

**COUNCIL OF THE ISLES OF SCILLY**

**STRATEGIC HOUSING  
MARKET ASSESSMENT**

**FINAL REPORT**



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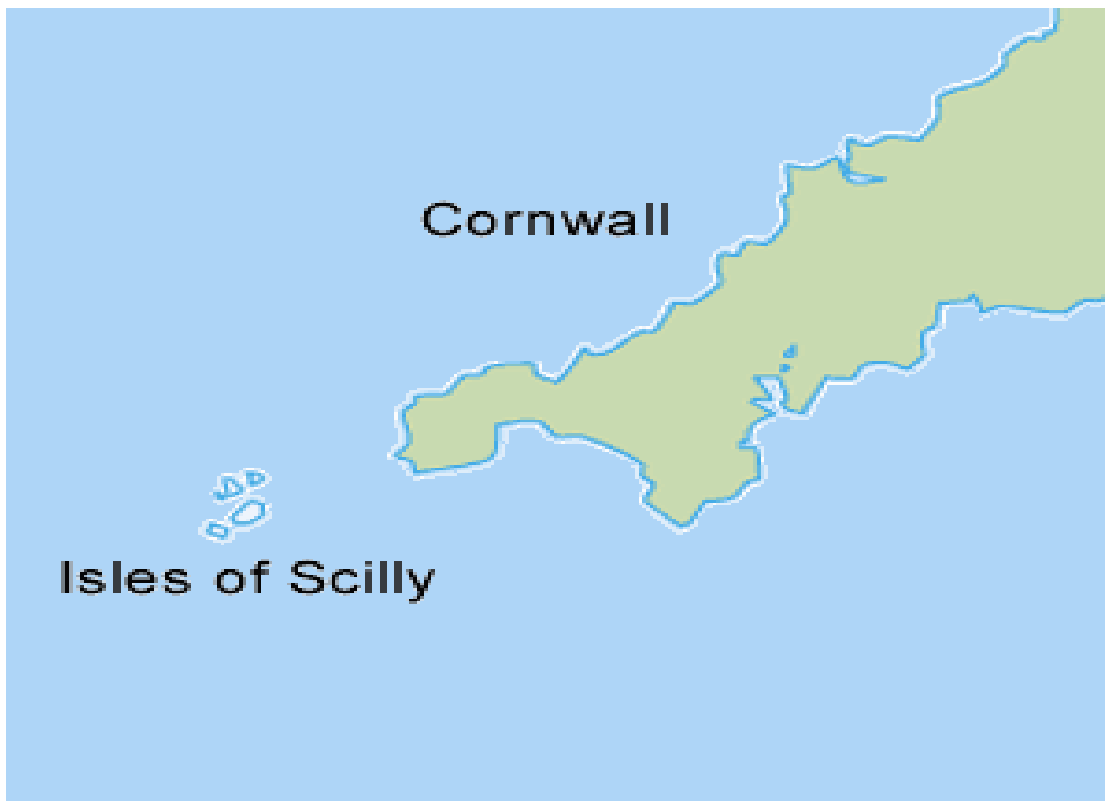


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# 1 INTRODUCTION & METHODOLOGY

## 1.1 Background

1.1.1 The Isles of Scilly are situated off the coast of Cornwall in the South West and comprise of 5 Islands; Bryher, St Agnes, St Martin's, St Mary's and Tresco.



1.1.2 The Islands are designated a Conservation Area, Area of Outstanding Natural Beauty and Heritage Coast. Around the coastline is a Special Area of Conservation (SAC) and a high number of natural environment designations are in place on the Islands including 27 areas of Special Scientific Interest and 238 Scheduled Monuments.

## 1.2 Purpose, Aims and Objectives

1.2.1 The purpose of the Strategic Housing Market Assessment (SHMA) was to undertake a comprehensive and robust assessment to obtain high quality information about current and future housing needs at a local authority level and to inform the development of policies and underpin local housing strategies.

1.2.2 The Study :-

- Analyses household and population projections, taking account of migration and demographic change to provide a sound evidence base to support planning policies and targets for housing in Local Plan
- Addresses the need for all types of housing, including market and affordable housing and the needs of different groups within the community;
- Identifies the housing demand and informs the scale of housing supply necessary to meet the demand.

### 1.3 Study Methodology

- 1.3.1 The methodology adopted for this assessment utilises a mix of primary and secondary data from local and national sources, which are appropriately identified where used throughout the report.
- 1.3.2 DCA were commissioned on the 12<sup>th</sup> November 2015 to conduct a Strategic Housing Market Assessment (SHMA) to identify current and future housing need across all housing tenures on the Isles of Scilly.
- 1.3.3 The SHMA provides a ‘policy-off’ assessment of future housing requirements, with the intention that this will inform future development of planning policies and housing strategies for delivery

The Assessment has been conducted in accordance with the National Planning Policy Guidance and CLG’s SHMA Practice Guidance (the Guidance) published in August 2007. It also takes account of subsequent advice from the Planning Advisory Service.

- 1.3.4 The methodology for the SHMA comprised:-
- A detailed analysis of secondary data on current housing stock and demand utilising 2011 Census, Local Plan, and the Housing Needs Register;
  - An analysis of the ONS population projections and specifically commissioned Isles of Scilly population projections to formulate indicative future need for housing;
  - An analysis of the social sector stock, waiting list need and re-let turnover supply by property size;
  - An examination of in and out migration by property type and size;
  - An analysis in both market and social sectors to provide targets for each sector by bedrooms;
  - An internet and estate agency survey in relation to the cost and supply of entry level market and private rented housing at island sub-area level to assess affordability thresholds.
  - A household survey of 100% of those with permanent resident status and a sample of households in staff and holiday let accommodation.

## 1.4 The Local Area

1.4.1 An individual Island based survey sample structure was agreed with the Council for analysis of the data and consisted of the 5 inhabited islands.

**Table 1-1 Sample Structure**

Code in Data File	Island
010 / 011	Bryher
020 / 021	St Agnes
030 / 031	St Martin's
040 / 041	St Mary's
050 / 051	Tresco

**Figure 1-9 Local Area Map**



Source: <http://www.robswebstek.com/2013/05/the-isles-of-scilly.html>.

## 1.5 Household Survey Methodology

1.5.1 The household survey consisted of the following elements:-

- A postal household survey completed by 349 households (30.9% response) across 5 islands, the islands of St Agnes and Bryher were then merged to match the areas in the 2011 Census.
- Updated analysis of the local housing market to assess affordability through an internet search of local estate agents in relation to the delivery, cost and supply of market access level properties and the private rented sector.

1.5.2 The questionnaire was designed in consultation with Council officers and based upon tried and tested questionnaires used in previous comparable assessments.

1.5.3 The questionnaire was designed to gather a comprehensive range of information on existing and concealed households and was structured in three parts.

1.5.4 Part One sought information about the existing housing situation including:-

- household composition by gender, age and ethnicity;
- house type and number of bedrooms;
- adequacy of current housing to meet the households needs;
- property repair and improvement requirements;
- forms of heating and energy efficiency facilities;
- housing costs and income;
- employment and travel to work;
- support and adaptation needs.

1.5.5 Part Two of the questionnaire collected information on the existing households' future moving intentions and Part Three on the moving intentions of concealed households (*those households who have already formed and are still living within a household i.e. an established couple still living with parents*). Questions in these two sections included:-

- when people expect to move;
- who is forming new households;
- how much they can afford, the household savings and income;
- preferred tenure, type, size and location of the housing they require;
- supported housing and support service requirements.

1.5.6 The survey questionnaire is provided as **Appendix I** to this report.

## 1.6 Sampling

1.6.1 The postal sample was stratified into the 5 Islands as specified earlier and selected by their residential status from the Council Tax Register. The sample was 100% of those with permanent resident status and a sample of potential staff and holiday lets.

## 1.7 Promotion

1.7.1 A comprehensive promotion campaign of posters (**Appendix II**) and local press coverage was agreed with the Council to create awareness of the survey, and its importance to the Council. All councillors were contacted to inform them of the survey and enlist their assistance in publicising the survey and maximising the response rate.

## 1.8 Survey Process and Response

1.8.1 The questionnaires were posted on the 25th November 2015, allowing around three weeks for responses, with an original closing date of the 16<sup>th</sup> December 2015. However, it was decided to keep the survey open a few days longer to maximise the response rate.

1.8.2 30.9% of all households on the Islands took part in the survey. The response by Island and the Council area as a whole are detailed in the following below.

**Table 1-2 Response Rate by Island**

Island	Households (2011 Census)	Sample	Return	Response Rate %
Bryher	68	38	10	26.3%
Bryher (lets/staff)		10	1	10.0%
St Agnes	54	29	12	41.4%
St Agnes (lets/staff)		7	2	28.6%
St Martins	772	52	24	46.2%
St Martins (lets/staff)		14	0	0.0%
St Marys	95	700	261	37.3%
St Marys (lets/staff)		190	19	10.0%
Tresco	95	53	18	34.0%
Tresco (lets/staff)		35	2	5.7%
<b>TOTAL</b>	<b>989</b>	<b>1,128</b>	<b>349</b>	<b>30.9%</b>

Source: 2015 Household Survey

1.8.3 The confidence interval for the survey from 349 responses is  $\pm 5.35\%$ .

## 1.9 Survey Weighting

1.9.1 The data file is checked against the 2011 Census Tenure data for bias (as the most accurate known data) and re-weighted where necessary. The 2011 Census geography does not recognise the islands of St Agnes and Bryher separately and a lack of accurate tenure data for each island meant the data sets for these islands had to be merged so they could have the relevant tenure weighting applied.

1.9.2 A copy of the weighting carried out in this survey is provided with the survey data tables.

- 1.9.3 Given the nature of the sample of households within the Islands embodied in the postal survey, tenure provided the main validation that the sample is representative of the whole population.
- 1.9.4 The data set out below on household population and tenure is based on the Census 2011 number of resident households, as the most accurate known data. Private sector tenure has been re-weighted to be in line with the 2011 Census data. Social sector tenure has been re-weighted to be in line with the Social stock data provided by the Council.
- 1.9.5 The overall data set is therefore representative of the Islands population and is the basis for the calculation of all the subsequent tables i.e. all responses are given the weight appropriate to the actual tenure balance.

**Table 1-3 Tenure of Present Households**

Question 1

Tenure	2015 Survey %	N <sup>os.</sup> implied	Local Area Census 2011 *
Owner occupier (paying mortgage)	32.5	320	31.6
Owner occupier (no mortgage)	11.1	109	10.0
Private rented	30.1	297	29.7
Council rented	11.0	108	12.2
RP (Registered Provider) rented	4.8	47	5.9
Shared ownership	0.0	0	0.8
Tied to employment / Living rent free	10.5	103	9.7
<b>Total</b>	<b>100.0</b>	<b>984</b>	<b>100.0</b>

\*© Crown Copyright (Census) 2011

Note – this table shows the survey weighting by tenure to census category only (further breakdowns of rented tenure is shown in the data analysis later in the report)

- 1.9.6 The private rented sector constitutes 30.1% of households, nearly three times higher than the national level of around 13.2%. This group includes those renting from a private landlord or from a friend or relative. 15.8% of households are social housing tenants, lower than of the national level (17.7%). Around 44% of households are owner-occupiers, compared to 63.4% nationally. These figures highlight the specialised tenure situation of the Islands.

## 1.10 Data Sources

- 1.10.1 Both extensive up to date secondary data and primary data collected during the 2015 household survey have been used. Throughout this report, the 2015 primary household survey data has been used unless indicated otherwise.
- 1.10.2 All local, regional and national documents mentioned in the report are the most up to date and current at the time of report writing. However these documents are subject to change and may be superseded by revised policy and strategy over time.

- 1.10.3 The sources of data used within each section of the report are referenced where appropriate.

## 1.11 Survey Household Data

- 1.11.1 It should be noted that the ‘numbers implied’ column inserted in some of the tables is DCA’s assessment of the total numbers to be derived after applying the appropriate weighting factor based on location and tenure responses to that island’s household numbers.
- 1.11.2 Where multiple choice is not involved, this will generally equate to the household population of the Local Authority as a whole but some individual questions may not be answered by all respondents, giving a marginally lower total.
- 1.11.3 Where multiple-choice questions are involved, two percentage columns are shown. The first percentage column relates to each heading to the total number of actual responses. Those responses are set out at sub-area level in the accompanying data tables and are the basis of the ‘numbers implied’ column in the report.
- 1.11.4 The second percentage column relates the same numbers to the number of choices, which in the case of a multiple choice question is likely to give a total in excess of 100% depending on the level of multiple choice made.
- 1.11.5 **All tables included in this report are extracted from the DCA housing survey data for the Islands, unless otherwise indicated.** A comparison is also provided for some results throughout this report to the average of over 250 DCA local authority Housing Assessment Surveys nationally.

## 1.12 Glossary of Terms

- 1.12.1 A glossary of the technical terms used throughout this report is provided as **Appendix III**.



## 2 KEY FINDINGS AND FUTURE HOUSING TARGETS

### 2.1 Context

- 2.1.1 Much of the land is under the ownership of the Duchy of Cornwall and let on a leasehold basis making it is difficult to build new housing and the cost of development is also a significant factor. Build costs estimated to be 50% higher than the UK mainland due to freight costs.
- 2.1.2 The Islands have therefore much higher house prices than the mainland and coupled with low wages, low availability of owner-occupied housing and limited access to affordable housing, leading to out-migration of young people who leave for further education, employment and housing on the mainland.
- 2.1.3 Along with a loss of the younger generation, retirees migrate to the Islands to take advantage of the beauty of the local area, with an increasing older population placing significant implications for local services provided by the Council.
- 2.1.4 All of these factors mean the Council require a clear indication of the scale and mix of housing and the range of tenures that meet the changing needs of the resident population over the Plan period to 2030.

### 2.2 The Demographic Context & Future Projections

- 2.2.1 Analysis of changes in population and household profiles are essential in enabling an understanding of the level of housing need and demand within an area.
- 2.2.2 Demographic change creates the need for different levels and types of housing provision and is a key factor influencing the requirements for market and affordable housing.
- 2.2.3 The most significant feature is the growth of the population in the over 65 age group. This group represents 25% of the total population in 2014 and is expected to increase further to 32% in 2030. This group will impact on demand for supported housing, support services and need for adaptations to remain in their own home.
- 2.2.4 The working age population (16-64) will decline from 65% currently to 52% by 2030 with implications for the availability of a workforce to fulfill key roles within the community and economy.

### 2.3 The Economic Climate

- 2.3.1 The economic development of an area can be of equal importance in driving change in housing markets, especially due to the effect of migration. It is important to highlight the relationship between economic development and the provision of housing.
- 2.3.2 Whilst there is an obvious and established link between economic development and the requirement for new housing, the type of housing provided within an area can also play a central role in addressing and facilitating economic development and regeneration objectives.
- 2.3.3 The Isles of Scilly has high levels of Managers, directors and senior officials, reflecting the nature of smaller companies and a mix of skilled trades occupations.

- 2.3.4 The occupational and industry profile of the Islands represents the more self-sufficient nature of life on the Islands, the influence of tourism, and both the importance of the public sector and small companies.
- 2.3.5 High levels of retirement can impact on the economy of an area with lower levels of economically active households. It also indicates an elderly population who will in the future require suitable accommodation to meet their changing needs.
- 2.3.6 There is also a relatively high level of wealth, based on the equity held in owner occupation. Many retired people will have their own resources for housing and care.
- 2.3.7 Incomes amongst concealed households are lower than in the population as a whole and their housing choices are consequently more limited. 89.3% of concealed households are unable to afford to buy in the owner occupied market and 72% cannot afford to rent in the private market.

## 2.4 Objectively Assessed Need

- 2.4.1 A primary objective of the Strategic Housing Market Assessment is to identify the future quantity of housing needed (National Planning Practice Guidance - paragraph 002).
- 2.4.2 Specific demographic and dwelling projections for the Isles were developed by Edge Analytics whose full Report to compare with the published Department of Communities and Local Government (CLG) 2012 sub national household projections (SNHP).

### Household Projections – 2015 - 2030

Scenario	2015	2030	Change	Change %
SNHP 12	974	874	-100	-10.3
STATIC	1,023	1,040	17	1.7
GROWTH	1,027	1,105	78	7.6

Where:

SNHP 12 is the CLG sub national household projections for 2015-2030 for the isles of Scilly;

STATIC is the scenario with no overall no growth;

GROWTH is the scenario, driven predominately by modest net migration gains.

- 2.4.3 The nature of the use of the housing stock locally creates a high vacancy rate of 28.7% and results in a dwelling growth in the POPGROUP model from 1,442 to 1,551 units **a growth of 109 units** to meet the population growth of 78.
- 2.4.4 Analysis of the range of housing market signals set out in Guidance and PAS advice suggests that the very high cost of housing could justify a minimum increase of 10% additional dwellings, equivalent to 11 additional units.
- 2.4.5 **This would result in an OAN figure of 120 units over the Plan period to 2030.**
- 2.4.6 The focus on self-build as a means of delivering more affordable housing should be examined as the housing survey identified 11 households interested in this option if land could be made available.
- 2.4.7 In addressing new housing delivery it will be important to improve the flow of the existing stock particularly through linking small units for older people to households under-occupying their existing home, especially in the social sector.

## 2.5 Housing Demand and Need

- 2.5.1 The distinction between housing demand and need is fundamentally economic. If a household can satisfy its own requirement for housing in the private market it is termed 'demand' but if some form of subsidy is required it is termed to be 'need'.
- 2.5.2 The findings of the household survey identify that there is an overall total for market housing in the Islands of around 54 units and a need for 13 units of affordable housing over the 3 years to 2018.
- 2.5.3 The key feature of population change impact on the housing market is an ageing population with implied increasing care, support and accommodation needs.

## 2.6 Property Size Targets

- 2.6.1 In view of the current stock balance and longer term demographic and household formation change, all future development should address the imbalance of stock type and size, both by tenure and location to create a more sustainable and balanced housing market.
- 2.6.2 The need for different property sizes in the affordable and market sectors have been provided to support targets and give direction to the property types, and particularly size of housing to be delivered to create a better balance in the local stock.

## 2.7 Market Housing

- 2.7.1 Creating a more balanced stock has to address imbalances in the current stock structure.
- 2.7.2 Over 63% of all owner occupied properties have 3 bedrooms or more bedrooms, very high levels compared to the combined total of below 37% of 1 and 2 bedroom units.
- 2.7.3 There is a need for a higher proportion of two bedroom units to create a better housing offer and address the increasing need for smaller properties due to demographic and household formation change.
- 2.7.4 Broadly we recommend a **60% small and 40%** large unit split to assist in the achievement of a better housing offer in the Islands. This balance could be subject to greater variation at site level.
- 2.7.5 Although the major requirement should be to deliver fewer of the three bedroom properties which are over a third of the current stock, there is still a need to create balanced developments.
- 2.7.6 Overall however the need is still significantly for more one and particularly two bedroom properties uses to provide a more balanced housing offer.
- 2.7.7 It is not in the remit of this assessment to assess whether or not the evidence of housing demand can be delivered within the Islands. This exercise will need to consider a range of other factors and issues, including the impact of potential demographic and formation change, the ability of the Council to accommodate future housing growth and local planning constraints.

2.7.8 In view of the proportion of 3 bedroom properties in the current market stock, it is recommended that as a guide to developers, the **40% of new delivery for larger families could be split 20% three and 20% four bedrooms.**

### 2.7.9 **Tenure Mix**

2.7.10 NPPF requires the provision of tenure mix targets within affordable housing policies which may vary by location within the Islands to take account of demand, need and current affordable supply at local level.

2.7.11 The 2015 household survey found no expressed demand for shared ownership units from existing and concealed households forming. This is unusual but as there are none in the stock this result is perhaps not surprising.

2.7.12 However future delivery should provide for a better balance in the market and shared equity in some form utilising land values could provide affordable housing for sale for out-migrants leaving because of affordability and new forming households.

2.7.13 Tenure mix is normally a key factor in site viability and we recommend retention of a tenure **mix balance of 80: 20** between social rent and intermediate housing.

## 2.8 **Affordable Housing**

2.8.1 Local planning authorities are not expected to simply translate housing demand into actual housing targets that need to be met. They are only part of the evidence and need to be considered against other strategic factors, including cross-boundary issues.

2.8.2 Targets should be set based on what is sustainable, viable and deliverable, and importantly supports other corporate regeneration and economic growth strategies.

2.8.3 Social rented housing is 18.1% of the stock but does not provide adequate turnover to meet the scale of need identified.

2.8.4 The assessment of affordable need calculates that after re-let and re-sale supply of 9 units, there is still a shortfall of 15 affordable units a year from existing and new forming households.

2.8.5 Meeting the total need for affordable housing however also involves initiatives to free up under-occupied social units making best use of the existing stock in addition to new unit delivery through the planning system.

2.8.6 Making best use of the stock, particularly in the social sector could have a significant impact on the delivery requirements of future social rented need and the success and outcome of initiatives to improve the flow of stock require close monitoring.

## 2.9 **Social Rented Property Size**

2.9.1 Stock balance, turnover and waiting list demand analysis are vital to identify the gaps in the stock and the proportions by type and size required to address current and future need.

2.9.2 95.4% of the waiting list is for bedsits, one and two bedrooms. In view of the scale of need for small units it would be **reasonable to consider a property size target for 60% bedsits and one bedroom and 40% two bedroom properties.**

- 2.9.3 These are principally flats and terraced houses to meet the needs of single, couple and small family households.
- 2.9.4 Three bedroom family units are around 35% of the social stock, and the level of under-occupation by two spare bedrooms is estimated at almost 25 properties. This is 40% of the total 3-bedroom stock.
- 2.9.5 Future 3-bedroom unit need, could therefore be met from better turnover of the existing stock arising from initiatives targeted to free up under-occupied stock.
- 2.9.6 In view of the increasing older population, it is now even more important to achieve a better flow of the under-occupied, family sized affordable rented stock to help address the scale of need for family units.
- 2.9.7 Achieving a better flow of family units should also have a cascade effect, increasing turnover of all smaller unit sizes, as households are able to transfer to larger units to meet their need. In effect up to three household moves could result from the delivery of one new older persons unit.
- 2.9.8 This should be a priority for Housing Strategy and closely linked with planning policies for new delivery.

## **2.7 Intermediate Rented Housing**

- 2.9.9 In theory, discounted market rent should be an option for new unit delivery without grant support for households whose only alternative is intermediate housing for sale, especially those at the early stages of their careers or on limited employment contracts who are looking for flexibility in their housing arrangements.
- 2.9.10 However, discounted market rented housing can only be delivered provided that there is an adequate cost margin between affordable rent and market rent.
- 2.9.11 The Government decision to introduce Affordable Rents at 80% of market value for new affordable rented stock has a negative impact on intermediate rent as a housing delivery option because it limits the headroom available to pitch intermediate rents between 80% and 100% of average market rents.
- 2.9.12 Private sector rents average £660 to £715 per month for 1 and 2 bedroom stock and there is therefore limited potential to deliver new intermediate rented housing.

## 3 DEMOGRAPHIC CONTEXT & FUTURE PROJECTIONS

### 3.1 Introduction

3.1.1 This section covers the population estimates and changes experienced historically across the Isles of Scilly, with a particular focus on age structure, components of change (births, deaths and migration). It introduces the results of nationally produced and locally based and commissioned population projections, and considers key household and housing issues relevant to household projections.

### 3.2 Key Messages

3.2.1 The breakdown of the seasonal and indeed permanent and non-permanent population of the islands may have wider ramifications for the Council, in its wider remit. It may be useful for the Council to consider whether there is any practical difference in segmenting total population numbers by – permanent resident, seasonal workforce, 2nd home visitors, other visitors.

3.2.2 The key area of discrepancy is an identified difference in age breakdown between the GP register and the ONS population estimates, which has the effect, if the GP register is viewed as more likely to be accurate, of making the actual population profile somewhat younger in broad terms than the official population estimates. This should be borne in mind when considering analysis in this report that uses the ONS based data.

3.2.3 There has been some consistent growth and change of the population of the Isles of Scilly, both in terms of overall size, and in the age structure and also the female male split.

- The population aged 65+ has increased, in numbers and in share. The working age population has declined very marginally in numbers, but more so in overall share.
- There has been a shift toward more men on St Marys, and more women on off islands.

3.2.4 From a technical demographic modelling viewpoint, there is some uncertainty around the reliability and impacts of the fluctuations across natural change and migration across short periods. The net figures for these can change year to year, and projections based on a particular period may not be reflective of a broader longer-term experience.

3.2.5 There remains some uncertainty as to the reasons behind the apparent change in international migration flows.

3.2.6 Other data is presented as being useful in terms of a wider understanding of the population of the islands. The shifts in occupied and unoccupied stock, and the breakdown of the age specific nature of migration captured by the 2011 Census are both very helpful in wider considerations in this study.

3.2.7 There are three scenarios presented and considered in this section that set out figures, which illustrate growth, decline and no change in the number of people (and subsequent projections for households) for the Plan period of 2015-2030.

- 3.2.8 Recent years have seen growth in population, and some considerable fluctuations in year on year figures of migration churn. Clearly the population of the islands is getting older, in line with the national picture, however this is not the defining characteristic of the islands.
- 3.2.9 The official projections (SNPP 12 based for population, and SNHP 12 for households) do not provide a scenario for the future that fits the broad experience or indeed, analysis of current trends.
- 3.2.10 The growth scenario and the static population scenario fit recent experience better. Both project the creation of new households over the plan period, while the SNHP projects a significant decline.
- 3.2.11 There are a complex set of balances to be considered around economic and community sustainability, facilities and opportunities and the wishes and needs of residents. There is clear evidence of an ability of the Isles of Scilly to keep growing in terms of population, households and the associated need for new housing stock, especially given the competing uses to which the existing stock is put, e.g. holiday lets and second homes.
- 3.2.12 Looking specifically at the Framework in relation to the guidance it sets for preparing this evidence, firstly it is important to recognise that the NPPF is built around a policy commitment to the achievement of sustainable development. At the heart of the NPPF is a “presumption in favour of sustainable development”, which requires local authorities in the development of their Local Plans to adopt a positive approach in order to “seek opportunities to meet the development needs of an area.” (CLG, 2012, para 14 first bullet)
- 3.2.13 Further clarification is provided through the core planning principles set out at Paragraph 17 of the Framework. Importantly, this includes the following requirement that planning should:
- 3.2.14 “Proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities.” (CLG, 2012, para 17, 3rd bullet)
- 3.2.15 With regards housing, the Framework states (Paragraph 47) that in order to boost the supply of housing, local planning authorities should:
- “Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework.” (CLG, 2012, para. 47 bullet point 1)
- 3.2.16 The Framework provides further guidance on the use of a ‘proportionate evidence base’. At paragraph 158 it states that:



- “Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. Local planning authorities should ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.” (CLG, 2012, para 158)
- 3.2.17 Further guidance as to the informing data and drivers that should be considered in establishing this estimate of the objectively assessed need facing the authority for housing is set out within paragraph 159 of the NPPF:
- “Local planning authorities should have a clear understanding of housing needs in their area. They should:
    - Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Market Assessment should :-
  - identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:
  - Meets household and population projections, taking account of migration and demographic change;
  - Addresses the need for all types of housing, including affordable housing and
  - the needs of different group; and
  - Caters for housing demand and the scale of housing supply necessary to meet this demand.” (CLG, 2012, para 159).
- 3.2.18 Analysis of changes in population and household profiles are essential in enabling an understanding of the level of housing need and demand within an area. Monitoring and understanding population and household forecasts allows the Council to see if any significant changes are occurring that could affect both the size of population, its structure, and associated demand for housing and other services.
- 3.2.19 Demographic change creates the need for different levels and types of housing provision and is a key factor influencing the requirements for market and affordable housing. The aim of this section of the report is to highlight the issues which are relevant to the evaluation of housing requirements, and other service provision across the Isles of Scilly.
- 3.2.20 The factors which combine to produce the population and household forecasts are: - age-sex structures (including those of people who move in and out of the area, migrants) headship rates (a measure of the likelihood of forming a new household), births and deaths (fertility and mortality), migration and vacancy rates. (*For the purposes of Objectively Assessed Need (OAN) vacancy rates are classified as non permanent occupied stock, e.g. empty or 2<sup>nd</sup> home/holiday homes, using 2011 Census definitions*).
- 3.2.21 The key features of population change impacting on the housing market are migration of younger and economically active households and an ageing population with increasing care and support needs.



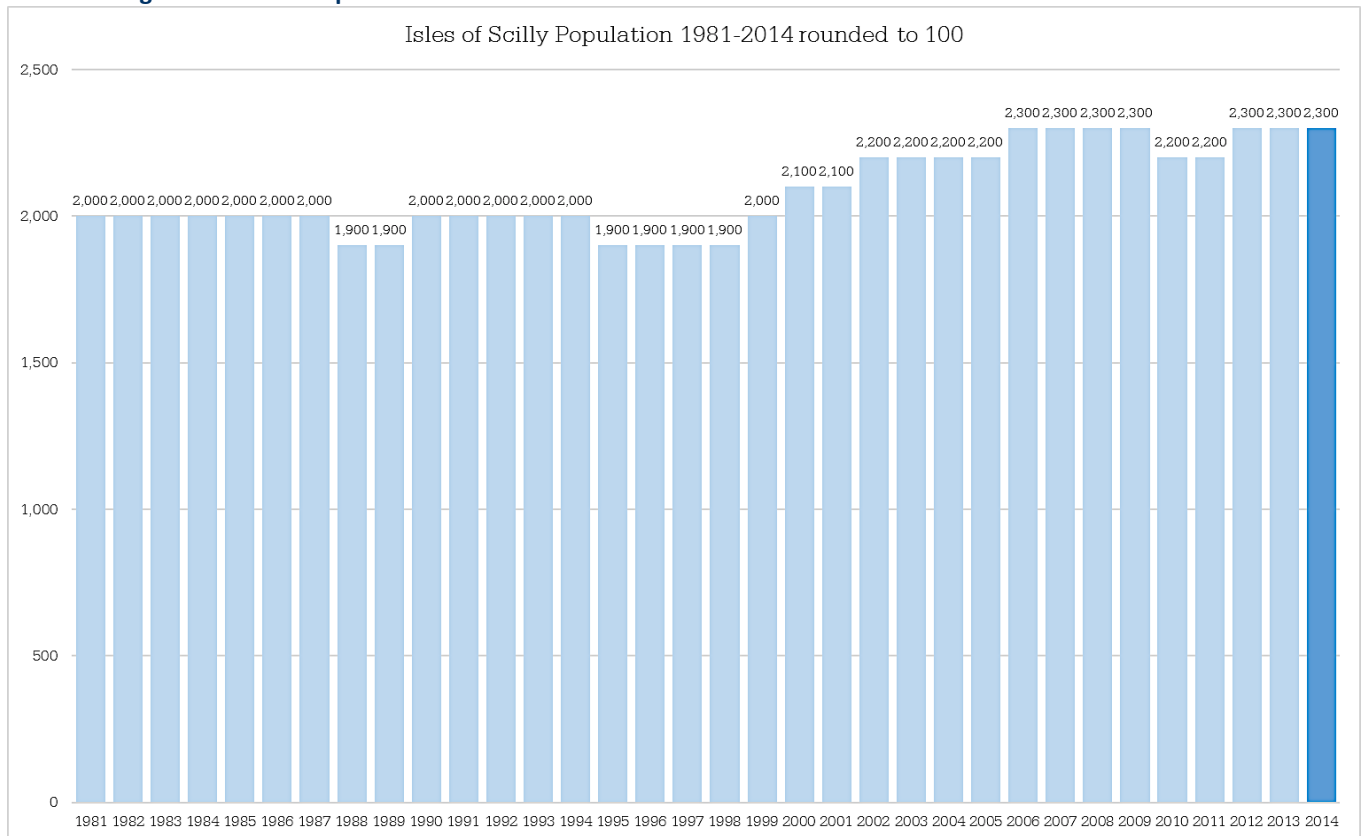
3.2.22 Guidance states the assessment of housing need should be based primarily on secondary data, pointing principally to CLG published data and other evidence available at a Local Planning Authority level. The small size of the Isles of Scilly means it is appropriate to critically assess and challenge the official figures.

### 3.3 Demographic Changes - a changing population

3.3.1 This sub-section analyses the demographic change over the last 10 years (2001 to 2011). Both the 2001 and 2011 Census data on population were used. It also provides a longer historic look at overall population change, introduces a split across the islands and sources data, which shows both rounded and unrounded data.

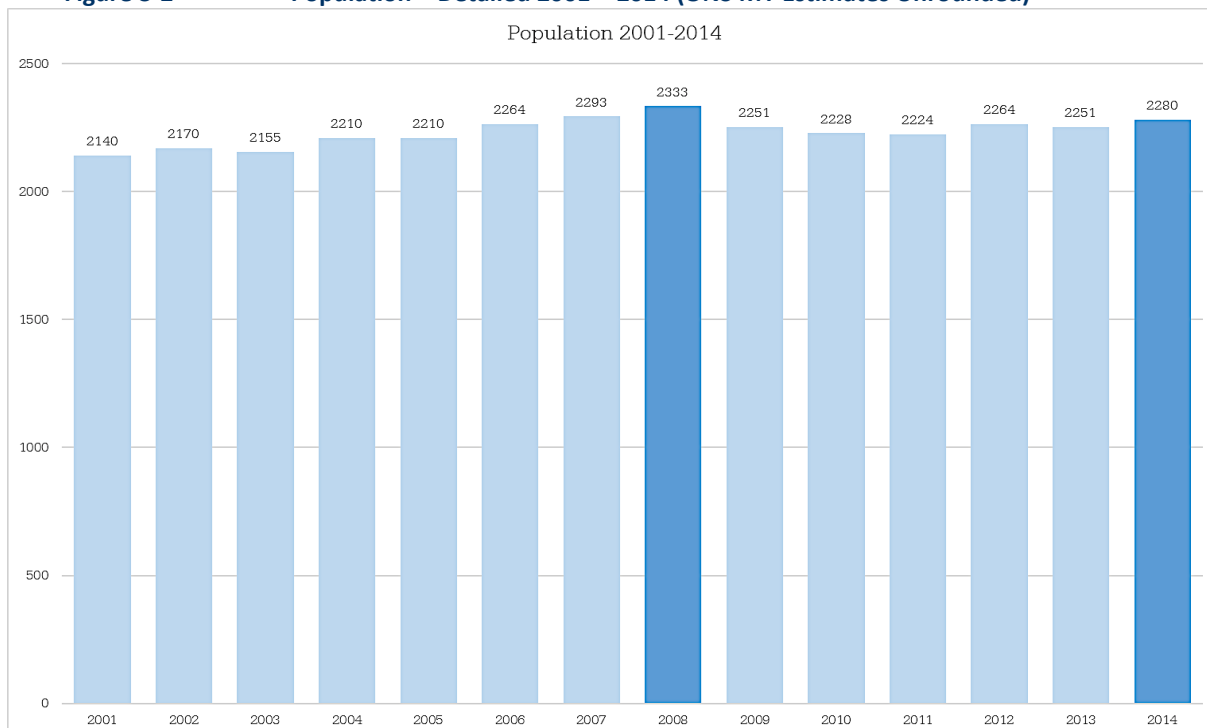
3.3.2 The Isles of Scilly have grown in population recently, and this growing population continues to change in terms of age structure. This is important to the context of this whole study and the survey results.

**Figure 3-1 Population of the Islands**



3.3.3 The population of the Isles of Scilly has grown since the late 1990s fairly consistently, to stand at 2,300 in 2014 according to the nationally produced estimates. This data is somewhat broad due to the application of rounding.

**Figure 3-2 Population – Detailed 2001 – 2014 (ONS MY Estimates Unrounded)**



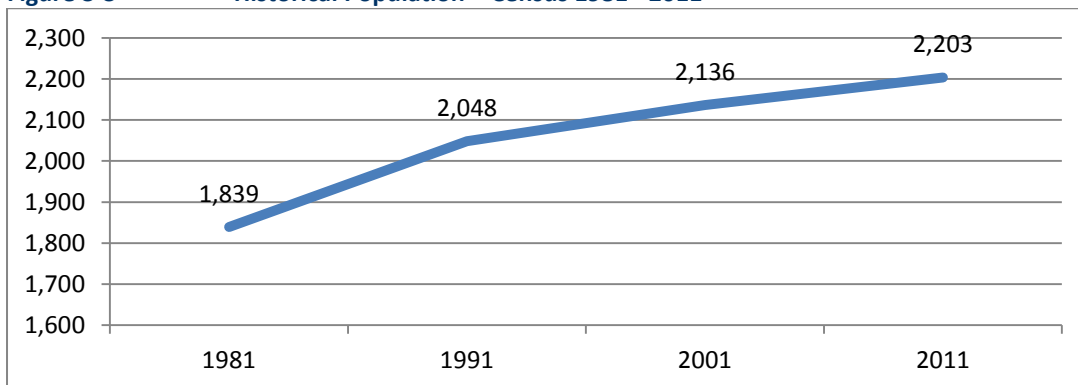
3.3.4 More detailed and unrounded, ONS estimates are available for the period covering 2001-2014. This shows a more nuanced and clearer picture. Peak population was in 2008 and was 2,333 (the left hand darker blue column), with the current 2014 estimate being 2,280. The islands feeling the downturn in the UK economy resulting in a loss of economically active people and a shift in hotels operating from Full time to seasonal only.

3.3.5 Given the overall size of the population of the islands, and the importance of the baseline understanding of population size, and how it has changed in the context of projecting changes forward, the population estimates available, primarily from the Office of National Statistics have been tested against locally available administrative sources. The results of this exercise are found in 3.7

### 3.4 Historic longer term trends

3.4.1 The longer-term Census figures are more detailed than the available ONS rounded mid-year estimates, and show the following changes.

**Figure 3-3 Historical Population – Census 1981 - 2011**



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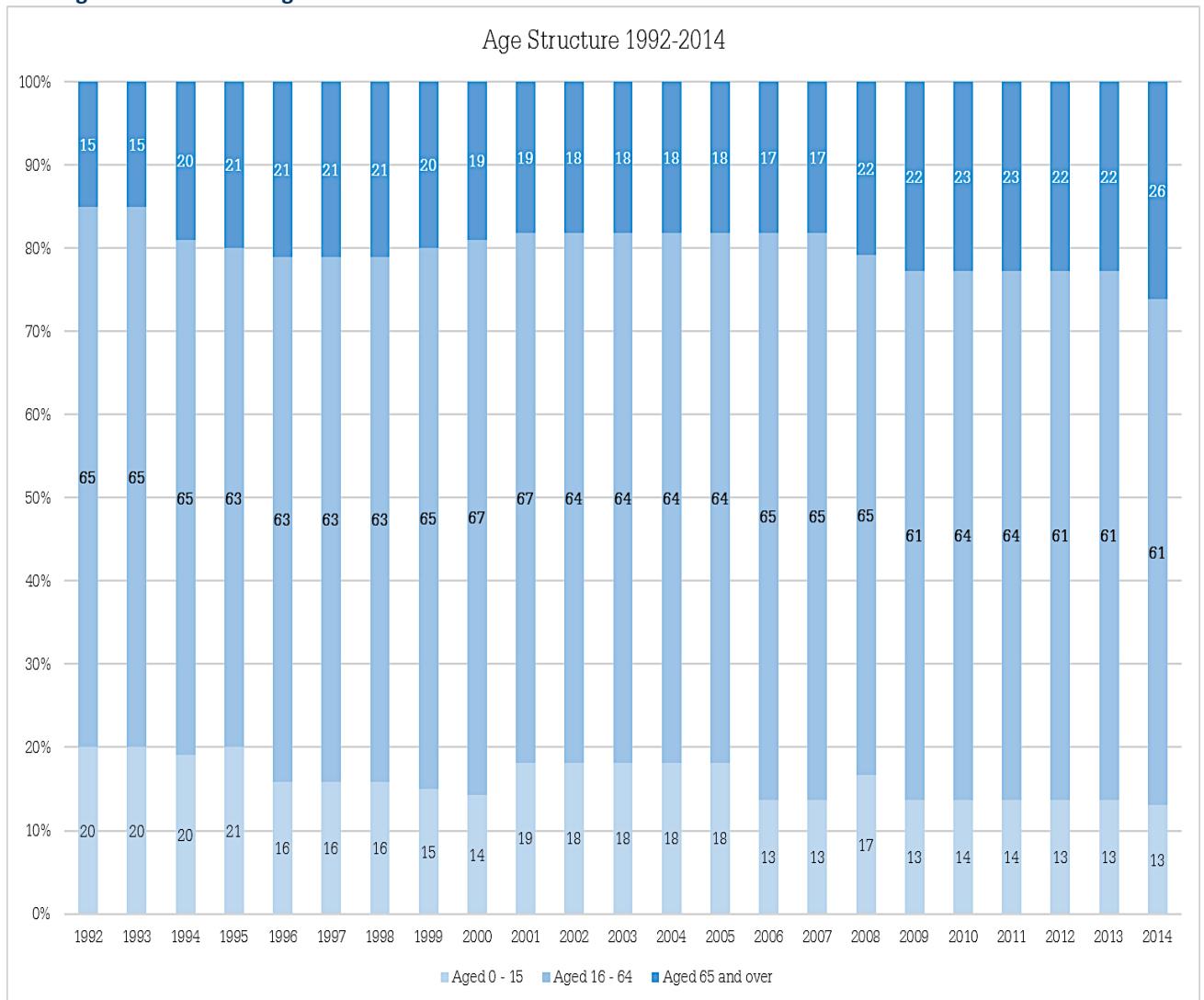
3.4.2 The population of the Isles of Scilly is currently estimate to be 2,280 (2014).

### 3.5 Population by Age

3.5.1 The age structure of an area changes both over time with issues such as longevity playing out, and because of the migration flows in and out of a given area. The ageing of populations across England have an impact not just on the council and wider public sector service provision, but also on the availability of a workforce to fulfill key roles within the community and economy.

3.5.2 The following section looks at different aspects of the make up of the population of the Isles of Scilly.

**Figure 3-4 Age Structure**



3.5.3 Looking at more detailed age structure changes shows the clear shifts towards an older population –with the % of those aged 65 + estimated to be 26% of the overall population in 2014 compared to 15% in 1992. Those aged 0-15 and 16-64 have declined in % terms. This data is presented in a tabular form below for the period 2001-2014.

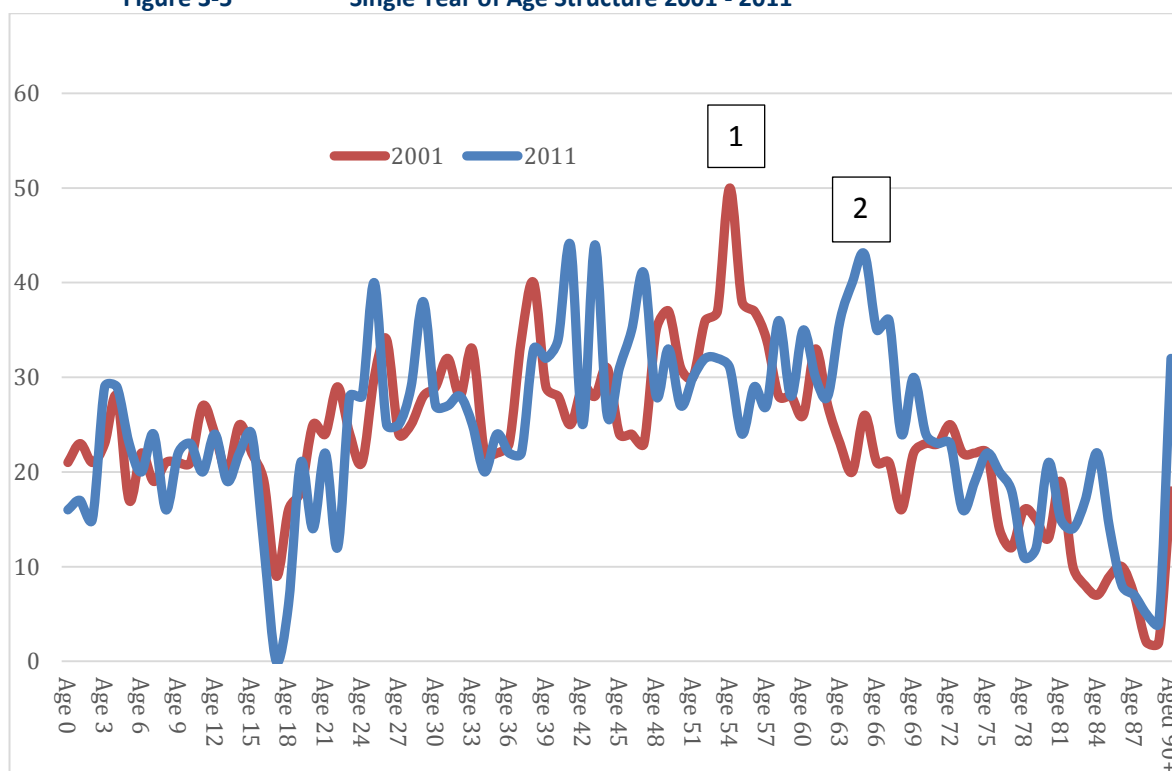
**Table 3-1 Age Structure**

Year	All Ages	Aged 0-15	%	Aged 16-24	%	Aged 65+	%
2001	2,140	355	16.6	1,380	64.5	405	18.9
2002	2,170	366	16.9	1,385	63.8	419	19.3
2003	2,155	357	16.6	1,390	64.5	408	18.9
2004	2,210	371	16.8	1,435	64.9	404	18.3
2005	2,210	354	16.0	1,426	64.5	430	19.5
2006	2,140	355	14.8	1,380	66.3	405	19.0
2007	2,170	366	15.1	1,385	65.7	419	19.2
2008	2,155	357	15.1	1,390	65.2	408	19.7
2009	2,251	342	15.2	1,439	63.9	470	20.9
2010	2,228	340	15.3	1,396	62.7	492	22.1
2011	2,224	343	15.4	1,366	61.4	515	23.2
2012	2,264	344	15.2	1,375	60.7	545	24.1
2013	2,251	344	15.3	1,358	60.3	549	24.4
2014	2,280	349	15.3	1,362	59.7	569	25.0

3.5.4 This table above shows the data from the chart but expressed as numbers not in percentages. The 65+ age group has increased since 2001 from 405 to 569. There have been very small declines in those aged 0-15 and 16-64, 355 to 349, and 1,380 to 1,362 respectively.

3.5.5 It is possible using 2001 and 2011 data to look at the age structure breakdown by single year as well. By focusing on change between 2001 and 2011, it is possible to see the impact of both the ageing process and the impacts of migration in and out of the islands. For example follow the orange peak of those aged 54 in 2001 (1), to the peak in blue of those aged 64 (2) to illustrate ageing and migration and mortality changes.

**Figure 3-5 Single Year of Age Structure 2001 - 2011**

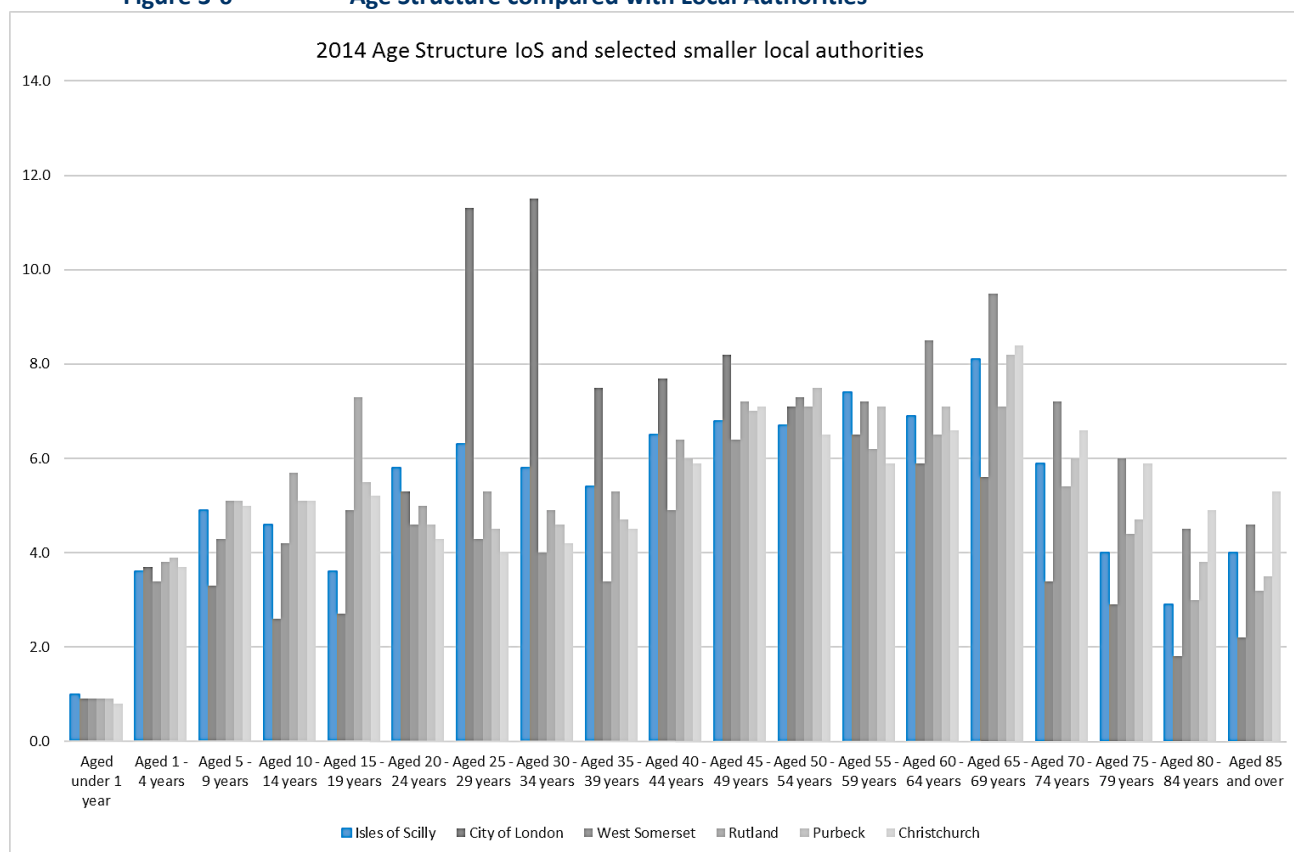


3.5.6 It is helpful to compare the age structure of the Isles of Scilly with other areas. A handful of smaller local authorities and broadly similarly sized Cornish villages are selected to show this.

**Table 3-2 Population of selected benchmark areas**

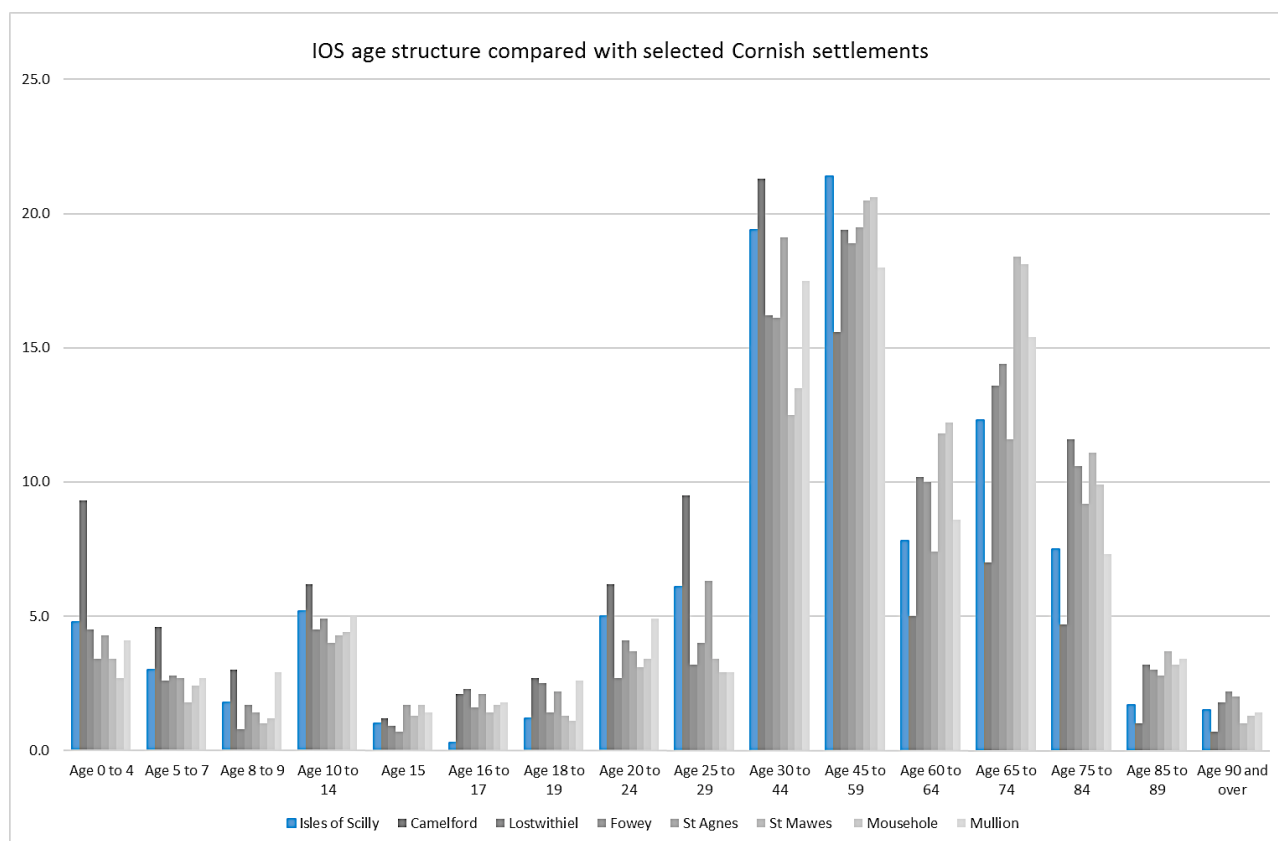
Area	Population
Isles of Scilly	2,300
City of London	8,100
West Somerset	34,300
Rutland	38,000
Christchurch	48,900
Purbeck	45,700

**Figure 3-6 Age Structure compared with Local Authorities**



3.5.7 The 2011 and 2014 estimates confirm a less old and slightly younger overall age profile than might be expected when looking against other smaller local authorities. This needs to be considered against the triangulation exercise findings (which suggests a younger profile again). IoS has a greater percentage of people aged 20-44 than Purbeck, Christchurch, West Somerset and Rutland.

**Figure 3-7 Age Structure compared with Villages in Cornwall**

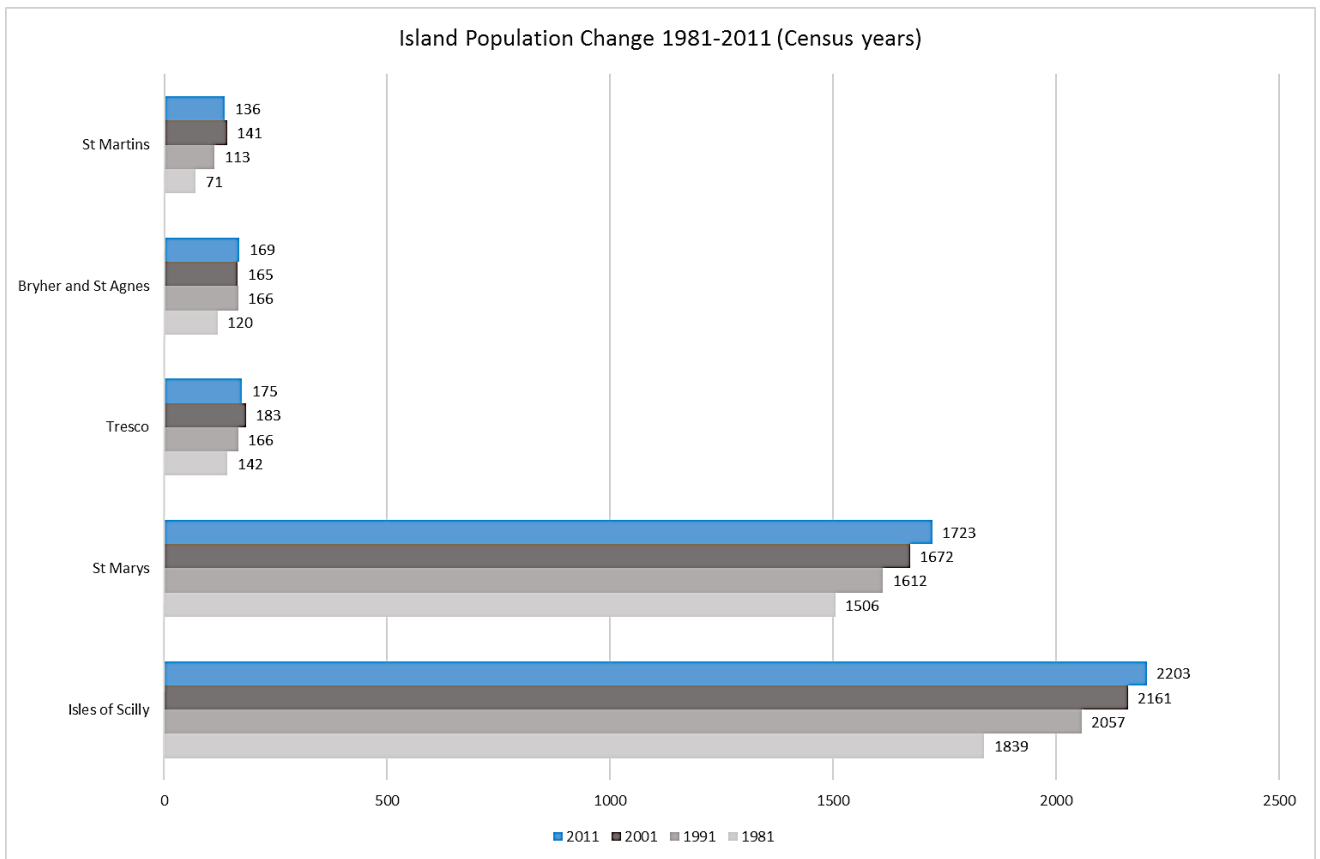


3.5.8 The Isles of Scilly show a younger age structure than this (selected) mix of coastal villages and smaller towns. This is true of age cohorts of those in their 20s, and 30-60. There are slightly less older people which may be counter intuitive to common perceptions. The Isles of Scilly would look older against much larger towns, however these selected smaller settlements are felt to be reflective and a useful comparison.

### 3.6 Differences within the Isles of Scilly

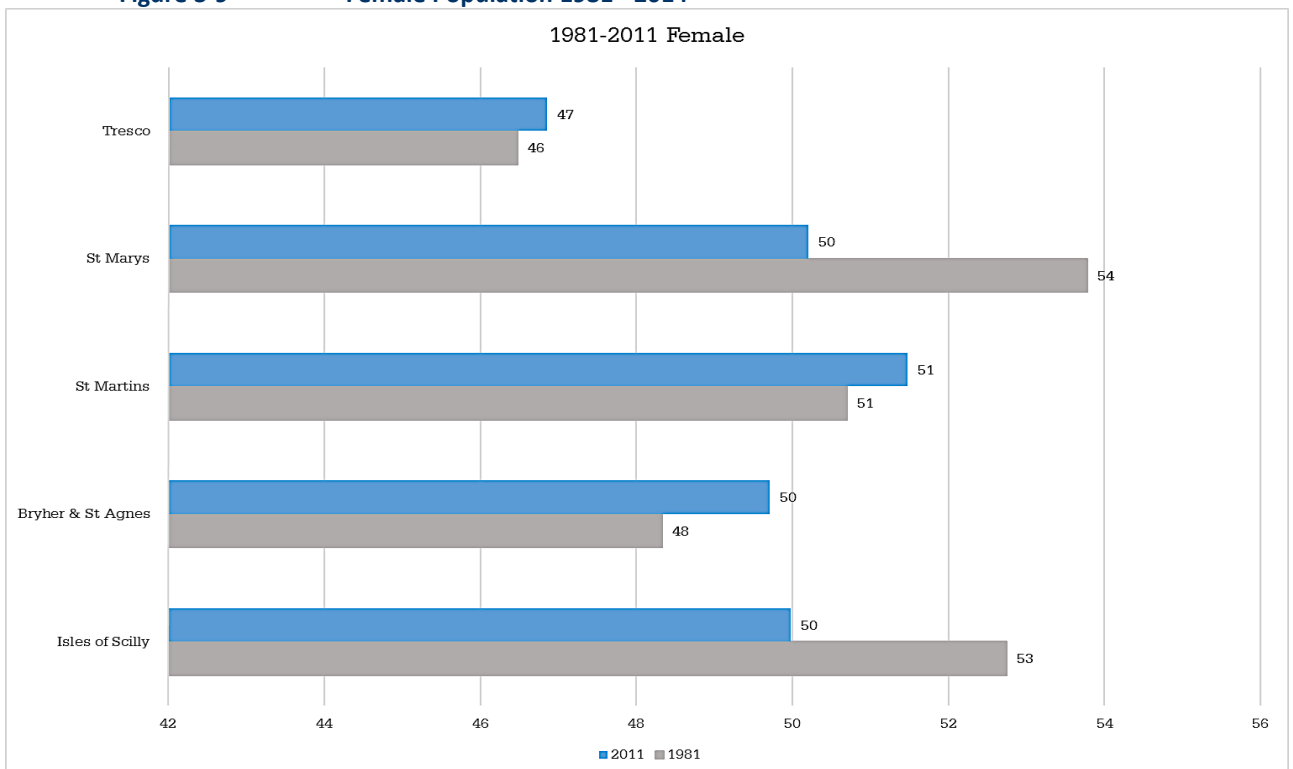
3.6.1 One of the published statistical areas that data is available for, which allows for a breakdown of some of the whole island characteristics is Output Areas (OAs). For the Isles of Scilly this breakdown allows for consideration of Bryher and St Agnes, St Martins, Tresco and while St Marys is further sub divided into component areas, for the purposes of this analysis it is treated as a single area. This data is presented below.

**Figure 3-8 1981 – 2011 Population – Split by Island**



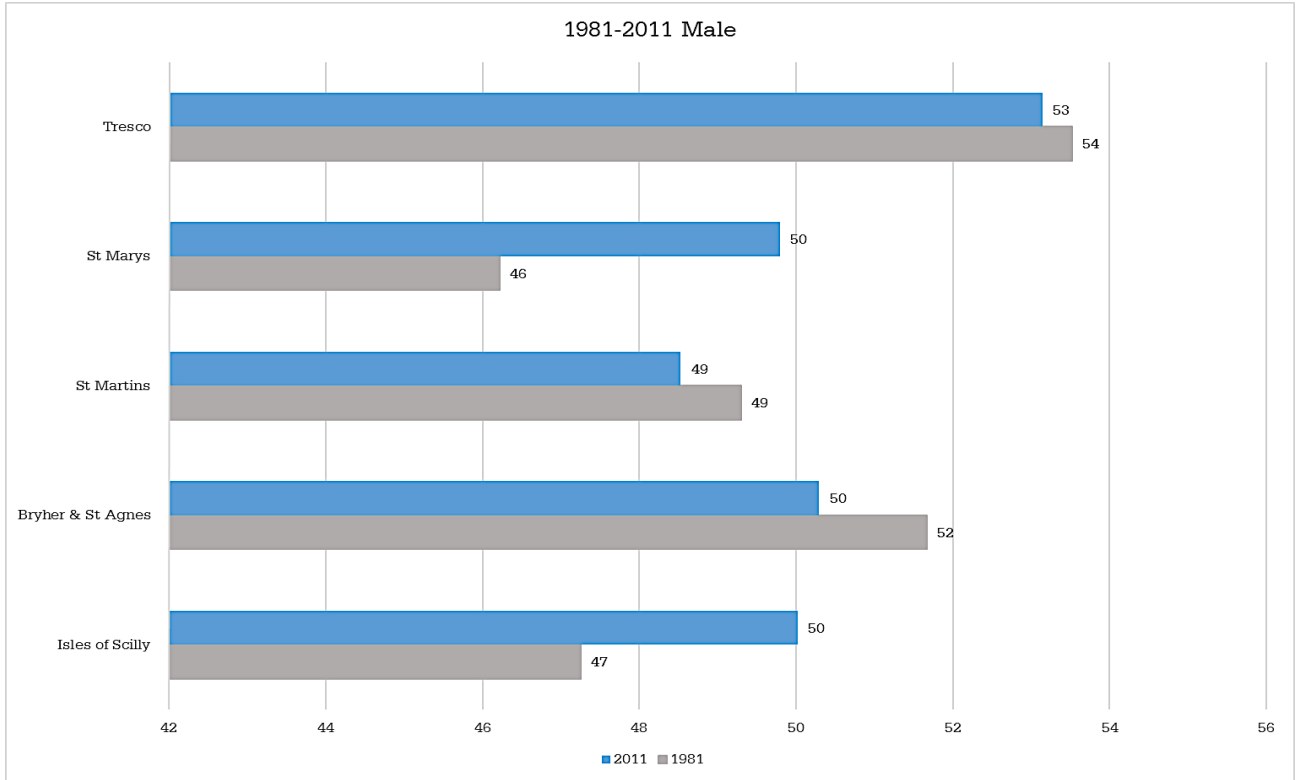
3.6.2 The period of the most rapid change in the population of the islands was between 1981 and 1991. The decade between 2001 and 2011 has seen a very small decline in the population of Tresco and St Martins.

