LONDON BOROUGH OF TOWER HAMLETS

Housing Evidence Base

November 2016

Contents

Introduction to the Evidence Base

The London Borough of Tower Hamlets is now the fastest growing borough in the country, with its population expected to increase by a further 22% between 2016 and 2026. The latest figures show an increase of six thousand five hundred people (+6,500) on the 2015 estimate of 291,300 – a percentage increase of 2.2 per cent – higher than the average rise across Greater London (+0.5 per cent) or nationally (England, +0.7 per cent).[1]

Within London, Tower Hamlets was – by far – the fastest growing borough, followed by Islington (+9.1 per cent), Camden (+7.1 per cent), Hackney (+13.1 per cent) and Barking & Dagenham (+15.2 per cent).

Between 2001 and 2011 more homes have been built in the borough than elsewhere in the country and the number of households in the borough has increased since 2001 by 29% to 101,300. Tower Hamlets ten year (2015-2025) housing delivery target is 39,314 which equates to 3,931 per year and 9% of the London target, this means Tower Hamlets has the highest housing target of any London Borough.

More than two thirds of the borough's population belong to a minority ethnic group. Whilst the Tower Hamlets continues to be home to the largest Bangladeshi community in the country it is now the 15th most diverse borough in London and the 16th most diverse in the country. After the "White British" group, the third largest ethnic group is now the "Other White" group who account for are one in eight of the borough's residents and include a mix of ethnic backgrounds such as Europeans, Australians and Americans.

The most significant change in the borough's population has been the age profile with the borough experiencing a 44.5% increase in the number of residents aged 20 to 64. Working age residents now make up 73.9% of the population.

The average earnings for those in work in the borough is now approximately £58,000 per annum whilst the median household income is £30,379. Around 27,430 (16%) working age residents are in receipt of out of work benefits and Tower Hamlets has the third highest unemployment rate in London as well as high levels of deprivation and child poverty. In terms of housing need the council and other Registered Providers operating in the borough have more than 20,000 households on the common housing register and there are 9,500 overcrowded households.

A report by consultancy Local Futures published in January 2013, confirms that Tower Hamlets is now ranked first in the country in terms of economic performance and there is evidence that the local labour market is once again beginning to strengthen. Tower Hamlets now has an employment rate of 61.9%, the highest since 2004. The 2010 Local Economy Assessment

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[1] GLA 2015 Round SHLAA-based Capped Household Size Model Population Projections (July 2016)

confirmed that despite its east London location, the Tower Hamlets economy has characteristics similar to central London locations and is estimated to be around £6 Billion per annum. Tower Hamlets is home to the second largest financial business district in the country which now provides around 100,000 jobs, 40% of the borough's employment. There has also been significant employment growth to the west of the borough in the City Fringe where around 15% of the borough's employment is located. The £20 billion Crossrail project will further enhance the borough's connectivity and increase access to international markets via Heathrow.

However, the borough's central London economy has put significant pressure on its housing market. As of 2014, 39% of all stock in the borough was in the private rented sector, up from 20% in 2003. It is estimated that since 2014 the number of properties in the PRS has continued to increase.

There is strong evidence of international investment in the borough's housing stock and there is intense pressure in the borough to deliver other types of residential accommodation. Tower Hamlets now accommodates almost 7,000 bedspaces of student accommodation.

Following regional rather than national trends, house prices in Tower Hamlets have increased by 34% since 2013 when average house prices were £383,732. The average house price is now £514,828, more than 17 times the median household income and rents are in excess of £1,700 per month for a 1 bedroom flat or apartment. [2] [3]

This evidence base is being published as more data from the 2011 census is released by the Office for National Statistics, as is the borough's 2014 Strategic Housing Market Assessment. This data will provide a more comprehensive picture about the extent of changes in the borough's tenure pattern; household conditions etc. over the last ten years.

The evidence base sets out the information and data required to support a range of housing priorities relating to homelessness, private sector housing, older people and the Tenancy Strategy.

The housing evidence base will also sit alongside the needs assessments informing the council's key strategies relating to the local economy, health, financial inclusion and children and young people, and our housing delivery priorities in the Local Development Framework.

[2] RightMove Property Prices - http://www.rightmove.co.uk/house-prices-in-Tower-Hamlets.html
[3] Foxtons - http://www.foxtons.co.uk/living-in/tower-hamlets/rentals/

Tower Hamlets Projection Growth Statistics

Population

- *Between 2001 and 2011, the population of Tower Hamlets increased by 254,100, making the Borough the fastest growing place in the UK.*
- *Tower Hamlets is expected to be the fastest growing borough in London and one of the fastest growing local authorities in England over the next ten years. According to GLA projections, the population will rise from 296,300 in 2016 to 374,000 in 2026, a 26 per cent increase.*
- *Between 2026 and 2036, the TH population growth is projected to slow down. By 2031, the borough's population is expected to grow at a slower rate than London as a whole.*
- *Blackwall and Cubitt Town is projected to be the fastest growing ward in the borough over the next ten years, with a 70 per cent increase in its population.*

Ethnicity

- *In 2011 more than two thirds of the population of Tower Hamlets belong to a minority ethnic group (i.e. not White British).*
- *The broad ethnic makeup of Tower Hamlets is expected to remain relatively static, with the proportion of white and Black and Minority Ethnic (BME) residents projected to change little between 2011 and 2031. This differs from the projections for London, which anticipate the proportion of BME residents to rise from 40 per cent to 46 per cent.*

Household Projections

- *In 2011 Tower Hamlets had 101,300 households with an average household size of 2.47 people per household. This was the same average household size as the London average, and slightly higher than the average in England which was 2.36.*
- *By 2021, Tower Hamlets is projected to have a total of 139,600 households living in the borough with an average household size of 2.40 people per household.*

Source: Population Projections for Tower Hamlets, LBTH Research Briefing, January 2016

1. Housing Demand

Housing Register

- There are over 19,000 households on the housing waiting list.
- Of these 53.75 % are in priority categories 1 and 2.
- 7,078 of these households are over-crowded.
- 52.3% of all households on the register are Bangladeshi families.
- 506 residents on the register are under-occupying by two rooms or more.
- There are over 232 households with a need for wheelchair adapted property in category 1a and 1b.

Homelessness

- There are over 1,996 households in temporary accommodation placed by the council.
- In 2015/16 the Housing Options Team made 656 homeless decisions, this is 15% down on decisions made in 2014/15.
- 557 households were accepted in 2013/14, 5% down on 2014/15
- During 2014/15 the Housing Options Team prevented over 672 households becoming homeless
- Although the general trend in homelessness has been downwards over the last four years, these trends have shown an upwards turn across the London region with a 10% increase in homelessness since the third quarter of 2015

Lettings

- Nearly 8,500 homes have been let in Tower Hamlets over the past four years.
- 58% of all homes let through choice during 2015-16 were let to an over-crowded household.

1.1 Common Housing Register

Table 1: Common Housing Register - Demand by Year and Bedroom Category

Bed Category	April 2007	April 2008	April 2009	April 2010	April 2011	April 2012	April 2013	April 2014	April 2015	April 2016
1 bed	9,938	11,159	11,705	11,396	11,152	11,141	11,759	9,042	8,738	8,495
2 bed	4,405	4,600	4,757	4,665	4,976	5,001	5,187	4,497	4,343	4,213
3 bed	4,561	4,368	4,630	4,857	5,215	5,386	5,595	5,124	4,994	4,812
4 bed	821	1,341	1,450	1,447	1,545	1,616	1,663	1,564	1,524	1,426
5 bed +	147	261	247	249	248	241	210	198	184	178

Tower Hamlets changed its Lettings Policy from October 2010 introducing a banding system. Additional priority was given to over-crowded households on the Housing Register. While there has been a continuous decrease in the demand for one bedroom accommodation between 2008 and 2016 – with a slight increase in 2013 – the demand for one bedroom accommodation is now at 2005 levels. By April 2016 there were 19,124 households on the Common Housing Register a decrease of 3% compared to April 2015, and a decrease of 21% compared to April 2013. Around 44% of households are in need of 1 bedroom properties whilst 33% require 3 or more bedroom properties.

