Housing Deprivation from the Index of Deprivation 2015

This bulletin summarises Barriers to Housing[1] for local authorities by region. It uses the Index of Deprivation 2015's three indicators of these barriers: Household Overcrowding, Homelessness and Housing Affordability.

KEY POINTS

This bulletin looks at the three indicators of Barriers to Housing; Household Overcrowding, Homelessness and Housing Affordability, at regional level. Together these indicators make up the Barriers to Housing domain in the Index of Multiple Deprivation (IMD) 2015.The data used for this bulletin were published in the IMD statistical release 2015 at LSOA level. TWRI used the rate or index for LSOAs to calculate the mean rate or median index value for each Local Authority area. Full LSOA data can be accessed at: https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015. This bulletin shows that:

- The most marked housing problems, as measured by these three indicators, are concentrated in the southern mega-region, and particularly in the London boroughs.

- Household Overcrowding's highest rates (21% or more of households) are in London. The London mean (21.6%) is over three times that of the second highest regional rate (6.9%) in the South East. Relatively high overcrowding rates are also observed in Slough in the South East and Manchester in the North West.

- Homelessness' highest rates are clustered in east London. Local Authorities with high homelessness outside London are particularly Birmingham in the West Midlands, but also Northampton in the East Midlands, Luton in the East and Portsmouth in the South East.

- The Housing Affordability Index shows the very hardest levels of housing affordability (index above +2.0) are in London. Slough in the South East is also an area with hard affordability levels. Housing Affordability is, however, harder than the England level in some local authorities in all regions.

Household Overcrowding...

The Household Overcrowding Indicator expresses the percentage rate of households considered overcrowded. The indicator is based on "occupancy rating" in the 2011 Census. This is expressed as a positive or negative figure, reflecting the number of rooms in a dwelling that exceed the household's requirements, or by which the home falls short of its occupants' needs.

Figure 1 shows the number of local authorities in each region that fall into each band in respect to overcrowding. The mean for overcrowding in England is 8.6%[2]. Blue indicates a local authority's rate that falls below the mean, green around the mean, and yellow, orange and red exceed the mean respectively.

Figure (1): Number of Local Authorities by region within each band of Household Overcrowding

Region	% Households Considered Overcrowded						
	1-5.99	6-10.99	11-15.99	16-20.99	21-25.99	26-30.99	31-35.99
London		5	5	6	4	8	5
South East	32	30	4	1			
East	25	19	3				
South West	26	8	3				
East Midlands	33	5	2				
West Midlands	21	8	1				
Yorkshire & The Humber	14	7					
North West	27	11		1			
North East	9	3					

Source: Index of Deprivation 2015 data files (from Census 2011). Mean rate for each LA calculated from LSOAs by TWRI

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[1] The Barriers to Housing is, strictly, a sub-domain of the Barriers to Housing & Services domain.

[2] TWRI calculated the mean (average) of Local Authorities in England; this is not weighted for population. This may not necessarily be the best way to present the central tendency of these data.

Figure 1 shows:

- The highest regional rate of overcrowding is in London (mean of 21.6%); this is over three times the second-highest regional figure of 6.9%, for the South East. The five Local Authorities with the highest rates (over 30%) are London boroughs: City of London (35.5%), Tower Hamlets (35.0%), Newham (34.9%), Camden (32.2%) and Hackney (31.8%).

- Relatively high rates of overcrowding (over 16%) were also observed in Slough in the South East (20.3%) and Manchester in the North West (16.4%).

- Yorkshire & Humber and North East have the lowest rates of overcrowding: all their local authorities are around the England average (green) or below (blue).

- This census evidence supports the conclusion that the highest rates of overcrowding occurred in London and nearly all the next highest rates (16-20.99%) were in London or the South East (plus Manchester).

Homelessness… The Homelessness indicator is expressed as the average annual rate of acceptances for Housing Assistance under the Homelessness Provisions of Housing Legislation (per 1000 households) (2011-2014). It therefore excludes any households found to be ineligible.

Figure 2 shows the number of local authorities in each region that fall into each rate of homelessness. The national mean is 2 acceptances per 1000 households. Blue indicates a local authority's rate that falls below the mean, green around the mean, and yellow, orange and red which exceed the mean respectively.