**Figure 3-9 Female Population 1981 - 2014**

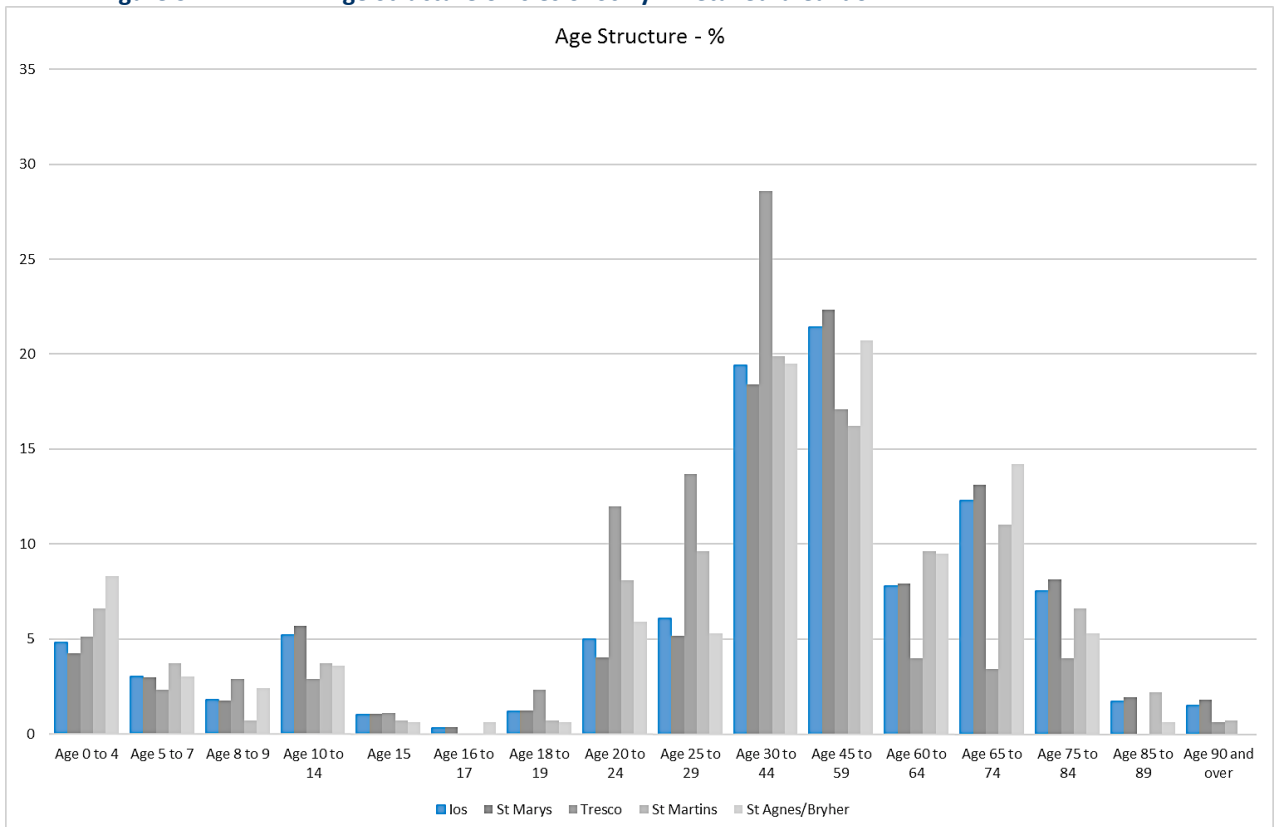


3.6.3 There seems to have been a significant shift in the male female split of the Islands population since 1981. Then there were 53% women and 47% men. In 2011 this is now 50% women and men. The smaller off islands have a slight increase in the percentage of women.

**Figure 3-10 Male Population 1981 - 2011**



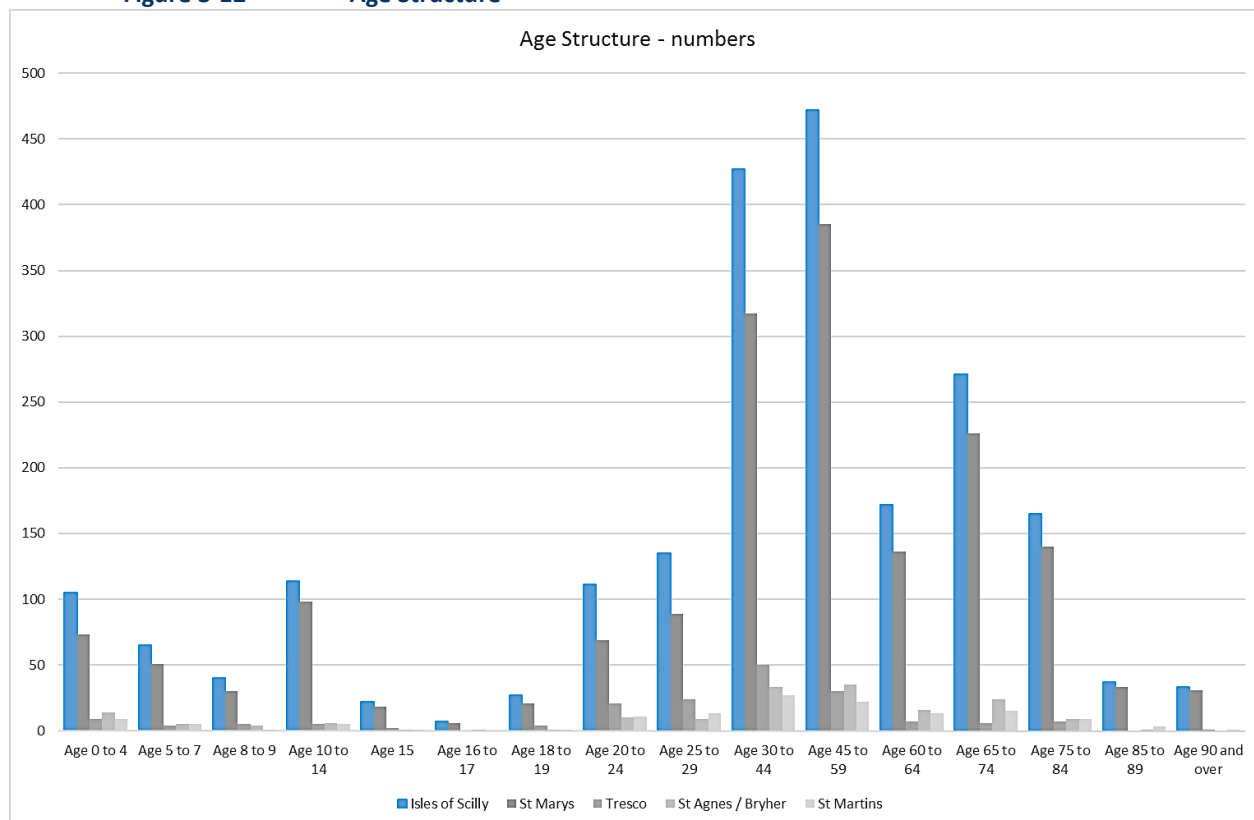
**Figure 3-11 Age Structure of Isles of Scilly – Detailed breakdown**





3.6.4 These two charts look at the percentage and actual numbers of the age structure of the Isles of Scilly as a whole, and the split of the islands. Because of the smaller size of some of the islands, it is important to consider this data as actual numbers as well as percentages.

**Figure 3-12 Age Structure**



3.6.5 The details of this age split are presented in this table.

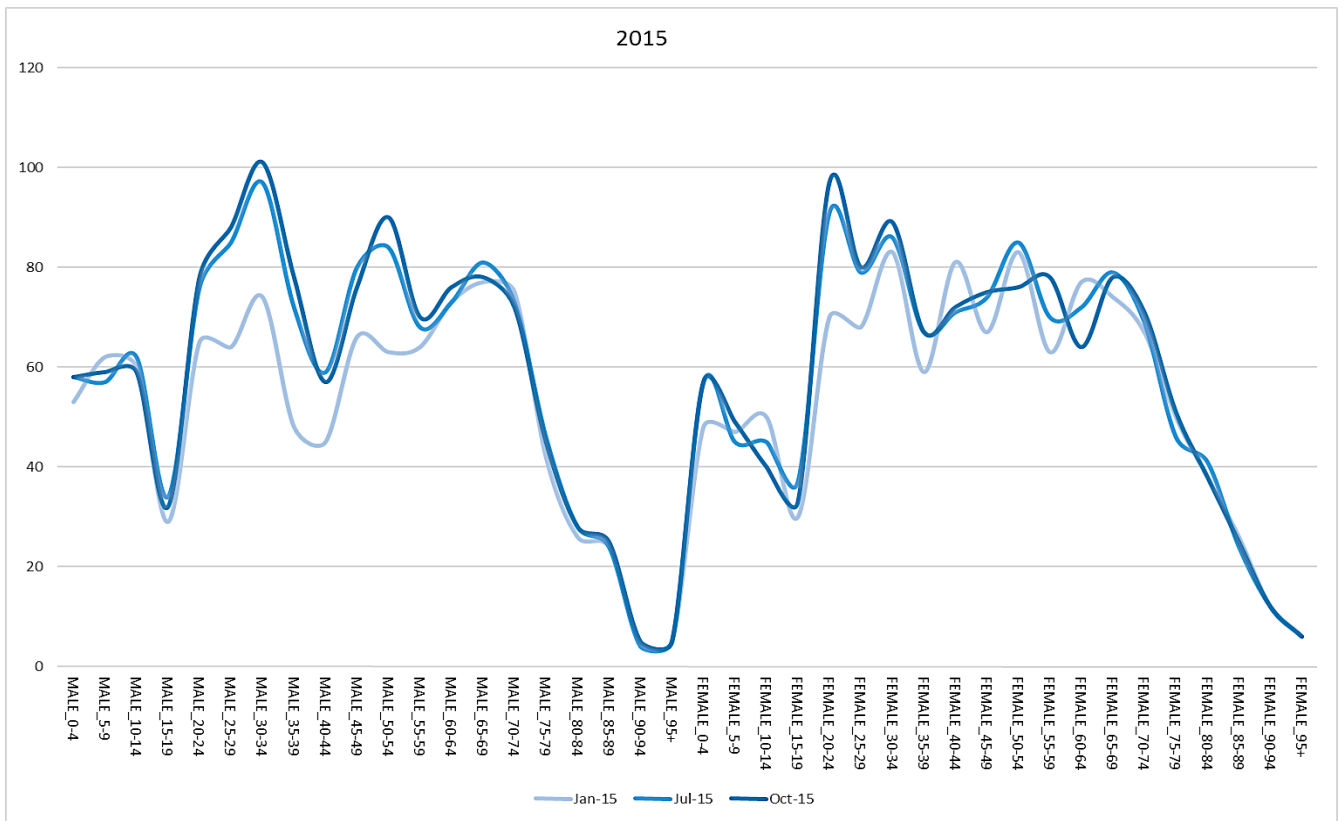
**Table 3-3 Age Structure**

Age	Isles of Scilly	St Marys	Tresco	St Agnes / Bryher	St Martins
0 to 4	105	73	9	14	9
5 to 7	65	51	4	5	5
8 to 9	40	30	5	4	1
10 to 14	114	98	5	6	5
15	22	18	2	1	1
16 to 17	7	6	0	1	0
18 to 19	27	21	4	1	1
20 to 24	111	69	21	10	11
25 to 29	135	89	24	9	13
30 to 44	427	317	50	33	27
45 to 59	472	385	30	35	22
60 to 64	172	136	7	16	13
65 to 74	271	226	6	24	15
75 to 84	165	140	7	9	9
85 to 89	37	33	0	1	3
90 +	33	31	1	0	1

### 3.7 Triangulation of Total Population and Age Structure

- 3.7.1 Official rounded and unrounded population estimates for the IOS have been tested against data available from the local GP Register, the electoral roll and other relevant data sets.
- 3.7.2 This has shown some broad matches within variations normally seen in other local authorities. In the totals there is nothing exceptional that suggests a significant conflict or error. The revised mid-year estimates as set out in Figure 3-17 shows a significant adjustment of the ONS estimates for the Isles of Scilly has already taken place, revising the totals with a less dramatic population decline occurring after 2008.
- 3.7.3 However, in looking at the detail between the two sources that provide the closest match, the ONS population estimates and the GP register for the islands, which is broken down by sex and age, it becomes obvious that there is a key difference in age structure for the islands across several available years of comparison. This is important as the ONS figures are a key component in the ONS population projections.
- 3.7.4 Typically, it is accepted that the GP register will be higher than ONS estimates as a total, in part due to a lag in changes in the GP register as people move, (so they remain on the local register if they have moved out). There are some age specific exceptions to this, namely for young men 16+ who are typically felt to be less likely to register with a GP if new to an area. Often young people from Scilly who leave to study on the mainland may remain registered with the GP on the islands.
- 3.7.5 What is seen by comparing the ONS age breakdown figures for the IOS with the IOS GP register data, is more younger men and women on the GP Register (than the ONS estimate) and less older people (55-69) on the GP register than in the ONS estimates. The GP register has a slightly higher total.
- 3.7.6 If the GP register is considered a more accurate capture of the age breakdown of the population, this means the population is younger still than the ONS estimates sets out, and could well influence future population and household change. Of course there are still issues around both access to housing and employment opportunities that could see rapid changes and shifts in the age structure and the overall population.
- 3.7.7 There is also some evidence of seasonal variations in population from the GP Register data (see chart below). This is not categorical and while it would seem to fit a broad understanding of the economy of the islands may need to be tested further through work the Council could undertake, on the off islands in particular, alongside major employers to better understand the mix between permanent residents and any seasonal workforce.
- 3.7.8 There remains an issue about how well the official figures capture year on year churn and flows (particularly in terms of migration) and whether the available figures (both GP Register and ONS estimates) effectively overstate the permanent resident population, by including a mixture of the seasonal workforce and those who live on the islands in part, but work elsewhere. As set out above, this could be tested, using the off islands as an initial test bed.

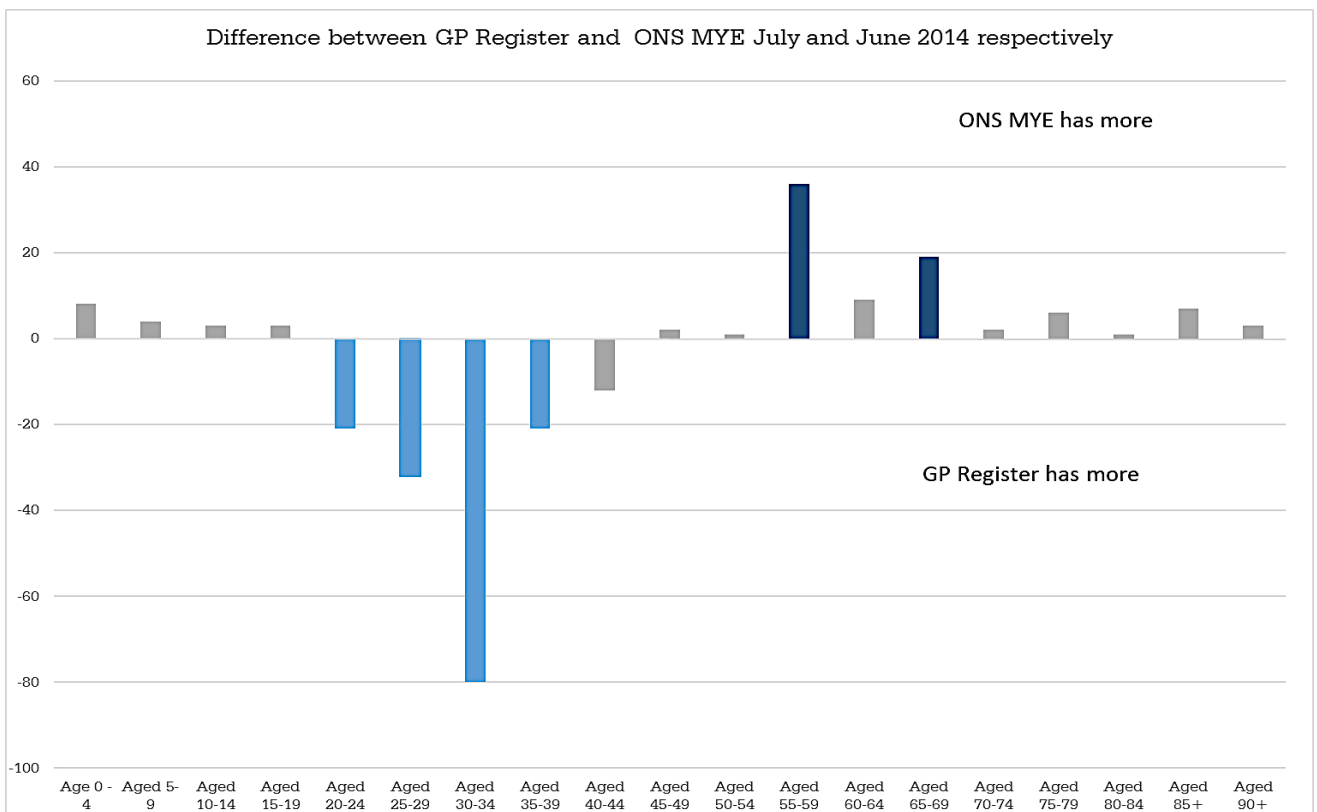
**Figure 3-13** Possible seasonal variation in GP Register data



Sourced from the GP Register 2015 data.

3.7.9 The key age structure difference between the GP register and ONS mid-year estimates is presented below, using 2014 figures as an example.

**Figure 3-14** GP Register by ONS Mid Year Estimates



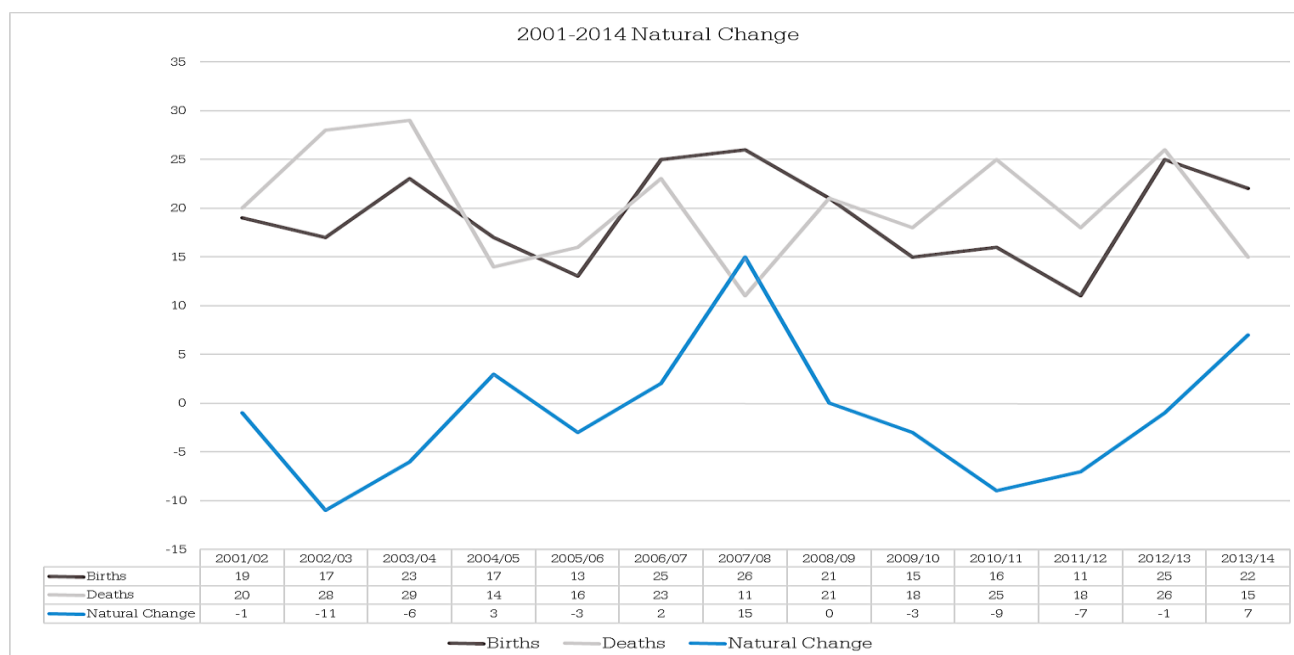
### 3.8 Conclusions

- 3.8.1 The difference in age structure between ONS MYE and the GP register is significant if weight is given to the GP register as a more accurate representation of the actual make up and age distribution of the population. It means the population is younger in profile than both the ONS estimates, and projections that are in part derived from these. This is important in terms of pressures to provide both housing and employment opportunities for a younger population in the future to attract people into jobs.
- 3.8.2 Overall, it is likely that there remains some doubt as to the accuracy of the official population estimates as a measure of the permanent resident population of the islands. It is highly likely, that both the GP register and the official estimates capture both permanent population, and elements of seasonal workforce, and even perhaps those who work away but have access to accommodation on the islands and second homeowners.
- 3.8.3 There are several factors at play here. One is a blurring between the lines of holiday accommodation, second homes, live and work patterns and second addresses, staff or seasonal work related accommodation, buy to lets, private rented accommodation, living rent free (the census definition) and second, more traditional expectations of owner occupation, private or social renting.
- 3.8.4 The Council could undertake further more detailed work, ideally tested on the off islands first, to further unravel this in terms of their own funding calculations, and in terms of service use and demand. The important aspect of this exercise for this study has been challenging the ONS age structure estimates from the GP Register.

### 3.9 Components of Change

- 3.9.1 The dynamics of population change are driven by natural change and migration flows. This section deals with both these issues.

**Figure 3-15 Births, Deaths and Natural Change**



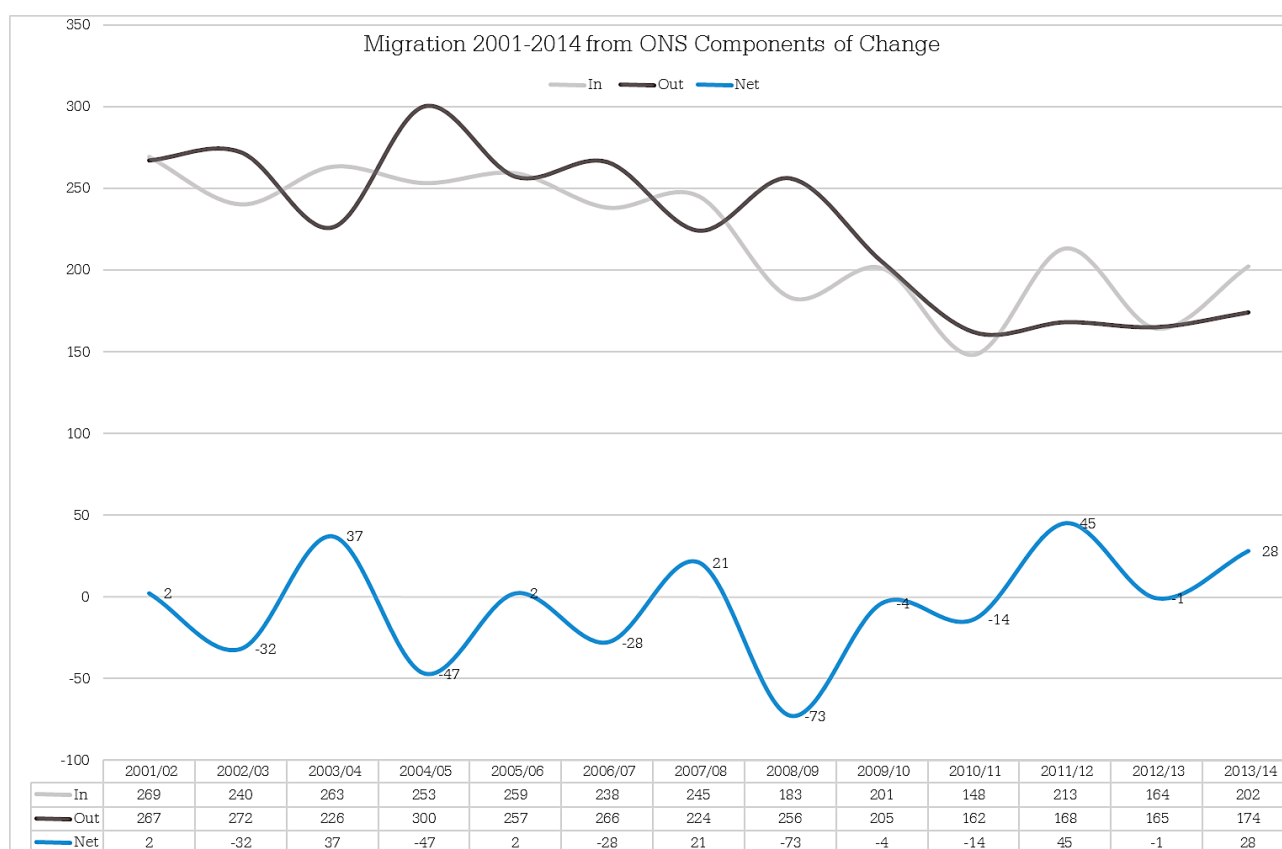
3.9.2 There is a broad natural change balance across this whole period, with 250 births and 264 deaths, a negative natural change of -14.

3.9.3 As with migration, there are fluctuations within these figures, that will have an impact on the qualifying reference period averages used in sub national projection, e.g. the SNPP use a five-year natural change 2007-2012.

### 3.10 Migration

3.10.1 The main component of population change for the Isles Scilly is internal (UK) migration, although international migration also plays a part. The following section highlights the numerical flows and also analyses some additional detail available through the 2011 census.

**Figure 3-16 Internal Migration Flows**



3.10.2 The blue line highlights the internal migration net total. There has been a decline since 2001 in both overall totals of in and out migration, from levels over 250 per annum to under 200. The 2013/14 figures show a slight increase.

3.10.3 The net figure fluctuates with seven years showing negative growth, and six years with positive growth. This ranges from an estimated -73 in 2008/09 to +45 in 2011/12.

3.10.4 Fluctuating levels of net migration are important, as it harder for short-term trends to be accurate when modeling this particular component of the overall population forward. The SNPP 2012 projections rely on 5 years of internal migration as a reference period. This is for the period 2007/8 to 2011/12 and shows an average of -5. Two of the last three years have shown net migration levels of +45 and +28. This has been one of the main reasons why alternative testing of variations population projections have been produced. The SNPP 2012 projections show negative net migration until 2019/20.

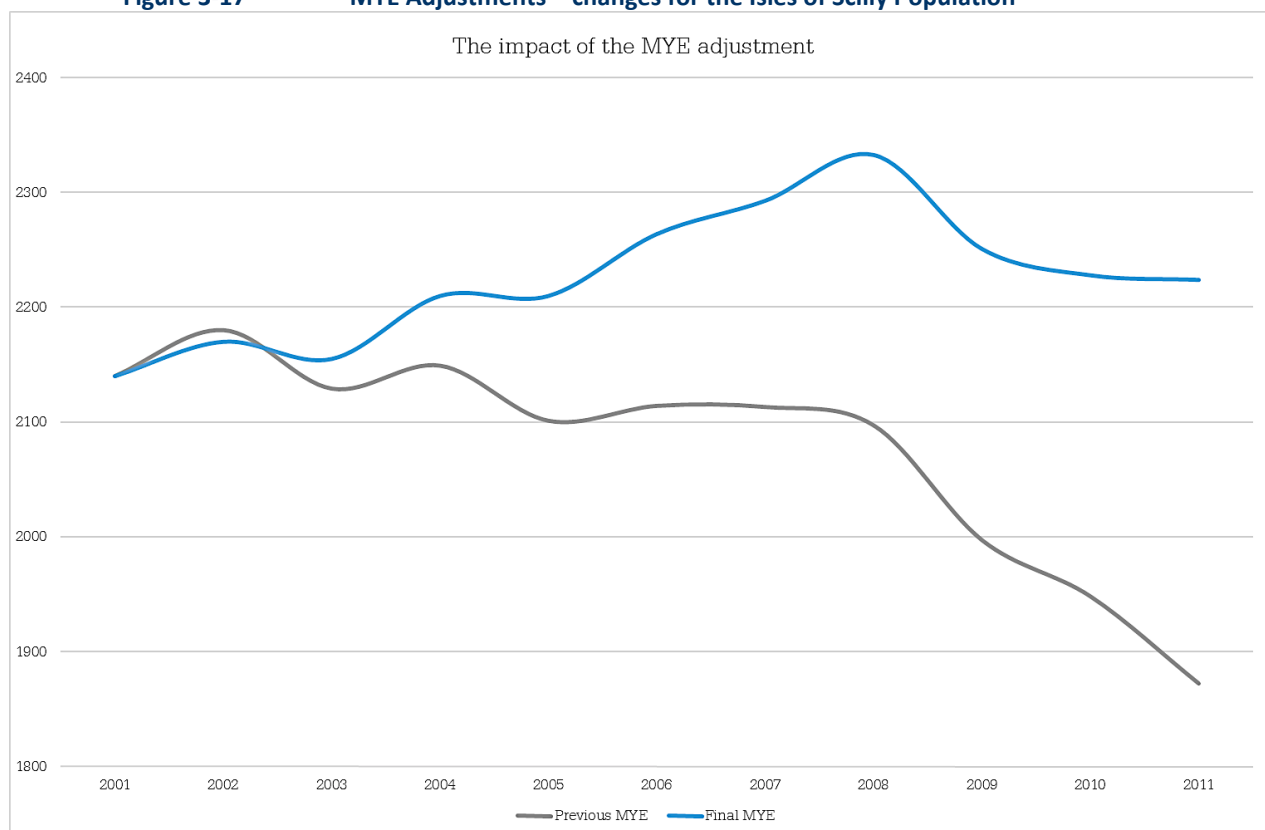
### 3.11 Migration Flows

3.11.1 Only Cornwall, and to a lesser extent Plymouth, have significant relationships both in terms of moves to and moves from the Isles of Scilly. The following table highlights these relationships, and expresses the data as cumulative for the whole period. Cornwall’s relationship with the Islands is clear, as the only and largest neighbour, and it is likely that flows to Plymouth (and back) and Bristol reflect both employment and educational opportunities.

### 3.12 Mid-Year Population Estimates (MYE)

3.12.1 Between successive Censuses, population estimation is necessary. These mid-year population estimates (MYEs) are derived by applying the ‘components of change’ (i.e. counts of births and deaths and estimates of internal and international migration) to the previous year’s MYE. Following the 2011 Census, the 2002–2010 MYEs were ‘rebased’ to align them with the 2011 MYE and to ensure the correct transition of the age profile of the population over the 2001–2011 decade.

**Figure 3-17 MYE Adjustments – changes for the Isles of Scilly Population**



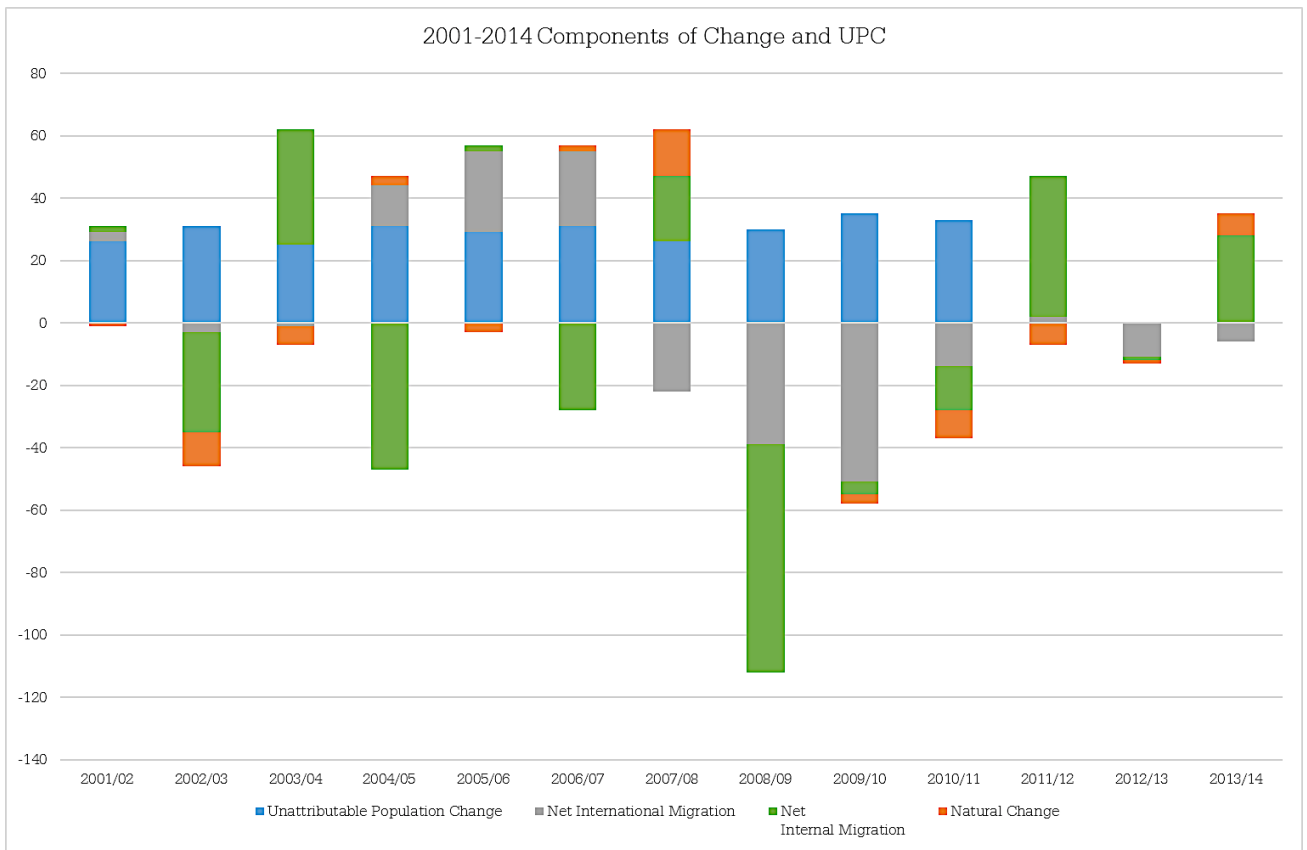
Note the left hand axis has been adjusted to start at 1,800 to emphasise the scale of difference.

- 3.12.2 The previous mid-year estimates were suggesting reasonably significant population loss after 2008, and indeed across the decade. The revised MYEs suggest growth until 2008, with a shallower drop subsequently.
- 3.12.3 The rebasing of the MYEs by ONS involved the recalibration of the components of change for 2001/02–2010/11. Between Censuses, births and deaths are accurately recorded in vital statistics registers and provide a robust measure of ‘natural change’ (the difference between births and deaths) in a geographical area.
- 3.12.4 Given that births and deaths are robustly recorded, and assuming that the 2001 Census provided a robust population count, the ‘error’ in the MYEs is due to the difficulties associated with the estimation of migration.
- 3.12.5 Internal migration (i.e. migration flows to and from other areas in the UK) is adequately measured using data from the Patient Register (PR), the National Health Service Central Register (NHSCR) and Higher Education Statistics Agency (HESA), although data robustness may be lower where there is under-registration in certain age-groups (young males in particular).
- 3.12.6 It is therefore most likely that the ‘error’ in the previous MYEs is associated with the mis-estimation of international migration, i.e. the balance between immigration and emigration flows for areas. For this time period, there were acknowledged weaknesses in the national collection of international migration data.

### **3.13 International Migration and Unattributable Population Change (UPC)**

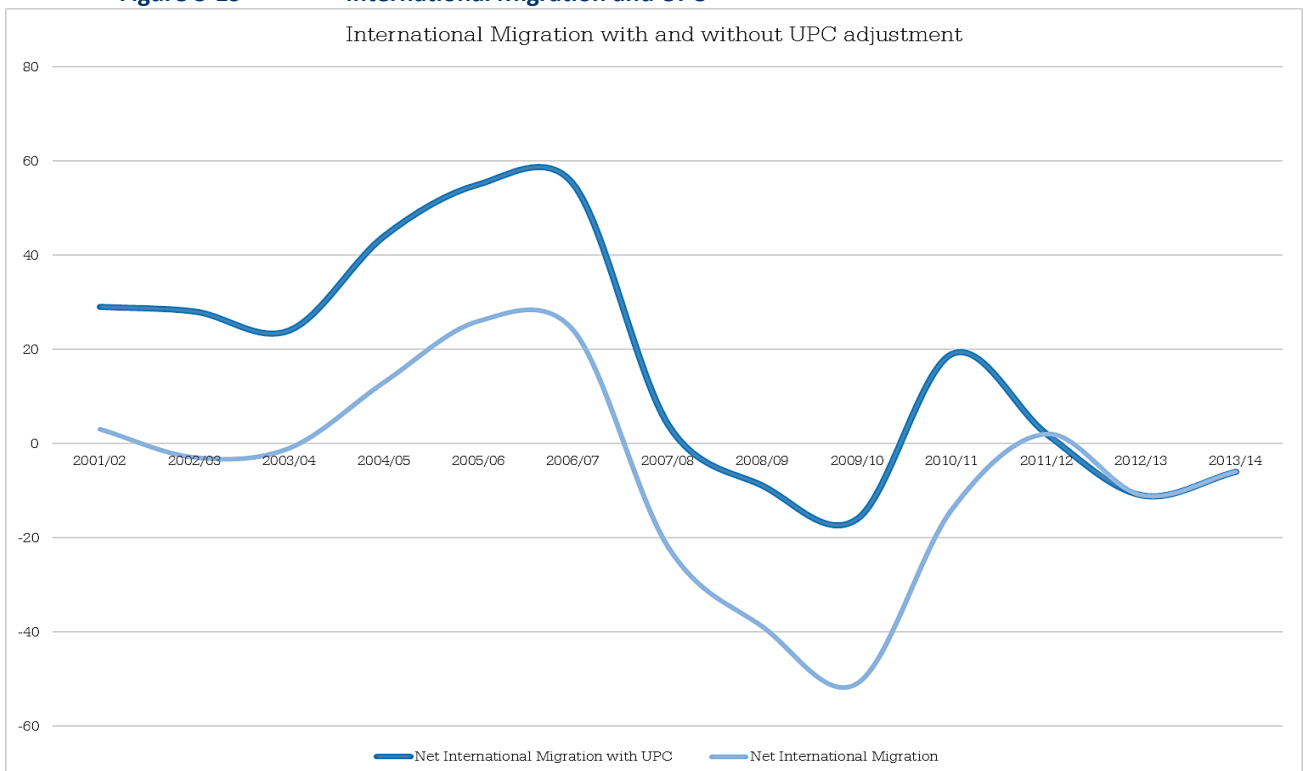
- 3.13.1 However, ONS has not explicitly assigned the MYE adjustment to international migration. Instead it has identified an additional ‘unattributable population change’ (UPC) component, suggesting it has not been able to accurately identify the source of the 2001–2011 over-count nationally, and for the Isles of Scilly an undercount.
- 3.13.2 The effect of the UPC adjustment depends upon the scale of population recalibration that has been required following the 2011 Census results. For the Isles of Scilly, the population estimates have been subject to a consistent annual increase due to the under-count over the 2001–2011 decade.

**Figure 3-18 Components of Change & impact of population adjustment (UPC)**



3.13.3 The UPC element is significant in the context of low overall numbers in different categories, and acts to increase the previous estimates of the population of the Isles of Scilly.

**Figure 3-19 International Migration and UPC**





- 3.13.4 The UPC adjustment can be seen clearly, increasing population change for the Isles of Scilly across the 2001-2011 period. International Migration post 2011 has dipped significantly.
- 3.13.5 For demographic analysis, the classification of UPC is unhelpful, but given the robustness of births, deaths and internal migration statistics compared to international migration estimates, it is typically assumed that it is most likely to be associated with the latter.

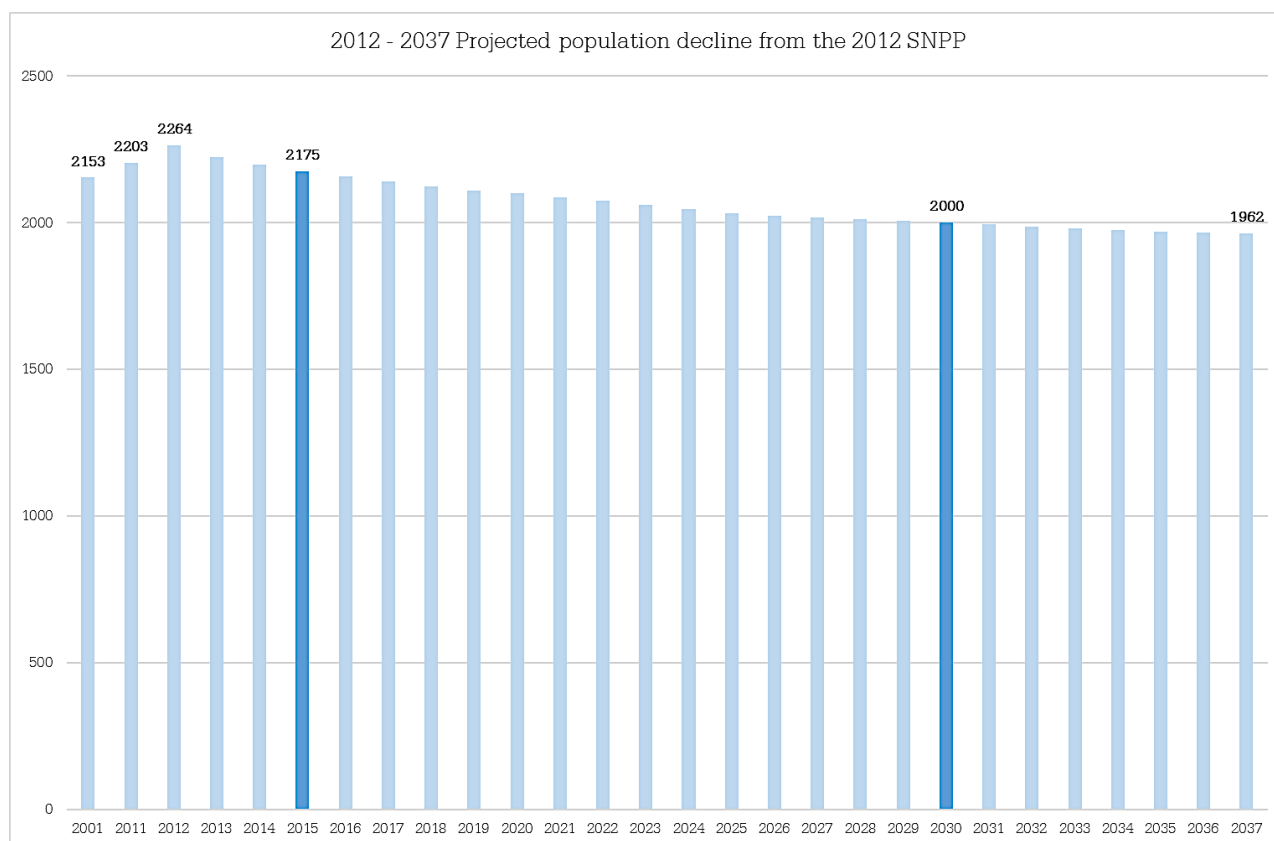
### **3.14 Census Migration Data**

- 3.14.1 The 2011 Census contains more detailed characteristics with regard to migration. Detailed census migration data linked to this section can be found at 9.3.

### **3.15 Projected Population Change**

- 3.15.1 There are published population projections available which cover the Isles of Scilly. These are nationally produced, and are typically taken as a starting point to test with more local data, and against which to model higher or sometimes lower levels of possible growth, and to vary a range of assumptions on key issues such as economic activity and unemployment against.
- 3.15.2 It is useful to consider what the 2012 Sub National Population Projections (SNPP) produced by the Office for National Statistics (ONS) say about the future population of the Islands.
- 3.15.3 The next set of data highlights the projected population for the IOS as a whole.
- 3.15.4 Local authorities generally are encouraged to use demographic projections produced by the Office for national Statistics (population) and Department of Communities and Local Government (Household) as a clear starting point in the production of a Strategic Housing Market Assessment, and the process of establishing the objectively assessed need for housing. However, guidance is clear, these official projections should be assessed and tested, against local data and understanding.
- 3.15.5 This section considers these official projections. These forecasts are trend based and do not specifically take account of employment or economic projections or any policy decisions.

**Figure 3-20 Population Projection – Total Change SNPP 2012 - 2037**

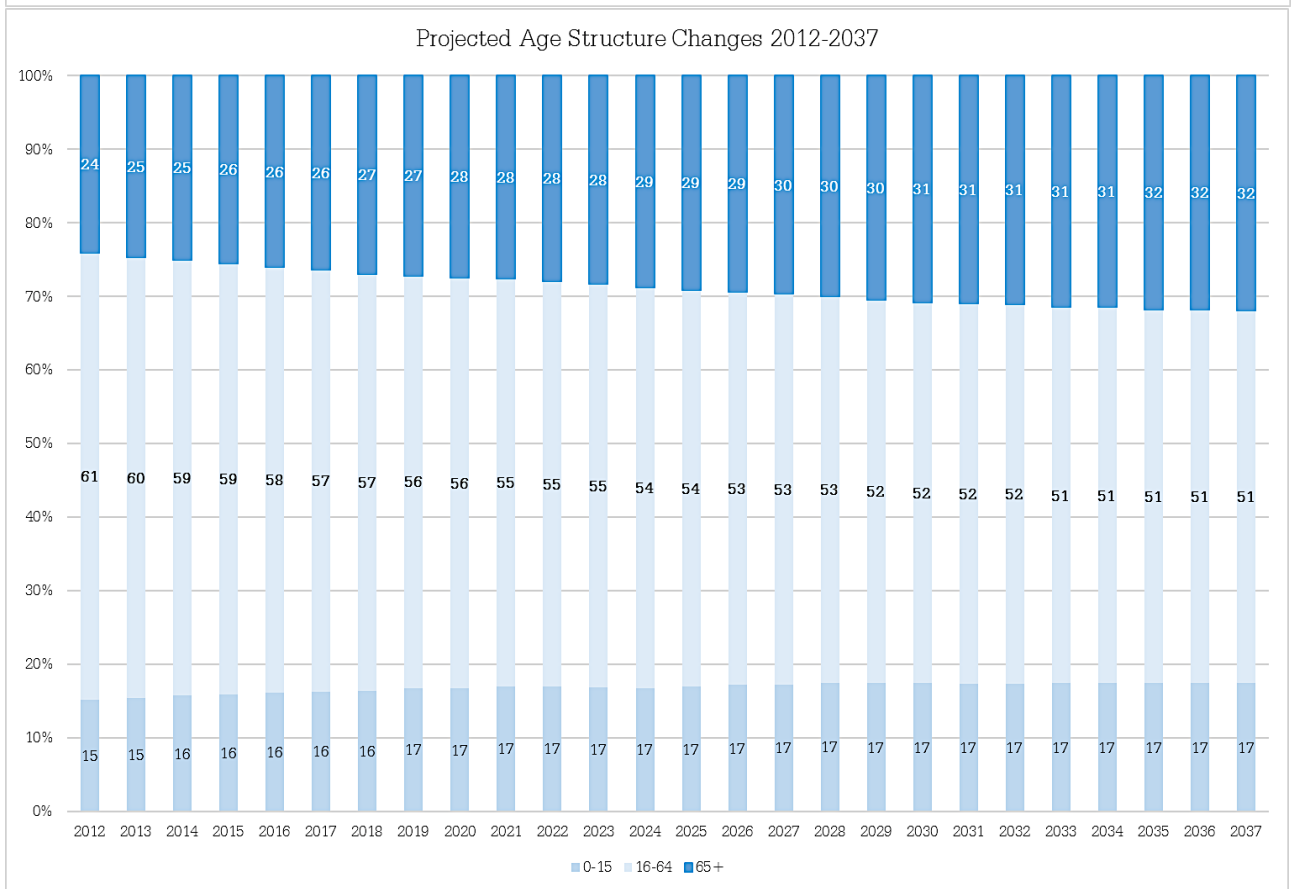
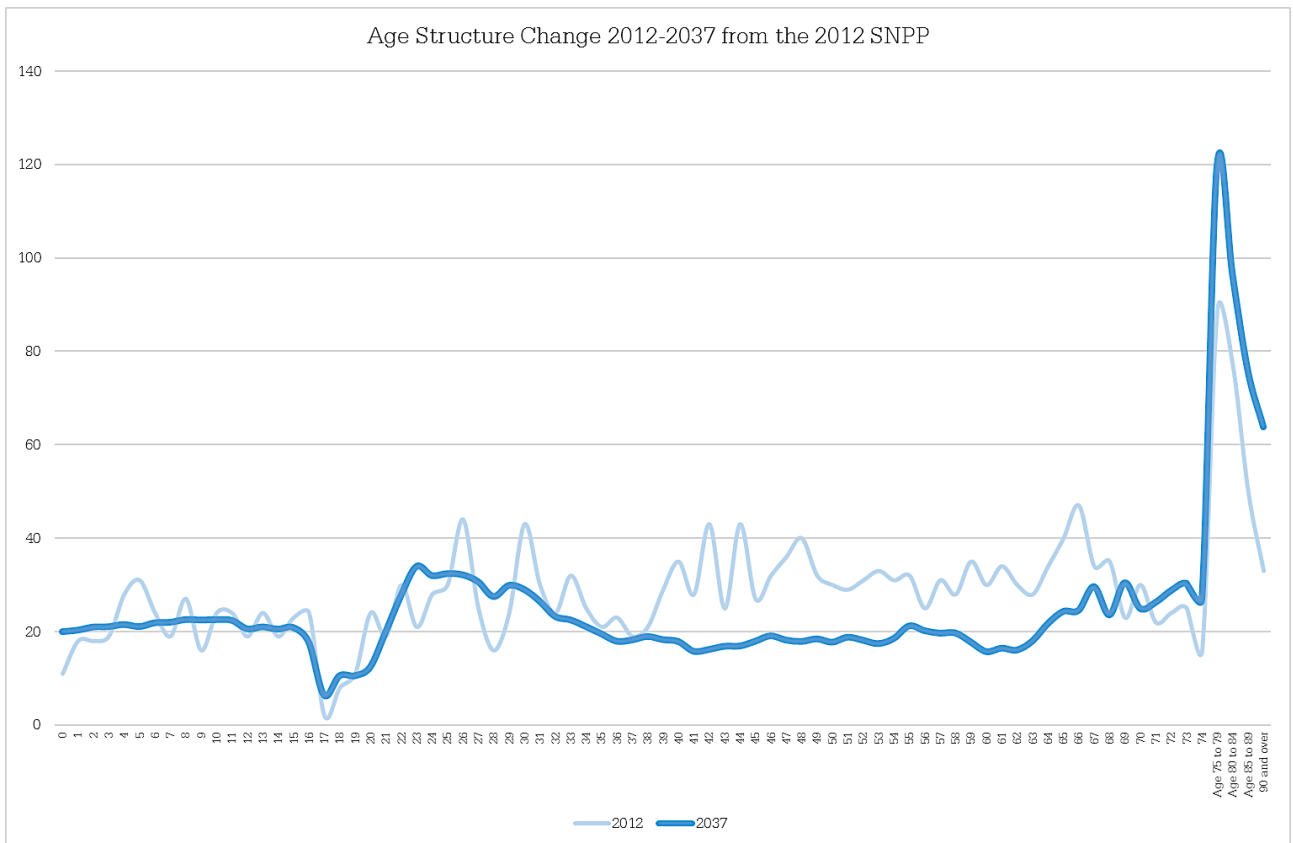


3.15.6 Over the period of the Local Plan, 2015 to 2030, there is a projected decline of 175 people by 2030, with this decline in continuing on to 2037. There is some divergence from the 2012 based projections which are showing decline from 2012, and the mid-year estimates which have shown the population increasing from 2012-2014

### 3.16 Key Message

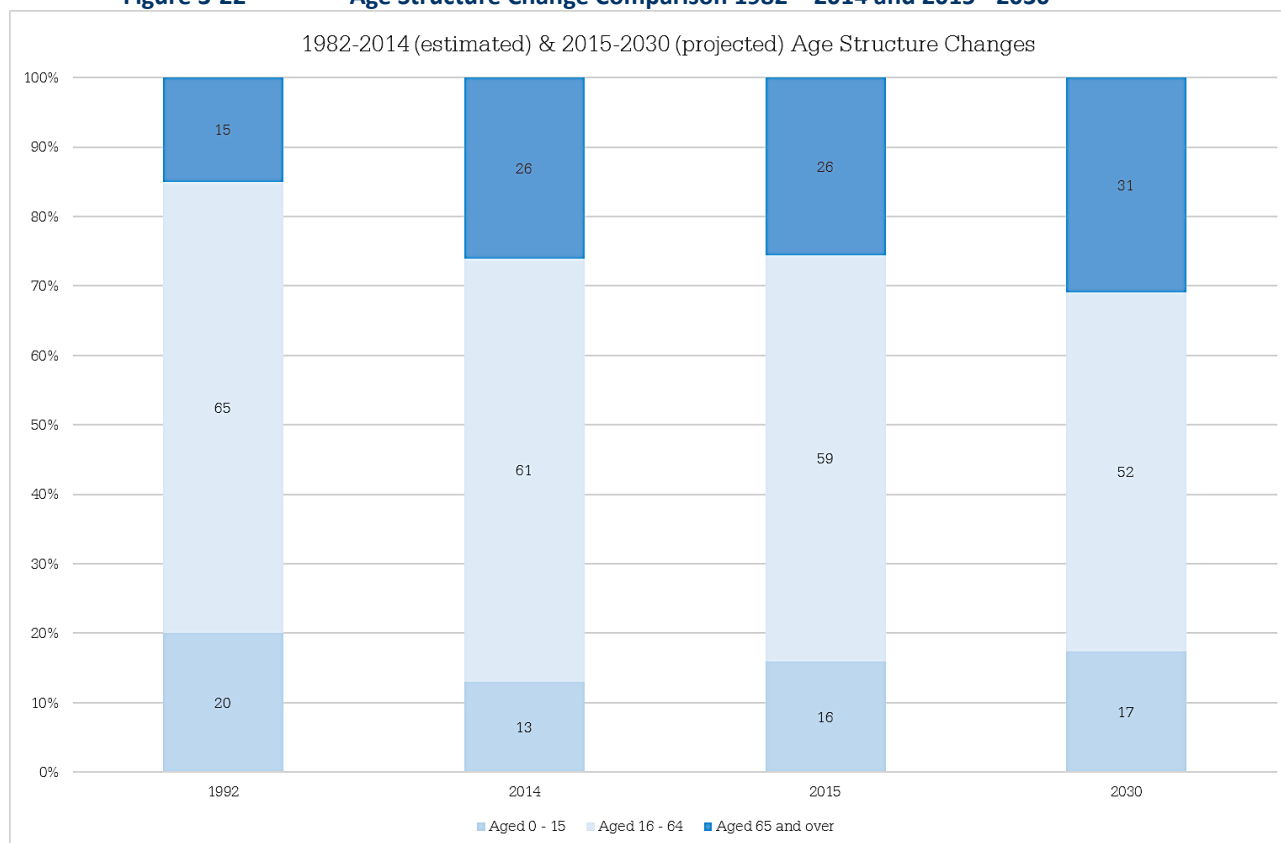
- 3.16.1 The projections at sub national level are a useful starting point but there are several issues in terms of the Isles of Scilly, which may lead to a view that they are not representative of likely actual change.
- 3.16.2 Modelling small areas is a sensitive area, and the national projections may not be fine-tuned enough to pick up the variations that have been happening in terms of natural change and migration for the IOS. However, the starting message is a useful one, which is that overall the population is predicted to decline without “policy on” interventions.

**Figure 3-21 SNPP Age Structure Change 2012 - 2037**



- 3.16.3 The top chart shows change by single year of age 0-74, and then in age bands 75-79, 80-84, 85-89 and 90 plus. The brighter blue component highlights the expected age structure at 2037. The striking issues to note are:
- Lower level of age groups from late 30s to late 60s.
  - Higher levels of people aged 80 plus.
- 3.16.4 The second chart shows the age structure in a matching format to Figure 3-4 earlier.
- 3.16.5 The proportion of the population aged 65 plus is expected to increase further to 32%. The working age population (16-64) will decline further, but there will be a small increase in the 0-15 population share.

**Figure 3-22 Age Structure Change Comparison 1982 – 2014 and 2015 - 2030**



- 3.16.6 Figure 3-22 above shows the estimated and projected changes in age structure, the most striking of which is the doubling as a share of the overall population of those aged over 65. If the projections were accurate there would be a significant decrease in the share of the working age population by 2030, with clear implications for the economic viability and sustainability of the islands.

### 3.17 Comment

- 3.17.1 The official projection is predicting decline in the population of the islands. However, this and elements of the components of data used by the ONS have been critically assessed. See Triangulation section below.
- 3.17.2 Further projections have been commissioned from Edge Analytics, using the POPGROUP methodology. These have been to test the implications of both a static population and a small population increase.

- 3.17.3 The main reason for commissioning these has been to reflect the difference in age structure that further investigations has shown, when compared to ONS estimates, and to provide scenarios where investment and policies for the islands maintain the current population level.

### 3.18 Alternative Scenario Results

- 3.18.1 A full explanation of the data inputs, assumptions & methodology from the Edge Analytics alternative scenarios covering both population and household projections is found at **Appendix IV**. The detailed data files behind the projections can be supplied.
- 3.18.2 Following analysis of the current trends in terms of natural change, migration and the overall issues around the age structure of the islands, two additional scenarios were developed to provide counter evidence to the SNPP 12 and SNHP 12 projected decline in both population and households.
- 3.18.3 This was given extra weight by the age structure discrepancies found when considering the ONS estimates and the GP register data for the Isles of Scilly.
- 3.18.4 The two scenarios are:
- Modest growth – (linked to a ten-year average of net migration), and
  - Static or no overall growth
- 3.18.5 Key Inputs have been based on:
- Natural Change: - births and deaths average sourced from a reference period of sourced from the ONS MYEs, are defined from 2001/02 to 2013/14.

#### Migration:

- Internal - historical mid-year to mid-year estimates of internal in- and out-migration by 5-year age group and sex for 2004/05 to 2013/14 have been sourced from the 'components of population change' files that underpin the ONS MYEs and future internal migration flows from 2014 are based on the area-specific historical migration data over a 10-year period (2004/05 to 2013/14).
- International - historical mid-year to mid-year counts of immigration and emigration by 5-year age group and sex for 2001/02 to 2013/14 have been sourced from the 'components of population change' files that underpin the ONS MYEs. Any 'adjustments' made to the MYEs to account for asylum cases are included in the international migration balance.
- From 2014/15, future international migration counts are derived from the area-specific historical migration data over a 10-year period (2004/05 to 2013/14).

**Table 3-4 Population Projections - results**

Scenario	2015	2030	Change	Change %
SNPP 12	2,175	2,000	-175	-8.05
STATIC	2,280	2,280	0	0.00
GROWTH	2,290	2,440	150	6.55

Where:

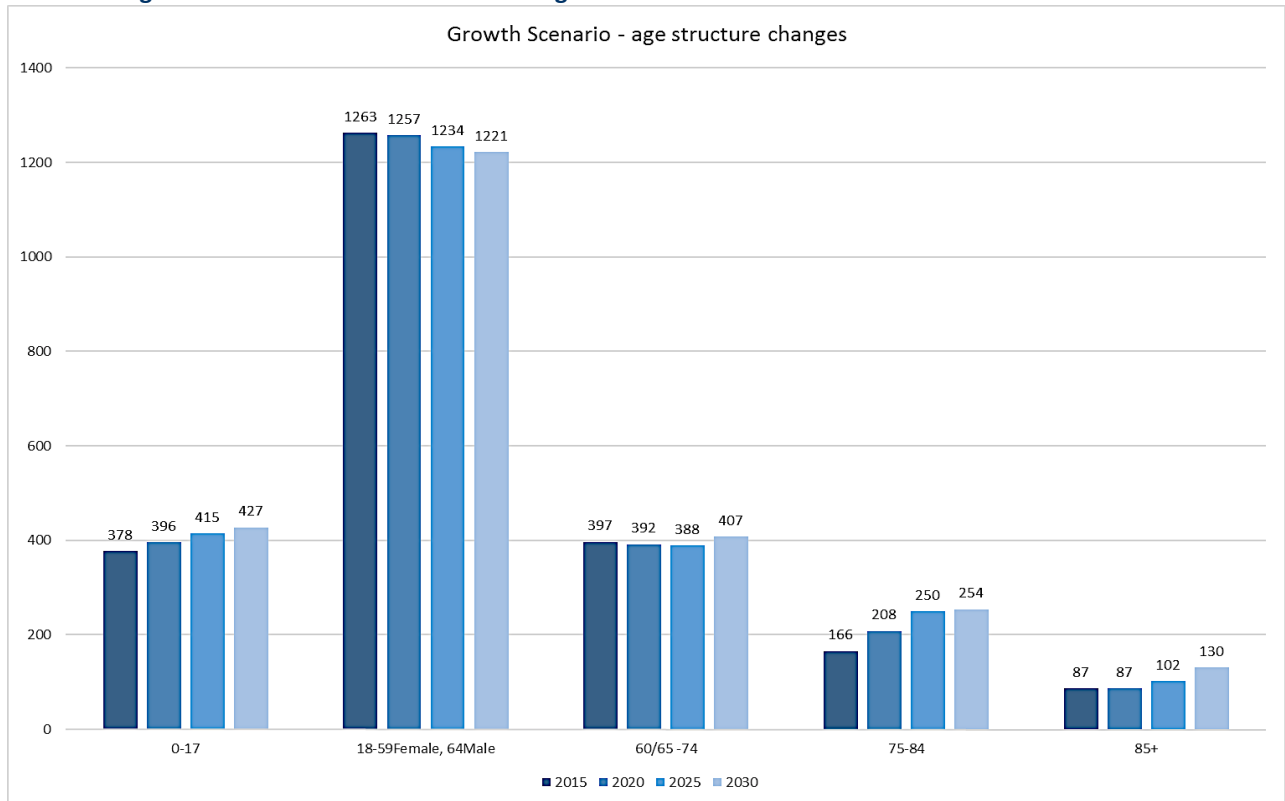
SNPP 12 is the ONS sub national population projections (SNPP);

STATIC is the scenario with no overall growth;

GROWTH is the scenario, driven predominately by modest net migration gains.

Whereas the SNPP 12 shows a population decline of 175 or 8% for the Plan period, using 10-year migration driven trends, the PG growth scenario shows a growth of 150 people, (or 6.5%) which would be consistent with actual long term migration trends.

