

Affordable housing in London: who expects to move and where?

The new agenda locating most new affordable housing in London and the growth areas of the South East brings the question of who wants to move and where to the forefront of debate. Equally important is the effectiveness of current mobility schemes, which provide evidence on how the sector currently enables mobility.

This *Sector Study* sets out the evidence currently available on who intends and expects to move, where and why, as well as how mobility schemes are working to help people realise their aspirations.

Key findings

On who intends to move

- The 2002 London Household Survey shows that 36% of social tenants have some intention of moving in the next five years. Among this group, 60% expect to move within the same district; 13% to another London district; and 14% to move out of London. The remaining 13% don't know.
- Those who expect to move locally tend to be larger, poorer households, often from black and minority ethnic groups, living in overcrowded conditions and worried specifically about their current housing conditions.
- Households expecting to move out of the district but to remain in London are generally smaller, more likely to be employed and to be slightly better off. They are more concerned about the quality of their current neighbourhood.
- Those who expect to move out of London altogether tend to be somewhat older and often poorer than shorter distance movers. They are also more satisfied with their

current home and area. Many of these are older households, probably wanting to live near their families.

- The 25% of social tenants who define themselves as 'most likely to move' tend to be larger households, often with some sick or unemployed members. Among this group, those who are prepared to move out of London tend to choose elsewhere in the UK rather than the South East.

On why households expect to move

- Almost half of potential movers give accommodation related reasons for moving — especially overcrowding in their current housing.
- The second most important group of reasons relates to area and neighbourhood. Only 13% give family related reasons. Work reasons are at the bottom of the list.

On the role of mobility schemes

- Local authorities and housing associations have very little information about where people might wish, or be prepared, to live — and what they have is difficult to access and interpret. Existing relocation schemes have some information about successful moves but almost nothing about housing aspirations.
- Mobility schemes generally see themselves as successful — although often the numbers assisted are small and the administrative costs high. Both receiving and sending local authorities see continuing problems in ensuring that there is no mismatch between expectations and what is actually available.
- Those who move through mobility schemes expect to obtain good

quality houses — and yet these are the very units most in demand by local households. It is therefore not surprising that it appears to be getting more difficult to make accommodation available in the receiving areas.

Overall

- **There is evidence of the need for many households to move to achieve reasonable housing conditions and of a significant proportion of social tenants being prepared to move away from their districts.**
- **Schemes to assist mobility are currently small scale and administratively costly. They also tend to concentrate on longer distance moves — which are not what the majority of potential movers require.**
- **On the evidence of expectations reported here, larger schemes, based on new developments in or near London must be carefully targeted at the particular groups who are prepared to look outside their local area. These tend to be younger, smaller, slightly better off households. The problems faced by larger, poorer, overcrowded households usually need to be addressed nearer home.**

Introduction

Current housing policy in London is more and more concentrated on mobility and choice. There are many objectives: reducing the costs of provision and making the most of new investment opportunities; helping Social Housing Grant (SHG) to go further; assisting regeneration, particularly in the Thames Gateway; allowing individuals to have more control over their own housing decisions; changing the ethos of professional control; and, more specifically,

enabling households to move out to make more accommodation in London available, particularly for larger and working households.

These are issues for every level of government, for Regional Housing Boards, for the Housing Corporation and especially for those implementing policy — the HAs and developers. However, up to now this information has not been a priority for housing managers or investors.

This research examined two main issues: the extent of the evidence available on locational aspirations; and the way that relocation schemes are currently working to provide a level of locational choice. The objectives were: to identify the data sources available; to gain an understanding of what people actually want; and to assess the effectiveness of current mobility schemes. Together these should help to provide a baseline for understanding future housing requirements.

The methodology of the research involved two main strands: analysis of the London Household Survey¹ undertaken in 2002 and of other relevant data sources; and interviews with a range of managers and other stakeholders.

