

States of Guernsey Housing Needs Survey

Report of Findings for the
States of Guernsey

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Opinion Research Services

Spin-out Company of the
University of Wales Swansea

States of Guernsey Housing Needs Survey

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1. Introduction

Project Overview

- 1.1 Opinion Research Services (ORS) was commissioned by the States of Guernsey to undertake a housing assessment, (Housing Needs Survey) including a comprehensive study of current and future housing requirements and housing need on the Island. The assessment was undertaken to inform policies, in particular those relating to the Corporate Housing Programme.
- 1.2 The States of Guernsey assessment was primarily based on the analysis of 1,500 interviews conducted with households across the Island. Secondary data from a range of other information also informed the analysis.
- 1.3 The housing requirements assessment was undertaken using the ORS Housing Market Model which has been used successfully by numerous local authorities across the UK. The study exceeds the standards promoted in all relevant UK Government Good Practice publications and the model and its analysis has withstood detailed scrutiny at numerous local planning inquiries.
- 1.4 The study was comprehensive in considering the different components of housing requirements and supply. In addition to households identified as currently being in housing need, the study identified the future housing requirements of established and newly forming households within the Island together with inward migrants from the UK and elsewhere abroad. These gross housing requirements were offset against the likely supply of housing from within the existing stock to yield a net requirement for additional housing.
- 1.5 The outputs considered household affordability in terms of the ability to:
 - afford appropriate market housing within the Island;
 - afford more than social rented housing (rented from the States or from the Guernsey Housing Association) without being able to afford appropriate market housing; and,
 - the inability to afford any more than the appropriate social rent.

Therefore the requirements for market housing, intermediate housing and social housing within the Island were comprehensively covered.

- 1.6 This report summarises the key findings of the study, in particular where they relate to existing policies or have implications for future policy decisions. Information from the primary data analysis is statistically reliable at an Island wide level, and whilst reliable information from the modelling process cannot be provided with statistical confidence for smaller sub-areas, local differences on key indicators are provided where appropriate.

The Strategic Policy Context

- 1.7 Through the Corporate Housing Programme (CHP)¹, the States of Guernsey has recognised the need for ensuring that an authoritative system is in place for collecting and collating information upon which to base housing policy. This includes data that relates to the quality, availability and affordability of housing across all tenures.
- 1.8 Action Area F of the CHP; one of the six Action Areas designed to reflect the diversity of effort that is required to translate the agreed Housing Strategy into action, focuses on the overarching need for reliable data.
- 1.9 This is important to ensure that the Housing Department and other 'lead departments' with responsibilities under the CHP, have access to well-defined market research into the local housing position, to inform the development of policies that most effectively meet housing needs.
- 1.10 Since the results of the 2000/1 Housing Needs Survey were considered by the States in May 2002, the obligation to undertake a second Survey, and subsequent Housing Needs Surveys at regular intervals of five years, have been included in the annual Action Plans for the CHP.
- 1.11 Accordingly, this Housing Needs Survey has been carried out in order to:
 - i) monitor and review the effectiveness of the States Housing Strategy/CHP against strategic objectives over the five year period since the first survey was undertaken in 2000/1; and
 - ii) provide up to date, key information to assist with the identification and formation of new policies and to guide the implementation of CHP workstreams for the next five years.

The information received from this Survey will therefore be extremely valuable, enabling the States to plan appropriately for the years ahead.

¹ The Corporate Housing Programme was agreed by the States in February 2003 and provides a practical framework for implementing the States Housing Strategy.

² *The Development of a Housing Strategy and Corporate Housing Programme* – Billet d'État II 2003

Housing Requirements: The Fundamental Questions

- 1.12 The assessment of housing need must involve a consideration of housing requirements across the whole market and it is important to understand the different components. For any housing requirement study, the key or core issues are:
- How many additional units are required?
 - How many additional units should be affordable homes?
 - What is the appropriate mix for future housing provision?
- 1.13 Every Islander has a housing requirement but many people can satisfy their own requirements in the private housing market since they are able to afford to purchase a home of their own (usually with a loan or mortgage) or to pay a market rent. These households can be regarded as *housing demand* – in other words, housing demand takes account of preference (with the analysis being choice led) but is controlled by the ability to pay.
- 1.14 However, a proportion of households may be unable to attain housing of at least a minimum standard (defined in terms of size, type, condition and location) without some form of assistance, either through the provision of a home in the social rented sector or through subsidised access to the private sector such as the new Partial Ownership Scheme operated by the Guernsey Housing Association. These households can be regarded as having a *housing need* – in other words, housing need takes account of those without adequate housing who are unable to resolve their situation without assistance.
- 1.15 It can be seen that housing *requirement* encompasses both housing *demand* and housing *need*, and is the quantity of housing necessary for all Island households to have access to suitable housing, irrespective of their ability to pay. In other words, it is the amount of housing necessary to accommodate Guernsey's population at appropriate minimum standards.
- 1.16 The study has sought to address a number of key issues which underlie these aspects of housing requirement in Guernsey. These include:
- Current and future assessments of housing needs and demand.
 - The affordability of different tenure options for new and existing households, analysing the relationship between housing costs in the private sector and available financial resources. As we have already indicated, the issue of affordability is critical to the development of local planning policies.
 - Issues around the condition of the existing housing stock (although it should be noted that this is based upon occupiers' perceptions and is not by any means a comprehensive picture of current housing conditions).
 - The housing and support needs of different sectors of the Island's population, which have implications not only for housing and planning policies but also for wider health and social care planning.
 - Estimates of the number of homes needed to meet current and future housing requirements. The housing shortfalls are broken down by size, tenure and price.

Data Sources

- 1.17 The analysis was based on primary data gathered by the Household Survey (2006), complemented by secondary data sources. The Household Survey was conducted between May and June 2006 and a total of 1,512 households were successfully interviewed. The sample was based on a simple random probability selection and identified non-response issues were addressed by a comprehensive statistical weighting process.
- 1.18 Information derived from the weighted data was consistent with reliable comparable information from a range of other secondary data sources – including demographic details, data from the 2001 Census, and secondary housing statistics. Further information regarding the fieldwork and associated validation process can be found in Appendix A.
- 1.19 All figures from the Household Survey presented in this report have been grossed-up to represent the overall population – therefore where the report discusses specific numbers of households or dwellings, it is not the number of respondents that is referred to but the number of households or dwellings across the Island.
- 1.20 Information from the Household Survey was complemented by secondary data sources to correspond with the date of the primary data – and was therefore based on a reference point of Quarter 2 2006 (or Quarter 1 of the financial period 2006/07). This is also the base date for the study projections.

Summary of Key Points

- The Corporate Housing Programme must be based on a robust assessment of the Island's housing requirements encompassing both housing demand and housing need;
- The study sought to estimate the number and mix of new homes needed to meet current and future housing requirements;
- The assessment was based primarily on the analysis of 1,512 interviews conducted with households across the Island between May and June 2006;
- Additional data from the States Housing Department also informed the analysis;
- All data was based on a reference point of Quarter 2 2006 (i.e. Quarter 1 2006/07) to correspond with the fieldwork period for the interview sample, and this is the base date for the study projections;
- Information from the analysis is statistically reliable at an Island wide level.

2. Existing Housing Stock

Introduction

- 2.1 This section of the report considers the existing housing stock in Guernsey, in particular the mix of housing and issues concerning the mismatch of households and housing, such as overcrowding. Some information is also provided on the condition of local housing – but this should not be seen as definitive, for the results are based on individual occupier perceptions, and not the professional views of a qualified surveyor.

Property Type and Tenure

- 2.2 Figure 1 shows the mix of existing properties in Guernsey in terms of both property type and age. As illustrated, nearly half of all properties on Guernsey are detached.
- 2.3 In terms of age, a third of the households interviewed estimated that their property was built before 1919 with only 4% estimating their property has been built since 2000.

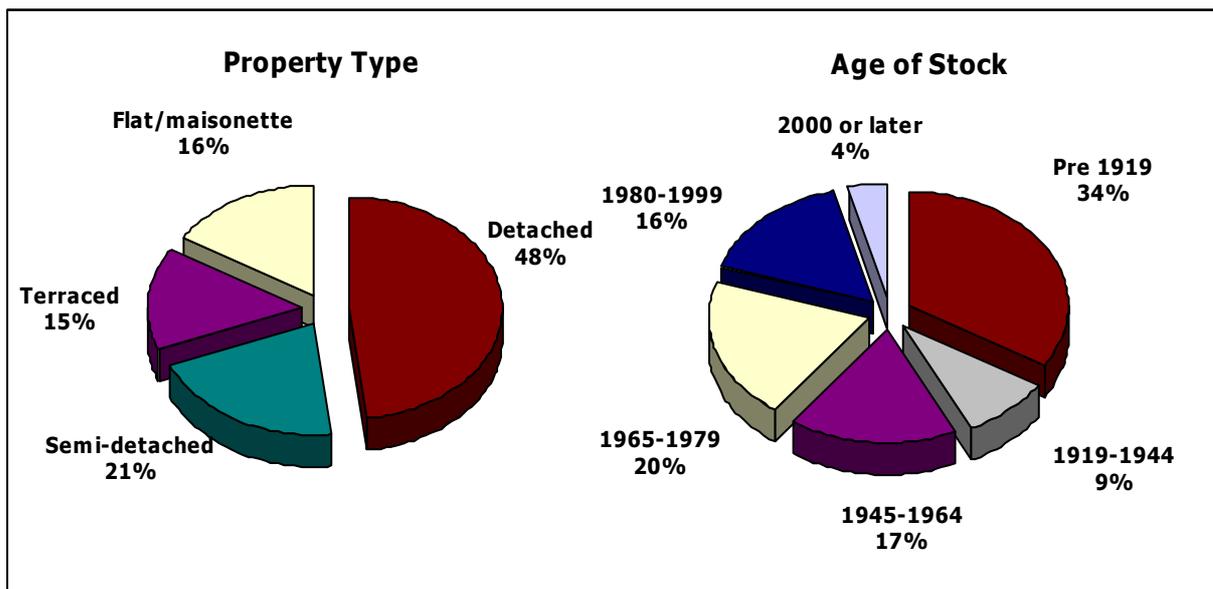


Figure 1: Property Type and Age of Stock in Guernsey

Source: States of Guernsey Household Survey 2006

- 2.4 Figure 2 shows the tenure of housing stock, identifying that the dominant form of housing being owner occupation. Three-quarters of all properties across the Island are owned outright or owned with a mortgage. Around a sixth of the stock is rented from private landlords with another 9% being rented from the States Housing Department or from the Guernsey Housing Association.

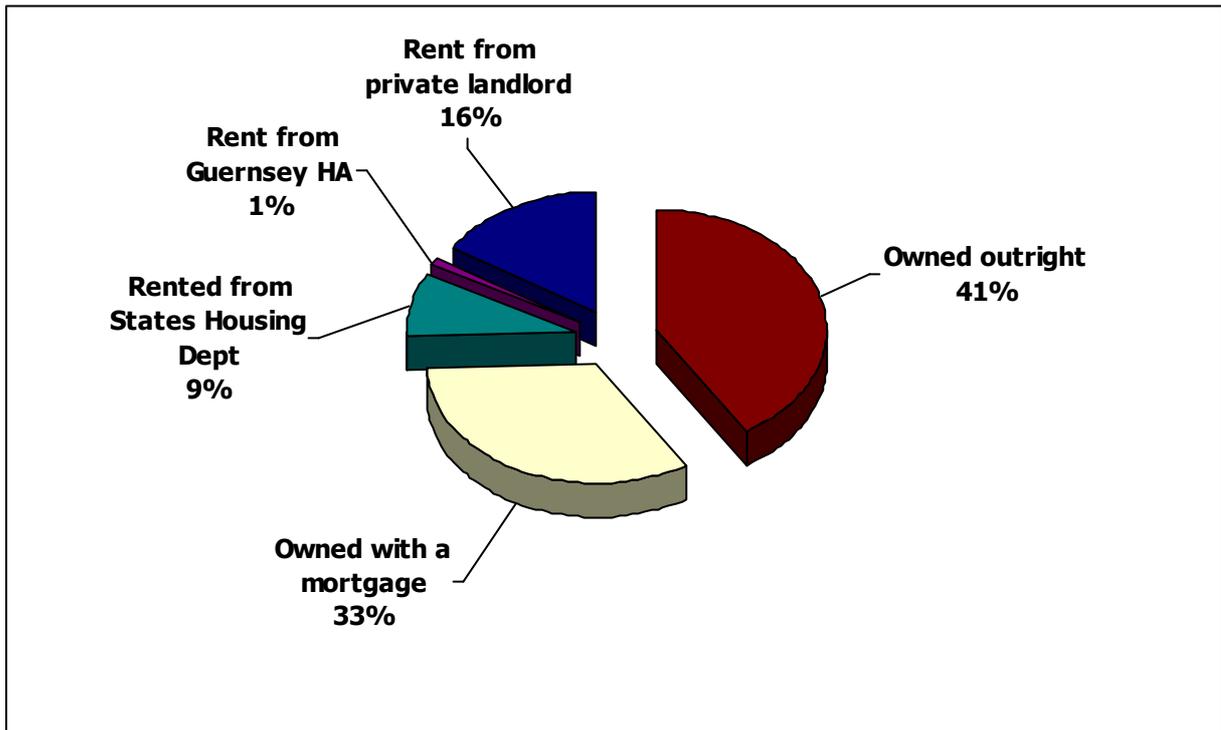


Figure 2: Tenure of Existing Stock

Source: States of Guernsey Household Survey 2006 and States Housing Dept/Guernsey Housing Association Administrative Data

- 2.5 The change in tenure patterns across the Island are detailed in Figure 3 (below), where it is apparent that the proportion of property owned outright on the Island has steadily increased since 2001 (from 71.8% to 41.2%).
- 2.6 This increase is in the context of a diminishing private rented sector – which has fallen from 18.7% in 2001 to 16.2% in 2006, an overall decrease of 14% in only five years. It is worth noting the private rented stock has only reduced in size by around 400 properties and that much of its reduction in relative importance is due to a rise in the total number of properties on Guernsey since 2001.

Tenure	Census 2001 ¹		2006 Estimate ²	
	N	%	N	%
Owned outright	16,275	71.8%	9,847	41.2%
Owned with mortgage			7,958	33.3%
Rented privately	4,248	18.7%	3,873	16.2%
Rented from States Housing Dept	2,141	9.4%	2,065	8.6%
Guernsey Housing Association	-	-	157	0.7%
TOTAL	22,664	100.0%	23,900	100.0%

Figure 3: Tenure Distribution over Time

Source1: Census of Population 2001. Source 2: States of Guernsey Household Survey 2006 and States Housing Dept/Guernsey Housing Association Administrative Data

2.7 Figure 4 shows that over half of all private rented sector properties were built before 1919, but 10% have been built since 2000. This represents 28% of all properties built since 2000. Therefore, many new properties built on Guernsey in recent years have found their way into the private rented sector.

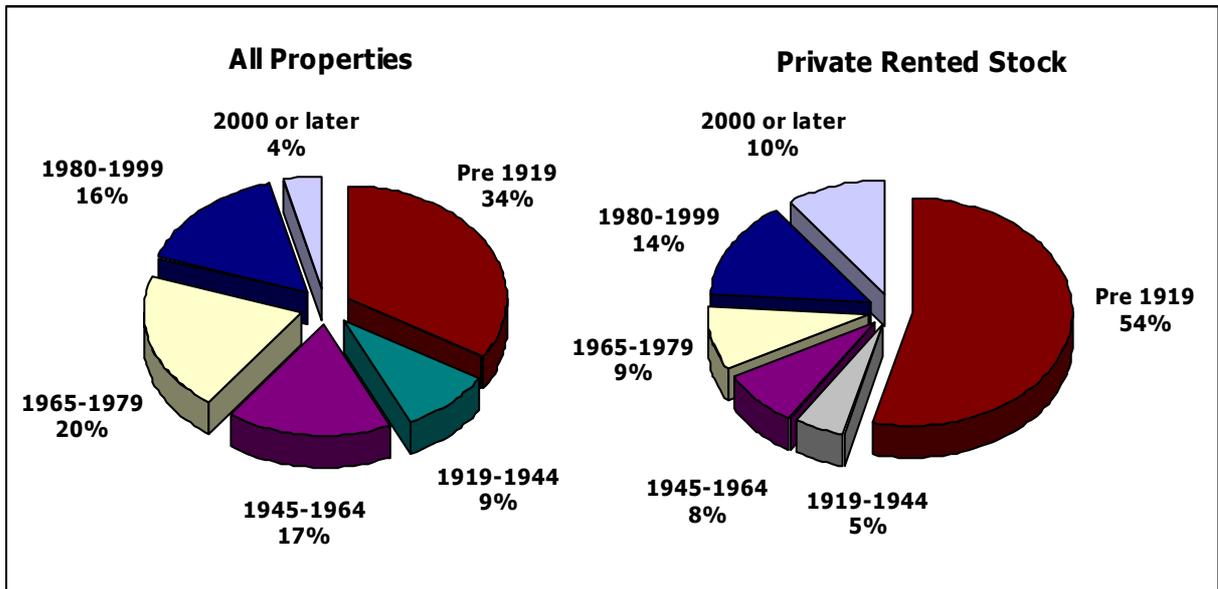


Figure 4: Age of Stock of All Properties and the Private Rented Sector in Guernsey
Source: States of Guernsey Household Survey 2006

Housing Stock Valuation and Size Mix of Properties

2.8 Figure 5 (below) considers the stock mix in terms of property valuation. Only 4% of owner occupiers felt that their property was worth less than £200,000. Nearly a half of all householders felt their property was worth more than £400,000.

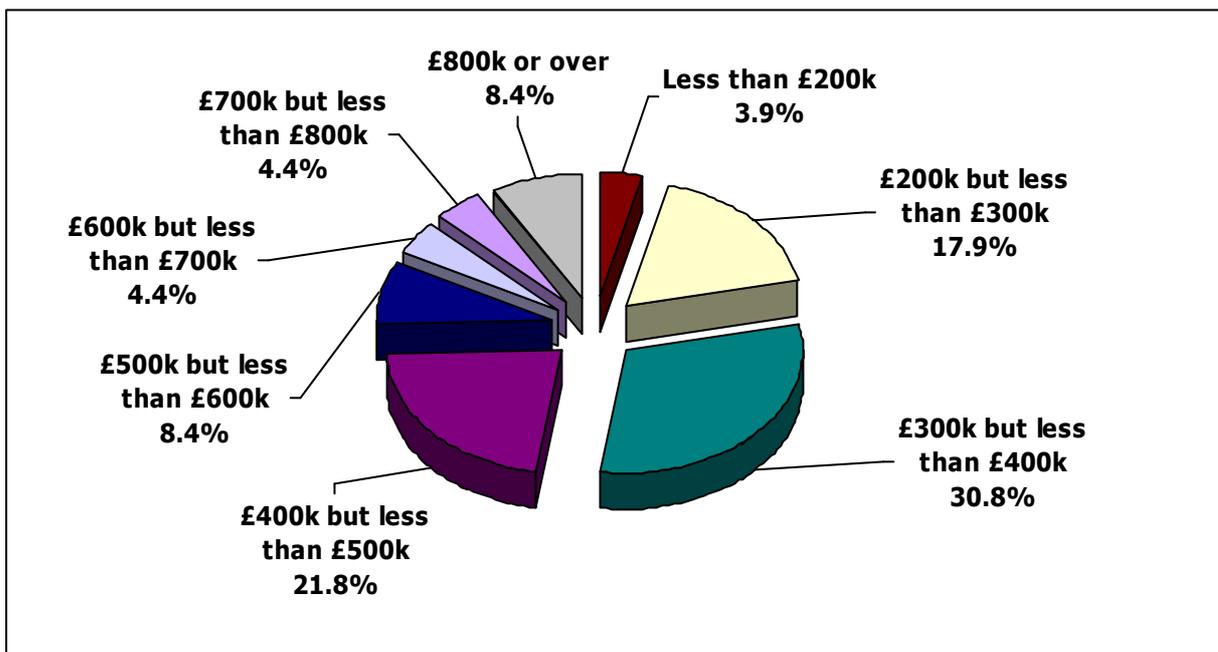


Figure 5: House Values for Owner Occupiers
Source: States of Guernsey Household Survey 2006

2.9 When we consider the size mix of the existing stock (Figure 6), 38.5% have three bedrooms. Around 37% of all properties have one or two bedrooms (10.6% and 26.8%) with almost a quarter 24% having four bedrooms or more.

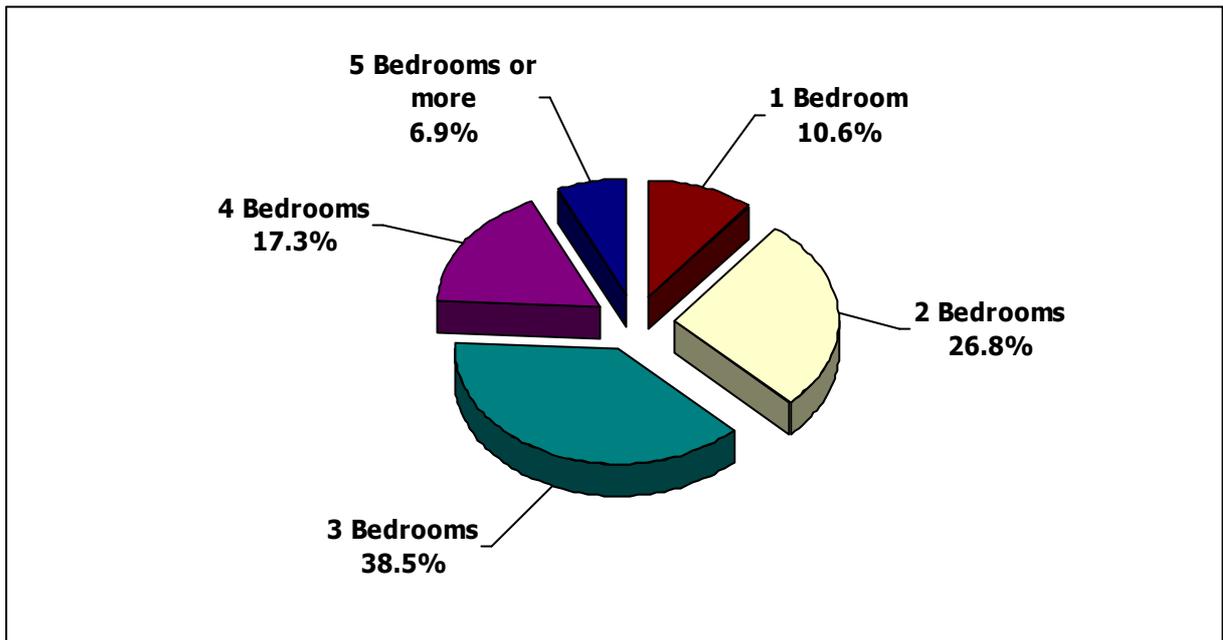


Figure 6: Number of Bedrooms
Source: States of Guernsey Household Survey 2006

2.10 When we consider the match (or mismatch) of households and properties in terms of property size, it is interesting to note that whilst the vast majority (75%) felt that they had about the right number of rooms, as many as a 16% of those households interviewed felt that they had too few rooms, with around one-in-ten considering their current home to be too large (Figure 7).

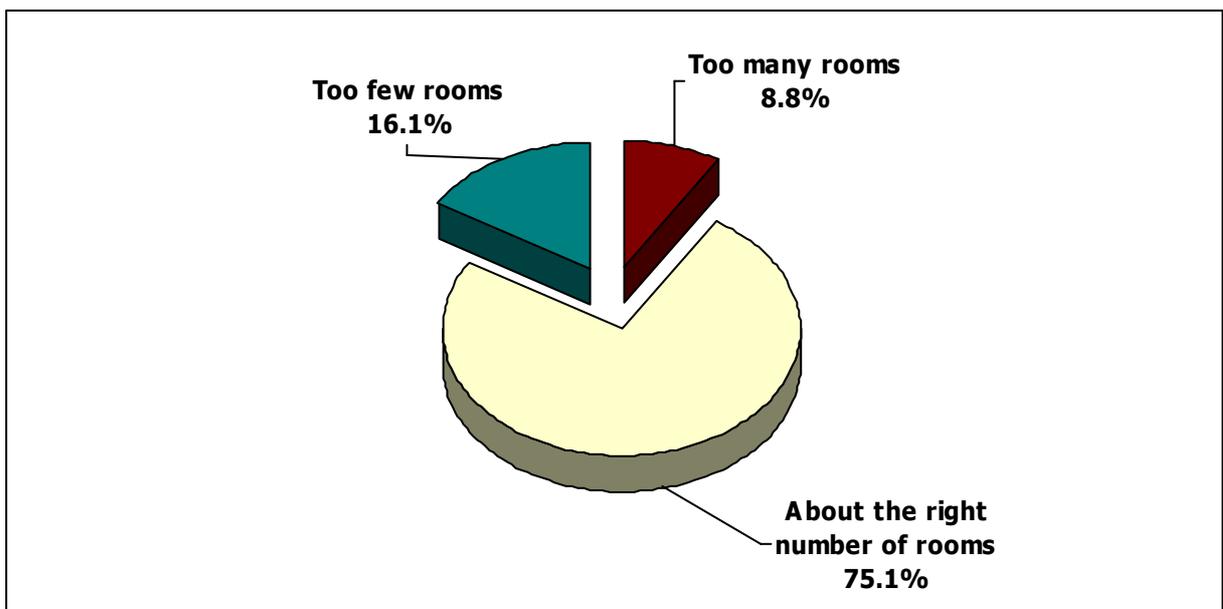


Figure 7: Too Few and Too Many Rooms
Source: States of Guernsey Household Survey 2006

Occupancy Level	Household Perception			All Households
	Too Many Rooms	About Right	Too Few Rooms	
Number of Bedrooms				
2 bedrooms too few	-	-	14	14
1 bedroom too few	-	213	344	557
Correct number of bedrooms	31	4,523	1,848	6,402
1 bedroom too many	312	6,800	1,281	8,393
2 bedrooms too many	918	4,583	293	5,794
3+ bedrooms too many	847	1,831	62	2,741
ALL HOUSEHOLDS	2,108	17,950	3,842	23,900

Figure 8: Perceived Size Problems Compared with Overcrowding

Source: States of Guernsey Household Survey 2006

- 2.11 When we consider these subjective views in the context of an objective comparison of household structure and number of bedrooms available (detailed further in appendix B) it is apparent that whilst most households consider their home to have “about the right number of rooms”, as many as 17,000 households (71%) technically under-occupy their property – over half of these by a factor of two bedrooms or more. It is also interesting to note that as many as 1,600 households who already under-occupy their property still consider that they have too few rooms available.
- 2.12 Overall, a total of 571 households are currently living in technically overcrowded housing – though as many as 213 of these households (37%) consider their home to be about the right size.

