%
Greenwich	54%	40%	5%
Lewisham	54%	39%	7%
Southwark	33%	61%	6%
SE London	66%	29%	5%

Source: Census 2011 Table DC4601EW

Table 48 Older people with mobility difficulties: projections

	2012	2014	2016	2018	2020
Bexley	7,254	7,459	7,680	7,883	8,156
Bromley	10,342	10,704	11,035	11,467	11,760
Greenwich	4,995	5,121	5,214	5,362	5,515
Lewisham	4,921	4,943	4,955	5,069	5,173
Southwark	4,194	4,417	4,556	4,753	4,917
SE London	31,706	32,644	33,440	34,534	35,521

Source: POPPI

Table 49 Working age population with serious physical disabilities: projections

	2012	2014	2016	2018	2020
Bexley	3,199	3,249	3,339	3,445	3,548
Bromley	4,401	4,447	4,576	4,726	4,882
Greenwich	3,187	3,245	3,345	3,430	3,514
Lewisham	3,527	3,685	3,864	4,055	4,235
Southwark	3,620	3,827	4,043	4,247	4,446
SE London	17,934	18,453	19,167	19,903	20,625

Source: PANSI

Table 50 Current unmet wheelchair housing requirements

	All households	Households with wheelchair needs	Households with unmet wheelchair needs
Bexley	95,705	3,128	411
Bromley	135,212	4,462	580
Greenwich	106,542	3,516	457
Lewisham	122,251	4,034	524
Southwark	126,529	4,175	543
SE London	586,239	19,346	2,236

Source: Cobweb Consulting modelling of South Bank University and ONS population data

Table 51 Residence of full-time students aged 20+

	Communal establishment*	Parents	Living in all student household	Student living alone	Living in a one family household with spouse, partner or children	Living in other household type
Bexley	1	2,305	883	240	953	984
Bromley	70	2,450	519	286	1,010	838
Greenwich	1,203	2,678	2,607	730	1,742	4,117
Lewisham	610	2,843	2,760	1,039	2,043	4,768
Southwark	2,421	3,227	5,878	1,291	2,308	6,383
SE London	4,305	13,503	12,647	3,586	8,056	17,090

*Mainly Halls of Residence

Source: Census 2011 Table DC6108EW

Table 52 Proportions of different ethnic groups in population

	White	Mixed/multiple	Asian	Black	Other
Bexley	81.9%	2.3%	6.6%	8.5%	0.8%
Bromley	84.3%	3.5%	5.2%	6.0%	0.9%
Greenwich	62.5%	4.8%	11.7%	19.1%	1.9%
Lewisham	53.5%	7.4%	9.3%	27.2%	2.6%
Southwark	54.2%	6.2%	9.4%	26.9%	3.3%
SE London	67.2%	4.9%	8.4%	17.6%	1.9%

Source: Census 2011 Table DC2101EW

Table 53 Proportions of different ethnic groups by tenure

	White			Mixed			Asian			Black			Other		
	O	SR	PR	O	SR	PR	O	SR	PR	O	SR	PR	O	SR	PR
Bexley	75%	14%	11%	56%	23%	21%	76%	10%	14%	52%	23%	25%	68%	15%	17%
Bromley	74%	13%	13%	48%	25%	26%	70%	9%	21%	43%	30%	27%	58%	16%	26%
Greenwich	48%	34%	18%	34%	44%	23%	50%	21%	29%	31%	43%	26%	40%	31%	30%
Lewisham	49%	26%	25%	32%	38%	31%	42%	22%	36%	36%	43%	21%	29%	34%	36%
Southwark	38%	35%	28%	24%	48%	29%	34%	29%	37%	17%	70%	13%	19%	50%	31%
SE London	59%	23%	18%	34%	38%	27%	50%	20%	30%	30%	49%	20%	34%	36%	30%

Source: Census 2011 Table DC4201EW; based on ethnicity of Household Reference Person

Table 54 Proportions of different ethnic groups by age band

	White			Mixed			Asian			Black			Other		
	<18	18-64	64+	<18	18-64	64+	<18	18-64	64+	<18	18-64	64+	<18	18-64	64+
Bexley	21%	60%	18%	52%	44%	4%	23%	69%	9%	36%	61%	3%	24%	69%	7%
Bromley	20%	61%	19%	51%	46%	3%	23%	68%	9%	34%	63%	3%	21%	71%	8%
Greenwich	19%	66%	14%	52%	46%	2%	21%	73%	6%	34%	63%	3%	26%	70%	4%
Lewisham	15%	71%	13%	50%	47%	2%	22%	73%	5%	31%	63%	6%	25%	72%	3%
Southwark	13%	76%	10%	44%	54%	2%	16%	79%	5%	31%	63%	5%	20%	76%	4%
SE London	21%	60%	18%	52%	44%	4%	23%	69%	9%	36%	61%	3%	24%	69%	7%