Table 2: Historic demand by Priority category

Demand by Community Group	April 2007	April 2008	April 2009	April 2010	New Bands from Oct-2010	April 2011	April 2012	April 2013	April 2014	April 2015	April 2016
CG1	1,364	1,551	1,602	1,568	BAND 1	2,638	2,480	2,364	2,073	1,976	1,849
CG2	2,732	2,857	2,778	2,371	BAND 2	9,457	9,325	9,339	9,225	8,720	8,430
CG3	13,329	14,362	15,076	15,324	BAND 3	7,988	8,471	9,358	9,127	9,087	8,845
CG4	2,447	2,958	3,333	3,351	BAND 4	3,053	3,109	3,353	not used	not used	not used
Total Demand	19,872	21,728	22,789	22,614		23,136	23,385	24414	20,425	19,783	19,124

Source: CHR database Apr 2016

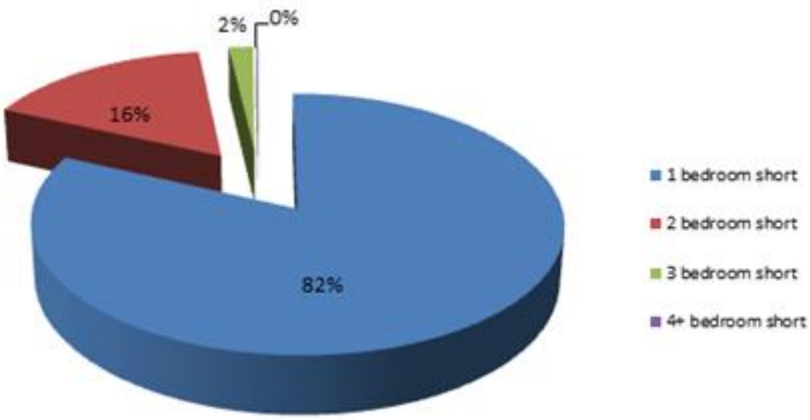
****Note: The drop in number of applicants on the CHR database was as a result of Council's review of the lettings scheme allowed for under the Localism Act in 2012 which meant a number of categories of applicants were no longer eligible to remain or join the Housing Register. For more information on bandings click here.*

1.2 Overcrowding

Since 2009 there has been nearly a 15% reduction in the number of households classified as “overcrowded” on the Common Housing Register. Of the 7,078 overcrowded households, over two-thirds are Bangladeshi families and 79% of overcrowded households require 2 or more additional bedrooms.

Diagram 1: Percentage of Overcrowded households by bedroom need

Tower Hamlets Common Housing Register 01 April 2016:



Source: Tower Hamlets Common Housing Register, Apr 2016

Table 3: Over-crowding by Broad Ethnic Group

Broad Ethnic Group	No. of households	%
Asian/Asian British	5232	73
Black/Black British	648	9
Dual Heritage	117	2
White/White British	746	11
Refused/unknown	95	1
Other	313	4

Tower Hamlets Common Housing Register 01 April 2016

1.3 Under occupation

Welfare Reform changes introduced from April 2013 has resulted in working age social tenants experiencing a reduction of their benefits (LHA) if they are live in housing which is considered to be too large for their household needs. This rule corresponds with existing rules already in place for tenants in private rented accommodation. In Tower Hamlets there are currently 1,333 households registered on the CHR as under occupied and that they are mostly older tenants. Analysis of the CHR shows currently

- There are 1,333 registered under-occupying households
- Over 900 under-occupying social housing tenants are of working age
- Almost 300 of these households are under occupying by more than one room

Table 4: Total number of registered under-occupiers

Excess Beds	
1	1,036
2	252
3	39
4	5
5	1
Total	**1,333**

Tower Hamlets Common Housing Register April 2016

There are 1,333 social housing residents of working age were registered as under occupied on the housing register. The table below shows the number of bedrooms over need which the household currently has.

Table 5: Working Age Under-occupiers by bed need

	Under- occupiers by current bedroom in property							
Age Groups	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**	**7 bed**	**8 bed**	**Grand Total**
18 to 25	8	3	2					13
26 to 40	50	41	14	1	2			108
41 to 50	89	102	34	7	1			233
51 to 60	142	163	68	15	4	1	2	395
61 to 65	210	278	73	16	5	1	1	584
Grand Total	**499**	**587**	**191**	**39**	**12**	**2**	**3**	**1,333**

Tower Hamlets Common Housing Register 01 April 2016:

These figures only refer to under occupiers registered on the housing waiting list.

1.4 Housing demand for older residents

The last time Tower Hamlets undertook an Older Person's needs assessment was in 2010 when the Council commissioned Trimmer CS to conduct an Older Persons Needs Assessment to support the development of the Older Persons Housing Strategy. As highlighted in the Older People Housing Statement.

As required under national planning policy framework, Tower Hamlets is required to identify future needs of older people in its Local Plan. The work which will be undertaken in the future will continue to help inform the housing strategy.

Table 6 shows the recommended level of housing provision for residents aged over 75 as at 2010.

Table 6: Current and recommended levels of provision of specialist housing for Older People.

Type of housing	Number of units per 1,000 population over 75 years
Current: Provision of traditional and enhanced sheltered housing (rental and leasehold)	136
Proposed: all forms of specialised accommodation for older people, excluding residential care	180
Breakdown of proposed provision:	
Conventional sheltered housing for rent	50
Conventional sheltered housing leasehold	75
Enhanced sheltered housing (divided equally between rent and sale)	20
Extra care sheltered housing (divided equally between rent and sale)	25
Housing base provision for dementia	10

Source: *(More Choice, Greater Voice, DH/CLG, 2005)*
Older Peoples' Housing Needs Assessment, 2011

1.5 Homelessness

Homelessness Approaches and Preventions

Between 2009/10 to 2014/15 around 5,172 households approached the Council as homeless or at risk of being made homeless. The figures for each year have remained relatively stable. An emphasis on prevention in the Homelessness Strategy has led to a notable reduction in homeless applications in the borough.

The Council's Housing Options Service (HOS) works closely with other council services and partner organisations, including third sector agencies, to prevent households becoming homeless. Over 5,100 households were prevented from being homeless as a result of housing advice and support intervention between 2009/10 and 2014/15, exceeding the Council's target for this period.

Table 7: Households prevented from being homeless through housing advice and support intervention

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Totals
Target	786	915	856	600	740	690	4,587
Actual	1,079	988	1045	657	731	672	5,172

Source: Tower Hamlets Council data

The majority of homeless preventions are achieved by assisting homeless households to secure alternative accommodation, particularly in the private rented sector (PRS). Initiatives such as the Private Sector Access Scheme play an important role in helping households obtain rented accommodation in the private sector.

Statutory Homelessness Assessments

The number of statutory homelessness assessments (homelessness decisions) has fluctuated since 2008/9, but overall, there has been a significant reduction in homelessness assessments made by the Council. In 2008/9 a total of 946 decisions were made. By 2014/15 with 777 decisions were taken, and in 2015/16 this had reduced to 656 decisions, equating to a 30% reduction over three years.

The number of households accepted as homeless (homelessness acceptances) has also reduced over the same period, from 713 in 2008/9 to 522 acceptances in 2015/16, 27% down on 2008/09.

1.6 Profile of households

Ethnicity

Ethnic minority households in the Borough are disproportionately affected by homelessness, as is the case regionally. In 2015/16 80% of households accepted as homeless were from minority ethnic groups. However, ethnic minority groups account for 69%[4] of the Borough's population. This is similar to the general housing needs in the borough, with BME households accounting for over 70% of households on the Housing List, and the majority of those that are overcrowded. The Tower Hamlets Strategic Housing Market and Needs Assessment (SHMA) found that BME households are, on average, larger and more likely to be overcrowded.[5]

Asian households are, by far, more likely to be homeless than any other ethnic group in the Borough. Though only accounting for 30% of the population, 59% of households accepted as homeless in 2015/16 are Asian. Black households in the borough are also disproportionately affected by homelessness when compared to the population as a whole. Black households make up 16%of households accepted as homeless, but represent 7% of the Borough's population.

Age

By far the largest age groups accepted as homeless are the 16-24 and 25-44 age groups (with the latter being the largest), though the numbers of acceptances from these groups have dropped significantly – again a reflection of overall reductions in homeless acceptances. Acceptances across most other age groups has also reduced or remained constant. In 2008/9 323 households accepted as homeless (37.9%) were from the 16-24 age group. By 2015/16 the figure was 91 households (17%) of those accepted.

Acceptances for the 25-44 age group has seen a steady decrease. Homeless acceptances for this age group went from 454 in 2008/9 349 (67%) in 2015/16. The number of households accepted as homeless who are 60 or above has also reduced, from 31 in 2008/9 to 11 in 2015/16. Acceptances among the 45-59 age group have increased from 45 in 2008/9 to 71 in 2015/16. The number of homelessness acceptances made as a result of a member of the household having a physical or mental disability has decreased dramatically between 2008/9 from 97 households to 18 households in 2015/6. The percentage of acceptances as a result of vulnerability due to a disability is 3.4%. However, this is the third largest priority need group, behind those with dependent children and pregnant women.