Condition of Local Housing

2.13 When asked about satisfaction with their current home, the vast majority were either very or fairly satisfied (80.6% and 15.9% respectively), with only 2% stating dissatisfaction.

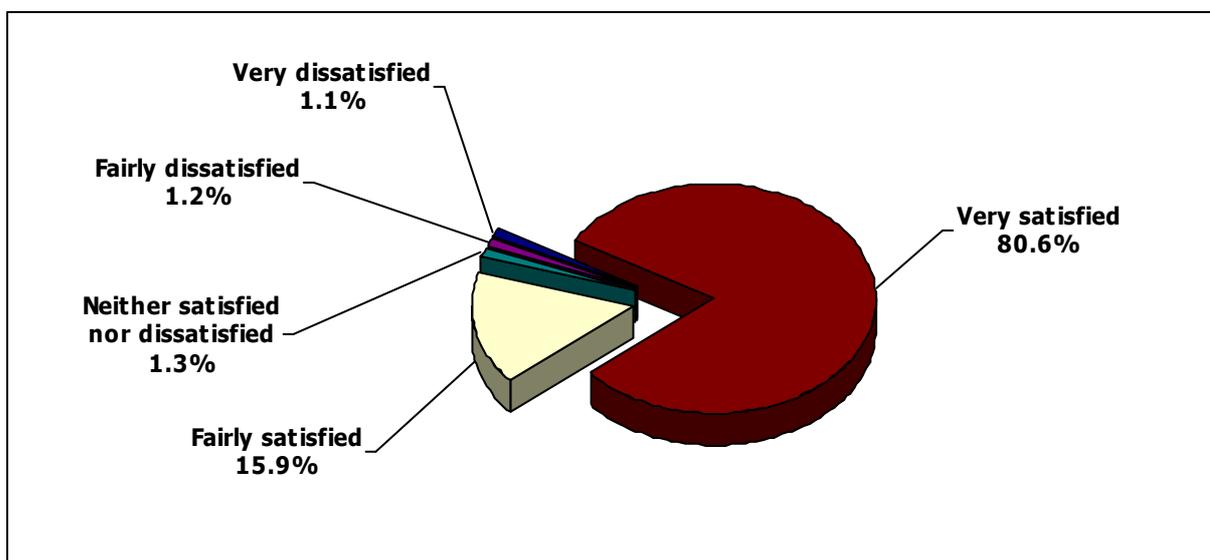


Figure 9: Overall Satisfaction with Home for Guernsey

Source: States of Guernsey Household Survey 2006

2.14 Figure 10 shows the levels of satisfaction with their home reported in Guernsey are higher than in other similar recent studies conducted by ORS across the UK.

Local Authority/Sub-region	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied
Blaenau Gwent 2006	88.4%	4.9%	6.6%
Milton Keynes 2006	89.9%	3.2%	6.8%
Redbridge 2005	93.9%	2.8%	3.3%
Greater Norwich 2006	95.1%	2.1%	2.8%
Suffolk Coastal 2006	94.3%	2.4%	3.3%

Figure 10: Satisfaction with Home in Other UK Local Authorities/Sub-regions

Source: Recent ORS Housing Studies

2.15 Figure 11 and Figure 12 overleaf show that dissatisfaction with their home was 8.9% for those in social rented accommodation and 5.6% for those in the private rented sector. It is a standard finding in ORS studies that dissatisfaction with their homes is higher among social rented tenants than it is among any other group.

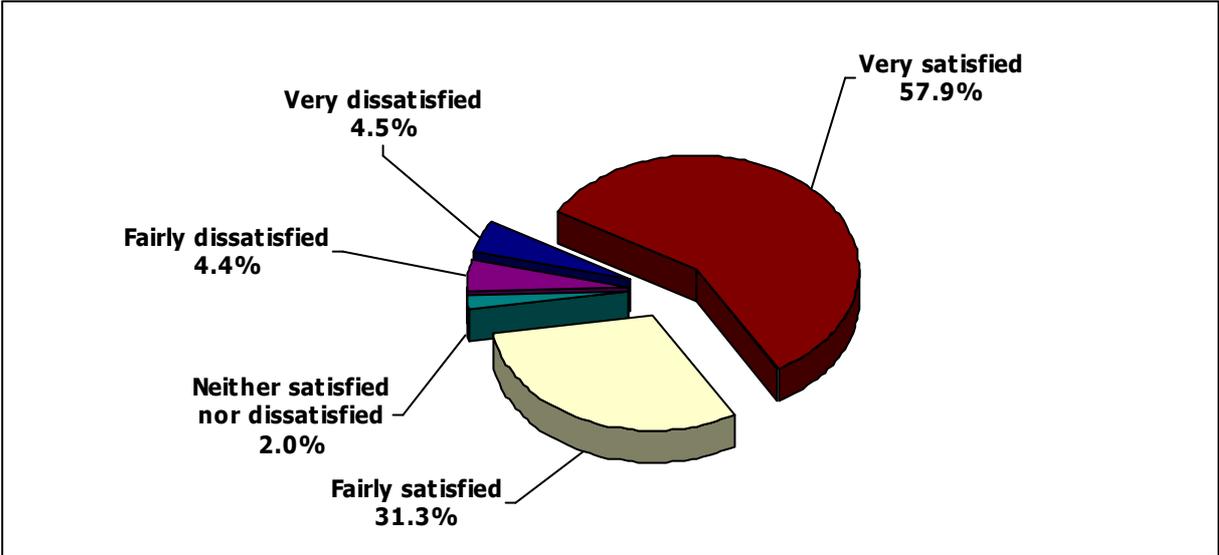


Figure 11: Overall Satisfaction with Social Rented Home for Guernsey

Source: States of Guernsey Household Survey 2006

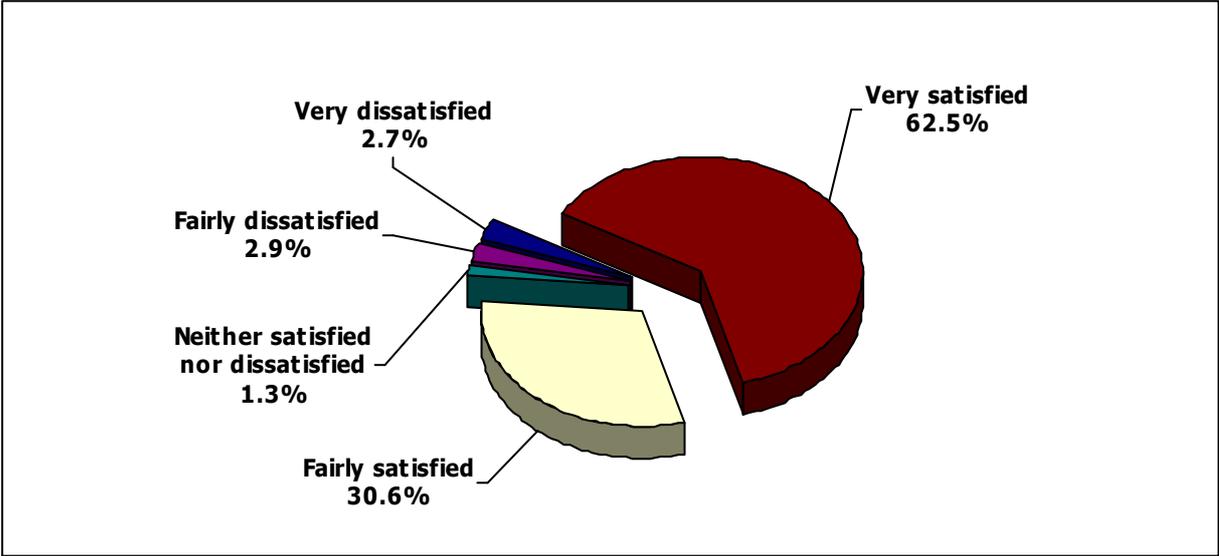


Figure 12: Overall Satisfaction with Private Rented Home for Guernsey

Source: States of Guernsey Household Survey 2006

2.16 88% of households report that their property does have a garage, driveway or other off-street parking. 94% of households have access to either a private or communal garden (Figure 13).

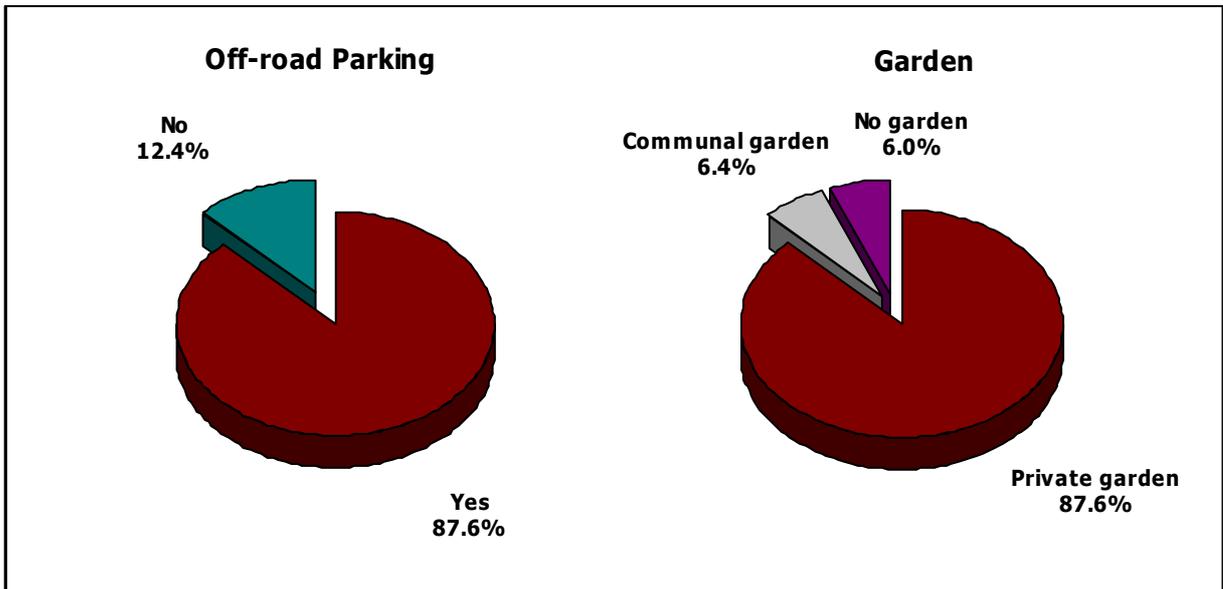


Figure 13: Off-road Parking and Gardens in Guernsey
Source: States of Guernsey Household Survey 2006

2.17 85% of all households on Guernsey have fixed heating in the living rooms of their property. Another 8.8% have fixed heating in at least some of the rooms of their property (Figure 14).

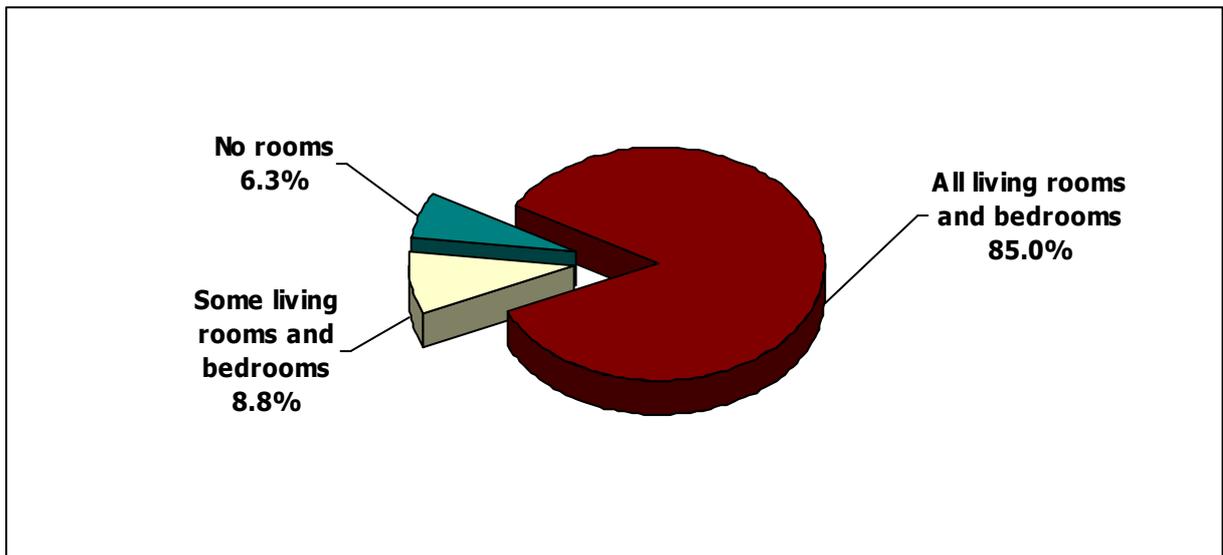


Figure 14: Fixed Heating in the Property
Source: States of Guernsey Household Survey 2006

2.18 Households were also generally satisfied with how easy it is to access services on Guernsey. For almost all services an overwhelming majority of households felt that they were easy to access.

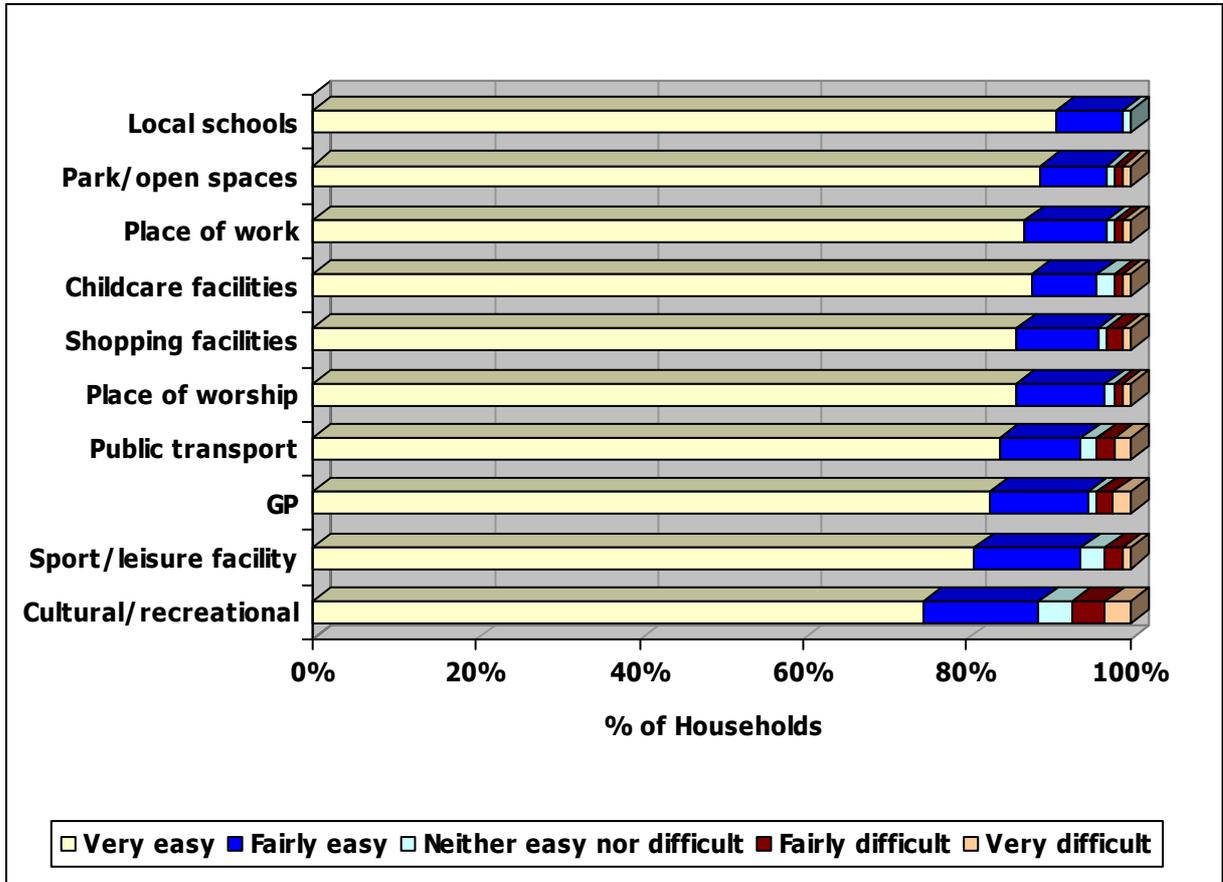


Figure 15: How Easy is it to Get to Facilities
 Source: States of Guernsey Household Survey 2006

2.19 In terms of problems with the current home, only 21% of households reported that they had any concerns.

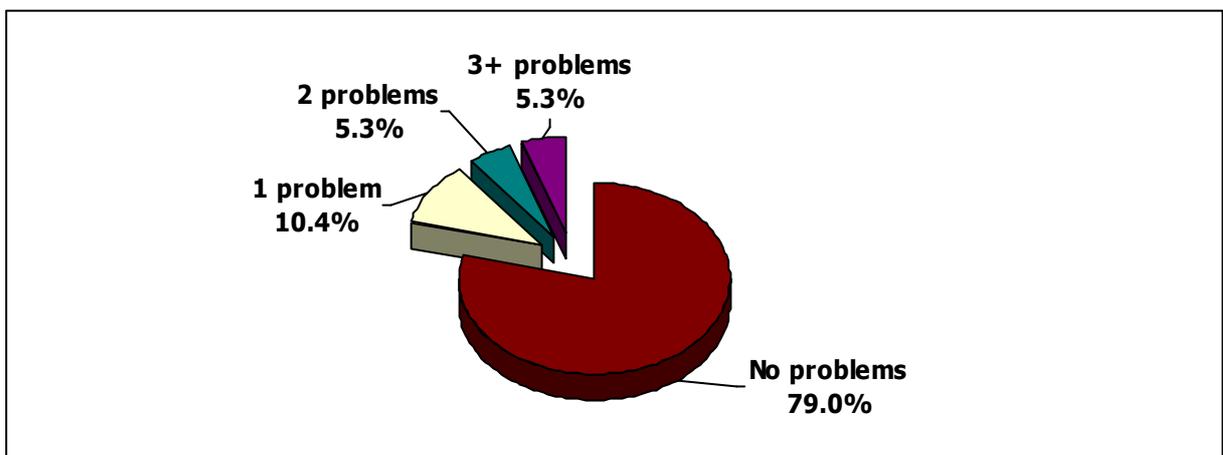


Figure 16: Number of Problems Identified with the Current Home
 Source: States of Guernsey Household Survey 2006

2.20 Figure 17 and Figure 18 overlaid show that both social and private rented tenants were more likely to report that there were problems with their homes than was the case with all households.

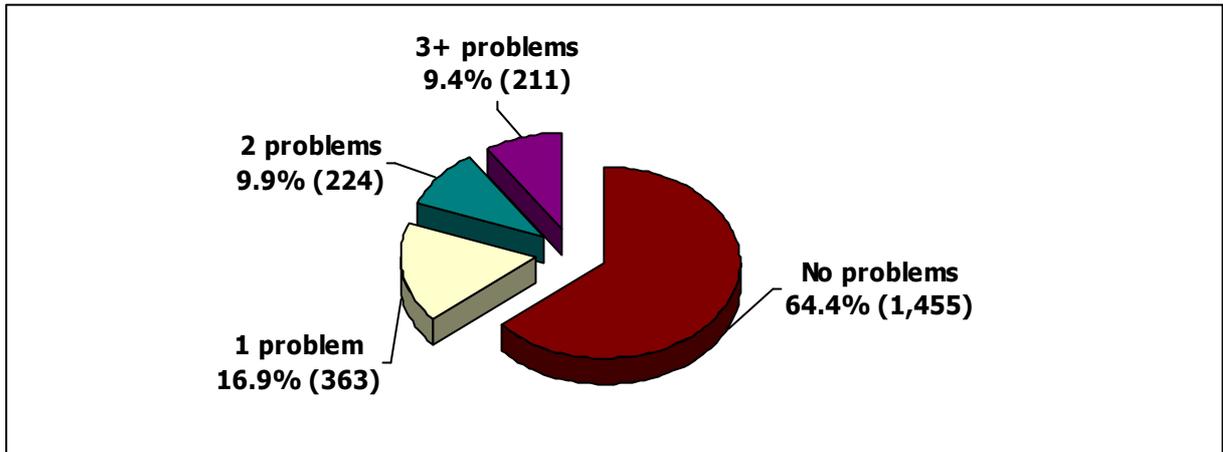


Figure 17: Number of Problems Identified with the Current Home for Social Rented Tenants
Source: States of Guernsey Household Survey 2006

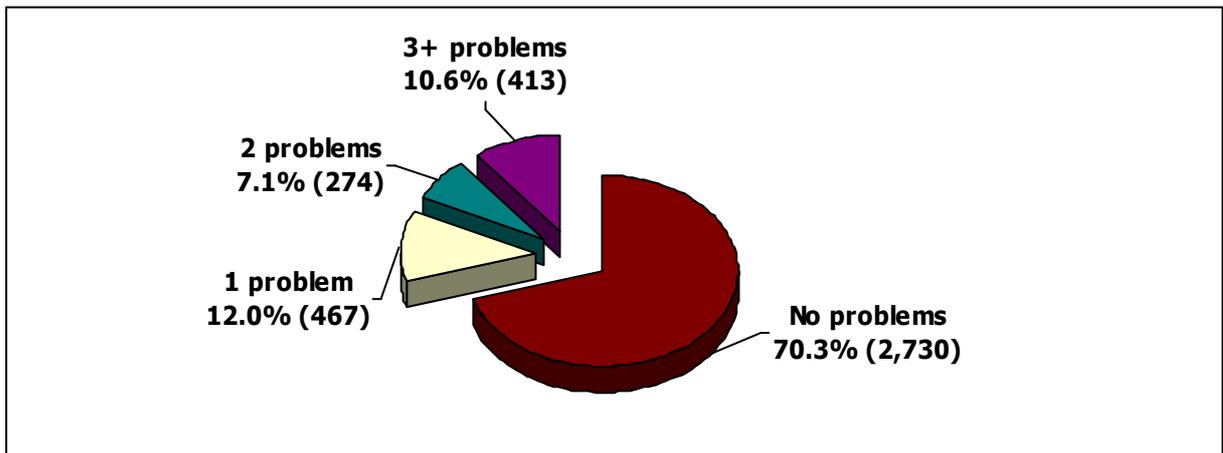


Figure 18: Number of Problems Identified with the Current Home for Private Rented Tenants
Source: States of Guernsey Household Survey 2006

2.21 Figure 19 illustrates the nature of problems experienced, also showing those problems that households perceived as being serious. The largest problems cited related to problems with damp penetration or condensation and window repairs. All of the other listed problems affected less than 4% of households, with serious problems typically affecting fewer than 2% of households.