Source: Census 2011 Table DC2101EW; based on ethnicity of Household Reference Person

Abbreviations and glossary	
BAME	Black and Minority Ethnic
BRMA	Broad Rental Market Area – geographical area defined by the Valuation Office Agency for the purpose of setting Local Housing Allowance rates
CACI	Data source for household incomes
Concealed households	The Census definition is 'a family living in a multi-family household, in addition to the primary family'. This excludes now-adult offspring of families, who may still be living with them. We have included elements of this group in our calculations of housing need – details in the technical appendix
CORE	Continuous Recording System – monitoring system recording details of social / affordable / intermediate and supported lettings
DCLG	Department for Communities and Local Government
DLA	Disability Living Allowance – tax-free benefit payable to some people to help with the extra costs associated with disability; now being phased out and replaced with Personal Independence Payments
DWP	Department of Work and Pensions
EAC	Elderly Accommodation Counsel – holders of database on older persons' accommodation
EHCS	English House Condition Survey
EHS	English Housing Survey (replaced the EHCS)
Extra Care housing	Types of self-contained and independent housing developed for frailer older people, with varying levels of care available on-site
Family Reference Person (FRP)	Term included in the Census 2011. Family Reference Person (FRP) is the parent in a lone parent family, and in a couple family it is chosen by economic activity (in order, whether s/he has full-time job, part-time job, is unemployed, retired, other) and then age and then first person on the form.
FALP	Further Alterations to the London Plan, 2014 – the latest set of amendments to the London Plan, now out for consultation
FE	Further Education
GLA	Greater London Authority
HCA	Homes and Communities Agency – the funding and regulatory body for Registered Providers
HB	Housing Benefit
HE	Higher Education
HESA	Higher Education Statistics Agency – holding data on universities and colleges
HHSRS	Housing Health and Safety Rating System – augmented and replaced the Decent Homes Standard
HMA	Housing Market Area – the geographical area to which an SHMA should relate; see Chapter 2 for detailed explanation
Household Reference Person (HRP)	Terms included in Census 2011, replacing former term 'Head of Household'. If there is only one person in the household, then they are the HRP. If the household contains only one family, the HRP is the family reference person. If there is more than one family, it is chosen from the FRPs using the same criteria. If there is no family, the HRP is chosen from the individuals using the same criteria.
HSSA	Housing Strategy Statistical Appendix – now replaced by the LAHS
LAHS	Local Authority Housing Statistics
LHA	Local Housing Allowance – maximum levels of rent by bedsize eligible for Housing Benefit, based on BRMA geographical areas

Housing LIN	Housing Learning and Improvement Network – source of data and information on older person's housing
NPPF	National Planning Policy Framework – sets out the Government's planning policies for England, including housing planning policies, and sets out the requirement for local authorities to undertake SHMAs as part of the evidence base for Local Plans
NPPG	National Planning Policy Guidance – provides more detailed guidance on the scope and methodology for SHMAs
NROSH	National Register of Social Housing – a database of details of individual local authority and Registered Provider accommodation; discontinued 2012
ONS	Office for National Statistics
PANSI	Projecting Adult Needs and Services Information system – database of demographic information on working age adults with disabilities
POPPI	Projecting Older People Population Information system – database of demographic information on older people
PRS	Private rented sector
RP	Registered Provider – a provider of social affordable housing and intermediate housing, registered with the HCA. This includes housing associations and private bodies.
RSR	Regulatory and Statistical Return - for housing associations
SDR	Statistical Data Return - replaced the RSR
SELHP	South East London Housing Partnership
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment – part of the housing evidence base to feed into the Local Plan
SHOP	Strategic Housing for Older People resource pack
Social / affordable rented or renting	We use the term 'social / affordable rented' to include : • **Social rented housing** - owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency. • **Affordable rented housing** is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing, and subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). It will also encapsulate capped and discounted rents as described in the *Mayor's Housing Covenant – 2015-18 Programme*, where locally applicable. It therefore excludes intermediate rented housing provided at a cost above social rent, but below market levels.
Social sector	We use this terms to describe the collective local authority and Registered Provider sector housing
Sweat Equity	A stake in a self-build project earned by carrying our labour on the project
UC	Universal Credit – being rolled out, to replace a range of benefits including Housing Benefit
VOA	Valuation Office Agency – the service responsible for setting Local Housing Allowances in Broad Rental Market Areas