**Figure 3-23 Growth Scenario Age Structure**

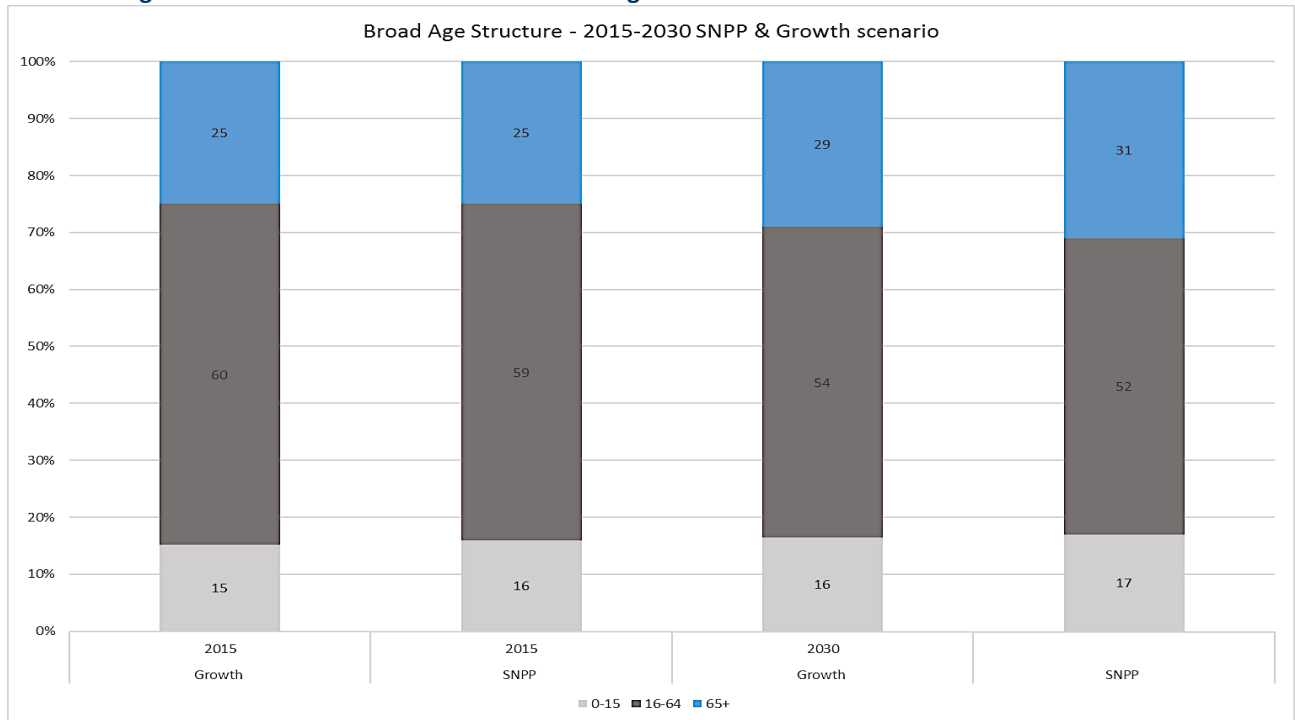


3.18.6 The growth scenario, with an overall population increase of 150, shows some likely changes to the age structure of the Isles of Scilly.

- Increases in number of 0-17 year olds
- Small decline in working age numbers
- Increases in older people, specifically 75-84 and 85 +.

3.18.7 Comparing the SNPP and growth scenario age structure at the broad level shows:

**Figure 3-24 Growth Scenario Broad Age Structure**

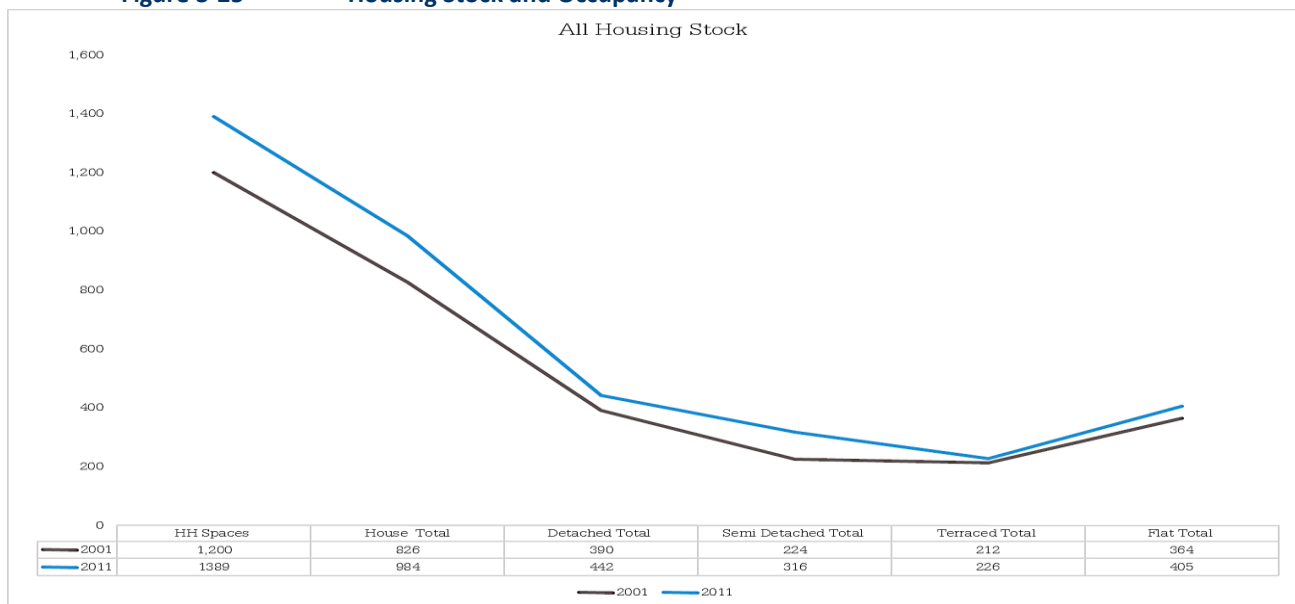


3.18.8 The growth scenario age structure would appear to be a better fit to the GP register picture of the current situation on the Isles of Scilly, and probably offers a better picture of future change.

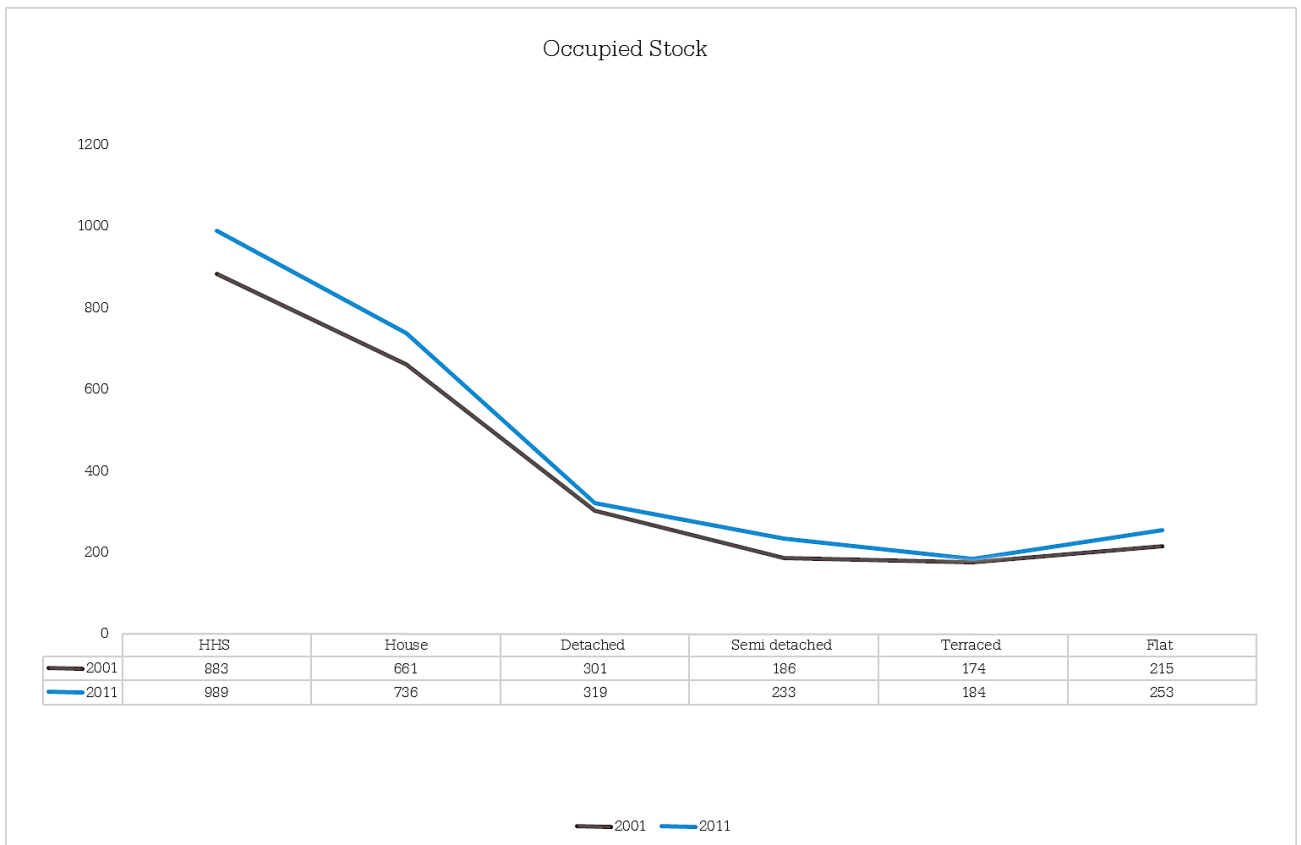
### 3.19 Housing Stock

3.19.1 This section introduces analysis of relevant data on firstly Census housing stock, and then household characteristics. This serves to inform the household projection section. Full definitions of the terms used are provided in the Glossary.

**Figure 3-25 Housing Stock and Occupancy**

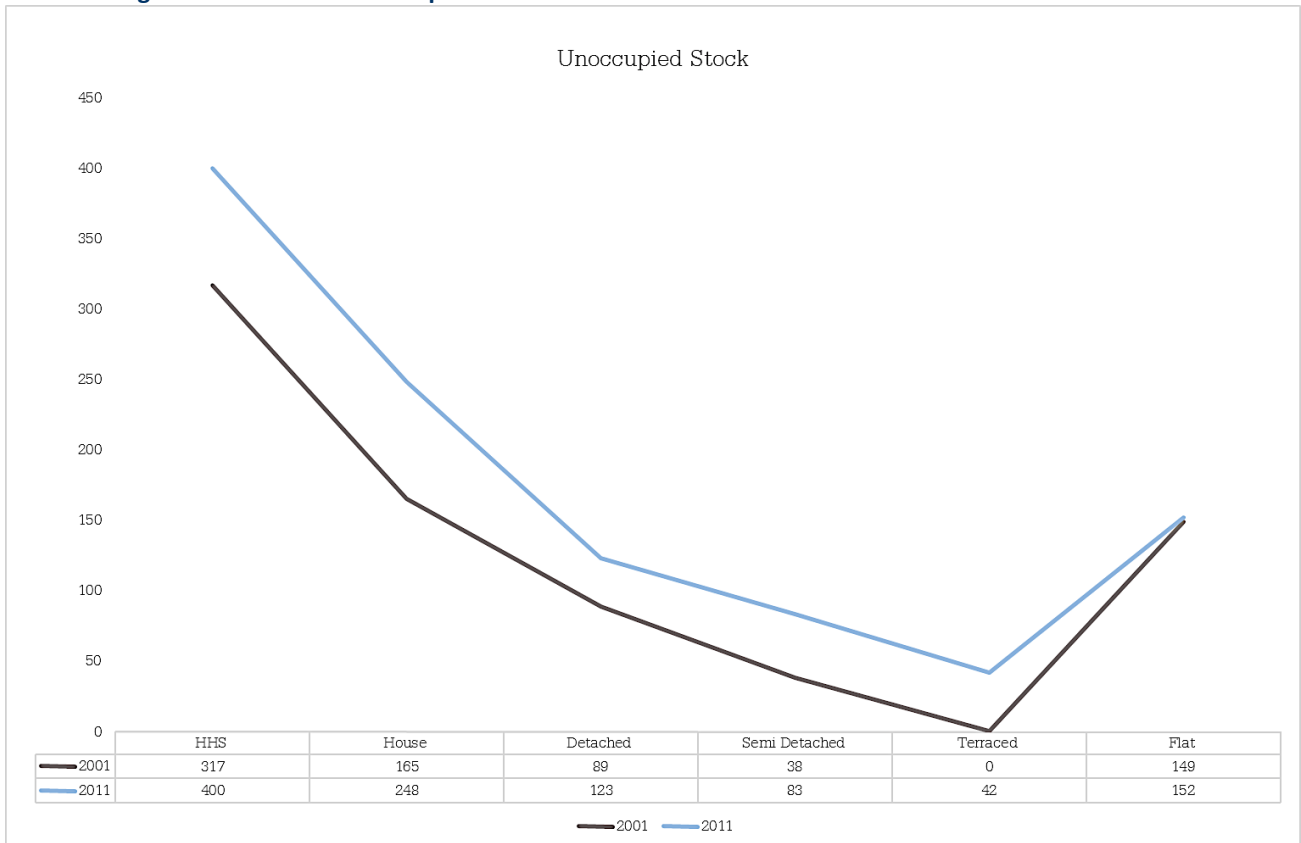


3.19.2 2001-2011 saw an increase in 189 household spaces, a 16% increase.



3.19.3 Occupied Stock increased from 883 to 989, a 12% increase.

**Figure 3-26 Unoccupied Stock**



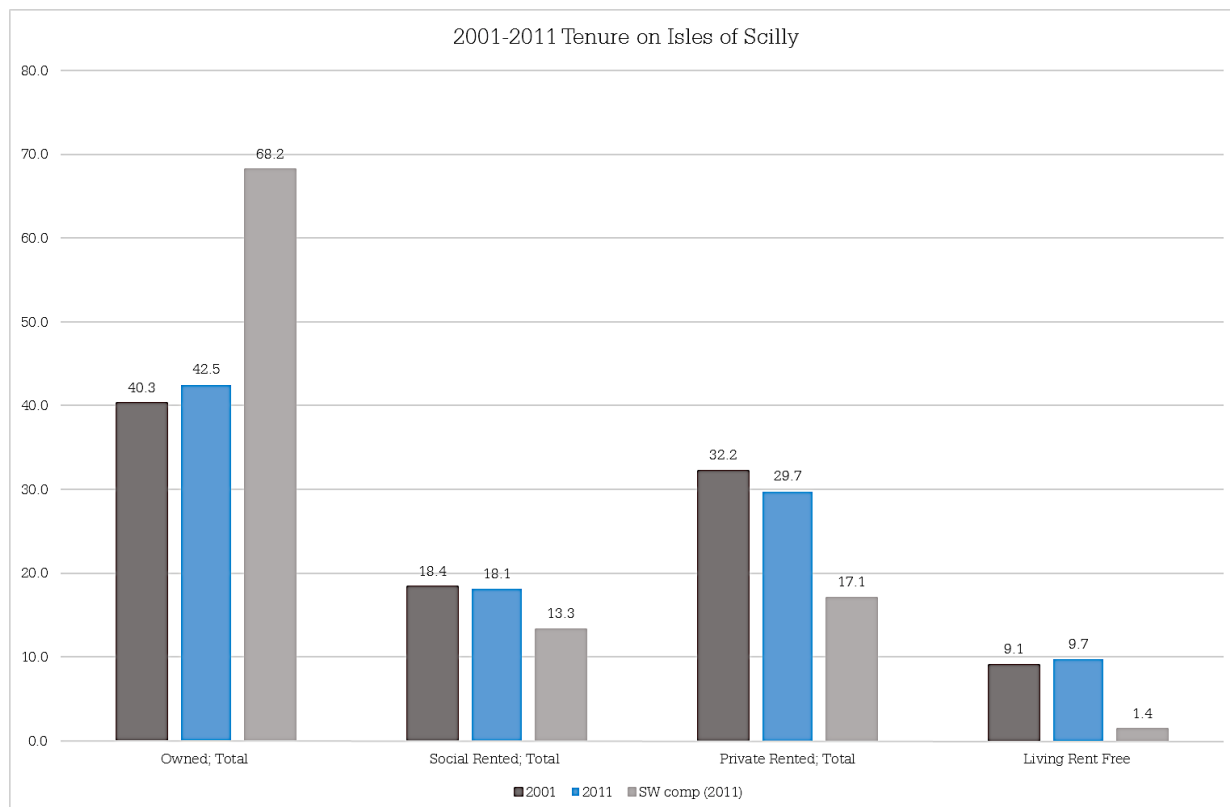
3.19.4 Unoccupied stock (holiday homes and second homes) increased from 317 to 400 in 2011, a 26% increase with all categories apart from flats increasing significantly.



### 3.20 Comment

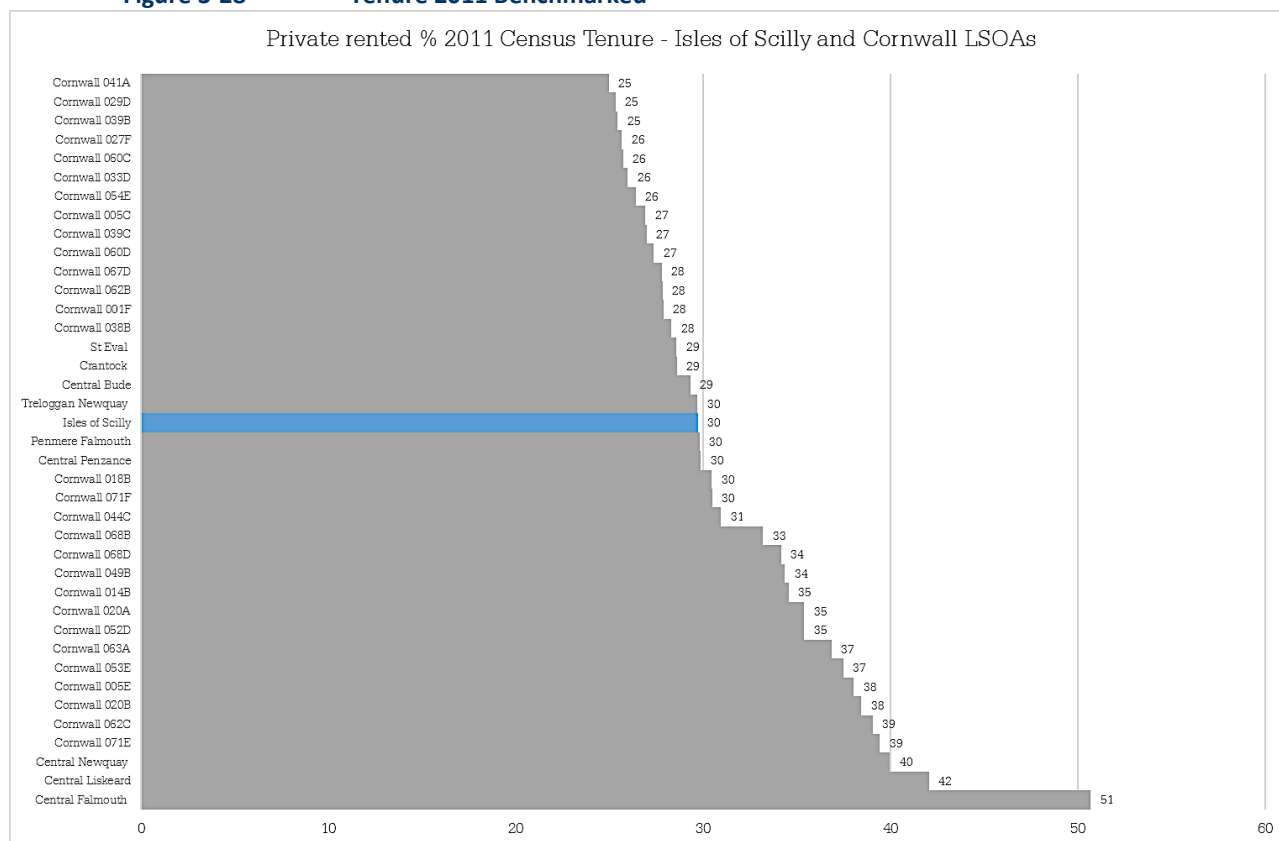
- 3.20.1 Unoccupied stock has risen by 26% since 2001. Detached, semi-detached and terraced properties have all increased significantly in this category. The change in numbers is as significant as the proportions. 83 additional properties across 10 years are unoccupied.
- 3.20.2 The number of occupied properties has also increased. Over the same period as the 2001 and 2011 Census, Council Tax stock increased from 1,093 dwellings to 1,169.

**Figure 3-27 Tenure 2001 - 2011**



- 3.20.3 Levels of home ownership are lower, and private renting higher than mainland authorities, or in this case the South West.

**Figure 3-28 Tenure 2011 Benchmarked**



3.20.4 Lower Super Output Areas (LSOAs) are statistical areas that average around 1,500 residents. They are a useful comparator for the islands, and in this case show clearly that while the level of private renting is high on the Isles of Scilly, it is not unusually so compared to either rural or centre of town neighbourhoods in Cornwall.

### 3.21 Comment

There has been a slight shift in some of the longer-term tenure trends across the Isles of Scilly between 2001 and 2011. Owner occupation is lower than other larger local authorities, but not unusually so compared to similar sized villages and urban neighbourhoods.

More detailed work on likely population and household projections, and the survey results are likely to improve the understanding on possible future requirements for housing, both in terms of tenure and mix.

### 3.22 Household Projections

- 3.22.1 Nationally produced household projections are linked and driven by the latest preceding population projections.
- 3.22.2 In the assessment of housing need, the PPG states that the DCLG household projections should provide the “starting point estimate” (PPG paragraph 2a-015).
- 3.22.3 The 2012-based household projection model, which is underpinned by the 2012-based SNPP, was released by the DCLG in February/March 2015, superseding the 2011-based interim household projection model.

- 3.22.4 The methodological basis of the new 2012-based model is consistent with that employed in the previous 2011-based interim and 2008-based household projections. A 'two-stage' methodology has been used by DCLG. 'Stage One' produces the national and local projections for the total number of households by age-group and relationship status group over the projection period. 'Stage Two' provides the detailed household type breakdown by age. Currently, only Stage One output is available for the 2012-based household projection model for the Isles of Scilly, as the newly released Stage Two data, Dec. 2015 merges the Isles of Scilly with Cornwall for household type detail.
- 3.22.5 Whilst methodologically similar to previous releases, the 2012-based household projections provide an important update to the 2011-based interim household projections with the inclusion of the following information: -
- 2012-based SNPP by sex and age that extend to 2037 (rather than to 2021 as was the case in the 2011-based interim projections).
  - Household population by sex, age and relationship-status consistent with the 2011 Census (rather than estimates for 2011, which were derived from 2001 Census data, projections and national trends, as used in the 2011-interim projections).
  - Communal population statistics by age and sex consistent with the 2011 Census (rather than the previous estimate, which were calibrated to the total communal population from the 2011 Census).
  - Further information on household representatives from the 2011 Census relating to aggregate household representative rates by relationship status and age.
  - Aggregate household representative rates at local authority level, controlled to the national rate, based on the total number of households divided by the total adult household population (rather than the total number of households divided to the total household population).
  - Adjustments to the projections of the household representative rates in 2012 based on the Labour Force Survey (LFS).

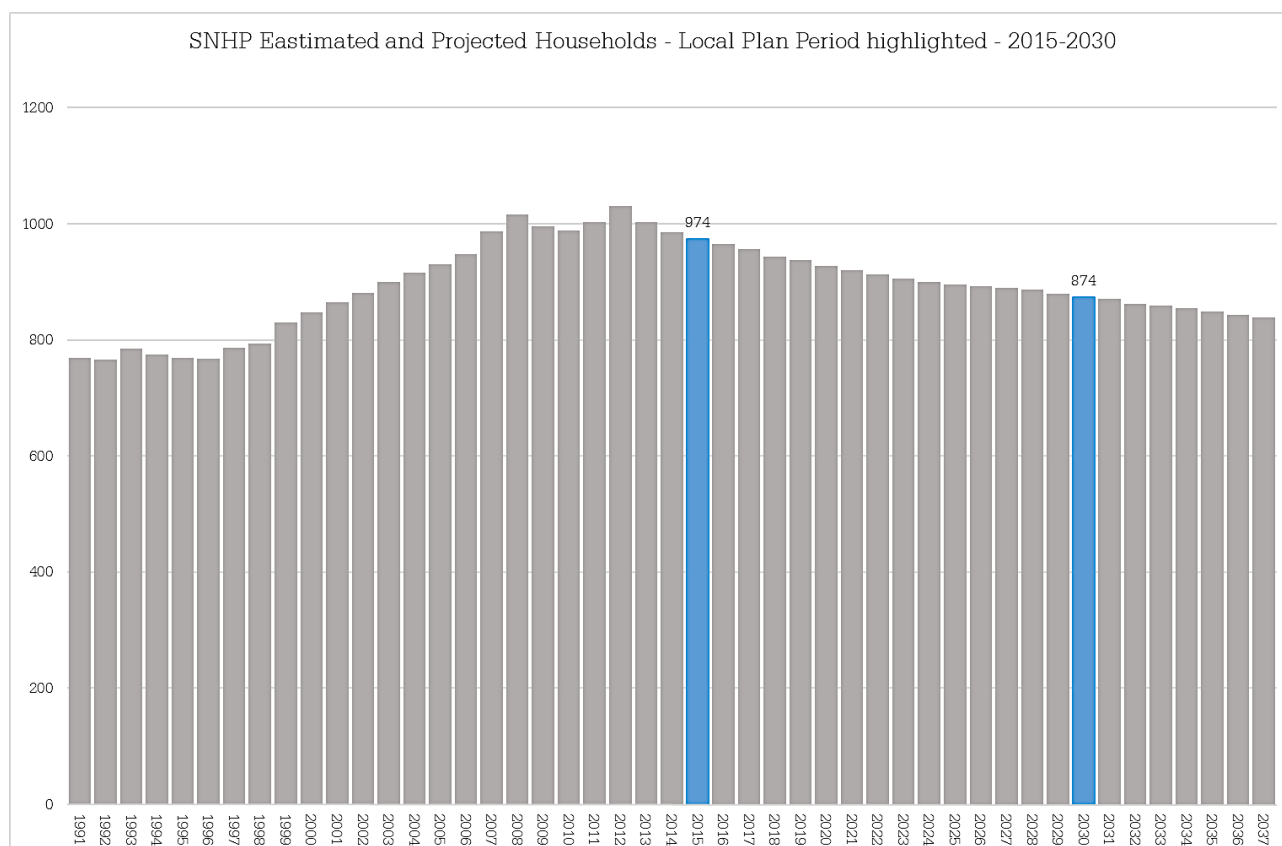
(Source: DCLG Methodology)

- 3.22.6 The key area of debate recently around household projections has been in terms of household formation (headship or household formation rates). There has been evidence of a slowing of the level of formation rates, and some considerable debate across Local Plan examinations nationally about whether this trend is robust, or simply reflects the impact of the recent recession.
- 3.22.7 The consensus is that there has been a concrete shift in the trend. The status of the 2012 Sub national household projections is clear, and confirmed within the latest online version of the NPPG.
- 3.22.8 "The 2012-2037 Household Projections were published on 27 February 2015, and are the most up-to-date estimate of future household growth."

<http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

- 3.22.9 The guidance expects that these are tested against local data and understanding.
- 3.22.10 The status of these projections and the associated use of their headship rates is clear, and not compromised by the fact that the projections themselves are due for further revision. The methodology of the 2012 release states that further work on Stage two outputs is still awaited, which includes more detailed analysis of 2011 Census data on household formation.
- 3.22.11 While early analysis of the data commissioned by CLG for the preparation of the household projections, suggested significant departures in trend for some demographic groups, CLG expressed uncertainty as to the robustness of this observation. It is not clear whether all geographic areas will be impacted equally by any further changes.
- 3.22.12 The guidance remains clear as to the requirement to use the 2012 headship rates.
- 3.22.13 In a recent Town and County Planning Association article, Simpson (2014, **Appendix V**) asks whether lower household formation is a new trend or a temporary aberration, and suggests that the weight of evidence is very much that the lower household rates are a new long term trend. He makes specific reference to the household formation rates of young adults and notes that the increased number of young people living with their parents began at the turn of the millennium, citing reasons like the introduction of student fees and the growth of part-time work, which look like continuing.
- 3.22.14 In a further later article, Simpson and Macdonald (2015 **Appendix VI**) state that, 'In this context it is no longer sensible to appeal to previous household projections including the 2008-based set as if they were evidence of an underlying trend in household formation. They were produced at a time when household formation had already changed, starting before the economic downturn of the mid-to-late 2000s, and are in themselves only evidence of the optimism of that period.'
- 3.22.15 It is clear that the 2012 SNHP represent the best available understanding of current and likely future rates of household formation. These are reflective of longer-term trends and not just "recessionary".
- 3.22.16 As discussed in section 3.18 on population projections, additional scenarios have been commissioned to better understand more likely future pressures on the Isles of Scilly, than the decline that the population and household projections suggest. This is both appropriate and robust.

**Figure 3-29 Isles of Scilly Household Projections 2015 - 2030**



3.22.17 The blue lines highlight the Local Plan period of 2015 to 2030. As with (and driven by) the population projections a decline in the number of household is projected, of around 100. This is largely driven by assumptions around the nature of an increasingly older population.

3.22.18 Detailed data from these projections is however not available for the Isles of Scilly. This would have provided some of the additional information normally available around household type etc. The Scillies are merged with Cornwall in this release.

### 3.23 Key Message

There are issues around data robustness in understanding the drivers for both the population and household projected decline for the Isles of Scilly, given uncertainty (as captured by the UPC issue) in the 2001-2011 estimates, and post 2011 growth.

There is a need to consider a positive growth scenario for population/households as well as a holding steady scenario.

### 3.24 Alternative Scenario Results

3.24.1 A full explanation of the data inputs, assumptions & methodology from the Edge Analytics alternative scenarios covering both population and household projections is found at **Appendix IV**. The two scenarios are:

- Modest growth – (linked to a ten-year average of net migration), and
- Static or no overall growth

### 3.25 Household Projections – results

3.25.1 The household change for the Isles of Scilly is compared below between the published Department of Communities and Local Government (CLG) 2012 sub national household projections (SNHP), and the two commissioned population and household change scenarios introduced earlier in this section.

**Table 3-5 Household Projections - results**

Scenario	2015	2030	Change	Change %
SNHP 12	974	874	-100	-10.3
STATIC	1,023	1,040	17	1.7
GROWTH	1,027	1,105	78	7.6

Where:

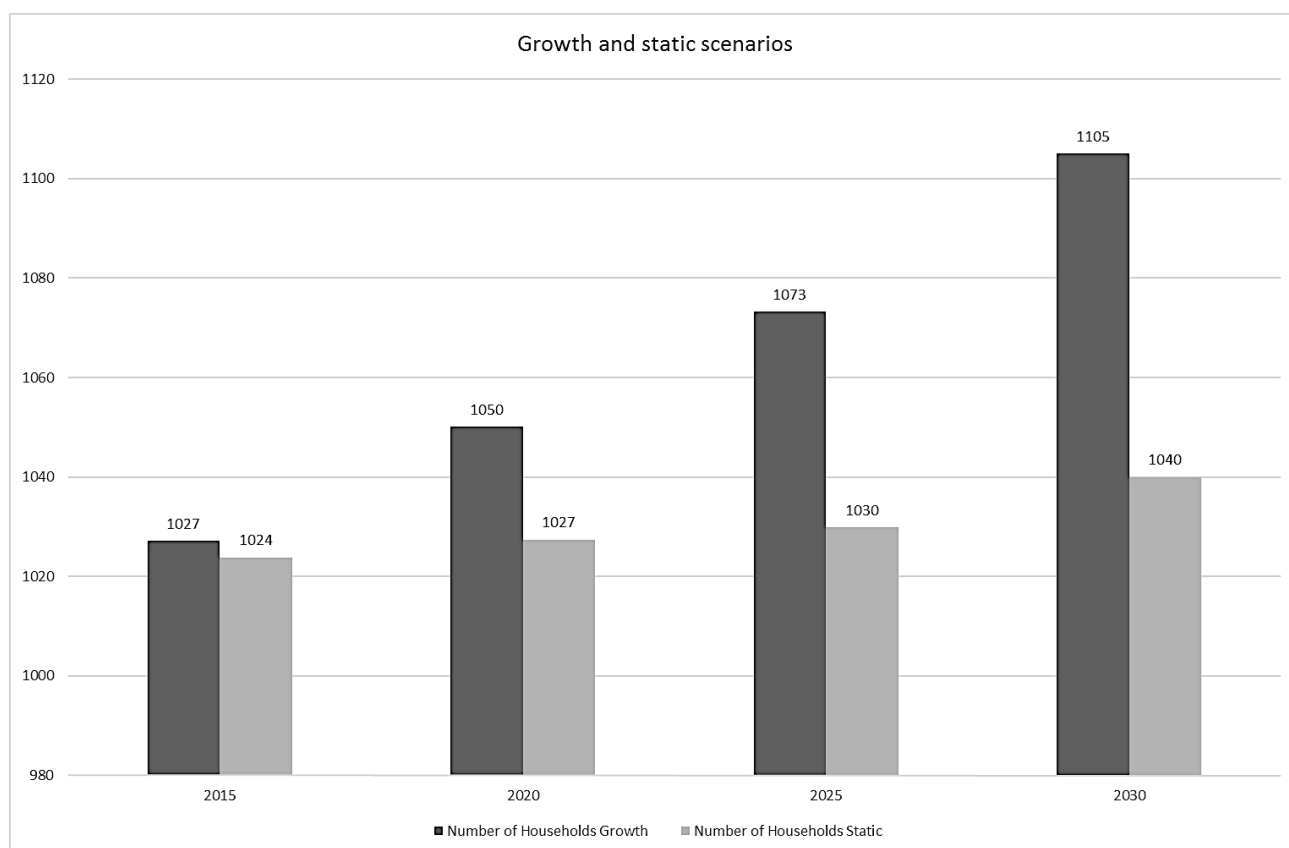
SNHP 12 is the CLG sub national household projections for 2015-2030 for the isles of Scilly;

STATIC is the scenario with no overall no growth;

GROWTH is the scenario, driven predominately by modest net migration gains.

Whereas the SNHPP 12 shows a decline in the number of households of 100 or 10% for the Plan period, using 10- year migration driven trends, the PG growth scenario shows a growth of 78 people, (or 7.6%). This is linked to a level of population growth implied by a continuation of ten-year migration trends.

**Figure 3-30 Household Change**



3.25.2 When considering the differences in the two additional scenarios it is important to recognise that even with a static population, there is still a net creation of new households, as seen in the table and chart above. While this is modest it is a good indicator that even were the population to remain static, new households would still form.

## 4 ECONOMIC DRIVERS OF THE MARKET

- 4.1.1 The economic development of an area can be of equal importance in driving change in housing markets. It is important to highlight the reciprocal relationship between economic development and the provision of housing.
- 4.1.2 Whilst there is an obvious and established link between economic development and the requirement for new housing, or economic decline with problems of low demand, the type of housing provided within an area can also play a central role in addressing and facilitating economic development and regeneration objectives.
- 4.1.3 It is a central factor in the need to create a more balanced housing market.
- 4.1.4 The economic characteristics of an area are a key component to understanding population and household change within that area, for example, commuting and economic led migration.

### 4.2 Review of Available Economic Data

- 4.2.1 There are two limiting issues when considering economic data for the Isles of Scilly, the first is that many official statistics are rounded, sometime to the nearest 1,000, and the second, and more significant is the limited amount of data available. The Annual Population Survey (APS) and Annual Survey of Hours and Earnings (ASHE) are normally key sources of economic characteristic and earnings data, but because they are survey based (e.g. a sample of the population), then normally available data for larger local authorities are not available for the Isles of Scilly. This puts more reliance on the 2011 Census data.

### 4.3 Labour Demand

- 4.3.1 Labour demand consists of the jobs and vacancies within an area.
- 4.3.2 It is important to consider the labour market of an area and try and measure what effect it may have on the housing market. The number of jobs available, the type of jobs,(occupation) and area of employment (industry), can all have an effect on the housing market in terms of choice, location, tenure and affordability.
- 4.3.3 In 2013, the total number of jobs is estimated at around 1300. This includes employees and self- employed.
- 4.3.4 Jobs density is the numbers of jobs per resident aged 16-64. For example, a job density of 1.0 would mean that there is one job for every resident of working age. There have been regular fluctuations in job density.

**Table 4-1 Jobs Density**

Date	Published Total jobs	Jobs density	Population 16-64	Total jobs derived
2000	1,000	0.78	1,380	1,076
2001	1,000	0.99	1,385	1,371
2002	1,000	0.91	1,390	1,265
2003	1,000	0.84	1,435	1,205
2004	1,000	0.91	1,426	1,298
2005	1,000	0.94	1,500	1,410
2006	1,000	0.92	1,507	1,386
2007	1,000	0.93	1,520	1,414
2008	1,000	0.94	1,439	1,353
2009	1,000	0.97	1,396	1,354
2010	1,000	0.81	1,366	1,106
2011	1,000	0.90	1,375	1,238
2012	1,000	0.83	1,358	1,127
2013	1,000	0.86	1,362	1,171

\*© Crown Copyright (Census) 2011

- 4.3.5 Clearly the rounding used in the published total jobs figure skews the total jobs estimate. The table takes the published estimate of the population 16-64 for the relevant years, and applies the job density rate to this to derive an estimated job total.
- 4.3.6 An alternative source that is available is the Business register and employment survey (BRES) data for both public/private sector.
- 4.3.7 This shows employment around the 1,300 mark.

**Table 4-2 Level of Employment**

Date	Employees	Full-time employees	Part-time employees	Employment
2009	1,000	600	400	1,200
2010	1,100	700	400	1,200
2011	1,200	700	400	1,400
2012	1,100	700	400	1,200
2013	1,100	700	500	1,200
2014	1,200	700	400	1,300

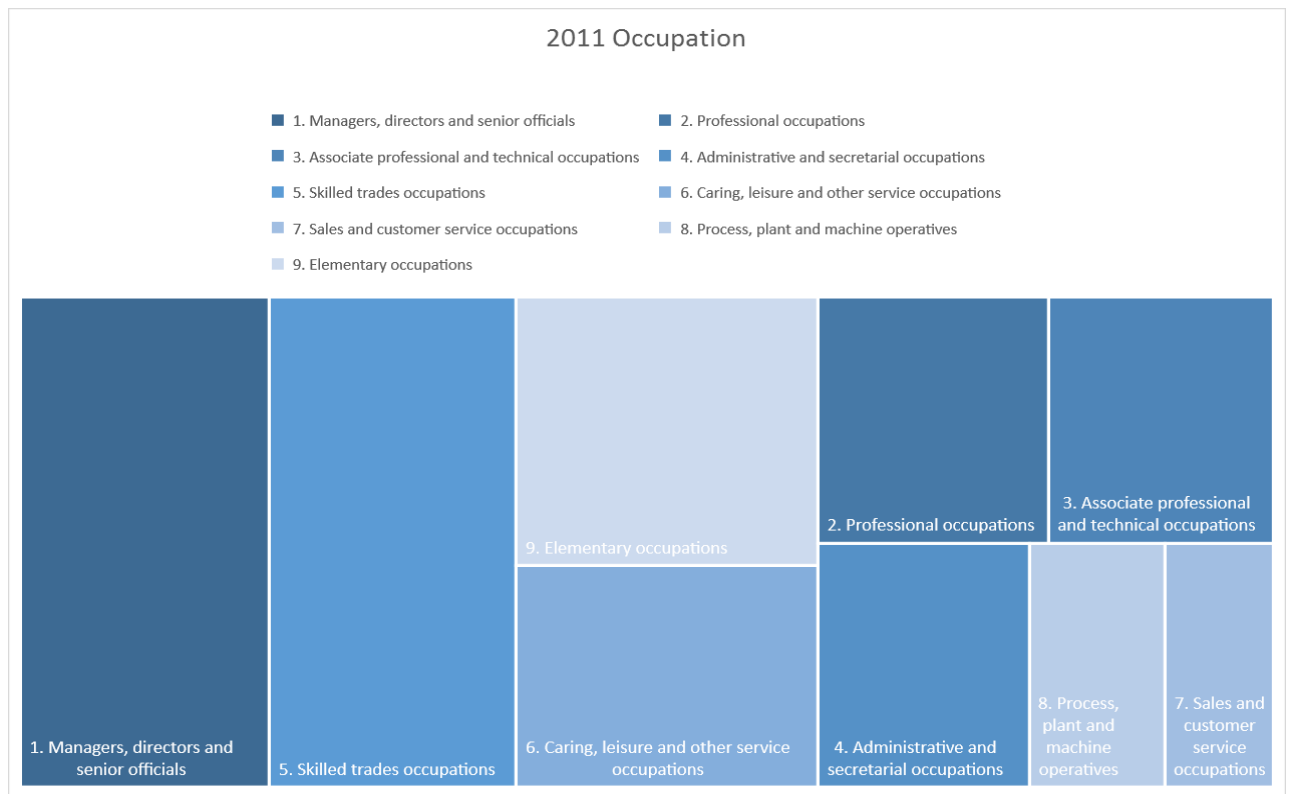
Source : Business Register and Employment Survey

## 4.4 Occupational Structure

- 4.4.1 The occupational structure of a population can be used to assess the competitiveness of an economy.
- 4.4.2 Figures below outlines the split by occupation of those who live on the Isles of Scilly. The occupational structure is linked to the industrial breakdown. This section uses a treemap, which shows the distribution of occupations proportionally at a headline level, shows more detailed data in a table, and then uses a radar chart to present the occupational split in a different format.



**Figure 4-1 2011 Occupation in Treemap**



\*© Crown Copyright (Census) 2011

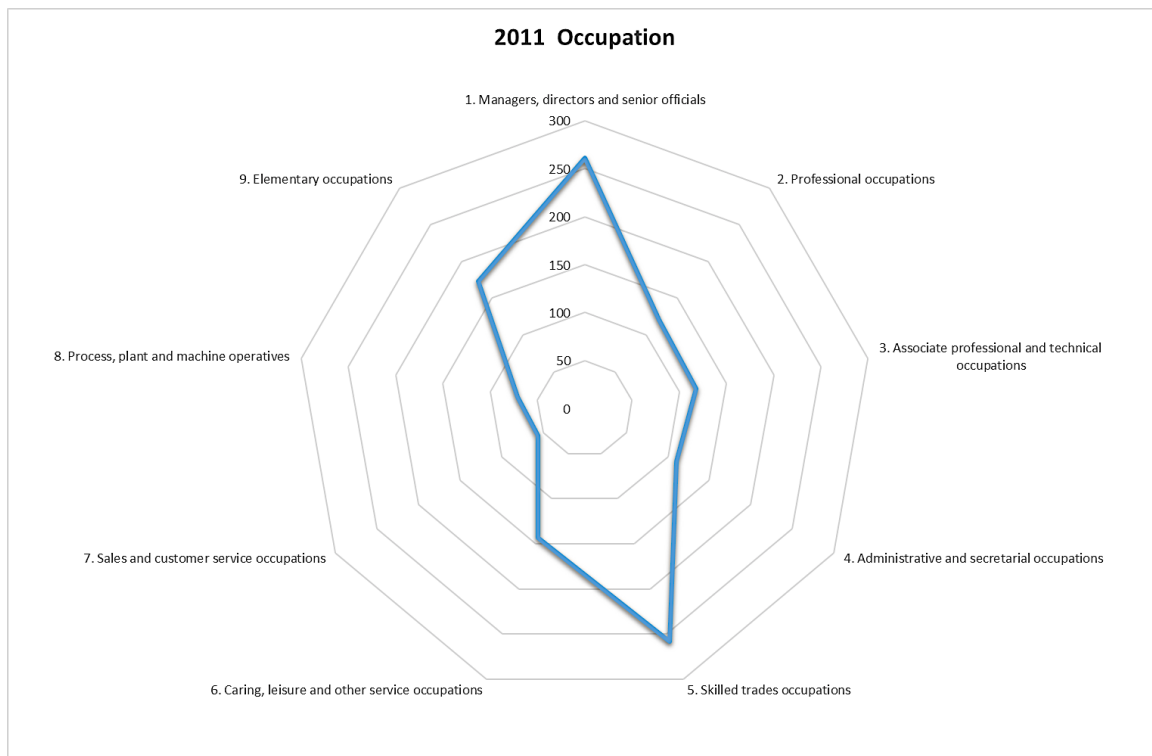
**Table 4-3 Occupational Structure**

Occupation	Isles of Scilly
All categories: Occupation	1,311
1. Managers, directors and senior officials	261
1.1 Corporate managers and directors	60
1.2 Other managers and proprietors	201
2. Professional occupations	121
2.1 Science research, engineering and technology professionals	13
2.2 Health professionals	26
2.3 Teaching and educational professionals	53
2.4 Business, media and public service professionals	29
3. Associate professional and technical occupations	118
3.1 Science, engineering and technology associate professionals	13
3.2 Health and social care associate professionals	10
3.3 Protective Service Occupations	22
3.4 Culture, media and sports occupations	22
3.5 Business and public service associate professionals	51
4. Administrative and secretarial occupations	110
4.1 Administrative occupations	72
4.2 Secretarial and related occupations	38
5. Skilled trades occupations	258
5.1 Skilled agricultural and related trades	76
5.2 Skilled metal, electrical and electronic trades	40
5.3 Skilled construction and building trades	69
5.4 Textiles, printing and other skilled trades	73
6. Caring, leisure and other service occupations	143
6.1 Caring personal service occupations	77
6.2 Leisure, travel and related personal service occupations	66
7. Sales and customer service occupations	56
7.1 Sales occupations	50
7.2 Customer service occupations	6
8. Process, plant and machine operatives	71
8.1 Process, plant and machine operatives	30
8.2 Transport and mobile machine drivers and operatives	41
9. Elementary occupations	173
9.1 Elementary trades and related occupations	43
9.2 Elementary administration and service occupations	130

\*© Crown Copyright (Census) 2011

- 4.4.3 The Isles of Scilly has high levels of Managers, directors and senior officials, reflecting the nature of smaller companies and a mix of skilled trades occupations.

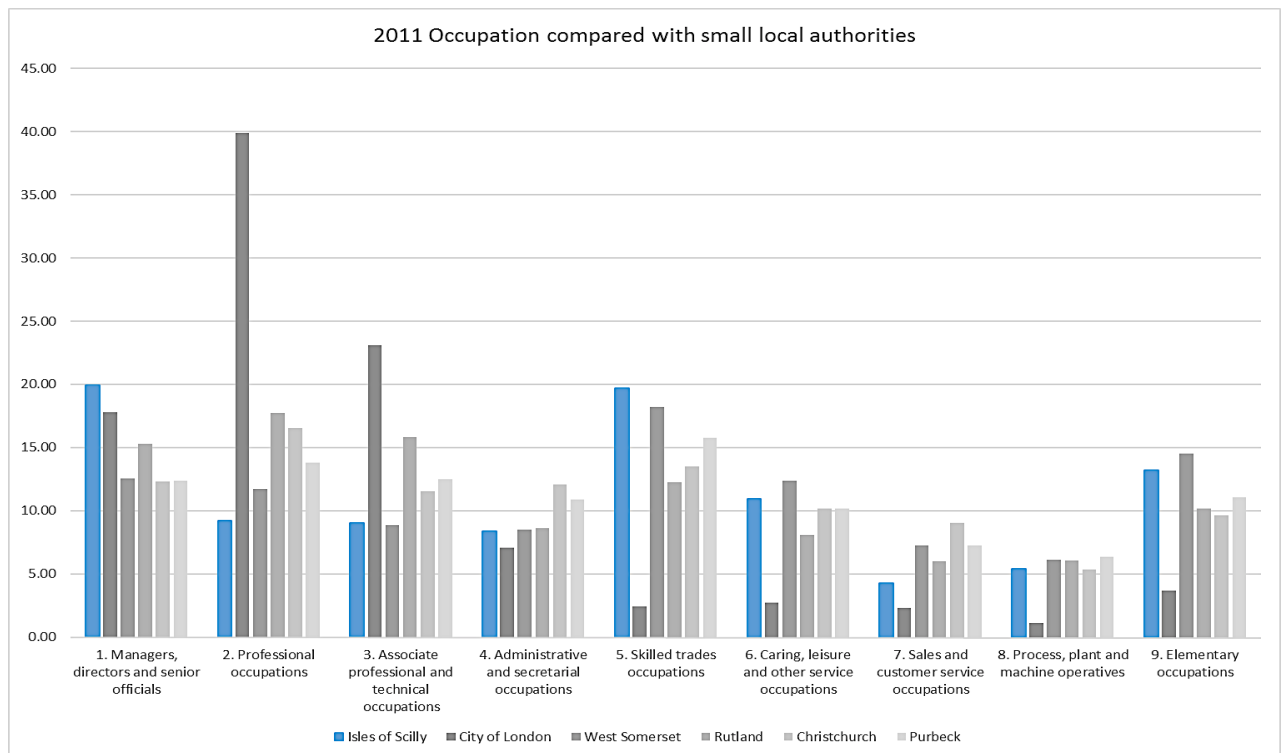
**Figure 4-2 2011 Occupation by radar chart**



\*© Crown Copyright (Census) 2011

4.4.4 This is strikingly so when compared with a mix of small local authorities (in population terms). The high level of Managers may be surprising when compared to the City of London.

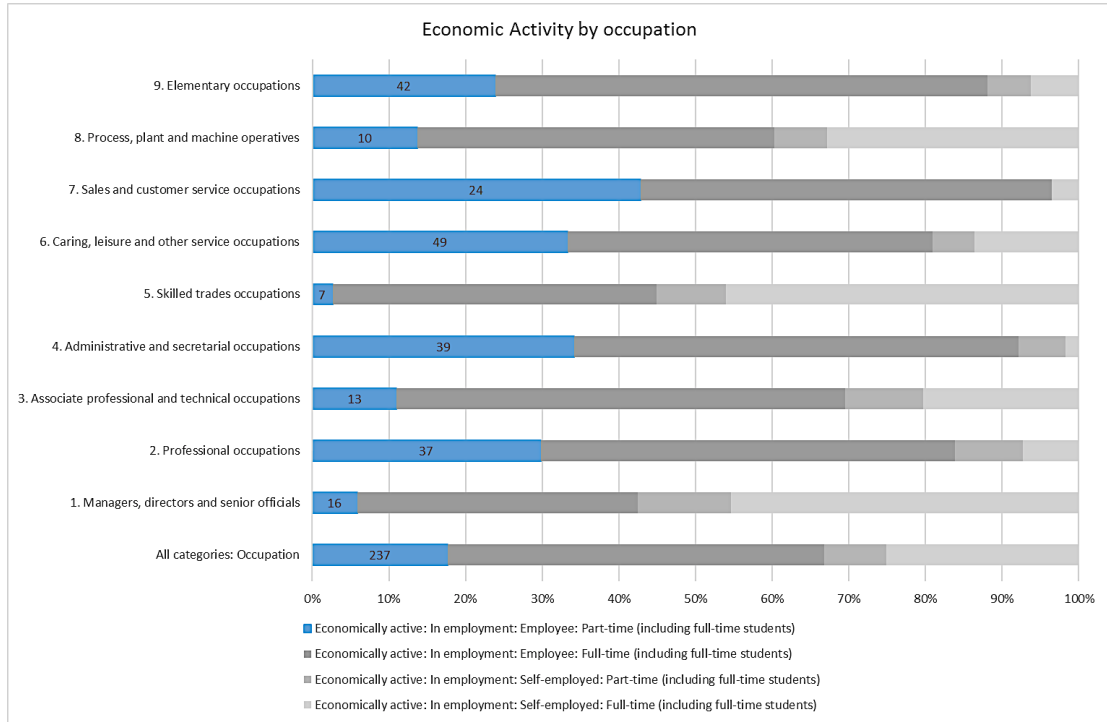
**Figure 4-3 2011 Occupation compared to other LA's**



\*© Crown Copyright (Census) 2011

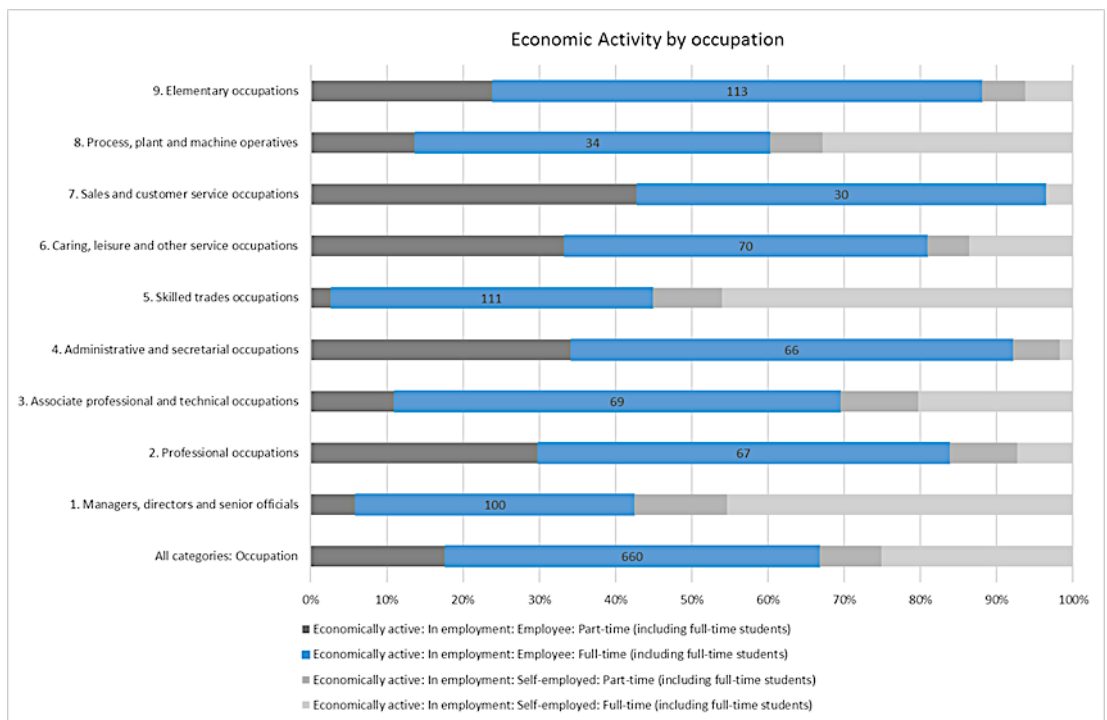
4.4.5 The 2011 Census also allows for a breakdown of occupation by economic activity, highlighting the splits between full and part time and employees and the self employed. The following four charts highlight this data. The charts show the percentage split of each category, but the actual value is shown in the highlighted section.

**Figure 4-4 Economic Activity – Economically active part-time**



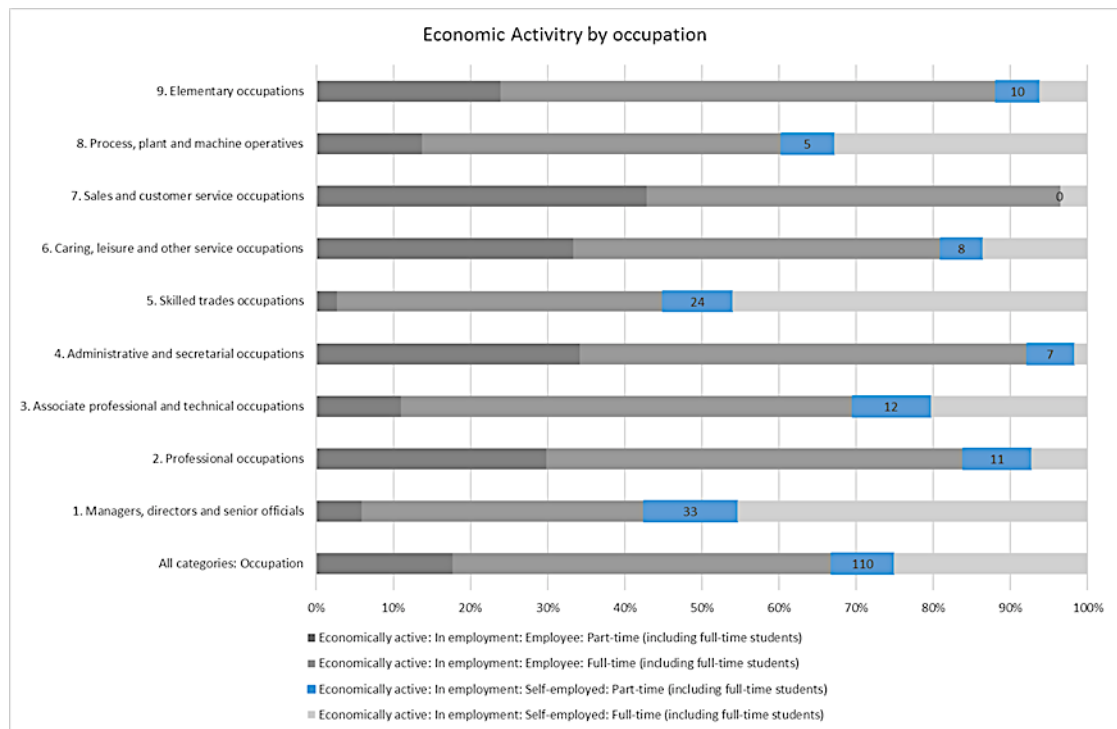
\*© Crown Copyright (Census) 2011

**Figure 4-5 Economic Activity – Economically active full-time**



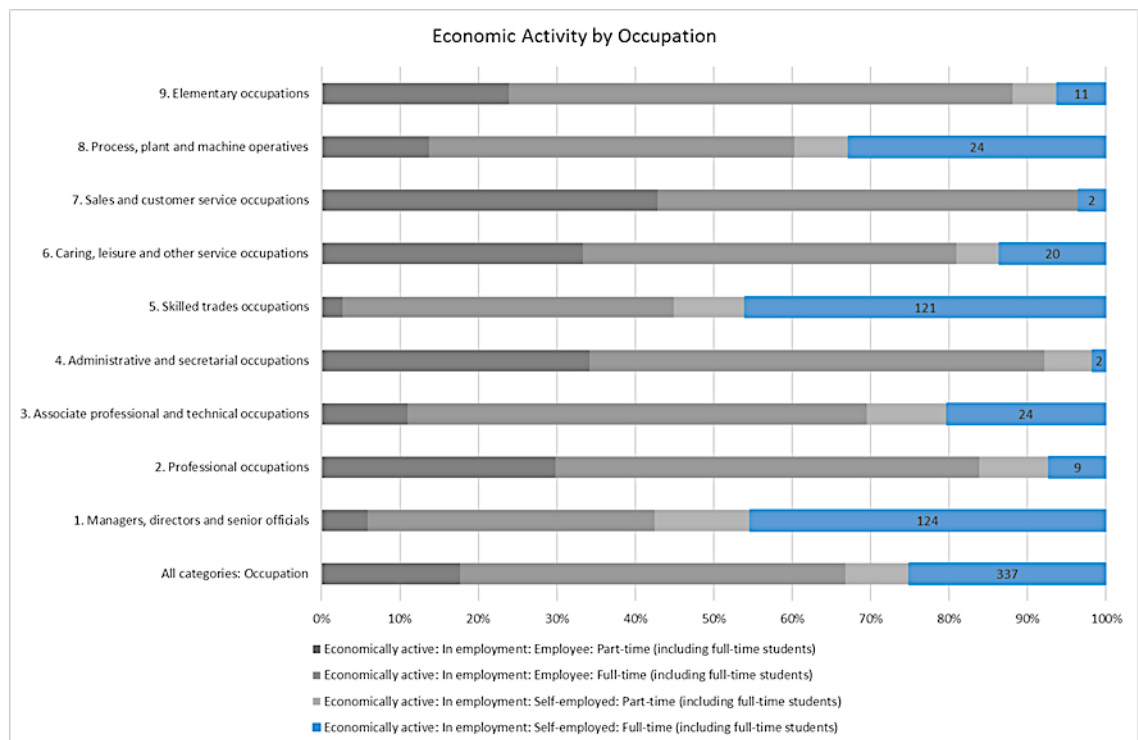
\*© Crown Copyright (Census) 2011

**Figure 4-6 Economic Activity – Economically active self employed full-time**



\*© Crown Copyright (Census) 2011

**Figure 4-7 Economic Activity – Economically active self employed full-time**



\*© Crown Copyright (Census) 2011

4.4.6 This data is collated in the following table overleaf.

**Table 4-4 Economic Activity**

Occupation	Economically active: In employment: Employee: Part-time (including full-time students)	Economically active: In employment: Employee: Full-time (including full-time students)	Economically active: In employment: Self-employed: Part-time (including full-time students)	Economically active: In employment: Self-employed: Full-time (including full-time students)
All categories: Occupation	237	660	110	337
1. Managers, directors and senior officials	16	100	33	124
2. Professional occupations	37	67	11	9
3. Associate professional and technical occupations	13	69	12	24
4. Administrative and secretarial occupations	39	66	7	2
5. Skilled trades occupations	7	111	24	121
6. Caring, leisure and other service occupations	49	70	8	20
7. Sales and customer service occupations	24	30	0	2
8. Process, plant and machine operatives	10	34	5	24
9. Elementary occupations	42	113	10	11

\*© Crown Copyright (Census) 2011

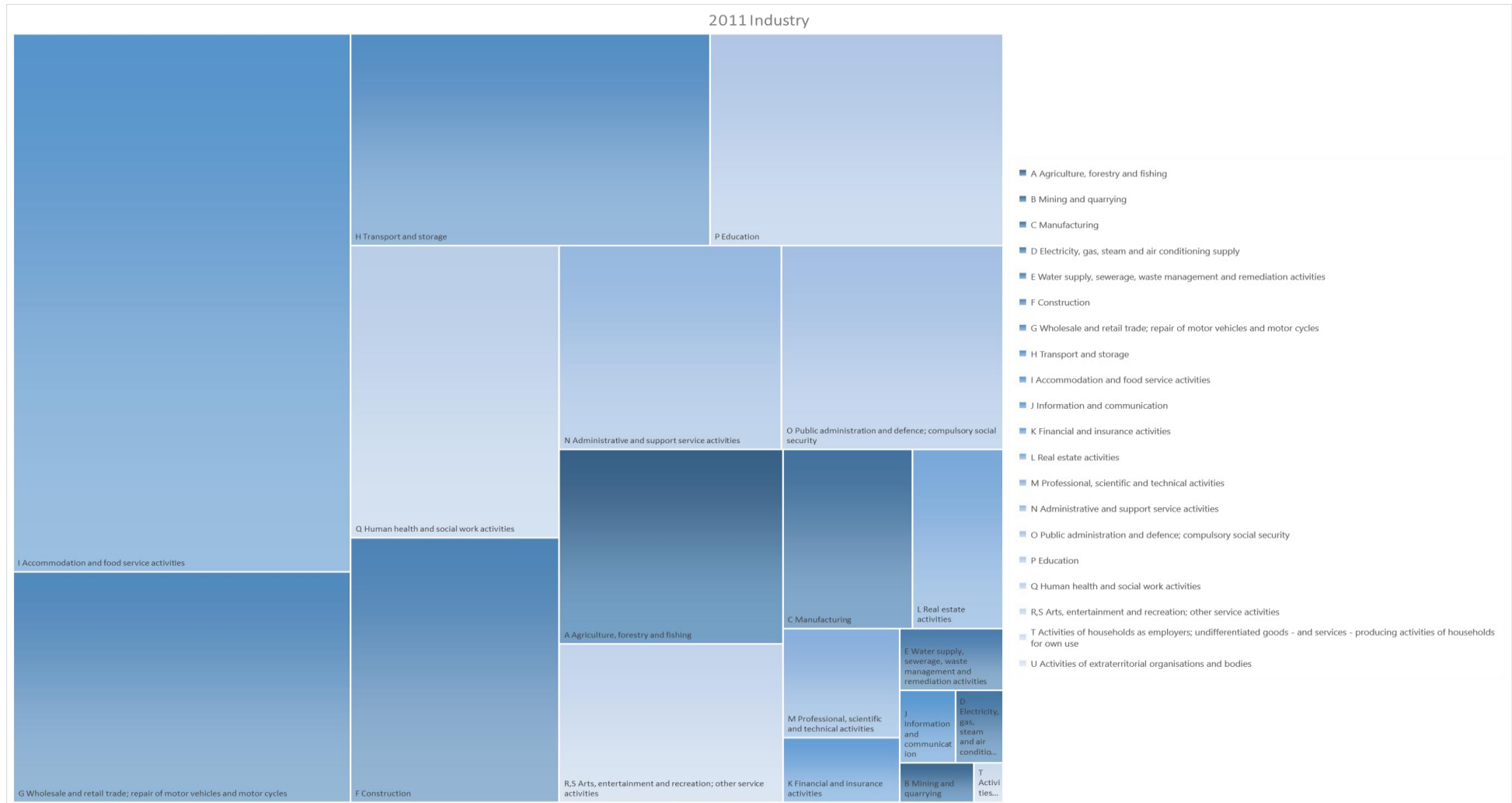
## 4.5 Industry

4.5.1 The industrial structure of an economy can be used to assess the competitiveness of an economy. The tables and figures below outlines the split by industry of those who live on the Isles of Scilly.