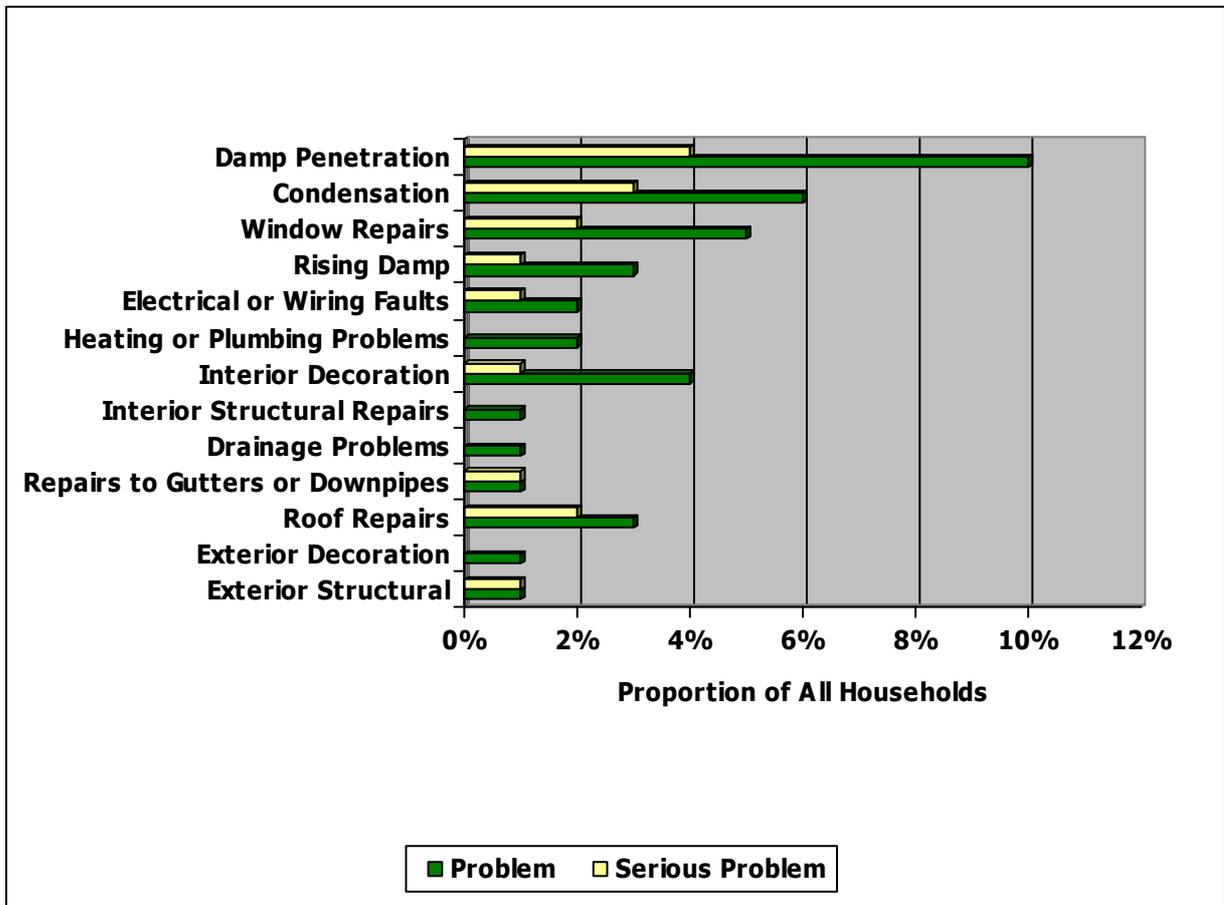


Figure 19: Problems Experienced by Households in their Current Home

Source: States of Guernsey Household Survey 2006

2.22 Figure 20 illustrates the problems experienced by social and private rented tenants. This shows that 17% (374) of social rented tenants report they had a problem with damp penetration and 19% (751) of private rented tenants had the same problem. 16% (371) of social rented and 11% (424) of private rented tenants also had a problem with condensation.

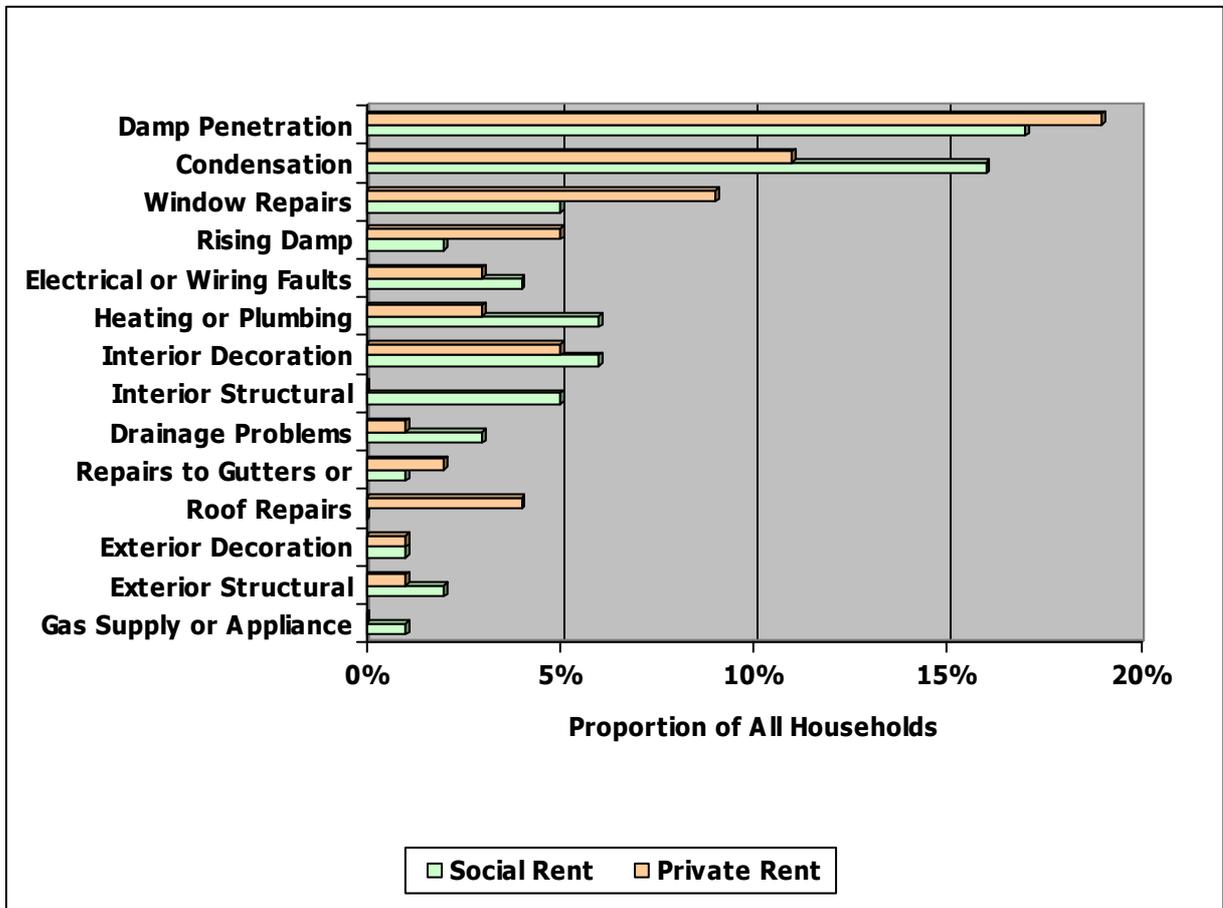


Figure 20: Problems Experienced by Social Rented and Private Rented Tenants in their Current Home

Source: States of Guernsey Household Survey 2006

2.23 For those households who did require repairs to their home which had not yet been undertaken, many either expected to undertake the work themselves or for their landlord to undertake the work soon.

2.24 Only a small minority felt that they could not afford to undertake the repairs which were necessary, but this still amounts to around 500 households across Guernsey. It is also the case that nearly 1,000 households across Guernsey felt that the repairs were the responsibility of either their social or private landlord, but that they would not undertake them soon with over a further 350 not expecting them to be undertaken at all (Figure 21).

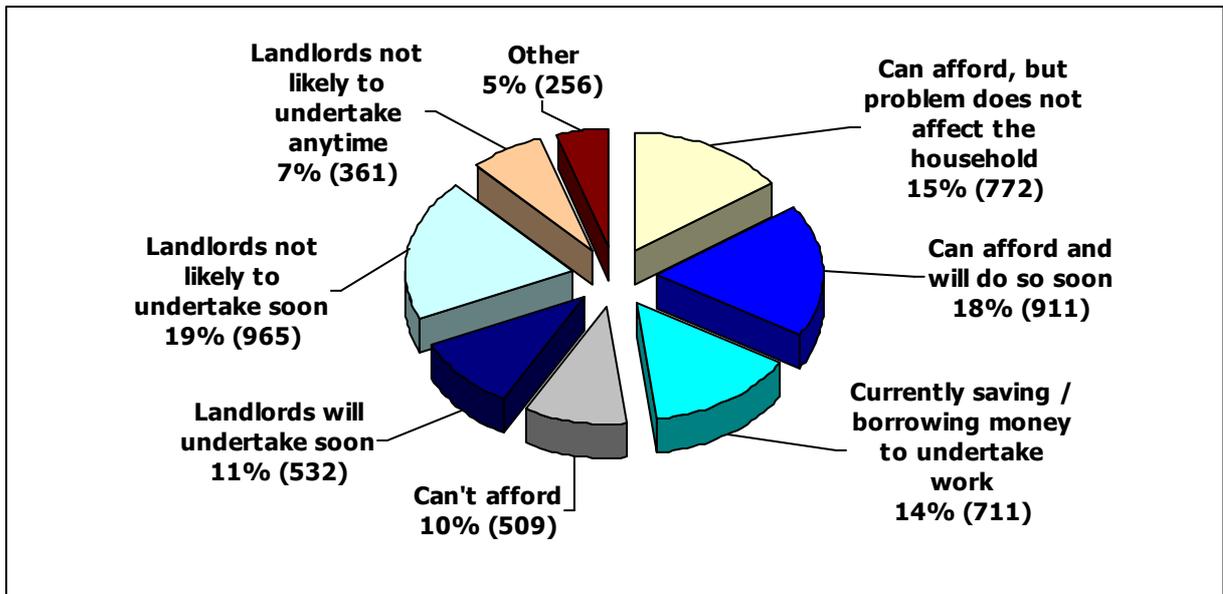


Figure 21: Why the Repair Hasn't Been Carried Out Yet. By all Households With at Least One Problem With Their Home

Source: States of Guernsey Household Survey 2006

Shared Housing & Communal Establishments

2.25 When looking at housing needs it must be remembered that not all people live in standard households. Figure 22 shows that over 5% of the population of Guernsey live in communal residences. These people primarily reside in medical and care establishments, hotels or guest houses and those in staff quarters.

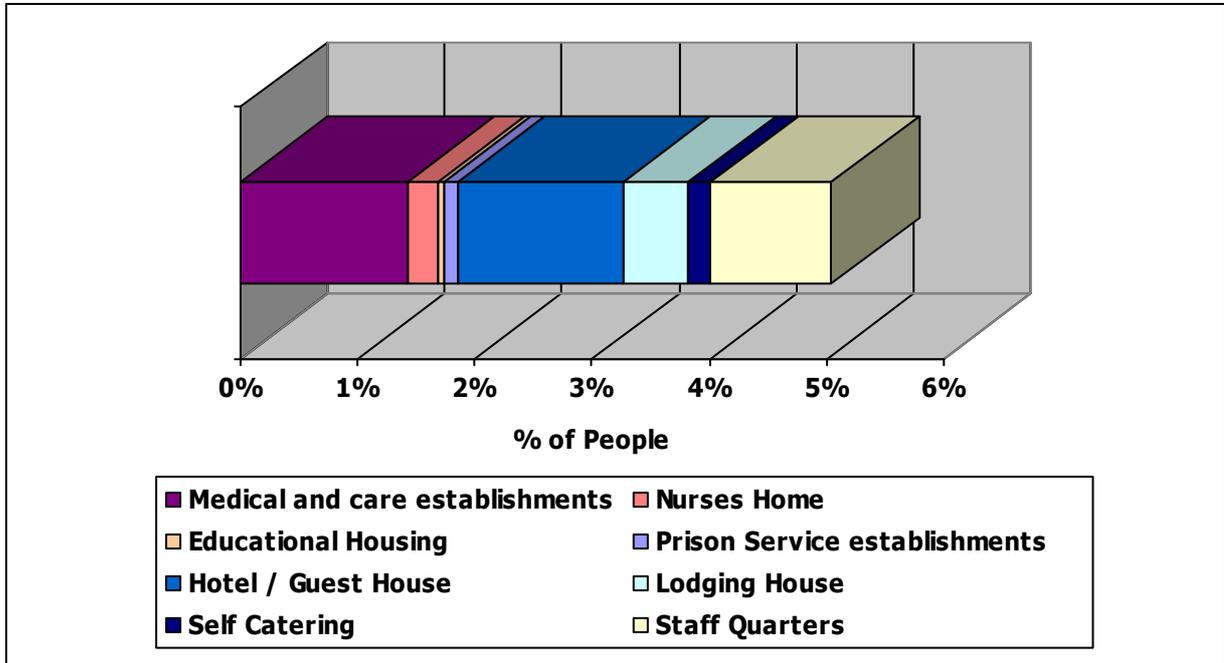


Figure 22: Proportion of People in Communal Housing by Type of Establishment in Guernsey
Source: UK Census of Population 2001

Summary of Key Points

- 93% of properties on Guernsey are available on the local market and only 7% are available on the open market;
- Nearly half of all properties on Guernsey are detached;
- 34% of Guernsey's housing stock was built before 1919;
- 74% of all properties on Guernsey are owned outright or owned with a mortgage. 15% of the stock is rented from private landlords with 9% rented from the States Housing Department;
- Only 4% of owner occupied properties were valued at less than £200,000. Nearly half of all properties were valued at more than £400,000.
- 571 households (2.4%) are currently living in technically overcrowded housing, but a 16% of households considered their current home to be too small. Whilst 71% of households technically under-occupy their property, only 9% said that they currently had too many rooms;
- The vast majority (97%) of households were satisfied with their current home, and 79% stated that they had no problems with the condition of their property;
- 19% of households want to move and 18% expect their whole household to move in the next 3 years with another 3% expecting some household members to leave;
- Over 5% of people live in communal residences with many living in medical and care establishments, hotels or guest houses and in staff quarters.

3. Socio-Economic Context

Introduction

- 3.1 This section of the report considers the local population across the Island, concentrating in particular on how local circumstances have changed over recent years and how they are projected to change in future. Further information is also provided on the characteristics of local households, and employment patterns.

Population

- 3.2 The long term growth of Guernsey is illustrated in Figure 23. From 1971 to 2004 the population of Guernsey grew by around 16% from 51,500 to just over 60,000.

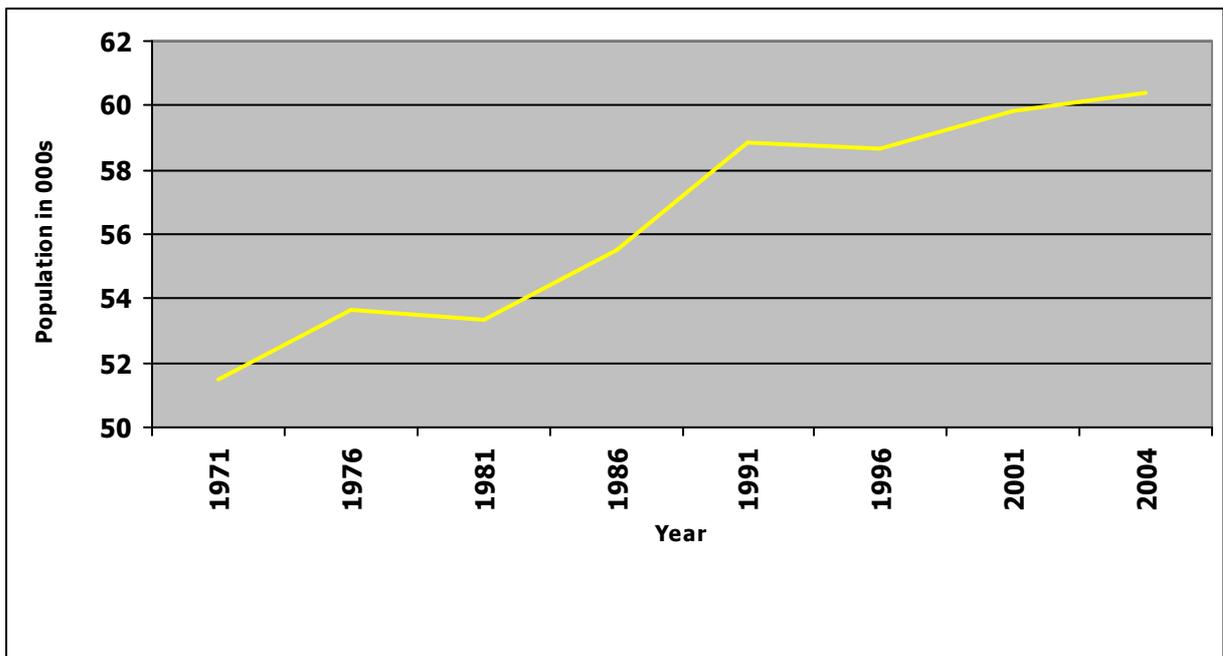


Figure 23: Population of Guernsey: 1971-2004

Source: Census of Population and Guernsey Department of Social Security

3.3 Figure 24 shows that over a quarter of the population of Guernsey live in the St Peter Port parish. However, the population of St Peter Port has remained largely unchanged since 1971. Therefore, the growth in the population of Guernsey has been concentrated on other areas of the Island.

Parish	Population	Households
Castel	8,975	3,190
Forest	1,549	536
St Andrew	2,409	855
St Martin	6,267	2,254
St Peter Port	16,488	6,767
St Pierre du Bois	2,188	786
St Sampson	8,592	3,313
St Saviour	2,696	1,020
Torteval	973	366
Vale	9,573	3,559
Herm and Jethou	97	18
Total	59,807	22,664

Figure 24: Population and Households of Guernsey Parishes: 2001

Source: Census of Population 2001

3.4 The age profile of the population of Guernsey is shown in Figure 25 overleaf. 21% of the population of Guernsey are aged 60 years or over. This is the same as the proportion of people in England and Wales who are aged 60 years and over.

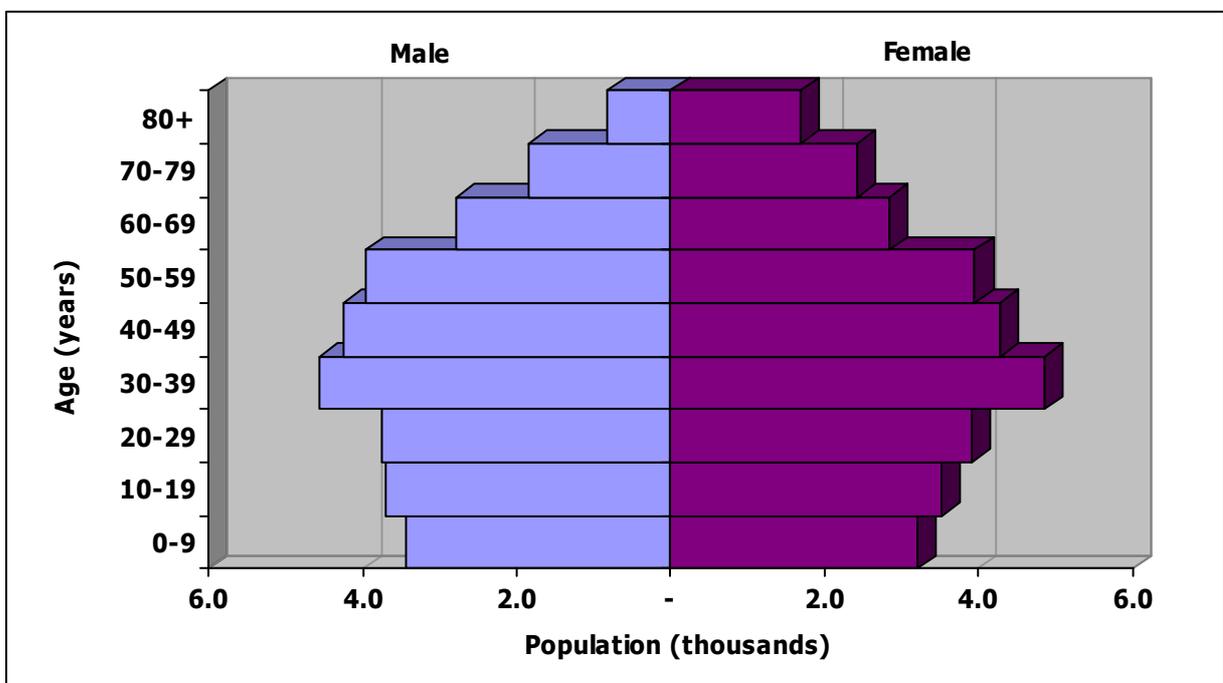


Figure 25: Age Profile for Population of Guernsey: 2001

Source: Census of Population 2001

Migration

- 3.5 The best data available to measure migration to and from Guernsey comes from the 5 yearly Census. The data shows the migration of people rather than households. Therefore, if an adult child left an existing household to move to the UK mainland this would be recorded as the migration of one person, but would not represent a household migrating.
- 3.6 The 2001 Census shows that the Island experienced a net gain of 650 people due to migration in the period 1996-2001 (Figure 26 and Figure 27). This is the equivalent to over 1% of the population of the Island.

Intercensal Period	Number of Persons		
	Immigration	Emigration	Net Migration
1976-1981	5,902	6,324	-422
1981-1986	6,854	4,716	2,138
1986-1991	7,695	4,794	2,901
1991-1996	6,259	6,893	-634
1996-2001	6,902	6,255	647

Figure 26: Migration to Guernsey: 1976-2001

Source: Census of Population

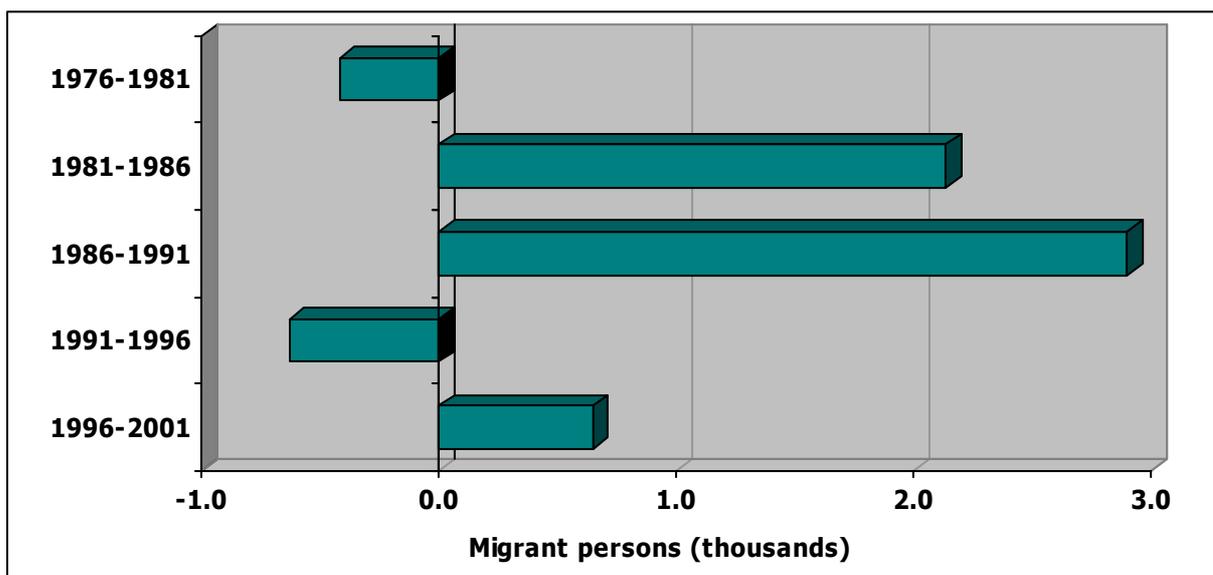


Figure 27: Net Migration to Guernsey: 1976-2001

Source: Census of Population

Household Structure

- 3.7 It is important to consider the structure of households when assessing housing needs. An area with more single people requires more separate accommodation, while an area with large families will require larger houses to accommodate them.
- 3.8 Figure 28 shows that the household structure found during the 2006 Household Survey was very similar to that found in the 2001 Census. This shows that 4% of households contained a single parent with a dependent child. This implies that around 1 in 7 of all households with dependent children contain single parents

Household Type	Percentage of Households		
	2001 Census	2006 Household Survey	Difference
One person under 65 years	12.8	11.0	1.8
One person over 65 years	11.1	12.1	(1.0)
Single parent	3.7	3.8	(0.1)
Single plus adult child	2.7	3.4	(0.7)
Couple alone	30.2	32.1	(1.9)
Couple with child under 18 years	22.9	24.0	(1.1)
Couple with child over 18 years	7.9	6.2	1.7
Other	8.7	7.4	1.3
Total	100	100	-

Figure 28: Household Structure for Guernsey in 2001 and 2006

Source: States of Guernsey Household Survey 2006 and 2001 Census of Population

Households and Persons with Health Problems

- 3.9 The respondents were asked about health issues for their households. Household respondents were initially asked about general health problems in their household and the health details of each person in the household were also collected.
- 3.10 In total 5,689 people living on Guernsey were reported as having health problems. This is around 9.5% of the total population. Some of the individuals with health issues resided in the same household. Therefore, in total 5,090 households contained at least one member with a health problem. This represents around 21% of all household on Guernsey.
- 3.11 The main problems faced by some people were walking and mobility problems and difficulties due to old age.

