

**South East London
Strategic Housing Market Assessment 2009:
Additional Study of Overcrowded and Under-
occupying Private Rented Households**

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Section 1: Overcrowded and Under-occupying Social Rented Households

Introduction

- 1.1 Opinion Research Services (ORS) was commissioned by local authorities in South East London to undertake Housing Requirements Studies in each borough and a Strategic Housing Market Assessment for the sub region. The local authorities involved in the project are Bexley, Bromley, Greenwich, Lewisham and Southwark.
- 1.2 The study drew on a wide range of secondary data sources. Primary data was also collected through a household survey based on a random probability sample. The Household Survey was conducted between June 2007 and November 2008 and a total of 7,250 households were interviewed on a face to face basis. Non-response issues were addressed by a comprehensive statistical weighting process.
- 1.3 The following number of interviews were conducted at the given times in each of the boroughs:
 - 1,250 interviews in Bexley; (May-June 2008)
 - 1,250 interviews in Bromley; (October-November 2008)
 - 1,500 interviews in Greenwich; (July-August 2008)
 - 1,500 interviews in Lewisham (June-July 2007)
 - 1,750 interviews in Southwark (January-March 2008)
- 1.4 This document represents an additional study analysing two key groups in the private housing sector:
 - Households who are overcrowded in the private rented sector
 - Households who are under-occupying their private rented dwelling.

Overcrowding and Under-Occupation

- 1.5 The number of rooms required by a household is assessed through analysing the household profile against an agreed “bedroom and living room standard”. This requirement is then set against the number of rooms available in the home. The bedroom standard used for the study is as follows, providing one bedroom for each of the following groups or individuals:
 - Each adult couple;
 - Each remaining adult (aged 21 or over);
 - Each pair of children of the same gender;
 - Each pair of children aged under 10;
 - Each remaining child that has not been paired.
- 1.6 The number of rooms required is then set against the number of bedrooms in the current home, to determine the level of overcrowding or under-occupation.

- 1.7 Overall, a total of 40,130 households are currently living in technically overcrowded housing with as many as 307,610 of households technically under-occupying their property –43% of these by two bedrooms or more.

Figure 1
Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Total
2+bedrooms too few	6,690
1 bedroom too few	33,440
Correct number of bedrooms	204,170
1 bedroom too many	173,930
2 bedrooms too many	105,620
3+ bedrooms too many	28,060
Total	551,900

- 1.8 When split by tenure (Figure 2), it is clear that much of the under-occupation of dwellings occurs in the owner occupied sector, with 78.3% having too many rooms when compared with the bedroom standard. In the private rented sector of the 108,340 households, 14,170 (13.0%) are overcrowded. Meanwhile, 33,460 (30.1%) are under-occupying their private rented dwellings when compared with the number of bedrooms they would be assigned by the bedroom standard. This compares to 11.7% overcrowded and 32.6% under-occupying in the social rented sector.

- 1.9 The remainder of this report concentrates upon the private rented sector.

Figure 2
Overcrowding and Under-occupancy by Tenure (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Tenure			Total
	Owner Occupation	Social Rent	Private rent	
2+bedrooms too few	1,160	2,410	3,110	6,690
1 bedroom too few	6,150	16,230	11,070	33,440
Correct number of bedrooms	54,730	88,740	60,700	204,170
1 bedroom too many	108,070	39,500	26,360	173,930
2 bedrooms too many	88,850	11,020	5,760	105,620
3+ bedrooms too many	25,380	1,340	1,340	28,060
Total	284,340	159,230	108,340	551,900

Overcrowding and Under-Occupation in the Private Rented Sector

1.10 Figure 3 show the under-occupancy and overcrowding levels in the private rented stock by borough in SE London. Over a 40% of the overcrowded private rented households in the sub-region are in Lewisham, with this representing 18% of all private rented households in the borough. As a percentage of the stock, the highest level of under-occupation is in Bromley with 45% under-occupying their dwelling.

Figure 3

Overcrowding and Under-occupancy in Private Rent by Borough (Source: South East London Household Survey 2007-08)

Borough	Overcrowded	Correct Number of Rooms	Under occupation
Bexley	913	4,770	4,548
Bromley	1,525	7,852	7,635
Greenwich	2,136	10,768	5,832
Lewisham	5,869	18,964	7,307
Southwark	3,738	18,343	8,136
South East London Total	14,181	60,697	33,458

1.11 Around 40% of all overcrowded households are groups of adults, with adult couples with children and lone parents also having many households in this category. Adult couples make up the largest group of those who are under-occupying, with single persons also being important. This differs from the circumstances found in the social rented sector where households with children were most likely to be overcrowded and single persons most likely to be under-occupying.

1.12 Also while groups of adults in the social rented sector were more likely to be under-occupying the opposite is the case in the private rented sector. This could reflect differing groups, i.e. adult children living at home with their parents in the social rented sector and groups of unrelated adults/ students living together in the private rented sector.