Figure 2: Number of Regional Local Authorities within each band for acceptances for Housing Assistance (per 1000 households)

Region	Acceptances for Housing Assistance (per 1000 households)									
	0	1	2	3	4	5	6	7	8	9
London		2	5	1	10	5	4	2	4	
South East	9	36	13	3	5		1			
East	1	15	11	15	4			1		
South West	3	20	11	3						
East Midlands	6	16	11	3	3			1		
West Midlands	1	6	12	5	3	2				1
Yorkshire & The Humber	1	10	5	3	1					
North West	7	21	8	3						
North East	2	5	4			1				

Source: Index of Deprivation 2015 data files (which use 2011-14 data for homelessness).

Figure 2 shows:

- The highest rates of homelessness (6 or more acceptances per 1000 households) were in the Southern mega-region, particularly the London boroughs. The two exceptions to this are Birmingham in West Midlands (9 acceptances per 1000 households) and Northampton in East Midlands (7 acceptances per 1000 households).

- The very highest rates of homelessness are clustered in East London, where four have rates of 8 acceptances per 1000 households; namely Waltham Forest, Newham, Hackney and Barking & Dagenham. The two with rates of 7 per 1000 households are Kensington & Chelsea and Westminster. The next four, with rates of 6 per 1000 households are Croydon, Haringey, Hounslow and Lambeth. The mean rate in London is 5 per 1000 households. Only 7 out of 33 London Local Authorities (21%) are at or below the England mean.

- The very highest rate of homelessness in England was observed in Birmingham, West Midlands (9 acceptances per 1000 households).

- Other relatively high homelessness rates (6 or 7 acceptances per 1000 households) are in Luton in the East and Northampton in the East Midlands (both had 7 acceptances per 1000 households) and Portsmouth in the South East (6 acceptances per 1000 households). However, the means for these regions are similar to the England average, indicating the problems in these LAs are isolated occurrences and not typical of their region.

Housing Affordability… The Housing Affordability Index is a measure of the inability to afford to enter owner-occupied or private rental housing. The index uses the ratio of threshold house prices and rents compared to modelled incomes[3]. The threshold house prices and rents are the lower quartile of all sale prices/rents within size groups at Housing Market Area level. The two components were standardised by ranking and transforming to a normal distribution to give the final index. The median for England is -0.038[4].

Figure 3 shows the number of local authorities in each region that fall into each band in respect to housing affordability. Due to the nature of the Index of Multiple Deprivation, a higher index figure represents harder affordability. Blue indicates a local authority's affordability is easier than the median for England, green around the median. Yellow, orange and red indicates housing affordability is harder than for England.

Figure 3: Number of Local Authorities by Region in each band for Housing Affordability

Region	Housing Affordability Index						
	-3 to -2	-1.99 to -1	-0.99 to 0	0.01 to 1	1.01 to 2	2.01 to 3	3.01 to 4
London			2	8	8	12	3
South East		7	32	22	5	1	
East	1	8	22	14	2		
South West	1	3	17	16			
East Midlands	2	20	12	3	3		
West Midlands		11	13	3	3		
Yorkshire & The Humber		4	14	3			
North West	8	10	13	7	1		
North East	1	2	4	4	1		

Source: Index of Deprivation 2015 data files (from 2012 data). TWRI took the index value of the median LSOA to represent each LA.

Figure 3 shows:

- The hardest affordability was in London: the three hardest in England (all above 3 on the index) were Tower Hamlets (3.72), Brent (3.23) and Newham (3.12). Other London local authorities with relatively hard affordability (above 2 on the index) were Barking & Dagenham (2.76), Enfield (2.67), Waltham Forest (2.52), Ealing (2.45), Hounslow (2.44), Hackney (2.39), Harrow (2.33), Greenwich (2.32), Barnet (2.23), Haringey (2.18), Southwark (2.17), and Islington (2.05).

- Hard housing affordability was also found in Slough in the South East (2.19).

- All regions, apart from Yorkshire & The Humber and South West, have local authorities in the orange band (an index of 1.01 to 2); this includes Middlesbrough (at 1.12). All regions have local authorities in the yellow band (0.01 to 1). This pattern shows housing affordability is harder than in England in some local authorities in all regions.

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[3] Its sources are the Family Resources Survey for household incomes and composition, the Regulated Mortgage Survey (Council for Mortgage Lenders) and Land Registry for house prices, and the Valuation Office Agency for market rents, 2012)
[4] The median is used for Housing Affordability partly because this is an index, not a rate. There might be other ways to represent the index value for a Local Authority area.