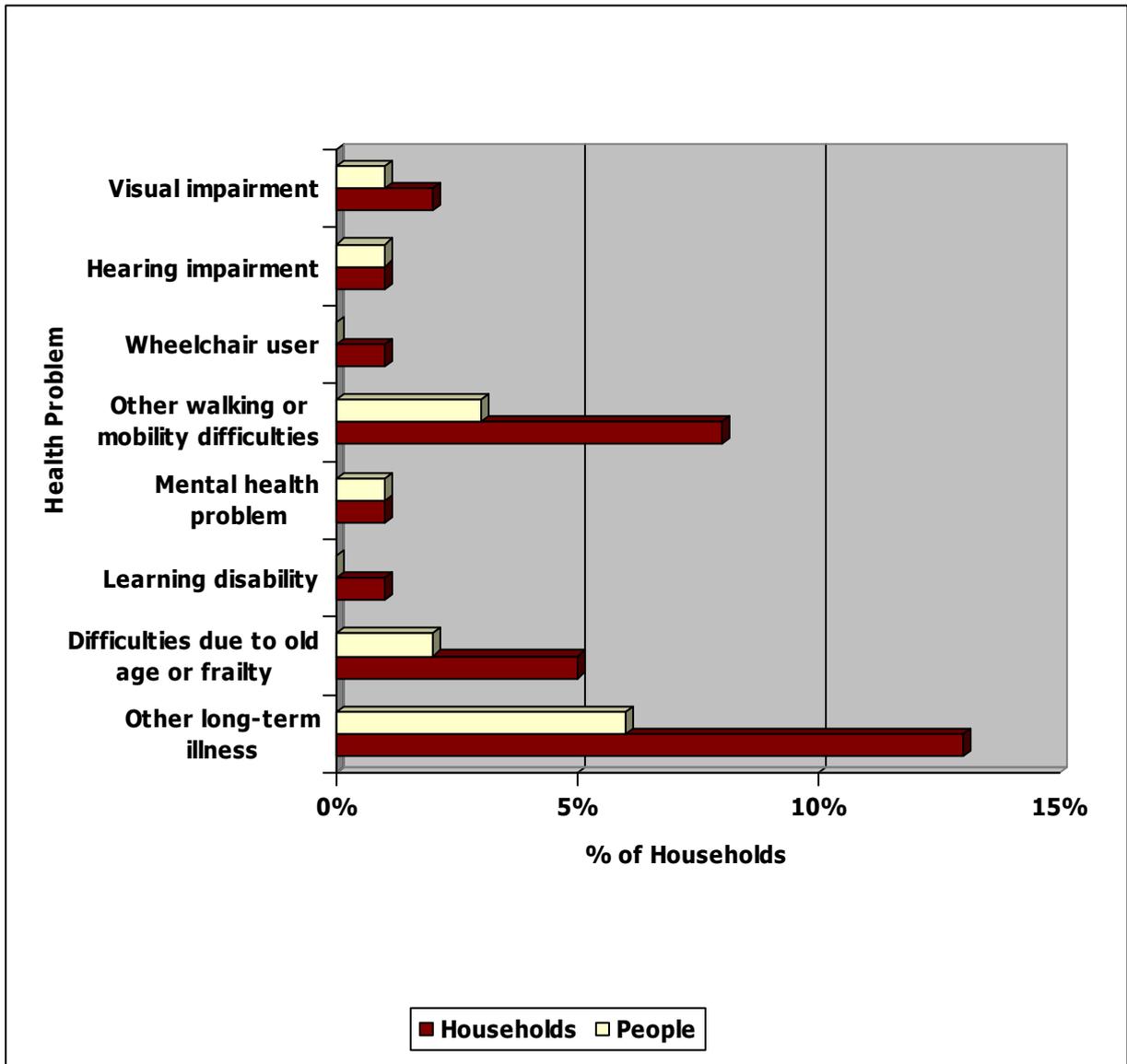


Figure 29: Health Problems in Household and Population

Source: States of Guernsey Household Survey 2006

3.12 Figure 30 overleaf shows the proportion of households which contained at least one person with a health problem by tenure, age of respondent and household income. This shows that as expected households with older respondents were more likely to contain at least one member with a health problem. Households in the social rented sector and those with lower incomes were also much more likely to contain health problems.

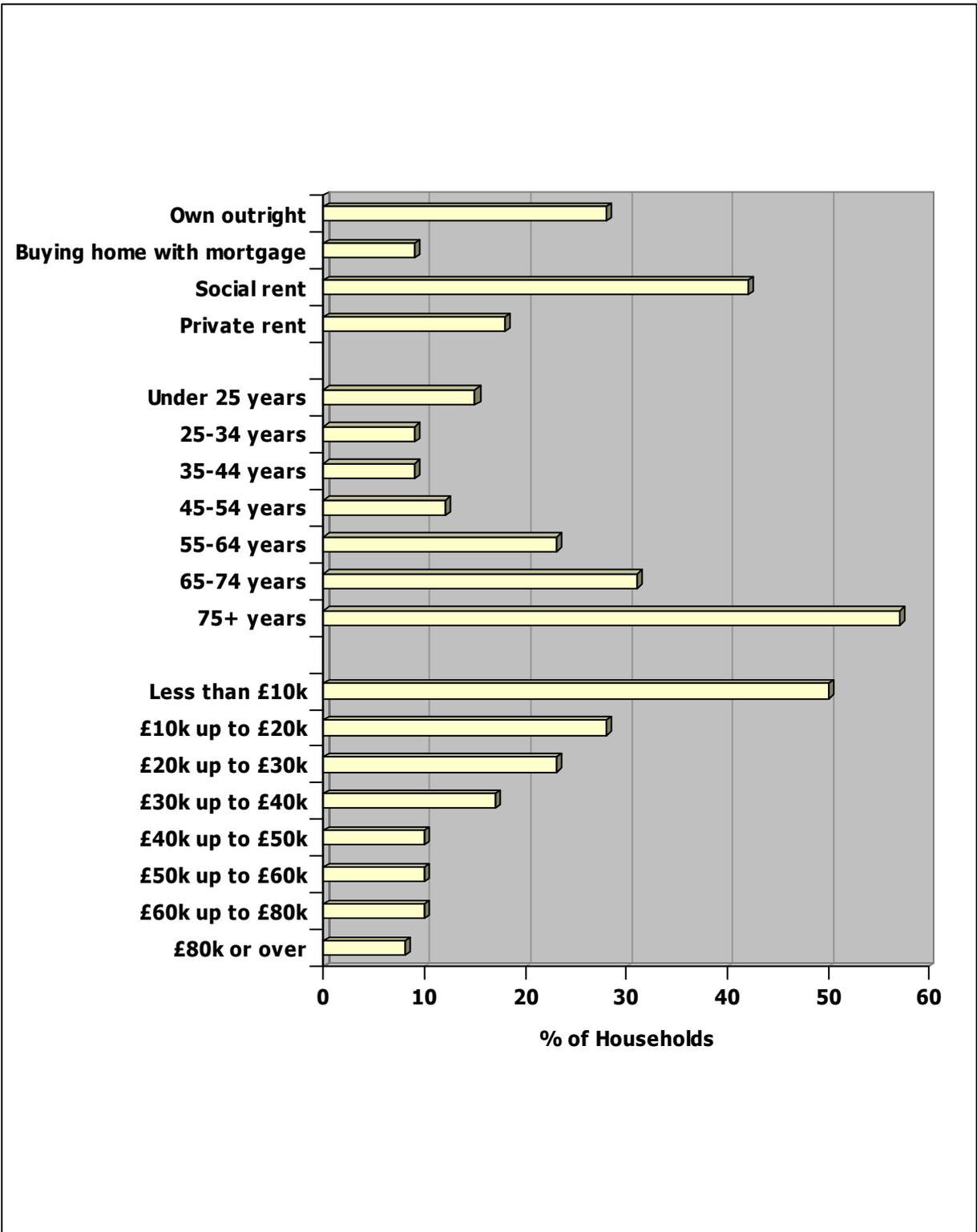


Figure 30: Health Problems in Household by Tenure, Age of Respondent and Household Income

Source: States of Guernsey Household Survey 2006

Care Needs

3.13 Of the persons on Guernsey who experienced health problems, Figure 31 shows that 75% (4,242) were able to care for themselves, and the remaining 25% (1,447) needed some form of care or support. Based on the evidence within this survey, 2.4% of residents of Guernsey required some form of care.

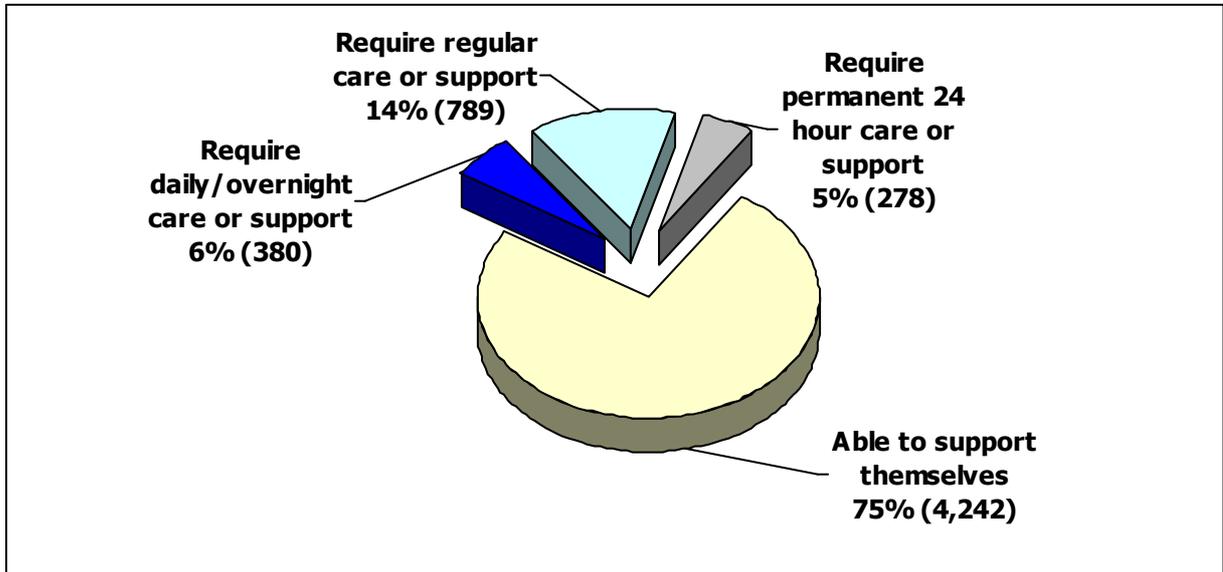


Figure 31: Care Needs. By all Persons

Source: States of Guernsey Household Survey 2006

3.14 Of those residents who did require care, it was felt that for 91% (1,321) that their care needs were being met already. However, 7% (96) of those with care needs required more care services and 2% (30) required the person needing care to be moved to another form of accommodation such as sheltered housing or a residential home. Overall, the results show that 0.2% (126) of all residents were not having their care needs met satisfactorily.

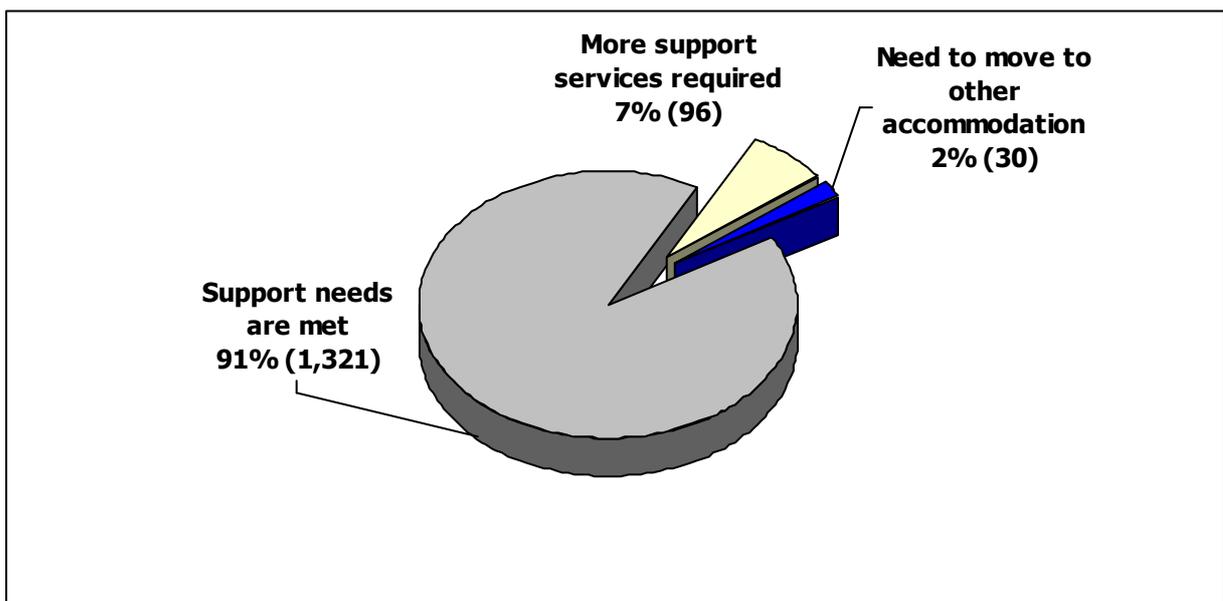


Figure 32: Current Care Situation? By all Persons

Source: States of Guernsey Household Survey 2006

Health Problems Which Affect Housing Requirements

- 3.15 Of the 23% (5,090) of households which contained someone who had a health problem, 21% (1,080) felt that this affected their housing requirements.
- 3.16 Of those who do require special housing requirements, 72% (781) felt that their requirements were already met by their current home, which implies that only 28% (299) of households felt that their homes were not currently adequately adjusted to the health problems of household members. This represents 1.2% of all households on Guernsey.

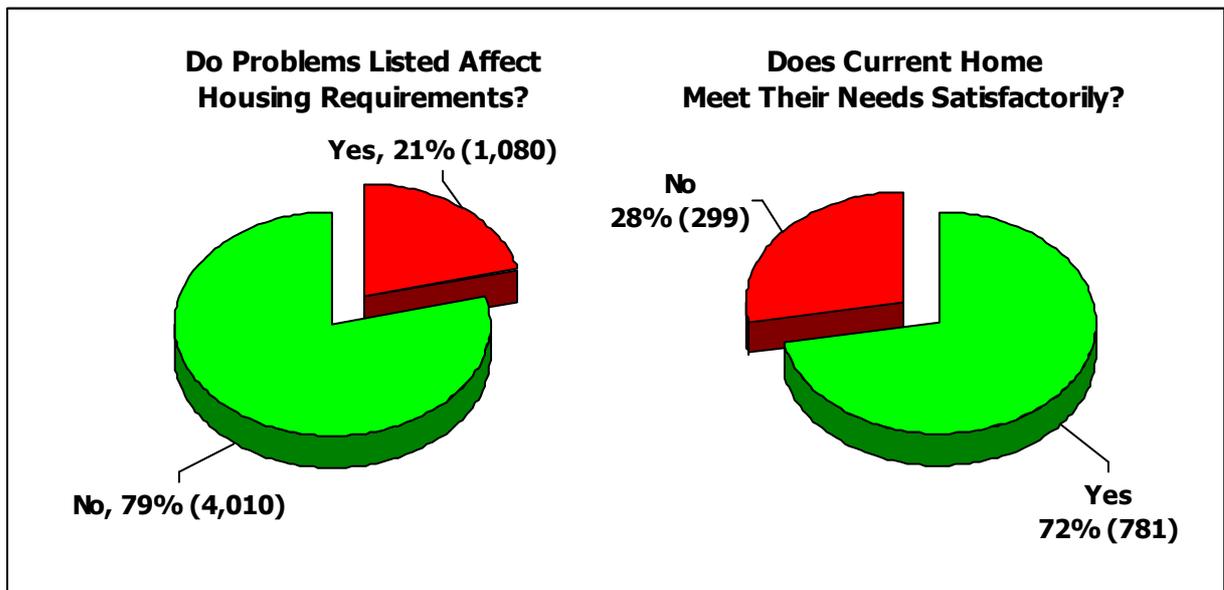


Figure 33: Special Housing Requirements due to Ill-health? By all Households which Contained at Least One Member with a Health Problem
Source: States of Guernsey Household Survey 2006

3.17 Figure 34 shows that of the households who felt the health problems affected their housing requirements major problems identified were climbing stairs, general mobility and bathing and showering. All of these are natural consequences of the health problems being linked to mobility and old age.

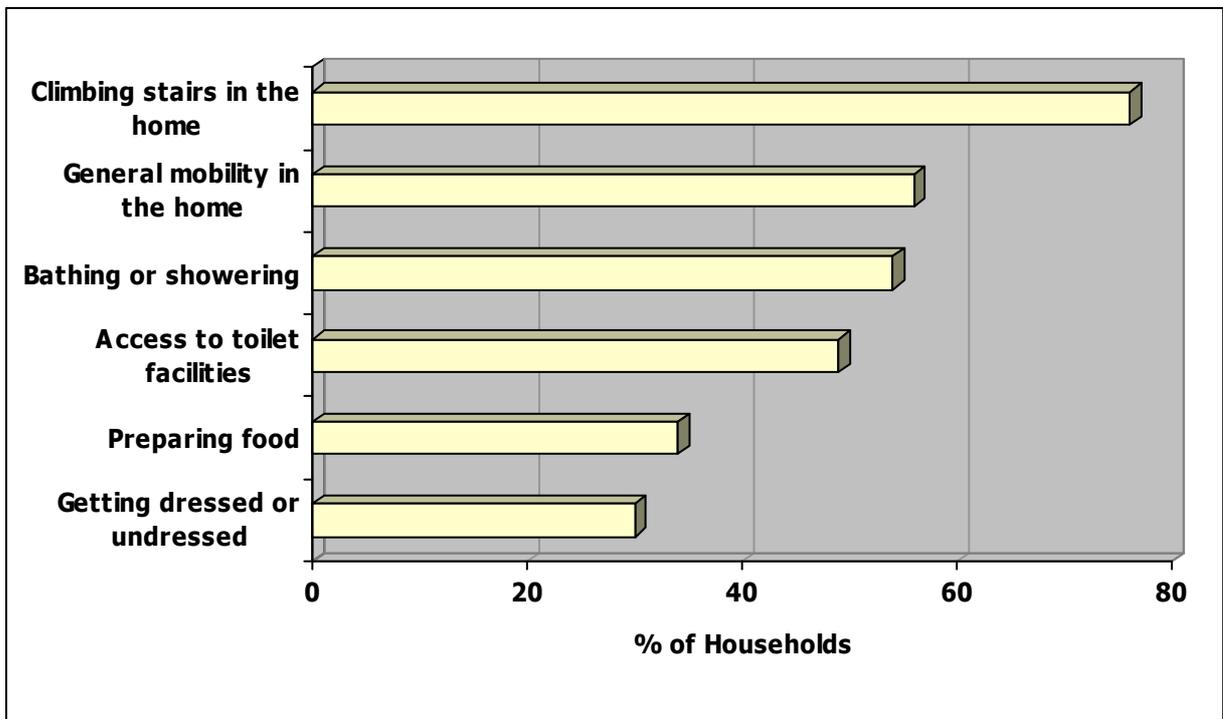


Figure 34: Activities which are Difficult Because of the Layout of Current Home? By all Households which Contained at Least One Member with a Health Problem which Affect Their Housing Requirements

Source: States of Guernsey Household Survey 2006

Adjustments to Growing Older

3.18 Household respondents who were aged 60 years or over were asked about their future plans. Figure 35 shows that 38% of households felt that it was likely that they would consider living in a bungalow, 23% that they would consider living in sheltered accommodation and 22% of households felt that it was likely that they would consider living on single floor accommodation. 20% of households thought it likely that they would consider a private development for retired people, but only 4% thought it likely that they would consider living with their family.

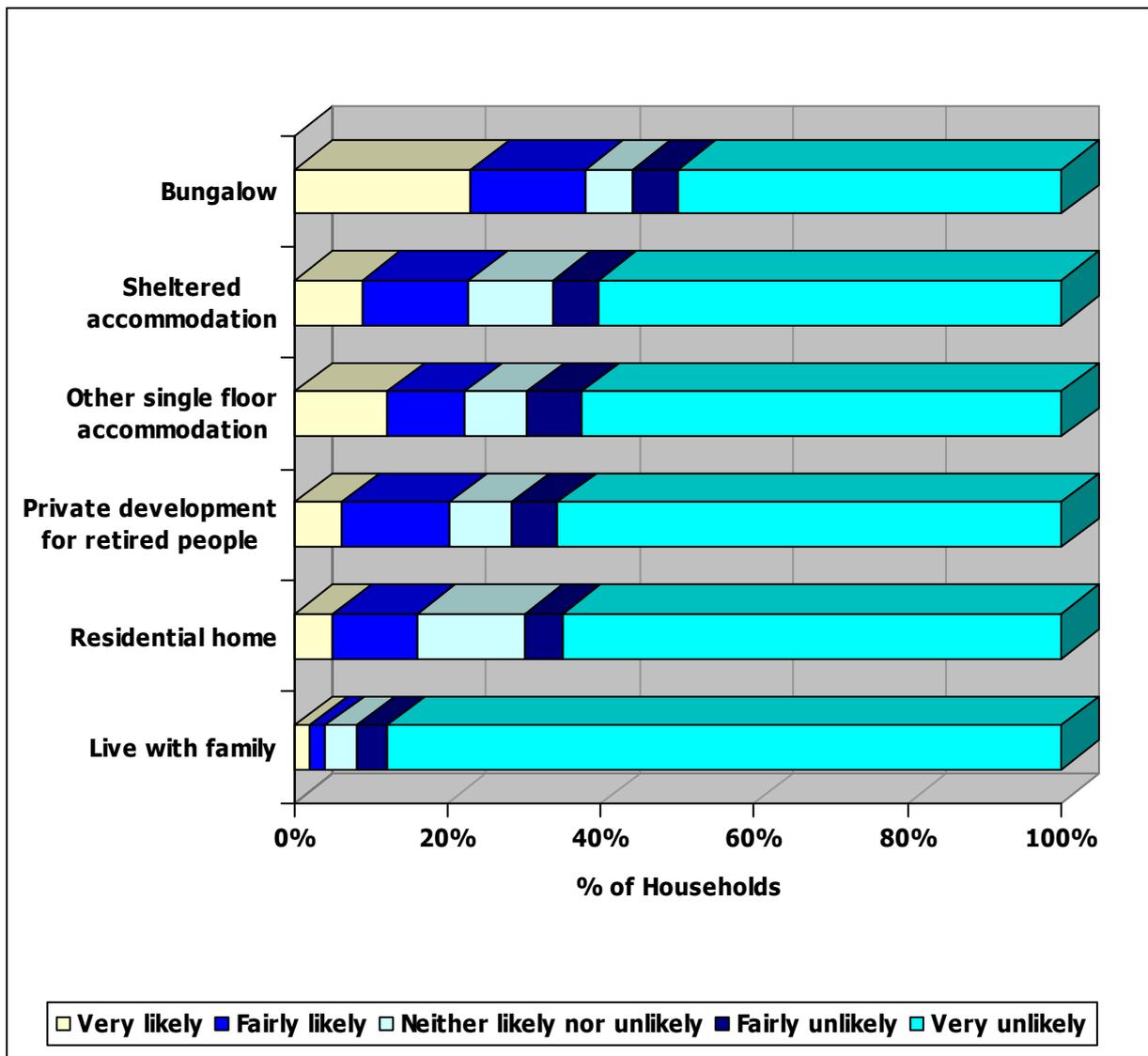


Figure 35: Likely to Consider Moving to. By all Household Respondents Aged 60 Years or Over
 Source: States of Guernsey Household Survey 2006

- 3.19 Figure 36 shows those respondents aged 60 years or over who would consider moving to different types of accommodation by their current tenure. This shows that over 50% of respondents aged 60 years and above in social rented accommodation would consider moving to a bungalow in the future. However, social rented tenants are not likely to consider moving to a private development for retired people or a residential home.
- 3.20 Those in owner occupied and private rented accommodation are the ones most likely to consider a private development for retired people or a residential home, but they are also likely to consider a bungalow or other single floor accommodation.

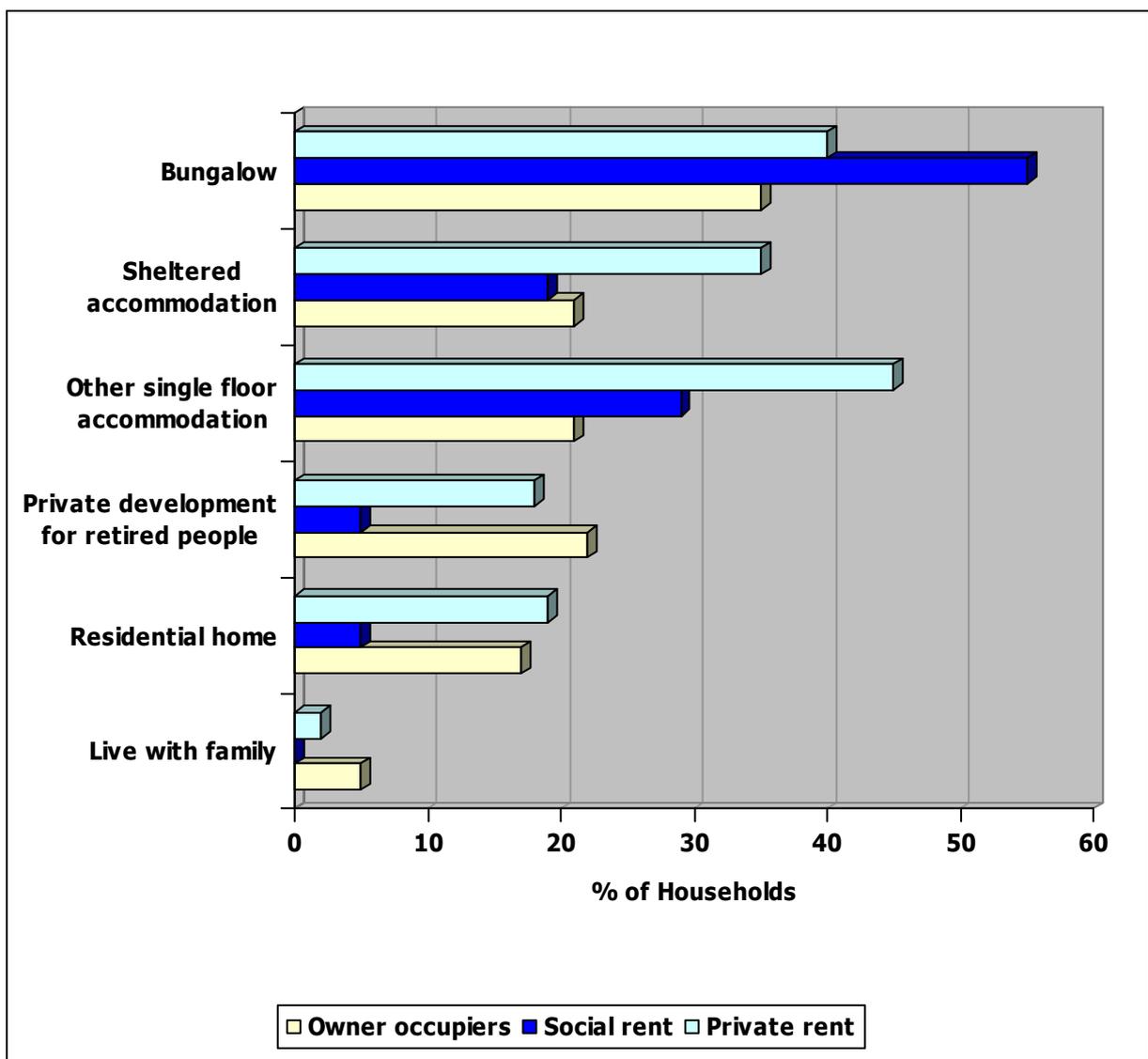


Figure 36: Likely to Consider Moving. By Tenure
 Source: States of Guernsey Household Survey 2006

3.21 Figure 37 shows that respondents aged between 55 and 64 years are the ones most likely to consider a bungalow or single floor accommodation. Those aged 75 years or more are the least likely to consider these types of accommodation. However, older respondents are the ones most likely to consider sheltered accommodation and residential homes.