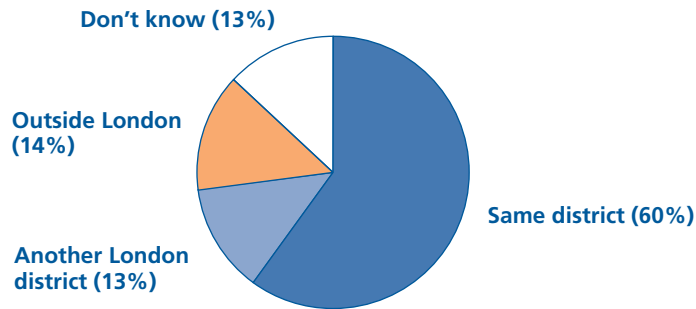
Locational aspirations

A previous study of housing mobility aspirations² showed that Londoners are generally more mobile than households in the rest of the country, but that housing association (HA) tenants in London move much less than HA tenants in England as a whole. Although the vast majority of moves by HA tenants in London and those moving into low cost home ownership (LCHO) take place within the same district, there was some evidence of moves between districts (25% into HA rented housing and 36% of moves to LCHO), often facilitated by HAs owning housing stock across a number of districts.

1. 'The 2002 London Household Survey', commissioned by the Greater London Authority and half funded by the Housing Corporation using an Innovation and Good Practice grant, interviewed just over 8,000 households in London across all tenures.

2. Sector Study 25: 'Who moves and why? Patterns of mobility in the housing association sector in London', June, 2003, Housing Corporation. Available free of charge from www.housingcorp.gov.uk

Figure 1
Where households expect to move



Base: Social tenants expressing an intention to move in the next 5 years.
Source: 2002 London Household Survey

Evidence from the 2002 London Household Survey

Neither local authorities nor housing associations keep much concrete information on the locational aspirations of social housing tenants. The best and most up to date information is available from the London Household Survey — but even here it is about intentions and expectations, not choices.

The survey showed that 36% of social tenants, representing nearly 300,000 households, expressed an intention to move in the next five years. More than one in five said they would definitely consider moving to rented accommodation outside London and a further one in four said that they would consider it 'depending on where to'. However, when they were asked to identify a specific future location (Figure 1) the picture was much less clear, with only 14% choosing a location outside London, and about 60% expecting to move to a different house in the same district.

Attributes of potential movers

Potential movers, as compared to non-movers, are more likely to be households with children and multi-adult households; black and minority ethnic; either economically active (full or part time worker) or looking after family; and with slightly higher incomes (including benefits). Most of these households are currently occupying larger flats/maisonettes, although they are still more likely to be overcrowded. Even though they pay lower rents than non-movers, they are less satisfied with their current accommodation.

Same district movers

There are also differences in the attributes of potential mover households expecting to move within the same district and those expecting to move beyond district boundaries (i.e. the 13% looking to move to another London district and the 14% to leave London). Figure 2 clarifies the differences.

Figure 2
How potential movers differ

Same district movers	Out-movers
<ul style="list-style-type: none"> • Larger household with children • Multi-adult household • BME • Economically inactive • Low income 	<ul style="list-style-type: none"> • Smaller household • Employed • Slightly better off
<ul style="list-style-type: none"> • Paying slightly lower rent than average movers • Dissatisfied with current accommodation • Previously in social sector • Occupying smaller dwelling • In Flat/Maisonette 	<ul style="list-style-type: none"> • Paying higher rent, but less concerned about rent • Dissatisfied with area • Concerned about crime

Same district movers are more likely to be living in over-crowded conditions in less desirable accommodation and dissatisfied with that housing.

Compared to same-district movers, out-mover households are smaller and slightly better off; but have a very similar income distribution. Even though out-movers are currently paying higher levels of rent, they appear, if anything, to be less concerned about that rent.

Out-movers appear more dissatisfied with their area/neighbourhood than with the accommodation itself. They are more concerned about the general level of crime, the presence of drug dealers/users, vandalism and hooliganism, and fear of being burgled, as well as heavy traffic and street parking.

Three types of mover groups

Although 36% of social tenants said they intended to move in the next five years, the likelihood that they would actually do so varied:

- 68% of the group (25% of social tenants) said they both needed to move and were likely to do so in the next 5 years. These are **Group I** movers;
- 9% (3% of social tenants) said they needed to move but for some reason were unlikely to do so. These are **Group II** movers;
- 23% (8% of social tenants) said they did not need to move but were likely to do so. These are **Group III** movers.