**Table 4-5 Industry Sector**

	IOS
A Agriculture, forestry and fishing	75
B Mining and quarrying	5
C Manufacturing	40
D Electricity, gas, steam and air conditioning supply	6
E Water supply, sewerage, waste management and remediation activities	11
F Construction	95
G Wholesale and retail trade; repair of motor vehicles and motor cycles	134
H Transport and storage	131
I Accommodation and food service activities	313
J Information and communication	7
K Financial and insurance activities	13
L Real estate activities	28
M Professional, scientific and technical activities	22
N Administrative and support service activities	78
O Public administration and defence; compulsory social security	78
P Education	107
Q Human health and social work activities	105
R,S Arts, entertainment and recreation; other service activities	61
T Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	2
U Activities of extraterritorial organisations and bodies	0

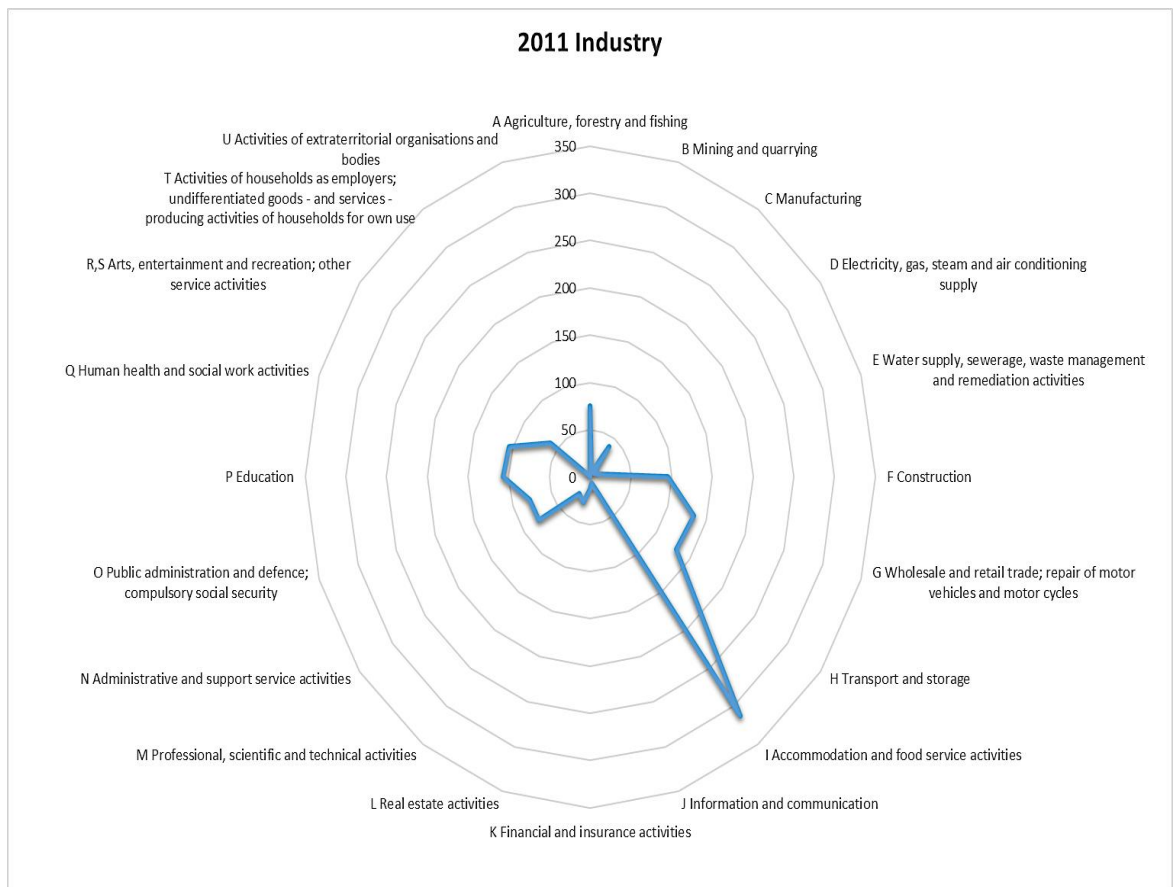
**Figure 4-8 Economic Activity – Economically active self employed full-time**





4.5.2 The industrial breakdown of the Isles of Scilly economy is dominated by accommodation and food services sector, in employment terms.

**Figure 4-9 2011 Industry**

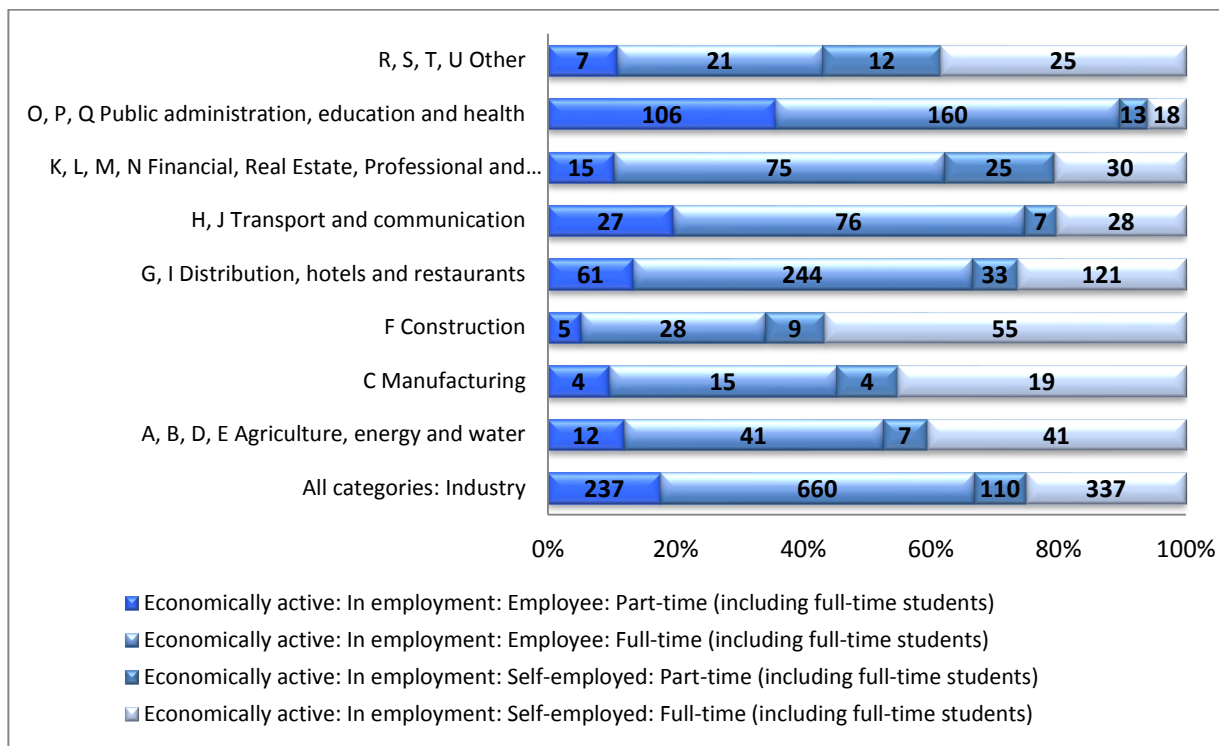


4.5.3 This chart highlights the dominance in employment of accommodation and food services activities.

4.5.4 The 2011 Census also allows for a breakdown of industry by economic activity, highlighting the splits between full and part time and employees and the self-employed. The following chart highlights this data. The chart shows the percentage split of each category, but the actual value is shown in the highlighted section.

## 4.6 Industry by Economic Activity

Figure 4-10 2011 Industry by those Economically Active

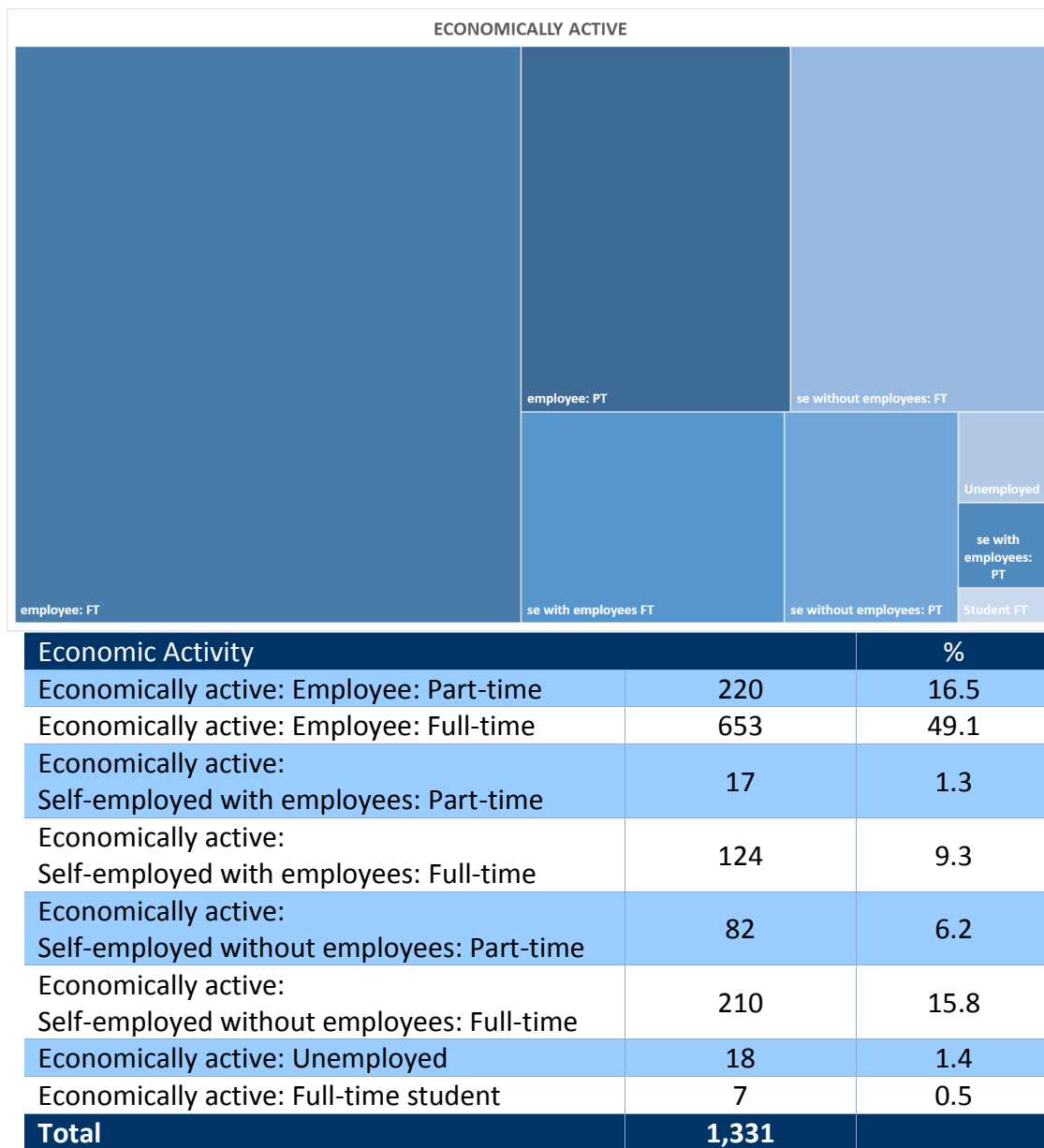


## 4.7 Labour Supply

- 4.7.1 It is important to understand the extent to which the working age population is engaged within the labour market. The ONS define working age population as 16-64, however clearly there is increasing levels of economic activity post 65.
- 4.7.2 Labour supply consists of people who are employed as well as people defined as unemployed or economically inactive, who can be considered as potential labour supply, Information in this section relates to the characteristics of the residents of the Isles of Scilly.
- 4.7.3 There are separate figures available for those who live elsewhere but work on the Isles of Scilly.
- 4.7.4 Data is normally taken from the Annual Population Survey which is published on a quarterly basis, however there is limited availability for the Isles of Scilly to due to size of the sampling. 2011 Census data is used where available.
- 4.7.5 Economic activity relates to whether or not a person who was working or looking for work in the week before Census.
- 4.7.6 Rather than a simple indicator of whether or not someone was currently in employment, it provides a measure of whether or not a person was an active participant in the labour market.

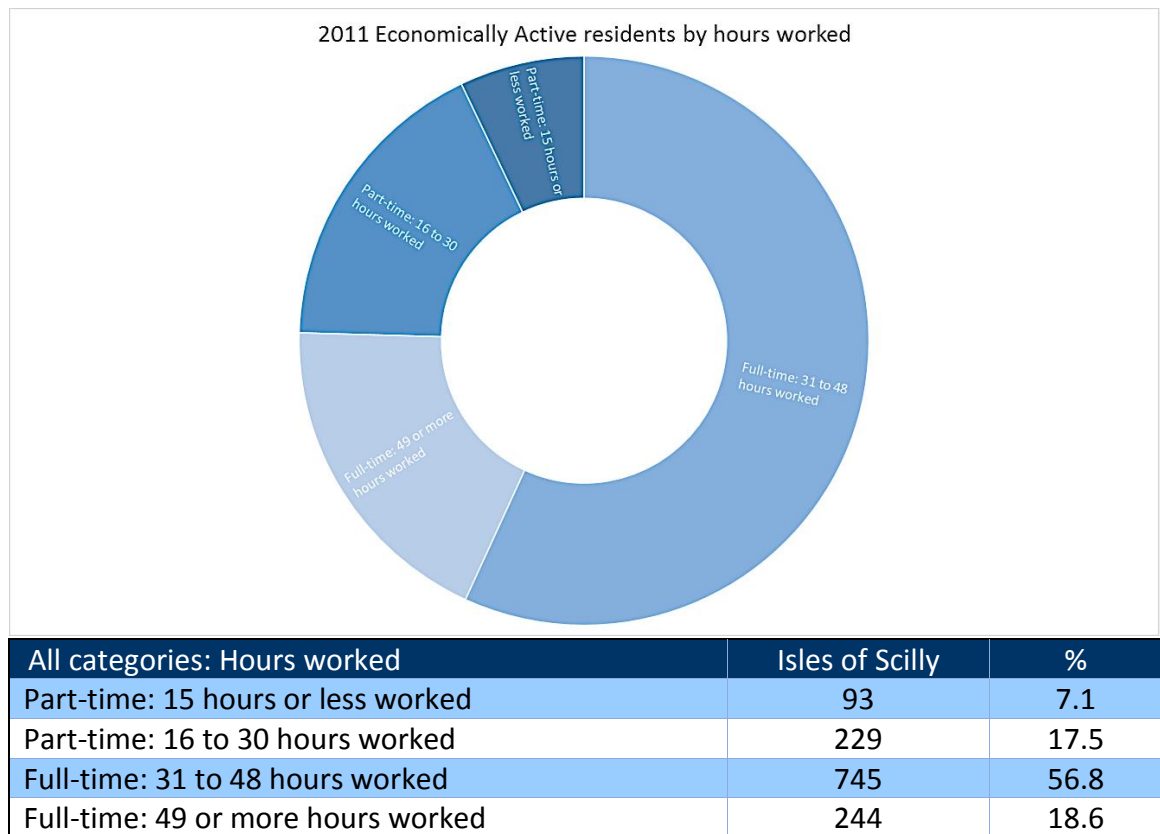
## 4.8 Economic Activity levels

Figure 4-11 Economically Active



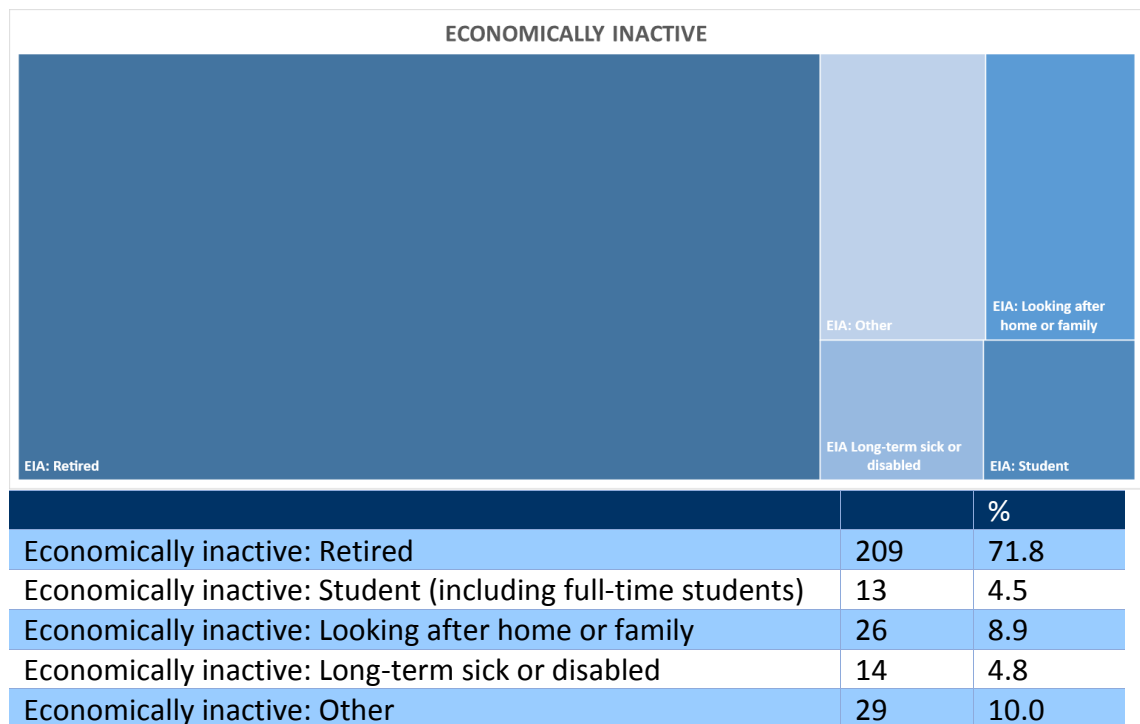
- 4.8.1 The dominant type of economic activity is full time as an employee (49%) with part time as an employee and self-employed without employees accounting for a further 32%.
- 4.8.2 The 2011 Census gives a breakdown of economic activity by hours worked. This shows nearly 60% of those in employment working 31-48 hours full time, but a further 19% work more than 49 hours a week.

**Figure 4-12 Economically Active**



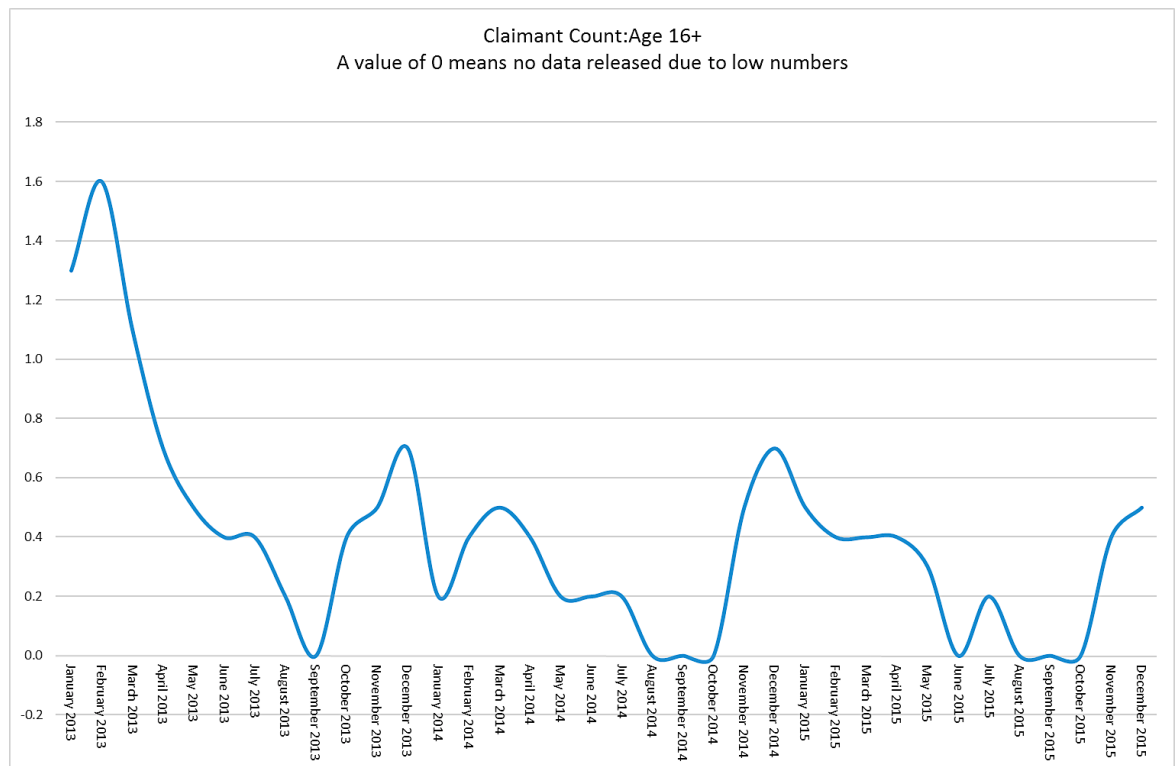
## 4.9 Economic Inactivity

**Figure 4-13 Economically in-active**



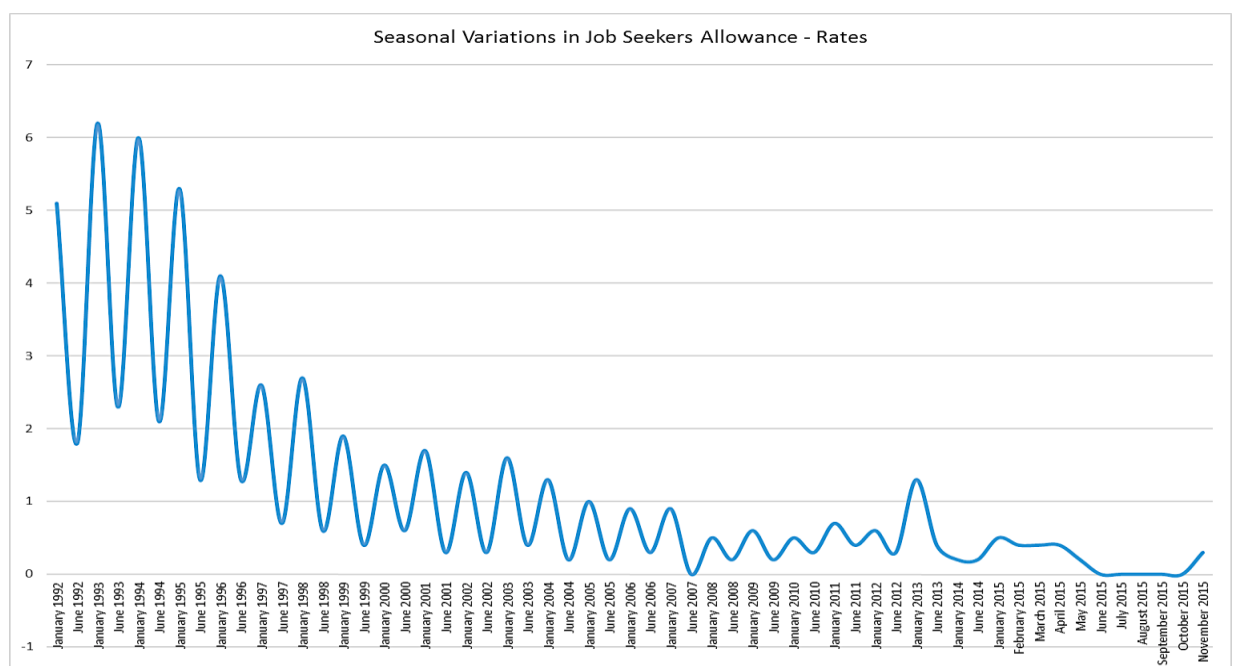
4.9.1 There are two available measures of not in work – covered by the Claimant Count and Job Seeker Allowance.

**Figure 4-14 Claimant Count**



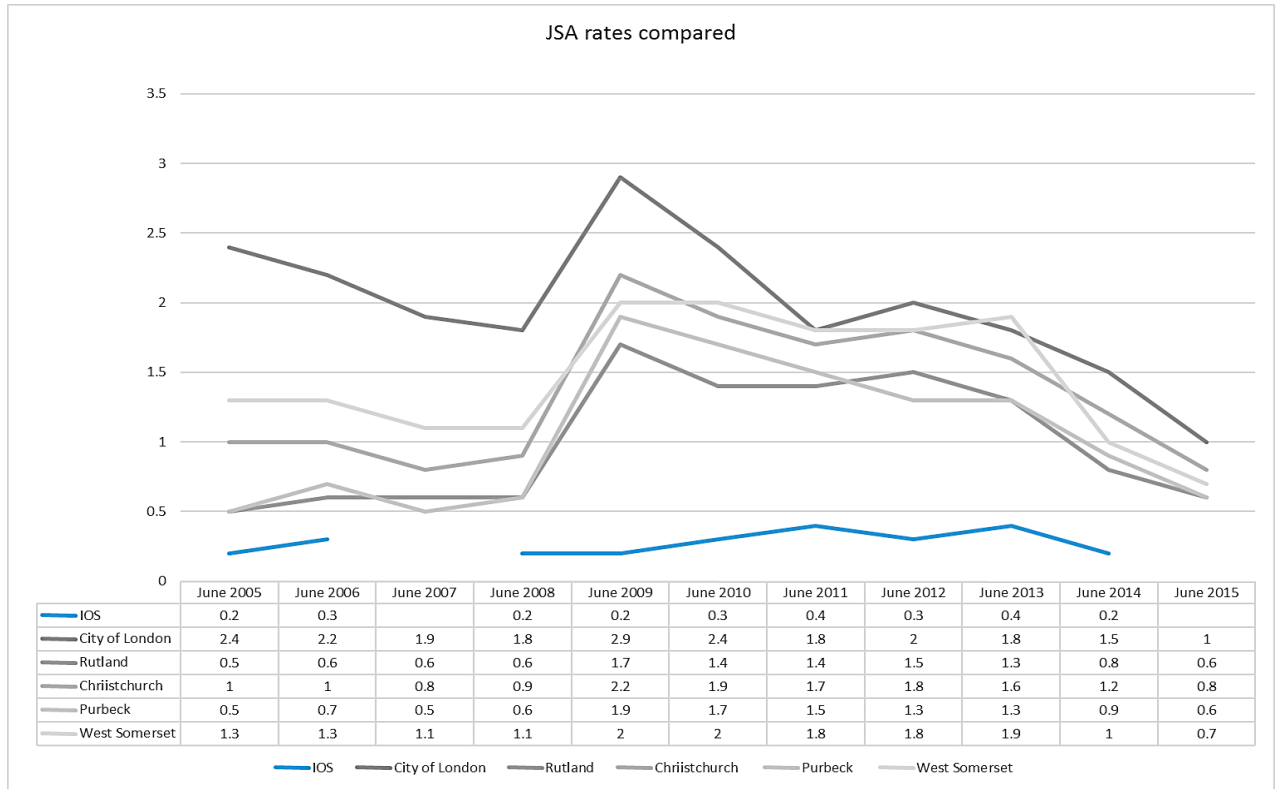
4.9.2 There are some missing values in the chart, represented by values of 0. A rate was not available due to the small numbers involved. This chart shows data across the last three years, and shows both seasonal variations (higher in winter) and a gradual reduction in rates, in part mirroring a return to pre-recession levels.

**Figure 4-15 Seasonal Variances in JSA**



- 4.9.3 This chart looks at January and July data and shows a clear seasonal variation, and the falling rate already seen in the claimant count data.
- 4.9.4 Comparing the Isles of Scilly with other smaller local authorities shows that the islands have clearly lower rates.

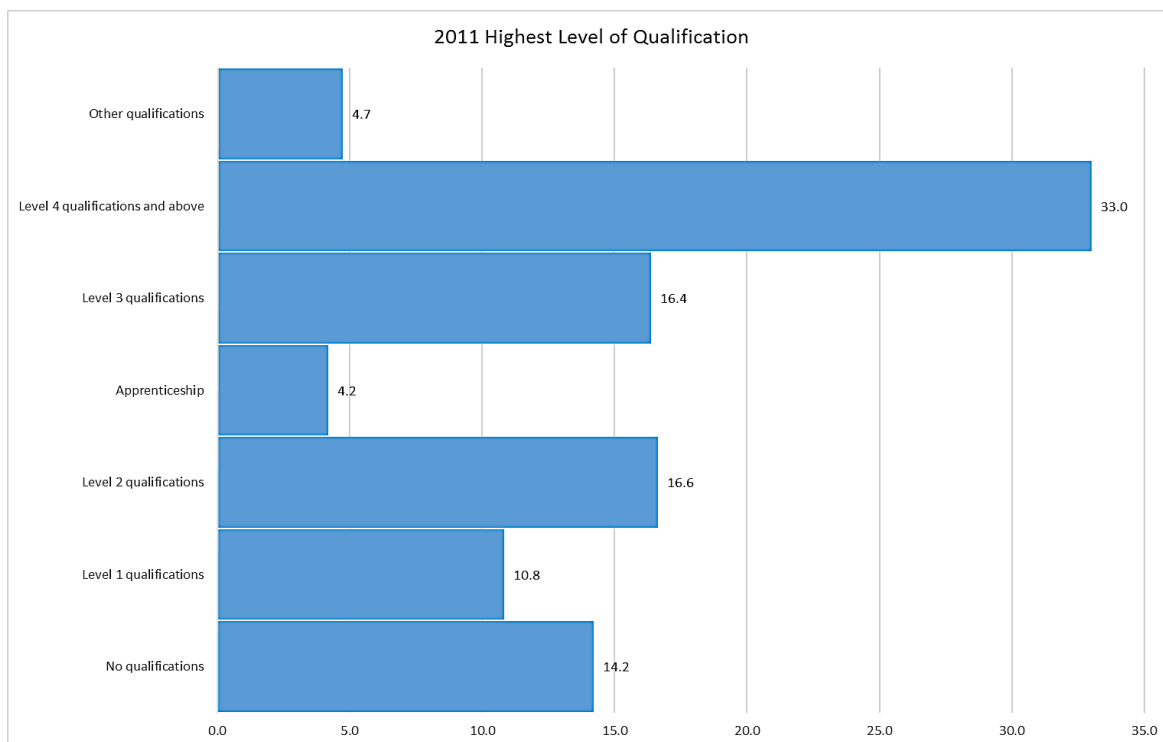
**Figure 4-16 Seasonal Variances in JSA**



### 4.10 Qualifications

4.10.1 The 2011 census records the highest level of qualifications that people aged 16 and over had at the time of the Census.

**Figure 4-17 Highest Levels of Qualification**

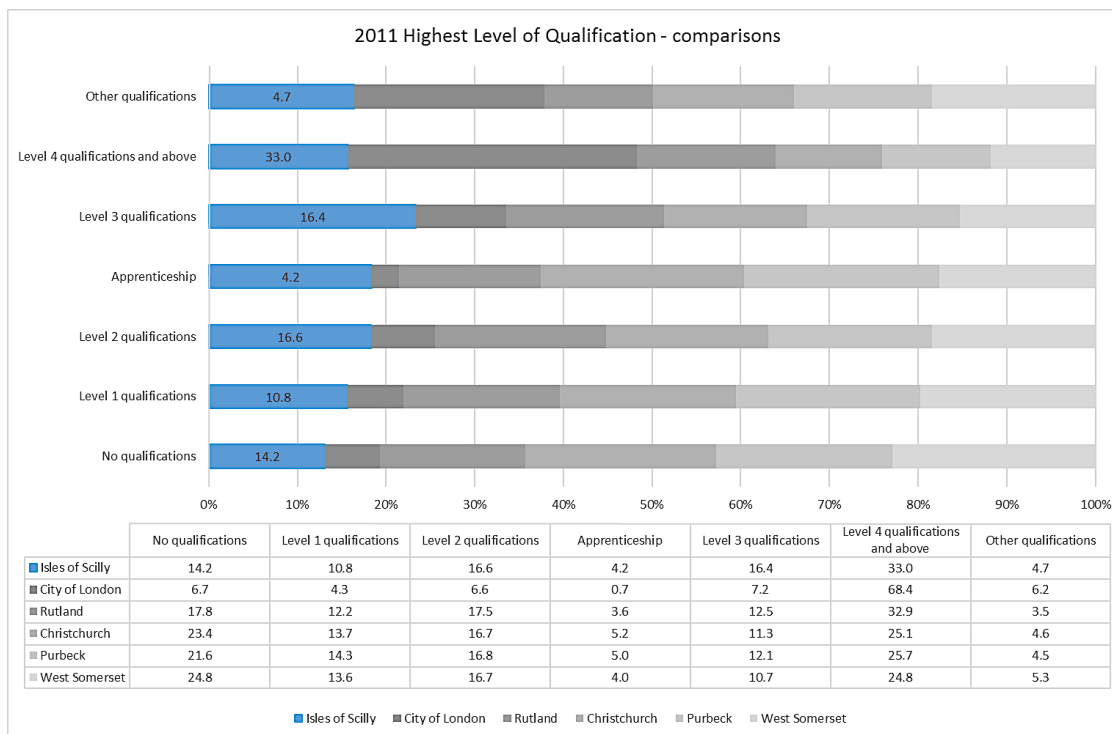


Qualification	Isles of Scilly
No qualifications	264
Level 1 qualifications	201
Level 2 qualifications	309
Apprenticeship	78
Level 3 qualifications	304
Level 4 qualifications and above	613
Other qualifications	88
<b>All categories: Highest level of qualification</b>	<b>1,857</b>

4.10.2 The Isles of Scilly has a relatively high level of people with Level 4 qualifications and above (degree level).

4.10.3 When looking at other local authorities, the Isles of Scilly has the second highest level of Level 4 plus qualifications, and lower levels of people with no qualifications.

**Figure 4-18 Seasonal Variances in JSA**



## 4.11 Commuting Data

4.11.1 The 2011 Census shows small levels of commuting on and off the IoS. Around 94 residents of Cornwall work on the Isles of Scilly, this could be people working on short term contracts on Scilly with a permanent base in Cornwall e.g. police, bank etc. as well as around 88 residents of the Isles of Scilly who work in Cornwall. Flows elsewhere are small, but could well represent high value work in terms of the out commute.

**Table 4-6 Residence by Place of Work**

Place of work	Usual residence		
	Isles of Scilly	Cornwall	England and Wales
England and Wales	14	-	-
Isles of Scilly	664	94	25
Cornwall	88	-	-

\*© Crown Copyright (Census) 2011 (

4.11.2 The 2011 Census also shows 447 residents work at or from home, and 664 travel from home to work within the islands. A further 100 have no fixed place of work.

**Table 4-7 Island Residents by Place of Work**

Place of work	currently residing in	
	Cornwall	Isles of Scilly
Mainly work at or from home	39,626	447
No fixed place	23,419	100
Offshore installation	606	14
Outside UK	438	2
Cornwall	163,569	88
Isles of Scilly	94	664



## 4.12 Key Messages from the Secondary Data

- 4.12.1 Limited data and issues with rounding are important in trying to unravel detail of economic characteristics. Using 2011 census data is a robust base, but should be tested by the Council with local knowledge of activity and issues since.
- 4.12.2 The occupational and industry profile of the Islands represents the more self-sufficient nature of life on the Islands, the influence of tourism, and both the importance of the public sector and small companies.

## 4.13 Economic Survey Data

- 4.13.1 The 2015 survey asked heads of households a question in relation to their place of work. The following table shows the full breakdown.

**Table 4-8 Workplace of Head of Household**

Question 15e

Workplace	%	N <sup>os</sup> . implied
St Mary's	72.9	415
Tresco	11.7	67
St Martin's	8.7	50
St Agnes	3.4	19
Bryher	2.1	12
Elsewhere in the UK	1.2	7
Cornwall	0.0	0
<b>Total</b>	<b>100.0</b>	<b>570</b>

Source: 2015 Household Survey

- 4.13.2 The majority of heads of household worked on St Mary's (72.9%) followed by 11.7% who worked on Tresco. 1.2% worked from elsewhere in the UK and no respondents worked in Cornwall, despite there being 88 identified in the 2011 Census. Potentially the survey might not pick up those who are in temporary work and potentially employer provided accommodation compared with the census, which will have.

## 4.14 Incomes and Housing Costs

- 4.14.1 Income, and particularly household income, is one of the fundamental determinants of the ability of households to access home ownership or the market rented sector.
- 4.14.2 The incomes in this section are based on the total annual household gross income, i.e. head of household and their partner.
- 4.14.3 The former *Good Practice Guidance, 2000* (page 62) presents a conflict in that having said it is important for surveys to gather income data it then suggests 'it is difficult to estimate the incomes of future concealed households'.
- 4.14.4 New households at this point may have circumstances, which change quickly. It suggests therefore that the incomes of households who recently formed should be examined, although even this is not without difficulty.

- 4.14.5 Particularly in areas where there are shortages of affordable housing and with high house prices, households who accessed the market are only those with adequate income or financial support from parents or family.
- 4.14.6 As the guidance states (page 25) ‘these are likely to be more reliable, although even here care is needed. Some potential households may not have been able to form owing to lack of suitable, affordable accommodation.’

## 4.15 Existing Household Savings

- 4.15.1 The following group of tables relate to savings, equity and income of existing households, beginning with a question on savings held which was answered by 86.2% of existing households (840 implied).

**Table 4-9 Household Savings (existing households)**

Question 16a

Savings	%	Cum %
No savings	16.2	16.2
Under £5,000	13.1	29.3
£5,000 - £10,000	11.4	40.7
£10,001 - £15,000	6.6	47.3
£15,001 - £20,000	4.3	51.6
£20,001 - £30,000	9.1	60.7
Above £30,000	39.3	100.0

Source: 2015 Household Survey

- 4.15.2 The data shows that 16.2% had no savings and nearly a third of households had less than £5,000 in savings. However a fairly high proportion (39.3%) of households had savings in excess of £30,000.

## 4.16 Equity

- 4.16.1 The next table relates to the level of equity ownership in their home and was answered by 96% of owner-occupier respondents.

**Table 4-10 Level of Equity in Present Accommodation**

Question 16b

Level of Equity	%	Cum %
Negative Equity	0.3	0.3
Below - £50,000	4.4	4.7
£50,001 - £100,000	4.0	8.7
£100,001 - £200,000	12.9	21.6
£200,001 - £300,000	25.5	47.1
Above £300,000	52.9	100.0

Source: 2015 Household Survey

- 4.16.2 52.9% of respondents indicated equity ownership of over £300,000. Only 0.3% of owner-occupiers were in negative equity.

## 4.17 Existing Household Incomes

**Table 4-11 Gross Annual Income of all Existing Households**

Question 16c

Annual income		All Existing Households	
		%	Cum %
None		2.9	2.9
Under	£10,000	6.8	9.7
£10,000 - £15,000		12.1	21.8
£15,001 - £20,000		13.2	35.0
£20,001 - £30,000		22.7	57.7
£30,001 - £45,000		20.9	78.6
£45,001 - £75,000		17.6	96.2
£75,001 - £100,000		2.6	98.8
Above	£100,000	1.2	100.0

Note: Excluding benefits / allowances Source: 2015 Household Survey (282 raw data cases)

- 4.17.1 The response rate to the income question from existing households was 82.4% (808 implied). This gives a very good indication of the income levels on the Islands.
- 4.17.2 The data shows that 35% of households had incomes below £20,000. The total proportion earning below the regional (South West) average of £26,518 per annum (source: Annual Survey Hours Earnings ASHE 2015, median income) was 49.5%, the average earning below the corresponding figure in Cornwall of £23,346, with 42.6% on the Islands earning below the Cornwall County average. It should be noted there is no ASHE data for the Isles of Scilly due to the low reliability of the data sample.
- 4.17.3 21.4% of households stated that they earned over £45,000 with 3.8% earning in excess of £75,000.

## 4.18 Concealed Households

- 4.18.1 A concealed household is someone living within a household but who wants to move to their own accommodation and form a separate household (e.g. adult children living with their parents).

## 4.19 Saving Levels of Concealed Households

- 4.19.1 The level of savings held by concealed households is outlined in the table below.

**Table 4-12 Concealed Household Savings**

Question 39b

Savings		%	Cum %
No Savings		28.5	28.5
Under	£2,000	35.7	64.2
£2,000 - £25,000		14.3	78.5
£25,001 - £50,000		10.7	89.2
Over	£50,000	10.8	100.0

Source: 2015 Household Survey

- 4.19.2 84.8% of concealed households moving responded to a question asking about the level of savings available to meet deposit, stamp duty and legal costs for those intending to buy their new home.

- 4.19.3 Almost a third of all concealed households moving do not have any savings and 35.7% have savings under £2,000. Of those who did have savings, 21.4% have in excess of £25,000 in savings and unless significant support is available from parents for a deposit, they will be limited to the rental or intermediate sector.
- 4.19.4 Concealed households were asked if they would receive help with a deposit from their parents or relatives; 40.7% said there was no help available. 22.2% said they would get help in the form of a gift and 37% by means of a loan. No concealed households said they did not require assistance.

## 4.20 Concealed Household Incomes

- 4.20.1 A response to the income question was received from 81.8% of concealed households moving within the Islands (27 implied). The proportion below the £20,000 income band was 67.9%.

**Table 4-13 Gross Annual Income of Concealed Households**

Question 40da

Annual Income	Response	
	%	Cum %
None	7.2	7.2
Under £10,000	17.8	25.0
£10,001 - £15,000	17.8	42.8
£15,001 - £20,000	25.1	67.9
£20,001 - £30,000	10.7	78.6
£30,001 - £40,000	0.0	78.6
£40,001 - £50,000	10.7	89.3
£50,001 - £75,000	0.0	89.3
£75,001 - £100,000	0.0	89.3
Above £100,000	10.7	100.0

Source: 2015 Household Survey

Note : based on a low sample

- 4.20.2 74.9% of concealed households earned below the regional average level of £26,518. Low incomes, coupled with a low level of savings will hinder an access to an already restricted market for concealed households.

## 4.21 Rents and Mortgage Costs (Concealed Households)

- 4.21.1 The following table shows the levels of rent / mortgage new forming households would be willing to pay per month.

**Table 4-14 Rent / mortgage able to be paid for accommodation**

Question 40a

Rent / Mortgage	%	Cum %
Below £75pw / £325pcm	19.0	19.0
£75 - £100pw / £325 - £433pcm	14.5	33.5
£101 - £150pw / £433 - £650pcm	25.6	59.1
£151 - £173pw / £651 - £750pcm	21.5	80.6
£174 - £196pw / £751 - £850pcm	0.0	80.6
£197 - £230pw / £850 - £1,000pcm	9.7	90.3
Above £230 / £1,000pcm	9.7	100.0

Source: 2015 Household Survey

4.21.2 Around 59% of concealed households were willing to pay no more than £550 pcm and 80.6% no more than £750 per calendar month for accommodation.

4.21.3 19% of concealed households said they would be likely to claim Housing Benefit.

## 4.22 Incomes of Recently Formed Households

**Table 4-15 Gross Annual Income of Recently Formed Households**

Question 16c x 5c

Annual income		Newly Formed Households 2012-2015	
		%	Cum %
None		0.0	0.0
Under	£10,000	0.0	0.0
£10,000 - £15,000		0.0	0.0
£15,001 - £20,000		80.2	80.2
£20,001 - £30,000		0.0	80.2
£30,001 - £45,000		19.8	100.0
£45,001 - £75,000		0.0	--
£75,001 - £100,000		0.0	--
Above	£100,000	0.0	--

Source: 2015 Household Survey

Note : Low Sample

4.22.1 80.2% of households who formed their first home in the past three years have incomes between £15,000 and £20,000. 19.8% earn between £30,000 - £45,000. These figures are based on a low sample of 14 implied cases who formed over the last 3 years.

## 5 HOUSING MARKET SIGNALS

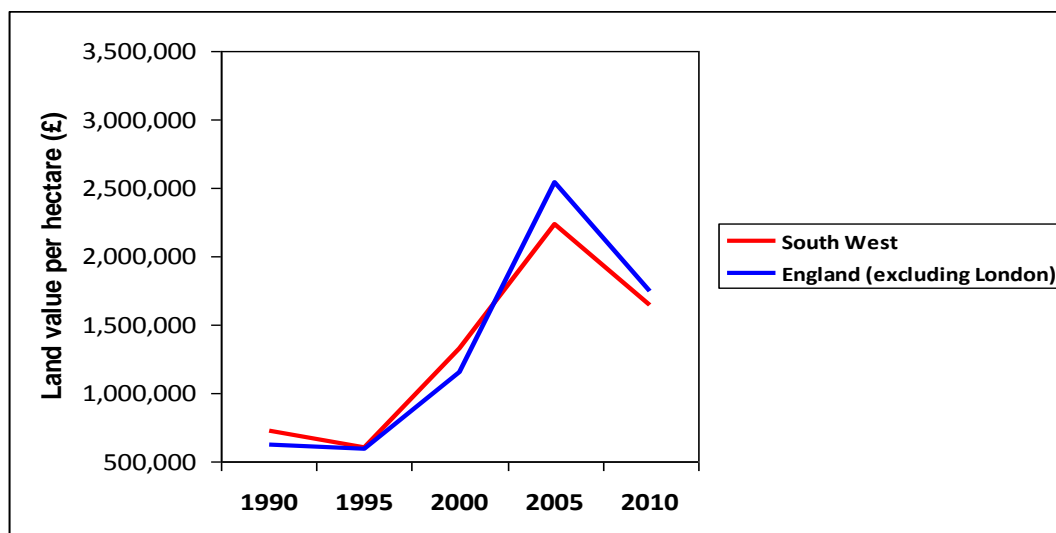
### 5.1 Introduction

- 5.1.1 The National Planning Policy Guidance paragraph 15 refers to the starting point of the objectively assessed housing needs calculation being the CLG household projections, which should be adjusted to reflect appropriate market signals.
- 5.1.2 The NPPG discusses a range of market signals on land values, house prices and rents, over-crowding and under-delivery which should be considered over the long term and comparatively with regional and national data, to determine whether any adjustment to the household projections is required to better reflect the total future housing needs of the market area.
- 5.1.3 The relevant market signals as listed in the NPPG have been fully taken into account in the SHMA preparation, it is acknowledged that some of the factors differ significantly from a 'mainland authority' market. We provide a toolkit for the Council to review annually in the AMR.

### 5.2 Land Prices

- 5.2.1 Changes in land prices is one of the key market signals to be considered. However data is limited and is mainly available on residential land values at regional level.
- 5.2.2 The following graph indicates the value for residential development land in England (excluding London) and South West between 1990 and 2010.

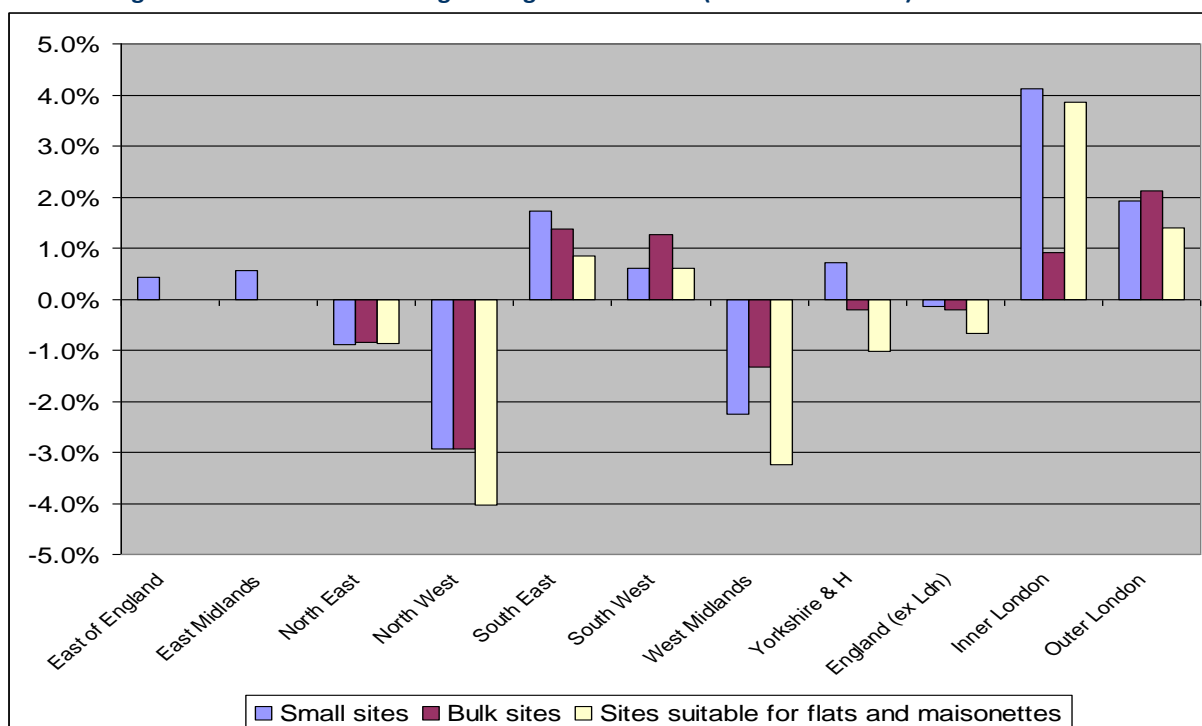
**Figure 5-1 Trend in Residential Land Value (£ per hectare) 1990-2010**



Source: VOA 2010

- 5.2.3 Overall the analysis shows that the growth in land value in the South West follows a similar pattern to the national level, a significant rise over the decade from 1995 to 2005 and then a decline in the market recession up to 2010.
- 5.2.4 The following graph shows the change in residential land values between January 2010 and July 2010 by region and land type.

**Figure 5-2 Percentage change in land value (Jan 2010-Jul 2010)**



Source: VOA 2010

5.2.5 In the South West, land price for bulk sites shows the highest increase of just over 1% since January 2010. Land prices for small sites and sites suitable for flats and maisonettes has also increased but on a smaller scale by less than 1% and shows similar growth levels to the East Region, East Midlands, the South East and Yorkshire.

5.2.6 The table below shows residential land values at a more local level in 2010. Data is not available for Cornwall and Isles of Scilly therefore we have only included the areas that are available.

**Table 5-1 Local level residential land values (July 2010)**

Area	Type		
	Small Sites (£/ha)	Bulk Land (£/ha)	Sites for Flats and Maisonettes (£/ha)
North Devon	1,500,000	1,250,000	1,500,000
Plymouth	1,500,000	1,450,000	1,400,000
South West	1,877,273	1,618,182	1,954,545
England (excluding London)	1,866,479	1,748,185	1,832,738

Source: VOA 2010

5.2.7 The land value for small sites in North Devon and Plymouth is lower than the national and regional average.

5.2.8 Recent research completed in 2013 by Savills\* found that Greenfield land values nationally are still 32% below their peak in 2007. Urban land values were found to be less than half the levels pre-recession.

- 5.2.9 As with rents, there is limited publicly available data which follows trends in land values (especially since the VOA has stopped publishing Annual Property Market Reports since 2010).
- 5.2.10 Research by Savills in 2013 showed that for example, land values in the South East have fallen -26% compared with their former peak (compared with -32% nationally) and urban land values are -52% of their former peak compared with -53% nationally.
- 5.2.11 The following table shows the estimated residual land values in 2015. These have been calculated using a truncated residual valuation model. This involves valuing the proposed development and deducting the development costs, including allowances for base build cost, developer's profit, marketing costs, fees, and finance to leave a "residual" for the site value.

**Table 5-2 Estimated Residual Land values**

Area	Estimated Land Values £
Isles of Scilly	2,986,000
Cornwall	2,400,000
Plymouth	1,645,000
South West	2,000,000
England (excluding London)	2,100,000

Source: 2015 VOA

### 5.3 Conclusion

- 5.3.1 Land prices in both Cornwall and the IoS are much higher than in the average in England and the South West region. The pattern of price change over the last 20 years has been similar. There was growth from the mid-90s through to the peak of the housing market before the credit crunch in 2007/08, with a sharp fall in prices to 2009, which have then stabilised.
- 5.3.2 This pattern applies across the South West and there is no evidence to suggest that the Isles of Scilly is significantly different to the regional and national trend. Therefore there is no specific adjustment required to the total housing need from this element.

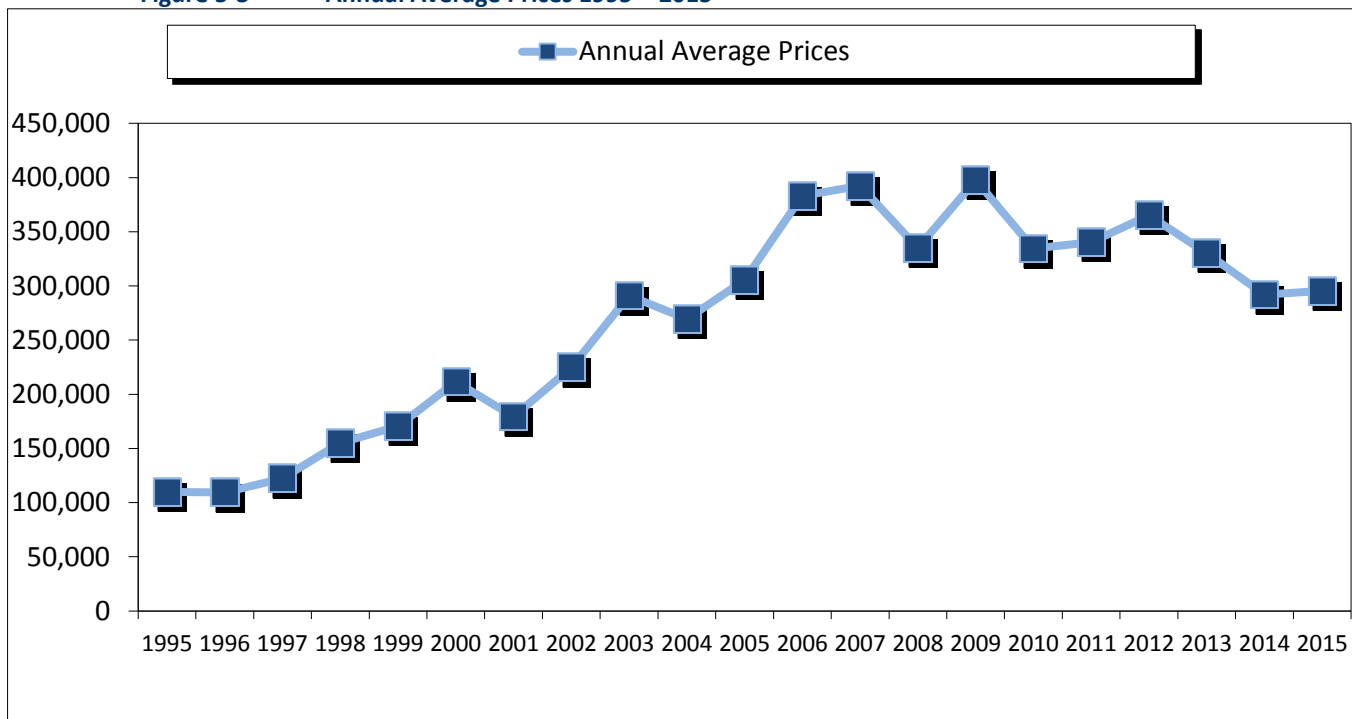


## 5.4 House Prices

5.4.1 The housing market has been analysed in Section 8.

5.4.2 Over the 20 year period property prices have seen an increase.

**Figure 5-3 Annual Average Prices 1995 – 2015**



Source: Land Registry Price Paid Data Report, November 2015, © Crown Copyright

5.4.3 The rates of price change over 20 years are 169%, from 2000 compared to national house price growth the Islands have experienced a much lower level of change at 56% to the national level increase of 124%.

### Conclusion

5.4.4 Prices on the Islands are at the upper end of national levels. There is evidence that the level of house building is much tighter than the rest of the County and the region given the dominance of the Duchy as landowner and environmental constraints.

5.4.5 The evidence of the higher than national average level of house prices and rents which ultimately reflect on the level of affordability, provides some limited evidence to justify an uplift to housing need to address affordability in the market sector.

## 5.5 Rents

5.5.1 Private rented sector costs have been analysed property type in section 8.

5.5.2 Nationally, the very extreme economic and housing market conditions of boom and collapse over the last decade has had major impact on the structure of the market and the private rented sector has grown in importance.

5.5.3 The Islands have a unique position in the private rental market, which makes up the majority of the market sector. Whilst figures show the private rented sector has actually fallen slightly since 2001, both the tied to employment and the living rent-free sector has increased. This sector is unique in size in Scilly compared to any other UK authority.

- 5.5.4 The private rented sector nationally has grown by 6.1%, an increase of over 50% between 2001 and 2011.

**Table 5-3 Change in the Private Rented Sector 2001-2011**

	Private Rent 2001 (%)	Private Rent 2011 (%)	Change %
Isles of Scilly	24.4	20.9	-3.5
South West	13.4	18.5	38
England	12.0	18.1	50

Source: Census 2001 and 2011

- 5.5.5 Average and lower quartile monthly rental costs on the Islands are compared to the County and regional averages in the table below.

**Table 5-5 Average Private Rents – Oct 2014 – Nov 2015**

Area	Median	Lower Quartile
Isles of Scilly	715	540
Cornwall	625	525
Devon	635	535
<b>South West</b>	<b>650</b>	<b>545</b>
<b>England</b>	<b>625</b>	<b>494</b>

Source: VOA Report December 2015

- 5.5.6 Isles of Scilly has higher lower quartile monthly costs than Devon and Cornwall but similar to the South West average.
- 5.5.7 It has significantly higher median / average costs to all other areas.

## Conclusion

- 5.5.8 These rental sector indicators do not show evidence of a need to make any adjustment to the total housing need.

## 5.7 Rate of Development

- 5.7.1 NPPG recommends the rate of development is also one of the market triggers, which should be taken into account. Therefore, in this next section we have examined net completions compared to targets for the Isles of Scilly and Cornwall from their individual Annual Monitoring Reports.
- 5.7.2 The period through recession and post-recession to the current year have been analysed.

Table 5-6 Net Completions (2007-2015)

Authority - Target	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	Shortfall / Surplus
Isles of Scilly - (50 – 100 from 2004-2020)	17	11	2	3	6	3	3	3	-2
Cornwall – (584)	284	224	393	565	320	467	824		-1,221

Source: Council Annual Monitoring Reports

- 5.7.3 The table shows the level of completions annually between 2007/08 and 2014/15.
- 5.7.4 House building has been varied over the past eight years on the Islands and generally reflects the delivery pattern impacted from the economic recession from 2008.
- 5.7.5 The scale of development reflects the issues facing IoS including the lack of land supply and access to funding due to high development costs.

## 5.8 Over-crowding

- 5.8.1 Over-crowding figures are analysed in Section 7.13 and are accounted for the backlog of housing need in the Affordable Housing Model calculation.
- 5.8.2 The authority has an overcrowding level of 1.5%. This level is well below the 2011 Census 4.9% nationally and the 3% level found in the 2013/4 Survey of English Housing.
- 5.8.3 Levels are highest in the rented sectors but are still less than half the national average levels.
- 5.8.4 The over-occupation in the social sector stock and meeting need for family units through better re-let supply, needs to be linked to the scale of under-occupied stock.
- 5.8.5 The Council rented sector has under-occupation levels by two or more spare bedrooms of 22.2%, 25 properties, representing 40% of the total 3 bedroom social housing stock.
- 5.8.6 These 21 units are greater than the total of three-bedroom waiting list need and could address the needs of 7 over-crowded households across the Isles of Scilly. This survey data produces a similar level to the Census data at 7.5.8.

## 5.9 Conclusion

- 5.9.1 There is no evidence to suggest that compared to regional and national levels, the low level of overcrowding on the Islands should require any adjustment to the housing need numbers.

- 5.9.2 As discussed in section 4.6, over-crowding will be most effectively addressed through delivery of smaller properties and housing for older people to enable households to downsize (as highlighted as an issue in the consultation on the Local Plan 2015 Review) and create a better flow of the existing stock to address the impact of demographic change.

## **5.10 Summary**

- 5.10.1 The evidence of the higher than national average level of house prices and rents which ultimately reflect on the level of affordability, provides some limited evidence to justify an uplift to housing need to address affordability in the market sector.

## **5.11 Interest in Self-Build**

- 5.11.1 The household survey questionnaire asked respondents to comment on whether they would be interested in self-build. 38.5% responded (11 households implied) saying 'yes' they would be interested in building their own home.
- 5.11.2 30.8% (4 implied) of households who were interested in building their own home had already tried to identify a suitable building plot on the Islands. All these households said they would be interested in being involved in the construction process.
- 5.11.3 Of the concealed households that responded 35.0% (6 households implied) said they thought self-build was affordable bearing in mind local land and material costs.
- 5.11.4 No concealed households stated they were registered on any housing register.

## 6 OBJECTIVELY ASSESSED NEED

- 6.1.1 A primary objective of the Strategic Housing Market Assessment is to identify the future quantity of housing needed (National Planning Practice Guidance - paragraph 002).
- 6.1.2 Guidance identifies the latest demographic forecasts as the ‘starting point’ for the calculation of objectively assessed need (OAN). The calculation assesses housing need by examining the demographic projections prepared by Edge Analytics (see section 3.18) and determining whether any adjustment should be made to respond to market signals (section 5) and the need for affordable housing (Section 20).
- 6.1.3 A full explanation of the methodology used in the demographic and dwelling projections can be found in the Edge Analytics Report in **Appendix IV**.
- 6.1.4 The household change for the Isles of Scilly is compared below between the published Department of Communities and Local Government (CLG) 2012 sub national household projections (SNHP), and the two commissioned population and household change scenarios introduced earlier in this section.

**Table 6-1 Household Projections - results**

Scenario	2015	2030	Change	Change %
SNHP 12	974	874	-100	-10.3
STATIC	1,023	1,040	17	1.7
GROWTH	1,027	1,105	78	7.6

Where:

SNHP 12 is the CLG sub national household projections for 2015-2030 for the isles of Scilly;

STATIC is the scenario with no overall no growth;

GROWTH is the scenario, driven predominately by modest net migration gains.