[4] Population statistics taken from the 2011 Census
[5] London Borough of Tower Hamlets (2014) Tower Hamlets Strategic Housing Market and Needs Assessment

Reasons for Homelessness

The main known reasons for households being made homeless have changed as a result of the welfare reforms with landlords now requiring their properties back to let on the open market where they can command higher rents than those affordable on benefits and low incomes. In 2012/13, 93 (22%) households were homeless as a result of the ending of their Assured Short-hold Tenancies, in 2015; this figure was 199 (35%)

Table 8: Reasons for Homelessness 2015/2016

Parental ejection	121
Ejection by other family relative or friend	95
Relationship breakdown	16
Domestic violence	50
Other violence	8
Harassment	2
Mortgage Arrears	0
Rent arrears	9
Ending of assured short-hold tenancy	186
Other loss of private sector home	31
Other	16
Total	536

Source: Housing Options Team July 2015 – June 2016

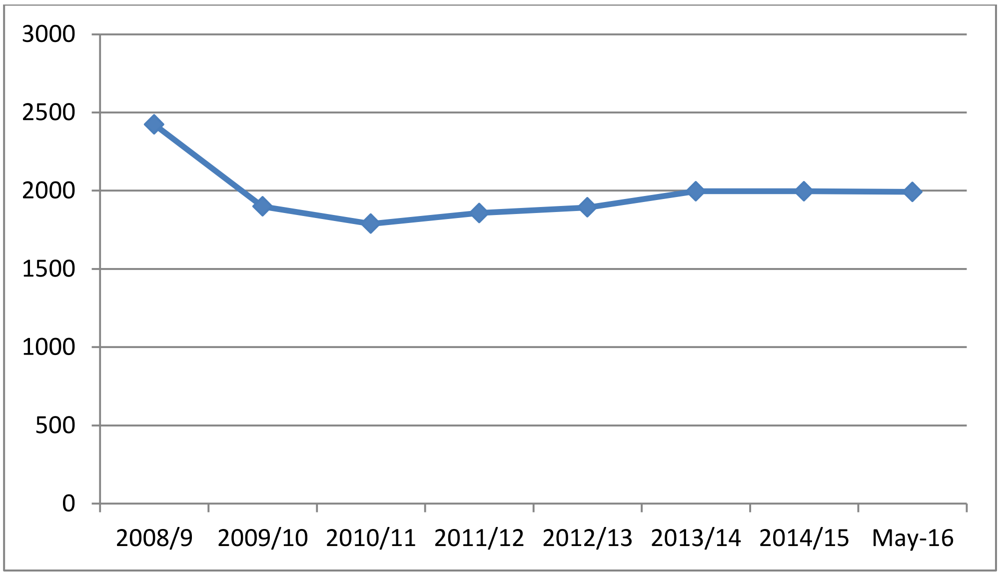
1.7 Housing the Homeless: Temporary Accommodation and Social Lets

Temporary Accommodation

The number of households placed by the Council in temporary accommodation has reduced year on year, from 2,424 in 2008/09 to 1,996 in April 2016.

Following a near year-on-year reduction in households in temporary accommodation, since 2008/09 the number of household in TA is began to flat-line, reflecting the trend in homeless decisions and acceptances. However there has been a slight upward trajectory by June 2014 to April 2016 with 1,996 households were in temporary accommodation This is due to a number of factors; primarily the refreshed lettings policy which has led to significant reductions in social housing lets to homeless households, and an increase in lets to overcrowded families to address the imbalance in the previous lettings policy. Other possible reasons for the increase in Temporary Accommodation include the impact of welfare reform and private sector rents which restrict the number of lettings LBTH can make to those on the housing register.

Diagram 2 Households in temporary accommodation in Tower Hamlets



Source: TH Housing Options, 2016

Of the 1,996 households placed in temporary accommodation in May 2016 by the Council, 1,066 are being accommodated outside the Borough due to the high demand for temporary accommodation, and prohibitive costs of Private Sector accommodation in the Borough. Households with complex needs are so far as possible not housed outside Tower Hamlets.

Bed and Breakfast Accommodation

The number of accepted homeless households placed in Bed and Breakfast (B&B) accommodation has increased between 2009/10 and 2013. As at March 2010 79 homeless households were placed in B&B. By March 2014 this figure had increased to 149; however as of May 2016 the figure had reduced to 113. The increase in the number of households in B&Bs since 2010 reflects the additional pressure on services caused by a reduction in private sector housing, which could be attributed to the impact of welfare reforms.

As of 30th September 2016 there were 29 families with dependent children/pregnant women in B&B, none of these families were housed in a B&B for over 6 weeks, resulting in the Council achieving legal compliance for the first time.

The Council housed 100 adult-only households; some of them rough sleepers who were / are not in priority need, some awaiting a hostel placement, priority need awaiting a permanent offer, or some that have had a negative decision and being accommodated on a discretionary basis pending a review of the decision on their homeless application

1.8 Demand for specialist accommodation

Supported housing

The council is currently reviewing the demand for specialist housing in the Borough including supported housing and hostel accommodation and the evidence collated will be used to inform our priorities. The Supporting People Commissioning Strategy adopted by the council in 2011 sets out how the council and its partners will meet the housing needs of vulnerable people in the borough through the provision of housing related support services. Vulnerable people include the homeless and rough sleepers, young people leaving care or at risk including teenage parents, older people, people with mental health needs, physical disabilities, learning disabilities, HIV/AIDS, people with substance misuse issues, refugees, ex-offenders and women fleeing domestic violence. Our strategy identifies gaps in provision, particularly

- Appropriate supported housing options for people with learning disabilities, mental health issues and older people; and
- Housing options for those leaving the care system, teenage parents and young people at risk because they are homeless.

There is a need for supported housing in the borough and many vulnerable people are exercising their choice by making supported housing as their preferred housing option. The table below provides a detailed breakdown of totals units by each client group.

Table 9: Supported Housing Provision by Client Group

Client Group	Total Units
Substance Misuse Services	99
Domestic Violence	66
Frail/Elderly	161
Older People – Support Needs	2,254
Generic, Homeless Family Support needs	843
Learning Disabilities	38
Mental Health	430
Refugees	13
Physical/Sensory Disabilities and HIV/AIDS	20
Single Homeless, Rough Sleepers, Ex-Offenders	966
Young people at Risk/Leaving Care, Teenage Mothers	149
Total	5,023

Source: Tower Hamlets Supported People Commissioning Strategy, 2011-16

Wheelchair and accessible housing need

Results from the 2014 Strategic Housing Market and Needs Assessment (SHMA) shows that 20,293 households contained a household member with a disability or limiting long term illness, and 1.7% of households said that they had a support need. Data was also collected about the extent to which the home had been built of adapted to meet the needs disabled persons and what facilities need to be provide. 10.5% of households said that their home had been adapted to meet the needs of disabled household member. Analysis of the council housing waiting list shows that there are 130 households in need of Category A & B wheel-chair accommodation on the accessible housing register. 70 of these households require larger three bedroom plus homes and 30% of households have children with disabilities. All households in this category have the highest priority for re-housing.

Project 120

Project 120 (P120) was started in 2012 and re-launched in January 2014 to address the specific housing needs of families with a wheelchair user on the Council's Housing waiting list. The name stems from the 120 families who were on the Accessible Housing waiting list at that time. Even though our planning policy at the time required 10% of new affordable units to be wheelchair accessible, there was a lack of suitable units in the development pipeline, especially for families with specific mobility requirements.

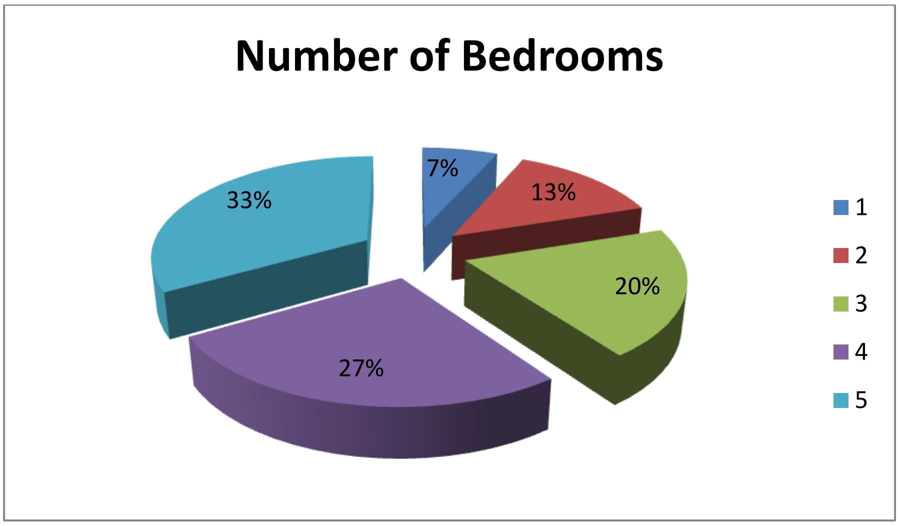
Since April 2015, a further 30 families have been rehoused in suitable properties.

Latest update:

Project 120	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	YTD	15/16 Target
Applicants rehoused	1	2	2	1	4	0	4	9	2	2	1	2	30	60
Applicants currently under offer	5	4	4	2	11	4	9	13	6	4	6	5	73	

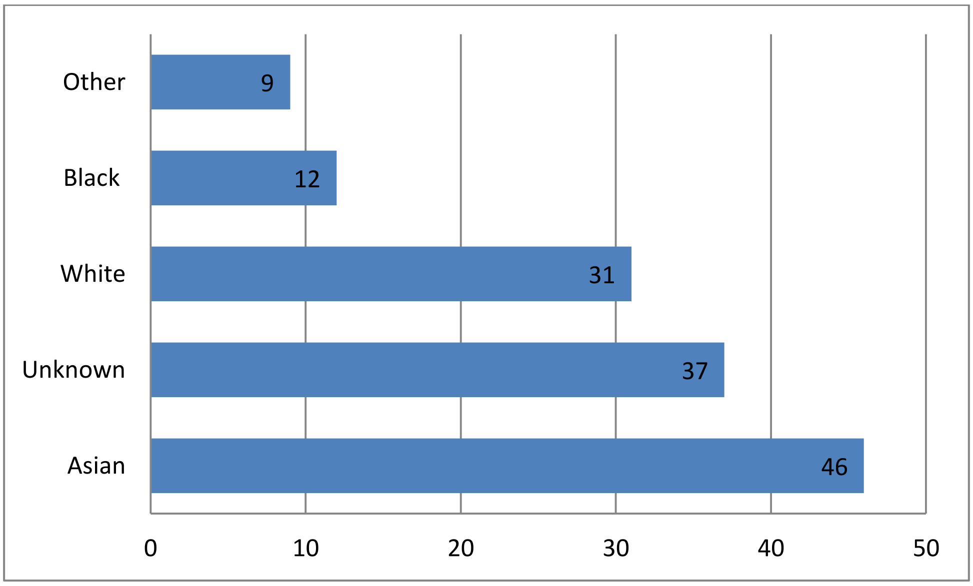
Source: CHR Forum Statistics, April 2016

Diagram 3: Number of clients assessed as requiring a wheelchair accessible housing (category A & B) by bedroom size.