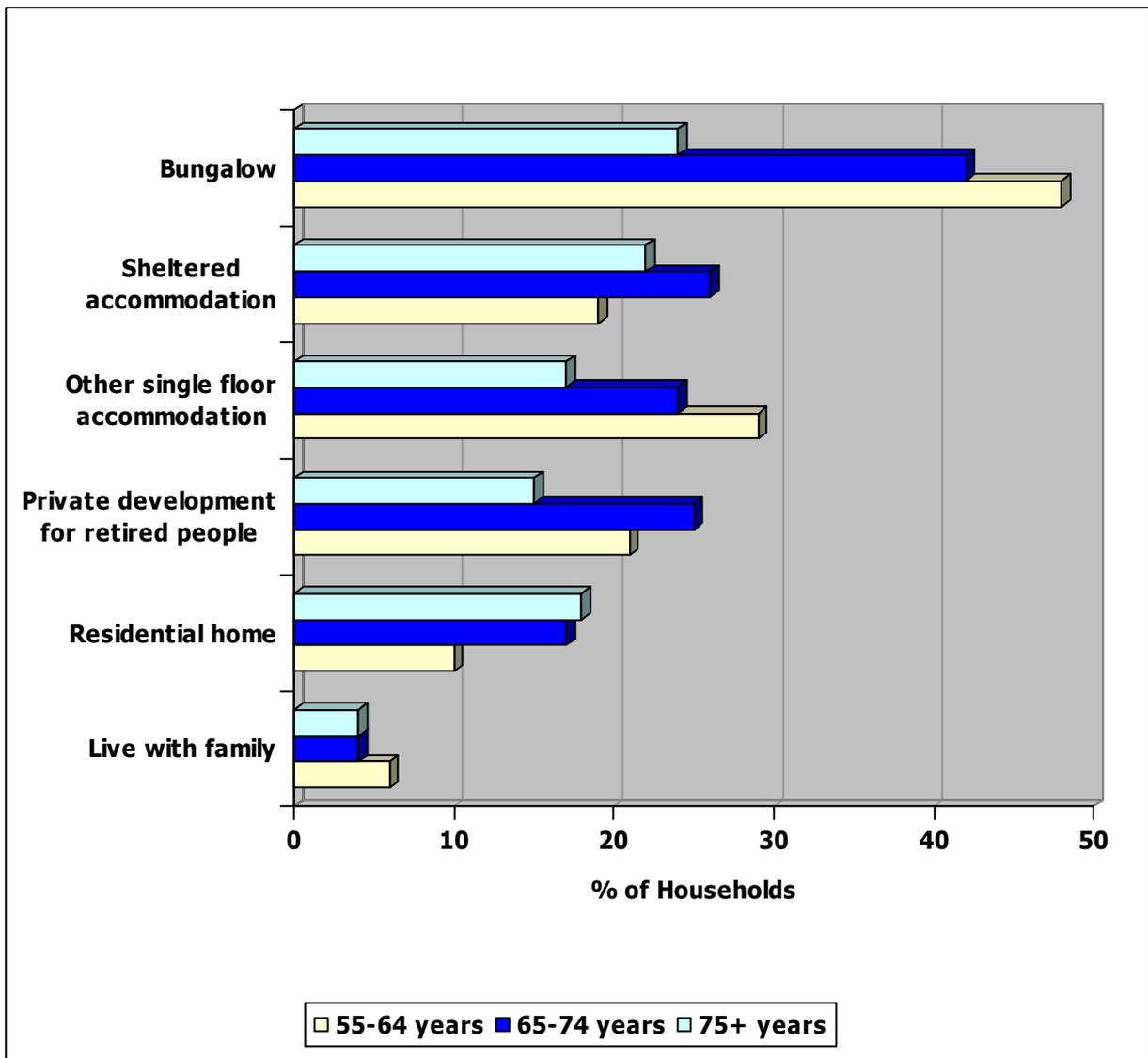


Figure 37: Likely to Consider Moving to. By Age of Respondent

Source: States of Guernsey Household Survey 2006

Employment and Economic Activity

3.22 Figure 38 shows the employment status of all people on Guernsey aged 16 years or older. This shows that 50% of all adults on Guernsey are employed full-time. Another 8% are self-employed and 12% are employed part-time.

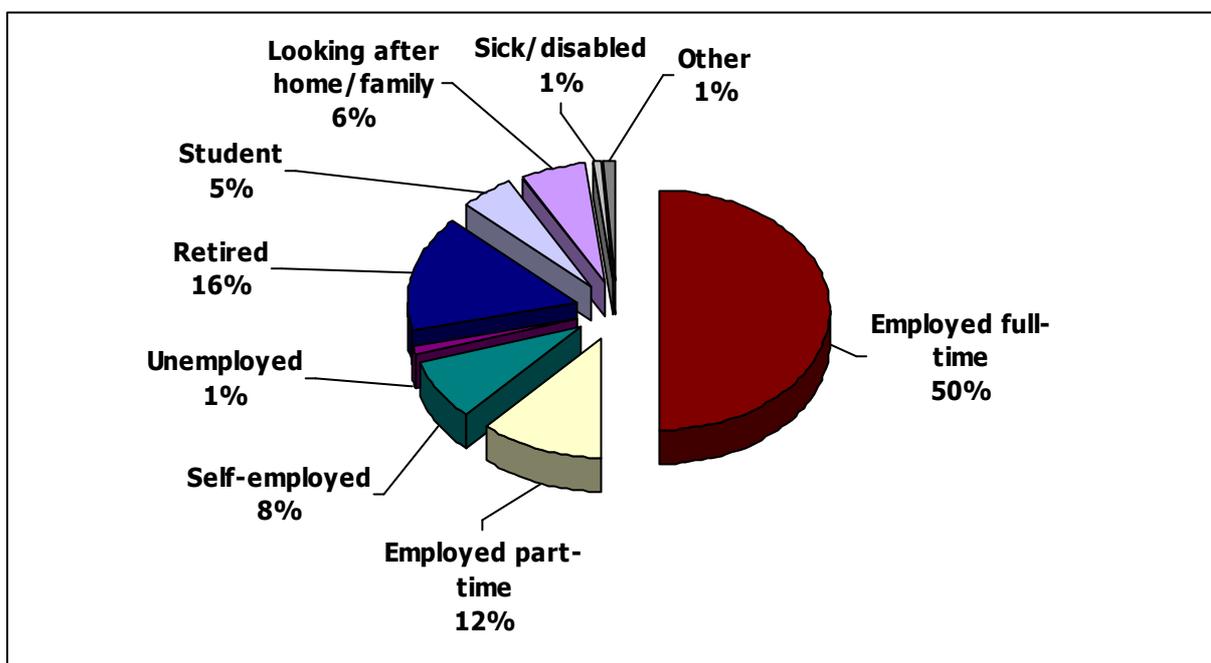


Figure 38: Economic Status for Those Aged 16-74 Years

Source: States of Guernsey Household Survey 2006

3.23 As is shown in Figure 39 the results of the 2006 Household Survey show a significantly different pattern of employment than the 2001 Census. Far fewer people in the 2006 Household Survey identified themselves as being employed full-time than in the 2001 Census and many more identified themselves as being employed part-time.

3.24 Much of this difference is likely to be due to the definition used to define part-time employment. The 2006 Household Survey was a self-defined category rather than the 20 hours or less per week used in the 2001 Census. It is likely that many people who work between 20 and 30 hours per week identified themselves as being employed part-time – therefore the results would appear broadly consistent.

Household Type	2001 Census	2006 Household Survey
Employed full-time	26,038	22,228
Employed part-time	2,101	5,336
Self-employed (employing others)	1,979	3,501
Self-employed (not employing others)	2,175	
Total Employed	32,293	31,066

Figure 39: Economic Status for Guernsey in 2001 and 2006

Source: States of Guernsey Household Survey 2006 and 2001 Census of Population

3.25 Figure 40 shows the number of unemployment claimants in Guernsey for each year since 1997. This shows that unemployment has typically been low on the Island with less than 100 people claiming unemployment benefit in many years.

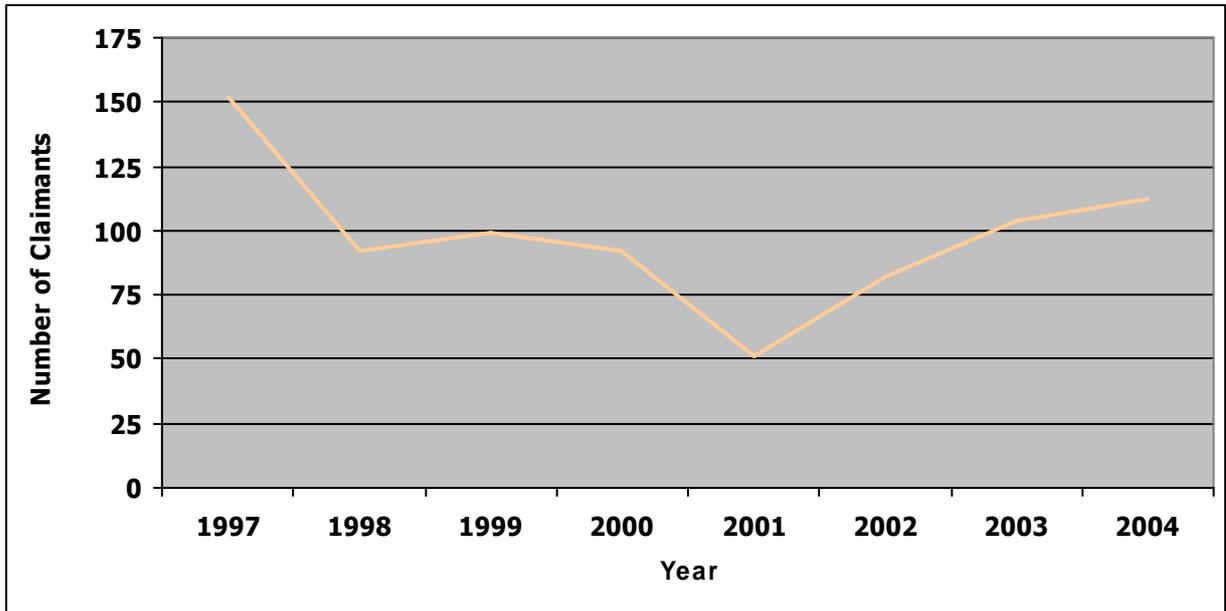


Figure 40: Numbers of Unemployment Claimants for Guernsey: 1997-2004

Source: 2005 Guernsey Facts and Figures

Note: Data is from April

Industry

3.26 Figure 41 shows the industry of employment of residents of Guernsey. This shows that the financial and legal sector is very important to the economy of the Island.

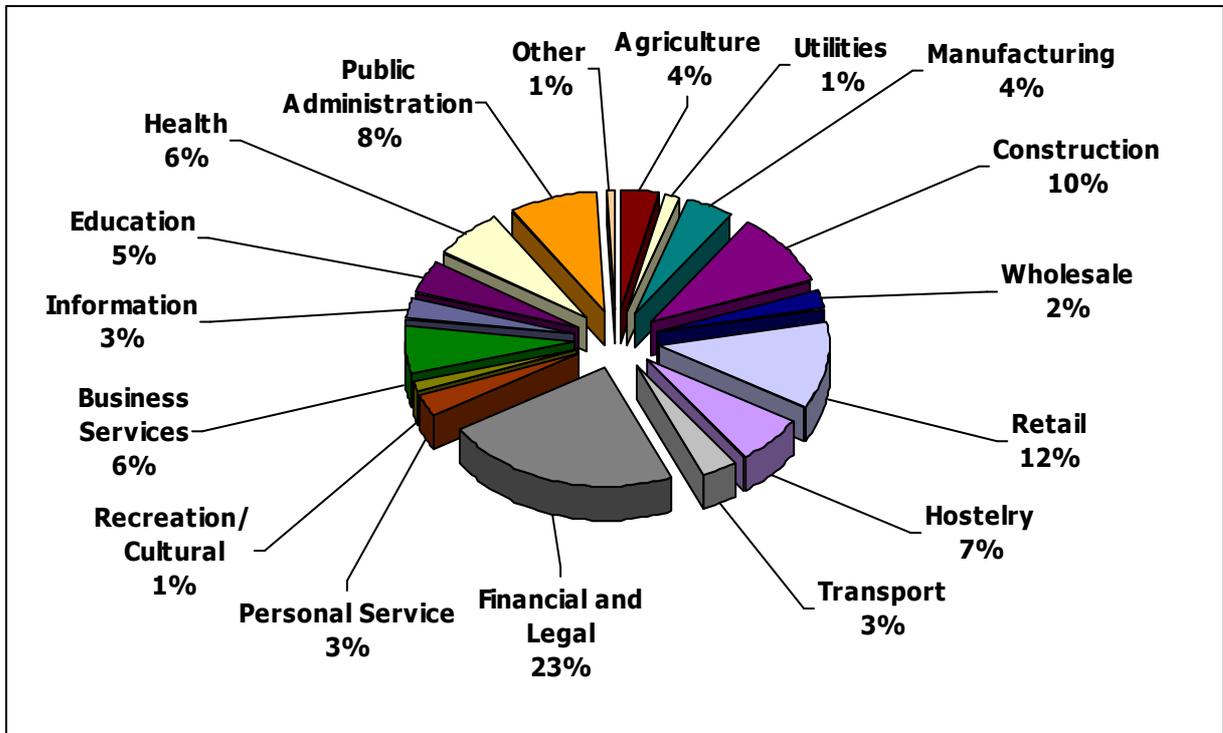


Figure 41: Industry of Employment for Guernsey Residents

Source: 2005 Guernsey Facts and Figures

3.27 Figure 42 shows the 14% of employees on Guernsey work in the delivery of essential services. 6% of all employees work in the health care sector (2% nurses and 4% other health workers) and 4% work as teachers. It should be noted that these employees would include those who work in private schools and hospitals.

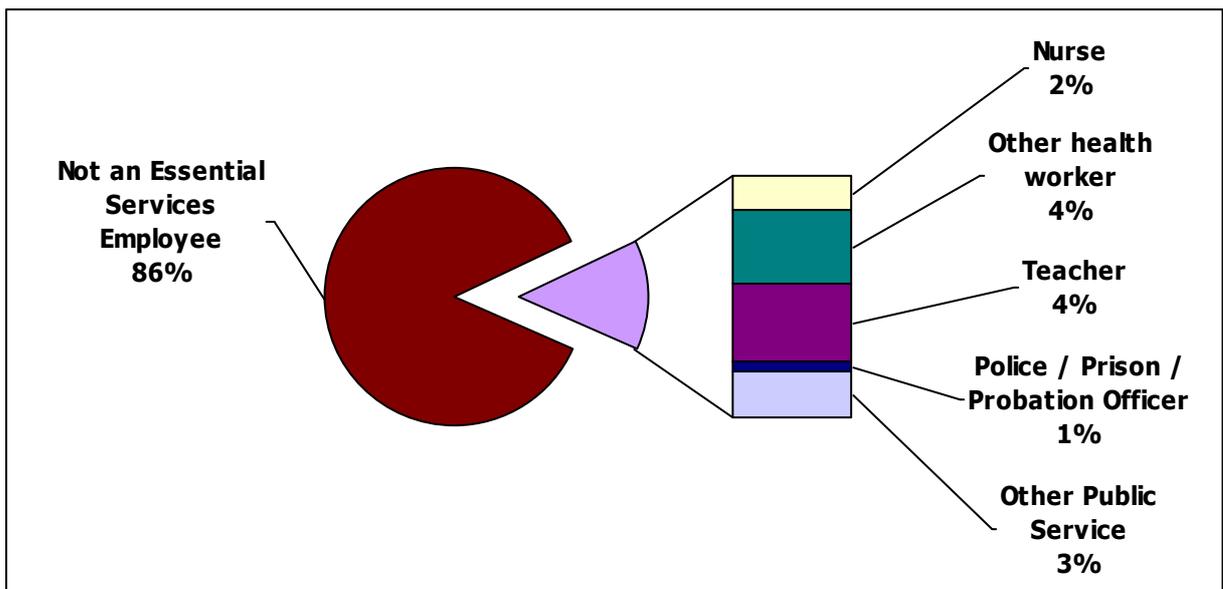


Figure 42: Person Employed in the Delivery of Essential Services in Guernsey

Source: States of Guernsey Household Survey 2006

Incomes and Earnings

3.28 Figure 43 shows the annual household income reported within the household survey. This shows that 29% of households had an household income of less than £20,000 per annum. However, 37% had an annual income of more than £50,000.

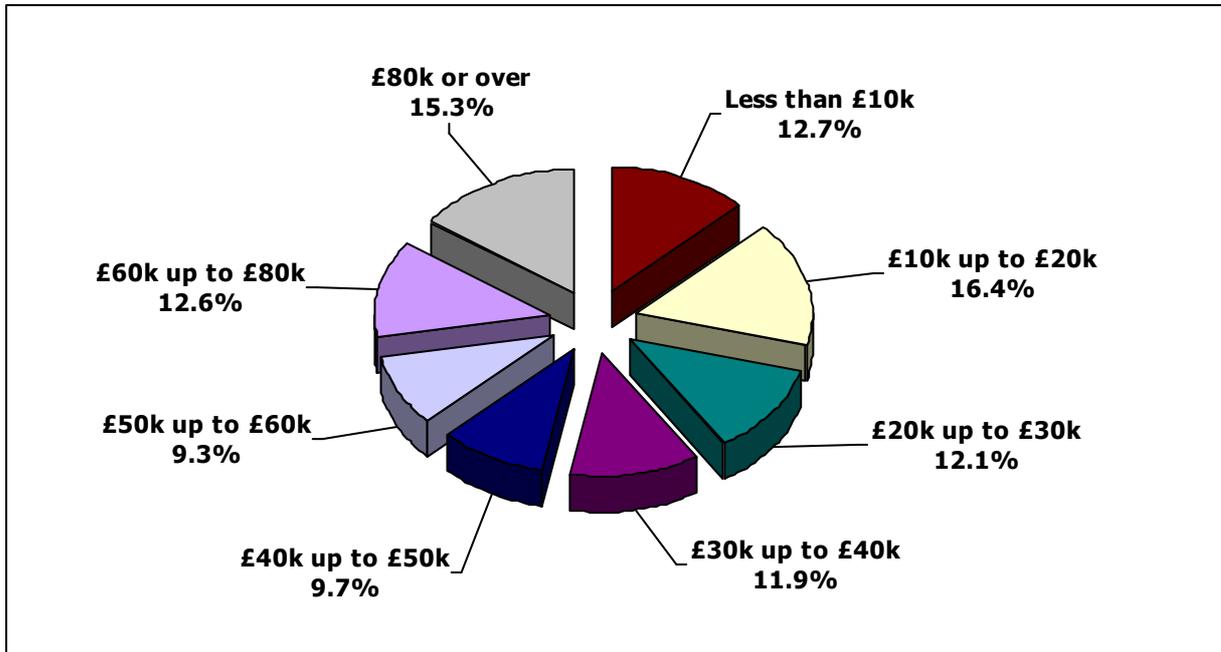


Figure 43: Household Income

Source: States of Guernsey Household Survey 2006

3.29 Figure 44 shows how gross household income was distributed by tenure and age of respondent. This shows that around 75% of those in the social rented sector have any gross annual income of less than £30,000, with 60% earning no more than £20,000. 57% of those buying their home with the help of a mortgage had an income of over £50,000 per annum.

3.30 Around half of all households with a respondent aged 35-44 years had an income of at least £50,000 per annum. 55% of respondents aged 65-74 and 69% of those aged 75+ had household incomes of less than £20,000 per annum.

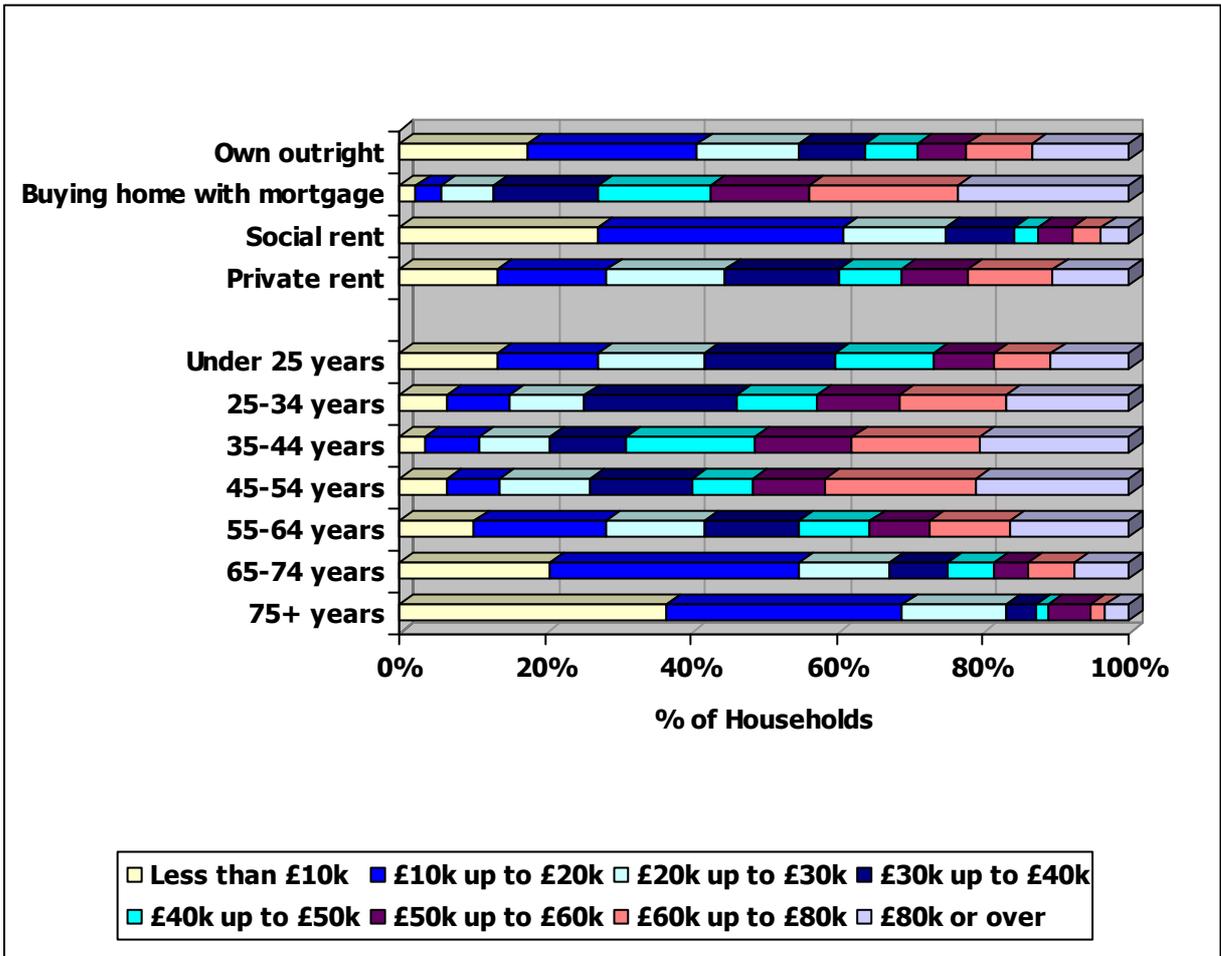


Figure 44: Household Income by Tenure and Age of Respondent

Source: States of Guernsey Household Survey 2006

3.31 23% of households reported that they had no savings. However, nearly 50% of households had savings of more than £10,000.