- 6.1.5 Whereas the SNHPP 12 shows a decline in the number of households of 100 or 10% for the Plan period, using 10- year migration driven trends, the PG growth scenario shows a growth of 78 people, (or 7.6%). This is linked to a level of population growth implied by a continuation of ten-year migration trends.
- 6.1.6 **Vacancy Rate**
- 6.1.7 The Edge Analytics report describes the vacancy rate as follows:
- 6.1.8 *‘The relationship between households and dwellings in all scenarios is modelled using a ‘vacancy rate’, sourced from the 2011 Census. The vacancy rate is calculated using statistics on households (occupied, second homes and vacant) and dwellings (shared and unshared).*
- 6.1.9 *A vacancy rate of 28.7% for the Isles of Scilly has been applied, fixed throughout the forecast period. Using this vacancy rates, the ‘dwelling requirement’ of each household growth trajectory has been evaluated.’*
- 6.1.10 The vacancy rate of 28.7% results in a dwelling growth in the POPGROUP model from 1,442 to 1,551 units **a growth of 109 units** to meet the population growth of 78.
- 6.1.11 Analysis of the elements of market signals in Section 5 did not find specific evidence to justify any uplift in the levels from the dwellings projections outlined above.

- 6.1.12 However, housing in the Isles of Scilly and the South West region generally is at the top end of national levels and therefore there are concerns about affordability.
- 6.1.13 Although this is a national concern and reflects in the policy focus to increase the supply of new homes, it would be justifiable to increase the level of future delivery over the life of the Plan to be able to meet the scale of affordability and the need for social and affordable housing discussed below.
- 6.1.14 The Household Survey revealed that 44% of all out-migrating households were leaving because they could not afford housing or because of the lack of rented accommodation. Clearly there are elements of the housing market beyond the social rented sector, which need to be addressed to be able to retain households.
- 6.1.15 There is no formula or process to calculate any increase above the demographic projections but a 10% increase, equivalent to 11 additional units, could be applied. **This would result in an OAN figure of 120 units over the Plan period to 2030.**

## 6.2 Affordable Housing Need

- 6.2.1 The National Planning Practice Guidance (2014) states that plan makers and partnerships should estimate the number of households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market and therefore will require some form of affordable housing.
- 6.2.2 The assessment set out in Section 20 identifies the total scale of affordable need of new forming households not able to access the market, the needs of existing households who fall into need, provision from existing stock turnover and the net need which requires to be addressed from future new provision.
- 6.2.3 Based on the Affordable Housing Model analysis the total annual affordable need across the Islands is 15 households a year, 225 units over the life of the Plan.
- 6.2.4 However, as highlighted in the PAS Technical Advice Note\* only new forming households should be taken into account in the calculation as the backlog and existing households already live in housing units which would be freed up when they are housed and do not create any net need in terms of the total future requirement.
- 6.2.5 The new forming households unable to access the market of 7 per annum is 105 by 2030 is virtually the level of the OAN projection modeling and suggests that there would be restrictions on virtually all of the potential new delivery to 2030.
- 6.2.6 Land release and the covenants to be placed on it, is likely to be the major factor in delivering the OAN scale.
- 6.2.7 Ultimately targets should be set based on what is sustainable, viable and deliverable, and importantly support other corporate strategies, especially for economic growth and regeneration. These should be major factors in determining the scale and tenure mix of any affordable housing.
- 6.2.8 Nationally, even in very buoyant market conditions, more than a 50% target is not likely be economically viable, a key factor in any requirement for affordable housing from planning negotiation.

6.2.9 Meeting the total need for affordable housing generally involves employing a range of initiatives in addition to new unit delivery through the planning system, although it is acknowledged that the IoS has limited land supply, and a lack of empty properties and all of these incentives may not be possible locally :-

- freeing up under-occupied social rented units to make best use of the existing stock which can free up 3 to 4 properties as households trade up to the size they require, ultimately providing access to a one bedroom unit for a household the waiting list:-
- by bringing any empty properties back into use;
- bringing social sector stock up to Decent Homes Standard;
- conversion of existing buildings.

## 7 CURRENT HOUSING ON THE ISLES OF SCILLY

### 7.1 Introduction

- 7.1.1 The last decade has seen very extreme economic and housing market conditions of boom and collapse and these have had major impact on the structure of the market.
- 7.1.2 The first sub-section examines some of the key data from the 2011 Census to give some background to the current situation on the Isles of Scilly. The current housing situation in the islands utilising the household survey data can be seen at 7.7.

### 7.2 Housing Tenure

- 7.2.1 There has been a fall at both national and local authority level in the proportion of owner- occupiers with a mortgage and a corresponding increase in the size of the owner-occupied no mortgage sector.
- 7.2.2 In England, owner occupation has reduced from 68.2% to 63.4% with a fall of 6% in the proportion of households with mortgages between the 2001 and 2011 Censuses.
- 7.2.3 The private rented sector has remained fairly stable with a small decline of 3.5% in the general sector and a small growth in the 'other' sector over the decade compared to a 50% nationally. The full housing tenure change breakdown is shown in the table below.

**Table 7-1 Isles of Scilly Housing Tenure Profile – Census 2001 & 2011**

Tenure	2001 %	2011 %	Change%
Owner Occupied with Mortgage	14.0	10.0	- 4.0
Owner Occupied no Mortgage	25.4	31.6	+ 6.2
Shared Ownership	0.9	0.8	- 0.1
Social rented	18.4	18.1	- 0.3
Private rented	22.7	20.9	- 1.8
Other / Living Rent Free	18.7	18.8	- 0.1

Source: ONS Census data 2001 and 2011

- 7.2.4 The main reasons for the significant change in housing tenure balance over the last 10 years on a national level are that:-
- There has been a dramatic fall in first time buyers because of affordability, lending criteria especially the need for a 20% deposit or more and the general difficulty in obtaining a mortgage over the last five years;
  - This has created a large increase in young households in the private rented sector because they cannot buy, along with the growth through buy to let as an investment particularly in the earlier part of the decade.
- 7.2.5 The Islands however have a unique tenure compared to other authorities in the UK. The following table shows the Islands housing tenure compared with the county, region and national levels from the 2011 Census.



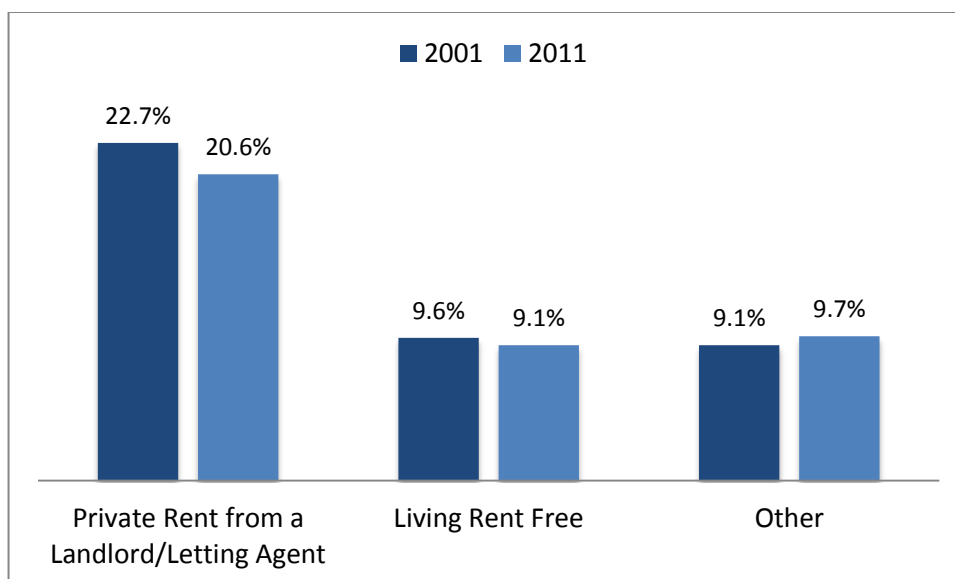
**Table 7-2 Comparing Housing Tenure Profile – Census 2011**

Tenure	Scilly	Cornwall	South West	England
Owner Occupied with Mortgage	10.0	28.8	32.0	32.8
Owner Occupied no Mortgage	31.6	40.0	35.4	30.6
Shared Ownership	0.8	0.8	0.8	0.8
Social rented	18.1	12.0	13.3	17.7
Private rented	20.9	14.7	15.2	15.4
Other / Living Rent Free	18.8	3.7	3.3	2.7

Source: ONS Census data 2011

- 7.2.6 Levels of owner occupied properties with a mortgage are significantly lower on the Islands compared with the other benchmark areas, with lower levels of owner-occupiers without a mortgage compared to the County and Region.
- 7.2.7 The Islands have a higher level of social rented properties compared to the other benchmark areas. The largest disparity is the significance of the private rented sector on the Islands, much higher than the other areas both locally and nationally, furthermore the Islands have the unique ‘other’ private rent category (which is mostly tied to employment accommodation) this category is significant on the Islands at over 5 times the levels of the benchmark areas and unlike anywhere else in the UK.
- 7.2.8 The figure below shows the different private rent categories in the 2001 and 2011 Census.

**Figure 7-1 Private Rent Categories 2001/2011**



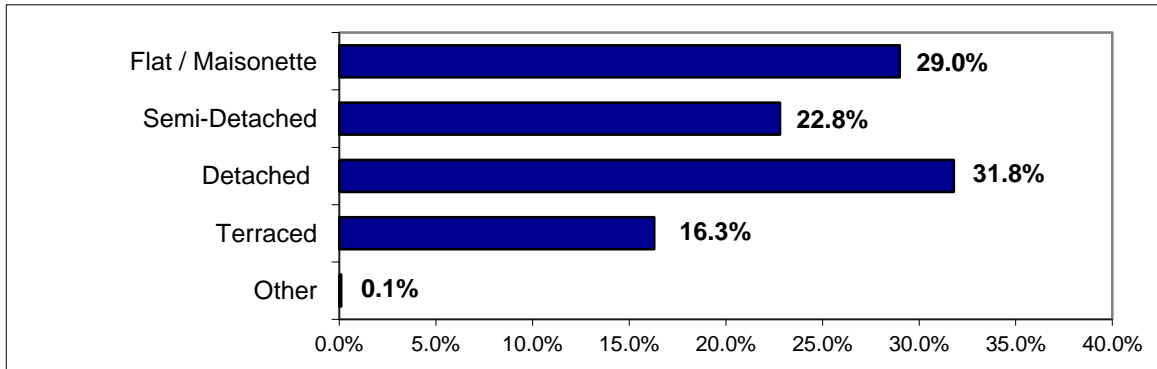
Source: ONS Census data 2001 and 2011

- 7.2.9 Although private rent within the Islands has decreased slightly the proportion of people who are classed as private rent ‘other’ (mostly tied to employment accommodation) has increased since 2001. The proportion of private rent is mainly unchanged since 2001 but the proportion of those living in private rent in 2001 (41.4%) were very high already compared to only 13.4% in Cornwall and 12% nationally.

## 7.3 Dwelling Type

7.3.1 The dwelling type profile on the Islands is shown in the graph below.

**Figure 7-2 Dwelling Type Profile on the Isles of Scilly**



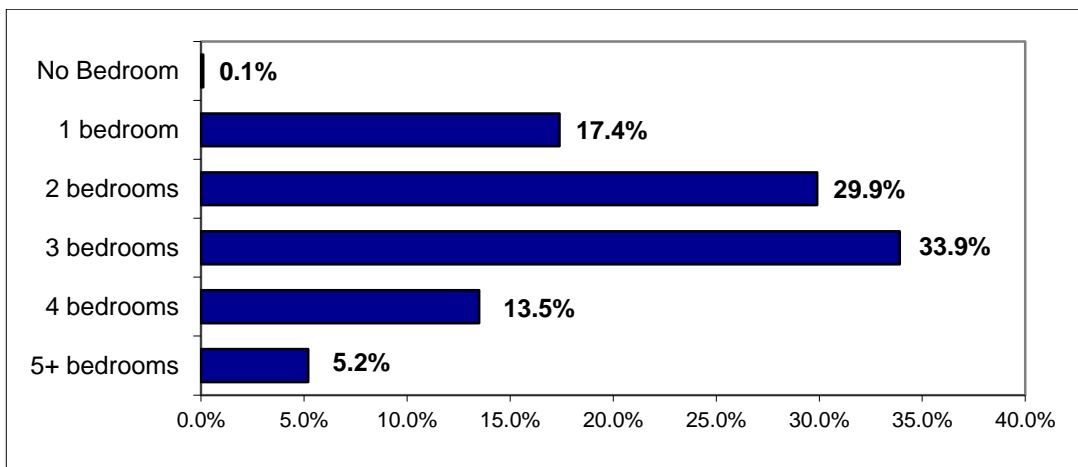
Source: ONS Census data 2011

7.3.2 The main dwelling type is detached followed by flats. Smaller units, terraced properties and flats make up around 45.3% of the Islands stock.

## 7.4 Dwelling Size

7.4.1 The size profile of the housing stock is shown in the graph below.

**Figure 7-3 Size Profile on the Isles of Scilly**



Source: ONS Census data 2011

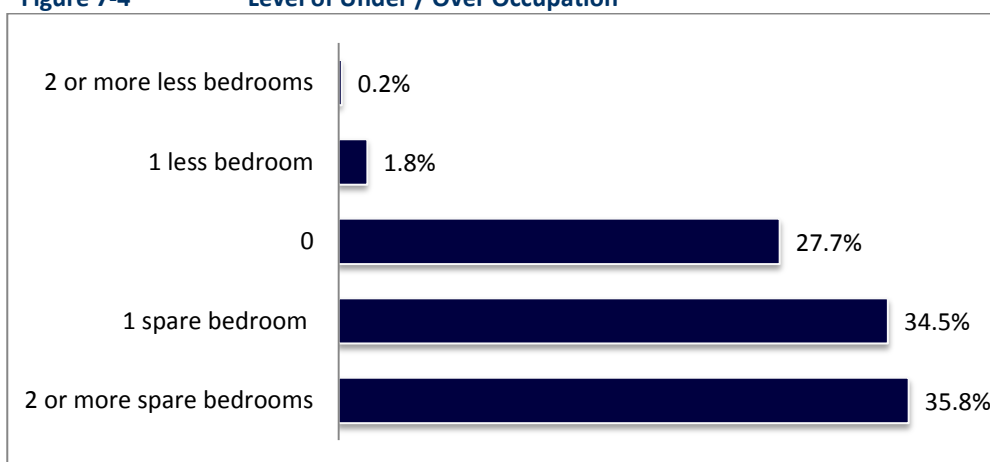
7.4.2 Whilst the census shows only 0.1% had no bedroom, 20% of the Council stock is bedsit accommodation. The main property size is three bedrooms at 33.9%, followed by two bedrooms at 29.9%.

7.4.3 The proportion of larger four and five bedroom properties is lower at 18.4% but a similar level to nationally (18.9%), of which many will be used as B&B's and guesthouses.

## 7.5 Over / Under-Occupation on the Islands

- 7.5.1 In the case of over-occupation any dwelling without sufficient bedrooms to meet that requirement has been categorised as over-occupied. In the case of under-occupation, any dwelling with more than one ‘spare’ bedroom above requirement is categorised as under-occupied. This is perhaps better described as “two or more spare bedrooms”.
- 7.5.2 The level of under occupation according to Census 2011 (*based on the bedroom standard of “two or more spare bedrooms”*) is significant on the Islands, with 34.5% of households with at least one spare bedroom and 35.8% of households with two or more spare bedrooms.
- 7.5.3 The total level of over-occupation nationally is 5.4%. The following graph shows the levels based on Census 2011 data.

**Figure 7-4 Level of Under / Over Occupation**



Source: ONS Census data 2011

- 7.5.4 The levels of under and over-occupation by tenure are fundamentally the result of the relationship between the nature of households and of the properties they occupy. This results in significant variance between tenure types as indicated below.

**Table 7-3 Under / Over-Occupation by Tenure**

Tenure	Under-occupied %	Over-occupied %
Owned	85.0	0.7
Social rent	44.7	3.9
Private rented	66.1	2.3
<b>All stock</b>	<b>70.2</b>	<b>1.9</b>

Source: ONS Census data 2011

- 7.5.5 The highest levels of over-occupation are in the social rented sector at 3.9%, just over half the national average in the Survey of English Housing 2013/14 (6.0%). Over-occupation in private rent was also half the national level (5.0%).
- 7.5.6 Under-occupation is highest in the owner occupied sector (85%), which is usual for the profile on the Islands but is much higher than the national level of 50%.

- 7.5.7 The under-occupation level in the social rented sector is 44.7%. Whilst this is lower than the all tenure average and the owner occupied forms of tenure on the Islands, it is significantly above the national average of 10%. This is important in a sector where new delivery is constrained and potential families are on the waiting list.
- 7.5.8 Census data estimates that in total there are **26** social rented properties, which are under-occupied by two or more bedrooms. This represents **42% of the total three and four bedroom** properties in the social stock.
- 7.5.9 Tackling under-occupation of family houses to make best use of the existing stock would make a positive contribution to addressing the over-occupation of **around 7** properties in the social rented stock and meeting need for family units through better re-let supply.
- 7.5.10 Survey data comparison on under/ over occupation can be found at 7.13.

## 7.6 Shared Housing and Communal Establishments

- 7.6.1 Shared housing and communal establishments are a choice of accommodation for people potentially vulnerable to homelessness.
- 7.6.2 In 2011, 13 residents in Thurrock lived in 25 communal establishments. These were recorded as 22 hotel / BB accommodation and 3 medical/care establishments.
- 7.6.3 Of those living in communal establishments on the Islands, 13 were actual residents, 60 were staff members or owners and 7 were either a family member or the partner of the staff member or owner.
- 7.6.4 The numbers of communal establishments and residents in each of the benchmark areas are shown below.

**Table 7-4 Communal Establishments by Area**

Area	No. of Communal Establishment	No. of Residents in Communal Establishments
Isles of Scilly	25	13
Cornwall	1,127	7,334
South West	7,872	103,020
England	54,596	889,317

Source: Crown Copyright © Census 2011

## 7.7 Household Survey Data 2015

- 7.7.1 This section sets the scene for later examination of the housing market and outlines current housing circumstances of households living on the Isles of Scilly utilising the 2015 survey data.
- 7.7.2 The current supply of housing by tenure and property types will have to be taken into account when assessing the future need for houses and affordability in the area.

## 7.8 Type Profile

7.8.1 Table 7-5 below indicates the type of accommodation occupied by existing households responding to the question.

**Table 7-5** Type of Accommodation  
Question 2a

Type	2015 Survey %	N <sup>os.</sup> implied	Local Area 2011 Census %
Detached house	25.0	246	31.8
Semi-detached house	20.9	206	22.8
Terraced house	18.5	182	16.3
Bungalow	14.9	148	--*
Flat / Maisonette	19.7	193	29.0
Bedsit / studio / room only	1.0	10	0.1
<b>Total</b>	<b>100.0</b>	<b>985</b>	<b>100.0</b>

Source: 2015 Household Survey and Crown Copyright © Census 2011

\*Note: -No data for Chalet - Bungalows are not separated in Census 2011 data and are therefore included with the detached, semi-detached and terraced categories above.

7.8.2 45.9% of households live in a detached or semi-detached house (25% / 20.9%). 18.5% live in a terraced house and 14.9% of the stock is bungalows. Flats / maisonettes account for 19.7% of the housing stock of the islands.

7.8.3 11% of respondents said their properties were used for tourist accommodation accounting for 107 properties. Of those a further question on the type of accommodation was asked, a slightly higher figure of 114 responded.

**Table 7-6** Type of Tourist Accommodation  
Question 2c

	%	Nos implied
Small Guesthouse (less than 3 rooms)	34.9	40
Large Guesthouse (more than 3 rooms)	25.2	29
Includes a self-contained flat	39.9	45
<b>Total</b>	<b>100.0</b>	<b>114</b>

Source: 2015 Household Survey

## 7.9 Tenure Profile

7.9.1 This section examines the tenure profile on the Islands, from the 2011 Census data and the 2015 housing survey data, which uses the current social stock level.

7.9.2 The table below shows the tenure profile of existing households on the Islands from the 2015 housing survey data.

**Table 7-7 Tenure Profile**

Question 1

Tenure	2015 Survey %	N <sup>os.</sup> implied	Local Area 2011 Census
Owner occupied with mortgage	32.5	320	31.6
Owner occupied no mortgage	11.1	109	10.0
Private rent	30.1	297	29.7
Council rent	11.0	108	12.2
RP rent	4.8	47	5.9
Shared Ownership	0.0	0	0.8
Tied to your employment / Living rent free	10.5	103	9.7
<b>Total</b>	<b>100.0</b>	<b>984</b>	<b>100.0</b>

Source: 2015 Household Survey and Crown Copyright © Census 2011

- 7.9.3 Owner occupation accounts for 43.6% of the Islands housing stock, a similar level to the 2011 Census data of 41.6%.
- 7.9.4 29.7% were in private rent, 11% were in council rent and 4.8% in RP rented accommodation.
- 7.9.5 The level of households in tied to employment or living rent free is very high at around 10% compared to national levels of around 2%, reflecting the nature of employment .
- 7.9.6 The following table shows the results from a cross tabulation of current property type by tenure.

**Table 7-8 Property Type by Tenure (%)**

Question 2a by Question 1

Tenure / Type	Detached house	Semi-detached house	Terraced house	Bungalow	Flat / Maisonette	Studio / Bedsit / room only	Total
Owner occupied with mortgage	50.1	19.1	15.9	2.3	12.7	0.0	100.0
Owner occupied no mortgage	23.6	16.3	17.6	25.0	17.6	0.0	100.0
Private rented	30.3	20.4	24.0	11.0	14.2	0.0	100.0
Council rented	4.7	30.2	16.3	4.6	34.9	9.3	100.0
RP rented	0.0	53.2	0.0	21.2	25.5	0.0	100.0
Tied to employment Living rent free /	17.0	11.9	17.7	17.9	35.4	0.0	100.0

Source: 2015 Household Survey

- 7.9.7 A cross-tabulation relating property type to form of tenure was run which covers all stock currently occupied on the Islands.
- 7.9.8 The data shows that in the owner occupied (no mortgage) sector, the main type of property is detached properties. 50% of private rented stock is detached and semi-detached houses, with a further quarter being flats / maisonettes.

- 7.9.9 In the social rented sector, council rented properties are fairly well spread across house types with the Registered Provider sector being more focused to semi-detached houses predominately followed by bungalows and flats.
- 7.9.10 The main size in the Islands was three bedrooms, followed by two bedrooms.
- 7.9.11 The breakdown of size by number of bedrooms in percentage terms between the ownership and rental sectors was assessed with the following results.

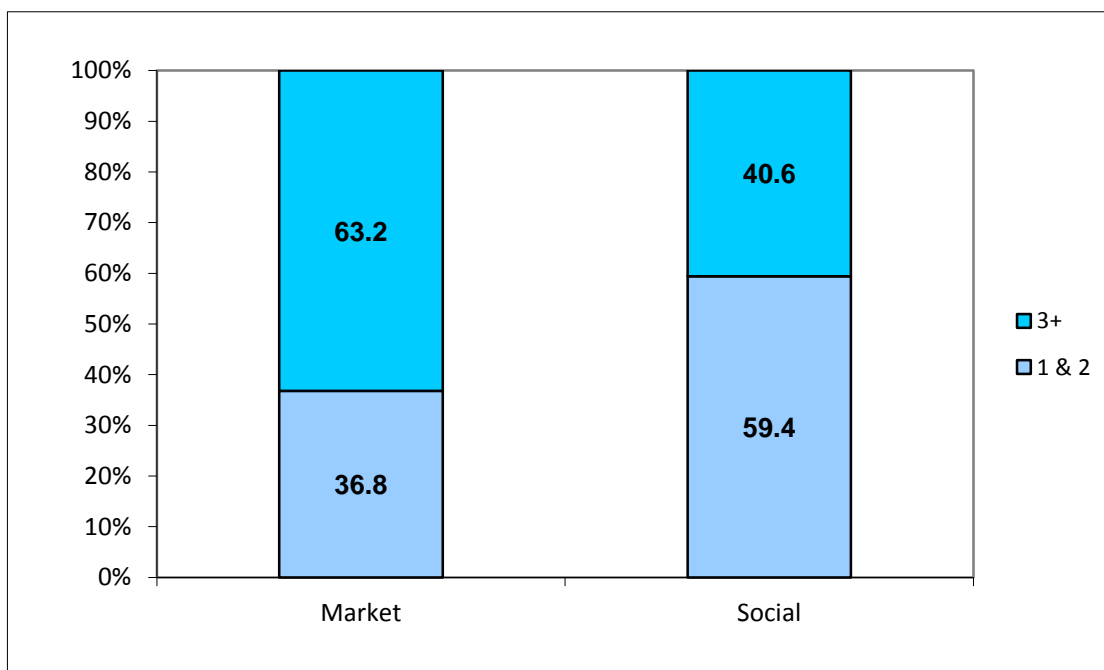
**Table 7-9 Number of Bedrooms by Tenure**  
Question 3 by Question 1

Tenure	Bedsit	One	Two	Three	Four	Five +	Total
Owner occupied (with mortgage)	0.0	9.8	32.0	25.3	23.0	9.8	100.0
Owner occupied (no mortgage)	0.0	4.1	25.4	50.7	8.5	11.3	100.0
Private rented	0.0	7.7	31.0	46.8	11.8	2.7	100.0
Council rented	12.5	20.0	27.5	37.5	2.5	0.0	100.0
RP rented	0.0	29.3	29.3	41.5	0.0	0.0	100.0
Tied to your employment / Living rent free	0.0	15.1	33.9	41.9	9.1	0.0	100.0

Source: 2015 Household Survey

- 7.9.12 Smaller sized properties are more prevalent in the social rented sectors with 59.4% of the stock being 1 and 2 bedrooms.
- 7.9.13 Larger units (3 bedrooms plus) are more predominant in the market tenures with 63.2% of the market stock, compared to 36.8% being 1 and 2 bedrooms.

**Figure 7-5 Market and Social Stock by Number of Bedrooms**

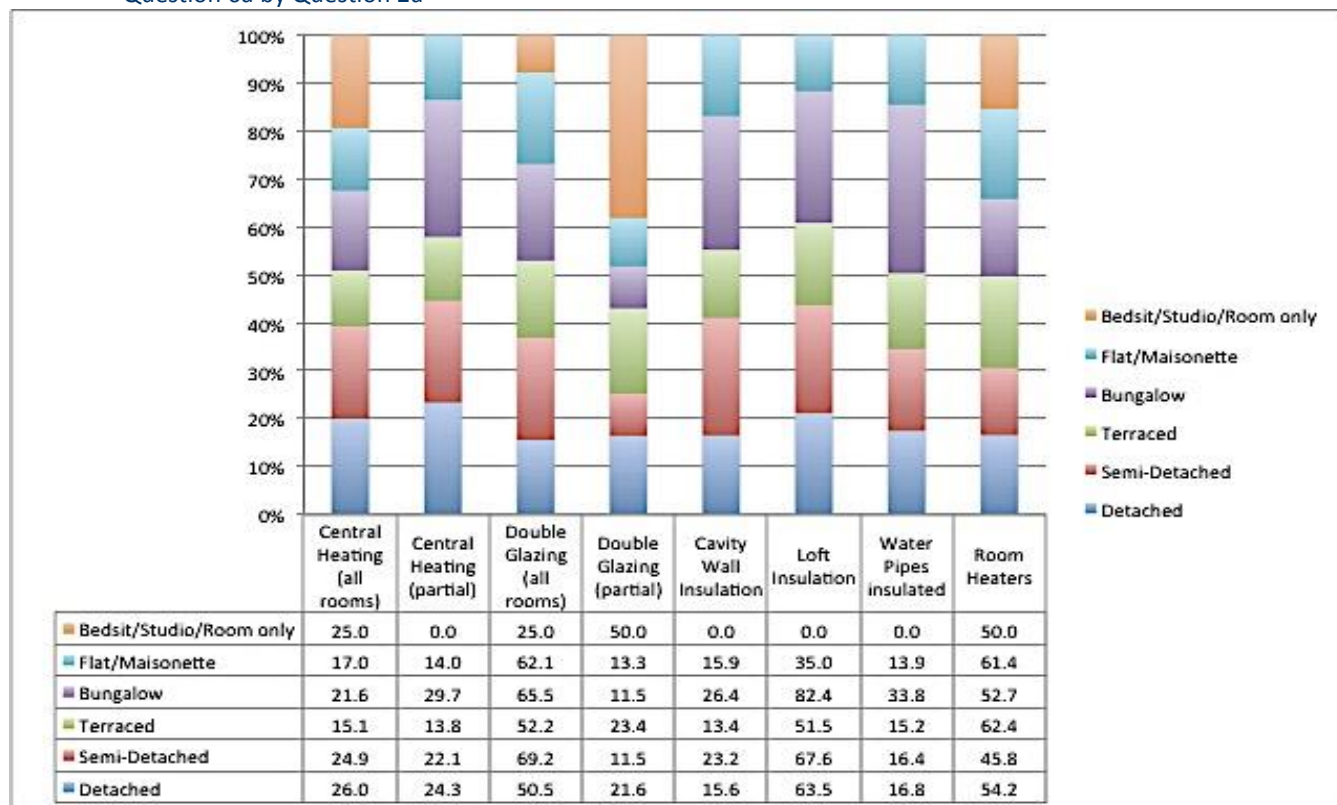


Source: 2015 Household Survey

### 7.10 Property Condition and Facilities

- 7.10.1 As well as the number of properties on the Islands, overall supply is influenced by property condition and investment in maintenance.
- 7.10.2 The following graph and table show the results for the question on households heating / energy saving facilities in their home by type and tenure.

**Figure 7-6 Energy Facilities by Type**  
Question 6a by Question 2a



Source: 2015 Household Survey No data for Chalet

- 7.10.3 The proportion of all households with some form of central heating was 41.4%, this is a very low level compared to other UK authorities but directly relates to mains supply on the islands and the majority of households who use electric and oil for heating.
- 7.10.4 Cross tabulation of energy facilities by type revealed the lowest level of central heating (all rooms) was in bedsit / room only / studio accommodation.
- 7.10.5 75% of households had some form of double glazing and 58.4% of all homes had loft insulation.



**Table 7-10 Energy Facilities by Tenure**  
Question 6a

Tenure	Central heating (all rooms)	Central heating (partial)	Double glazing (all rooms)	Double glazing (partial)	Cavity wall insulation	Loft insulation	Water pipes insulated	Room heaters
Owner occupied (mortgage)	23.0	16.4	55.9	29.7	28.6	58.3	15.5	58.3
Owner occupied (no mortgage)	23.4	24.5	67.8	14.0	17.6	62.4	24.6	57.9
Private rented	11.1	23.3	46.0	19.3	6.7	59.2	19.9	54.2
Council rented	26.8	19.5	70.7	12.2	43.9	53.7	2.4	51.2
RP rented	44.7	14.9	74.5	6.4	14.9	74.5	14.9	42.6
Tied to your employment	29.7	6.0	54.1	15.5	18.3	47.5	15.3	55.0

Source: 2015 Household Survey

- 7.10.6 Cross tabulation of energy facilities by tenure revealed the lowest level of central heating (all rooms) was private rented.

**Table 7-11 Main Source of Heating**  
Question 6b

	%	N <sup>os.</sup> Implied
LPG	2.1	20
Electric	62.4	611
Oil	14.0	137
Wood Burner	16.1	157
Open Fire	2.3	22
Other	3.2	31
<b>Total</b>	<b>100.0</b>	<b>978</b>

Source: 2015 Household Survey

- 7.10.7 The main source of heating was electric at 62.4%. Respondents were also asked how much money they spent on their home fuel bills. After eliminating the 16.3% (153 implied) that did not know how much they spent, the main spend appeared to be in the bracket £1,001 to £1,400 per annum (32.9%).

**Table 7-12 Total Annual spend on Fuel Bills**  
Question 6c

	%	Nos. Implied
Less than £1,000	21.4	169
£1,001 - £1,400	32.9	259
£1,401 - £1,800	11.8	93
£1,801 - £2,200	14.2	112
£2,201 - £2,600	12.2	96
Above £2,600	7.5	59
<b>Total</b>	<b>100.0</b>	<b>788</b>

Source: 2015 Household Survey

**Table 7-13 Total Annual spend on Fuel Bills (by tenure)**  
Question 6c

Tenure	Less than £1,000	£1,001-£1,400	£1,401-£1,800	£1,801-£2,200	£2,201-£2,600	More than £2,600
Owner occupied (mortgage)	7.6	9.4	13.8	6.2	36.2	23.3
Owner occupied (no mortgage)	27.3	33.1	48.2	45.6	27.9	49.9
Private rented	32.8	31.3	22.1	30.4	25.7	26.7
Council rented	14.9	13.6	2.7	9.0	7.8	0.0
RP rented	7.7	8.1	3.2	2.7	0.0	0.0
Tied to your employment / Living rent free	9.7	4.5	9.9	6.1	2.4	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2015 Household Survey

7.10.8 The majority of all tenures (32.9%) spend between £1,001 and £1,400 annually on their fuel bills.

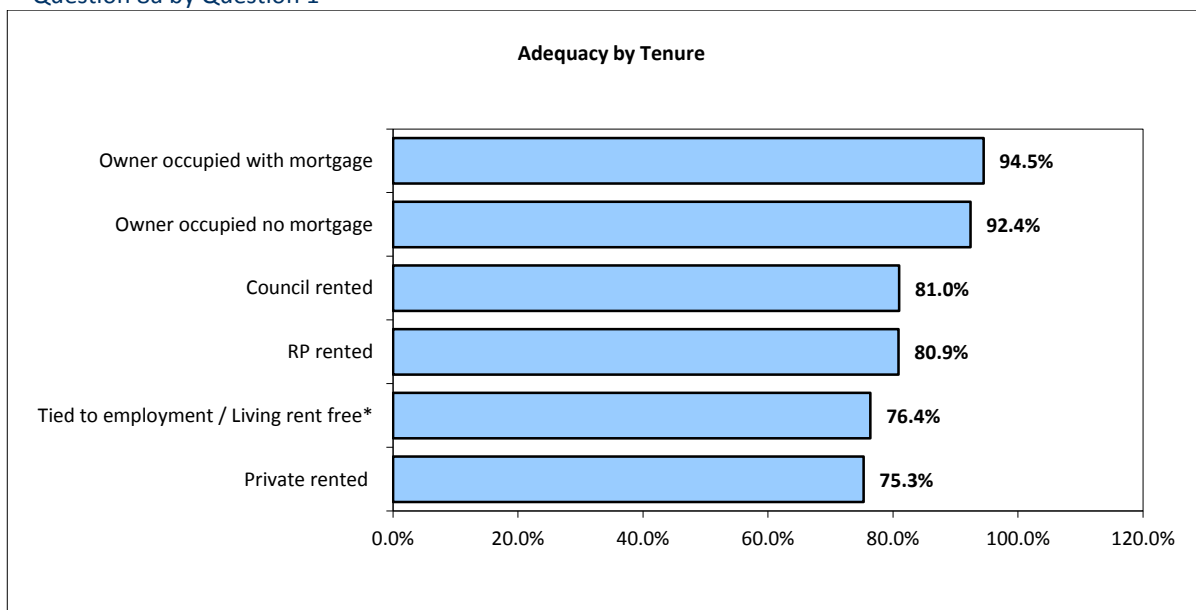
### 7.11 Adequacy of Present Dwelling / Improvement Required

7.11.1 84% of respondents indicated that their accommodation was adequate for their needs.

7.11.2 16% of households (156 implied) stated that their accommodation was not adequate. The Guidance test of inadequacy causing a housing need is based on those households in this situation actually needing to move to another dwelling. Some households may technically need to move but decide not to do so.

7.11.3 Some variation was evident in adequacy by tenure. The satisfaction level of 81% for council rented accommodation was fairly equal to the average found for socially rented accommodation in recent DCA surveys (around 82%).

**Figure 7-7 Adequacy by Tenure**  
Question 8a by Question 1



Source: 2015 Household Survey

- 7.11.4 The lowest level of adequacy amongst the four main tenures was seen in the private rented sector at 75.3%, an expected level for a sector with usually the highest levels of disrepair, although a generally higher figure than in many previous DCA Surveys where figures for private rent satisfaction can fall as low as 65%.
- 7.11.5 The next question in relation to inadequacy was the reason why respondents felt their home was inadequate. This is a multiple-choice question and respondents made an average of 1.2 choices each.

**Table 7-14 Reason For Inadequacy**  
Question 8a

Reasons (in Situ)	% responses	% households	N <sup>os</sup> . implied (all choices)
Needs improvements / repairs	22.5	59.4	46
Too costly to heat	19.6	51.8	40
No heating / insufficient heating	14.2	37.7	29
	<b>56.3</b>		<b>115</b>
Reasons (Require a move)			
Too large	6.4	16.4	13
Insufficient number of bedrooms	7.4	19.2	15
Too small	6.4	16.3	13
Unsuitable due to the needs of disabled / elderly resident	2.9	7.2	6
Rent / mortgage too expensive	12.3	31.7	25
Lack of local amenities	0.0	0.0	0
Inadequate facilities	0.0	0.0	0
Tenancy insecure	5.4	14.7	11
Suffering harassment	2.9	7.3	6
	<b>43.7</b>		<b>89</b>
<b>Overall Total</b>	<b>100.0</b>		<b>204</b>

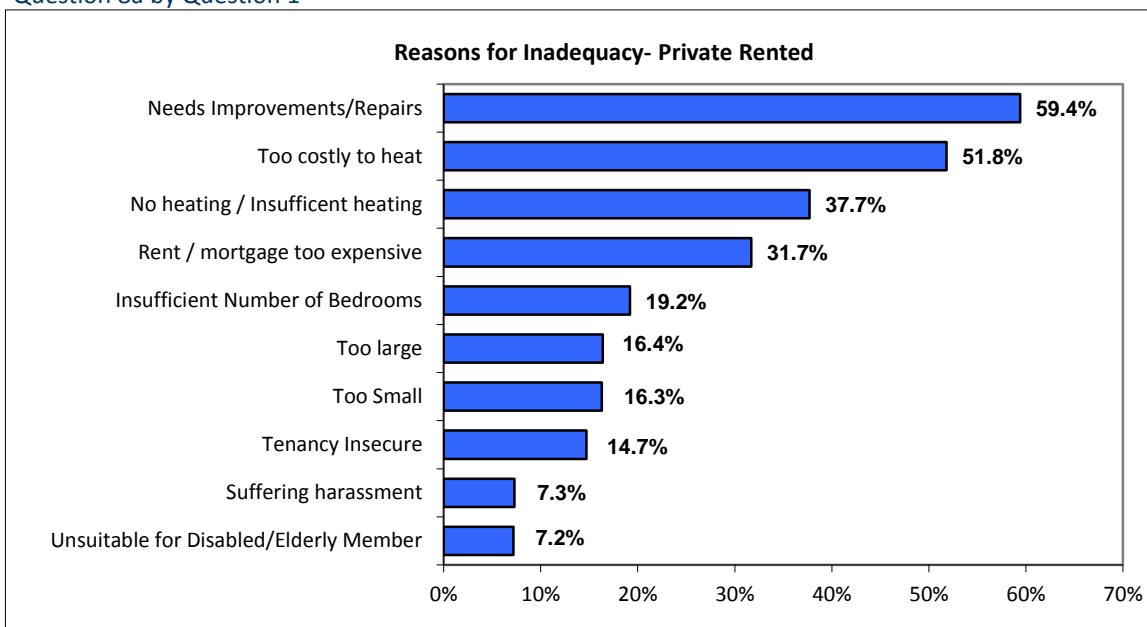
Source: 2015 Household Survey

- 7.11.6 Around 56% of responses identified an 'in house' solution relating to heating, repairs and improvements. Of those 59.4% needed improvements / repairs and 51.7% of households (40 implied) selected the property was too costly to heat and 37.7% had no or insufficient heating.
- 7.11.7 Around 44% of responses indicated a solution requiring a move. The largest single issue in this group said that the 'rent or mortgage' were too expensive (31.7%; 25 implied). 19.2% said they had an 'insufficient number of bedrooms' and 16.3% the home was 'too small', referred to by 30.9% of households as one of their choices, implying 3,150 cases.
- 7.11.8 These households were tested on whether they are actually over-occupied by the national bedroom standard and the data showed there were around 15 households in this situation, only slightly higher than the level that stated that their home was too small.

- 7.11.9 This suggests that around 2 households (13 households that said their accommodation was too small, minus 15 implied households calculated as being over-crowded) may well be expecting additional children or perhaps have an elderly parent coming to live with them which would make their house too small in their view, but equally it could be a desire for more space in general.
- 7.11.10 78 households (54.1%) answered a separate question on their perception and said that a move was necessary to resolve any inadequacy and of those households, 58.2% (49) indicated that they could afford another home of suitable size on the Islands.
- 7.11.11 The largest proportion of households who felt that a move was necessary to resolve any inadequacy is private rent at 51.1% followed by council rent at 18.2%. 59.4% households in the private rented sector said ‘needs improvements / repairs’ was the reason they felt a move was necessary. Heating was also a big issue.

**Figure 7-8 Adequacy by Tenure (private rented)**

Question 8a by Question 1



Source: 2015 Household Survey

## 7.12 Under and Over-Occupation

- 7.12.1 A broad assessment of ‘under-occupation’ and ‘over-occupation’ was conducted based on a detailed analysis of the family composition data. The number of bedrooms required in each household was established by allowing for age and gender of occupants as defined by the ‘bedroom standard’.
- 7.12.2 In the case of over-occupation any dwelling without sufficient bedrooms to meet that requirement has been categorised as over-occupied. In the case of under-occupation, any dwelling with more than one ‘spare’ bedroom above requirement has been categorised as under-occupied. This is perhaps better described as “two or more spare bedrooms”.
- 7.12.3 The assessment of under and over-occupation by tenure revealed some disparity between tenure types as indicated below.

**Table 7-15 Under / Over-Occupation by Tenure**  
Question 15a by Question 3 & Question 1

Tenure	% under-occupied	% over-occupied
Owner occupied with mortgage	49.0	0.0
Owner occupied no mortgage	69.0	0.0
Private rented	25.5	2.9
Council rented	22.2	2.8
RP rented	2.9	8.6
Tied to your employment	16.5	0.0
Living rent free	84.7	0.0
<b>All stock</b>	<b>39.7</b>	<b>1.5</b>

Source: 2015 Household Survey

### 7.13 Over-Occupation

- 7.13.1 The overall over-occupation level of 1.5% (15 implied households) is half the level than nationally in the Survey of English Housing 2013/14 (SEH) at 3.0%. The highest levels of over-occupation are in the RP rented sector 8.6%, slightly higher when compared to the average in the SEH 2013/14 for the social rented sector at 6.0%. **Social sector over-occupation equates to 7 properties.**

### 7.14 Under-Occupation

- 7.14.1 The overall under-occupation figure of 39.7% was similar to the average found in recent DCA surveys (around 40%).
- 7.14.2 Under-occupation within the owner occupied no mortgage sector is 65%, which will include a higher proportion of elderly households. This is slightly higher than the level of around 61.0% found in recent DCA surveys.
- 7.14.3 The under-occupation level in the Council rented (22.2%) is lower in comparison to the all tenure average (39.7%) and the owner occupied forms of tenure.
- 7.14.4 The housing survey data estimated that there are around **24** Council and **1** Registered Provider rented properties, around **25** in total, which are under-occupied by two or more bedrooms.
- 7.14.5 Tackling under-occupation of family houses to make best use of the existing stock would make a positive contribution to addressing the over-occupation in the stock and meeting need for family units through better re-let supply. In practice it is recognised that this is hugely difficult to achieve.

## 7.15 Household Composition

7.15.1 The 2015 survey data showed the following results in relation to the household composition on the Islands.

**Table 7-16 Household Composition**

Family Composition	2015 (%)	Group 2015 (%)
1 adult over 60	14.8	
1 adult under 60	10.5	25.9
1 adult + others	0.5	
Couple no child	41.7	71.5
Couple with children	28.4	
Couple + others	1.4	
Single parent	2.6	2.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: 2015 Household Survey

7.15.2 The highest household composition group within the Islands are couples with and without children (71.5%). Of the group with and without children, almost 40% have children.

7.15.3 Single parent families are at 2.6% and single adults at 25.9% of all households.

## 8 THE HOUSING MARKET

### 8.1 Introduction

8.1.1 This section provides an analysis of indicators of housing market activity to provide an understanding about changes in demand and supply over time and to identify any pressure points within the Islands.

8.1.2 Sources of data utilised are:-

- HM Land Registry Data 2015 Quarter 3;
- HM Land Registry 'Price Paid' Data 2010 - 2015.
- Discussions with Major Landowners – Duchy of Cornwall Estate and Tresco Estate (*still to be undertaken*)

### 8.2 The Local Housing Market Context

8.2.1 The Isles of Scilly have a very unique housing market. Second homes and holiday accommodation represent approximately 30% of the Island's housing stock, in context this is three times higher than Cornwall, limiting access to the Island's stock for local households.

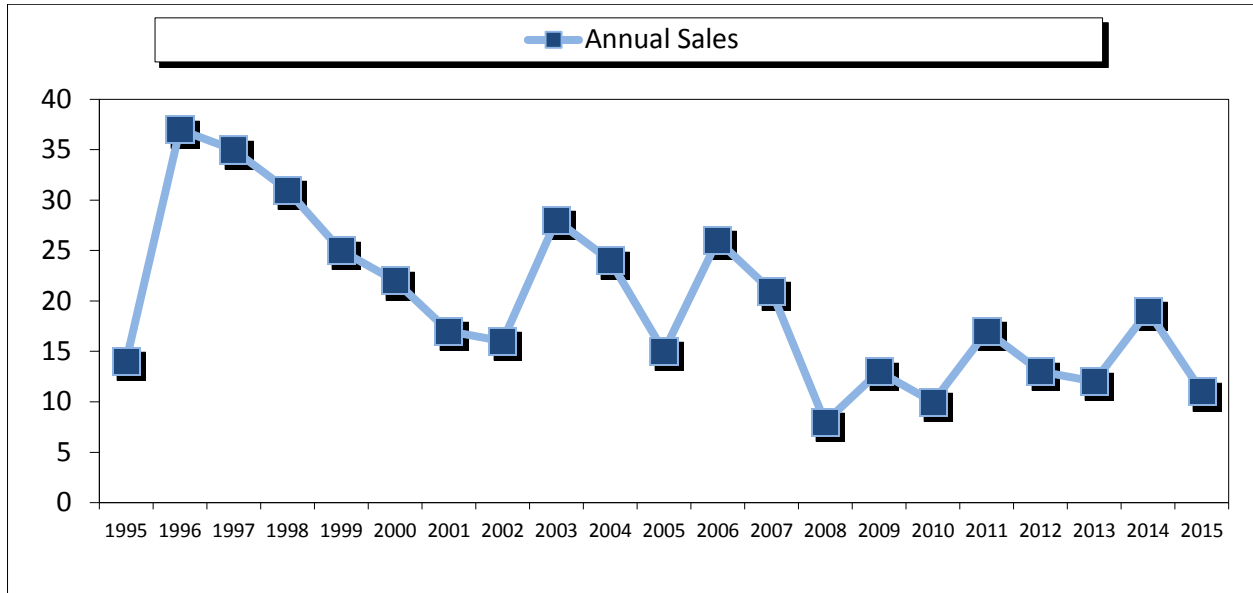
8.2.2 The Island's tenure also follows a different pattern to Cornwall and other UK authorities in that owner-occupation is lower in supply and the majority of the private sector lives in private rented housing, much of which is tied to employment accommodation.

8.2.3 Market housing prices are very high in relation to the level of incomes for the Islands, data below shows the average house price in 2015 was £325,000. Prices vary greatly with one recent property in 2015 selling for in excess of £1.5 million. There are very few properties selling for under £200,000 with only 11 properties in the last 5 years.

### 8.3 Historical House Prices

8.3.1 The graph below shows the pattern of sales in the last 20 years from 1995 to 2015.

**Figure 8-1 Annual Sales 1995 – 2015**

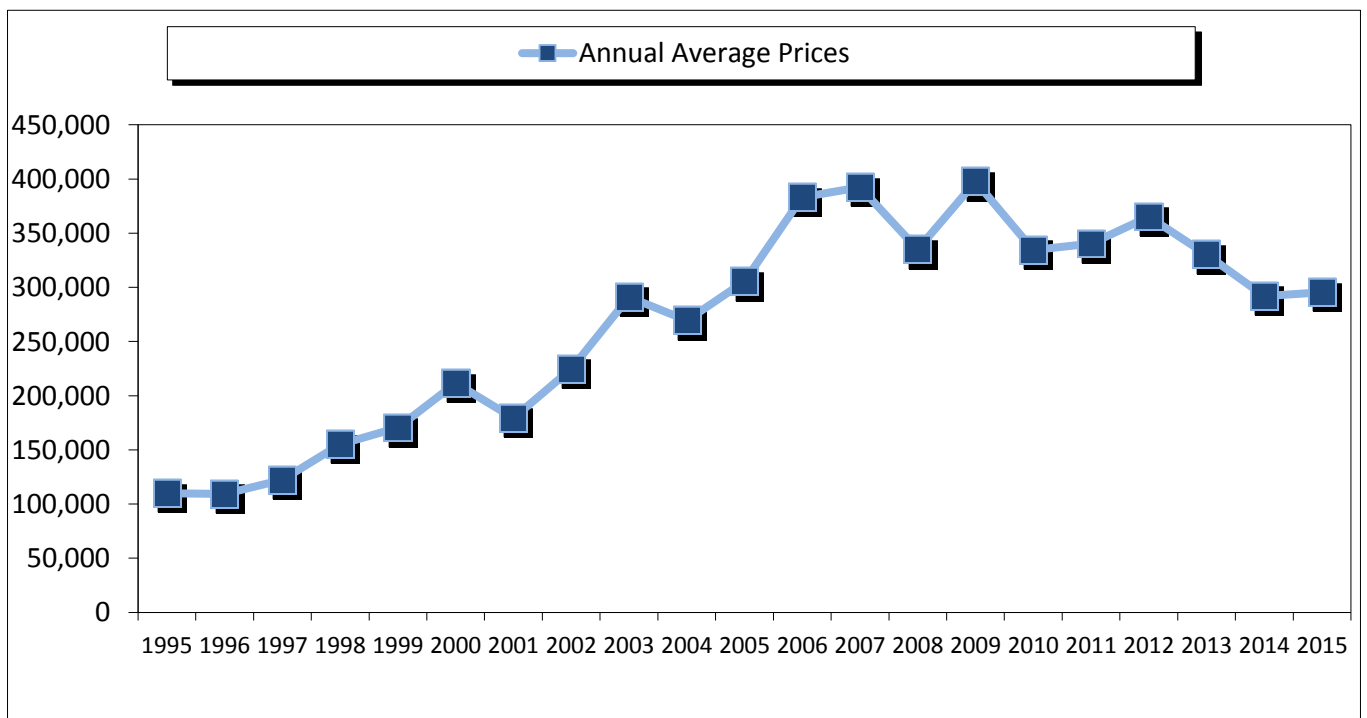


Source: Land Registry Price Paid Data Report, November 2015, © Crown Copyright

8.3.2 The graph shows higher levels of sales at the peak of the market 2002 – 2007 before the market collapsed, sales remained lower from 2008 to 2010, and have fluctuated since 2010.

8.3.3 The following chart shows how the house prices have fluctuated over the same time frame.

**Figure 8-2 Annual Average Prices 1995 – 2015**



Source: Land Registry Price Paid Data Report, November 2015, © Crown Copyright



## 8.4 Average House Prices

8.4.1 Average house prices are shown in Table 8-1 below. The data shows the full breakdown of the prices by house type with sales proportions.

**Table 8-1 Average House Prices (£) and Sales % - All Buyers 2015**

Property Type	Average Prices (£)	Sales %
Terraced	£356,600	30.0
Semi-detached	£280,000	20.0
Detached	£360,000	30.0
Flats & Maisonettes	£270,000	20.0
<b>All Properties</b>	<b>£325,000</b>	<b>100.0</b>

Source: Land Registry Price Paid Data Report, November 2015, © Crown Copyright

Note : 2015 figures exclude 1 property sold for £1.5 million as it will skew the average

8.4.2 The average house price on the Islands across all property types was £325,000 from January 2015 to November 2015 (the most current data available at the time of writing the report).

## 8.5 Entry Level Prices on the Islands

8.5.1 DCA examined properties for sale in the local area to ascertain the cost of the cheapest units available i.e. the lowest quartile stock prices on the Islands.

8.5.2 New entrants to the housing market normally buy smaller properties, flats and terraced houses. They do not purchase houses at average prices as generally they do not have average incomes or equity from ownership.

8.5.3 In broad terms new purchasers of either flats or terraced properties buy in the lowest quartile of prices i.e. the bottom 25%.

**Table 8-2 House Prices on Isles of Scilly (£)**

Type / Size	Average Sale Prices 2015	Lowest Quartile Prices 2015
Flat	270,000	200,000
Terraced	356,600	315,000
Semi-detached	280,000	270,000
Detached	360,000	275,000

Source: Land Registry 'Price Paid' Data - November 2015

8.5.4 Based on the individual sales for each property type, the lowest property price for a flat was £200,000. There were no sales below £200,000 in 2015. Therefore, we would class this type of property as the entry-level property on the Islands.

8.5.5 The lowest quartile price for a semi-detached property was £270,000, rising to £315,000 for a terraced property.

## 8.6 Purchase Income Thresholds

- 8.6.1 Data on purchase income thresholds was also gathered to examine the affordability of local housing. These are based on 95% mortgage availability and a 3.5 times gross income-lending ratio.
- 8.6.2 It should be noted, however, that these ratios have not in practice been available in the market for the last six years.
- 8.6.3 The table below shows the incomes required to purchase a property on the Islands based on properties found in the Land Registry data for 2015.

**Table 8-3 Incomes Required to Purchase**

Type / Size	Single income (£)	Dual income (£)
Flat	54,300	65,500
Terraced	85,500	103,200
Semi-detached	73,300	88,400
Detached	74,600	90,100

Please note figures are rounded to nearest hundred

- 8.6.4 Mortgages are not readily available at more than 80% and in reality, first time buyers now require up to a 20% deposit. Therefore based on purchasing a flat on the Island at the lowest quartile price of £200,000, a deposit of around £40,000 would be required.
- 8.6.5 Based on a 3.5 times income multiplier, the guidance advice, residents would need a single income of £54,300 and a dual income of £65,500 to purchase a flat on the Islands. Based on the income levels of concealed households 89.3% could not afford to purchase this property.

## 8.7 Private Sector Rent Levels

- 8.7.1 Given the importance of the private rent sector on the Islands, it is essential that we evaluate rental prices, however data is very limited. In order to establish rental access costs for new households we have assessed the average prices of private rents on the Islands.

**Table 8-4 Incomes Required to Purchase 2015**

Type / Size	No of rents	Mean	Lower quartile	Median	Upper quartile
Two bedroom	12	£577	£498	£541	£646
Three Bedroom	21	£857	£690	£765	£910
Total Average	46	£774	£540	£715	£835

Source : VOA Private Rent Statistics Oct 2014 – Oct 2105

Note : No data available for other bedsizes

- 8.7.2 The data shows over the last 12 months, the lowest quartile price is available for a 2-bed property at £498 per calendar month. 2 bedroom prices average at £577 pcm and rise to £646 pcm for the upper quartile price.

## 8.8 Rental Income Thresholds

8.8.1 The income levels needed to access the lowest quartile prices found in the private rented market in 2015 are shown in the table below.

**Table 8-5 Rental Income Thresholds 2015**

Type / Size	Income Threshold – Lower Quartile	Income Threshold - Median
2 bedroom	£23,900	£26,000
3 bedroom	£33,120	£36,720

NB Figures based on rent at 25% of gross income

8.8.2 The cheapest 2-bedroom price requires an income of £23,900 and based on the incomes of concealed households around 72.1% could not afford to rent this property. A 3-bedroom property would require an income of £33,120, which is out of the earning level £78.6% of concealed households.

8.8.3 Concealed households tend to have lower incomes than existing households. It would be more likely that concealed households would earn around the 25<sup>th</sup> percentile mark. Therefore, the ability of concealed households to access the market within the islands will be limited for lower income households.

## 8.9 Social Sector Rent Levels

8.9.1 The table below shows the breakdown of data gathered at Isles of Scilly level.

**Table 8-6 Social Rent Levels, 2015 (£ per calendar month)**

Size	Council Average Monthly Rent (£)	RSL Average Monthly Rent (£)
Bedsit	272	--
1 bedroom	312	423
2 bedroom	332	495
3 bedroom	357	530
4 bedroom	370	--

Source: Council data 2015, averages based on 52 weeks converted to monthly

8.9.2 The rent levels for Council rent is significantly cheaper than Registered Provider rent on the Islands, Registered Provider rents are £111 per month more for a 1 bedroom property rising to £173 per month more for a 3 bedroom property.

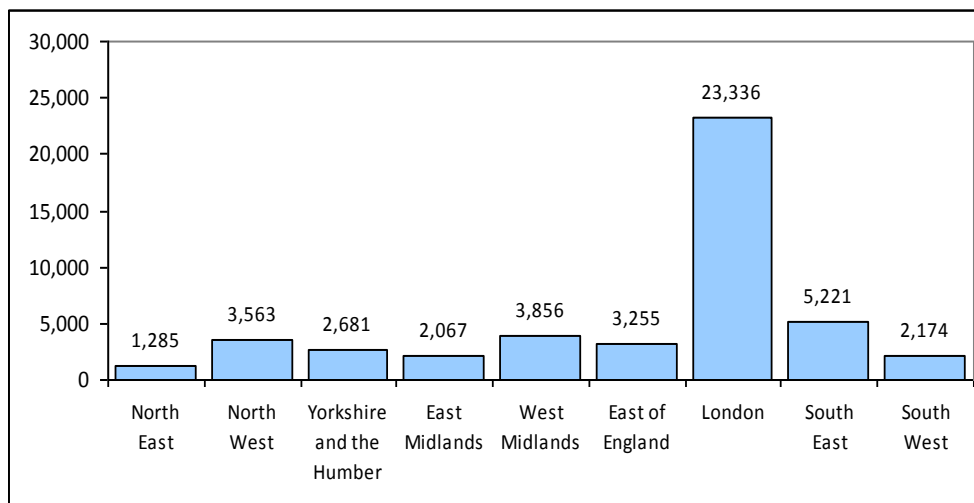
## 8.10 Welfare Reform

- 8.10.1 The Government has implemented a number of changes to the benefit system. The Welfare Reform Act of 2012 introduces a range of changes that impact on the private rented, council and registered provider sector and their tenants.
- 8.10.2 A number of changes affecting the private rented sector such as:-
- A cap on the amount of local housing allowance paid depending on the size of the house;
  - Under-occupancy criteria;
  - Single under-35 year olds only eligible for shared accommodation housing benefit.

## 8.11 Benefit Cap

- 8.11.1 The Government introduced a cap on the total amount of benefit that working-age households can receive. This means that households on out-of-work benefits will no longer receive more in welfare payments than the average weekly wage for working households.
- 8.11.2 All Local Authorities implemented the cap by the end of September 2013.
- 8.11.3 Since the introduction of the benefit cap 46% of households affected were found in London. Of the top 20 authorities affected only two were found outside of London.
- 8.11.4 The following graph shows the cumulative number of households capped from 15<sup>th</sup> April 2013 to August 2014 by region.

**Figure 8-3 Number of Households Capped 2013-2014**



Source: DWP

- 8.11.5 The data shows that the number of households capped in the South West is a significantly lower level compared to the majority of the other benchmark areas, outside of London. The level in London shows a huge difference compared to the other regions. In London the total number of households capped was 23,336 between April 2013 and August 2014.
- 8.11.6 The Isles of Scilly recorded no capped households between April 2013 and August 2014.

## 8.12 Housing Benefit and Under-Occupancy

- 8.12.1 From April 2013 the Government introduced a new 'size criteria' (spare room subsidy) for tenants renting in the affordable housing sector. As a result, any working age household deemed to be under-occupying their property will see a reduction in their housing benefit.
- 8.12.2 The new size criteria will only apply to working age households in any affordable sector housing. It does not apply to pensioner households who are specifically excluded from this legislation or those living in private rented accommodation as they are covered under new Local Housing Allowance (LHA) regulations.
- 8.12.3 From April 2013, the number of bedrooms a working age household is deemed to require will be based on the following criteria for a 1 bedroom property:-
- A couple;
  - Adult aged 16+
- 8.12.4 The number of bedrooms a working age household is deemed to require will be based on the following criteria for a 2 bedroom property:-
- One child;
  - Two children aged 0-16 years of the same sex;
  - Any 2 children under the age of 10.
- 8.12.5 There will be discretionary help for disabled tenants who require an extra bedroom for an overnight carer and for those households with foster children. For any household deemed to have more bedrooms than they require their housing benefit will be reduced by:-
- 14% for 1 'extra' bedroom;
  - 25% for 2 or more 'extra' bedrooms.
- 8.12.6 Information received from the Council suggests that a total of 4 households in receipt of benefits have been affected by the size criteria, all under-occupying by one bedroom.
- 8.12.7 The 14% reduction equates to an average weekly rental difference of £12 for affordable rented stock.

## 9 MIGRATION

### 9.1 Introduction

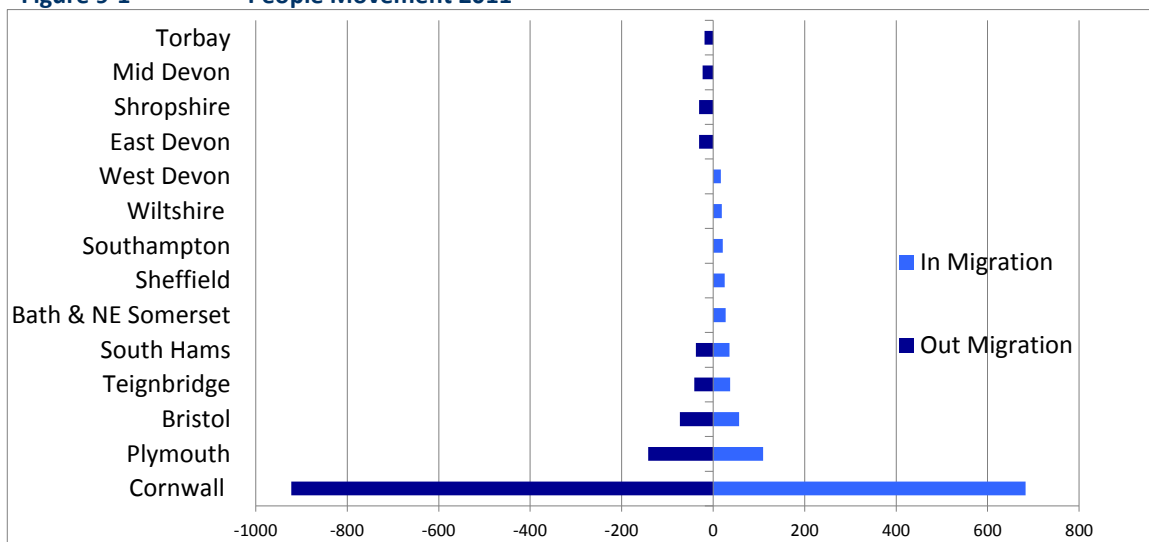
9.1.1 The following sub-section examines the movement of people between local authorities, utilising secondary data only. The migration patterns of households found in the 2015 household survey can be seen at 9.4 below.

### 9.2 Origin and Destination of Migrants

9.2.1 The pattern of people movement between authorities has been analysed by examining 2011 Census Origin-Destination Statistics. The following chart shows inflow and outflow data to and from the Isles of Scilly.

9.2.2 The Islands experienced its largest in migration in 2011 from Cornwall (683 people) and to a lesser extent Plymouth (109 people), City of Bristol (57 people) and Teignbridge (37 people). For those leaving the Islands, the main destinations were again Cornwall (922 people), Plymouth (142 people) and Bristol (73 people).