Group I movers — those who needed to move and felt they were likely to do so

Group I movers, representing some 200,000 social tenant households in London, are more likely to be:

- large households with children; young; black and minority ethnic; economically inactive (looking after family, sick/disabled, unemployed, or full-time education etc.) on slightly higher incomes — often as a result of benefits.
- previously living in the private sector or with parents/friends; mostly currently

occupying smaller dwellings (one or two bedrooms), flats or maisonettes; more likely to be overcrowded; paying higher rents than movers overall; and more dissatisfied with their current accommodation.

Group II movers — those who needed to move, but felt they were unlikely to do so

This group, representing around 25,000 households, is far smaller. Compared to the Group I movers, Group II movers tend to be:

- couple or lone-parent households; slightly older; white European; economically inactive (in part-time employment or unemployed, sick or disabled); on lower incomes and finding their housing less affordable.
- living in their current accommodation for longer; living in detached/semi-detached dwellings; less likely to be overcrowded; paying slightly lower rents than Group I movers, but finding these less affordable; and less satisfied with both their current accommodation and neighbourhood.

Group III movers — those who don't need to move, but are likely to do so

This third group which represents almost 70,000 households, would appear to have greater choice in terms of housing decisions. Compared to Group I movers, Group III movers are more likely to be:

- smaller households (single/couple); slightly older; white European; economically active; in full-time/part-time work; and finding living more affordable, despite having similar levels of income.
- formerly LA tenants; living in their current houses for longer; living in detached/semi-detached dwellings; less likely to be overcrowded; paying slightly lower rents and are more satisfied with both their current accommodation and neighbourhood.

Reasons for moving and locational preferences

Nearly half of mover households (47%) give 'accommodation related' reasons for wanting to move — particularly overcrowding. The importance of this issue in London is well evidenced — for instance, using a crude comparison of household size to number of bedrooms based on the London Household Surveys suggests that 48% of those wanting to move are probably overcrowded³. These reasons are seen as especially relevant among same district movers and among Group II movers (those needing to move but feeling they are unlikely to do so).

'Area/neighbourhood related' problems are the second most important reason given for wanting to move. Out-movers (those wanting to move beyond district boundaries) and Group III movers (those who do not have to move but are likely to do so) are especially likely to be 'pushed' to move by their attitudes to their current neighbourhood.

Family/relation reasons for moving are given by 13% of potential mover households. Work related reasons are at the bottom of the list.

The South East region is the preferred region among those expecting to move outside London — 48% of households expected to move there. A further thirteen per cent of households expected to move to the East region and 39% to elsewhere in the UK.

There are however differences between the three groups of potential movers: Group I movers tended to identify 'elsewhere in the UK' as a destination (50%), followed by the South East region. Group II movers expected to move to the East region (49%) and then the South East (37%) region. Group III movers regarded the South East region as the most likely destination (57%) followed by the East region (28%).

Other evidence on locational aspirations

The survey of housing organisations conducted for this research found that local authorities and housing associations keep very little concrete information on the locational aspirations or expectations of social housing tenants. The emphasis instead is on the nature of existing need and the appropriate type of dwelling to meet that need. Where attitudinal information does exist the records are often held in paper form and are difficult to analyse. Although local housing needs surveys provide helpful indications on intentions to move they hold little evidence about preferred or indeed expected locations. The best information was obtained from Mobility Officers in local authorities (and letting managers in housing associations), but this is qualitative and based on managerial experience.

Officers suggested that the main reason for moving in most districts was overcrowding. They also made it clear that the vast majority of tenants wanted to stay in their current district. One typical manager stated: 'very few tenants want to move across districts. Islington is popular and perceived to be more attractive than Hackney. Waltham Forrest is perceived to be attractive because it is further out of London. However, most tenants don't want to move far because of family networks where they currently live'.