Source: Housing Options, Tower Hamlets Records

Diagram 4: Category 1 & 2, Accessible Housing Need Register by Ethnicity



Source: Housing Options, Tower Hamlets Records

1.9 Lettings

Tower Hamlets operates a Common Housing Register with all major RPs operating the Borough. During 2009/10 the CHR adopted a new allocations policy which gives greatest priority to households with high medical and social need, households in severely over-crowded conditions and under-occupying households.

Table 10: Historical Lettings

Lets by bedroom size	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Bedsit	174	100	170	167	168	88	106	88	78	92
1 Bed	737	544	820	1019	816	854	840	652	722	718
2 Bed	733	673	733	883	799	1013	843	699	662	805
3 Bed	264	248	346	442	361	545	432	361	313	427
4 Bed	53	47	61	161	88	132	155	80	73	130
5 Bed	16	3	9	5	13	66	56	27	21	8
6 Bed	3	12	3	6	6	5	2	0	3	0
7 Bed	0	0	0	0	1	0	1	0	-	0
8 Bed	1	0	0	0	0	0	0	0	-	0
TOTAL	1,981	1,627	2,142	2,683	2,252	2,703	2,435	1,907	1,872	2,180

Source: Housing Options, Tower Hamlets Records

Table 11: Allocations by Priority Need 2015-2016

Banding		
1A_DECANT ***Decants***	**101**	4.6%
1A_EMERGE ***Emergencies***	**42**	1.9%
1A_MEDICAL ***Ground floor priority - medical***	**72**	3.3%
1A_UNDROCC ***Under occupiers or downsizing***	**99**	4.5%
1B_DECANT ***Decants***	**10**	0.5%
1B_PRIOMED ***Priority medical***	**123**	5.6%

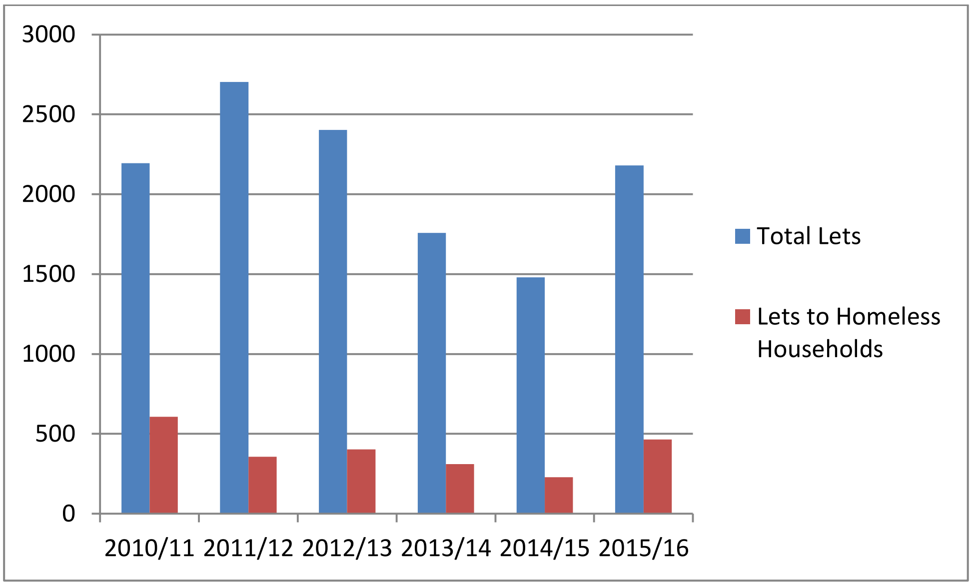
1B_PRIOSGL ***Priority Single***	**40**	1.8%
1B_PRIOSOC ***Priority social***	**60**	2.8%
1B_PRIOTRG ***Priority target groups***	**120**	5.5%
2_OVERCRWD ***Overcrowded applicants***	**911**	41.8%
2_PRIOHLSS ***Priority homeless***	**412**	18.9%
3_CHRTRANS ***Transfers***	**31**	1.5%
3_SHRADQHS ***Applicants who are not overcrowded***	**156**	7.2%
CATFAIL	**3**	0.1%
Total **Source: CHR Statistics, April 2016**	**2,180**	

Social Housing Lets to Homeless Households

In 2008/9 the Borough's Common Housing Register partner landlords made 2,142 lets, 822 of which were to homeless households. In 2009/10 this increased to 2,608 lets, 943 of which were to homeless households. In March 2014 year the number of lets made to homeless households reduced to 210 reflecting the 2010/11 policy change which gave overcrowded households equal priority.

In 2015/16 the number of lets made reduced to 2,180 partly due to fewer new build units delivered in that year; of these 465 were lets to homeless households.

Diagram 5: Lets to Homeless Households 2010/11 to 2015/16



Source: Tower Hamlets Council lettings data

2. Housing supply

Housing Stock

- The housing stock in Tower Hamlets has increased by 27% since 2003; there are now almost 121,000 homes in the Borough.
- In 1981 over 86% of all homes in Tower Hamlets were Council/ GLC owned, today only 10.9% of the stock is Council owned and for the first time in the Borough's history, less than half the housing stock is social housing.
- The private rented sector is now the fastest growing housing sector in the Borough; it has risen from 18.3% of the stock in 2003 to around 39% of the stock in 2014.
- There are now approximately 7,000 student bedspaces in the Borough, the highest in London.
- There are close to 9,000 ex-right to buy leasehold properties managed by Tower Hamlets Homes in the Borough. Overall, there are more than 15,000 leasehold properties formerly owned by the Council.
- There are an estimated 2,800 intermediate housing units in the Borough.
- The Borough is growing by over 3,000 homes per year, making Tower Hamlets the quickest growing Borough in London. Consequently the borough qualifies for the highest level of New Homes Bonus in the country.
- Tower Hamlets has a strong track record of housing delivery and continues to provide among the highest number of affordable homes in the country
- The total delivery of new-build affordable homes from October 2010 to the end of March 2014 now totals 4,029 units. The target for the next four years (2014-2018) is to deliver 5,500 new affordable homes.
- Tower Hamlets has delivered 25% more homes than Birmingham, the second highest delivery authority in the Country and 30% more than Hackney, the second highest delivery authority in London.
- Almost 2,500 affordable homes have been delivered in Tower Hamlets in the last three years.

Private sector Stock

- According to the 2011 Private Sector Stock Condition Survey Tower Hamlets has 67,209 homes in the private sector, of which 62% are in the private rented sector. This figure will have risen since 2011.
- Private rented is now the largest tenure in the borough with 39% of the housing stock. The London average is 25%.
- Around 16% of properties are over-crowded while 39% are under occupying.
- Approximately half the leasehold stock sold under right to buy is now privately rented.
- Approximately 37% of the private stock was built post 1990.

- 19% of the borough's stock fail the decent homes standard compared with 35.8% nationally
- 6% have Housing, Health and Safety Rating System (HHSRS) category one hazards, compared with a national average of 23%
- 1.7% of the stock has a Standard Assessment Procedure (SAP) rating below 35.
- Approximately 350 HMOs are licensable under statute.
- 30% of all category one hazards (such as lack of space / pollutants) are in HMOs.
- Fire safety is the biggest hazard in HMOs; it represents 58% of all Hazards.

Future Housing Delivery

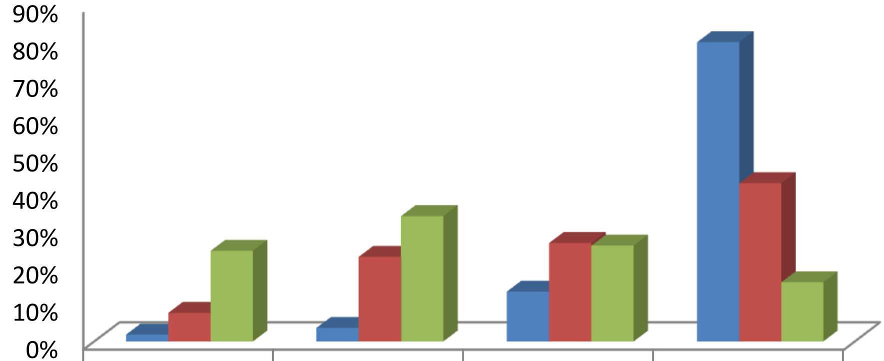
- Tower Hamlets has an annual housing target of 3,931 set up the Greater London authority and is expected to accommodate an additional 39,310 homes by 2021

2.1 Housing Stock

With an increase of 32.2%, Tower Hamlets had the largest increase in London in the number of dwellings between 2001 and 2011. Between 2008/09 and 2009/10 over 5,000 additional homes have been built of which 40% of these have been affordable. Since 2011/12 16,542 additional homes were delivered in Tower Hamlets.