**Figure 9-1** People Movement 2011



Source: © Crown Copyright Census 2011

### 9.3 Migration Characteristics

9.3.1 Migration patterns reflect a variety of economic, affordable and environmental factors including proximity to work and family. Migration is generally associated with the relative economic prosperity of an area, with people moving to areas where they have the best chance of finding employment. However, research has shown that migration can also be associated with lifestyle changes, such as retirement, or moving to an area with a higher quality of life.

9.3.2 The table below shows the net migration balances, broken down by age group.

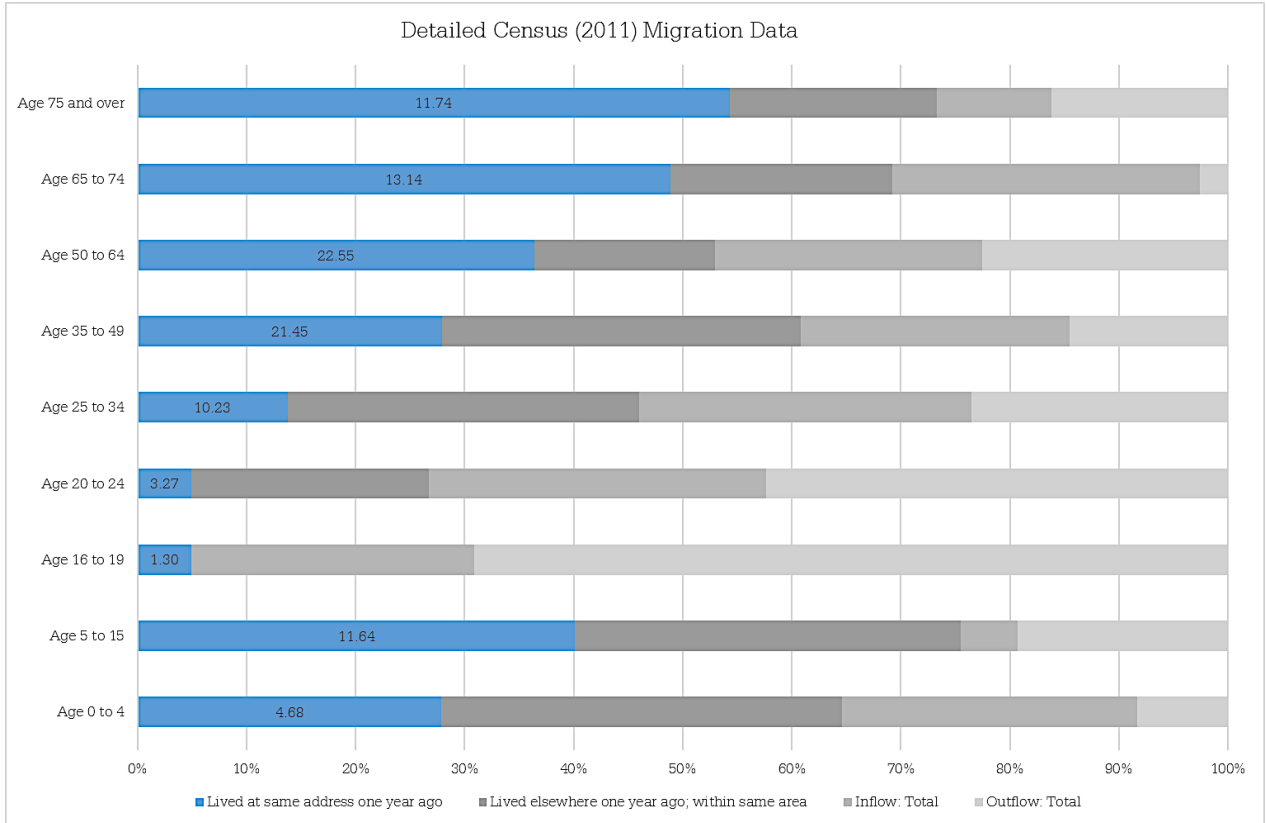
Table 9-1 **Net IOS Migration Balance by Age Group - 2011**

Age	Inflow	Outflow	Balance
0 – 14	20	20	0
15 – 34	130	110	+20
35 – 64	50	40	+10
65+	10	10	0
All ages	210	180	+30

Source: © Crown Copyright Census 2011

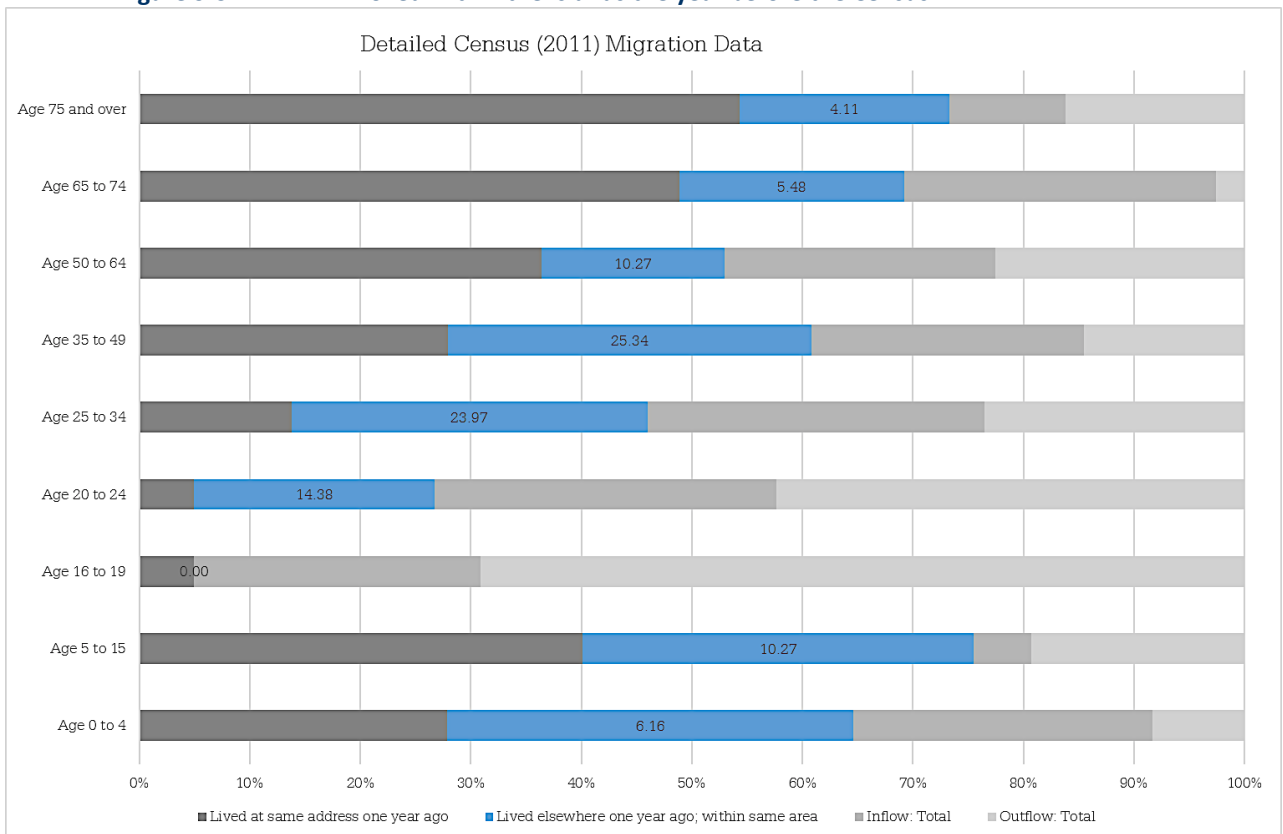
- 9.3.3 The Isles of Scilly data shows that in 2011 the largest inflow and outflow was in 15-34 age range, representing 62% of the net in-migration and around 61% of net out-migration.
- 9.3.4 There was no negative net migration balance across any age group.
- 9.3.5 Looking in more detail at the latest published data on detail of migration, shows that the bulk of moves in and out are in the aged group 15-34 with a net gain of 20 people (rounded) in this category. This appears a fairly constant pattern of age related movements across recent years.
- 9.3.6 These graphs are meant to be read together – each one highlights a particular distribution by age and type of move and they show the age distribution of those who haven't moved (Figure 9-2), those who have moved within the Isles of Scilly (Figure 9-3), those moving to the Isles (Figure 9-4) and those leaving (Figure 9-5).

**Figure 9-2 Not Moved in year before the Census 2011**



9.3.7 Those aged 75 plus, and 65-74 are most likely to have not moved address in the year before the 2011 Census.

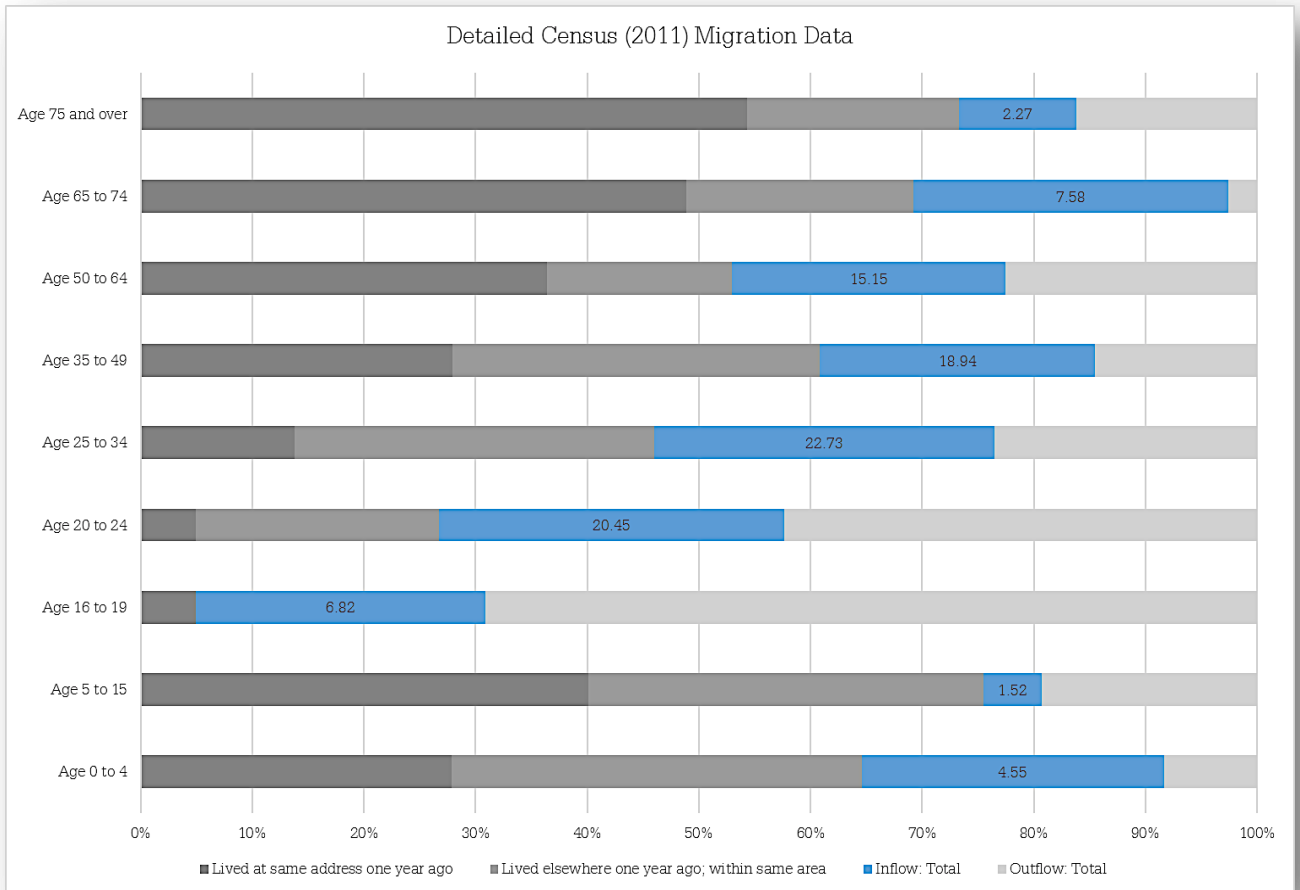
**Figure 9-3 Moved within the Islands the year before the Census**





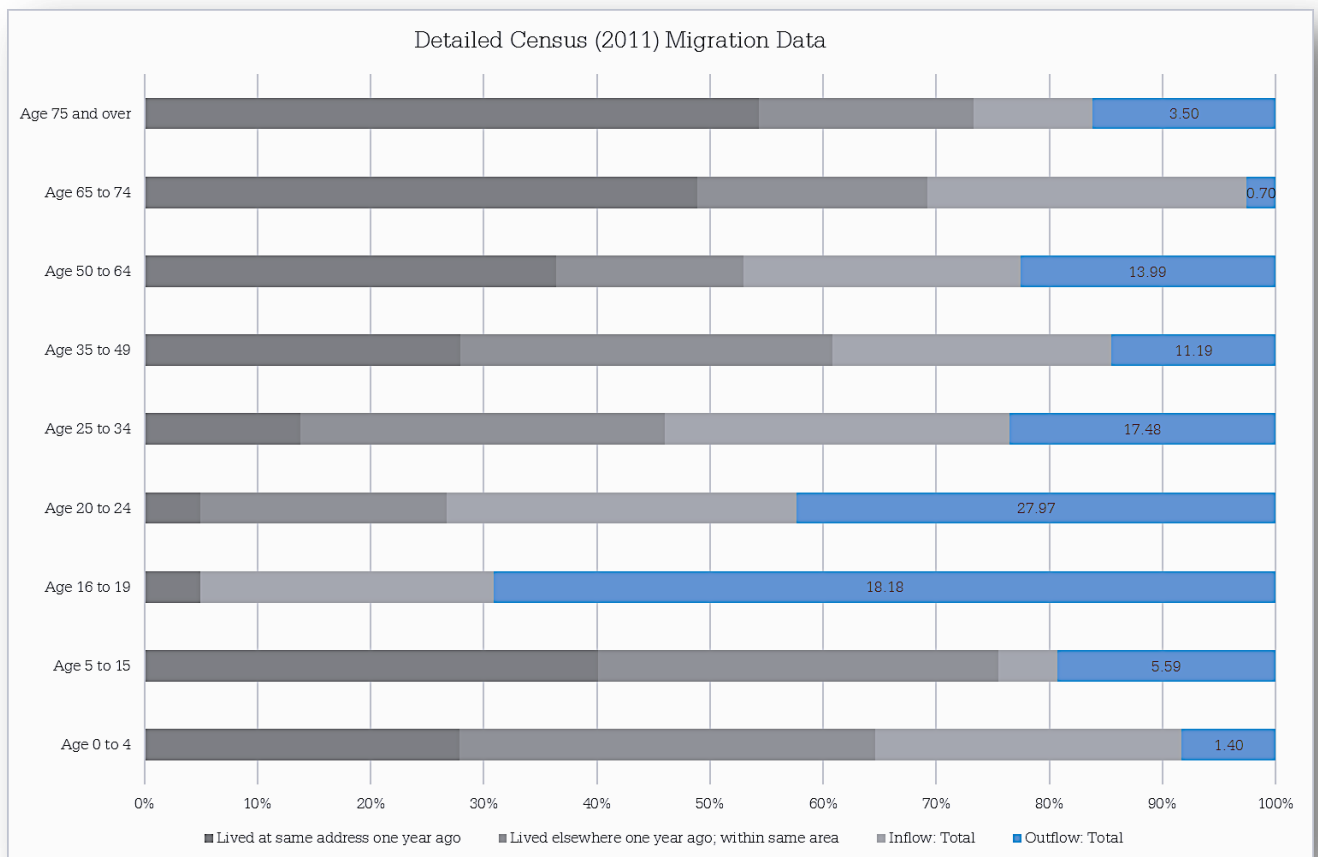
9.3.8 Movements within the Isles of Scilly are largely made by those aged 25-34, 35-49 and associated 0-4 and 5-15 year olds.

**Figure 9-4 Inflow to the Isles of Scilly**



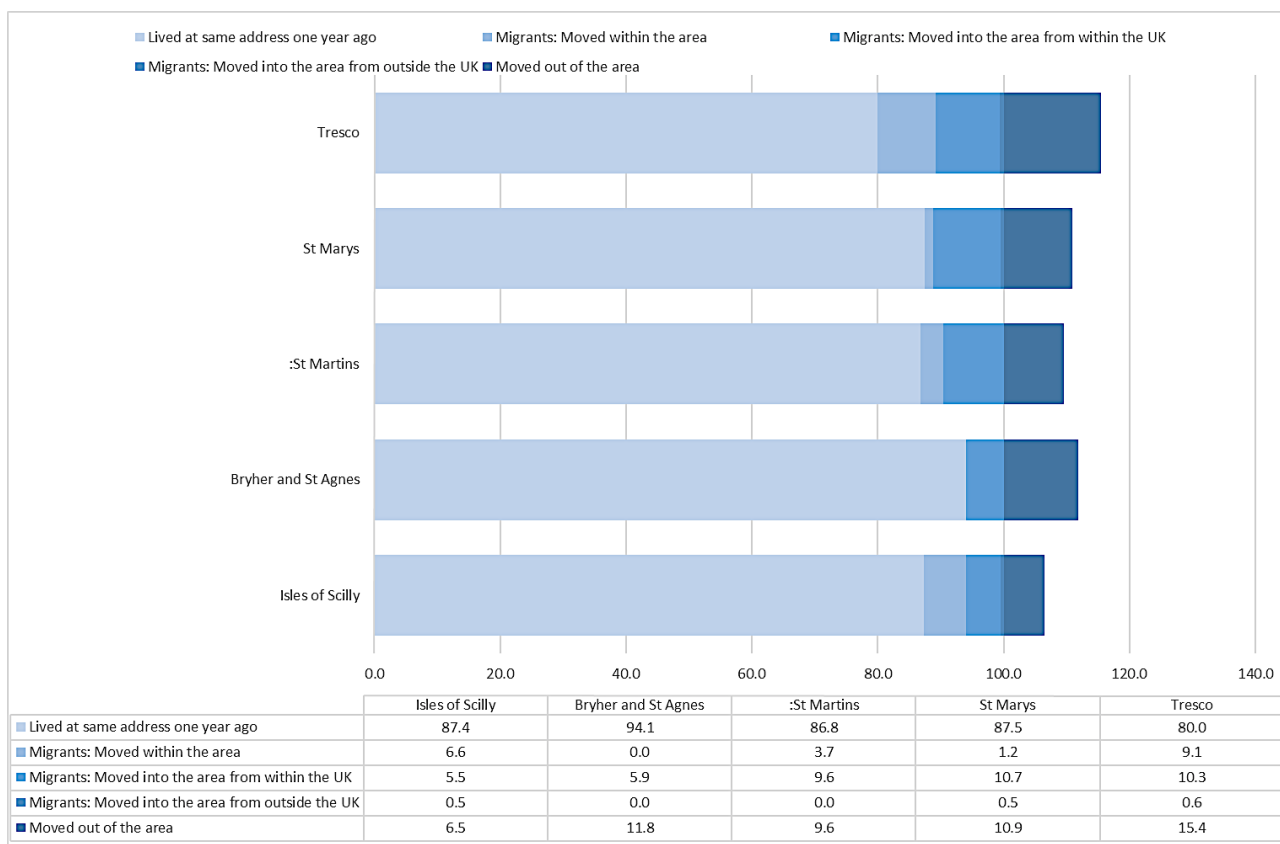
9.3.9 Movements into the Isles of Scilly have a younger age profile, these may be returners after studying away, or are coming for seasonal, or permanent employment opportunities.

**Figure 9-5 Outflow from the Isles of Scilly**



- 9.3.10 Movement from the Isles of Scilly is strongly in younger age groups, particularly 16-19, and 20-24. This is likely to be driven by educational and employment opportunities.
- 9.3.11 The flows within and into and from the Isles of Scilly fluctuate significantly year-to-year. The census data has to be seen in that context, but is a helpful guide to understand the age specific behaviours and likelihood of movers.
- 9.3.12 This same data can be broken down to the island split used earlier.

**Figure 9-6 Island breakdown of Census Migration Data**



9.3.13 Tresco exhibits different proportions of overall flows compared to the other islands, and the IOS in total. In this analysis the first 4 categories add up to the resident population at the time of the 2011 census. The proportion of those moving out of the area is expressed as proportion of the total resident population.

### 9.4 Migration (Household Survey data)

9.4.1 This section looks at the patterns of migration for the Islands utilising the 2015 household survey data. In the first part of the section, the 226 implied households (23.3% of the sample) who had moved in the last 3 years were asked where they had moved.

9.4.2 54.3% had previously lived within the Islands; 45.7% had moved in from outside the Islands (98 implied households).

## 9.5 In-Migration to the Islands

- 9.5.1 98 households had in-migrated to the Isles of Scilly over the last three years. 2.0% had moved from Cornwall, but the majority (41.7%) had moved from elsewhere in the UK (i.e. outside Cornwall), and 2.0% from elsewhere outside the UK.

**Table 9-2 Location of Previous Dwelling (In-migrants)**  
Question 5a

Location	%	N <sup>OS.</sup>
Cornwall	4.1	4
Elsewhere in the UK	91.8	90
Elsewhere outside the UK	4.1	4
<b>Total</b>	<b>100.0</b>	<b>98</b>

Source: 2015 Household Survey

- 9.5.2 8% of all those who had in-migrated to the Islands (17 implied) within the last three years said that it was their first independent home as an adult.

- 9.5.3 Those who had moved to the Islands within the last 3 years were then asked what the three most important reasons were for moving home.

**Table 9-3 Reason for Moving for those Moving within or to the Islands**

Question 5b

Reason	% Households moved within the Islands	% Households in-migrated to the Islands
New Job / employment	41.6	65.2
Closer / easier to commute to work	10.5	8.1
To be near family / friends	28.6	16.5
Relationship / family breakdown	2.3	2.7
Health reasons / personal care	5.6	5.1
Retirement	11.8	22.7
Able to afford local housing	10.6	0.0
Better quality of housing	20.6	1.8
Better quality area	20.6	35.5
Location of the school	3.0	2.3

Source: 2015 Household Survey

- 9.5.4 The main reason for a move within the Islands was 'new job / employment' at 41.6% followed by 'to be near family / friends' at 28.6%.
- 9.5.5 The main reason for in-migrating to the Isles of Scilly was 'new job / employment' at 65.2%, followed by 'better quality area' at 35.5% and retirement at 22.7%.

## 9.6 Out - Migration from the Islands

- 9.6.1 Out-migration is expected to account for 58.4% of all moves for existing moving households (59 implied) and **no concealed households were planning to leave the Islands over the next three years**. Therefore all data in this section relates to existing households only.
- 9.6.2 Those leaving the Isles of Scilly were asked where they were thinking of relocating. 52 implied existing households responded to this question.
- 9.6.3 The main interest was in moving to Cornwall at 53.0% and 41.6% were looking to move elsewhere in the UK. 5.4% intended to leave to move outside the UK.
- 9.6.4 All those moving abroad planned to do so within 2-3 years. For those moving to the mainland 62.0% planned to leave within the next 12 months. A further 20% planned a move within 1-2 years.
- 9.6.5 Those moving off the Islands were asked their reasons for moving away. This question was a multiple choice question and on average all households made 1.9 choices.
- 9.6.6 Reasons were fairly well spread and results are to be expected from households who are already established. The main reason was family reasons at 44.1%, followed by unable to afford to buy a home locally at 33.3% and retirement at 30.2%.

- 9.6.7 The table below shows the full breakdown of reasons for leaving the Islands for existing households (no concealed households leaving).

**Table 9-4 Reason for Moving away from the Islands**  
Question 17e

Reason	Existing	
	% Households	N <sup>os.</sup> Implied
Family reasons	44.1	24
Unable to afford to buy a home locally	33.3	18
Retirement	30.2	16
Lack of affordable housing to rent	28.0	15
Financial reasons	25.2	14
Employment / access to work	22.5	12
Health reasons	10.4	6
Further / Higher Education	0.0	0
No specialist housing for elderly / disabled	0.0	0
<b>Total</b>	<b>193.7</b>	<b>105</b>

Source: 2015 Household Survey

## 9.7 Migration Summary

- 9.7.1 The tables below, based on survey data show the number of existing households who have moved onto the Islands and those planning a move away from the Islands. It reflects the net migration patterns for existing households.
- 9.7.2 There is net in-migration from the UK (excluding Cornwall) and from Abroad (outside the UK) of 69 people, with a net out-migration of 24 people to Cornwall, giving a total net in-migration of 45 people over the next three years.

**Table 9-5 Net Migration Patterns**

Migration areas	Cornwall	Elsewhere in the UK	Elsewhere outside the UK	Total
Moving onto the Isles of Scilly	+4	+90	+4	+98
Leaving the Isles of Scilly	-28	-22	-3	-53
<b>Net Migration</b>	<b>-24</b>	<b>+68</b>	<b>+1</b>	<b>+45</b>

Source: 2015 Household Survey

## 10 HOUSING NEEDS OF DISABLED PEOPLE

### 10.1 Introduction

10.1.1 Issues relating to households with one or more members who are affected by a physical or mental health disability or long-term illness were addressed through a series of questions. This section draws together the findings covering property adaptation and support provision and outstanding needs.

### 10.2 Needs of Disabled People

10.2.1 13.8% of households in the area contain somebody with a disability, suggesting 135 households on the Islands were affected in some way.

10.2.2 Assessment of the UK average for the proportion of households affected is difficult, both because of the impact of multiple disability and the tendency to express statistics in terms of population rather than households. The Department for Work and Pensions Family Resources Survey 2012/13 suggests around 19% of the UK population are disabled, with as many as 12.2 million disabled people in 2012/13.

10.2.3 The comparative figures for the various tenures were as per the table below. The level in the owner-occupied no mortgage sector at (50.7%) was nearly five times the proportion of total stock represented by outright owner occupation (11.1%). The level in the owner occupied with mortgage accommodation at 4.4% was considerably lower than the stock level owner occupied 32.5%.

10.2.4 In the social sector no incidence of disability was found in the Registered Provider sector but a higher instance of disability was found in the Council rented sector than for the stock as a whole (16.8% v 11.0%) but an expected result for the tenure where adaptation will be more readily accessible.

**Table 10-1 Disability by Tenure**  
Question 1 by Question 9

Tenure	Sample Tenure %	Tenure of those with disability %	N <sup>os</sup> . Implied (Disability)
Owner occupied with mortgage	32.5	4.4	6
Owner occupied without mortgage	11.1	50.7	68
Private rented	30.1	18.2	25
Council rented	11.0	16.8	23
Registered Provider rented	4.8	0.0	0
Tied to employment / living rent free	10.5	9.9	13
	<b>100.0</b>	<b>100.0</b>	<b>135</b>

Source: 2015 Household Survey

10.2.5 When asked how many members of the household had a disability, 76.6% of cases (106 implied households) said only one household member had a disability and 23.4% (32 households) said two members had a disability.

10.2.6 However, responses to the age profile and nature of disability data suggest slightly higher totals than this at around 155 – 170 people, the disparity being in the number of people that answered each question.

- 10.2.7 170 responses were received to the age of disabled members. Data for the age groups of all disabled household members is shown in the table below.

**Table 10-2 Age of Disabled Household Members (Question 10b)**

Age	%	N <sup>os.</sup> implied
0-10	6.5	11
11-15	1.8	3
16-24	1.2	2
25-34	0.0	0
35-49	2.4	4
50-64	11.7	20
65-79	35.8	61
80+	40.6	69
<b>Total</b>	<b>100.0</b>	<b>170</b>

Source: 2015 Household Survey

- 10.2.8 76.4% of all disabled household members were over the age of 65 including 40.6% over 80; 9.5% were aged under 35 years.
- 10.2.9 The next table shows the nature of the disability of members of the household. Responses were received to a multiple response question, giving an average of 1.3 responses.

**Table 10-3 Nature of Disability Question 10c**

Disability	% responses	% households	N <sup>os.</sup> implied (all choices)
Wheelchair user	4.1	5.2	8
Walking difficulty	40.5	51.9	80
Visual / hearing impairment	23.4	29.9	46
Asthmatic / respiratory problem	16.7	21.4	33
Other physical disability	15.3	19.5	30
<b>Total</b>	<b>100.0</b>		<b>197</b>

Source: 2015 Household Survey

- 10.2.10 All young people (under 25 years) declaring a disability had an 'other physical disability'.
- 10.2.11 The largest group of people were those with a walking difficulty (51.9%). 29.9% had an 'other physical disability' and 21.4% of households contained someone who had a asthmatic / respiratory problem.
- 10.2.12 Further data analysis showed that 17.6% (3 of the 17 at Table 10-6 below) of properties, in which people using a wheelchair lived, had been adapted, much lower compared with recent DCA survey experience (around 32.0%) but actual cases of disability are also correspondingly lower. However the data does suggest some mismatch between houses adapted and those where wheelchair users lived.
- 10.2.13 By extension, it would appear that 5 households with a wheelchair user (62.5%) did not live in suitably adapted premises (8 in Table 10-3 less 3).



### 10.3 Support Needs

- 10.3.1 136 implied household members responded to the question on need for care or support. 86.8% indicated a need for care or support (118 implied) at some level.
- 10.3.2 93.2% of those with a care or support need felt they were getting enough support, the data implying 6.8% (5 implied) with an outstanding support need.
- 10.3.3 Respondents saying they were currently receiving enough support were then asked who provided the care or support needed. 75 households responded.

**Table 10-4 Who provides the Support Needed (Question 10f)**

Support provider	% responses	N <sup>os.</sup> implied (all choices)
Registered care agency / voluntary body	93.3	70
Family / neighbour / friend	6.7	5
<b>Total</b>	<b>100.0</b>	<b>75</b>

Source: 2015 Household Survey

- 10.3.4 93.3% of households received care / support from a registered care agency / voluntary body, 6.7% solely received care / support from family / neighbour / friend.

### 10.4 Adaptation

- 10.4.1 Three questions sought information from all households on the degree to which the home had been built or adapted to meet the needs of a disabled person.
- 10.4.2 11.3% of properties (108 implied) had been adapted, equal to than the average level found in DCA surveys (around 11%). The split by tenure is set out in the table below.

**Table 10-5 Adaptations by Tenure**

Question 11b by Question 1

Tenure	%	N <sup>os.</sup> implied
Owner occupied no mortgage	43.7	48
Private rented	14.5	16
Registered Provider rented	14.5	16
Council rented	13.6	15
Owner occupied with mortgage	11.6	13
Tied to your employment / Living Rent Free	2.1	2
<b>Total</b>	<b>100.0</b>	<b>110</b>

Source: 2015 Household Survey

- 10.4.3 Adaptation in the owner occupied no mortgage sector was the highest at 43.7% followed by 14.5% of private rented properties, within this sector 7.7% were Duchy, 5.1% other private rent and 1.3% farm tenancies.
- 10.4.4 13.6% of council rented properties have been adapted and 14.5% of the Registered provider properties have been adapted accounting for some 16 properties but the survey found no incidence of disability in this tenure (Table 10-1).

**Table 10-6** Types of Adaptations Provided / Needed to Current Home  
Question 11b and Question 12

Adaptations	Provided		Needed	
	% households	N <sup>os</sup> . implied (all choices)	% households	N <sup>os</sup> . implied (all choices)
Wheelchair adaptations	15.2	17	1.2	11
Access to property	33.0	37	3.0	26
Vertical lift / stair lift	10.0	11	1.8	16
Bathroom adaptations	32.9	36	5.3	47
Extension	5.6	6	1.9	17
Ground floor toilet	32.3	36	2.9	26
Handrails / grabrails	59.9	66	5.3	47
Other	0.0	0	2.6	23
None Needed	--	--	86.1	755
<b>Total</b>		<b>209</b>		

Source: 2015 Household Survey

- 10.4.5 59.9% had handrails / grabrails, 33.0% had access to property adaptations, 32.9% had bathroom adaptations and 32.3% had a ground floor toilet.
- 10.4.6 Wheelchair adaptations at 15.2% (17 implied) were equal to the average level found in DCA surveys (around 15%). The data taken in conjunction with 10.2.12 above suggests that a wheelchair user no longer occupies 14 wheelchair-adapted premises.
- 10.4.7 86.1% of households stated they needed no adaptations now or in the next three years. Of the households who did say they needed adaptations, the main one was bathroom adaptations (5.3%), followed by handrails / grabrails (5.3%).
- 10.4.8 Further examination of the households who need adaptations now or in the next three years showed that the majority were in the owner occupied sector (42.9%) and 34.0% in the private rented sector who could potentially be eligible for a Disabled Facilities Grant to help with the adaptations needed. 10.6% of adaptation future need (93 households implied) live in the Council rented sector.
- 10.4.9 New homes being built to Lifetime Homes Standards and HAPPI standards will provide the opportunity for residents to continue living in the same property that is adaptable to their changing needs.

## 11 HOUSING FOR OLDER PEOPLE

### 11.1 Introduction

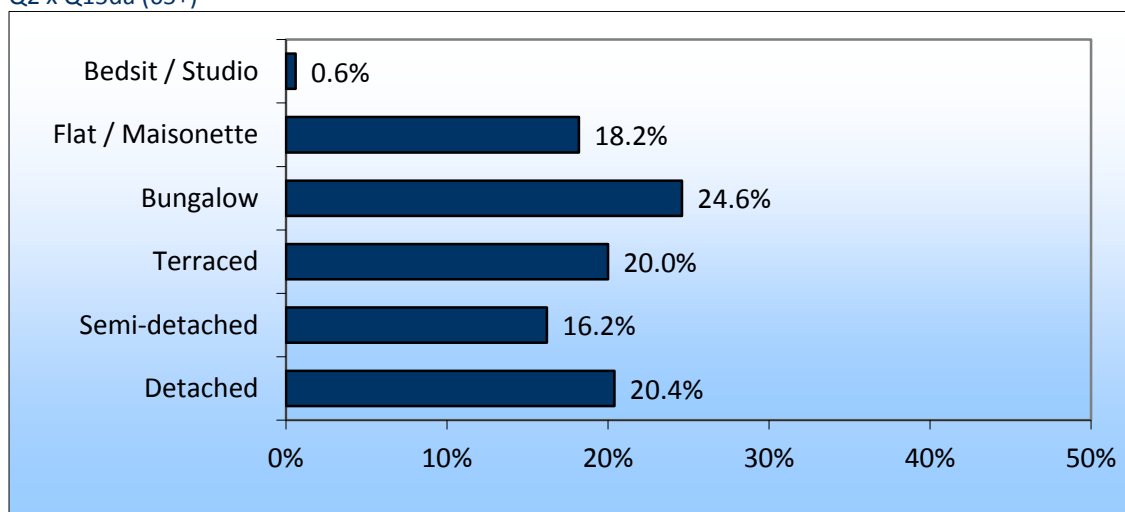
11.1.1 The need to provide housing for older people is critical given the projected increase in the number of households aged 65 and over. This sub-section will examine the future needs of older people specifically looking at the size of dwelling required in order to see if any existing houses can be freed up to tackle the issue of under-occupation.

11.1.2 According to population projections, there will be 27% more older people (65+) between 2015 and 2035 (177 people). The largest increase within the 65+ group are those aged over 85, an 80.5% increase since 2015, however the 75-84 age group also grows by 54.8% over this period, which potentially means a significant increase in the need for support services and housing with support.

### 11.2 Profile of Older People

11.2.1 The following graphs show the tenure, type and size of accommodation currently occupied by the 65+ age group.

**Figure 11-1** Type of General Stock Occupied by Older People (%)  
Q2 x Q15da (65+)

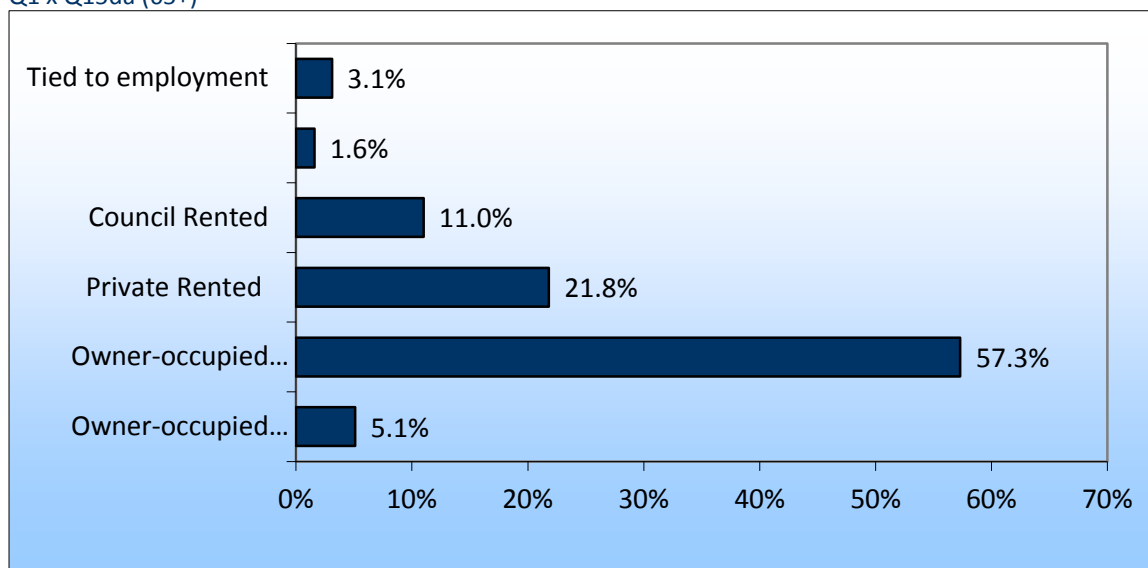


Source: Household Survey 2015

11.2.2 Residents aged 65+ occupied housing across all property types. The main property type occupied was a bungalow at 24.6% followed by 20.4% of households living in a detached house.

11.2.3 18.2% live in flats / maisonettes and only 0.6% occupied a bedsit / studio.

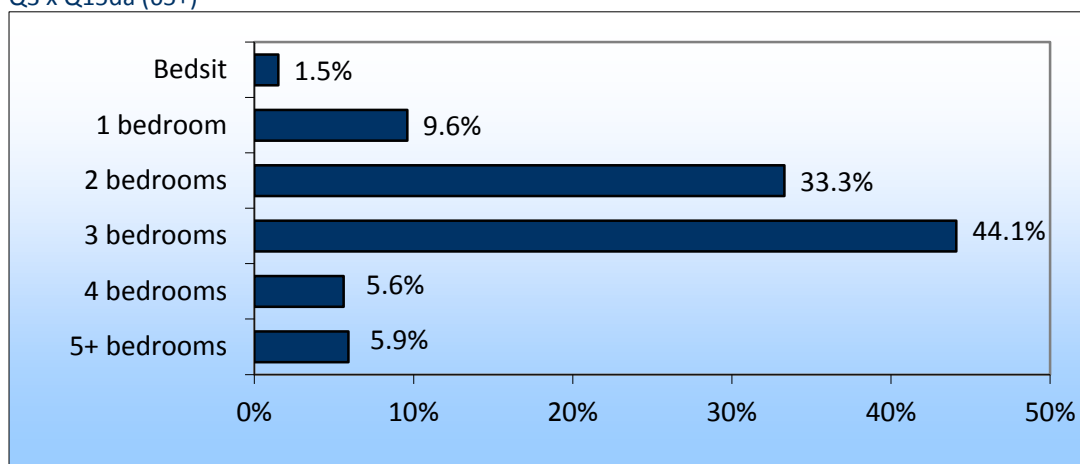
**Figure 111-2 Tenure of General Stock Occupied by Older People (%)**  
Q1 x Q15da (65+)



Source: Household Survey 2015

- 11.2.4 The main tenure type of older households was owner occupied (no mortgage) at 57.3% as is normally found amongst the older population.
- 11.2.5 It is generally acknowledged that older people on fixed incomes may have difficulty maintaining their homes.
- 11.2.6 Levels of repair may be an issue on the Islands due to the properties occupied by older people and also the high number of owner occupied (no mortgage) properties.

**Figure 111-3 Size of Accommodation Currently Occupied by Older People**  
Q3 x Q15da (65+)



Source: Household Survey 2015

- 11.2.7 The highest proportions of older households live in 3-bedroom properties (44.1%) and two-bedroom properties (33.3%).

### 11.3 Future Housing Needs of Older People

- 11.3.1 64 (6.2%) implied households indicated that they had older relatives (over 65) who may need to move to the Islands in the next three years. 92% of those (57 implied) were on St Mary’s, 5.8 (4 implied) on St Martin’s and 2.2% (1 implied) on Bryher/St Agnes.

11.3.2 The breakdown of the type of accommodation required is shown in the table below, each household making 1.3 choices on average.

**Table 111-1 Accommodation Required by Older Relatives in Next 3 Years**

Question 13b

	% households	N <sup>os</sup> . implied
Live with respondent (existing home adequate)	4.8	3
Live with respondent (need extension / adaptation)	49.4	27
Owner occupied property	10.2	6
Private rented property	36.8	20
Council / Registered Provider Property	25.5	14
<b>Total</b>		<b>70</b>

Source: Household Survey 2015

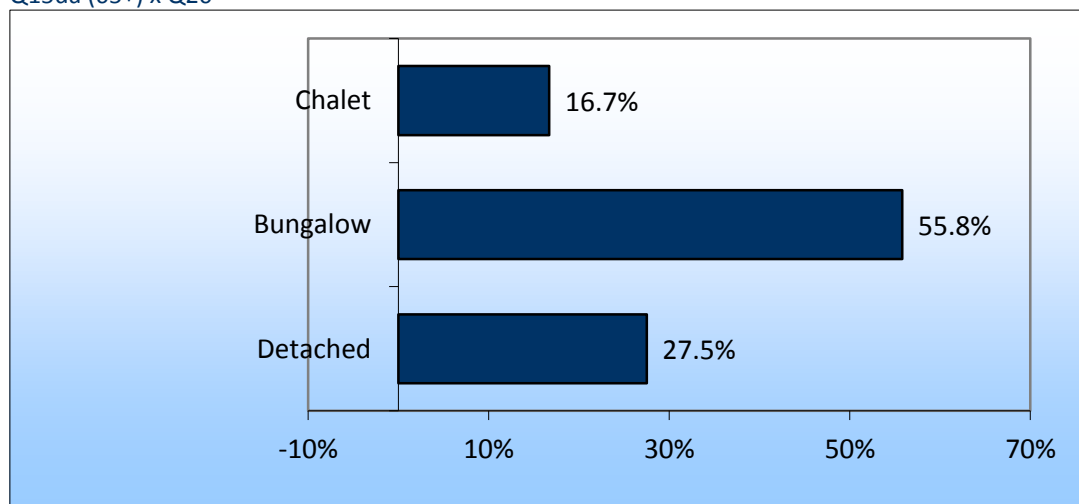
11.3.3 The children of older people predicted demand for this group and, as would be expected, it shows a different pattern to that normally seen from older respondents themselves in DCA surveys where you find a lower number of older people accepting they need to move home.

11.3.4 6 implied older persons households were planning a move away from the Isles of Scilly. 58.3% (4 implied) said financial reasons and 41.7% (3 implied) said family reasons. Surprisingly health reasons and lack of specialist accommodation for older people had no responses from households aged 65+.

11.3.5 20 implied existing households aged 65 and over are planning a move within the Islands (76.9% of 65+ moves) in the next 3 years and they were asked a series of questions about their future housing requirements.

**Figure 111-4 What Type Of Accommodation is required (65+)**

Q15da (65+) x Q20



Source: Household Survey 2015

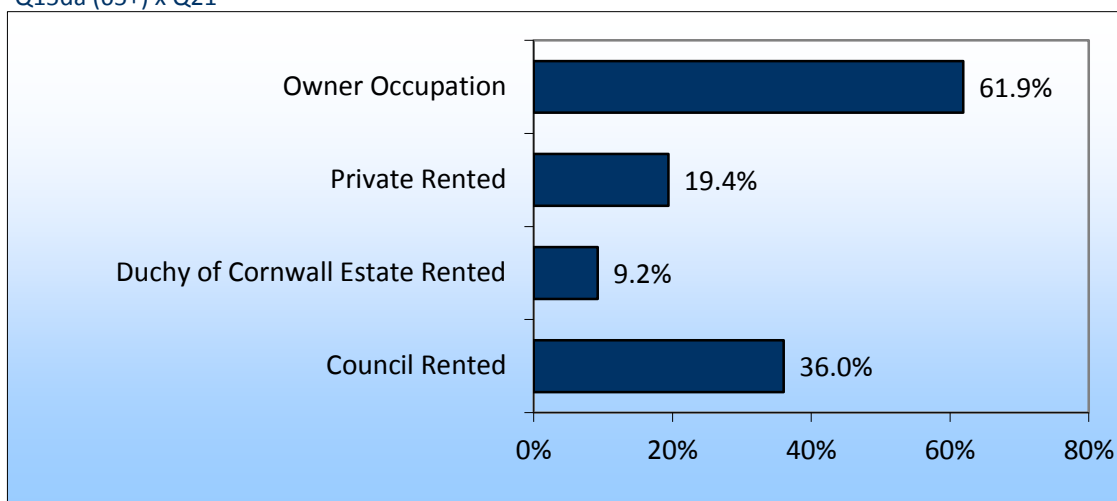
No data for other types ; Caution low sample

11.3.6 The main type of accommodation required by older people when they move within the Islands in the next three years is a bungalow, 55.8% of households.

11.3.7 Around 28% require a detached house and 17% a chalet.

**Figure 111-5 What Tenure is Required (65+)**

Q15da (65+) x Q21



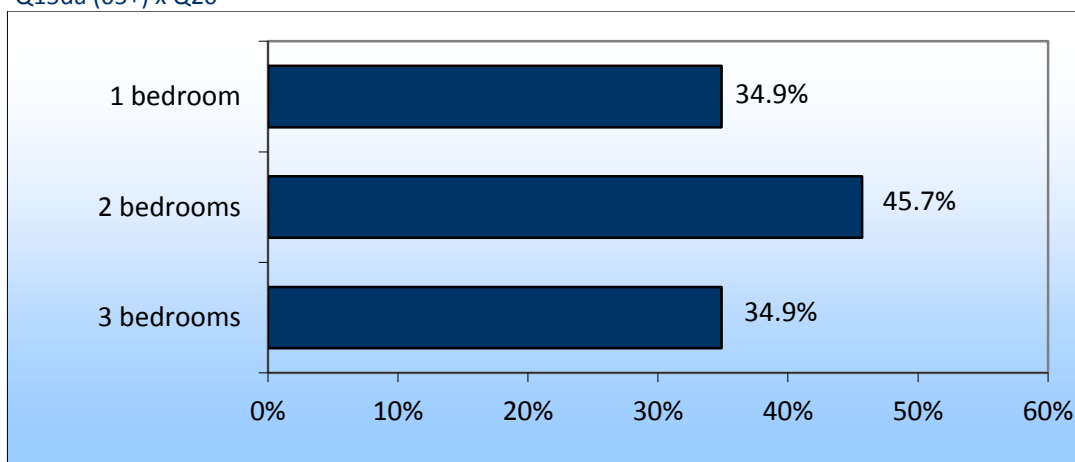
Source: Household Survey 2015

No data for other types ; Caution low sample

11.3.8 36.0% of older persons households (5 implied) require a Council rented property when they move in the next three years and 28.6% want private rented accommodation (including Duchy), 61.9% require owner-occupied properties, although this was based on a low sample.

**Figure 111-6 Size of Housing Required by Existing Moving Households aged 65+**

Q15da (65+) x Q20



Source: Household Survey 2015

No data for other sizes ; Caution, low sample

11.3.9 The size requirements of existing older households who were planning a move revealed that the main requirement was for 2-bedrooms at 45.7%, but were fairly well spread across 1 to 3 bedrooms, again this was based on a low sample.

## 11.4 Downsizing

11.4.1 DCA ran further data analysis in relation to the households who answered ‘yes’ to question 14a, ‘would they consider moving to a smaller property on the Islands’.

11.4.2 84.4% (410 implied) said they would not consider downsizing their property; 78.9% said they could manage their current property, 32% said ‘this was the family home’ and they were reluctant to leave. 43.6% said the space was needed when friends and family came to stay and 19% said the location was close to family and friends. Only 10% said they would not move due to financial reasons.

- 11.4.3 13.6% (64 implied) of households said they would consider moving to a smaller property within the Islands and of those, 52 were on St Mary's, 5 on Bryher/St Agnes, 4 on St Martin's and 2 on Tresco.
- 11.4.4 Of those who would be prepared to downsize, 11 (28.0%) households said they were already planning to move within the Islands in the next three years and 5 (26.8%) had a member who was forming a new home within the Islands.
- 11.4.5 The following table shows the data from the cross-tabulation of those wanting to downsize, by their current size and the size they would prefer.

**Table 111-2 Current Size by Preferred Size**

Current Size	Preferred Size							
	1 bedroom		2 bedrooms		3 bedrooms		Total	
	%	N <sup>OS.</sup>	%	N <sup>OS.</sup>	%	N <sup>OS.</sup>	%	N <sup>OS.</sup>
2 bedrooms	100.0	3	-	-	-	-	100.0	3
3 bedrooms	-	-	66.6	5	33.4	3	100.0	8

Source: Household Survey 2015

- 11.4.6 Households stating their intention to 'downsize' the data shows little evidence of a reduction in bedroom numbers with 66.6% of households expressing an interest in downsizing and currently in a 3 bedroom property would prefer a 2 bedroom property. All of households currently living in 2 bedrooms would prefer a 1-bedroom property.
- 11.4.7 Potentially in the 3 cases where those in a 3 bedrooms wanted to stay in a 3-bedroom property, the respondent's understanding of 'downsizing' could relate to a cheaper property, change in tenure or type of property, without necessarily a direct reduction in bedrooms. With this in mind, we also looked at the type of accommodation these households are currently in and what they would prefer to move to was also analysed.
- 11.4.8 The data showed that the majority of the households responding that currently live in a detached, terraced property or flat would like a bungalow.

## 11.5 Savings / Equity of Older Households

- 11.5.1 The percentage breakdown of savings for households aged over 65 across the four main tenures is shown in the following table.

**Table 11-3 Savings by Tenure**  
Q16a x Q1 (Q15da 65+)

Savings	Owner Occupied (with mortgage)	Owner Occupied (no mortgage)	Private Rent	Council Rented	Registered Provider Rented	Tied to Employment
No Savings	0.0	1.5	12.4	26.8	0.0	0.0
Under £5,000	21.2	1.5	12.2	13.3	0.0	49.2
£5,000 - £10,000	0.0	5.8	15.1	13.3	0.0	0.0
£10,001 - £15,000	0.0	2.9	2.0	0.0	50.0	0.0
£15,001 - £20,000	0.0	4.4	4.1	0.0	50.0	25.4
£20,001 - £30,000	0.0	7.8	5.3	13.3	0.0	25.4
Above £30,000	78.8	76.1	48.9	33.3	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Household Survey 2015

No data for RP Rent

- 11.5.2 Generally, the breakdown produced results, which might be expected with 76.1% of those in owner occupation (no mortgage) having savings above £30,000. A high proportion of retired owner-occupier households will have capital to support their housing and care needs.
- 11.5.3 12.4% of older households living in private rented accommodation and 26.8% older Council rented tenants had no savings.
- 11.5.4 Cross tabulation of the data by older households moving showed:-
- All of those wanting to move to owner occupation had over £30,000 in savings.
  - Around 53% of movers requiring Council rent and 32.2% of those requiring Duchy rent had less than £5,000 in savings.
- 11.5.5 The next table relates to the level of equity ownership in their home and was answered by around 88% (212 implied) of owner-occupiers aged over 65.

**Table 11-4 Level of Equity in Present Accommodation (owner-occupiers)**  
Question 16b (Q15da 65+)

Level of Equity	%	Nos.
Negative Equity	0.0	0
Below - £50,000	0.0	0
£50,001 - £100,000	1.4	3
£100,001 - £200,000	7.5	16
£200,001 - £300,000	24.1	51
Above £300,000	67.0	142

Source: Household Survey 2015

- 11.5.6 98.6% of respondents indicated equity ownership of over £100,000 with 67% over £300,000 in equity. 1.4% had between £50,000 to £100,000 in equity ownership and no older owner-occupiers had equity below £50,000.



## 12 HOUSEHOLDS INTENDING TO MOVE

### 12.1 Key Findings

- 13.7% of all households planned a move in the next 3 years.
- 56.0% planned to move within the islands and around 44.0% were planning to leave the Islands.
- 60.1% of households leaving the islands were leaving within a year and 53.0% were planning a move to Cornwall.
- The main reason for leaving the Islands was family reasons followed by unable to afford to buy a home locally.
- **34** existing households require market housing and **8** need affordable housing.
- **20** concealed households forming need market housing and **13** need affordable housing.
- The main tenure requirement for existing households was owner occupation whilst for concealed households the main requirement was private rent.

### 12.2 Introduction

- 12.2.1 This section examines the responses from the household survey in relation to the future moving intentions and plans of both existing and concealed households over the next three years.
- 12.2.2 The data from this section is then further analysed in **Section 13** focusing on those households specifically requiring market housing and **Section 14** looking at those households requiring affordable housing on the Islands.

## 12.3 Households Moving

12.3.1 Moving intentions were tested in the survey questionnaire with an emphasis on future plans to move within the Islands for existing households and also a more focused study on concealed households who represent pent up demand for housing.

12.3.2 Respondents were asked to say whether they or any members of the household were currently seeking to move or will do so in the next three years. 13.7% of all households responding (135 implied) planned a move, implying an average of 4.6% per annum.

**Table 122-1 Households Moving by Current Tenure**  
Question 17a x Q1

	%	N <sup>os</sup> . implied
Owner occupation with mortgage	17.3	23
Owner occupation no mortgage	20.6	28
Private rent	30.7	41
Council rent	9.3	13
Registered Provider rent	4.4	6
Shared Ownership	0.0	0
Tied to employment	17.7	24
<b>Total</b>	<b>100.0</b>	<b>135</b>

Source: Household Survey 2015

12.3.3 The scale of movement is nearly all from market housing with around 38.0% of current movers moving from owner occupation and 30.7% from private rent. 17.7% of implied households were moving from accommodation that was tied to their employment and 13.7% from affordable rent.

12.3.4 Of those households that were planning a move, around 56.0% planned to move within the islands and around 44.0% were planning to leave the Islands.

## 12.4 Households Leaving the Islands

12.4.1 Respondents who planned a move away from the islands were asked when they plan to move away from the Islands.

**Table 122-2 When are you moving away from the Islands?**  
Question 17c

	%	N <sup>os</sup> . implied
Within a year	60.1	31
Between 1 and 2 years	19.5	10
Between 2 and 3 years	20.4	11
<b>Total</b>	<b>100.0</b>	<b>52</b>

Source: Household Survey 2015

12.4.2 Over half of respondents were expecting to move away from the Islands within a year, (60.1%, 31 households implied).

- 12.4.3 Respondents were also asked where they were thinking of moving to and over half were planning a move to Cornwall (53.0%, 28 households implied). 41.6% of households responding planned a move to elsewhere in the UK and just 5.4% elsewhere outside the UK.

**Table 122-3**                    **Where are you thinking of moving to?**  
Question 17d

	%	N <sup>os.</sup> implied
Cornwall	53.0	28
Elsewhere in the UK	41.6	22
Elsewhere outside the UK	5.4	3
<b>Total</b>	<b>100.0</b>	<b>53</b>

Source: Household Survey 2015

- 12.4.4 The following table shows the results for the reasons why respondents planned a move away from the Islands. This question was multiple choice and respondents gave an average of around 2 responses each.

**Table 122-4**                    **Reasons for Moving Away from the Islands?**  
Question 17e

	% responses	% households	N <sup>os.</sup> implied
Family reasons	22.9	44.1	24
Employment / access to work	11.4	22.5	12
Retirement	15.2	30.2	16
Financial reasons	13.3	25.2	14
Unable to afford to buy a home locally	17.2	33.3	18
Lack of affordable housing to rent	14.3	28.0	15
Health reasons	5.7	10.4	6
<b>Total</b>	<b>100.0</b>		<b>105</b>

Source: Household Survey 2015

- 12.4.5 44.1% of respondents stated 'family reasons' for their plan to move away from the islands and 30.2% stated retirement as a reason.
- 12.4.6 33.3% of respondents stated that they were unable to afford to buy a home locally and 28.0% said there was a lack of affordable housing to rent. Financial reasons were the reason chosen by 25.2% of households.
- 12.4.7 The following tables contain data on family members who had already moved away from the Islands.
- 12.4.8 8.8% of respondents (85 households implied) said that family members had moved away from the Islands because they could not afford to buy a home locally.

- 12.4.9 The question on what type of housing family members required before they moved away produced the following results.

**Table 122-5** What type of housing did they require?

Question 18b

	% responses	N <sup>os</sup> . implied
Owner Occupation	32.0	26
Private rent	12.4	10
Duchy Rent / Leasehold	18.9	15
Tresco Estate rent	9.7	8
<b>Council rent</b>	<b>26.9</b>	<b>22</b>
<b>Total</b>	<b>99.9.0</b>	<b>81</b>

Source: Household Survey 2015

- 12.4.10 The main type of housing sought by family members who have already moved away from the islands was owner occupation (32.0%), followed by Council rent (26.9%).
- 12.4.11 Respondents were also asked to state how many bedrooms family members required.

**Table 122-6** How many bedrooms did they require?

Question 18c

	% responses	N <sup>os</sup> . implied
One	15.9	14
Two	56.2	48
Three	27.9	24
<b>Total</b>	<b>100.0</b>	<b>86</b>

Source: Household Survey 2015

- 12.4.12 The majority of family members who had already moved away required a two bedroom property and 27.9% a three bedrooms.

## 12.5 Existing Households Moving Within the Islands

12.5.1 The table below shows the preferred tenure for existing households moving within the Islands in the next three years by their current tenure.

**Table 12-7** Current Tenure / Tenure Preferred (Existing Households)  
Question 1 / 22

Preferred Tenure	Current Tenure														Total
	Owner Occupation with mortgage		Owner Occupation no mortgage		Private rent		Duchy Rent / Leasehold		Council Rent		RP rent		Tied to Employment		
	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	
Owner occupation	100.0	3	100.0	5	33.2	3	28.8	3	0.0	0	0.0	0	0.0	0	<b>14</b>
Private rent	0.0	0	0.0	0	33.4	3	28.8	3	50.0	3	0.0	0	0.0	0	<b>8</b>
Duchy Rent / Leasehold	0.0	0	0.0	0	0.0	0	42.4	4	0.0	0	100.0	3	67.2	5	<b>12</b>
Council Rent	0.0	0	0.0	0	33.4	3	0.0	0	50.0	3	0.0	0	32.8	2	<b>8</b>
<b>Total</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>9</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>7</b>	<b>42</b>

Note: no preference for Tresco Estate Rented, Farm Tenancy, RP Rent, Shared Ownership, Tied to Employment/not tied  
Source: Household Survey 2015

12.5.2 In total 34 existing households require market housing, and this group is analysed in detail in Section 18. A further 8 existing households require affordable housing, analysed in detail in Section 14.

12.5.3 There is some cross tenure movement. 33.4% of movers from the private rented sector plan to move to an affordable rent property. A high level of affordable rented tenants expect to move into the private sector, all RP rented tenants into Duchy rent / leasehold and half of Council rented tenants into private rent.

## 12.6 Interest in Self-Build

- 12.6.1 In the National Planning Policy Framework (NPPF) it states that local authorities should address the need for all types of housing including affordable housing and the needs of the different groups in the community, such as people wishing to build their own home.
- 12.6.2 Respondents were asked various questions on their interest in building their own home. However, respondents only answered the main question in this section which was if they were interested in building their own home. 56.7% of households said they would be interested (24 households implied).
- 12.6.3 No other responses were received to the other questions in this sub-section.

## 12.7 Concealed Moving Households Within the Islands

- 12.7.1 This section examines in detail those people living in an existing household but who are described as a 'concealed' household. This is taken as a proxy for the extent of 'concealment' of housing need within the Islands because these households represent a pent up and unmet demand for housing.
- 12.7.2 The questionnaire allowed for up to two concealed households to be identified within each existing household, each intending to form a new home within the Islands in the next three years.
- 12.7.3 A total of 33 concealed households planning to form in the next three years were identified using the average responses from 1st and 2nd concealed households and this is the figure used as a control total in this section.
- 12.7.4 All concealed households responding consisted of people described as children of the household.
- 12.7.5 The table below shows the results for the age of each concealed household.

**Table 122-8**                      **Age of Concealed Households**  
Question 28c

Age Groups	%	N <sup>os</sup> . implied
Up to 24	68.6	23
25 – 34	23.2	8
35 – 49	8.2	3
<b>Total</b>	<b>100.0</b>	<b>33</b>

Source: Household Survey 2015

- 12.7.6 The main age group forming are those aged 24 and under. 23.2% are aged 25 – 34 and 8.2% are 35 - 49.
- 12.7.7 The survey found that children (under the age of 16) were present in around 9.2% of all households planning to form (3 households implied).

**Table 122-9**                      **Number of Children**  
Question 28d

Children	%	N <sup>os</sup> . implied
Child due	0.0	0
One	0.0	0
Two or more	9.2	3
None	90.8	30
<b>Total</b>	<b>100.0</b>	<b>33</b>

Source: Household Survey 2015

- 12.7.8 Concealed households were asked whether they were being formed as a single or couple household, 54.0% indicated formation as a single household, 46.0% as a couple.
- 12.7.9 Households indicating a couple households were also asked where their partner was currently living. In 33.9% of cases the partner was living elsewhere within the Islands resulting in a potential double count, which is addressed in the CLG Assessment Model calculation. In around 66.1% of cases the partner was already living in the existing household.

**Table 12-10**                      **Time of Move - Concealed Households**  
Question 29a

When required	%	N <sup>os</sup> . Implied
Within 1 year	16.4	5
Between 1 and 2 years	44.4	15
Between 2 and 3 years	39.2	13
<b>Total</b>	<b>100.0</b>	<b>33</b>

Source: Household Survey 2015

- 12.7.10 16.4% of concealed households required a move within a year, around 44.4% required a move a year later, a total of around 60.8% within two years.
- 12.7.11 The Strategic Housing Market Assessment Practice Guidance recommends that for model purposes the scale of annual new household formation is calculated as an average to provide the most reliable data in the CLG model in Section xxxxx.
- 12.7.12 Concealed households were asked to state if they would consider sharing accommodation with a friend. Around 20.0% saying they would consider sharing accommodation with a friend.

## 12.8 Interest in Self-Build

- 12.8.1 The survey questionnaire asked respondents to comment on whether they would be interested in self-build. 38.5% responded (11 households implied) saying 'yes' they would be interested in building their own home.
- 12.8.2 30.8% (4 implied) of households who were interested in building their own home had already tried to identify a suitable building plot on the Islands. All these households said they would be interested in being involved in the construction process.
- 12.8.3 Of the concealed households that responded 35.0% (6 households implied) said they thought self-build was affordable bearing in mind local land and material costs.
- 12.8.4 No concealed households stated they were registered on any housing register.

12.8.5 The table below shows the tenure most needed and preferred for concealed moving households in the next three years within the Islands.

**Table 122-11** Tenure Needed / Preferred (concealed households)  
Question 30

	Tenure	Needed		Preferred	
		%	N <sup>os.</sup> implied	%	N <sup>os.</sup> Implied
<b>MARKET</b>	Owner occupation	15.2	5	48.8	16
	Private rent	30.3	10	0.0	0
	Duchy / Leasehold rent	15.1	5	9.2	3
<b>AFFORDABLE</b>	Council Rent	30.3	10	29.5	10
	Registered Provider rent	9.1	3	12.5	4
<b>Total</b>		<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>33</b>

Source: Household Survey 2015

- 12.8.6 In terms of the tenure 'needed' by concealed households forming within the Islands in the next three years, the largest proportion needed private rent (30.3%), a significant difference to their actual preference where none of them would prefer private rent.
- 12.8.7 The most preferred tenure is owner occupation (48.8%), with more concealed households preferring this tenure than saying they actually needed it (48.8% v 15.2%).
- 12.8.8 The main need and preference in the affordable housing sector was for council rent, 24.9% and 29.5% respectively.
- 12.8.9 The market housing sector data for this group is analysed in detail in Section 18 and the affordable housing sector in Section 14.