HOMES⁴ (Housing Mobility and Exchange Services) provides information on reasons for moving⁵. These data (for 2002/03) indicate that work related reasons for moving are a low priority. Social reasons, especially to receive support, are the main priority for almost 60% of households. Accommodation and area/neighbourhood related issues did not feature in the list of reasons for moving. These findings are not surprising because to be nominated to HOMES, households have had to demonstrate a high level of housing need — rather than dissatisfaction with housing and environment.

3. Estimates were based on the number of household members in relation to the number of bedrooms, which did not make any assumptions about possible sharing of rooms.

4. www.homes.org.uk

5. HOMES has been incorporated into The Housing and Employment Mobility Service (HEMS).

Conclusions on locational aspirations

Very little is known about peoples' attitudes to moving across districts and regions. Neither households nor managers have had to think about this question in the context of real choices because opportunities have been so limited.

Households who expect to move because of their current poor housing circumstances make up the largest group of potential movers. Such households expect to move to nearby locations.

Those who might move further afield tend to be either households with strong positive, usually family, reasons to move elsewhere or those with fewer ties to the existing area, slightly higher incomes and more concerns about their current neighbourhood.

Reasons for moving relate mainly to poor housing circumstances, particularly overcrowding. Push factors dominate — mainly because options are still extremely limited.

The nature and effectiveness of mobility schemes

Mobility schemes to outside London

Two well known mobility schemes are HOMES and LAWN⁶ (London Alliance West and North), an inter regional mobility scheme set up to assist families wishing to move by promoting partnerships with local authorities and housing associations that makes particular use of empty homes.

Schemes such as HOMES and LAWN are considered successful for the households that they are able to assist, who are a small sub-set of tenants identified as needing to move, particularly to outside London. LAWN for instance helped 500 tenants in the year 2003/04 and 1,300 tenants overall. The HOMES mobility scheme is regarded as a major player in facilitating mobility amongst social housing tenants. These schemes were incorporated into the newly formed, broader scheme HEMS (The Housing and

Employment Mobility Service) in April 2004. This has a wider remit to provide both housing and employment mobility throughout the UK.

There have been quite a number of similar schemes — with significant associated managerial costs. Moves through the Seaside and Country initiative⁷ for older households are seen as being the most successful. However, HOMES data shows that only 232 successful lettings were made to Seaside and Country homes in 2002/03, due to limited supply of appropriate dwellings. On a positive note, from these lettings 135 two and three bedroom dwellings and 12 four bedroom homes were released.

Evidence from interviews for this research suggests that tenants who move out of London expect to obtain family accommodation with a garden. Those who actually move do obtain that type of accommodation, but it is becoming less easy to find as local waiting lists build up.

Receiving districts involved in the schemes tend to set out very specific requirements with respect to household type and accommodation they will make available. As a result, many people who expect to be eligible find that they are not able to find acceptable accommodation.

There is considerable concern among managers about the quality of information available to potential movers and the lack of initial support when they visit receiving districts. They felt that this often led to unrealistic expectations among applicants. Managers also thought that there were continuing communication and coordination problems between the participating local authorities.

It is not usually possible to move to districts close to London because local demand is so high. In particular family accommodation will almost never be available. Such movement is restricted to households with priority needs where the person, usually elderly, needs to be close to family. This message is strongly supported by analysis of HOMES data.

6. www.lawnmoves.org.uk

7. A long-established scheme for London social tenants over 60, not in need of sheltered accommodation, to enable movement to the seaside and countryside – it is now part of HEMS.

Schemes within London

Within London, inter district moves are almost impossible except where there is priority need and the HA owns accommodation across boundaries. Although some proactive partnerships have been set up, they have proved to be extremely difficult to operate.

The Get London Moving scheme⁸ failed to achieve the chains of moves that they were seeking to facilitate and the initiative has now ceased. It was discontinued because 'over half the tenants who have joined the scheme need to move to a property larger than the one they currently occupy, and this fed into the chain mechanism to produce high demand for large family size empty properties that the partner landlords could not easily meet'.

Other schemes such as the South East London Partnership⁹ depend on the goodwill of the participating HAs to make housing available and have had some success.

There are a small number of examples of local initiatives operating within particular London boroughs. An example is the London Borough of Brent, which encourages tenants to look at the private rented sector as an alternative method of achieving cross district moves.