The Borough's housing stock is dominated by flatted accommodation with 80% of dwellings comprising of flats compared to 42% in London and 16% in England. Between 2001 and 2011 Tower Hamlets a 10% increase in the number of houses but 36.7% increase in the number of flats, the largest in London.

Diagram 6: Accommodation Type in Tower Hamlets, 2011



	Detached house/bungalow	Semi-detached house/bungalow	Terraced (including end-terrace) hosue bungalow	Flat, maisonette or apartment
Tower Hamlets	2%	4%	13%	80%
London	8%	23%	26%	42%
England	24%	34%	26%	16%

Source: 2011 Census, Office for National Statistics.

Housing Delivery – National and London comparison

New Homes Bonus

New Homes bonus is paid annually to Local Authorities to recognise the number of new homes built and empty properties brought back into use by Local Authorities. An additional premium is paid for each affordable home built.

As well as an annual calculation based on a year's delivery, Local Authorities receive a commutative payment to reflect overall delivery over the six year period the New Homes Bonus has been paid for. The payments reflect how much more delivery LBTH has achieved in comparison to both London and Nationally.

Figure 3: Total Payments for 2011 - 2016

	Top 5 National		**Top 5 London**	
	LA	**Payment**	**LA**	**Payment**
1	Tower Hamlets	28,641768	Tower Hamlets	28,641768
2	Birmingham	21062083	Hackney	18042641
3	Cornwall UA	19570433	Southwark	16326874.

4	Hackney	18042641	Islington	15251000
5	Wiltshire UA	17880450	Lambeth	14020034

Table 12: Affordable Homes since 2010/11

2010/11	**1 bed**	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**
Social Rent	65	91	105	29	28	5
Intermediate Rent	65	73	30			
Shared Ownership	46	53	43	13		
2011/12	**1 bed**	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**
Social Rent	377	536	427	187	78	5
Intermediate Rent	20	30	1			
Shared Ownership	142	127	31	16	4	
2012/13	**1 bed**	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**
Social Rent	129	80	122	30	20	
Affordable Rent	1	1		1		
Intermediate Rent	6	6	3			
Shared Ownership	52	94	23			
2013/14	**1 bed**	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**
Social Rent	47	95	102	33	26	
Affordable Rent	35	26	22	4		
Shared Ownership	78	70	40	2	1	
2014/15	**1 bed**	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**6 bed**
Social Rent	64	96	95	32	10	
Affordable Rent	75	46	29	14	2	
Shared Ownership	45	74	28			
Total	1,247	1,498	1,101	361	169	10
Total	**4,386**					

Source: LBTH, Report: Housing Policy and Affordability Commission, May 2016

Land holdings in either the General Fund or the Housing Revenue Account present the best opportunity to produce affordable housing in the Borough. This is because there is no land purchase involved and the Council can use its retained Right to Buy receipts and potentially, other resources such as appropriate capital receipts or uncommitted New Homes Bonus to subsidise the development in order to produce lower rents. This however will have implications for the financing of other council priorities.

The Council has a programme to deliver a minimum of 553 new homes at the sites in table 13.

Table 13: Affordable homes at framework rents

Scheme	Units	Comment
Poplar Baths/Dame Colet House	**100**	**Completed**
Bradwell Street	**12**	**Completed**
Watts Grove	**148**	**Onsite**
Jubilee Street	**24**	**At Planning Stage**
Baroness Road	**20**	
Locksley Estate (Site A & D)	**54**	
Hereford Street	**38**	
Tent Street	**72**	
Arnold Road	**62**	

Table 14: Number of homes in LBTH as net additions

Properties	**Year1**	**Year2**	**Year3**	**Year4**	**Year5**	**Year6**	
	2011-12	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**Total Increase**
CTB Completed	**Sep-10**	**Sep-11**	**Sep-12**	**Sep-13**	**Sep-14**	**Sep-15**	
Yearly Growth	2,977	2,873	3,368	2,070	3,241	2,013	**16,542**

Source: Tower Hamlets Council Data

Table 14 reveals 16,542 additional homes have been delivered in Tower Hamlets since 2011/12.

Tenure

Since 2001 there has been a dramatic change in the profile of households by tenure type in the Borough. In 1981 over 86% of all homes in Tower Hamlets were Council/GLC owned. In April 2014 around 10% of the stock was Council owned and, for the first time in the Borough's history, less than half the housing stock is social housing. The private rented sector is now the fastest growing housing sector in the Borough, now accounting for around 39% of all housing. The Council and RSL housing stock available to rent are currently around 43,000 (around 36% of all stock), which is accessed by registration on the choice based letting system.

Tower Hamlets has the second lowest proportion of owner occupied households in the country with only 25% of households owning their own homes either outright or with a mortgage.[6] In 2003 31% of households owned their own homes.

Although the proportion of social rented households has fallen since 2001 from 52.2% to 36% in 2014, Tower Hamlets still has the 4th largest proportion of social rented households in the country after Hackney and Southwark (both 43.7%) and Islington 42%.

In the last decade the private rented sector which has doubled increasing from 20% (17,513 households) in 2003 to 39% (45,978 households) in 2014. Tower Hamlets now has the fifth highest proportion of private rented households nationally after Westminster (39.7%), Kensington and Chelsea (35.8%) and Newham (34%).

Table 15: Comparison of Housing stock by tenure, April 2014

Tenure	**2003**	**%**	**2011**	**%**	**2014**	**%**
Owner occupied	27,308	31%	25,339	23%	27,179	23%
Council owned *(Rented)*	24,200	28%	12,500	12%	12,087	10%
Registered social landlord *(Rented)*	17,828	20%	26,484	24%	30,540	26%
Private rented sector	17,513	20%	41,870	39%	45,978	39%
Shared ownership	500	1%	2,000	2%	2,340	2%
Total	**87,349**		**108,193**		**118,125**	

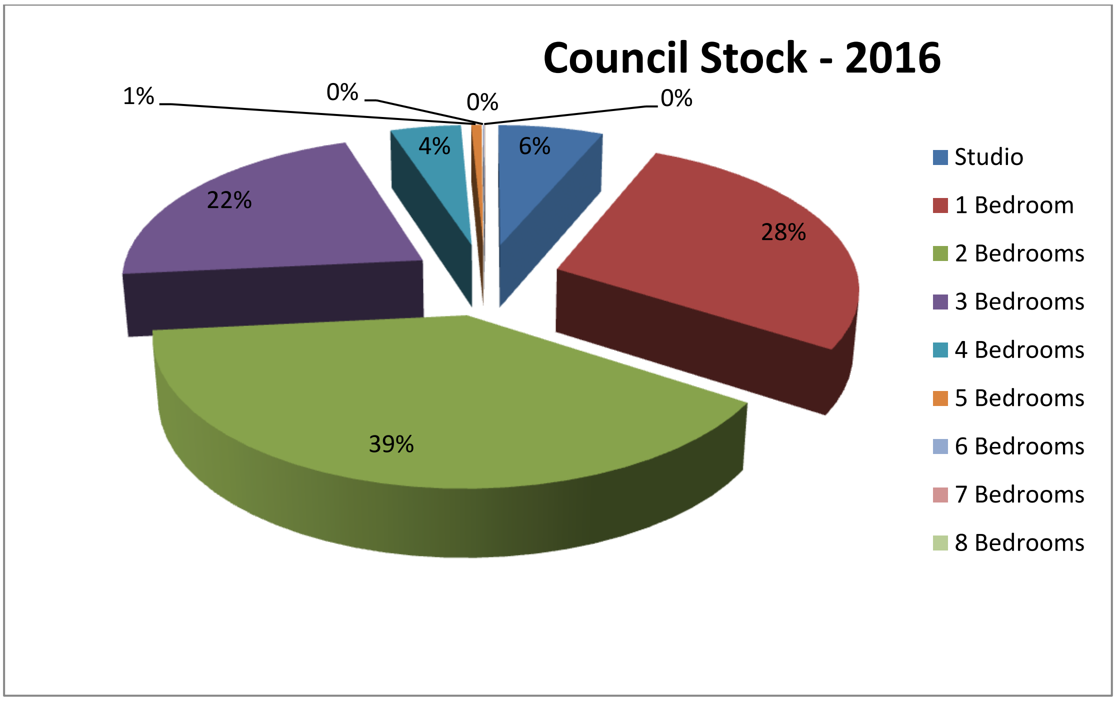
Source: LBTH Housing Affordability Commission, 2016

**These figures are updated estimates based on 2011 Census tenure split uplifted to reflect growth in residential numbers as recorded in the 2014 Council Tax records.*

6 *ONS 2014, A Century of Home Ownership and Renting in England and Wales*

Council owned stock

Diagram 7: Tower Hamlets Dwelling Stock by Bedroom size



Source: Tower Hamlets Homes Stock Database, 2016

The number of dwellings now managed by the council's due to stock transfer and right to buy. The number of units managed by the council. The council stock is managed by its ALMO, Tower Hamlets Homes, has fallen to less than 12,100 units.