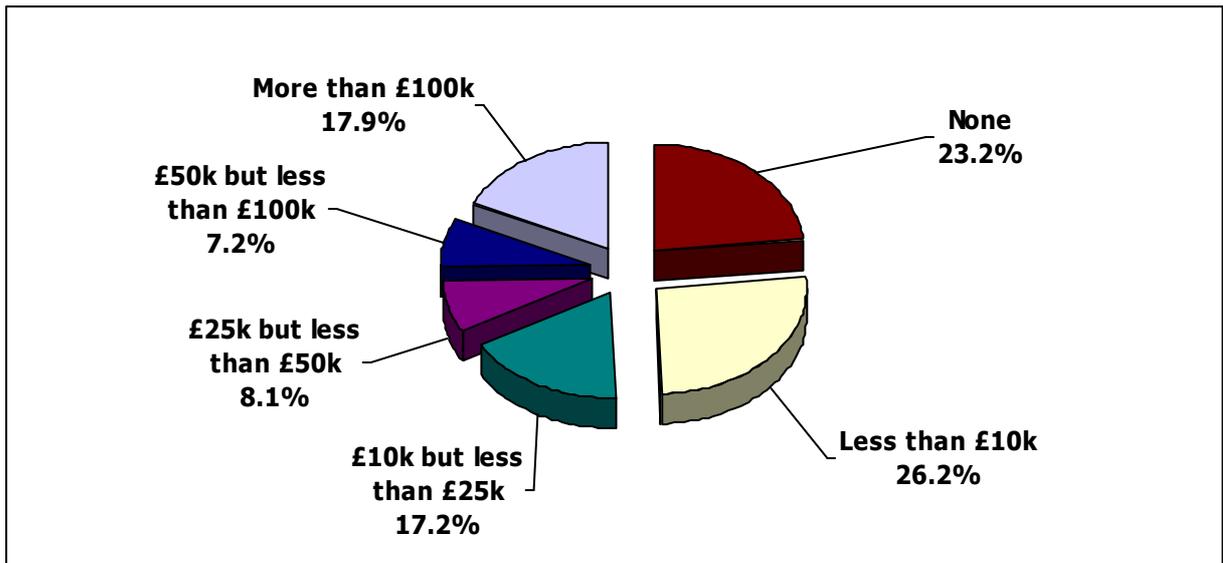


Figure 45: Household Savings

Source: States of Guernsey Household Survey 2006

- 3.32 Figure 46 shows how household savings vary by tenure and age of respondent. This shows that nearly 40% of those who own their home outright had savings of more than £100,000. However, almost everyone in the social rented sector had savings of less than £10,000 with 60% having no savings at all.
- 3.33 Nearly 60% of those respondents aged under 25 years had no savings, but over 30% of those aged 55-74 years had savings of over £100,000.

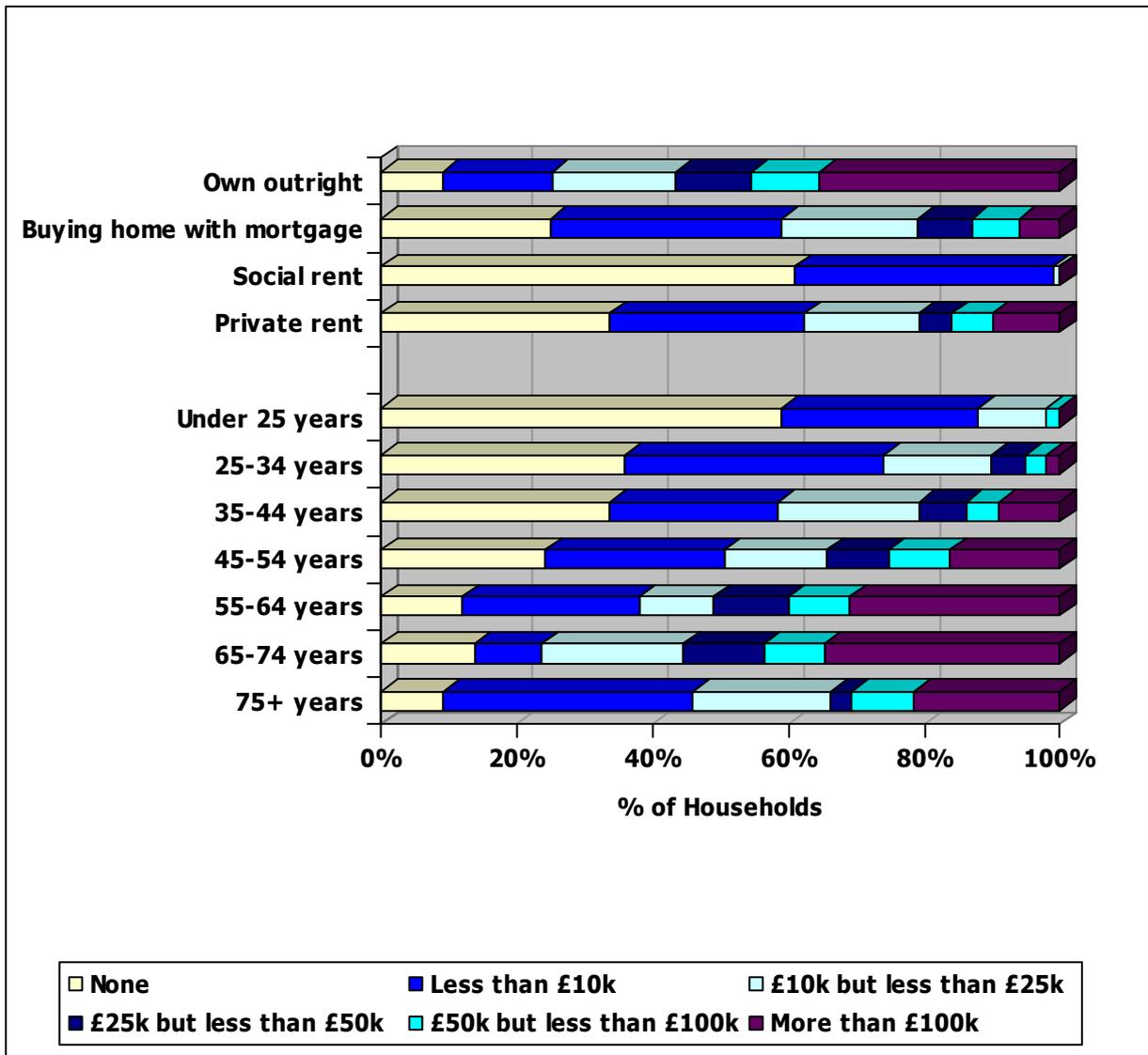


Figure 46: Household Savings by Tenure and Age of Respondent
 Source: States of Guernsey Household Survey 2006

3.34 80% of households reported that they had no debts. However, 11% of households had debts of more than £5,000 (Figure 47).

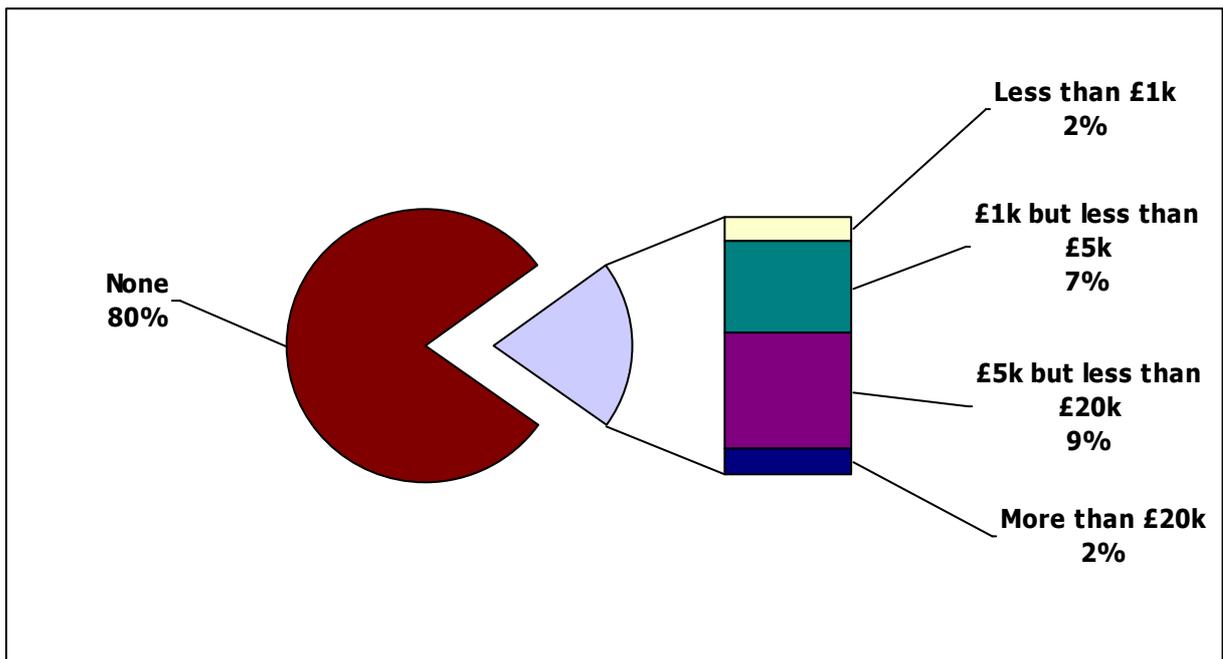


Figure 47: Household Debts

Source: States of Guernsey Household Survey 2006

- 3.35 Figure 48 compares household debt by tenure and age of respondent. This shows that almost none of those households who own their home outright have any debts. However, nearly 20% of those in the social and private rented sectors have debts of over £5,000.
- 3.36 Figure 48 also shows that debt is much higher among households with younger respondents. Around 30% of households with a respondent aged under 25 years have debts of over £5,000.

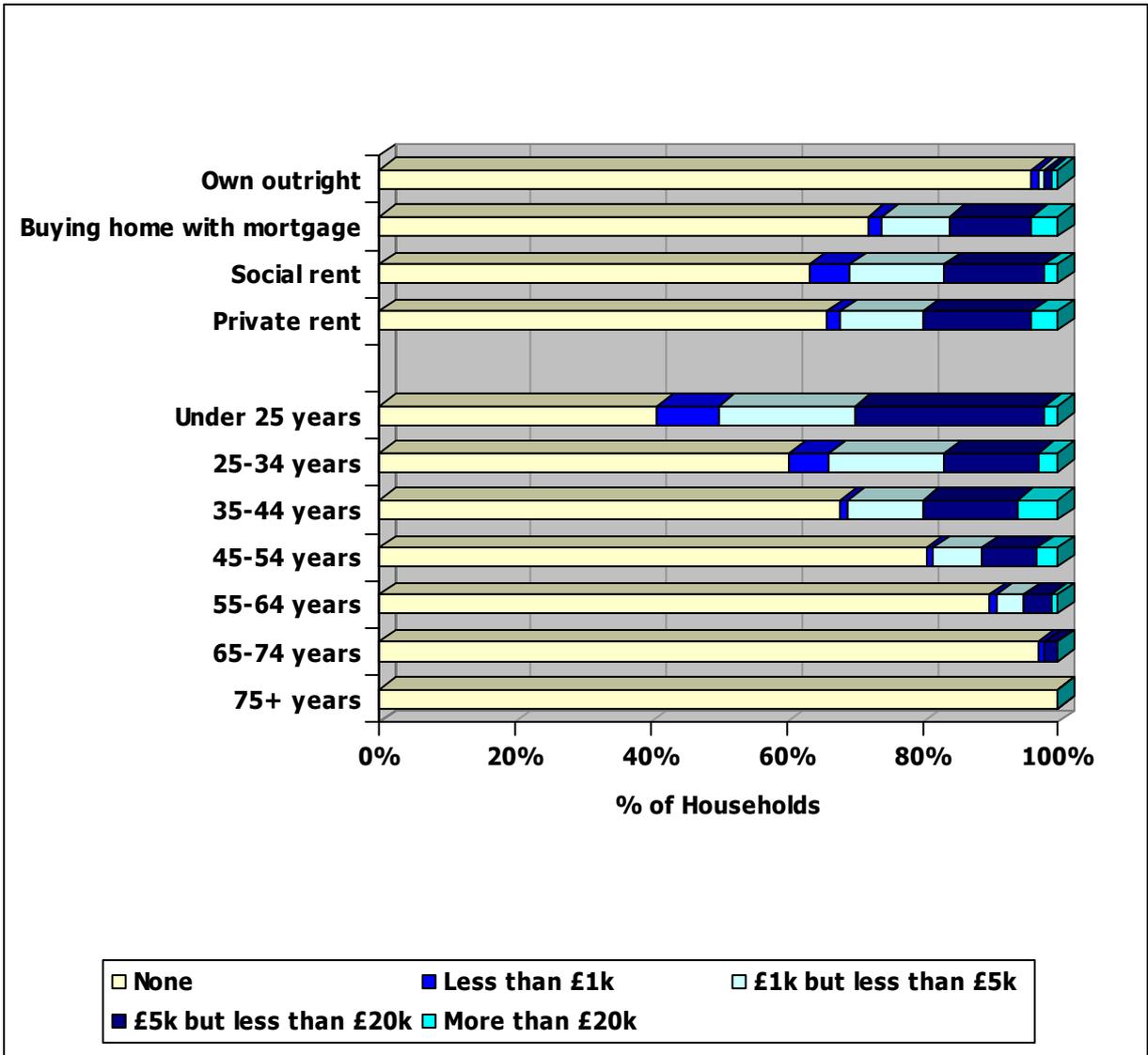


Figure 48: Household Debt by Tenure and Age of Respondent
 Source: States of Guernsey Household Survey 2006

3.37 Figure 49 shows how household debt varies by income. This shows that debt is relatively low among those households with a gross annual income of less than £20,000. However, around 20% of households with incomes of at least £30,000 per annum have debts of over £5,000 with those with very high debts being likely to also have very high incomes.

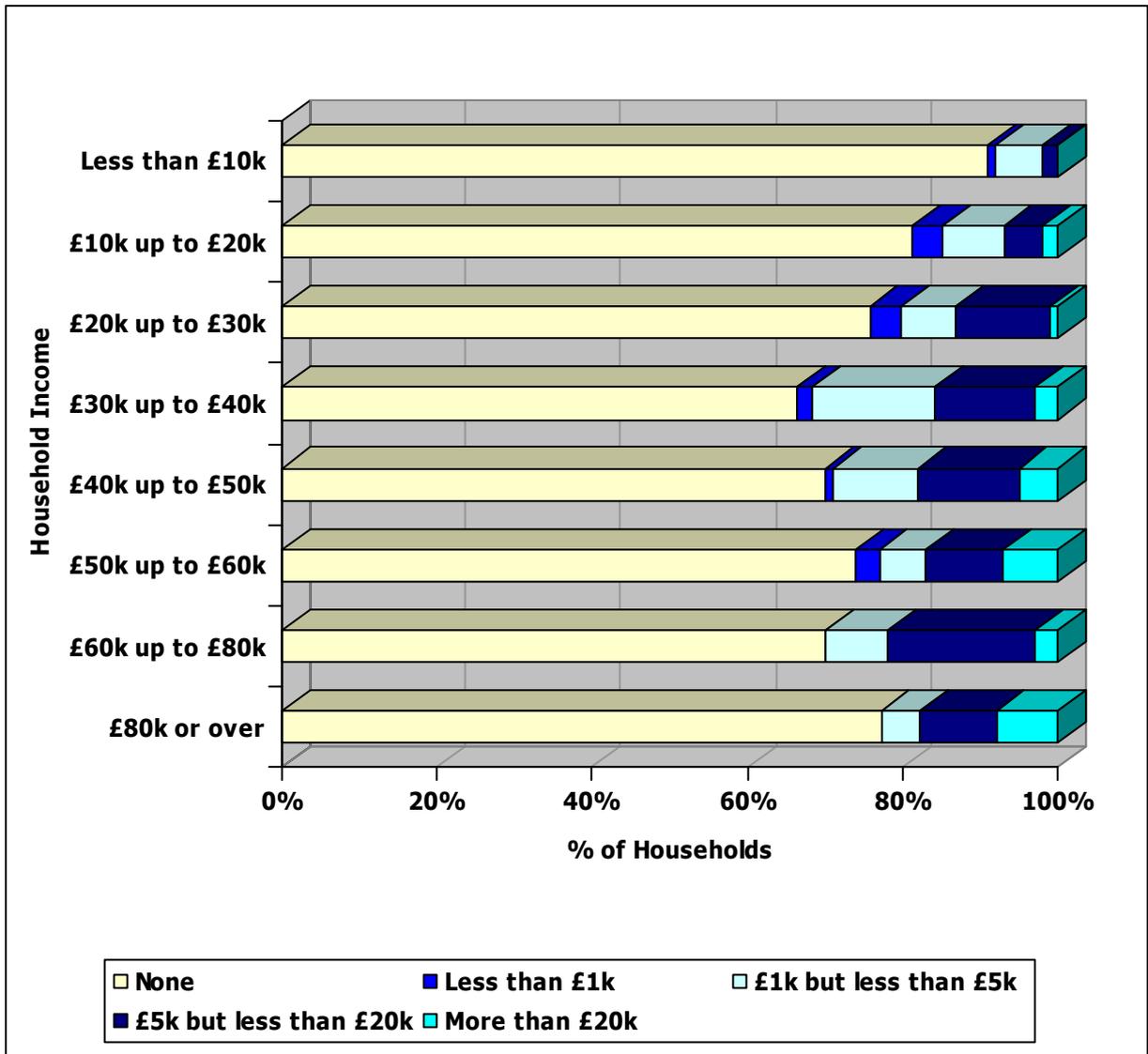


Figure 49: Household Debt by Household Income
 Source: States of Guernsey Household Survey 2006

- 3.38 Households were also asked about how affordable their housing costs were. A majority felt that their housing costs were either well within or about right. 5% felt that their housing costs were putting a strain on their budget and 2% felt that their housing costs were extremely difficult to manage.
- 3.39 Respondents were also asked if they had any difficulties with their housing costs in the last year. Across all households, 0.7% of households were currently in arrears on their mortgage or rent and another 0.4% had had difficulties in last year.

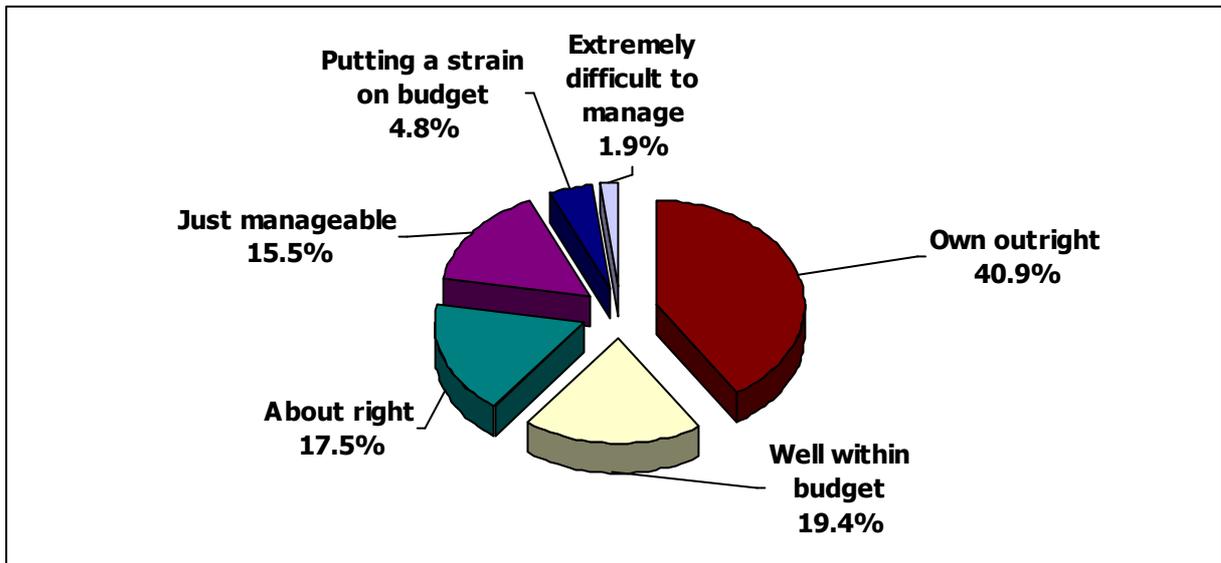


Figure 50: Affordability of Home for Guernsey Residents

Source: States of Guernsey Household Survey 2006

- 3.40 Figure 51 overleaf shows the proportion of households whose housing costs were causing a strain, or were extremely difficult to manage by tenure, age of respondent and household income. It should be noted that anyone who owns their home outright is excluded, so the results only refer to those who contribute to their housing costs.
- 3.41 Figure 51 shows that it was social tenants and those on the lowest incomes who were most likely to be having difficulties with their housing costs. Those buying their home with a mortgage and with the highest incomes were the least likely to be facing difficulties.

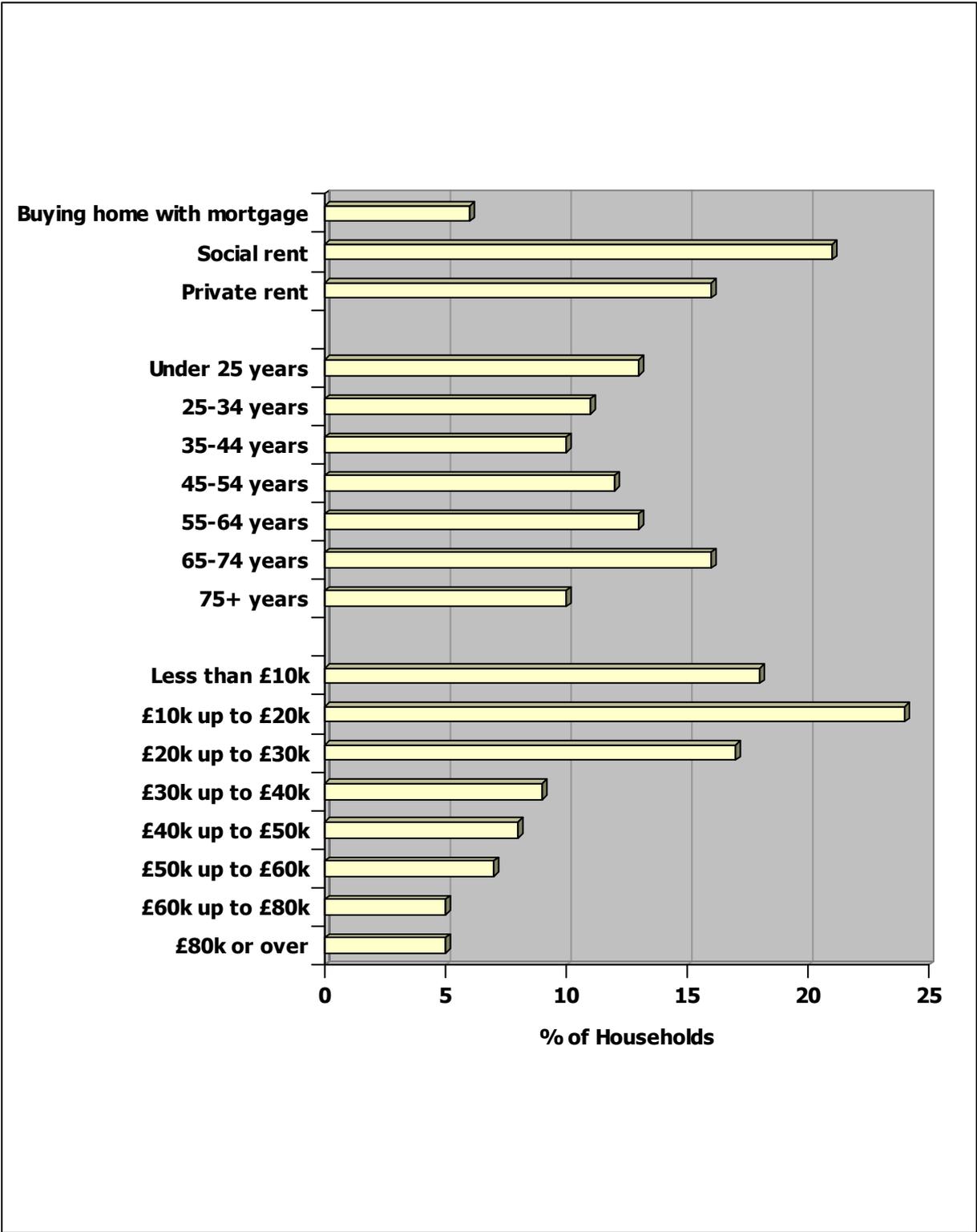


Figure 51: Housing Costs Causing a Strain or Difficulties by Tenure, Age of Respondent and Household Income

Source: States of Guernsey Household Survey 2006



Summary of Key Points

- The population of Guernsey has grown 16% since 1971 but the number of households has risen by 38% which indicates that the size of the average household has decreased from around 3 to just over 2.5 persons;
- 21% of the population of Guernsey is aged 60 years or over;
- Between 1996 and 2001 net migration, after taking into account the natural increases associated with births (minus deaths) amounted to 647 persons. When both birth and death rates are taken into account the Island's population increased by 1,126 or 1.9%;
- Whilst only 4% of households on Guernsey are single parents the survey indicated that this group represented over 1 in 7 of all parents with dependent children;
- 21% of households on Guernsey contain a member with a health problem. 10% of all Islanders suffer from a health problem.
- Around 1%, or around 240 households do not have their housing needs met due to health problems;
- 50% of all adults on Guernsey are employed full-time;
- 37% of households had a gross annual household income of over £50,000. Around 75% of those in the social rented sector have any gross annual income of less than £30,000, with 60% earning no more than £20,000. 57% of those buying their home with the help of a mortgage had an income of over £50,000 per annum;
- 50% of households had savings of more than £10,000. Nearly 40% of those who own their home outright had savings of more than £100,000. However, almost everyone in the social rented sector had savings of less than £10,000 with 60% having no savings at all;
- 80% of households had no debts;
- 8% of households felt that their housing costs were putting a strain on their budget and 3% felt their housing costs were extremely difficult to manage – though when considered by tenure, only 6% of those buying their own home had difficulties with housing costs compared with 16% of those renting privately and 21% in the social rented sector.