Figure 4

Overcrowding and Under-occupancy in Private Rent by Household Type (Source: South East London Household Survey 2007-08)

Borough	Overcrowded	Correct Number of Rooms	Under occupation	Total
Single person	0	24,899	8,888	33,787
Lone parent	2,619	6,008	1,933	10,560
Adult couple	0	9,588	9,839	19,427
Adult couple with children	4,390	6,033	4,721	15,144
Group of adults	5,604	11,556	3,651	20,811
Group of adults with children	1,568	721	100	2,389
Pensioner	0	1,805	4,325	6,130
South East London Total	14,181	60,696	33,457	108,334

1.13 The income profile of overcrowded households shows that households with incomes of less than £20,000 are more likely to be overcrowded with this being the case for 15% of private rent households compared to less than 10% of private rent households with incomes of £25,000 or more. Almost 5,000 households are overcrowded and have incomes of over £25,000 per annum; therefore these households may be in a position to move to larger accommodation. However it should be remembered

that many private rented households consist of a group of adults and therefore the incomes of each individual may not be high enough to be able to afford to live anywhere else.

Figure 5

Overcrowding and Under-occupancy in Private Rent by Household Income (Source: South East London Household Survey 2007-08)

Household Income	Overcrowded	Correct Number of Rooms	Under occupation	Total
0-£9,999	3,628	14,984	6,663	25,275
£10,000-£14,999	1,736	4,655	2,712	9,103
£15,000-£19,999	1,820	8,543	2,972	13,335
£20,000-£24,999	2,039	4,722	2,462	9,223
£25,000-£29,999	1,510	7,697	3,133	12,340
£30,000-£39,999	880	7,318	3,672	11,870
£40,000	2,569	12,776	11,846	27,191
South East London Total	14,182	60,695	33,460	108,337

1.14 However, while there are almost 5,000 households who are overcrowded with incomes of more than £25,000 per annum, very few of these households have significant savings. Only 900 overcrowded households have savings of more than £1,000 in total. Savings levels are higher for under-occupying households with almost 8,900 having savings of more than £1,000.

Figure 6

Overcrowding and Under-occupancy in Private Rent by Household Savings (Source: South East London Household Survey 2007-08)

Savings	Overcrowded	Correct Number of Rooms	Under occupation	Total
None	12,973	47,872	23,652	84,497
£0 -£999	297	1,088	933	2,318
£1,000-£2,999	345	1,639	1,203	3,187
£3,000-£4,999	234	2,081	886	3,201
£5,000-£14,999	331	4,588	1,985	6,904
£15,000+	0	3,429	4,798	8,227
South East London Total	14,180	60,697	33,457	108,334

1.15 It should also be remembered that the bedroom standard used to assess overcrowding and under-occupation is an objective standard and is not based upon the perceptions of the household. Figure 7 highlights that of the 14,015 households who are assessed as being overcrowded, 4,833 consider that they have about the right number of rooms in their dwellings. Therefore, these households do not consider that they are overcrowded.

1.16 Conversely, of the 33,298 households who are under-occupying their private rented dwelling, only 2,159 feel that they have too many rooms with 1,804 considering that they have too few rooms. Therefore, almost as many under-occupying households consider they have too few rooms as consider they have too many, with the majority considering they have the correct number of rooms.

Figure 7

Overcrowding and Perceived Size Problems for Private Rent (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Household Perception			Total
	Too Many Rooms	About Right	Too Few Rooms	
2+bedrooms too few	0	964	2,080	3,044
1 bedroom too few	112	3,869	6,990	10,971
Correct number of bedrooms	370	47,817	12,510	60,697
1 bedroom too many	672	23,818	1,710	26,200
2 bedrooms too many	807	4,858	94	5,759
3+ bedrooms too many	680	659	0	1,339
Total	2,641	81,985	23,384	108,010

Bedrooms Required

- ^{1.17} Figure 8 relates the identified number of rooms required by households and the number of bedrooms which exists in the dwelling. Therefore, the data indicates that there are 37,477 2-bedroom private rented dwellings in South East London, but the total requirement for 2 bedroom private rented dwellings when applying the bedroom standard is 29,523. Therefore, there are technically sufficient 2 bedroom private rented dwellings if it were only to be occupied by households who require 2 bedroom dwellings.
- ^{1.18} The same story applies to all dwelling sizes in South East London except for those with 1 bedroom (59,813 required, but only 44,545 exist). However, it should be stressed that this calculation is based upon households being in their correct size of dwelling.

Figure 8

Number of Bedrooms in Dwelling by Number of Bedrooms Required (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Bedrooms Required	Number of bedrooms					Total
	1	2	3	4	5+	
1	36,569	17,699	4,518	858	169	59,813
2	5,725	15,460	7,058	1,131	149	29,523
3	1,557	3,769	6,930	1,059	222	13,537
4	694	520	1,367	1,254	511	4,346
5+	0	29	240	281	566	1,116
Total	44,545	37,477	20,113	4,583	1,617	108,335

- ^{1.19} In practice households are spread across a range of dwelling sizes which are not necessarily related to their current needs. Figure 9 shows the size of dwellings occupied by overcrowded households. This shows that over half of the overcrowded households are to be found in 1 bedroom dwellings, with most requiring moving to 2 bedroom dwellings. There are also many who are currently in 2 bedroom properties who require 3 bedrooms and currently in 3 bedrooms, but require 4 bedrooms.