Registered Providers

There are currently 58 Registered Providers (RPs) operating in the borough managing almost 30,000 homes. Excluding Tower Hamlets Homes, the five largest RPs' in the borough are, Poplar HARCA, Old Ford, One Housing Group, East End Homes and Tower Hamlets Community Housing, between them, they manage 56.9% of all RP stock in the borough excluding Tower Hamlets Homes stock.

Table 16: Registered Providers in Tower Hamlets, 2016

Registered Provider Name	Stock Nos 2016 (SDR)	% of ALL stock
A2Dominion Homes Limited	**139**	0.48
Access Homes Housing Association Limited	**27**	0.09
Affinity Sutton Homes Limited	**238**	0.82
AmicusHorizon Limited		
Arhag Housing Association Limited	**37**	0.12
Arhag Housing Association Limited	**121**	0.41
ASRA Housing Association Limited	**4**	0.01
Belgrave Street Housing Co-operative Limited	**23**	0.07
Blue Square Residential Ltd	**0**	
Circle Thirty Three Housing Trust Limited	**602**	2.07
Co-operative Development Society Limited	**19**	0.06
East End Homes Limited	**2259**	7.8
East Homes Limited	**1456**	5.02
Family Mosaic Housing	**186**	0.64
Gallions Housing Association Limited	**242**	0.83
Gateway Housing Association	**1738**	6
Genesis Housing Association Limited	**1212**	4.18
George Green's Almshouses	**8**	0.02
Grand Union Housing Co-operative Limited	**79**	0.27
Habinteg Housing Association Limited		
Home Group Limited	**9**	0.03
Lien Viet Housing Association Limited	**22**	0.07
London & Quadrant Housing Trust	**77**	0.26
London Strategic Housing Limited		
Look Ahead Care and Support Ltd		
Metropolitan Housing Trust Limited	**123**	0.42
Mission Housing Association Limited	**2**	0.006
Moat Homes Limited	**0**	
Network Stadium Housing Association Limited	**129**	0.44
Newlon Housing Trust	**695**	2.4
North London Muslim Housing Association Limited	**39**	0.13
Notting Hill Home Ownership Limited		
Notting Hill Housing Trust	**90**	0.31
Old Ford Housing Association	**2997**	10.34
Omega Housing Limited	**12**	0.04
One Housing Group Limited	**2845**	9.82
Orbit Group Limited		
Orbit South Housing Association Limited		

Origin Housing Limited		
Peabody Trust	**1146**	3.96
Places for People Homes Limited	**92**	0.3
Poplar HARCA Limited	**6107**	21
Providence Row Housing Association	**89**	0.3
Salvation Army Housing Association	**43**	0.14
Sanctuary Housing Association	**22**	0.07
Seymour Housing Co-operative Limited	**12**	0.04
Shepherds Bush Housing Association Limited	**0**	
Southern Home Ownership Limited		
Southern Housing Group Limited	**1197**	4.1
Southwark and London Diocesan Housing Association Limited	**58**	0.2
Spitalfields Housing Association Limited	**674**	2.32
Swan Housing Association Limited	**1635**	5.64
The Guinness Partnership Limited	**204**	0.7
The Industrial Dwellings Society (1885) Ltd	**146**	0.54
The Mile End Housing Co-operative Limited	**25**	0.08
Tower Hamlets Community Housing Limited	**2009**	6.93
TPHA Limited	**2**	0.006
Veterans Aid		
Wilfrid East London Housing Co-operative Limited	**67**	0.23
TOTAL	28,958	100% (rounded up)

Source: Homes and Communities Agency, Statistical Data Return 2015 to 2016

The above table does not include the 12,000 homes managed by Tower Hamlets Homes on behalf of the Council.

Private Sector Housing

There has been a significant increase in the proportion of private sector housing in the Borough in the last two decades. Whilst in 1981 86% of the borough's housing stock was social housing by April 2014 approximately 39% of the Borough's housing stock is in the private sector.

The Private Sector Stock Condition Survey 2011

In 2011 the council commissioned consultants MDA to carry out a comprehensive survey of the condition of the borough's private sector stock and provide a profile of the of occupants including their socio-economic characteristics.

Demographics

- 22% of all private sector households are single person households
- 12% of all private sector households comprise of a resident aged 60 and over.
- 16% of all private sector households are overcrowded
- Around 29% of vulnerable households living in private sector live in non-decent housing.

Stock Condition

- 37% of the private sector stock was built before 1990
- Reflecting the age of the stock 19% of the private sector stock fails the decent homes standard compared to 35.8% nationally.
- Around 6% of the stock has Category 1 hazards compared to 23% nationally.
- The average cost of making a home decent during 2011-12 and 2012-13 is £9,368
- 1.7% of the stock has a Standard Assessment Procedure (SAPO) rating below 35.
- There are approximately 350 licensable HMOs in the borough
- Fire safety is the biggest hazards in HMOs, representing 58% of all hazards

Private rented sector

- There are approximately 4,000 households living in private rented accommodation.
- 67% of all fuel poverty in the private sector is in private rented accommodation.
- 35% of households living in private rented accommodation have a disabled resident.
- 19% of residents living in private rented accommodation are overcrowded.
- Nearly 27% of residents in private rented accommodation are under-occupying.

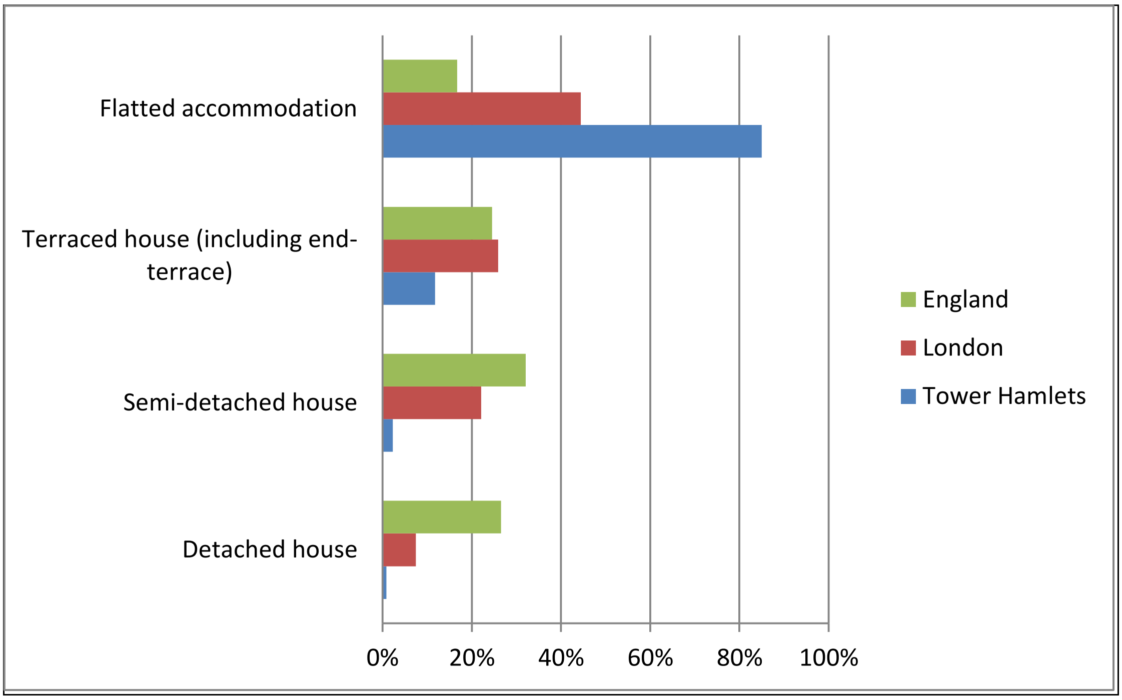
Reflecting the extent of residential development in the borough the survey also confirmed that around 37% of private sector housing has been built since 1990. This compares to 12.6% across the rest of the country.

Table 17: Private sector stock by Age

Dwelling Age	No.	%
<1919	14,465	22
1919-1944	5,860	9
1945-1964	7,680	11
1965-1980	6,706	10
1981-1990	7,900	12
1990+	24,598	37
Total	67,209	100

Source: Private Sector Stock Condition Survey, 2011

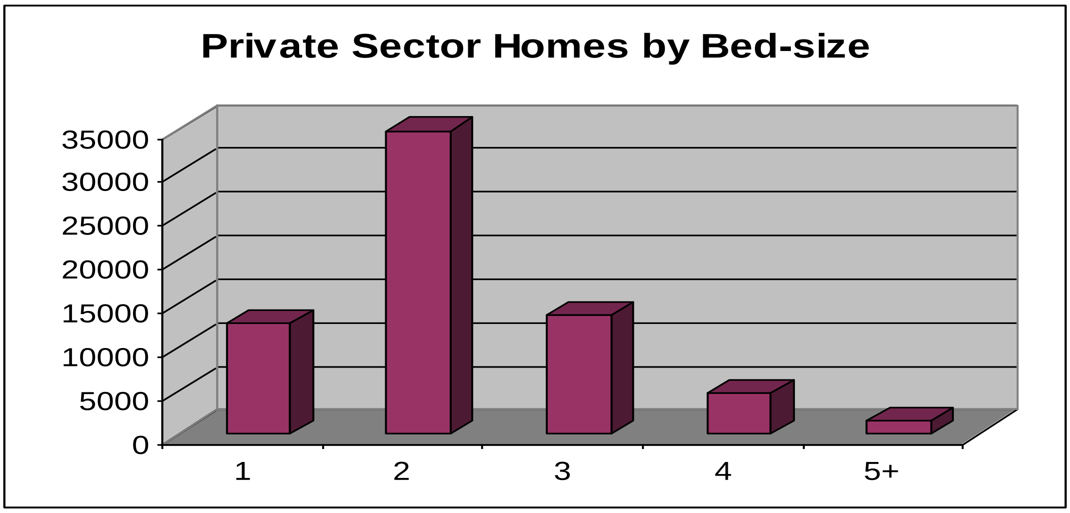
Diagram 8: Private Sector Homes by Property Type.