4. The Active Housing Market

Assessing Affordability

- 4.1 Household affordability critically underpins the housing requirement analysis – determining both the ability to afford market housing (and be an effective housing demand) and the inability to afford market housing (and be a real housing need). Affordability is a complex issue and can be assessed in a number of different ways, but each method depends on common factors that are crucial to the analysis. The affordability of any particular household will depend on the relationship between:
- The cost of appropriate local housing, and
 - The amount that the household is able to afford.
- 4.2 Having established the cost of local housing (both for purchase and rent), it is also important to consider the amount that households are able to afford. Whilst locally the Housing Department has for many years considered that it is appropriate for households to spend up to 25% of their net income on rent (or mortgage payments), it is recognised both locally and in the UK (where the percentage is 5% higher) that whilst these percentages might be applicable and reasonable in relation to the relatively low rents in the social sector, the implications become somewhat unrealistic in considering the payments for more expensive accommodation in the private sector.
- 4.3 Again both locally and in the UK it is recognised that households may be expected to contribute as much as 50% of net income towards their total housing costs – noting that it is not the proportion of income that is the over-riding factor, but that the most important consideration is the amount of residual income available after the identified costs have been paid.
- 4.4 The affordability tests used for the study seek to ensure that households are not committed beyond their means, but do not allocate affordable housing to households who are realistically able to afford housing in the private sector.

Owner Occupied Housing Market

- 4.5 Figure 52 shows that the average property prices of local market properties in Guernsey for each quarter in from the beginning of 1999 until the second quarter of 2006. During this seven year time period the average property price on Guernsey rose by over 100% from £160,000 to over £320,000.

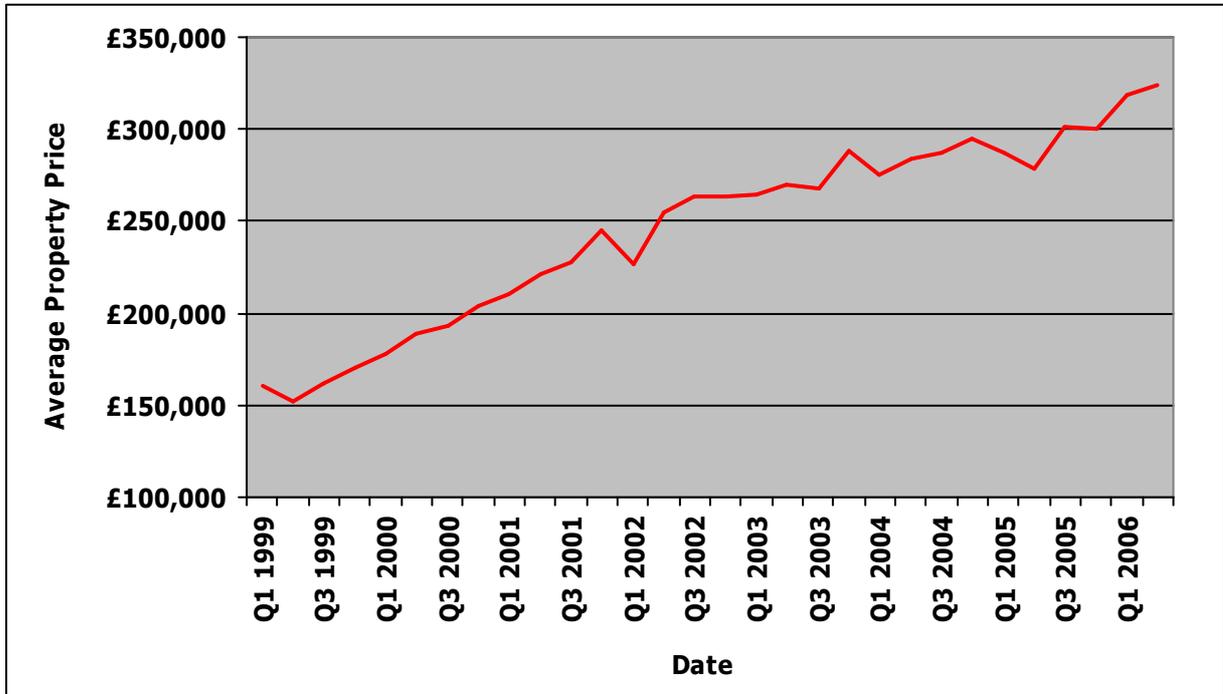


Figure 52: Average Price of Local Market Properties Sold in Guernsey: Q1 1999 to Q2 2006

Source: Guernsey Policy and Research Unit

- 4.6 The price of open market properties on Guernsey shows more variability due to their forming a small part of the total stock and therefore experiencing very few sales. Figure 53 overleaf shows that average prices on the open market on Guernsey have risen from around £500,000 to around £750,000 since 2000.

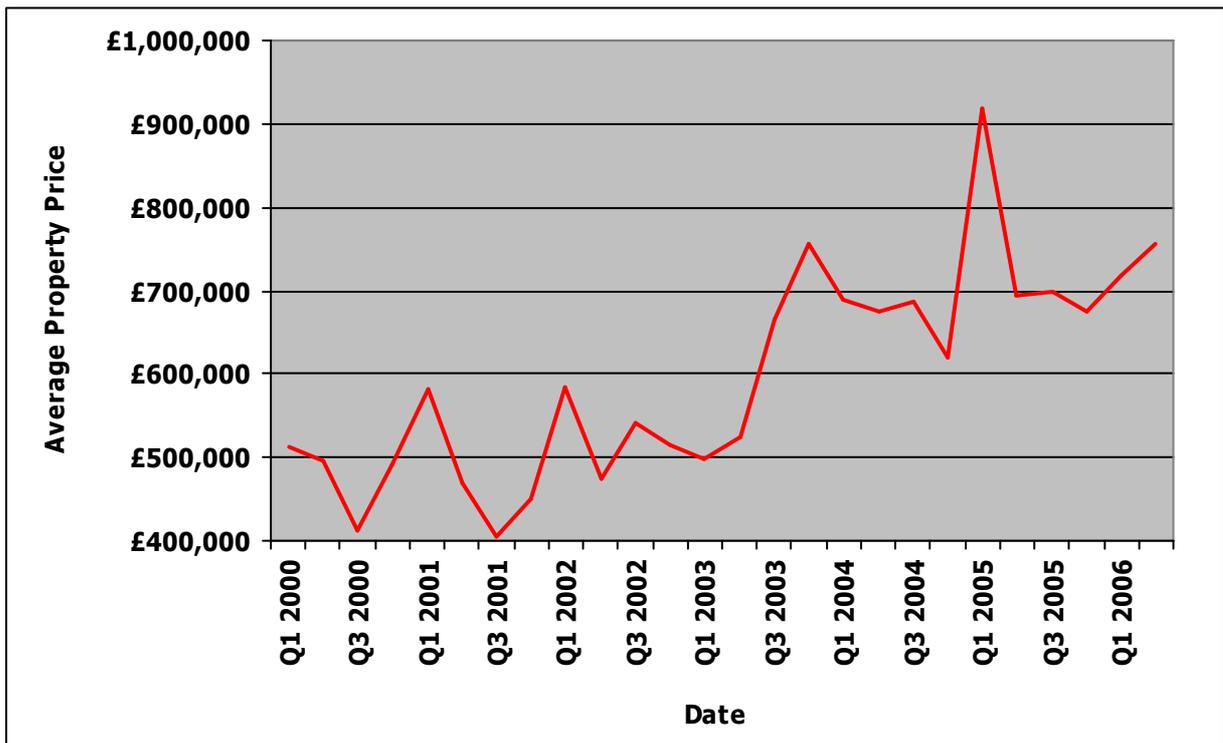


Figure 53: Average Price of Open Market Properties Sold in Guernsey: Q1 1999 to Q2 2006

Source: Guernsey Policy and Research Unit

- 4.7 The average property prices for an area suggest only a limited amount information about the conditions in a local housing market. The overall picture of the housing market is much more dependent upon the spread of property prices which are to be found in it, and how these relate to incomes in the area.
- 4.8 Figure 54 shows how relative property prices on Guernsey compare with average incomes earned on the Island. In the mid 1990s the price of an average property on Guernsey was less than 6 times the average earnings of someone working on the Island. By 2005 this had risen to over 10 times average earnings.
- 4.9 Whilst such a comparison is relatively simplistic (for there will often be more than one earner in each household, and the household's capacity to borrow is only one of the elements that determine affordability), the relationship between local purchase prices and local incomes is clearly important. Furthermore, the relationship is particularly relevant for single person households without existing equity – for they often are relying exclusively on their capacity to borrow (though even they may not earn the average income or need to purchase an average size and price home).
- 4.10 Figure 54 also contains an affordability index for housing on Guernsey. This considers a wide range of factors including earnings, house prices, interest rates and the strength of the economy on Guernsey. This shows that housing on Guernsey became very unaffordable in the late 1980s and early 1990s due to a combination of high house prices, high interest rates and a recession on the Island. However, the affordability of housing has remained relatively steady despite the rise in house prices in recent years due to interest rates being relatively low. However, housing has become less affordable since 2003 onwards.

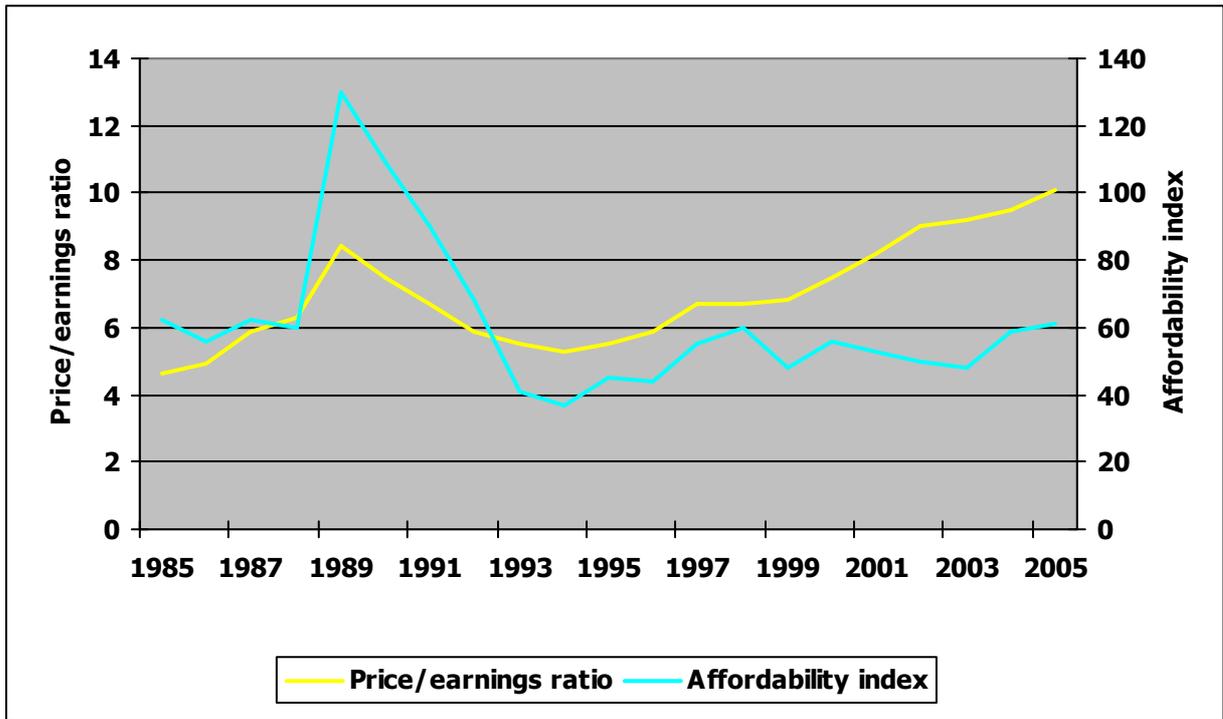


Figure 54: Guernsey Average Local Market House Price Relative to Average Gross Annual Earnings: 1985-2005
 Source: Guernsey Policy and Research Unit

4.11 Figure 55 shows how the lower quartile and median property prices have changed on Guernsey since 1999. The lower quartile price is important because this level there is typically a shortage of properties available for sale. Therefore the entry level of purchasing a property on the local market on Guernsey is likely to be at around £225,000.

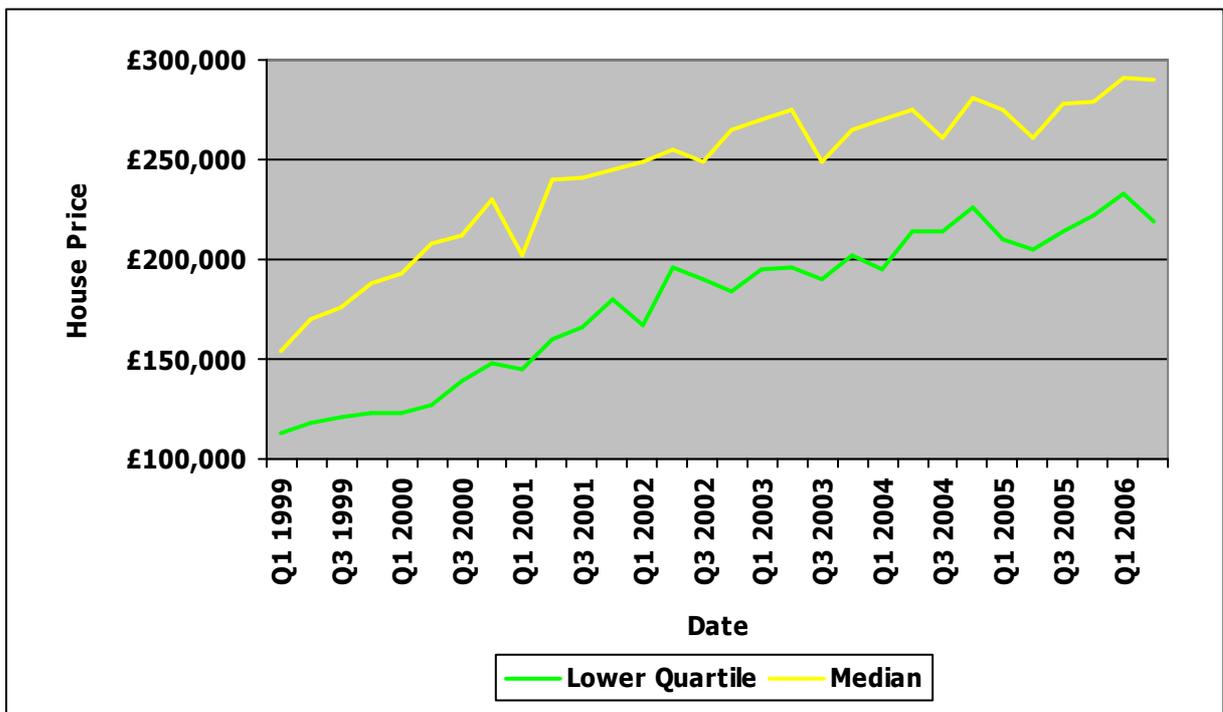


Figure 55: Median and Lower Quartile of House Prices in Guernsey: Q1 1999-Q2 2006
 Source: Guernsey Policy and Research Unit

4.12 Beyond looking at the obvious measure of a housing market – i.e. the prices at which properties are sold – it is also worth exploring the volume of sales, for this can tell us more about the dynamics of the housing market.

4.13 Figure 56 and Figure 57 show the volume of annual property sales on the local and open market since 2001. It is apparent that the number of completions on the local market rose to over 1,000 sales in 2002, before falling back to close to 900 in 2003. The number of sales on the local market has remained steady at around 950 since 2004.

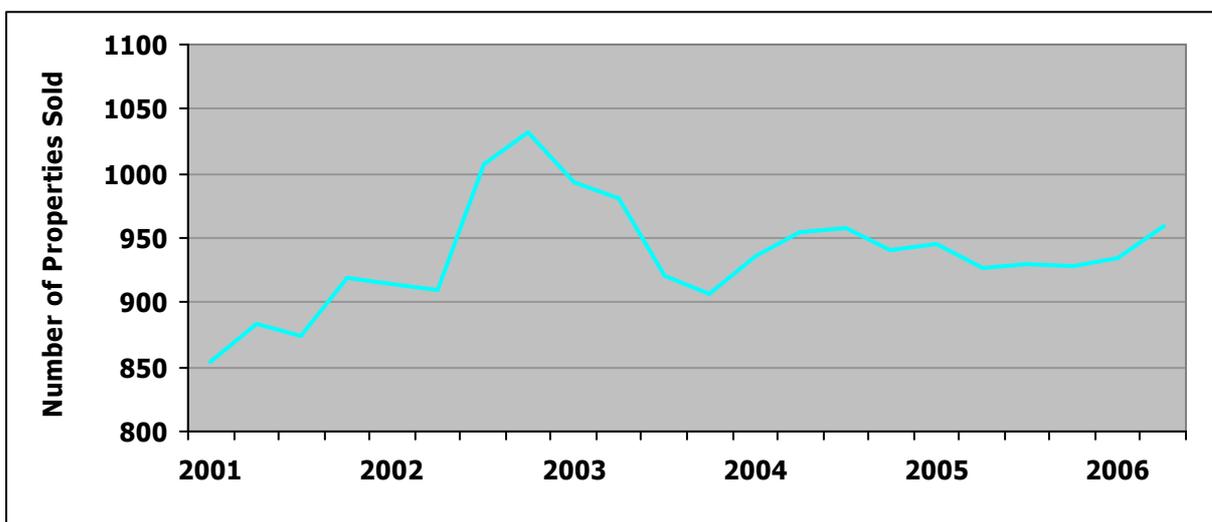


Figure 56: Volume of Properties Sold Annually on Local Market in Guernsey: Q1 2001 to Q2 2006

Source: Guernsey Policy and Research Unit

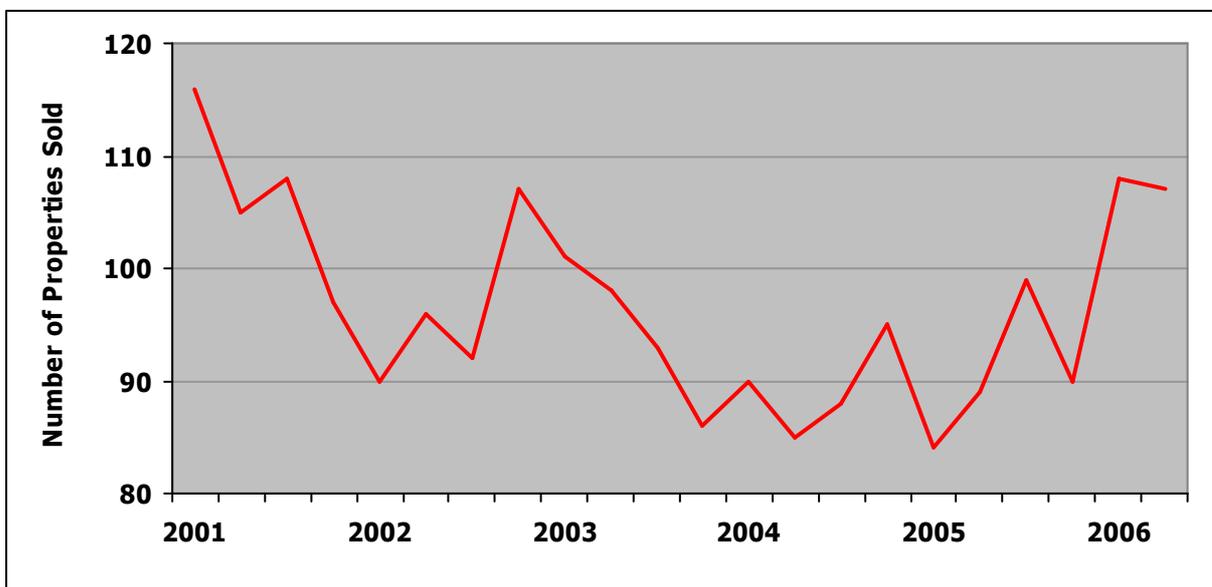


Figure 57: Volume of Properties Sold Annually on Open Market in Guernsey: Q1 2001 to Q2 2006

Source: Guernsey Policy and Research Unit

4.14 As property prices rise and potentially become less affordable it would be expected that the demand for subsidised housing would also rise. Figure 58 shows that the number of people on the waiting list for subsidised housing on Guernsey nearly doubled between 1997 and 2001. However, the number of people on the waiting list has been falling since 2001.

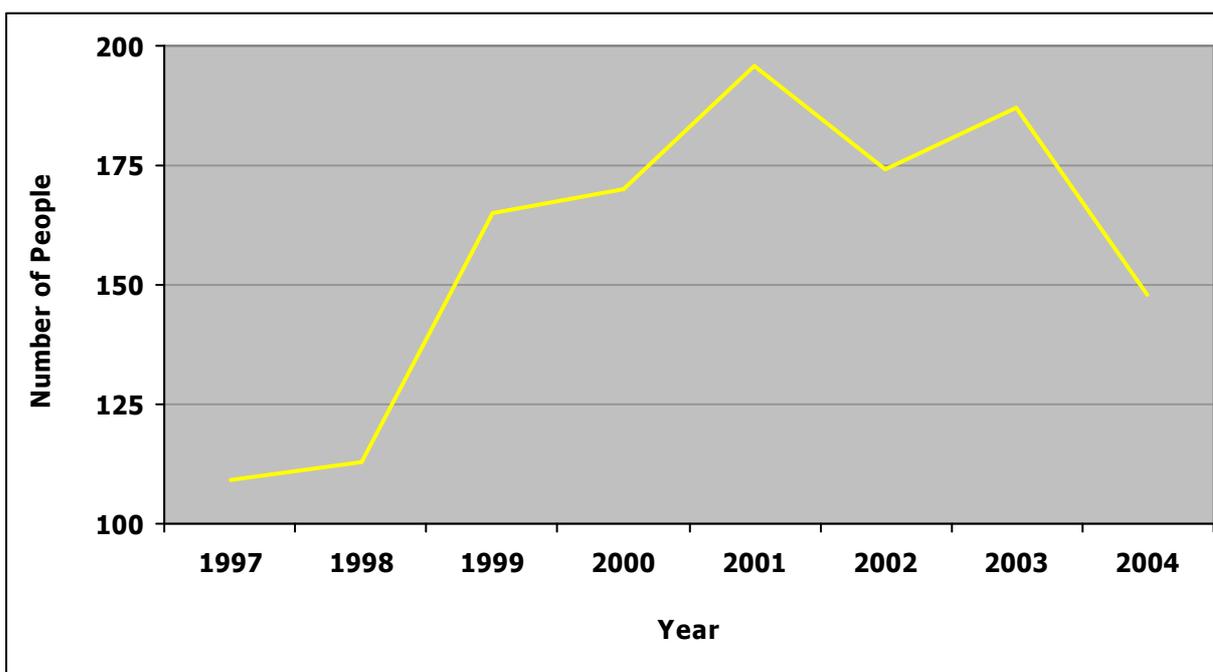


Figure 58: Waiting List for Subsidised Housing for Guernsey: 1997-2004

Source: Sustainable Guernsey 2005

- 4.15 In measuring housing need (and effective housing demand) it is necessary to determine reasonable access thresholds for home purchase. The above information is drawn from the Cadastre records, which is the only fully comprehensive source of reliable information about property sales on Guernsey. Nevertheless, no information is available on the size of properties from this source.
- 4.16 To complement the information available about property sale prices, information from local estate agents about properties currently advertised on the market was collated for the study, not only detailing information on the asking price, but also recording data on the size, type and location of the property and whether or not significant renovation works are required.
- 4.17 Using the information collated from local estate agents, the average and lowest quartile purchase prices for properties of different sizes have also been calculated and are detailed in Figure 59 below.

Property Size	Average Price	Lowest Quartile Price
ASKING PRICE		
1 bedroom	£187,100	£162,300
2 bedrooms	£272,600	£239,800
3 bedrooms	£419,000	£340,000
4 bedrooms	£521,700	£436,300
5+ bedrooms	£862,500	£675,000

Figure 59: Lowest Quartile Prices for Owner Occupation by Property Size

Source: Survey of Local Estate Agents

Note: Figures exclude properties requiring significant renovation works

Assessing Affordability for Owner Occupation

- 4.18 In terms of the affordability assessment for owner occupiers, whilst private renters will be expected to meet recurring costs each week or month it is accepted that owner occupiers will normally rely upon a loan or mortgage from a bank or other lender. Therefore, in the context of owner occupation, it is important that the householder is not only able to afford the repayments of such a loan but that also such a loan is accessible to that household. For this reason, a mortgage multiplier is normally applied to determine the amount households are able to afford when considering home purchase.
- 4.19 The assessment of mortgage eligibility adopted for this analysis is based upon an "income multiplier" commonly used in the Island – with lending for single incomes based on a 5.5 x multiplier and for joint incomes based on a 5.0 x multiplier. It is, however, also important that the assessment of affordability for owner occupation considers other household resources, including:
- Savings;
 - Debts;
 - Equity (positive or negative) from current home (for current owners); as well as the
 - Amount that can be borrowed.
- 4.20 Perhaps the most important additional resource is any equity that a household may have in their existing home because, whilst the early years of a mortgage may not impact significantly on the amount of capital repaid, increases in house prices can bring significant additional resources.
- 4.21 In summary, the amount affordable for owner occupation is therefore: savings minus debts plus/minus positive/negative equity plus the borrowable amount.

Relative House Prices and Rents

- 4.22 Figure 60 details the average Standard Weekly Rent and the lowest quartile rent for properties provided by the Housing Department. Figure 60 contrasts social rents with weekly rents paid by private sector tenants in the local market, as obtained through the Household Survey 2006. The figures provided by the Housing Department are standard gross rents. Many tenants will pay a rebated rent which takes account of their level of income.