The main message from most of these London based schemes is that there is a clear mismatch between what tenants want — usually a family home with a garden — and what can be offered, given the levels of unmet local priority needs and particularly the extent of local overcrowding.

Choice based lettings

A more general government initiative aimed at modifying allocation rules and increasing tenant choice is the choice based lettings policy, which was put forward in the Housing Green Paper in 2000. Recent research on the twenty seven pilot schemes, published by the Office of the Deputy Prime

Minister (ODPM), suggests that such schemes are not directed at assisting mobility to other areas. In particular, encouraging movement from areas of high demand to areas of low demand was not an aim of most pilots. Rather, 'most moves occur within a local area or neighbourhood and if a tenant moves to another area it tends to be an area with a similar level of demand. Movement between areas with different demand levels is modest, with some tendency towards, rather than away from, high demand areas'¹⁰.

Conclusions on mobility schemes

Taking the different sources of information together the evidence suggests that:

- In the main, understanding of social tenants' locational aspirations is not very strongly grounded, in part because the chances of moving for reasons other than priority housing need are so limited. This is not to say that tenants will not move — but rather that their aspirations are limited by what they think is possible.
- Most managers have only limited information about what people want. Again this is hardly surprising given the emphasis that has had to be placed on meeting the needs of the homeless and extremely overcrowded households.
- Where organisations have been involved in mobility schemes much of their effort has been concentrated on particular schemes aimed at a small number of households prepared to move long distances.
- Most of these schemes are seen as successful in their own terms. However, they mainly depend on the receiving districts being able to provide family homes with gardens. These properties are usually the ones that are most popular with local applicants — so the supply is very limited and is, if anything, decreasing.

8. This was a demonstration project based on creating a chain of lettings within the social housing sector — so that a number of households could be matched to their requirements in response to identifying one available vacant unit.

9. Made up of five local authorities aiming to work together better to understand their sub-region and to facilitate moves across district boundaries.

10. A. Marsh, D. Cowan, A. Cameron, M Jones, C Kiddle and C Whitehead (2004) 'Piloting Choice Based Lettings: An Evaluation', London, ODPM

- There are very few effective schemes for moving between districts in London. Housing association ownership of stock or partnerships across districts appear to be the most effective ways of facilitating such moves.
- Choice based lettings and other broader initiatives have not generally addressed the issue of between district moves.

Overall conclusions

Experience of mobility based on choice by social tenants is so limited that it can provide little direct evidence of what might be possible in a different environment. Far more information needs to be collected about where people would like to live — and what they are prepared to accept.

This is particularly true about information on who might move across districts in London or to nearby locations in the South East — because opportunities have been so restricted. It is clear however that those who are neither in desperate housing need, nor have overwhelming reasons to go to a specific location well outside London, expect to stay in London or in contiguous regions.

Households expecting and therefore prepared to move outside the district tend to be those who have slightly more resources — in terms of income and employment but also in that they tend to face fewer housing problems. They also have relatively greater concerns about their current neighbourhoods. This information could help to target new initiatives. It also helps in determining the housing required by such movers — smaller units (although probably larger than the dwellings from which the households come), in reasonable neighbourhoods.

The evidence from existing mobility schemes clearly demonstrates that those who move using these schemes expect to

obtain housing more in line with their aspirations to compensate them for leaving London.

If mobility is to be encouraged, far more has to be done on two fronts: the development of more standardised and proactive schemes for facilitating cross boundary moves within London and the surrounding regions; and greater emphasis on attitudinal research to increase understanding of the trade-offs that social sector households are prepared to make when deciding to move.

The fundamental issue remains that, unless additional housing is ring-fenced for moves other than priority needs these types of move will continue to dominate — and most households in priority need expect to stay close to their current home and local support systems.

Equally when accommodation can be identified — for instance in the growth areas — it is important to ensure that it is targeted towards those groups who show some inclination to move away from their local area. These households tend to be younger and slightly better off than the average moving tenant household. The problems of accommodating larger, poorer, overcrowded households, and indeed of elderly households wanting to move near their families, are less likely to be solved directly by such schemes.

Further information

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