Source: 2011 Census

The Borough's private sector stock is predominately flatted with 85% of all private sector homes are flats compared to an average across England of 70%, and 70% of all private sector homes are smaller bedsits or studios and one or two bedroom homes.

Diagram 9: Private Sector homes by bedroom size



Source: Private Sector Stock Condition Survey, 2011

Table 18: Private sector Dwellings by Tenure

Dwelling Tenure	No.	%
Owned mortgage	18,655	27.8
Owned Outright	6,684	9.9
Private rented	41,870	62
Total	67,209	100

Source: Private Sector Stock Condition Survey, 2011

However, although the number of homes built in the Borough has increased rapidly since 1990, there is evidence that the level of home ownership is in decline. Only 38% of those in the private sector own their own home and 62% are now privately rented.

There are potentially four different private rented markets in Tower Hamlets:

- *Market one – High end new build* - made up of predominately new build homes bought by investors and professional landlords, these properties are professionally rented in single or shared occupancy.

- *Market two – HMOs* – HMOs in the borough which can be categorised as follows:

  - Ex RTB family HMO – e.g. one family per room. With a lack of affordable homes, welfare reform and increasing private sector rents, it is likely that many households will adopt this tenure to remain in Tower Hamlets;
  - Ex RTB young person's HMO – with changes in the benefit rules for 25's to 34 year old, it is probable that more of these lets will; develop; and
  - Student lets.

The Stock condition Survey identifies that these homes have the highest level of hazard failure and disrepair.

- *Market three* – Standard assured and assured short hold tenancies. These properties are mainly self-contained family homes. Many of these households have been housed with the assistance of the council, either placed as homeless households or supported into accommodation through a rent deposit or rent guarantee scheme. Changing benefit rules mean that many of these tenancies may be at risk. In addition these homes are becoming increasingly occupied by young professionals sharing the accommodation in order to meet the increasing rental costs in the borough.

- *Market four* – 1977 Rent Act tenancies. While the number of these tenancies has dwindled as residents have died or moved to supported accommodation, there are still a few remaining in the borough.

2.2 Future Housing Supply

As set out in the London Plan, the Mayor recognises the pressing need for more homes in London to meet the growing population. The 2013 London SHMA estimated a need for 48,840 new homes to be built between 2015 and 2035, of which 48% should be market homes, 32% social rent or affordable, and 20% intermediate.

To ensure London boroughs' contribute to the supply of housing, the London Plan sets out the annual housing targets for each Borough until 2025 as a minimum level for delivery, as set out in the Core Strategy. Tower Hamlets ten year (2015-2025) housing delivery target is 39,314 which equates to 3,931 per year and 9% of the London target, this means Tower Hamlets has the highest housing target of any London Borough.

These targets have been informed by the London Plan evidence base – 2014 Strategic Housing Market Assessment (SHMA) and the Strategic Housing Land Availability Assessment (SHLAA).

Residential Development Projections

Expected Growth

The Borough is expecting significant residential development growth over the next ten years.

Clearly, the levels of delivery will be dependent upon macroeconomic circumstances although this is arguably a slightly conservative estimate.

Tower Hamlets has the highest housing target of any London Borough. **On average, 3,931 homes are required to be delivered every year – this is 9% of all homes in London.** Assuming all other London Boroughs meet their housing target, which is an ambitious assumption, Tower Hamlets is projected to deliver at least 11.2% of all housing units in London up to 2025/26. It is likely that in reality this proportion will be much higher.

The expected levels of development will result in significant increases to the population of the borough. It is expected that the population will grow by 93,000 to 2025/26, reaching a level of 381,000.

Challenges

There are significant challenges to managing the unprecedented levels of expected growth. One significant challenge will be to deliver the infrastructure required to support development. The Council will need to deliver 3 – 4 new secondary schools, 6 or 7 new primary schools, at least 8 new primary healthcare facilities as well as new libraries, open spaces, transportation and connectivity infrastructure, new community facilities and sustainability and waste management infrastructure. The Council will not have enough funding to support the new infrastructure required to ensure the expected growth is sustainable.

The Council is keen to hear how Central Government may be able to help with the delivery of the new infrastructure and whether it would be appropriate for the Borough to be considered as a special case for funding assistance by the newly formed National Infrastructure Commission.

Student accommodation

There has been intense pressure for London to accommodate more student bedspaces for the increasing number of students in the capital. According to data published by Higher Education Statistics Agency (HESA) there are now 359,990 students in London. This trend has also been mirrored in Tower Hamlets with the numbers of students increasing 71% from 17,666 in 2001 to 30,162 in 2011.

Private developers have responded to this demand. There are now 74,000 student bedspaces in London.[7] After Camden and Islington, Tower Hamlets has the 3rd largest proportion of student bedspaces in the capital, accommodating 12% the stock (approximately 7,000 bedspaces). Much of the accommodation being delivered is by private operators and not by the two Universities, Queen Mary and London Metropolitan, located in the Borough. LBTH completions data revealed 693 student bed spaces were completed in 2013/14, a significantly large increase on 2012/13. Analysis published by Drivers Jonas Deloitte's in December 2012, in the London Student Housing 2012 Crane Survey suggests that a fifth of all student accommodation under construction in London is in Tower Hamlets.

2.3 Housing Costs

Rent

• Lower quartile rents in the borough are £365 per week for a two bedroom and £462 for a three bedroom flat. The weekly Local Housing Allowance rate for a family needing two bedrooms is £302.33, and for three bedrooms it is £354.46.
• The median rent for a room in a Tower Hamlets shared flat or House in Multiple Occupation is £147 per week. Single people under 35 have a weekly Local Housing Allowance of £102.99.
• Median rents have increased by around a quarter in the last five years, to £1430 pcm (£330 pw) for one bedroom and £1750 pcm (£403.85 pw) for two bedroom flats.
• As of 2013, very nearly half of all households in Tower Hamlets have an annual income less than £30,000.
• From autumn 2016 a workless family with children will receive benefits of no more than £384.62 per week to cover rent and living expenses.
• In spite of market conditions, the Council's Housing Options and Assessment service were able to incentivise private landlords to let to 30 low-income households facing homelessness in 2015-16.

[7] University of London, Student Accommodation Survey 2015

Housing Benefit

There are 9,621 council properties in the borough where housing benefit is paid., There are 20,992 non-council properties paid for by housing benefit. Housing benefit is claimed for 4,299 of properties in the private rented sector.

Incomes

44% of households in Tower Hamlets are in income poverty. Table 19 outlines the mean, median and modal household incomes for those living in the Borough.

Table 19:

Type	Income Level
Borough Median household income - equivalised data	*£29,896*
Borough Modal household income- equivalised data	*£17,500*
Borough Mean household income - equivalised data	*£38,999*
Borough Median household income - un equivalised data	*£30,379*
Borough Modal household income- un equivalised data	*£12,500*
Borough Mean household income - un equivalised data	*£38,644*

Source: *2016 CACI Pay check data*

Note: *The data for household income from CACI is for all households not just for those in work, they do not make the distinction between those in work and those not.*

The difference between the two sets of data in table 19 is that the equivilised data has been adjusted for household size.

The equivilisation process takes a couple living with no children as a reference point and adjusts the incomes of larger households downwards relative to this benchmark (i.e. assumes that a higher income would be needed for a larger household to have the same standard of living). The incomes of smaller households are adjusted upwards relative to the reference household type, recognising that the same income would allow smaller households a better standard of living.

Strategic Housing Market Assessment 2014

The London Borough of Tower Hamlets Strategic Housing Market Assessment 2014 (SHMA) has been undertaken at a time of considerable change, both locally and nationally. The SHMA highlights the complexity of understanding housing need in a relatively dynamic housing market. Key drivers such as the local economy, complex population change and the need to support growth in the local economy – all these factors interact to make the establishment of objectively assessed housing need a significant challenge.

The SHMA has considered various factors regarding the housing needed in Tower Hamlets; critically, it has updated the current evidence base on population and households and considered the impact of wider Market Signals. From this, the SHMA has derived an objectively assessed housing need to inform housing and planning policies.