## 13 FUTURE MARKET HOUSING REQUIREMENTS

### 13.1 Key Findings

#### Existing Households

- **14** existing households are planning to move into owner occupied housing and **20** are planning to move into private rented housing.
- 50.7% of potential movers to market housing sought to do so within one year.
- The main type of property required is a detached house and the majority of movers require a 3 bedrooms.
- St Mary's was the most popular location choice (73.9% households).
- The main reason for choice of location was to be nearer to family and friends, followed by 'always lived here'.

#### Concealed Households

- **20** households require market housing on the Islands in the next three years.
- 52.4% need a flat / maisonette and 27.2% need a detached property.
- The highest location demand was for St Mary's.
- The most popular location choice reasons were nearness to family / friends and 'always lived here'.

### 13.2 Introduction

- 13.2.1 This section analyses the needs of existing households and concealed households who are planning to move into 'market housing' only within the islands over the next 3 years. This section is split for analysis of existing households at 12.3 and separately for concealed households at 12.7

### 13.3 Demand for Market Housing for Existing Moving Households

- 13.3.1 As seen in section 12.5, 14 existing households are planning to move into owner occupied housing and 20 are planning to move into private rented housing, giving a total demand of 34 for market housing within the Islands in the next 3 years. This is the control total used in the analysis for this section.

- 13.3.2 Some tables in this section include a column showing figures for “all tenures” i.e. including those existing households needing affordable housing, as a comparison.

**Table 133-1** When is the Accommodation Required (existing households)  
Question 19

Time	Market Housing %	N <sup>os</sup> . implied	All Tenures %
Within 1 year	50.7	17	50.7
1 - 2 years	16.3	6	14.2
2 - 3 years	33.0	11	35.1
<b>Total</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>

Source: Household Survey 2015

- 13.3.3 The data shows that 50.7% of potential movers to market housing sought to do so within one year and 16.3% sought to do so in 1-2 years.

**Table 133-2** Type of Accommodation Required (existing households)  
Question 20

Type	Market Housing %	N <sup>os</sup> . implied	All Tenures %
Detached	52.2	17	48.6
Semi-detached	7.4	3	6.0
Terraced	7.9	3	6.4
Bungalow	15.8	5	19.6
Flat / maisonette	16.7	6	13.6
Chalet	0.0	0	5.8
<b>Total</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>

Source: Household Survey 2015

- 13.3.4 52.2% of respondents stated that they required a detached property, slightly higher than the proportion of all existing households moving (48.6%). Interest in flats / maisonettes and bungalows was also fairly high at 16.7% and 15.8% respectively. There was no interest in Chalets from those moving to market housing.

**Table 133-3** Number of Bedrooms Required (existing households)  
Question 21

Bedrooms	Market Housing %	N <sup>os</sup> . Implied	All Tenures %
One	8.4	3	13.6
Two	36.0	12	35.3
Three	47.2	16	44.3
Four	8.4	3	6.8
Five or more	0.0	0	0
<b>Total</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>

Source: Household Survey 2015

13.3.5 The highest demand of those moving to market housing was for 3-bedroom properties at 47.2% (all tenures 44.3%). The need for one bedroom was low at 8.4% for those moving to market housing but 13.6% for all tenures.

13.3.6 Analysis of property type required to size required produced the following results.

**Table 133-4 Type Required by Size Required (existing households)**

Question 20 by Question 21

Type	One bedroom		Two bedroom		Three bedroom		Four bedrooms		Total
	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>
Detached	0	0.0	1	11.1	13	84.3	3	100.0	17
Semi-detached	0	0.0	0	0.0	3	15.7	0	0.0	3
Terraced	0	0.0	3	21.9	0	0.0	0	0.0	3
Bungalow	0	0.0	5	43.7	0	0.0	0	0.0	5
Flat/ maisonette	3	100.0	3	23.3	0	0.0	0	0.0	6
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>12</b>	<b>100.0</b>	<b>16</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>34</b>

Source: Household Survey 2015

13.3.7 All of the demand for one bedroom accommodation was for flats and maisonettes. The requirement for two bedrooms was mainly for bungalows and three bedroom properties for detached properties. All the demand for four bedrooms was for detached properties.

13.3.8 Analysis comparing the type of property required with tenure preferred showed the following results.

**Table 133-5 Type Required by Preferred Tenure (existing households)**

Question 20 by Question 22

Type	Owner occupation		Private rented		Total
	%	N <sup>os.</sup>	%	N <sup>os.</sup>	N <sup>os.</sup>
Detached	40.7	5	55.0	11	16
Semi-detached	0.0	0	15.0	3	3
Terraced	19.8	3	0.0	0	3
Bungalow	18.5	3	15.0	3	6
Flat / maisonette	21.0	3	15.0	3	6
<b>Total</b>	<b>100.0</b>	<b>14</b>	<b>100.0</b>	<b>20</b>	<b>34</b>

Source: Household Survey 2015

13.3.9 40.7% of demand in the owner occupied sector was for detached houses; 21.0% for flats and maisonettes and 19.8% for terraced properties. Around 55.0% of demand in the private rented sector was for detached and the balance was evenly distributed between semi-detached, bungalows and flat / maisonettes.

- 13.3.10 Existing households moving were asked where accommodation was required. Up to 2 choices were offered but on average only 1 choice per household was made.

**Table 133-6**                      **Where is Accommodation Required (existing households)**  
Question 25

Location	% Responses	% Households	Nos. implied	All tenures% (Households)
St Mary's	69.4	73.9	25	78.8
St Martins	27.8	30.5	10	24.8
Bryher	2.8	4.0	1	3.2
<b>Total</b>	<b>100.0</b>		<b>36</b>	

Source: Household Survey 2015

- 13.3.11 St Mary's was the most popular choice with 73.9% of households choosing this location, a similar level to the proportion of all tenures.
- 13.3.12 The final question in this section asked respondents why they preferred a particular location. To be nearer family / friends was the most common choice (67.7%; 17 households implied), followed by 'always lived here' implied by 15 households (59.3%).
- 13.3.13 The major reasons therefore are those, which are key elements of those to be considered in sustainable developments and in building sustainable communities.

## 13.4 Demand for Market Housing for Concealed Households

- 13.4.1 In total over the next three years, 20 concealed households need market housing on the Islands. This is the control total used in the analysis for this section.
- 13.4.2 The data for "preference" as well as need is included as a comparison, to show the gap between needs and aspirations for this group.

**Table 133-7**                      **Type of Accommodation Needed / Preferred (concealed households)**  
Question 30aa / Question 31aa

Type	Needed		Preferred	
	%	N <sup>os.</sup> implied	%	N <sup>os.</sup> implied
Detached	27.2	5	36.6	7
Semi-detached	20.4	4	18.9	4
Terraced	0.0	0	44.5	9
Flat / maisonette	52.4	11	0.0	0
<b>Total</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>20</b>

Source: Household Survey 2015

- 13.4.3 The results from the survey showed a different profile from existing households moving, this is to be expected for a generally younger group. 52.4% of concealed households moving to market housing 'needed' flats / maisonettes compared with 16.7% of existing households. The more aspirational view usually reflected amongst concealed households moving to market housing on preference for type (i.e. more houses; fewer flats) was evident on the Islands as is usually found in DCA surveys.

**Table 13-8 Type Needed by Tenure Needed (concealed households)**  
Question 31 by Question 31

Type	Owner Occupation		Private rented		Total
	%	N <sup>OS.</sup>	%.	N <sup>OS.</sup>	N <sup>OS.</sup>
Detached	100.0	5	0.0	0	5
Semi-detached	0.0	0	26.7	4	4
Flat / maisonette	0.0	0	73.3	11	11
<b>Total</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>15</b>	<b>20</b>

Source: Household Survey 2015

- 13.4.4 All the demand in the owner occupied sector was for detached properties. In the private rented sector the main choice was for flats / maisonettes (73.3%) and 26.7% for semi-detached properties.
- 13.4.5 Concealed households were asked the same questions on location as existing households moving. All concealed households needing owner occupation required accommodation in St Mary's. In the private rented sector around 80% required accommodation in St Mary's whilst the remaining 20% opted for Bryher.
- 13.4.6 The total demand for both existing and concealed households showed that the main choice of location for their move was St Mary's.
- 13.4.7 The following table shows the data for the multiple-choice question of why a preferred location was chosen. On average respondents made an average of 2 choices each.

**Table 133-9 Reason for Preferred Location (concealed households)**  
Question 37

Reason	Concealed households moving to Market Housing		
	% responses	% households	N <sup>OS.</sup> implied (all choices)
Always lived here	25.6	55.3	11
Nearer family / friends	37.2	79.6	16
New job / employment	37.2	79.6	16
<b>Total</b>	<b>100.0</b>		<b>43</b>

Source: Household Survey 2015

- 13.4.8 The most popular reason for concealed households moving was nearness to family / friends and new job / employment at 79.6% for each option. 55.3% of concealed households stated it was because they had 'always lived here'.
- 13.4.9 These core sustainability factors are just as significant for concealed households as were found for existing households.

**Table 133-10 Total Reasons for Preferred Location Choice for Market Housing**  
Question 27 + 37

	Concealed Households		Existing Households		Total Existing & Concealed Demand	
	% responses	N <sup>os.</sup> implied (all choices)	% responses	N <sup>os.</sup> implied (all choices)	% responses	N <sup>os.</sup> implied (all choices)
Always lived here	25.6	11	46.9	15	34.7	26
Nearer family / friends	37.2	16	53.1	17	44.0	33
New job / employment	37.2	16	0.0	0	21.3	16
<b>Total</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>75</b>

Source: Household Survey 2015

- 13.4.10 The total demand for existing and concealed households combined shows the most popular reason given for moving was nearer family / friends (44.0%), followed by always lived here (34.7%).

### 13.5 Total Demand for Market Housing in the Isle of Scilly

13.5.1 The table below shows total demand for market housing by property type and size. The survey data incorporates existing household demand, concealed household demand and in-migrant household demand for market housing, based on the profile of recent in-migrants to the Islands over the last three years.

**Table 133-11 Total Demand for Market Housing in the Isle of Scilly to 2018**

		Semi-Detached	Detached	Terraced	Flat / Maisonette	Bungalow	Total
<b>EXISTING</b> H/H	1 BEDROOM	0	0	0	3	0	<b>3</b>
	2 BEDROOM	0	1	3	3	5	<b>12</b>
	3 BEDROOM	3	13	0	0	0	<b>16</b>
	4+ EDROOM	0	3	0	0	0	<b>3</b>
<b>IN-MIGRANT</b> H/H	1 BEDROOM	0	0	3	7	0	<b>10</b>
	2 BEDROOM	5	0	0	10	3	<b>18</b>
	3 BEDROOM	3	13	24	6	0	<b>45</b>
	4+ BEDROOM	3	11	0	0	2	<b>17</b>
<b>TOTAL</b>		<b>14</b>	<b>41</b>	<b>30</b>	<b>29</b>	<b>10</b>	<b>124</b>
<b>%</b>		<b>11.3</b>	<b>33.1</b>	<b>24.2</b>	<b>23.3</b>	<b>8.1</b>	<b>100.0</b>

Source: Household Survey 2015

13.5.2 It is assumed that future in-migrant market demand will be similar over the next three-year period to 2018. On this basis the main demand is for terraced houses, closely followed by detached properties and flats / maisonettes.

### 13.6 Current and Future Demand for Market Housing

- 13.6.1 The Isle of Scilly Local Plan was adopted in November 2005 and is currently under review (source: [www.scilly.gov.uk/planning-development/planning-policies-and-guidance](http://www.scilly.gov.uk/planning-development/planning-policies-and-guidance)). The new Local Plan will set out the strategy for the spatial development of the area for at least a 15-year period from the date of its adoption.
- 13.6.2 The NPPG identifies the core Government objectives to provide a variety of high quality market housing including addressing any shortfalls that apply in market housing. Authorities are required to plan for a full range of market housing to meet the needs of the whole community, so that provision is made for family, single person, and multi-person households.
- 13.6.3 Local planning authorities should identify the size, type, tenure and range of housing required in particular locations, reflecting local demand. Policies should give indications of the type or size of dwellings to be delivered to meet household demand and create sustainable inclusive and mixed communities over the longer term.
- 13.6.4 The NPPG states that neither secondary nor primary data are themselves more or less robust when trying to derive a robust assessment of housing need and demand. In terms of household flow models, the data from the 2015 HNS has been utilised to assess the demand and the supply from existing stock turnover for market housing. The following table shows the data over 3 years and the future average annual demand and supply of market properties by bedrooms from: -
- **Demand** from local existing households moving within the Islands and from in-migrating households;
  - **Supply** from the turnover of the existing stock created by existing households moving and out-migrants leaving the Islands.

**Table 133-12 Annual Market Housing Demand by Size**

Households	Bed-sit / 1-bedroom		2-bedroom		3-bedroom		4+ bedroom		All Sizes	
	Supply	Demand	Supply	Demand	Supply	Demand	Supply	Demand	Supply	Demand
Existing		1		4		5		1		11
In-migration		3		6		15		6		30
<b>Total Demand</b>		<b>4</b>		<b>10</b>		<b>20</b>		<b>7</b>		<b>41</b>
Moving within	3		5		9		0		17	
Out-migration	1		5		9		2		17	
<b>Total Supply</b>	<b>4</b>		<b>10</b>		<b>18</b>		<b>2</b>		<b>34</b>	
<b>Net Shortfall /(Surplus)</b>		--		--		-2		-5		-7

Source: Household Survey 2015



- 13.6.5 The major market housing demand from existing and particularly in-migrating households is for three and four bedroom properties. After taking account of turnover supply, there is a shortfall of seven 3 and 4 bedroom units over the next 3 years.
- 13.6.6 The demographic change forecasts however show significant growth in older households especially those over 75 and a fall in the number of households with children.
- 13.6.7 On balance, the demographic shift is already apparent and in view of the current stock mix with flats and terraced properties combined representing only around 15% of the market stock, future delivery has to bias in favour of smaller units to create a more balanced housing market.
- 13.6.8 However, although especially in the longer term there is a need to take into account the demographic change requiring a higher proportion of small units, 1 and 2 bedroom properties, there is still a need to create sustainable and balanced developments.
- 13.6.9 It is therefore recommended that to create a more balanced housing stock and family housing, the Council could consider future delivery development proportions of **60% 1 and 2 bedrooms and 40% 3 and 4 or more bedrooms.**
- 13.6.10 These property sizes do not fully take account of the need to address the potential for some form of sheltered or supported housing to address the growth and needs of those aged over 75 over the Plan period.

## 14 FUTURE AFFORDABLE HOUSING REQUIREMENTS

### 14.1 Key Findings

- Demand for affordable housing from existing moving households was **8** units, all in the Council rented sector.
- **13** concealed households are looking for affordable housing, 10 intend moving to Council rented property and 3 to Registered Provider rent.
- 36.5% of existing households who need council rented accommodation need bungalows. Concealed households forming in the Council rented sector needed a bedsit / studio (57.7%).
- St Mary's was the only location choice made by existing and concealed households intending to move to affordable housing within the Islands.
- Nearness to family / friends was the most common reason for choice of location of both concealed and existing households.

### 14.2 Introduction

- 14.2.1 Determining the net shortfall or surplus of affordable housing, in order to meet existing and predicted housing need is a key part of the Housing Needs Assessment.
- 14.2.2 This section examines the need for affordable housing and how this is broken down by type of affordable housing (i.e. intermediate and affordable rented housing).
- 14.2.3 The CLG Needs Assessment Model in Section 15 of this report sets out the final figures for affordable housing need across the Islands.
- 14.2.4 This section is divided into analysis of the future housing needs of existing households and concealed households who require affordable housing and data to inform the future delivery of affordable housing.

### 14.3 Affordable Housing Need of Existing Households

- 14.3.1 The percentages in all tables in this section have been applied to the control total of 8 implied existing households moving within the Islands over the next three years who require affordable housing.
- 14.3.2 All existing households needing affordable housing require Council rented accommodation. A column showing “% all tenures” i.e. including market demand is shown as a comparison.

**Table 144-1** When is the Accommodation required (existing households)  
Question 19

Time	Affordable Housing %	N <sup>os.</sup> implied	All Tenures %
Within 1 year	50.7	4	50.7
1 - 2 years	0.0	0	14.2
2 - 3 years	49.3	4	35.1
<b>Total</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>

Source: Household Survey 2015

- 14.3.3 The data shows that 50.7% of potential existing households moving to affordable housing sought to do so within one year.
- 14.3.4 The main property type required amongst existing households moving to affordable housing was a bungalow at 36.5%. 32.2% of respondents required a detached property and 31.3% a chalet.
- 14.3.5 36.5% of existing households needing affordable housing indicated that they required a one-bedroom property; 32.2% two bedrooms and 31.3% a three-bedroom property.
- 14.3.6 Analysis of type by size of property required showed the following results.

**Table 144-2** Type Required by Size required (existing households)  
Question 20 by Question 21

Type	One bedroom		Two bedroom		Three bedroom		Total
	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	N <sup>os.</sup>
Detached	0.0	0	100.0	3	0.0	0	<b>3</b>
Bungalow	100.0	3	0.0	0	0.0	0	<b>3</b>
Chalet	0.0	0	0.0	0	100.0	2	<b>2</b>
<b>Total</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>2</b>	<b>8</b>

Source: Household Survey 2015

- 14.3.7 All the existing households demand for a 1-bedroom property was for a bungalow, 2-bedroom demand was for a detached property and all the 3-bedroom demand was for chalet accommodation.

- 14.3.8 Cross-tabulation comparing type of property required with type of tenure required produced the following results.

**Table 144-3 Type Required by Required Tenure (existing households)**  
Question 20 by Question 22

	Council rented		Total
	%	N <sup>os.</sup>	N <sup>os.</sup>
Detached	32.2	3	3
Bungalow	36.5	3	3
Chalet	31.3	2	2
<b>Total</b>	<b>100.0</b>	<b>8</b>	<b>8</b>

Source: Household Survey 2015

- 14.3.9 The main type of property needed in the council rented sector was a bungalow, followed by detached and then a chalet.
- 14.3.10 All 8 implied existing households moving to affordable housing were registered on a Council Housing Register.
- 14.3.11 In terms of location choice all existing households moving to affordable housing (8 implied) chose St Mary's.
- 14.3.12 The final question in this section asked respondents why they preferred a particular location. This was a multiple-choice question and the average number of choices was 2. All existing households responding cited nearness to family / friends and 'always lived here' as their reasons.

## 14.4 Needs of Concealed Households Moving Within the Islands

- 14.4.1 10 concealed households intended to move to Council rented accommodation and 3 to Registered Provider rented accommodation. In total, 13 concealed households over the next three years require affordable housing on the Islands. This is the control total used for analysis in this section.
- 14.4.2 A column is included in some tables for "all concealed households %", i.e. including those needing market housing, as a comparison.
- 14.4.3 The results from the survey showed a different profile from existing households moving, as might be expected for a generally younger group. 44.2% (6 implied) of concealed households moving to affordable housing required bedsit / studio accommodation as compared with no requirement for existing households moving.

**Table 144-4 Type Needed by Tenure Needed (concealed households)**  
Question 30 by Question 31

	Council rented		Registered Provider rented		Total
	%	N <sup>os.</sup>	%	N <sup>os.</sup>	N <sup>os.</sup>
Detached	0.0	0	100.0	3	3
Terraced	42.3	4	0.0	0	4
Bedsit / studio	57.7	6	0.0	0	6
<b>Total</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>3</b>	<b>13</b>

Source: Household Survey 2015

- 14.4.4 The only interest in Registered Provider rent was for detached accommodation. The main interest in Council rent was for a bedsit / studio (57.7%), followed by terraced.
- 14.4.5 There was no response from concealed households in relation to whether they were registered on a housing waiting list.
- 14.4.6 In terms of location choice, all concealed households intending to move to affordable housing (13 implied) chose St Mary's.
- 14.4.7 Concealed households gave an average of 2.0 choices to a multiple-choice question. The most popular reason was nearer to family / friends with all concealed households choosing this option.

**Table 14-5 Reason for Preferred Location (concealed households)**  
Question 37

Reason	Moving to affordable housing		
	% responses	% households	N <sup>os.</sup> implied (all choices)
Always lived here	9.5	22.8	2
Nearer family / friends	52.4	100.0	11
New Job / Employment	38.1	78.7	8
<b>Total</b>	<b>100.0</b>		<b>21</b>

Source: Household Survey 2015

- 14.4.8 The levels of choice for the core sustainability factors are higher for this group of households than for those entering market housing and reflect a greater reliance on access to family for support.

## 14.5 Future Size of Affordable Housing

- 14.5.1 Stock balance, turnover and waiting list demand analysis are vital to identify the gaps in the stock and inform the proportions by size required in future to address current and future need.
- 14.5.2 The following table provides a detailed analysis of the social stock levels of registered need and actual supply from turnover by bedroom size taken from Local Authority records.
- 14.5.3 To provide a clear justification for the balance of property sizes in the Local Development Documents, need and supply of the Council and Registered Provider stock has been analysed.

14.5.4 The ratio of waiting list demand to supply is the number of years it would take for the waiting list for individual property sizes to be met through the turnover of the existing stock.

14.5.5 This also makes the extreme assumption that there was no future need other than the current backlog, which clearly will not be the case.

**Table 144-6 Social Stock, Waiting List Need and Turnover**

Stock Size	Total Social Stock		Waiting List (Council Data)		Affordable Stock Turnover		Demand vs. Supply
	N <sup>os.</sup>	%	N <sup>os.</sup>	%	N <sup>os.</sup>	%	
Bedsit	21	12.6	28	43.1	2	25.0	14.0 : 1
1 bedroom	31	18.6	20	30.8	3	37.5	6.7:1
2 - bedrooms	53	31.7	14	21.5	2	25.0	7.0:1
3 - bedrooms	58	34.7	3	4.6	1	12.5	3.0:1
4 +- bedrooms	4	2.4	0	0.0	0	0.0	0.0
<b>Total</b>	<b>167</b>	<b>100.0</b>	<b>65</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>5.7:1</b>

Council of the Isle of Scilly data

Note: stock and housing register data as at November 2015, re-lets (Apr-Oct 2015)

14.5.6 On the Islands, even if no new need arose, it would take:-

- **14** years to meet the need for bedsits and nearly **7** years for 1 bedroom properties;
- Around **7** years to address the 2 bedroom requirement;
- Approximately **3** years to address the 3 bedroom stock requirement.

14.5.7 There is no requirement for 4 bedrooms and no annual turnover.

## 14.6 Social Stock Need by Island

14.6.1 The need for future delivery by property size for each of the Islands in the table below based on Council waiting list and re-let data at May 2016. There was no data provided for Tresco.

**Table 144-7 Waiting List Need, Turnover & Net Need**

Stock Size	Need	St Mary's		St Martins		St Agnes		Bryher	
		Relets	Net	Need	Net	Need	Net	Need	Net
Bedsit	21	6	15	0	0	0	0	0	0
1 bedroom	16	6	10	1	1	3	3	0	0
2 - bedrooms	8	4	4	3	3	0	0	1	1
3 - bedrooms	4	0	4	0	0	0	0	0	0
<b>Total</b>	<b>49</b>	<b>16</b>	<b>33</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>1</b>

Council of the Isle of Scilly data

Note : No data for Tresco & No relets on the smaller islands

## 14.7 Small Units

14.7.1 Generally, 87.5% of stock turnover is from bedsits, 1 and 2 bedroom properties, much higher than the stock proportion of 62.9%, but lower than level of the waiting list need of 95.4%.

- 14.7.2 **Bedsits and one-bedroom** units are around 31.1% of the total social stock (i.e. Council & Registered Provider), but need for these units are 73.8% of the total waiting list.
- 14.7.3 Although these are significantly the highest need in terms of unit numbers, a number of factors need to be considered in determining targets by size which clearly also influence property type.
- 14.7.4 Small units generally turn over more regularly in the existing stock than family units.
- 14.7.5 The waiting list for bedsits and one-bedroom properties contains 48 households, many of whom are younger households unlikely to be offered a property. Some are older households who could be registering as insurance to meet a future potential need.
- 14.7.6 The important factor is to meet priority needs, but there is still a requirement for one bedroom units to meet the needs of young, single and couple households on the Islands. These factors are important in judging future delivery to meet priorities rather than arithmetic scale of recorded need.
- 14.7.7 In view of the current stock balance, the scale of likely annual new provision and the requirement to address priority household needs, a level of future delivery in the affordable rented sector should be **60% bedsits and one bedroom and 40% two bedroom units**.

## 14.8 Family Sized Units

- 14.8.1 34.7% of the social stock is three bedroom family units and they provide 12.5% of all re-let supply. The level of registered need is however only 3 households, less than 5% of total need.
- 14.8.2 However, as is highlighted in Section 8.15 there are estimated to be 25 affordable rented properties under-occupied by two or more bedrooms.
- 14.8.3 This around 40% of all the three and four bedroom affordable rented properties and importantly is more than eight times the households on the waiting list for family sized accommodation.
- 14.8.4 In view of the increasing older population, it is now even more important to achieve a better flow of the under-occupied, family sized affordable rented stock as the best means to help address the scale of need for family units.
- 14.8.5 There will be an increasing impact on the scale of under-occupation of three bedroom properties from demographic change and initiatives to link the occupation of future new housing for older people to those under-occupying family units should be a priority for the housing strategy.
- 14.8.6 Achieving a better flow of family units should also have a cascade effect, increasing turnover of all smaller units as households are able to transfer up to larger units to meet their need.
- 14.8.7 **Four bedroom** units are the smallest in terms of stock numbers (4) and there is no waiting list need or annual turnover for this size property.

## 15 HOUSING NEED

### 15.1 Introduction

15.1.1 The NPPG (2014) states that plan makers and partnerships should estimate the number of households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market and therefore will require some form of affordable housing.

15.1.2 Table 15-1 outlines the type of households considered to be in need.

**Table 155-1 Households in Housing Need or in Unsuitable Housing**

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

Source: National Planning Practice Guidance 2014.



## 15.2 Affordable Housing Needs Calculation

- 15.2.1 This Section presents the results of the three stages of the needs assessment table. These stages combine into three distinct sections in the needs assessment model, assessing current and future housing need and supply.

### STAGE 1 CURRENT HOUSING NEED

- Homeless households and those in temporary accommodation  
*Plus*
  - Overcrowded (households who failed the CLG 'bedroom standard') and concealed households (those over 25 who share facilities with another household)  
*Plus*
  - Other groups
- 1.4 ***Equals - Total Current Housing Need***



### STAGE 2 FUTURE HOUSING NEED (GROSS)

- 2.1 New household formation (gross per year)  
*Times*
- 1.1 Proportion of new households unable to buy or rent in the market  
*Plus*
- 1.2 Existing households falling into need
- 2.4 ***Equals - Total Newly Arising Need***



### STAGE 3 AFFORDABLE HOUSING SUPPLY

- 3.1 Affordable dwellings occupied by households in need  
*Plus*
- 3.2 Surplus stock  
*Plus*
- 3.3 Committed supply of new affordable housing  
*Minus*
- 3.4 Units to be taken out of management
- 3.5 ***Equals - Total Affordable Housing Stock Available***
- 3.6 Annual supply of affordable re-lets (net)  
*Plus*
- 3.7 Annual supply of intermediate affordable housing available for re-let or re-sale at sub-market levels.
- 3.8 ***Equals - Annual Supply of Affordable Housing***

### 15.3 Model Structure

- 15.3.1 The Housing Needs Assessment Model is based on the 2007 Strategic Housing Market Assessment Practice Guidance, which remains unchanged in the NPPG.
- 15.3.2 The Model is designed to estimate the number of households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market. It also provides evidence to set housing targets in Local Plans.
- 15.3.3 The model is structured on a ‘flows’ basis, taking account of recent experience over the previous three years and examining projections over the next two years. It has to be assumed that this ‘annualised’ data will occur each year to 2020. Major changes in house prices and incomes could cause significant variation in the overall situation and need to be monitored in the AMR process annually.
- 15.3.4 In this section the assessment of affordable housing need has been conducted using both primary data from the 2015 Housing Survey and secondary data only from CORE, HSSA, and LAHS and from local authority records.

### 15.4 Isles of Scilly CLG Needs Assessment Model

- 15.4.1 The first element of this Stage of the model estimates the number of homeless households in temporary accommodation.
- 15.4.2 Council records show that there were no homeless households and therefore **zero** is applied at **Stage 1.1** in the model.
- 15.4.3 The second element in Stage 1 of the model estimates the number of households in over-crowded conditions (i.e. those who fail the ‘bedroom standard’), and concealed households (couples, people with children and single adults aged over 25 who share facilities with another household).

**Table 15-2 Over-crowded and Concealed Households**

<b>a</b>	<b>Over-crowded Households</b>	15
	MINUS Concealed Solution or Leaving the Islands	6
<b>e</b>	<b>PLUS Concealed Households</b>	0
	<b>Overcrowded + Concealed Group</b>	<b>9</b>
	- MINUS Duplication	0
	<b>Net Overcrowded + Concealed Group</b>	<b>9</b>
<b>o</b>	<b>Proportion unable to afford market housing</b>	<b>51%</b>
	<b>Stage 1.2 – Over-crowded and concealed households</b>	<b>5</b>

- 15.4.4 There are 15 households who are over-crowded by the ‘bedroom standard’. However 6 of these will be resolved by a newly forming household moving or by the household leaving the Islands, leaving a net group of 9.
- 15.4.5 There are no concealed households, or duplication and therefore the net total is 9 over-crowded and concealed households.

- 15.4.6 A test of affordability for these households shows that 51% of them cannot afford to resolve their housing difficulties through market housing in the Islands and 5 households have been applied in the model at **Stage 1.2**.
- 15.4.7 The third element in Stage 1 of the model examines households living in unsuitable accommodation whose problem cannot be solved 'in-situ' and who therefore require to move home in order to resolve their difficulty.
- 15.4.8 The survey identified 65 such households, 4 of who were already counted in Stage 1.2 and are removed to avoid double counting.
- 15.4.9 This leaves a net group of 61 households, 51% of whom are unable to afford to resolve their housing difficulties through market housing in the area, **31** households applied in the model at **Stage 1.3**.
- 15.4.10 The final element of Stage 1 of the model is a sum of steps 1.1, 1.2 and 1.3, a total of **36** households applied at **Stage 1.4**.

**Table 155-4 Current Housing Need (Gross)**

<b>STAGE 1 – CURRENT HOUSING NEED (GROSS)</b>	
1.1 Homeless households in temporary accommodation	0
1.2 Overcrowding and concealed households	5
1.3 Other groups	31
<b>1.4 TOTAL CURRENT HOUSING NEED (GROSS)</b> <b>1.1 + 1.2 + 1.3</b>	<b>36</b>

## 15.5 Stage 2 – Future Need (Gross per year)

- 15.5.1 The first element of Stage 2 of the model estimates the annual number of newly forming households within the Islands.
- 15.5.2 The concealed households identified in the survey forming over the next three years are annualised at an average level of 10 households forming a year, although levels are reasonably consistent particularly over the next two years.

**Table 155-5 Time of Move – Concealed Households**

<b>Time of Move</b>	<b>Nos. implied</b>	<b>Annual Average</b>
Within 1 year	5	<b>10</b>
1 to 2 years	13	
2 to 3 years	12	

- 15.5.3 In order to avoid double counting due to two-person household formation, duplication is removed.
- 15.5.4 Almost a half (46%) of concealed households forming over the next three years specified formation as a couple, with 34% of these having a partner who lived separately elsewhere in the Islands, which would cause a double count.
- 15.5.5 The 46% is applied to this level in the table below.  $(46\% \times 34\%) = 15.6\%$ .

**Table 15-6 Double Counting Removal**

New household formation (gross p.a.)	10
MINUS - Two person formation (15.6%) x 0.5	1
<b>Total</b>	<b>9</b>

- 15.5.6 This annual average formation level of **9** new households each year is used at **Stage 2.1** of the model.
- 15.5.7 The income of recently formed households who formed their first home over the last three years has been used to test the ability to purchase in the lower quartile stock and access the private market (to buy or rent) of one, two and in some cases three bedroom units suitable for their requirements.
- 15.5.8 The income requirement to rent is £23,900 and 72.1% of concealed households are considered to be unable to rent in the private market. A household income of £54,300 is needed to buy in the lowest quartile housing stock, with 89.3% unable to buy.
- 15.5.9 The rental proportion of **72.1%** is therefore used resulting in a net 7 households at **Stage 2.2** of the model.
- 15.5.10 The final element of Stage 2 of the model estimates the number of households who fell into housing need over the last year.
- 15.5.11 The calculation of existing households falling into need used data from the Council's Housing Register for new applicants at March 2015.
- 15.5.12 There were 14 new households registered in the year to March 2015. The waiting list contains 65 households, of which **15** are assessed as in priority need including homelessness acceptances, applied at Stage 2.3 of the model.
- 15.5.13 The final element of Stage 2 of the model is a sum of step 2.1 multiplied by step 2.2, added to step 2.3, giving a total of **22** applied at **Stage 2.4**.

**Table 155-7 Future Need (Gross per Year)**

<b>STAGE 2 – FUTURE NEED (GROSS PER YEAR)</b>		
2.1	New household formation (gross per year)	9
2.2	Proportion of new households unable to rent in the market (72.1%)	7
2.3	Existing households falling into need	15
<b>2.4</b>	<b>TOTAL ANNUAL NEWLY ARISING NEED</b> <b>(2.1 x 2.2) + 2.3 (9 x 72.1% = 7 + 15 = 22)</b>	<b>22</b>

## 15.6 Stage 3 – Affordable Housing Supply

- 15.6.1 The first element of Stage 3 of the model determines the number of households analysed in Stages 1.2 and 1.3 who currently occupy affordable rented or shared ownership dwellings.
- 15.6.2 It is assumed that any move by these households would release a unit of affordable housing, and it is therefore assumed that there would be no overall net effect on the annual flow model.
- 15.6.3 The survey data shows that of the 22 households at Stages 1.2 and 1.3 of the model, **2** already live in affordable units, and this total is applied at **Stage 3.1**.

## 15.7 Vacant Stock

- 15.7.1 The second element of Stage 3 of the model assesses the level of surplus affordable stock available in IoS.
- 15.7.2 There was only 1 Council affordable unit vacant in 2015 (0.6%) and Guidance states that where the level is below 3% there is no surplus vacant stock.
- 15.7.3 A total of **zero** is therefore applied at **Stage 3.2** of the model.

## 15.8 New Supply

- 15.8.1 The third element of Stage 3 of the model forecasts the number of new affordable units to be built on an annual basis. The Council returns for the last three years to 31/03/2015 show that no new properties have been built.
- 15.8.2 There are **2** intermediate rent properties projected for delivery the next two years and this level is used at **Stage 3.3**.
- 15.8.3 The next element of the model estimates the number of units to be taken out of management through stock demolition and Right to Buy (RTB) on an annual basis. Council data for the three years to 31/03/2015 shows no RTB or stock demolition and zero is applied at **Stage 3.4** of the model.
- 15.8.4 Stage 3.5 of the model is the sum of Stages 3.1 (2), 3.2 (0), 3.3 (2) and less 3.4 (0) a net total of **4** units.

## 15.9 Annual Re-let Supply

- 15.9.1 Average annual re-let supply of affordable units is normally used in the model as a prediction for the future annual affordable housing supply from general needs re-lets (i.e. excluding transfers and new unit delivery) likely to arise each year.
- 15.9.2 Council data for the 18 months to October 2015 shows that there were 13 re-lets equivalent to 9 re-lets a year, a turnover rate of 5.4%. **9** units a year, is therefore applied at **Stage 3.6**.

## 15.10 Shared Ownership Re-sales

- 15.10.1 There are no shared ownership units in the Islands housing stock and zero is incorporated at **Stage 3.6**.

The final element of Stage 3 of the model is a sum of Stages 3.6 and 3.7, a total of **9** households applied at **Stage 3.8**.

**Table 155-8 Affordable Housing Supply**

<b>STAGE 3 – AFFORDABLE HOUSING SUPPLY</b>		
3.1	Affordable dwellings occupied by households in need	2
3.2	Surplus stock	0
3.3	Committed supply of new affordable housing	2
3.4	less Units to be taken out of management	0
<b>3.5</b>	<b>TOTAL AFFORDABLE HOUSING STOCK AVAILABLE</b> <b>3.1 + 3.2 + 3.3 – 3.4</b>	<b>4</b>
3.6	Annual supply of affordable re-lets (net)	9
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub market levels	0
<b>3.8</b>	<b>ANNUAL SUPPLY OF AFFORDABLE HOUSING (3.6 + 3.7)</b>	<b>9</b>

### 15.11 Affordable Housing Needs Model

<b>STAGE 1 – CURRENT HOUSING NEED (GROSS)</b>		<b>2015</b>
1.1	Homeless households in temporary accommodation	0
1.2	Overcrowding and concealed households	5
1.3	Other groups	31
<b>1.4</b>	<b>TOTAL CURRENT HOUSING NEED (GROSS)</b> <b>1.1 + 1.2 + 1.3</b>	<b>36</b>
<b>STAGE 2 – FUTURE NEED (GROSS PER YEAR)</b>		
2.1	New household formation (gross per year)	9
2.3	Proportion of new households unable to rent in the market (72.1%)	7
2.3	Existing households falling into need	15
<b>2.4</b>	<b>TOTAL ANNUAL NEWLY ARISING NEED</b> <b>(2.1 x 2.2) + 2.3</b> (9 x 72.1% = 7 + 15 = 22)	<b>22</b>
<b>STAGE 3 – AFFORDABLE HOUSING SUPPLY</b>		
3.1	Affordable dwellings occupied by households in need	2
3.2	Surplus stock	0
3.3	Committed supply of new affordable housing	2
3.4	less Units to be taken out of management	0
<b>3.5</b>	<b>TOTAL AFFORDABLE HOUSING STOCK AVAILABLE</b> <b>3.1 + 3.2 + 3.3 – 3.4</b>	<b>4</b>
3.6	Annual supply of social re-lets (net)	9
	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	0
<b>3.8</b>	<b>ANNUAL SUPPLY OF AFFORDABLE HOUSING (3.6 + 3.7)</b>	<b>9</b>
<b>A</b>	<b>TOTAL NET CURRENT NEED</b> <b>1.4 – 3.5</b> (36 – 4 = 32)	<b>32</b>
<b>B</b>	<b>QUOTA TO ADDRESS NEED OVER 5 YEARS</b>	20%
<b>C</b>	<b>ANNUAL CURRENT NEED (A x B)</b>	6
<b>D</b>	<b>TOTAL ANNUAL NEWLY ARISING NEED (2.4)</b>	22
<b>E</b>	<b>TOTAL AFFORDABLE NEED PER YEAR (C + D)</b>	<b>28</b>
<b>F</b>	<b>ANNUAL SUPPLY OF AFFORDABLE HOUSING (3.8)</b>	9
	<b>OVERALL ANNUAL SHORTFALL (E – F)</b>	<b>19</b>

15.11.1 The overall net annual shortfall of 19 units has already taken into account projected annual supply of 9 units a year.

**Table 155-9 Annual Affordable Need and Supply**

	5 Years	15 Years
Total Net Current Need	32	32
Backlog rate	20%	6.67%
Newly arising Need	22	22
Annual Affordable Need	28	24
Less Annual Supply	9	9
Net annual need	<b>19</b>	<b>15</b>
<b>Total Need before new delivery</b>	<b>19</b>	<b>15</b>

- 15.11.2 As it is not likely to be possible to deliver on the 5 year basis, the level of need of 15 units a year after re-let supply but before any new unit delivery over the 15 year life of the Plan to 2030 could be used.
- 15.11.3 The PAS Technical informal advice note - Objectively Assessed Need and Housing Targets issued in June 2014, suggests that as the backlog is of existing households already in accommodation they would free up a dwelling if re-housed.
- 15.11.4 Therefore when calculating the overall housing need figure only the needs of new forming households who cannot afford to access the private market should be considered.
- 15.11.5 This new households total would be 7 a year, identified at 2.3 in the Model above.



## 16 UPDATING THE SHMA

### 16.1 Introduction

- 16.1.1 Following finalisation of the SHMA, the data will be subject to regular updating in the coming months and years.
- 16.1.2 This section provides guidelines as to how the findings of the SHMA should be monitored and updated on a regular basis, as indicated in the NPPG.
- 16.1.3 The NPPG highlights that Local Planning Authorities should not need to undertake comprehensive assessments more frequently than every five years, although they should be updated regularly, in line with short-term changes in housing and economic market conditions.
- 16.1.4 This assessment is easily and readily updated annually. It is important to recognise that there is a difference between monitoring and updating the assessment. Updating requires tracking short-term changes in the housing market conditions, to ensure policies and strategies are responsive to changes in local demands and pressures.
- 16.1.5 The SHMA will provide tools to allow regular monitoring and updating to take place, to satisfy requirements of the Authority Monitoring Report (AMR) and also keep a watching brief on any changes within the market. The updates will initially focus on the three main variables as shown below.

Variable	Data source
External impacts on the market	Mid-year population and households estimates Labour market changes Interest rates Income and earnings surveys
Housing stock changes	New build completions Affordable housing delivered through S106 agreements Demolitions Remodelling Outstanding planning permissions
Affordability changes	House prices Private sector rents Changes in household incomes Shared ownership initiatives etc.

- 16.1.6 The set of core indicators above will be used, which DCA have developed during the course of the study. These could be integrated into the new monitoring framework for LDFs (Authority Monitoring Report) or as a joint housing and planning task.
- 16.1.7 The following section outlines the processes of updating the various elements of the SHMA.

- 16.1.8 This is followed by a guideline for when a full revised Strategic Housing Market Assessment is due and details of any market triggers, which may affect this timescale and cause the projected timescale to be brought forward.

## **16.2 Updating the Affordable Needs Assessment Model**

- 16.2.1 The Client Data CD provided upon completion of the SHMA contains a Needs Assessment Model Calculator in Excel.
- 16.2.2 The purpose of the calculator is to allow updating of all the secondary data utilised in the Model and to enable this to be done in-house.
- 16.2.3 A detailed description of the secondary data required, where it can be sourced from and how it is applied to each element of the Assessment Model calculation is included in the introduction to the calculator.
- 16.2.4 It is recommended that this updating to the Model is carried out at the same time as completion of the annual Local Authority Housing Statistics (LAHS) in July each year.

## **16.3 Updating Other Secondary Data**

- 16.3.1 There are a wide range of secondary sources utilised in the SHMA which are updated on a quarterly or an annual basis.
- 16.3.2 In addition, the NPPG March 2014 provides a comprehensive list of local indicators which should be incorporated in their monitoring report relating to the updating of the SHMA.

## **16.4 Core Indicators**

- 16.4.1 It will be necessary for each Council to have detailed data on an annual basis to record actual new development by tenure, type, size and by location within their area each year.
- 16.4.2 This data is essential to be able to measure performance against targets for sustainable development set in the Local Development Plan both for market and all forms of affordable housing.
- 16.4.3 Data on social stock re-lets and changes to the waiting list and new unit delivery need to be able to be analysed by property type and size and location. This structure should already be in place to support completion of the LAHS.
- 16.4.4 Monitoring of new delivery in the market sector and data on conversions will also be required by property, type, size and location to measure delivery against planned targets to improve the balance of the housing stock.

## **16.5 Monitoring and Communicating Changes to the SHMA**

- 16.5.1 Partnership working would be of paramount importance to ensure that updating of the SHMA is done with the consent and knowledge of all involved.
- 16.5.2 The continuation of a key project officer team to oversee the updating and to ensure access to the most recent versions of the SHMA report sections would be essential.

## 16.6 Plans to Fully Revise the SHMA

16.6.1 Strategic Housing Market Assessments provide a robust basis for developing housing and planning policies by considering current and future need and demand over a period of around 20 years. As a result partnerships should not need to undertake a full comprehensive assessment more frequently than every five years.

16.6.2 The next full SHMA will be due in 2019.

## 16.7 Market Triggers

16.7.1 During the course of updating the SHMA and accessing revised data, Housing partnerships should work together to review the data. From this an assessment can be made of how radically new data or changes in the housing market affect the assessment and can also suggest whether the new information trigger a re-assessment of the SHMA is needed earlier than 2019.

16.7.2 Possible triggers for a revised assessment are:-

- Major revisions to national data sets;
- A significant local economic change, e.g. downturn or upturn in the market;
- Significant stock delivery changes;
- Major house price change;
- Change in Government Policy or Guidance.

**SURVEY QUESTIONNAIRE**



Council of the  
ISLES OF SCILLY

Dear Householders

I am writing to ask for your help with an important survey which is being carried out following the recent Local Plan Scoping Report this summer. This survey will further assist the Council in developing future housing policies to meet the needs of local people in the coming years.

The Council have appointed independent consultants, **DCA** to carry out the study. All the islands residents have been sent the attached questionnaire and we would be grateful if you could spare your time to respond. Whether you own or rent your home, live in a large or a small property, **we need your views.** Even if you are not planning to move or change your personal circumstances, **please reply.**

I would like to assure you that the survey **is confidential** and no name or address is required. Although the form is coded, it only identifies your island of residency.

We can assure you that none of the completed questionnaires will be seen by the Council. The data will be input and analysed by the independent consultants only in generalised statistical form. No further detail will be extracted other than the island you reside on. The data will only be used for research and planning purposes on an island-wide basis and primarily to inform the policies and proposals for the new Local Plan. The data you provide will not be used by any external organisation.

If you have any queries or need help or advice in completing the form, please contact me on 01720 424351 or email [LWalton@scilly.gov.uk](mailto:LWalton@scilly.gov.uk). Alternatively contact the **DCA Research Team free on 0800 169 7865 (answer machine to get a call back).**

We would be most grateful for your assistance and a pre-paid envelope is provided for your reply. As it will go directly to the consultants, please only return the completed questionnaire.

**PLEASE RETURN THE COMPLETED FORM BY 16 DECEMBER 2015.**

Yours faithfully

A handwritten signature in cursive script that reads "LWalton".

Lisa Walton  
Senior Officer,  
Planning and Development Management



**DATA PROTECTION**

The information you provide on this form will be kept strictly confidential and will not be used to identify you or your household. DCA are independent consultants, registered as a Data Controller with the Information Commissioner's Office (Registration Number Z4683342). For more information please visit [www.dcauk.co/dataprotection](http://www.dcauk.co/dataprotection), or contact us free on **0800 169 7865**.

## TO BE COMPLETED BY THE HOUSEHOLDER

Please answer the questionnaire on behalf of everyone in the household - that is everyone for whom this is their main / primary residence (include data for any children away at college or lodgers).

Please Cross one box only for each question unless you are instructed otherwise. [X]

### A: ABOUT YOUR EXISTING HOUSING

#### 1 Is your present home?

1. Owner occupied (paying mortgage) <input type="checkbox"/>	2. Owner occupied (no mortgage) <input type="checkbox"/>	3. Private Rented <input type="checkbox"/>	4. Duchy Rent / Leasehold <input type="checkbox"/>	5. Tresco Estate Rented <input type="checkbox"/>	6. Farm Tenancy <input type="checkbox"/>
7. Council Rent <input type="checkbox"/>	8. Housing Association Rent <input type="checkbox"/>	9. Shared Ownership <input type="checkbox"/>	10. Accommodation with a business (not tied) <input type="checkbox"/>	11. Tied to your employment <input type="checkbox"/>	12. Living Rent Free <input type="checkbox"/>

#### 2a What type of property is your home?

1. Detached house <input type="checkbox"/>	2. Semi-detached house <input type="checkbox"/>	3. Terraced House <input type="checkbox"/>	4. Chalet <input type="checkbox"/>	5. Detached bungalow <input type="checkbox"/>
5. Semi-detached Bungalow <input type="checkbox"/>	6. Terraced Bungalow <input type="checkbox"/>	7. Flat / Maisonette <input type="checkbox"/>	8. Bedsit / Studio / Room Only <input type="checkbox"/>	

#### 2b Is your present home used for tourist accommodation?

1. Yes  2. No

#### 2c If yes is it :-

1. A small guesthouse (less than 3 rooms)  2. A large guesthouse (more than 3 rooms)  3. includes a self-contained flat

#### 3 How many bedrooms are in your home?

1. Bedsit  2. One  3. Two  4. Three  5. Four  6. Five or more

#### 4 How long have you lived at your present address?

1. Less than 1 year  2. Between 1 and 2 years  3. Between 2 and 3 years  4. Between 3 and 5 years  5. Between 5 and 10 years  6. Over 10 years   
GO TO 6a GO TO 6a GO TO 6a

#### 5a If you have moved in the last three years, where did you previously live? (Please cross one box only)

1. St Marys <input type="checkbox"/>	2. St Martins <input type="checkbox"/>	3. St Agnes <input type="checkbox"/>	4. Bryher <input type="checkbox"/>
5. Tresco <input type="checkbox"/>	6. Cornwall <input type="checkbox"/>	7. Elsewhere in UK <input type="checkbox"/>	8. Elsewhere outside the UK <input type="checkbox"/>

#### 5b What were the most important reasons for your choice of location in Scilly? (cross up to three boxes)

1. New Job / Employment <input type="checkbox"/>	2. Closer / Easier to commute to work <input type="checkbox"/>	3. Near family / friends <input type="checkbox"/>	4. Relationship / family breakdown <input type="checkbox"/>	5. Health Reasons / Personal care <input type="checkbox"/>
6. Retirement <input type="checkbox"/>	7. Ability to afford local housing <input type="checkbox"/>	8. Better quality of housing <input type="checkbox"/>	9. Better Quality Area <input type="checkbox"/>	10. Location of the School <input type="checkbox"/>

#### 5c If you have moved in the last three years, is this your first home as an adult?

1. Yes  2. No

#### 6a Does your home have any of the following? (Please cross all that apply)

1. Central heating (all rooms) <input type="checkbox"/>	2. Central heating (partial) <input type="checkbox"/>	3. Double glazing (all rooms) <input type="checkbox"/>	4. Double glazing (partial) <input type="checkbox"/>	5. Cavity wall insulation <input type="checkbox"/>
6. Loft insulation <input type="checkbox"/>	7. Water pipes insulated <input type="checkbox"/>	8. Room heaters <input type="checkbox"/>	9. Don't know <input type="checkbox"/>	

#### 6b What is your main source of fuel for heating? (Please cross one box)

1. LPG  2. Electric  3. Oil  4. Wood burner  5. Open fire  6. Other

#### 6c How much do you spend annually on your total home fuel bills? (Please cross one box)

1. Less than £1,000  2. £1,001-£1,400  3. £1,401-£1,800  4. £1,801-£2,200  5. £2,201-£2,600  6. More than £2,600  7. dont know

#### 7 In your opinion, is your present accommodation adequate for your needs?

1. Yes  GO TO 9 2. No  GO TO 8a

**8a If in your opinion, your present accommodation is not adequate for your needs what are the reasons? (Please cross all that apply)**

1. Needs improvements / repairs  2. too costly to heat  3. Too large  4. Too small  5. insufficient no. of bedrooms  6. Unsuitable due to the needs of disabled / elderly household;
7. Rent / mortgage too expensive  8. Tenancy insecure  9. Suffering harassment  10. Inadequate facilities  11. No heating / insufficient heating  12. Lack of local amenities

**8b If your present accommodation is not adequate for your needs, do you have to move to resolve the difficulty?**

1. Yes  **GO TO 8c** 2. No  **GO TO 9**

**8c If yes, could you afford a home of a suitable size on the Islands?**

1. Yes  2. No

**9 Does any member of your existing household have a disability or a limiting long term illness?**

1. Yes  **GO TO 10a** 2. No  **GO TO 11a**

The **shaded boxes** are provided for a second household member, if required.

**10a If yes, how many members of your household have a disability?**

1. One  2. Two

**10b What age groups are they?**

- Member 1** 1. 0-10  2. 11-15  3. 16-24  4. 25-34  5. 35-49  6. 50-64  7. 65-79  8. 80+
- Member 2** 1. 0-10  2. 11-15  3. 16-24  4. 25-34  5. 35-49  6. 50-64  7. 65-79  8. 80+

**10c What is the nature of the disability? (Please cross all that apply)**

- |   |  |   |
|---|--|---|
| 1. Wheelchair user <input type="checkbox"/>                 | 2. Walking difficulty not in wheelchair <input type="checkbox"/> | 3. Visual / hearing impairment <input type="checkbox"/> |
| 4. Asthmatic / respiratory problem <input type="checkbox"/> | 5. Other physical disability <input type="checkbox"/>            |   |
- Note: In the original image, boxes 2, 3, 4, and 5 are shaded for both members.*

**10d Do any members of the household require care / support?**

1. Yes  2. No

**10e If yes, are they already receiving sufficient care / support?**

1. Yes  2. No

**10f If yes, who provides the sufficient care / support?**

1. Registered care agency / voluntary body  2. Family / neighbour / friend

**11a Has your home, or the access to it, ever been built or adapted to meet the needs of a disabled resident?**

1. Yes  **GO TO 11b** 2. No  **GO TO 12**

**11b If yes, what facilities have been provided? (Please cross all that apply)**

1. wheelchair adaptations  2. Access to property  3. Vertical lift / stair lift  4. Bathroom adaptations
5. Extension  6. Ground floor toilet  7. Handrails / grabrails  8. Other

**12 What facilities, if any, will need to be provided to ensure current members of your household can remain in your property, now or in the next three years? (Please cross all that apply)**

1. wheelchair adaptations  2. Access to property  3. Vertical lift / stair lift  4. Bathroom adaptations
5. Extension  6. Ground floor toilet  7. Handrails / grabrails  8. Other  9. None

**13a Do you have older relatives aged 65 or above who may need to move to the Islands within the next three years?**

1. Yes  **GO TO 13b** 2. No  **GO TO 14a**

**13b If yes, what kind of accommodation might they need? (Please cross all that apply)**

1. Live with you (existing home adequate)  2. Live with you (need extension / adaptation)  3. Owner occupied property  4. Private rented property  5. Council / Housing Assoc rented property

13c Do they have equity from the sale of their current home?

1. Yes  2. No

14a If you or any member of your household are aged 65 years or above would you consider moving to a smaller property on the Islands?

1. Yes  GO TO 15a 2. No  GO TO 14b

14b If no, what are your reasons? (Please cross all that apply)

1. Can manage the property)  2. Long term family home the person is reluctant to leave  3. The space is needed for when visitors / relatives come to stay  4 Location is near friends / family  5 Financial reasons

15a How many people live in your home (including yourself)?

PLEASE COMPLETE ONE LINE PER PERSON IN THE TABLE BELOW FOR EACH PERSON LIVING IN YOUR HOME, WHETHER MEMBERS OF YOUR FAMILY OR NOT (E.G. INCLUDING LODGERS).

INSTRUCTIONS ARE BELOW.

Column B (Gender) and Column C (Age), please cross the appropriate box.

Column D (Employment) and Column E (Work place), please write in the number from the list below which best describes each member of the household of working age (from age 16+)

**D Employment**

- Working as an employee full time..... 01
- Working as an employee part time (less than 16hrs a week)... 02
- Working as an employee part time (more than 16hrs a week).. 03
- Self-employed or freelance..... 04
- Doing any other kind of paid work..... 05
- On a sponsored training scheme..... 06
- Unemployed and looking for work..... 07
- On maternity leave, adoption leave or temporarily laid off..... 08
- Full / part time carer for family member..... 09
- Wholly retired from work..... 10
- Looking after the home..... 11
- Long-term sick / disabled..... 12
- Student / full time education (aged 16)..... 13

**E Workplace**

- St Marys..... 01
- St Martins..... 02
- St Agnes..... 03
- Bryher..... 04
- Tresco..... 05
- Cornwall..... 06
- Elsewhere in UK 07

Household Member	B Gender		C Age							D Employment		E Work Place		
	M	F	0-10	11-15	16-24	25-34	35-49	50-64	65-79	80+				
EXAMPLE		X				X					0	1	0	1
Self														
Spouse / partner														
Child 1														
Child 2														
Child 3														
Child 4														
Partner of child														
Grandchild 1														
Grandchild 2														
Parent 1														
Parent 2														
Lodger 1														
Lodger 2														
other														

House prices are a recognised issue on the Islands and we would be grateful if you would complete the following question(s) on housing costs and income. The responses given will only be used for analysis of the current and future availability and affordability of housing for local people.



The information provided is confidential and cannot be linked to any individual household.

**16a Please advise what savings and equity your household has by completing columns A, B and C**

**A) How much does your household have in savings?**  
(please estimate)

- 1. No savings
- 2. Under £5,000
- 3. £5,000 - £10,000
- 4. £10,001 - £15,000
- 5. £15,001 - £20,000
- 6. £20,001 - £30,000
- 7. Above 30,000

**B) If you are a home owner, roughly how much equity value do you own? (i.e. estimate current value minus mortgage owed)**

- 1. Not a homeowner
- 2. Negative Equity
- 3. Under £50,000
- 4. £50,001 - £100,000
- 5. £100,001 - £200,000
- 6. £200,001 - £300,000
- 7. Above £300,000

**C) Please give total annual income of combined self & partner only (before tax and deductions, but **not including** benefits / allowances)**

- 1. None
- 2. Under £10,000
- 3. £10,001 - £15,000
- 4. £15,001 - £20,000
- 5. £20,001 - £30,000
- 6. £30,001 - £45,000
- 7. £45,001 - £75,000
- 8. £75,001 - £100,000
- 9. Above £100,000

**17a Are you intending to move, or is any member of your household currently, or likely to require their own accommodation in the next three years?**

- 1. Yes  GO TO Q17b
- 2. No  GO TO Q18

**17b If YES, please cross the appropriate box(s) below:-**

**Moving within the Isles of Scilly**

- 1. The existing household is moving  GO TO Q18 THEN SECTION B ON PAGE 5
- 2. Of those currently living with you a member is forming a new home  GO TO Q18 THEN SECTION C ON PAGE 6

**Leaving the Isles of Scilly**

- 3. The existing household is moving  GO TO 17c
- 4. Of those currently living with you a member is forming a new home  GO TO 17c

**17c When do you plan to move away from the Islands?**

- 1. Within a year
- 2. Between 1 and 2 years
- 3. Between 2 and 3 years

**17d If you're planning to leave the islands, where are you thinking of moving to? (cross one box only)**

- 1. Cornwall
- 2. Elsewhere in UK
- 3. Elsewhere outside the UK

**17e If you're planning to leave the islands, please indicate your reasons for moving away (cross all that apply)**

- 1. Family reasons
- 2. Employment / access to work
- 3. Further / Higher Education
- 4. Retirement
- 5. Financial reasons
- 6. Unable to afford to buy a home locally
- 7. Lack of affordable housing to rent
- 8. No specialist housing for elderly / disability
- 9. Health reasons

**18a Have any members of your family moved away from the Isles of Scilly because they could not afford a home locally?**

- 1. Yes  GO TO Q18b
- 2. No  THANKYOU FOR COMPLETING THE QUESTIONNAIRE

**18b What housing did they require?**

- 1. Owner Occupation
- 2. Private Rented
- 3. Duchy Rent / Leasehold
- 4. Tresco Estate Rented
- 5. Farm Tenancy
- 6. Council Rent
- 7. Housing Association Rent
- 8. Shared Ownership
- 9. Accommodation with a business (not tied)
- 10. Tied to your employment

**18c How many bedrooms did they require?**

- 1. One
- 2. Two
- 3. Three
- 4. Four
- 5. Five or more

**IF YOU ARE MOVING PLEASE GO TO SECTION B AND / OR SECTION C OTHERWISE THANK YOU FOR COMPLETING THE QUESTIONNAIRE PLEASE RETURN IT IN THE PRE-PAID ENVELOPE PROVIDED.**

## B: THE EXISTING HOUSEHOLD IS MOVING

Complete this section **ONLY** if your existing household intends to move **WITHIN** the Islands over the next three years

**19 When do you plan to move?**

1. Within 1 year       2. Between 1 and 2 years       3. Between 2 and 3 years

**20 What type of accommodation is required?**

1. Detached house       2. Semi-detached house       3. Terraced house       5. Bungalow
5. Chalet       6. Flat / Maisonette       7. Bedsit / Studio

**21 How many bedrooms are required?**

1. One       2. Two       3. Three       4. Four       5. Five or more

**22 What tenure is required?**

1. Owner Occupation       2. Private Rented       3. Duchy Rent / Leasehold       4. Tresco Estate Rented       5. Farm Tenancy
6. Council Rent       7. Housing Association Rent       8. Shared Ownership       9. Accommodation with a business (not tied)       10. Tied to your employment

**23a Would you be interested in building your own home?**

1. Yes       2. No

**23b If yes have you tried to identify a suitable building plot?**

1. Yes       2. No

**23c If yes would you be involved in the construction process?**

1. Yes       2. No

**23d Is self-build affordable bearing in mind local land / materials costs?**

1. Yes       2. No

**24 Are you registered on any of the following Housing Registers? (Please cross all that apply)**

1. Council Housing Register       2. The Duchy Housing Waiting List       3. Another register outside the Islands

**25 From the list of Islands below, where is the accommodation required? (Please cross up to two locations)**

1. St Marys       2. St Martins       3. St Agnes       4. Bryher       5. Tresco

**26 Why are the above locations preferred?**

- |  |  |
|--|--|
| 1. Always lived here..... <input type="checkbox"/>                 | 2. To be near family / friends ..... <input type="checkbox"/>                    |
| 3. Job / employment..... <input type="checkbox"/>                  | 4. Easier to commute to work..... <input type="checkbox"/>                       |
| 5. Nearer to services and facilities..... <input type="checkbox"/> | 6. Retirement..... <input type="checkbox"/>                                      |
| 7. Health / personal care reasons..... <input type="checkbox"/>    | 8. Greater availability of type of housing sought ..... <input type="checkbox"/> |

**IF A NEW HOUSEHOLD IS ALSO FORMING, GO TO SECTION C ON PAGE 6, OTHERWISE THANK YOU FOR COMPLETING THE QUESTIONNAIRE PLEASE RETURN IT IN THE PRE-PAID ENVELOPE PROVIDED.**

## C: NEWLY FORMING HOUSEHOLDS

If a member, or members of your household intend / need to set up a home of their own **WITHIN** the Islands in the next three years, please provide details for up to two "new" households likely to form.

The **Shaded boxes** are provided for a second household forming, if required.

### 27 Who is looking / likely to look for accommodation in the next three years?

	HOUSEHOLD	
	1	2
1. Parent / Grandparent.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Child.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Partner / Spouse.....	<input type="checkbox"/>	<input type="checkbox"/>
4. Lodger.....	<input type="checkbox"/>	<input type="checkbox"/>
5. Friend.....	<input type="checkbox"/>	<input type="checkbox"/>
6. Other relative.....	<input type="checkbox"/>	<input type="checkbox"/>

### 28a Is the "new" household being formed as a single person or with a partner?

	HOUSEHOLD	
	1	2
1. Single.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Couple.....	<input type="checkbox"/>	<input type="checkbox"/>

### 28b If a couple household is being formed, is the partner currently living:-

	HOUSEHOLD	
	1	2
1. In your existing household.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Elsewhere on the Islands.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Outside the Islands.....	<input type="checkbox"/>	<input type="checkbox"/>

### 28c What is the age of each adult in each "new" household?

	HOUSEHOLD 1		HOUSEHOLD 2	
	1	2	1	2
1. Up to 24.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 25-34.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 35-49.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 50-64.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 65+.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 28d How many children under 16 will be in each "new" household?