Figure 9

Number of Bedrooms by Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Number of bedrooms					Total
	1	2	3	4	5+	
2+bedrooms too few	2,251	549	240	74	0	3,114
1 bedroom too few	5,725	3,769	1,367	207	0	11,068
Correct number of bedrooms	36,569	15,460	6,930	1,254	484	60,697
1 bedroom too many	0	17,699	7,058	1,059	541	26,357
2 bedrooms too many	0	0	4,518	1,131	109	5,758
3+ bedrooms too many	0	0	0	858	483	1,341
Total	44,545	37,477	20,113	4,583	1,617	108,335

Want to Move

^{1.20} Of the 13,603 overcrowded households, 7,721 (56.8%) wish to move. Of the 32,778 under-occupying households, 9,690 (29.6%) wish to move. This emphasises that under-occupiers are unlikely to vacate their properties.

Figure 10

Want to Move by Overcrowding and Under -occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding.)

Occupancy Level	Want to Move		Total
	Yes	No	
2+bedrooms too few	1,675	1,285	2,960
1 bedroom too few	6,046	4,597	10,643
Correct number of bedrooms	21,821	36,876	58,697
1 bedroom too many	8,024	17,677	25,701
2 bedrooms too many	1,486	4,251	5,737
3+ bedrooms too many	180	1,160	1,340
Total	39,232	65,846	105,078

^{1.21} Figure 11 shows the household incomes levels for overcrowded and under-occupying households who want to move. This shows that over 4,000 overcrowded households with incomes of over £25,000 per annum want to move, while around 8,100 under-occupying households with incomes of over £25,000 wish to move. It can also be seen that while almost another 4,000 overcrowded households with household incomes of less than £15,000 want to move, this is the case for only 2,213 households who under-occupy their property.

Figure 11

Overcrowding and Under-occupancy in Private Rent by Household Income and Want to Move (Source: South East London Household Survey 2007-08)

Household income	Overcrowded	Correct Number of Rooms	Under occupation	Total
0-£9,999	2,634	5,016	1,477	9,127
£10,000-£14,999	1,245	1,610	736	3,591
£15,000-£19,999	605	2,968	786	4,359
£20,000-£24,999	884	1,371	409	2,664
£25,000-£29,999	2,370	1,072	3,020	6,462
£30,000-£39,999	546	2,256	1,014	3,816
£40,000	1,147	5,785	4,046	10,978
South East London Total	9,431	20,078	11,488	40,997

Health Problems

^{1.22} Around 1,300 of the overcrowded households contain a member with a health problem. It is also the case that over 5,200 under-occupying households contain a member with a health problem.

Figure 12

Health Problem by Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Health Problem		Total
	Yes	No	
2+bedrooms too few	177	2,936	3,113
1 bedroom too few	1,121	9,948	11,069
Correct number of bedrooms	6,784	53,830	60,697
1 bedroom too many	3,656	22,608	26,357
2 bedrooms too many	1,237	4,522	5,759
3+ bedrooms too many	340	1,001	1,341
Total	13,315	94,845	108,336

^{1.23} Of the overcrowded households, 440 report that their health problems affect their housing requirements, while over 1,500 under-occupying households are similarly affected.

Figure 13

Health Problem Affect Housing Requirements by Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Housing Requirements Affected		Total
	Yes	No	
2+bedrooms too few	177	0	177
1 bedroom too few	260	860	1120
Correct number of bedrooms	1,673	5,111	6784
1 bedroom too many	1,015	2,641	3656
2 bedrooms too many	468	769	1237
3+ bedrooms too many	74	266	340
Total	3,667	9,647	13,314

1.24 Over 150 overcrowded households do not currently have their health related housing requirement met, while over 1,000 under-occupying households have their needs unmet.

Figure 14

Health Related Housing Requirements Met by Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Health Related Housing Requirements Met		Total
	Yes	No	
2+bedrooms too few	97	80	177
1 bedroom too few	185	75	260
Correct number of bedrooms	547	1,029	1,576
1 bedroom too many	496	519	1,015
2 bedrooms too many	0	468	468
3+ bedrooms too many	0	74	74
Total	1,325	2,245	3,570

1.25 Of those households with unmet needs, around 400 under-occupying households require to move to another dwelling to address their needs. It is also the case that 1,000 households are under-occupying their current dwelling and require adaptations.

Figure 15

Adaptation for Those with Unmet Health Related Housing Requirements by Overcrowding and Under-occupancy (Source: South East London Household Survey 2007-08. Note: Figures may not sum due to rounding)

Occupancy Level	Health Related Housing Requirements Met			Total
	Physical adaptations would not resolve these needs	Current home cannot be adapted	Your current home could be adapted	
2+bedrooms too few	0	0	80	80
1 bedroom too few	0	0	0	0
Correct number of bedrooms	217	282	155	654
1 bedroom too many	123	254	112	489
2 bedrooms too many	91	156	147	394
3+ bedrooms too many	74	0	0	74
Total	505	692	494	1,691