Summary Findings 2014 SHMA

Attached are two extracts from the report:

- Executive summary which provides more background and the final total of the objectively assessed need which totals **2,569** dwellings per annum/57,400 over 24 years.
- Extract from the sections on the tenure mix required which is set out as follows:

Housing Type	Number of Dwellings
Market Housing	18,900
Intermediate affordable housing	2,500
Social rented housing*	36,600
Total housing requirements	57,400
	%
Market Housing	32.8%
Intermediate affordable housing	4.4%
Social rented housing*	62.8%

Source: Tower Hamlets Council Data

*Social rented need includes housing provided to rent from LAs and Registered Social Landlords, Affordable Rent with housing benefit support and housing benefit supported private rented accommodation at 2011 levels;

	Market	**Intermediate**	**Social rented**	**Total**
1 bedroom	1,800	1,400	11,500	14,600
2 bedroom	5,200	300	9,900	15,300
3 bedroom	8,400	400	11,400	20,100
4 bedroom	3,600	500	3,400	7,400
Total	18,900	2,500	36,600	57,400

Source: Tower Hamlets Council Data

Housing Needs Survey

The Survey Overview
Opinion Research Services (ORS) was commissioned by The London Borough of Tower Hamlets to undertake a Housing Needs Survey (HNS) with households in Tower Hamlets.

The HNS was conducted via face to face interviewing and captures households' current housing and future housing needs and aspirations. The purpose of the survey is to assist Tower Hamlets Council in planning housing and other community services in the borough.

The results in this report are based on a survey of around 600 face to face interviews conducted from a sample of Tower Hamlets residents. Interviews were achieved between 7th July and 21st September 2014 with the main or joint homeowner or tenant. Quotas were set on age, gender and working status in order to achieve a cross-section of responses.

The survey contained questions on the following topics:
» Current Housing Arrangements;
» Housing History
» Future Housing Aspirations
» Economic and Financial Status
» Owner occupiers
» Renters
» Profiling Information

Key Headlines

Current Housing

- The majority of housing in Tower Hamlets is flats, apartments or maisonettes (86.9%), of which 79.9% are purpose built. Houses (12.8%) and bungalows (0.3%) make up only a modest proportion of the overall stock.
- In terms of the number of rooms or bedrooms available for use, owner occupiers are more likely to have three bedrooms or more. Social renters are more likely to have two bedrooms than other tenures, while there are more private renters with one bedroom than other tenures.
- The most significant problems associated with the home are related to heating and damp. Many respondents had an issue with damp (c.43%) or mould (c.41%). There are also issues with cold (42%) and over 20% had difficulty paying their fuel bills.
- Almost 80% of respondents are satisfied with their homes, while c.12% are dissatisfied. The levels of satisfaction are lowest among social renters (20% either very or fairly dissatisfied) and highest among owners (90% either very or fairly satisfied).

The Area

The most common problem respondents see locally is rubbish (30+% see it as either a fairly or very big problem) followed closely by young people hanging around (c.30%). Other issues include drug use/dealing, people being drunk/rowdy and noisy neighbours/parties. The least problematic issue was abandoned cars (c.6%)

Housing History

- Overall, nearly 60% of the respondents had lived in Tower Hamlets more than 5 years. This number was highest among social renters (80%+) and lowest among private renters (c.25%). Private renters are also significantly more likely to have lived in the area for less than a year (27%). Overall, this indicates a relatively more mobile population of those who rent privately and a more stable social renting population.
- In terms of the length of time in the current home, social renters are again more settled with over 65% having lived in their present home for more than 5 years. Private renters again are more mobile, with over 65% having lived in their present home less than 3 years and 35% less than 1 year.
- In terms of the respondents' previous address, the highest was abroad (46.2%) while 27.9% had previously lived in Tower Hamlets. Only 8.4% came from outside London but within the UK.
- When previous tenure and current tenure were compared, the survey showed those who rented privately were more likely to rent privately again. Most owners either privately rented or lived rent free in their previous home. Similarly, those who social rent their current home were more likely to have had a social rented home previously.

Future Housing Aspirations

- There were many different reasons among those respondents who expect to move in the next two years. However, the most common reasons were the size of the current home and the need for a better environment.
- Most respondents who expect to move in the next two years expect to stay in Tower Hamlets (46%) or London (a further 25%). 20% expect to move elsewhere in the UK while 10% expect to move abroad. When tenure is considered, more owners and private renters expect to move abroad than social renters. More social renters expect to stay in Tower Hamlets (60%), while only 17% of owners do.
- The main reasons for moving away from Tower Hamlets are related to both affordability (21.6%) and the need for family support (21.7%). However, the range of reasons is varied and 35% of respondents gave 'other' reasons.
- Interestingly, most respondents expect to keep their current tenure when they move; e.g. 85% owners, 86% social renters. However, 30% of private renters expect to become owners when they move.

- Many respondents would prefer to have more bedrooms when they move. This is especially so where they have one bedroom now – most would like two bedrooms when they move. However, the following figure shows how people are prepared to be pragmatic when setting their preference against what they would accept.
- There is relatively close alignment between tenures in terms of aspirations or need to move home in the next two years.
- In terms of where households expect to move, Council tenants are more likely to want to stay within their neighbourhood or Tower Hamlets (76%) compared with Housing association (62%) or All households (46%). Interestingly, more HA or All Households aspire to move abroad.

Economic and Financial Status

- Most survey respondents were working either full or part time (54%). If other forms of employment are considered, this figure rises to 59.3%.
- 49% of respondents work in Tower Hamlets and a further 38% in London, while 10% had no one specific location. The proportion of homeworkers is 10%. When tenure is considered, slightly more owners work at home, while more private renters work elsewhere in London. Social renters are slightly more likely to work in Tower Hamlets.
- Commuting times show that almost 95% of those working have a journey of under one hour to get to work. Social renters have the longest journey with 10% having to travel over an hour to get to work and a further 21% between 45 minutes and an hour. Owners have the shortest journey with 66% taking less than 30 minutes to get to work.
- Incomes vary considerably among respondents and partners; over 29% have less than £15,000 pa, while over 50% have less than £30,000 pa. However, Tower Hamlets also has some significant incomes; over 15% of respondents have incomes over £60,000 pa). 25% of households included other income earners not including the respondent to the survey or their partner.
- 18% of households said their rent or mortgage was either extremely difficult to manage or putting a strain on their budget. In tenure terms, those social renting were more likely to be under strain while owners were more likely to find mortgage payments manageable.

Owner Occupiers

- Three quarters of owners had bought their property with a mortgage; however, there is evidence of support for purchase beyond borrowings and savings – 19.4% of buyers had help from family/friends, while 1.2% received an inheritance.
- Market values of homes reveal how property prices have risen in Tower Hamlets; many homes are now valued at £1m+ (6.9%) while 32% were over £0.5m. Very few properties are valued below £200,000 (5.7%).

Renters – Social and Private

- Survey responses highlight how social rent is lower than private rent; while almost 60% of social renters pay less than £500 pcm, only 18% of private renters do so. 25% of private renters pay over £1,500 pcm while a further 18% pay over £1,000.
- Only 2.9% of private rented respondents receive Housing benefit (HB) in full, with 11.3% receiving HB in part. However, 40% of social renters get full HB, with a further 31% getting part HB.
- The impact of Welfare Reform has been felt more by social renters (26%) than other tenures (private rent 10%; owners 6%).
- There are some Ethnic groups who are more likely to be in the Private Rented Sector, particularly the White other group, but also Black, and, to a lesser extent, Asian Indian and Chinese.

Current Housing Conditions

- When compared by tenure, the White and Asian ethnic groups have the highest proportions of owner occupation (c.30% for both groups). The Black population of Tower Hamlets were least likely to be owner occupiers (c.6%). Those most likely to be living in social housing are Mixed (47%), Black (42%) and Asian (35%).

Current Housing Circumstances

- The survey indicates that there are significant differences between older and non-older households in their housing tenure.
- Over 50% of ‘All older’ households own their home either outright or on a mortgage. Over 40% are renting in the social sector while only c.2% rent in the Private Rented Sector. Households with no older members are more likely to be renting in the private rented sector although roughly the same number own as the All Older group.
- It can be seen that ‘All older’ households have the lowest levels of incomes of the groups with almost 70% having incomes of less than £10,000 while ‘None older’ have the highest levels of income.
- This has implications for the quality of the housing stock: repair bills can be unaffordable to those on lower incomes, and the quality of the home may decline over time.

Health Problems

- The household survey also indicated that over 50% of both all older households and 36% of Some older households have at least one member suffering from a self-reported health problem (Figure 149). This compares with c.25% of households which have no older members.

- Other health problems that were cited included hearing impairment, mental health, blindness, being older, dementia and learning difficulties.
- Care and Support Needs shows that of the household members with a health problem, 54% were able to care for themselves while the remaining 46% needed some form of care or support. 10.3% needed permanent 24 hour care or support.
- Most of the households (55%) which contained someone who had a health problem were renting an affordable home – 39.4% from the Council, 15.9% from a housing association. However, nearly a third are renting privately (31.8%). Only 13% own their own home and are therefore responsible for their own adaptations.

Household Survey Data for People with Support Needs

- The survey respondents were asked about health issues for their households. The questions were designed to discover if the household contained anyone who was suffering from long-term health problems and to assess the impact of any health problems on the housing and care needs of that household.
- In the 2011 Census14 around 35% of all households in Tower Hamlets said that their day to day activities were limited by a long term health problem or disability. It should be noted that some of the households contained more than one individual with health issues.
- The main problems identified by the survey were conditions which substantially limit one or more basic physical functions such as walking, climbing stairs or lifting.
- When Disability and Illness are considered, Council tenants are noticeably more likely to have Health problems (49%) or perceive themselves as having Poor or Very Poor health (31%). Housing association tenants have slightly better perceptions (35% and 22% respectively.