	HOUSEHOLD	
	1	2
1. Child due.....	<input type="checkbox"/>	<input type="checkbox"/>
2. One.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Two or more.....	<input type="checkbox"/>	<input type="checkbox"/>
4. None.....	<input type="checkbox"/>	<input type="checkbox"/>

### 29 When will each "new" household need their home?

	HOUSEHOLD	
	1	2
1. Within a year.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Between 1 and 2 years.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Between 2 and 3 years.....	<input type="checkbox"/>	<input type="checkbox"/>

### 30 What tenure is a) needed and b) preferred for each "new" household?

	NEEDED		PREFERRED	
	1	2	1	2
1. Owner occupation.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Private rent.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Duchy Rent/Lease.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Tresco Estate Rent.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Farm Tenancy.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Council Rent.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Housing Association Rent.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Shared Ownership.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Tied to employment.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 31 What type of accommodation is a) needed and b) preferred for each "new" household?

	NEEDED		PREFERRED	
	1	2	1	2
1. Detached house.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Semi-detached house.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Terraced house.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Bungalow.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Chalet.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Flat / Maisonette.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Bedsit / Studio.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 33 Would the householder consider sharing accommodation with a friend?

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>

### 34a Would you be interested in building your own home?

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>

### 34b If yes have you tried to identify a suitable building plot?

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>

### 34c If yes would you be involved in the construction process?

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>

**34d Is self – build affordable bearing in mind local land / materials cost?**

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>

**35 Is the “new” household registered on any Housing Register? (Please cross all that apply)**

	HOUSEHOLD	
	1	2
1. Council Housing Register.....	<input type="checkbox"/>	<input type="checkbox"/>
2. The Duchy Housing Waiting List.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Another register outside the Islands.....	<input type="checkbox"/>	<input type="checkbox"/>

**36 From the list of Islands below, where is the accommodation required?**

Please cross up to two boxes

	HOUSEHOLD	
	1	2
1. St Marys.....	<input type="checkbox"/>	<input type="checkbox"/>
2. St Martins.....	<input type="checkbox"/>	<input type="checkbox"/>
3. St Agnes.....	<input type="checkbox"/>	<input type="checkbox"/>
4. Bryher.....	<input type="checkbox"/>	<input type="checkbox"/>
5. Tresco.....	<input type="checkbox"/>	<input type="checkbox"/>

**37 Why are locations preferred?**

Please cross all that apply

	HOUSEHOLD	
	1	2
1. Always lived here.....	<input type="checkbox"/>	<input type="checkbox"/>
2. To be near family / friends.....	<input type="checkbox"/>	<input type="checkbox"/>
3. Job / employment.....	<input type="checkbox"/>	<input type="checkbox"/>
4. Easier to commute to work.....	<input type="checkbox"/>	<input type="checkbox"/>
5. Nearer to services & facilities.....	<input type="checkbox"/>	<input type="checkbox"/>
6. Retirement.....	<input type="checkbox"/>	<input type="checkbox"/>
7. Health / personal care reasons.....	<input type="checkbox"/>	<input type="checkbox"/>
8. Move from urban to rural location.....	<input type="checkbox"/>	<input type="checkbox"/>
9. Greater availability of type of housing sought.....	<input type="checkbox"/>	<input type="checkbox"/>
10. Better quality of area.....	<input type="checkbox"/>	<input type="checkbox"/>

**38 Is the “new” household likely to be claiming Housing Benefit?**

	HOUSEHOLD	
	1	2
1. Yes.....	<input type="checkbox"/>	<input type="checkbox"/>
2. No.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Don't know .....	<input type="checkbox"/>	<input type="checkbox"/>

**39a How much would each “new” household be able and willing to pay in rent and mortgage costs per month?**

	HOUSEHOLD	
	1	2
1. Below £75 pw / £325 pm.....	<input type="checkbox"/>	<input type="checkbox"/>
2. £75 - £100 pw / £325 - £433pm.....	<input type="checkbox"/>	<input type="checkbox"/>
3. £101 - £150 pw / £551 - £650 pm .....	<input type="checkbox"/>	<input type="checkbox"/>
4. £151 - £173 pw / £651 - £750 pm.....	<input type="checkbox"/>	<input type="checkbox"/>
5. £174 - £196 pw / £751 - £850 pm.....	<input type="checkbox"/>	<input type="checkbox"/>
6. £197 - £230 pw / £851 - £1,000 pm .....	<input type="checkbox"/>	<input type="checkbox"/>
7. above £230 pw / £1,000 pm.....	<input type="checkbox"/>	<input type="checkbox"/>

**39b What savings does each household have to meet a deposit and legal costs?**

	HOUSEHOLD	
	1	2
1. No savings.....	<input type="checkbox"/>	<input type="checkbox"/>
2. Under £2,000.....	<input type="checkbox"/>	<input type="checkbox"/>
3. £2,000- £25,000.....	<input type="checkbox"/>	<input type="checkbox"/>
4. £25,001-£50,000.....	<input type="checkbox"/>	<input type="checkbox"/>
5. Over £50,000.....	<input type="checkbox"/>	<input type="checkbox"/>

**39c Will each “new” household get help with a deposit from parents / relatives?**

	HOUSEHOLD	
	1	2
1. By a loan.....	<input type="checkbox"/>	<input type="checkbox"/>
2. By a gift.....	<input type="checkbox"/>	<input type="checkbox"/>
3. No need.....	<input type="checkbox"/>	<input type="checkbox"/>
4. No help available.....	<input type="checkbox"/>	<input type="checkbox"/>

**39d Please give total annual HOUSEHOLD income for the person or couple in each “new” household (before tax and deductions but not including benefits and allowance)**

	HOUSEHOLD	
	1	2
1. None	<input type="checkbox"/>	<input type="checkbox"/>
2. Under £10,000	<input type="checkbox"/>	<input type="checkbox"/>
3. £10,001 - £15,000	<input type="checkbox"/>	<input type="checkbox"/>
4. £15,001 - £20,000	<input type="checkbox"/>	<input type="checkbox"/>
5. £20,001 - £30,000	<input type="checkbox"/>	<input type="checkbox"/>
6. £30,001 - £40,000	<input type="checkbox"/>	<input type="checkbox"/>
7. £40,001 - £50,000	<input type="checkbox"/>	<input type="checkbox"/>
8. £50,001 - £75,000	<input type="checkbox"/>	<input type="checkbox"/>
9. £75,001 - £100,000	<input type="checkbox"/>	<input type="checkbox"/>
10. Above £100,000	<input type="checkbox"/>	<input type="checkbox"/>

**THANK YOU FOR COMPLETING THE QUESTIONNAIRE.**

**PLEASE RETURN IT IN THE PRE-PAID ENVELOPE PROVIDED TO:**

**Freepost Plus RTHU-THGL-AHGB,  
DCA Ltd,  
Buckden Mount,  
8 Thornhill Road,  
Huddersfield HD3 3AU.**

## **APPENDIX II**

### **PROMOTIONAL POSTER**



**We are sending  
questionnaires to  
all households in  
the Isles of Scilly  
during November  
2015.**

The information requested is very important as the Council seeks to assess and address present and future housing needs.

**Completed forms must be  
returned by 16 December 2015.**



**GLOSSARY OF TERMS**

**POPULATION AND HOUSEHOLD PROJECTION  
SCENARIOS**

**EDGE ANALYTICS**





# Isles of Scilly

Data inputs, assumptions & methodology

February 2016

edgeanalytics

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# POPGROUP Methodology

## Forecasting Methodology

- 1.1 Evidence is often challenged on the basis of the appropriateness of the methodology that has been employed to develop growth forecasts. The use of a recognised forecasting product which incorporates an industry-standard methodology (a cohort component model) removes this obstacle and enables a focus on assumptions and output, rather than methods.
- 1.2 Demographic forecasts have been developed using the POPGROUP suite of products. POPGROUP is a family of demographic models that enables forecasts to be derived for population, households and the labour force, for areas and social groups. The main POPGROUP model (Figure 1) is a cohort component model, which enables the development of population forecasts based on births, deaths and migration inputs and assumptions.
- 1.3 The Derived Forecast (DF) model (Figure 2) sits alongside the population model, providing a headship rate model for household projections and an economic activity rate model for labour-force projections.
- 1.4 The latest development in the POPGROUP suite of demographic models is POPGROUP v.4, which was released in January 2014. A number of changes have been made to the POPGROUP model to improve its operation and to ensure greater consistency with ONS forecasting methods. The most significant methodological change relates to the handling of internal migration in the POPGROUP forecasting model. The level of internal in-migration to an area is now calculated as a rate of migration relative to a defined 'reference population' (by default the UK population), rather than as a rate of migration relative to the population of the area itself (as in POPGROUP v3.1). This approach ensures a closer alignment with the 'multi-regional' approach to modelling migration that is used by ONS.
- 1.5 For further information on POPGROUP, please refer to the Edge Analytics website: <http://edgeanalytics.co.uk/popgroup>.

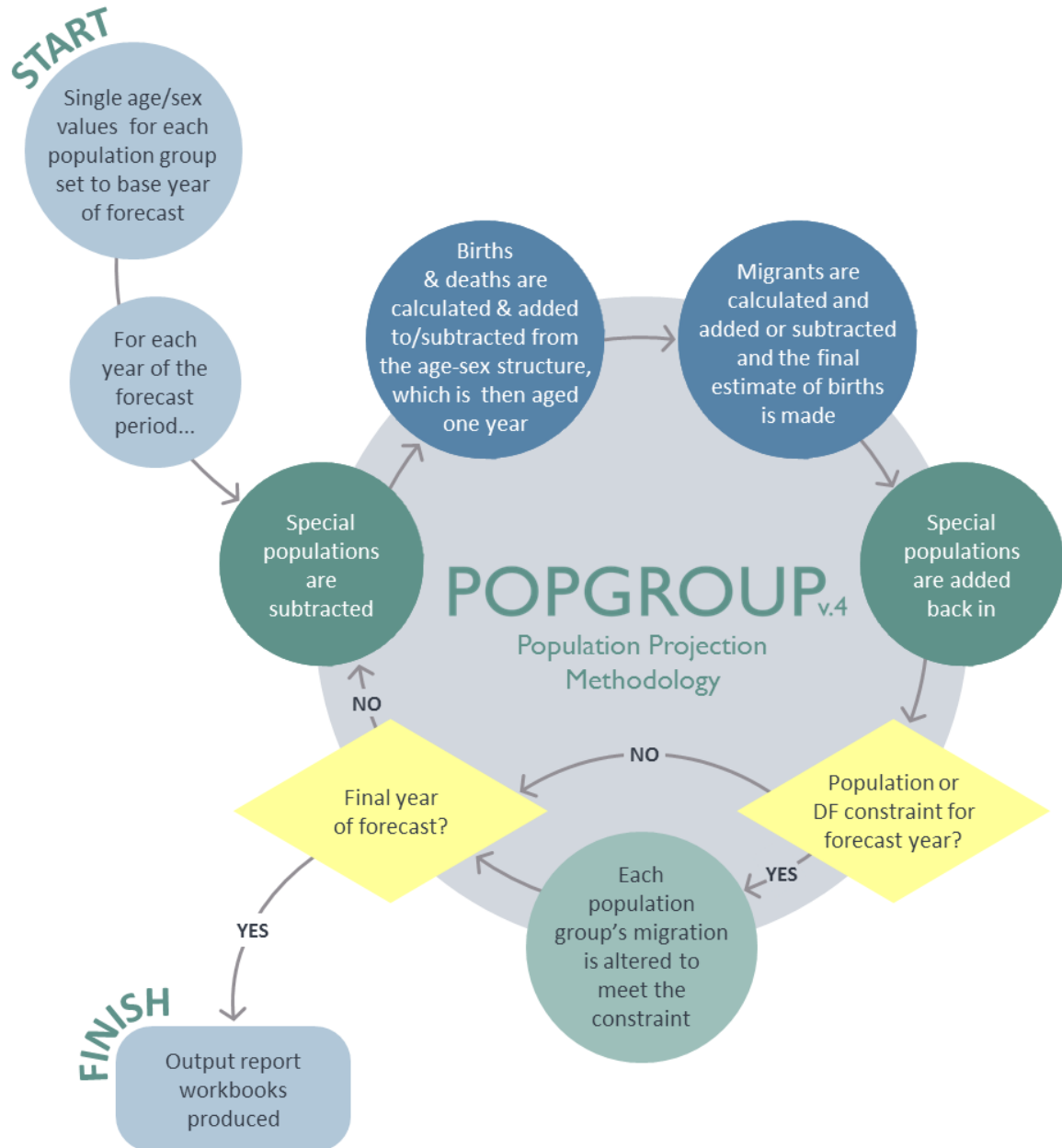
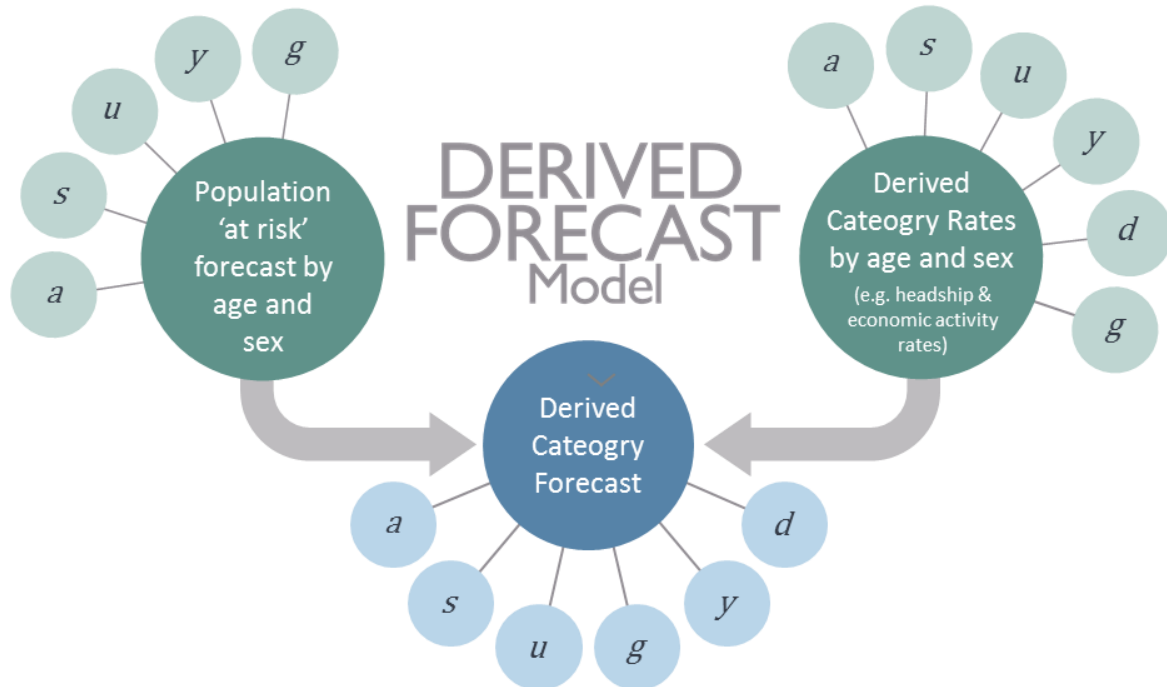


Figure 1: POPGROUP population projection methodology



$$D_{a,s,u,y,d,g} = \frac{P_{a,s,u,y,g} R_{a,s,u,y,d,g}}{100}$$

<i>D</i>	Derived Category Forecast	<i>y</i>	Year
<i>P</i>	Population 'at risk' Forecast	<i>d</i>	Derived category
<i>R</i>	Derived Category Rates	<i>g</i>	Group (usually an area, but can be an ethnic group or social group)
<i>a</i>	Age-group		
<i>s</i>	Sex		
<i>u</i>	Sub-population		

Figure 2: Derived Forecast (DF) methodology

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# 2 Data Inputs & Assumptions

## Introduction

- 2.1 Edge Analytics has developed a range of scenarios for the Isles of Scilly using POPGROUP v.4 and the Derived Forecast model. The POPGROUP suite of demographic models draws data from a number of sources, building an historical picture of population, households, fertility, mortality and migration on which to base its scenario forecasts.
- 2.2 Using the latest historical data evidence for 2001–2014, in conjunction with information from ONS sub-national population projections (SNPPs) and the Department for Communities and Local Government (DCLG) household projections for Cornwall, a series of assumptions have been derived which drive the scenario forecasts.
- 2.3 Two alternative scenarios have been produced for the Isles of Scilly for the 2014–2035 period:
- **PG - Growth +160:** the population increases by 10 people per year;
  - **PG - Zero Growth:** the population is fixed at the 2014 mid-year population estimate (2,280 people) i.e. zero growth occurs.
- 2.4 In the following sections, the data inputs and assumptions to these scenarios are summarised.

## Population, Births & Deaths

### Population

- 2.5 In each scenario, historical population statistics are provided up to 2014 by the mid-year population estimates (MYEs), with all data recorded by single-year of age and sex. These data include the revised MYEs for 2002–2010, which were released by the ONS in May 2013. The revised MYEs provide consistency in the measurement of the components of change (i.e. births, deaths, internal migration and international migration) between the 2001 and 2011 Censuses.

- 2.6 In the **PG - Growth +160** scenario from 2014/15, the population increases by 10 people per year. From 2014/15 in the **PG - Zero Growth** scenario, the population is fixed at the 2014 mid-year estimate.

## Births & Fertility

- 2.7 In each scenario, historical mid-year to mid-year counts of births by sex, sourced from the ONS MYEs, are defined from 2001/02 to 2013/14. From 2014/15, an area-specific age-specific fertility rate (ASFR) schedule, derived from the ONS 2012-based SNPP, is included in the POPGROUP model assumptions. Long-term assumptions on changes in age-specific fertility rates are taken from the ONS 2012-based SNPP.
- 2.8 In combination with the 'population-at-risk' (i.e. all women between the ages of 15–49), the area-specific ASFR and future fertility rate assumptions provide the basis for the calculation of births in each year of the forecast period (i.e. from 2013 or 2014 onwards, depending on the scenario).

## Deaths & Mortality

- 2.9 In each scenario, historical mid-year to mid-year counts of deaths by sex and sex, sourced from the ONS MYEs, are defined from 2001/02 to 2013/14. From 2014/15, an area-specific age-specific mortality rate (ASMR) schedule, derived from the ONS 2012-based SNPP, is included in the POPGROUP model assumptions. Long-term assumptions on changes in age-specific mortality rates are taken from the ONS 2012-based SNPP.
- 2.10 In combination with the 'population-at-risk' (i.e. the whole population), the area-specific ASMR and future mortality rate assumptions provide the basis for the calculation of deaths in each year of the forecast period (i.e. from 2013 onwards).

## Migration

### Internal Migration

- 2.11 In each scenario, historical mid-year to mid-year estimates of internal in- and out-migration by 5-year age group and sex for 2004/05 to 2013/14 have been sourced from the 'components of population change' files that underpin the ONS MYEs. These internal migration flows are

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estimated using data from the Patient Register (PR), the National Health Service Central Register (NHSCR) and the Higher Education Statistics Agency (HESA).

- 2.12 From 2014/15, future internal migration flows are based on the area-specific historical migration data over a 10-year period (2004/05 to 2013/14). This historical data is used to derive the age-specific migration rate (ASMigR) schedules, which are then used to determine the future number of internal in- and out-migrants from 2014/15. In the case of internal in-migration, the ASMigR schedules are applied to an external 'reference' population (i.e. the population 'at-risk' of migrating *into* the area). This is different to the other components (i.e. births, deaths, internal out-migration), where the schedule of rates is applied to the area-specific population (i.e. the population 'at-risk' of migrating *out* of the area). The reference population is defined by considering the areas which have historically contributed the majority of migrants into the area. In the case of the Isles of Scilly, the reference population comprises all districts which cumulatively contributed 70% of migrants to the Cornwall and Isles of Scilly Local Economic Partnership (LEP).

## International Migration

- 2.13 In each scenario, historical mid-year to mid-year counts of immigration and emigration by 5-year age group and sex for 2001/02 to 2013/14 have been sourced from the 'components of population change' files that underpin the ONS MYEs. Any 'adjustments' made to the MYEs to account for asylum cases are included in the international migration balance.
- 2.14 From 2014/15, future international migration counts are derived from the area-specific historical migration data over a 10-year period (2004/05 to 2013/14). An ASMigR schedule of rates is derived from the 10-year migration history and is used to distribute future counts by single year of age.
- 2.15 Implied within the international migration component of change is a UPC figure, which ONS identified within its latest mid-year estimate revisions. The UPC component has been assigned to the international migration component as this is the component with which it is most likely associated.

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## Households & Dwellings

- 2.16 The 2011 Census defines a household as: *“one person living alone, or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.”*
- 2.17 In POPGROUP, a dwelling is defined as a unit of accommodation which can either be occupied by one household or vacant.
- 2.18 In all scenarios, the household and dwelling implications of the population growth trajectory have been evaluated through the application of headship rate statistics, communal population statistics and a dwelling vacancy rate. These data assumptions have been sourced from the 2001 and 2011 Censuses and from the latest 2012-based DCLG household projection model for the Isles of Scilly.

### Household Headship Rates

- 2.19 A household headship rate (also known as household representative rate) is the *“probability of anyone in a particular demographic group being classified as being a household representative”*<sup>1</sup>.
- 2.20 The DCLG household projections are derived through the application of projected headship rates to a projection of the private household population. The methodology used by DCLG in its household projection models consists of two distinct stages:
- **Stage One** produces the national and local authority projections for the total number of households by sex, age-group and relationship-status (Table 1) group over the projection period.
  - **Stage Two** provides the detailed ‘household-type’ projection by age-group, controlled to the previous Stage One totals.

The 2012-based headship rates applied here are from the Stage One DCLG model as Stage Two data does not exist for the Isles of Scilly.

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<sup>1</sup> Household Projections 2012-based: Methodological Report. DCLG (February 2015).



Table 1: Stage One 2012-based headship rate classification

DCLG Category	Description
Single	Not in a couple – marital status single
Couple	In a couple (whether married or cohabiting)
Previously Married	Not in a couple – marital status previously married

## Communal Population Statistics

- 2.21 Household projections in POPGROUP exclude the population ‘not-in-households’ (i.e. the communal/institutional population). These data are drawn from the DCLG 2012-based household projections, which use statistics from the 2011 Census. Examples of communal establishments include prisons, residential care homes and student halls of residence.
- 2.22 For ages 0–74, the number of people in each age group not-in-households is fixed throughout the forecast period. For ages 75–85+, the proportion of the population not-in-households is recorded. Therefore, the population not-in-households for ages 75–85+ varies across the forecast period depending on the size of the population.

## Vacancy Rate

- 2.23 The relationship between households and dwellings in all scenarios is modelled using a ‘vacancy rate’, sourced from the 2011 Census. The vacancy rate is calculated using statistics on households (occupied, second homes and vacant) and dwellings (shared and unshared).
- 2.24 A vacancy rate of 28.7% for the Isles of Scilly has been applied, fixed throughout the forecast period. Using this vacancy rates, the ‘dwelling requirement’ of each household growth trajectory has been evaluated.

**SIMPSON 2014**  
**Town & Country Planning December 2014**

# whither household projections?

With household projections based on full 2011 Census data due to be published early in 2015, **Ludi Simpson** considers the weight that we should place upon them in the light of assumptions made in the interim projections about the effects of the economic downturn



## Left

The household projections based on full 2011 Census data will be the basis of local assessments of housing need

The Government's 2011 interim household projections are shortly to be replaced with final projections which, using full Census information on household formation and revised population projections, will run up to 2037. How interested should we be in them? Despite claims that the recession invalidates the projections, there are reasons to doubt this, and to treat the new projections with more authority than ones made in the previous decade.

### **Lower household formation – a new trend or a temporary aberration?**

In the 18 months since the interim projections were published by the Department for Communities

and Local Government (DCLG), their ingredient of a slower rate of household growth than in past projections has been rather dismissed. The House of Commons Library suggests that the 2011-based projections are 'a reflection of the severity and extent of the post-2008 economic downturn. The 2008-based projections are still regarded as a solid indicator of potential levels of housing demand over coming years.'<sup>1</sup>

The Planning Advisory Service's technical advice on assessing objective need for housing states that 'The evidence suggests that the higher-than expected household sizes are partly a demand-side effect of the last recession – so that due to falling incomes and the credit crunch fewer people could

afford to form or maintain separate households'. It recommends that the long-term development of household formation should be assumed to be in line with the 2008-based household projections.<sup>2</sup>

An RTPI Research Briefing reports that 'A detailed analysis of the census and other data points to two main reasons for the census finding fewer households than expected: increased international migration; and changes in the types of households in which younger adults are living', both of which are judged to be temporary phenomena.<sup>3</sup>

These views, which have also been reflected in Planning Inspectors' views of appropriate forecasts of housing need, rely heavily on a major research paper from Alan Holmans, published in *Town & Country Planning*.<sup>4</sup> That research was an excellent response to the interim projections, but has not been subject to the update and review that it called for.

The research included long-term projections of housing need for England, based on an assumed return to housing formation closer to the 2008-based projections. Holmans stressed that this was only one among significantly different assumptions that *could* be made.

### Room for doubt

The forthcoming 2012-based DCLG projections will rely on the same 2011 Census as the interim projections – so how should we use them? My

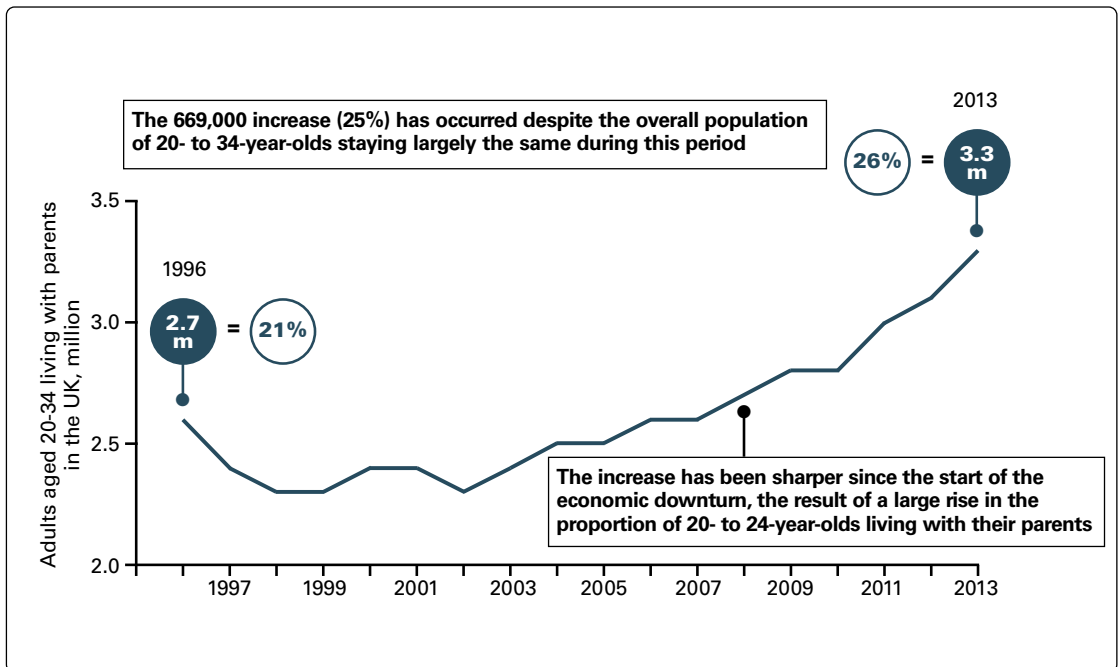
review of the evidence on which the interim projections were assessed suggests that we should not after all discount the new projections, for the following reasons.

### **The causes of reduced household formation are varied, began before the recession, and mostly are likely to continue with or without recession**

Much attention has been focused on reduced household formation among those aged 25-34, the fall in numbers of single and couple households of those ages, and the rise in the number of adults living with older couples and in other multi-adult households. But as Alan Holmans pointed out, of the 1 million fewer one-person households in 2011 compared with what had been projected by the 2008-based projections, only 200,000 of the shortfall were among those aged 25-34.

In the 2000s there was a sustained increase among young people not leaving home, and in those returning home (see Fig.1). The increased number living with their parents began at the turn of the millennium; the increase did accelerate after 2008.

The introduction of student fees from 1998, and the increase in precarious employment, including the rapid growth of part-time work, could both change in the future. But they appear at the moment as fixed circumstances of the policy and economic environment.



Above

Fig. 1 Since 1996 there has been a large increase in young adults living with their parents

Source: 'Large increase in 20- to 34-year-olds living with parents since 1996'<sup>5</sup>

The long-term increase in the number of childless women, both through delayed child-bearing and through not having children at all, which increased the number of smaller households, stopped and has fallen since 2000.

Increasingly older formation of couples or families, which had increased the number of single-person households in the 1980s and 1990s, has levelled out since 2001.

Whether young adults aged 25-34 will recover to their previous levels of household formation when the economic situation improves is arguable, and is dependent on the success of 'Help to Buy' schemes and the impact of high affordability ratios, high rental prices, welfare retrenchment, and increased student fees and debts. The housing market and government policies to provide or stimulate affordable housing will affect future household formation.

***The 2008-based projections were presented at the time not as a solid trend, but as insecure, because the past steady trends had already been broken prior to the recession***

In preparing the 2008-based household projections, DCLG was faced with a dilemma: its own report on the methodology used noted that 'Labour Force Survey (LFS) data suggests that there have been some steep falls in household representative rates for some age groups since the 2001 Census. If these shifts in household formation behaviour are sustained in the longer term, and this can only be truly assessed once the 2011 Census results are available, the household projections using the method as in the 2006-based and previous projection rounds would turn out to be too high.'<sup>6</sup>

There had already been 'observed deceleration between 1991 and 2001' in household formation rates, although there is some doubt about that decade because of unusual difficulties with the 1991 Census enumeration. The 2008-based household projections opted, as worded in the same report, to 'revert to the trend' of increasing formation rates. We know that this trend was observed only prior to 2001, and perhaps not even to that year.

The report on the methodology of the 2008-based projections also warned that 'There are cohort effects that are ignored by the methodology... [This is] of particular concern if recent falls in household representative rates for younger age groups are carried forwards through a cohort process into older age groups in future years.' There has, in fact, been such a carrying through: the drop in formation rates for those aged 20-24 and 25-29 apparent already for 1991-2001 has emerged for those aged 30-34 and 35-39 in the period 2001-2011. Thus the 2008-based projection was itself considered as precarious rather than a 'solid trend', and was to be judged against the 2011 Census.

***Immigration, said to have caused half the slowing of the household formation rate between 2001 and 2011, did not, after all, have such an influence***

Holmans' calculations on immigration are probably the only point at which his analysis may be faulty. He notes much lower household representative rates for immigrants who have entered the UK in the past year than for the general population, and applies the large difference to the total number of extra immigrants during the period 2001-2011. However, his own evidence shows that immigrants with 0-5 years in the UK come much closer to the general household representative rates, and the difference is not visible for those with 5-10 years in the UK. Thus in 2011 the extra immigrants of 2001-2011 will have on average an experience very close to the general population rather than those of migrants in the past year used in Holmans' calculations.

The importance of this observation is only to suggest that very little of the decrease in household formation can be laid at the door of a temporary increase in immigration during the 2000s.

***The interim and final projections since the 2011 Census are based not on short-term trends, but on trends since 1971***

Although it is sometimes claimed that the current household projections are based on the experience of changes between 2001 and 2011, this is true only of the allocation of households to household types in the second stage of the projections. The total numbers of households in England and in each local authority are projected on the basis of 40 years of trends in household formation, from 1971 to 2011.

***The quality, methods and purpose of household projections***

The forthcoming household projections due early in 2015 are to an extent predictable. They will adopt the 2012-based population projections for local authority areas of England which are already in the public domain. They will repeat the approach of the interim projections but use the full range of 2011 Census outputs, as demanded by the methods established for household projections in England in the last decade. But the interim projections already used the major ingredient from the 2011 Census – the total number of households in each district. The projected change in household formation rates was so small that projected population change accounted for 98% of the household change, at least when averaged over England. And finally, since the projection is based on 40 years of data, the changes coming from using the full 2011 Census data are not likely to make major revisions to the interim projection of household formation rates, although of course there will be some districts that change more than others.

Looking further ahead, one can expect improvements in the projection methods. They currently employ a mixture of two sets of Census data and are more complex than methods used in Scotland and Wales. They do not identify the 'concealed families' which used to be a useful marker of suppressed need. Perhaps they could be developed to include 'concealed single-person households'. The projection of migration could take into account a longer period than the past five years' experience as at present.

In addition, demand for scenarios of household need and housing provision could be satisfied by an authoritative producer inside government or supported by government. Alternative scenarios can assess the impact of uncertainty in the factors not under local planners' control, such as fertility, mortality and international migration, and also assess the demographic consequences of planning investments that are under planners' control.

## **'Some honest thinking is needed to resolve a mismatch between the need for affordable housing and the mechanisms to supply it. At present the lack of affordable housing undermines the assessment of housing need which demographic projections support'**

Some honest thinking is needed to resolve a mismatch between the need for affordable housing and the mechanisms to supply it. At present the lack of affordable housing undermines the assessment of housing need which demographic projections support.

### **Conclusions**

The imminent household projections based on full 2011 Census data will be the basis for the determination of locally assessed housing need for the following two years. The previous 2008-based projections provide neither a substitute nor a benchmark.

The societal changes that created smaller households in Britain since the 1960s have now affected 50 years of those reaching adulthood. However, the experience of the past two decades, and not just the economic crisis of the late 2000s, does suggest that we are not in a position to expect further increases in household formation rates of

the same kind. Household size in England cannot continue to reduce indefinitely, although it has not reached a limit and is not as low as elsewhere in Northern Europe. The future in the UK is likely to be a continuation of precarious household formation. It will probably be lower than once projected and carry more uncertainty, until further structural shifts occur.

● **Ludi Simpson** is Professor of Population Studies at the University of Manchester. He works to support demographic modelling in local authorities and nationally and is the originator and designer of the POPGROUP demographic modelling software. The views expressed are personal.

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**SIMPSON 2015**  
**Town & Country Planning April 2015**

# making sense of the new english household projections

**Ludi Simpson and Neil McDonald review the latest DCLG household projections for England and make suggestions for how they might be used intelligently**

Household need is difficult to assess at present because it is not clear to what extent significant changes in household formation and dissolution are temporary effects of economic cycles, or structural changes that should be taken as part of a new landscape. We have each reviewed the evidence in the past two years,<sup>1,2</sup> and in this article we attempt to bring the story up to date and to advise how best to use the new household projections.

Household projections are the starting point for objectively assessing housing need for Local Plans. The latest update of housing projections for each local authority area in England was published by the Department for Communities and Local Government (DCLG) in February.<sup>3</sup> They are a step forward from the 2011-based interim projections produced in 2013, but they are not the full Census-based update that had been hoped for.

A growing population is the main source of estimates of growing housing need, and these projections incorporate the latest, 2012-based, sub-national population projections from the Office for National Statistics (ONS) that reach to the year 2037. This extension is a major advantage over the interim projections, which extended only to 2021.

The other major component of household projections is the projection of 'household representative rates' – the proportion of each age, sex and relationship group which is in a statistical sense the head of a household. This is calculated separately for those in couples, for those not in couples who have never married, and for those who are widowed,

separated or divorced. For example, spending more of our lives outside a couple makes a significant difference to the future demand for housing.

The new projections make use of more information from the 2011 Census to estimate these household representative rates than was available for the previous interim projections. This extra information includes the age, sex and relationship status of the population in households. However, the 2011 Census has not yet yielded the age, sex and relationship status of those who are household representatives, which is required for fully updated household projections for England and for each local authority area. The DCLG's analysis of this extra information is 'planned to be in a secondary publication later in the year after further interrogation'.<sup>4</sup> In the recent projections, the DCLG has decided to provide a quick-fix solution by estimating what we don't yet know, using information from past projections, in order to help the formulation of Local Plans.

## What do the new projections say?

### England

The new projections suggest that the number of households in England will grow from 22.3 million in 2012 to 27.5 million in 2037. The annual growth rate is 1% a year for the first ten years. It then tails off a little.

The projected growth for England is very slightly slower than in the 2011-based projections: 220,000 households a year between 2012 and 2021, rather



**Table 1****Interim and revised projected change in the number of households, 2011-21**

	<b>2011-based projection (Interim, 2013)</b>	<b>2012-based projection (February 2015)</b>	<b>Revision, as % of interim projected change</b>
Kensington and Chelsea	+2,950	+100	-97%
Oadby and Wigston	+1,500	+350	-78%
Barrow-in-Furness	+1,100	+350	-70%
Rutland UA	+1,850	+800	-56%
Tendring	+10,100	+4,850	-52%
East Lindsey	+7,600	+3,650	-52%
:			
:			
Sefton	+4,000	+6,050	+51%
Hackney	+12,950	+19,950	+54%
Brighton and Hove UA	+8,000	+12,600	+58%
Wycombe	+3,750	+5,950	+58%
Leicester UA	+7,000	+11,200	+60%
North East Lincolnshire UA	+1,550	+2,550	+62%
Rushmoor	+1,900	+3,100	+64%
Brent	+10,150	+16,900	+67%
Reading UA	+2,750	+4,700	+71%
Halton UA	+1,900	+3,200	+71%
Stevenage	+2,200	+3,850	+75%
Worcester	+2,000	+3,750	+87%
Newham	+14,100	+26,600	+89%
Walsall	+4,150	+7,850	+89%
Lincoln	+1,200	+2,450	+105%
Greenwich	+8,600	+17,800	+107%
Wirral	+3,350	+6,950	+108%
Watford	+2,350	+5,400	+130%
Blackburn with Darwen UA	+950	+2,400	+155%
Blackpool UA	+300	+1,000	+244%
Burnley	-300	+600	+294%
Cambridge	-1,450	+2,900	+299%
Oxford	-1,400	+3,550	+358%
Liverpool	+2,450	+14,400	+483%

Source: DCLG Live Tables for 2001- and 2012-based household projections  
City of London and Isles of Scilly excluded

than 221,000. However, at the local authority level a much more diverse picture emerges.

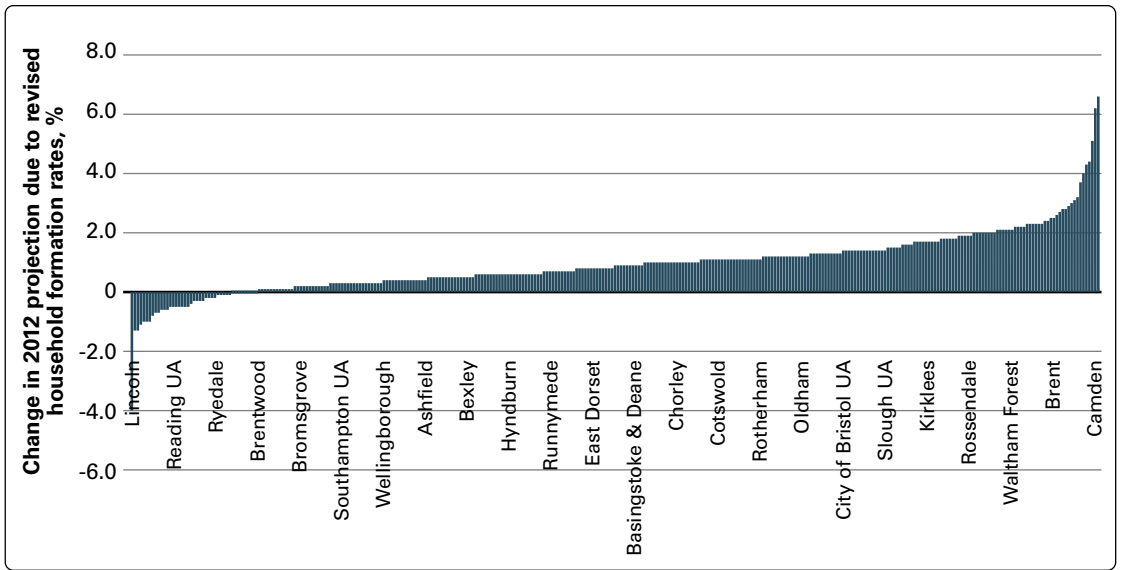
### **What is driving the increases in the number of households?**

The big driver is the growing and ageing population: 93% of the increase in the number of households in England between 2012 and 2037 is due to the projected growth in the population and the increasing proportion of older people (who tend to live in smaller households, either alone or just with a partner). Only 4% of the increase is due to changes in household representative rates. This means that the assumptions made by the ONS in the population projections which the DCLG have used in the new projections have a big influence on the projected changes in household numbers.

Compared with the 2011-based interim projections for England as a whole, the downward revisions to the projected population lead to a decrease in household growth between 2012 and 2021 by 9%, while the revisions to the projected household representative rates have almost exactly the same effect in the opposite direction. The net result is that the two projections are very close.<sup>5</sup>

### **Results for local authorities**

At the local authority level there are sizeable differences between the new and old projections. For 30% of authorities (districts and unitaries) the new projection for the number of households in 2021 is more than 2% higher or lower than in the old set. This may seem a small change, but the



Above

Fig. 1 The impact of revised household formation rates

Source: DCLG Live Tables

number of households in England is increasing by about 1% a year so the difference amounts to two years' average growth.

For planning purposes the change in the number of households is more relevant than the absolute number. There are 50 local authority areas for which the new projections suggest a household increase that is more than 20% higher than the 2011-based projections, and 66 for which the new figure is more than 20% less. There are 30 for which the difference is more than 50% (see Table 1).

These large differences in the projected household growth rates are due to the way in which the new population and household representative rate projections affect individual local authority areas.

The impact of the new household representative rates (see Fig. 1) is, in almost all areas, to increase the projected number of households. There are 39 local authority areas for which the change is more than 2% of the number of households previously projected for 2011, and only one for which the new projection is more than 2% less than the previous one. This general direction of change is a result of the partial Census information used in the revision, but it is not clear what elements of it have been influential. The complete Census information may well provide further changes, and not necessarily in the same direction.

The impact of using the new population projections (see Fig. 2) is mostly to reduce the projected increase in households. There are 102 authorities for which the reduction is more than 2%, and 16 for which there is an increase of more than 2%. A

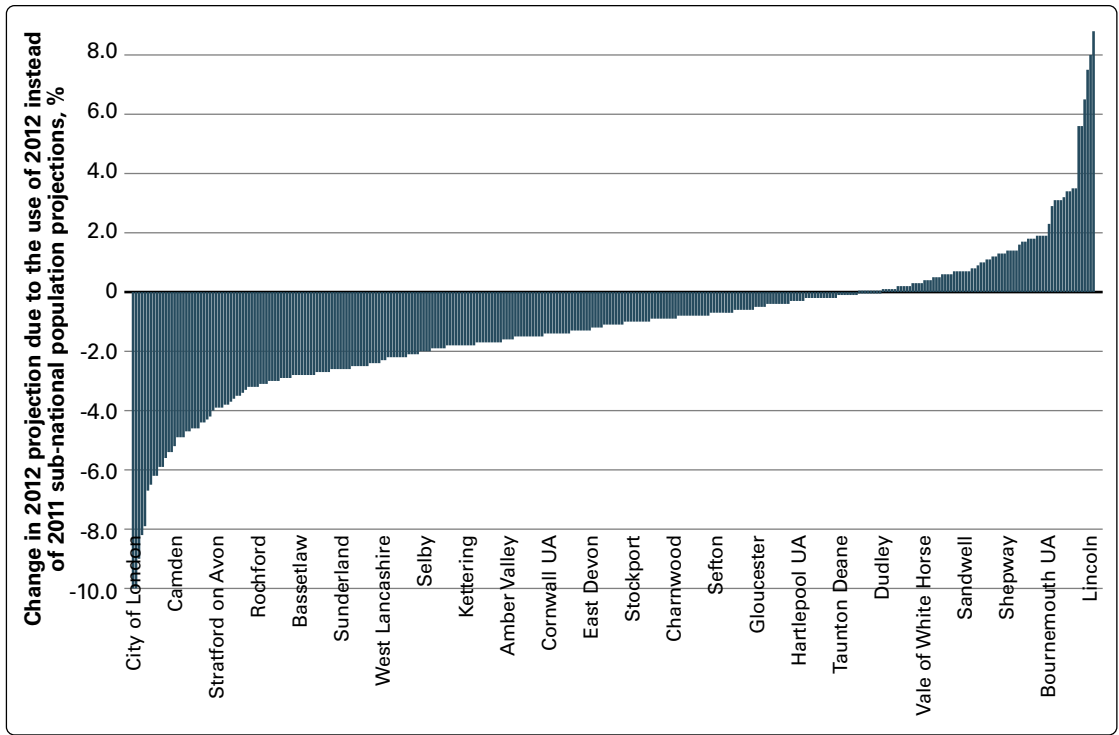
factor here is likely to be that the 2012-based population projections assume a smaller net inflow into England from abroad than the 2011-based projections.

### Are the new projections sound trend-based projections?

#### Implications of not taking full account of the 2011 Census

While population change is the main driver of changing household demand at the moment, the uncertainty over future household formation is significant. The current information does confirm beyond doubt that a long-term trend towards smaller average household size has slowed since at least 2001. But the extent to which this change is concentrated in particular age, sex and relationship groups is not yet established.

The information to be analysed later this year will add to our understanding of the shifts that took place between 2001 and 2011 and as a consequence may change the projected future change in number of households. It is quite reasonable to expect that the impact of the extra information on future household formation will be at least as much as has been incorporated in these new projections – which for England as a whole was to increase extra household need by 9%. The new information could either reduce or increase the assessment of housing need. Since the extra information is local, its impact will vary between local authorities.



Above

Fig. 2 The impact of revised population projections

Two local authority areas – City of London and Isles of Scilly UA – registered changes greater than -10% (-25.5% and -10.6%, respectively)

Source: DCLG Live Tables

### Projections for migration flows between local authority areas

As is its normal practice, the ONS has used the flow rates within England during five years prior to the base date, together with moves between the countries of the UK, to project future flows between local authority areas.<sup>6</sup> The argument for using a five-year period rather than a longer one is that the shorter the period, the more quickly changes in trends are picked up. The counter-argument is that a shorter period is more susceptible to cyclical trends, an argument that has particular force when the five-year period in question – 2007-12 – neatly brackets the deepest and longest economic downturn for more than a generation.

Perhaps the best example is provided by London. Fig. 3 shows how flows to and from the rest of the UK have changed since 2001.

Flows out of London to the rest of the UK fell significantly during the economic downturn: the net outflow in 2007-12 was half that in the preceding period. Although the ONS model is more complex than keeping net flows constant, nonetheless projecting forward the experience of that period underestimates future outflows and overestimates the likely growth in London's population *if*

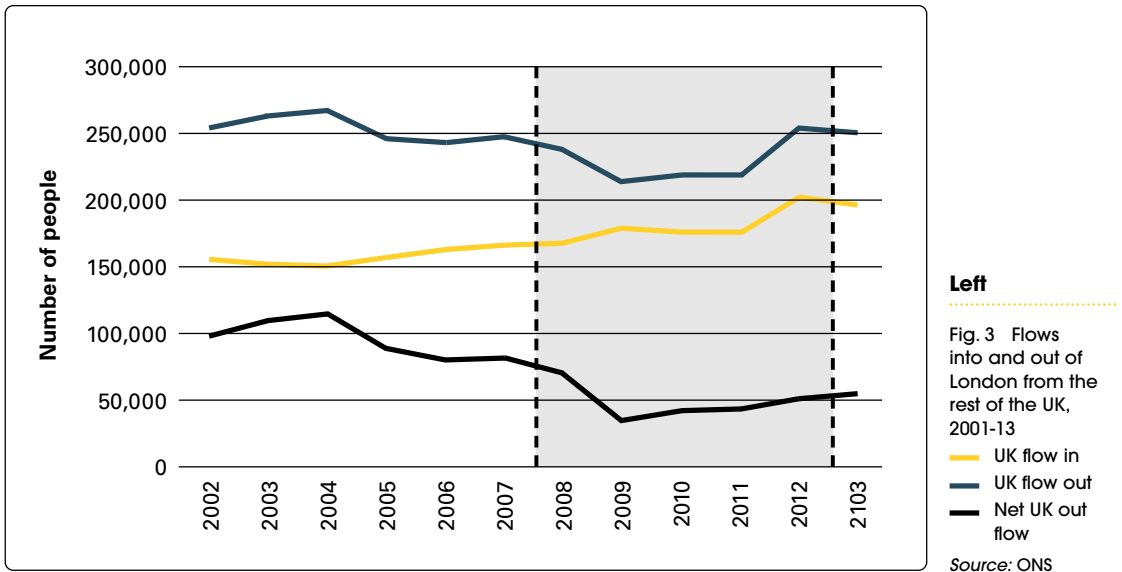
migration patterns recover. It is partly for this reason that the Greater London Authority has produced its own projections which suggest a net outflow over the period 2012-37 that is 380,000 larger than that suggested by the ONS's latest projections.

A large number of local authority areas are affected by this issue. For 60% of authorities the net flow of migrants within the UK in 2007-12 was different by more than 50% from the period 2002-07. While this is comparing a boom period with a recession, it serves to indicate the impact of the choice of reference period for trend projections.

### Unexplained items in the historical data

In theory, if you start with the 2001 Census figure for the population in an area in 2001 and add births and the migration flows and then subtract deaths, you should arrive at the 2011 Census population. However, there is always a discrepancy which remains despite the ONS's best efforts in revising the data. This is known as the 'unattributable population change' (UPC).

Given that our registration systems for births and deaths are of a high quality, the discrepancy is likely to be in the Census estimates for 2001 or 2011 or in



**Left**  
 Fig. 3 Flows into and out of London from the rest of the UK, 2001-13  
 — UK flow in  
 — UK flow out  
 — Net UK out flow  
 Source: ONS

the migration flows. If the discrepancies are in the migration flows, then projecting forward based on the estimated past flows will introduce errors into the projections.

The ONS investigations have found no clear evidence to suggest whether the discrepancies are in the Census numbers (in which case they would not affect the projections) or in the migration flows. If the discrepancies are in the migration flows, ONS suggests that, as a result of the work it has done recently to improve the estimation of international migration flows, the errors are most likely to be in the earlier part of the decade between the Censuses and so would not affect trends based on 2007-12. ONS has therefore not taken UPC into account in producing the 2012-based population projections.<sup>7</sup>

This may be a reasonable judgement for England as a whole since, as the ONS explains, the UPC for England is within the confidence interval for the international migration estimates and the sum of the confidence intervals for the 2001 and 2011 Censuses. However, that argument is less persuasive at the local authority level, where for many local authority areas UPC is large compared with both the population change recorded between the two Censuses and the confidence intervals on the Census numbers.

There are 91 local authority areas for which UPC is more than 50% of the recorded population change between the two Censuses, and 85 for which it is more than twice the confidence interval in the 2011 Census population counts. This makes discounting UPC at the local authority level difficult to justify in those areas. At very least, a sensitivity test should be carried out to determine how much difference adjusting for UPC might make.

### Uncertainties in the projection of household representative rates

The DCLG’s method of projecting the number of households formed in a local authority area depends on estimating how household representative rates will change for three different ‘relationship groups’ for both sexes in each of 15 age groups: people in couples; others whose marital status is single and never married; and others who have been previously married. There are therefore two key elements:

- projecting what the split between the three relationship groups will be in the future; and
- projecting how household representative rates will change.

The split between the three relationship groups matters because the household representative rates are different for the different groups: previously married people have lower household representative rates than couples, and single (never-married) people have lower rates still. For the age groups under 40 the differences are very substantial.

For at least some local authority areas the projected changes in the split between the relationship groups actually have a bigger impact on household numbers than the projected changes in the household representative rate.<sup>8</sup> It is therefore of concern that the new projections are based on ONS’s 2008-based projections for marital and relationship status, as these were issued with substantial uncertainty intervals and have not been updated since. If the current methodology is to be retained, it is important that these projections are updated.

As already discussed, a major concern with the household representative rate projections is that they are not fully based on 2011 Census data.

## International migration

Net international migration to the UK has averaged 240,000 a year over the last ten years, with a generally downward trend. The population projection used in the household projections assumes a long-term net inflow of 165,000, lower than the lowest figure seen in the last ten years – see Fig. 4, which also shows the ONS’s high- and low-variant projections. All the ONS variants currently seem plausible and should be tested as alternative scenarios. At the England level, the higher international migration variant has the effect of increasing the annual increase in the number of household between 2011 and 2021 in the DCLG 2011-based projection by 9%.

## Using the new projections

### The case for evidence-based planning

The current uncertainty is more than usual and irritating, but is no reason to reject the projections as a starting point for planning. They incorporate the evidence we know.

### Projections are the starting point, not the answer

The National Planning Policy Framework (NPPF) is clear that the official projections should be taken as a starting point for assessment of housing need, and not accepted and used blindly. The official projections are ‘trend based’, in that they continue the historical trends in population and household formation, which are the result of a range of past

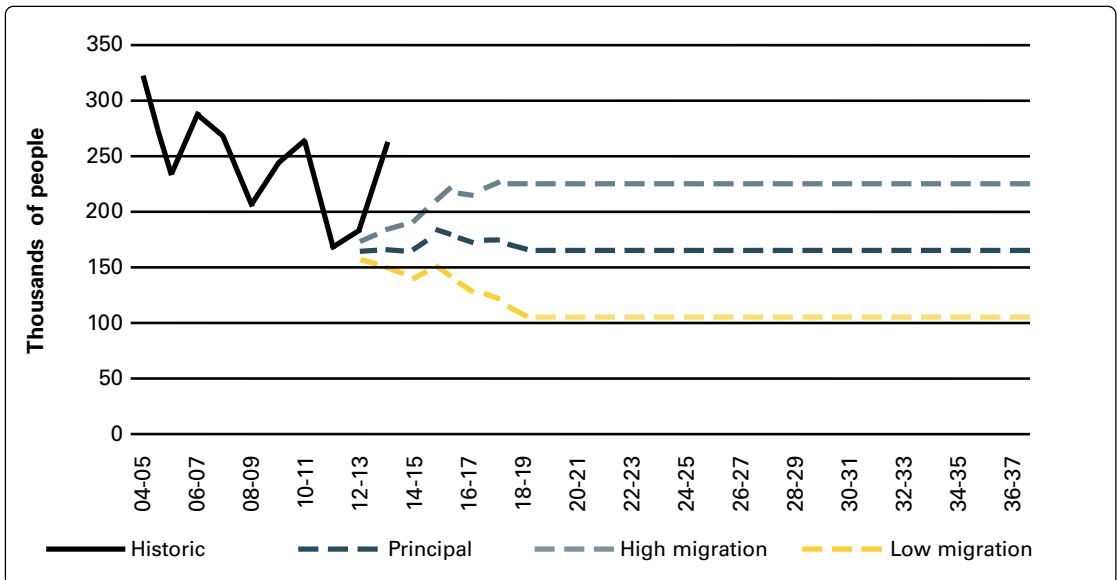
economic and social factors. Projecting forward based on past trends is, in effect, assuming that the factors which have caused those trends will continue to apply. If there is convincing evidence that future social and economic factors are dependably foreseeable and have different impacts, then this evidence should be included in the assessment of housing need.

In a period of uncertainty, it is especially important that extra local evidence is considered to improve the assessment of housing need. But it is also useful to use a locally plausible range of projections to indicate uncertainty in that assessment, as we consider below.

In the 1990s the identification of ‘concealed families’ in official household projections was ended, as it seemed that a period of suppressed household formation due to lack of housing had come to an end. Concealed families are couples and single parents living within other families’ households. Their number reduced from 935,000 in 1951 to 165,000 in 2001. In 2011 the number had increased to 289,000.<sup>9</sup> It may be time to consider a measure of concealed families in household projections again as a measure of suppressed demand that is not included in the trend-based assessment of housing need.

### Why we should not revert to the 2008-based household representative rates

Planners and the population specialists who support planning can consider a range of scenarios to represent current demographic trends. Current



Above

Fig. 4 Net international migration to the UK  
Source: ONS – 2012 national population projections

trends, or 'business as usual', are the starting point of plans, but we recognise that the evidence for what is the current trend does not point in a single accepted direction. Scenarios will represent plausible levels of future international and national migration, and alternative household representative rates that are also plausible, given the evidence about current trends.

In this context it is no longer sensible to appeal to previous household projections including the 2008-based set as if they were evidence of an underlying trend in household formation. They were produced at a time when household formation had already changed, starting before the economic downturn of the mid-to-late 2000s, and are in themselves only evidence of the optimism of that period.

The scenarios described below are an aid to estimating the objectively assessed housing need as required in Local Plans. There are, of course, other factors which may need to be taken into account, including whether market signals or economic growth projections suggest that additional housing is needed beyond that suggested by a demographic analysis.

### **A suggested set of alternative scenarios**

We recommend that local planners explore the following scenarios and that the DCLG find the means of providing them as a standard set in the future. They are not a set of scenarios to be cherry-picked according to the convenience of their results. They are to be considered as alternatives if their assumptions are deemed plausible according to local and national evidence presented in a Local Plan. They do not include policy-led, aspirational scenarios:

#### ● **Population change – alternative scenarios of specifying the current trend:**

- *Flows of migration within the UK in the 2000s:* Migration within the UK returns to the level and age composition experienced during the previous ten years 2002-2012, rather than being based on the past five years as in the official projections.
- *UK migration adjusted to include 'unattributable population change' in the 2000s:* This was estimated by ONS for the 2000s but not included in the official projections because there is no nationally consistent evidence to attribute it to a particular migration flow or Census errors. There may be local evidence that it should be included.
- *Variant international migration:* In line with the higher and lower variants of the national population projections.

#### ● **Household formation – alternative scenarios of specifying the current trend:**

- *Household formation increasing:* No further decrease in household representative rates for

any age-sex-relationship group, leaving increases in place.

- *Household formation not increasing:* No further increase in household representative rates for any age-sex-relationship group, leaving decreases in place.

In each case this is not a complete technical specification of the alternative scenario. It would be helpful to all Local Plans if a national body were to support their development and production. The NPPF also emphasises that the housing market area for which housing need should be assessed may not coincide with a single local authority. In larger conurbations the variation between scenarios will be helpfully reduced.

### **Conclusions**

The new projections are a step forward but a somewhat uncertain one. They take account of some more recent evidence and extend to a full 25 years, but they do not benefit from the full information that is potentially available from the 2011 Census.

It is good that the DCLG has committed to further work to make fuller use of the 2011 Census, so that the changing relationship between people and households is clarified at the earliest opportunity. What is less helpful is that this may result in projections for some local authority areas changing significantly once again. In the light of this, where the new projections suggest higher housing requirements than indicated by the 2011-based projections, there may be a case for local authorities safeguarding additional land in their plans but not releasing it until the DCLG's further work confirms that it is needed.

It is important that all users of the projections are realistic about the uncertainties involved – which will remain even when further analysis has been carried out. The best way of dealing with this is for a range of scenarios to be prepared so that the implications of the inevitable uncertainties for a particular local authority can be understood. We have suggested a range of scenarios for the 'trend' projection, with the most appropriate for assessing housing need depending on local assessment of demographic circumstances. It would be efficient and helpful to the development process if the DCLG were to provide such a range.

There are of course other aspects of the relationship between household projections and Local Plans that would benefit from review, as well as the methods of household projection themselves, which could be assessed and simplified, taking into account the different approaches used elsewhere in the UK.

We have not considered the constraints and aspirational developments which shape a Local

Development Plan after housing need has been assessed.

The new projections are a helpful step forward, but the uncertainty in future housing need should be addressed by further developing an appropriate base of evidence as a matter of urgency.

● **Ludi Simpson** is Professor of Population Studies at the University of Manchester, and **Neil McDonald**, previously a Director at the DCLG and Chief Executive of the National Housing and Planning Advice Unit, currently works as an independent adviser. The views expressed are personal.

#### Notes

- 1 L. Simpson: 'Whither household projections?'. *Town & Country Planning*, 2014, Vol. 83, Dec., 541-44
- 2 N. McDonald and P. Williams: *Planning for Housing in England: Understanding Recent Changes in Household Formation Rates and their Implications for Planning for Housing in England*. Research Report 1. Royal Town Planning Institute, Jan. 2014.  
[www.rtpi.org.uk/media/819060/rtpi\\_research\\_report\\_-\\_planning\\_for\\_housing\\_in\\_england\\_-\\_january\\_2014.pdf](http://www.rtpi.org.uk/media/819060/rtpi_research_report_-_planning_for_housing_in_england_-_january_2014.pdf)
- 3 *2012-based Household Projections: England, 2012-2037*. Department for Communities and Local Government, Feb. 2015. [www.gov.uk/government/statistics/2012-based-household-projections-in-england-2012-to-2037](http://www.gov.uk/government/statistics/2012-based-household-projections-in-england-2012-to-2037)
- 4 *Household Projections 2012-based: Methodological Report*. Department for Communities and Local Government, Feb. 2015, p.6.  
[www.gov.uk/government/statistics/2012-based-household-projections-methodology](http://www.gov.uk/government/statistics/2012-based-household-projections-methodology)
- 5 *Methodological Report* (see note 4), p.24
- 6 *Methodology: 2012-based Subnational Population Projections*. Office for National Statistics, May 2014.  
[www.ons.gov.uk/ons/dcp171776\\_364077.pdf](http://www.ons.gov.uk/ons/dcp171776_364077.pdf)
- 7 *2012-based Subnational Population Projections for England: Report on Unattributable Population Change*. Office for National Statistics, Jan. 2014.  
[www.ons.gov.uk/ons/about-ons/get-involved/consultations-and-user-surveys/consultations/consultation-on-the-2012-based-subnational-population-projections-for-england/snpp-consult-upc.pdf](http://www.ons.gov.uk/ons/about-ons/get-involved/consultations-and-user-surveys/consultations/consultation-on-the-2012-based-subnational-population-projections-for-england/snpp-consult-upc.pdf)
- 8 The DCLG 2011-based projections assume that the proportion of couples in the population falls between 2011 and 2021 for all age groups up to and including 75-79. If the relationship splits in 2021 were the same as in 2011, the change in the number of households would be 7% higher. In contrast, the changes in household representative rates between 2011 and 2021 are responsible for increasing the change in the number of households by only 3.2%
- 9 Sources: For 1951-2001: A.E. Holmans: *Historical Statistics of Housing in Britain*. Cambridge Centre for Housing and Planning Research, University of Cambridge, 2005; for 2011: Census Table DC1110EW. The figures are for England and Wales. In 2011 the number of concealed families in England alone was 276,000

British Society for Population Studies  
Half Day Meeting

## The 2012-based Household Projections for England: Methodological Issues

Monday 18th May 2015, 2:00 pm - 5:30 pm

London School of Economics (LSE),  
Ground Floor Lecture Room STC.S78,  
St Clement's Building, Clare Market,  
London WC2A 2AE

The official projections of household numbers in England are of vital importance for debate and decision-making about the amount of land for housing development. Future needs for housing have been a hot topic in the General Election Campaign. Initial results from the 2012-based projections of households in England were published by the Department for Communities and Local Government (CLG) in February 2015. Further work is promised, as the full set of Census data needed for a complete review of long-term trends was not available in time.

This event aims to examine the methodology and data used for the 2012-based projections and to provide an update on CLG's intentions for further analysis. It will include contributions from CLG, academics and local authority practitioners and will allow attendees the chance to ask questions and make their views known.

#### Programme:

- 13.30 Registration (No refreshments)
- 14.00 Welcome from Tony Champion, BSPS President
- 14.05 Chair's Introduction, John Hollis, BSPS past President
- 14.10 Bob Garland (CLG)
- 14.40 Questions and discussion
- 15.00 Tea Break (Refreshments provided)
- 15.20 Ludi Simpson (University of Manchester)
- 15.40 Neil McDonald (University of Cambridge)
- 16.00 Questions and discussion
- 16.20 Ben Corr (Greater London Authority)
- 16.40 Greg Ball (former demographer, Birmingham CC)
- 17.00 Questions and discussion

Members and non-members welcome. There is no charge, but please register in advance by emailing [pic@lse.ac.uk](mailto:pic@lse.ac.uk) or by phoning the BSPS secretariat on 020 7955 7666. Room directions will be sent in advance of the meeting.

**SECONDARY DATA SOURCES  
(TO FOLLOW)**