Property Size	Social Rent		Private Rent	
	Lowest Quartile	Average	Lowest Quartile	Average
Bedsit / 1 bedroom	91.88	100.82	115.38	155.68
2 bedrooms	117.02	135.07	138.73	207.62
3 bedrooms	142.56	153.78	198.31	252.84
4+ bedrooms	162.38	179.32	264.43	345.18

Figure 60: Weekly Rent by Property Size and Tenure

Source: Housing Department and States of Guernsey Household Survey 2006
 Note 1: Based only on households living in the local market

4.23 Average rents in the social rented sector tend to be approximately two-thirds of the cost of renting in the private sector.

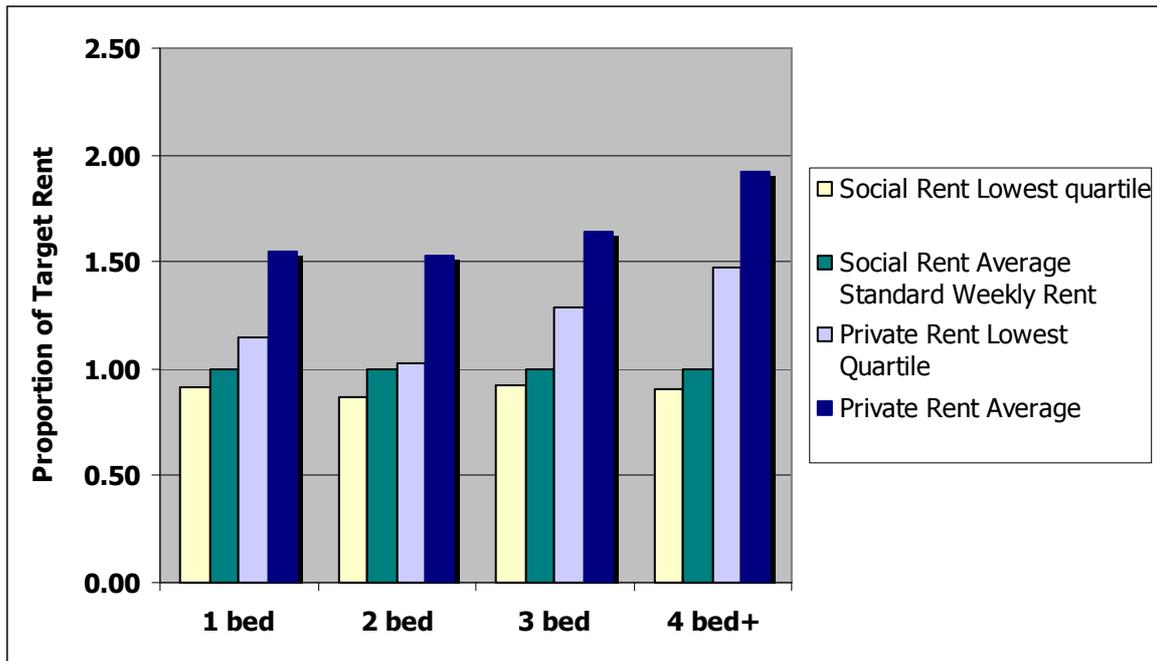


Figure 61: Private Sector Rents Relative to Average Social Rent by Property Size

4.24 The largest differential is for 4-bed properties, where average private rents are almost twice as much as the average Standard Weekly Rent in the social rented sector.

Assessing Affordability for Weekly Rent

4.25 Unlike with owner occupation, the rental market does not require a single capital payment to be made upfront that has to be funded from a source such as a mortgage. Instead, it is based exclusively on a recurring payment taken from the individual household budget. The assessment for rent has been based upon that utilised by the Housing Department, with 25% of gross household income assumed to be available for rent.

4.26 In practice, the use of gross income (as oppose to the net income) reduces the assumed payments for lower income households – because they are typically liable for less deductions (such as income tax and Social Insurance Contributions) from their income.

Housing Market Trends

4.27 Whilst, almost half almost half of all established households (49.6%) have lived in their current home for 10 years or more, it is also worth noting the dynamism of the Guernsey housing market. Over one in every ten households (2,537 households) have moved within the last 12 months, a further 8.7% moved within the last 2 years, and a total of 33.0% having moved within the last 5 years.

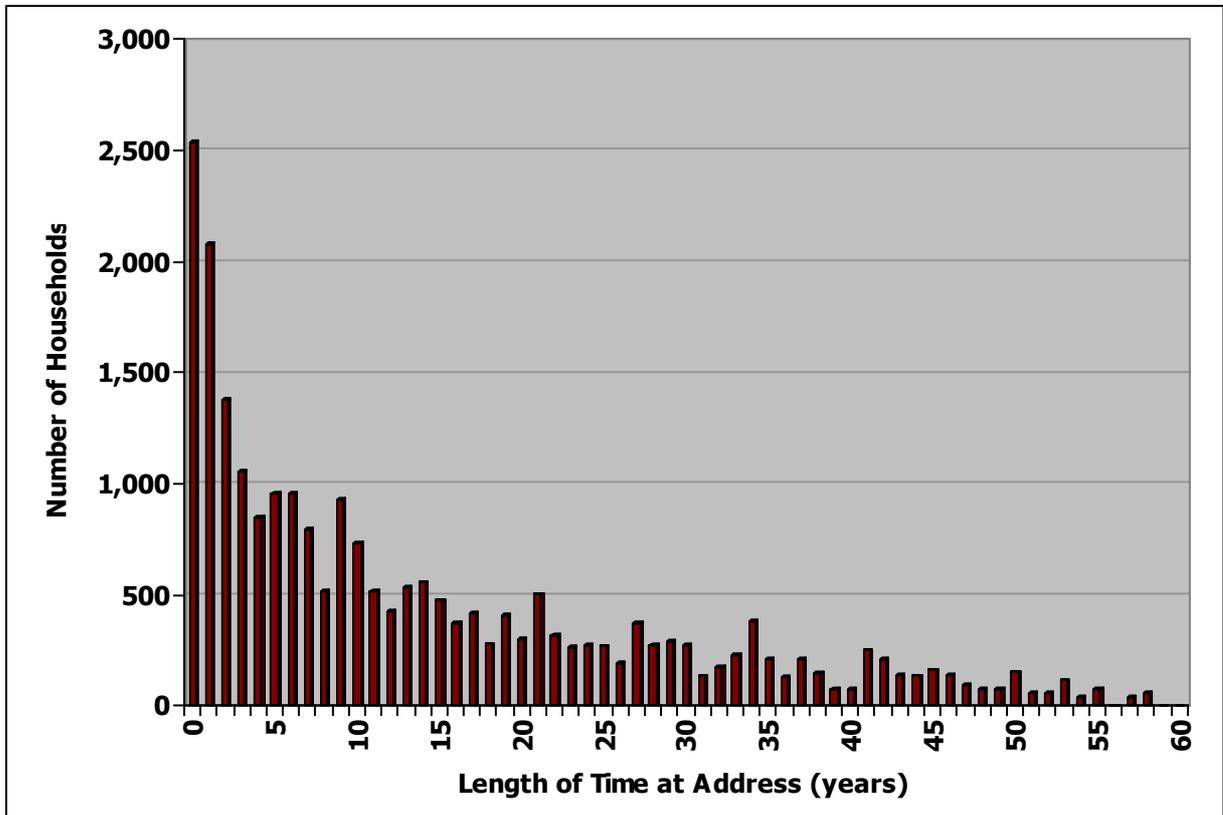


Figure 62: Length of Time at Current Address

Source: States of Guernsey Household Survey 2006

4.28 Household mobility is also closely linked to tenure, as illustrated below. Few households who own outright (2.5%) have moved within the last year, although as many as 9.9% of those who own with a mortgage moved to their current home during this period. In terms of social housing, 12.6% of households were housed in the last year. Nevertheless, undoubtedly the most significant turnover was in the private rented sector – with as many as 31.6% of tenants having lived at their current address for less than a year.

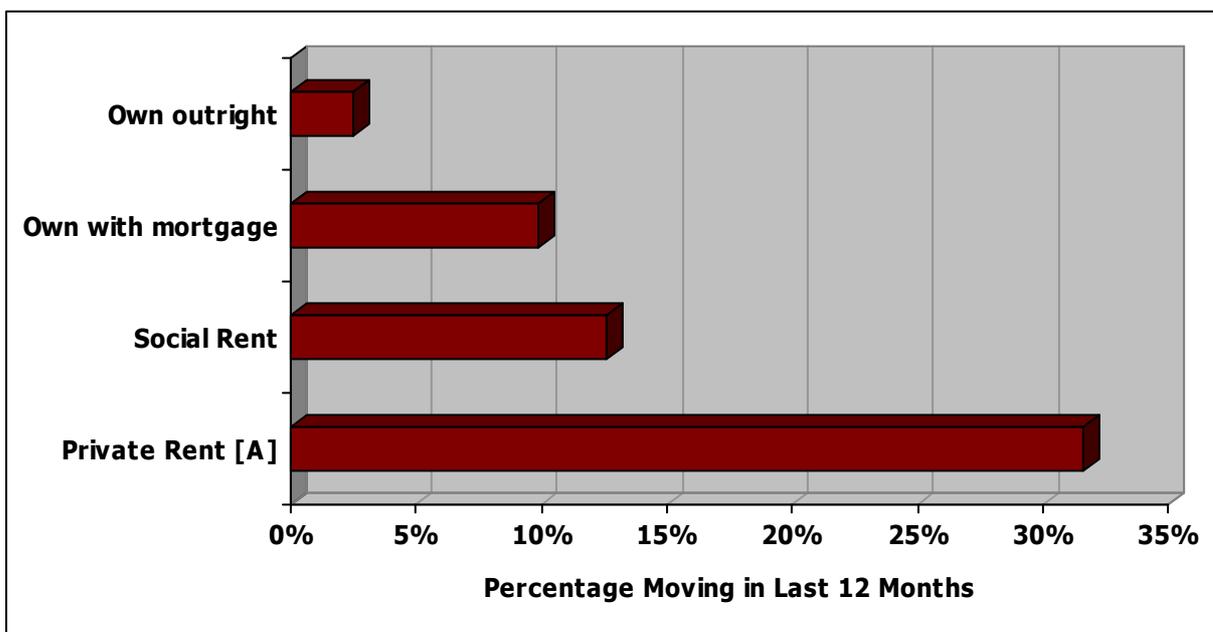


Figure 63: Percentage Moving in Last 12 Months by Current Tenure

Source: States of Guernsey Household Survey 2006

Note A: Private Rent category also includes Tied Housing and Other Rented

4.29 Nearly half (48.3%) of the households that have been living at their current address for less than a year are private sector tenants, equivalent to 1,225 households across the area. 40.6% currently own their home either outright or with a mortgage or loan, and a further 11.2% are currently social tenants. Of all households who have moved in the last year 42.8% moved from other private rented accommodation to their current home, 37.4% were previously in owner occupied accommodation and 8.2% were in some form of social rented housing. 294 previously lived with family or friends – that is that at the time they moved, they were forming a new household (Figure 64).

Current Housing Circumstances	Previous Housing Circumstances				
	Established Households			Living With / Rent A Room	All Households
	Owner Occupation	Private Rent ^A	Social Rent		
HOUSING TENURE					
Owner Occupation	684	282	-	63	1,029
Private Rent ^A	264	746	15	200	1,225
Social Rent	-	59	194	31	284
All Households	948	1,087	209	294	2,537

Figure 64: Household Moves in Last 12 Months

Source: States of Guernsey Household Survey 2006

Note A: Private Rent category also includes Tied Housing and Other Rented

Note: Figures may not sum due to rounding

4.30 Figure 65 further considers those households identified as moving in the last 12 months in the context of their previous housing circumstances and the location of their last home.

Previous Housing Circumstances	Location of Previous Home		All Households
	In Guernsey	Elsewhere	
HOUSEHOLD TYPE			
Established Household	1,877	367	2,244
Concealed Household Living with Family or Friends	218	75	294
All Households	2,095	442	2,537

Figure 65: Household Moves in Last 12 Months by Previous Housing Circumstances and Location of Previous Home

Source: States of Guernsey Household Survey 2006

Note: Figures may not sum due to rounding

Emerging Households

4.31 In addition to household moves, respondents were asked whether or not any individuals or groups had left their household to live independently over the last 12 months. 6.6% of households identified that at least one person had left them during the period, the majority of those people remaining on Guernsey.

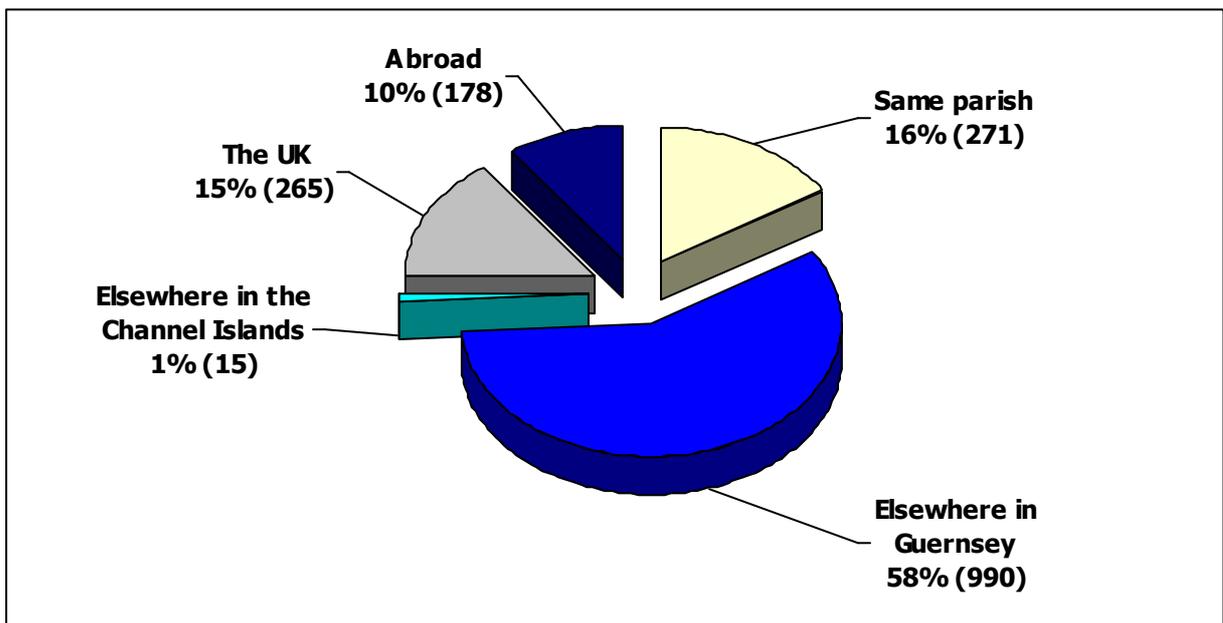


Figure 66: Area Household Member Move to. By all Emerging Households

Source: States of Guernsey Household Survey 2006

4.32 Among the emerging households who left existing households a majority moved to rented accommodation. Only 31% moved to owner occupied accommodation. The Other category included those who had moved to nursing homes or hospitals and those who had moved to boarding schools.

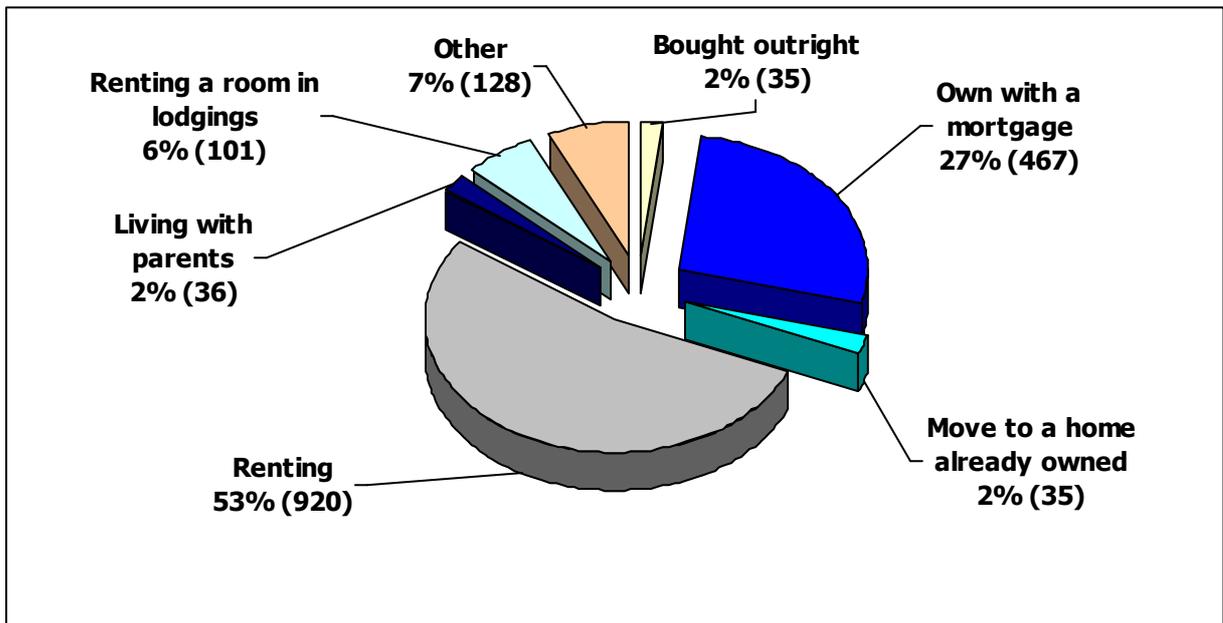


Figure 67: Tenure Household Member Move to. By all Emerging Households

Source: States of Guernsey Household Survey 2006

4.33 The predominate reasons why members left existing households were to set up an independent home, to get married or join partner, or to separate from an existing partner.

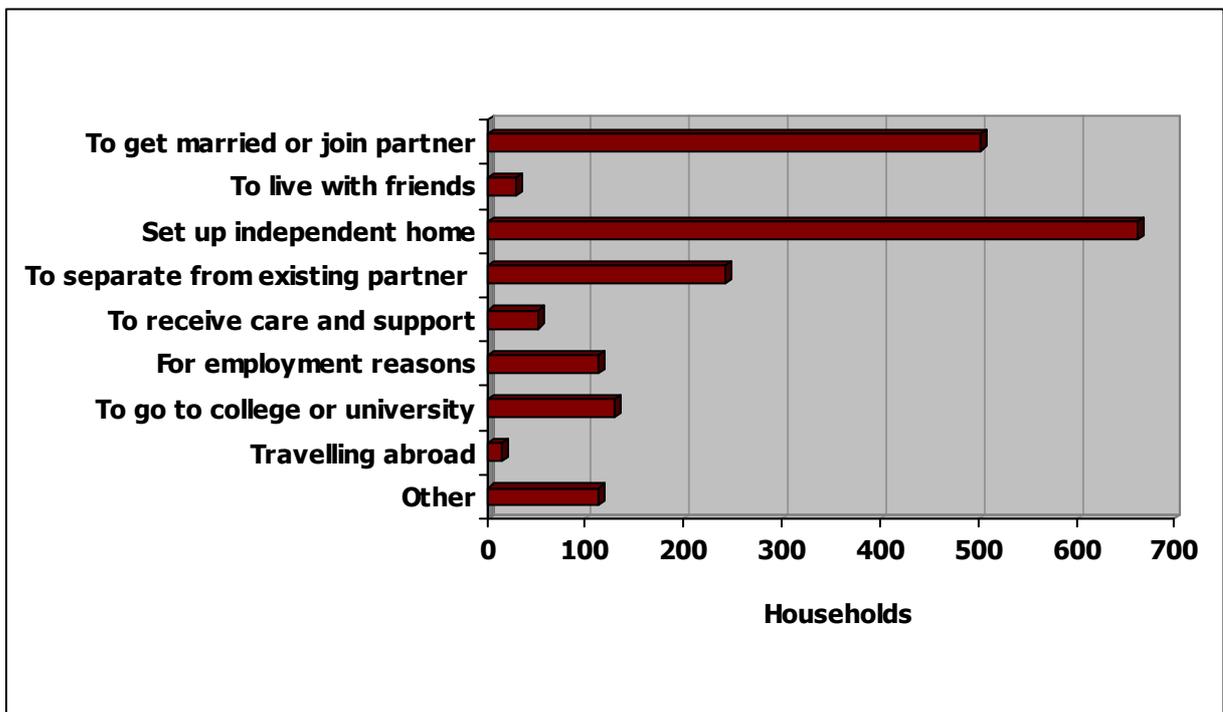


Figure 68: Why Did Member Leave the Household? By all Emerging Households

Source: States of Guernsey Household Survey 2006

4.34 As many households formed to get married or to set-up home on their own, it is unsurprising that the new households are dominated by singles and couples without children.

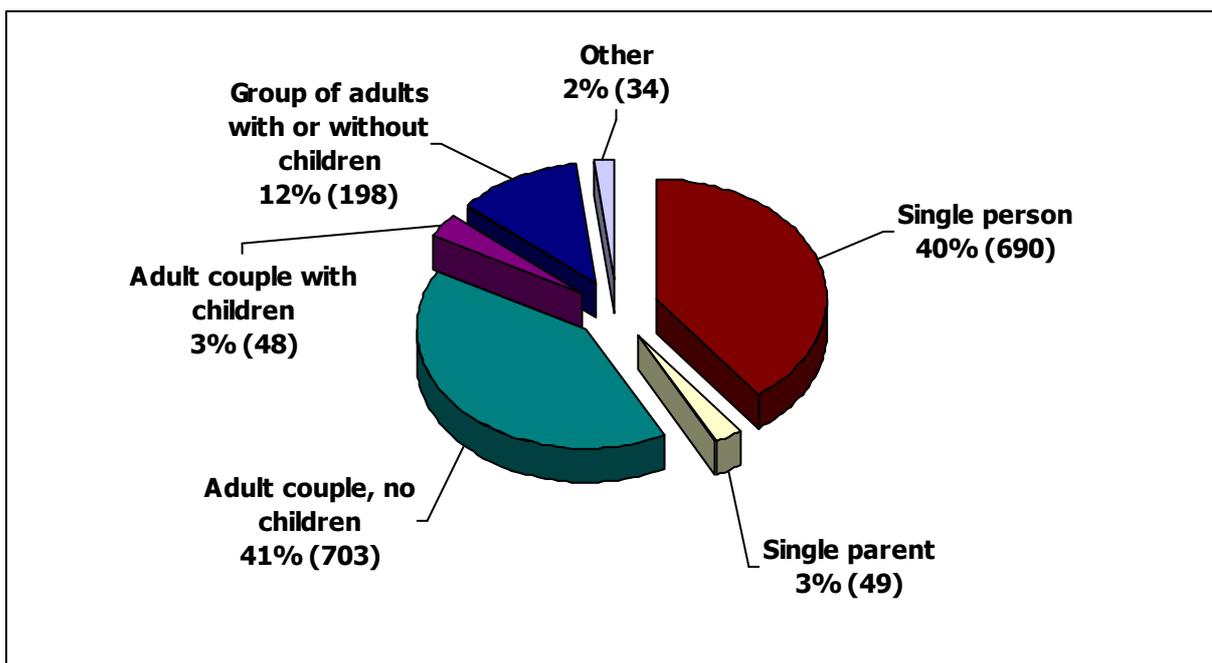


Figure 69: Household Structure for Emerging Households

Source: States of Guernsey Household Survey 2006

4.35 Figure 70 details the nature of housing circumstances of emerging households both in Guernsey and elsewhere.

New Housing Circumstances	Location of New Home		All Households
	In Guernsey	Elsewhere	
HOUSEHOLD TYPE			
Establishing New Household Independently	441	143	584
Joining Others to Establish a New Household	637	87	724
Moving to Live with an Existing Household or in a Communal Establishment	184	228	412
All Households	1,261	458	1,719

Figure 70: Emerging Households in Last 12 Months by New Housing Circumstances and Location of New Home

Source: States of Guernsey Household Survey 2006

Note: Figures may not sum due to rounding

4.36 Many of these emerging households would not form a new established household on the island – but on the basis of information from the previous host households that were interviewed, as many as 441 households emerged and setup independently and a further 637 households paired with at least one other emerging household (i.e. up to a further 319 households being formed). This information suggests that as many as 760 new households (3.2% of all households) formed on the island in the last 12 months – notably higher than the estimate of 218 established households (0.9% of all households) that were interviewed who had formed in the last year

4.37 Of course, the survey results should not be treated as absolute – and as noted in appendix A (Figure 89), all results from the household survey should be accurate to within +/- 2.5% points @ 95% confidence – and where the split in the result is biased towards one answer (e.g. 95:5 rather than 50:50), this margin of error will reduce to +/-1.1% points. When we consider the household formation figures in the context of the relevant margins of error, given the two results we can state:

- Statement A: in relation to the result of 3.2%, we are 95% confident that the true result lies between 2.0% and 4.3%; and
- Statement B: in relation to the result of 0.9%, we are 95% confident that the true result lies between 0.0% and 2.0%.

4.38 Given that the two figures are representing the same group of households, we can conclude that the true result must be at least 2.0% (on the basis of statement A) and cannot be any more than 2.0% (on the basis of statement B). The projected formation rate has therefore been based on this figure which, when grossed up, represents 489 new households each year.

4.39 Whilst 1,719 households successfully emerged over the last 12 months, the survey identified a further 771 concealed households who were either currently or likely to be seeking independent housing in the near future. Of the 771 identified households, 32% were not yet actively seeking independent housing but 40% had been looking for less than 12 months, a further 20% had been looking for 12 months but less than 2 years and 9% actively seeking housing for 2 years or more.

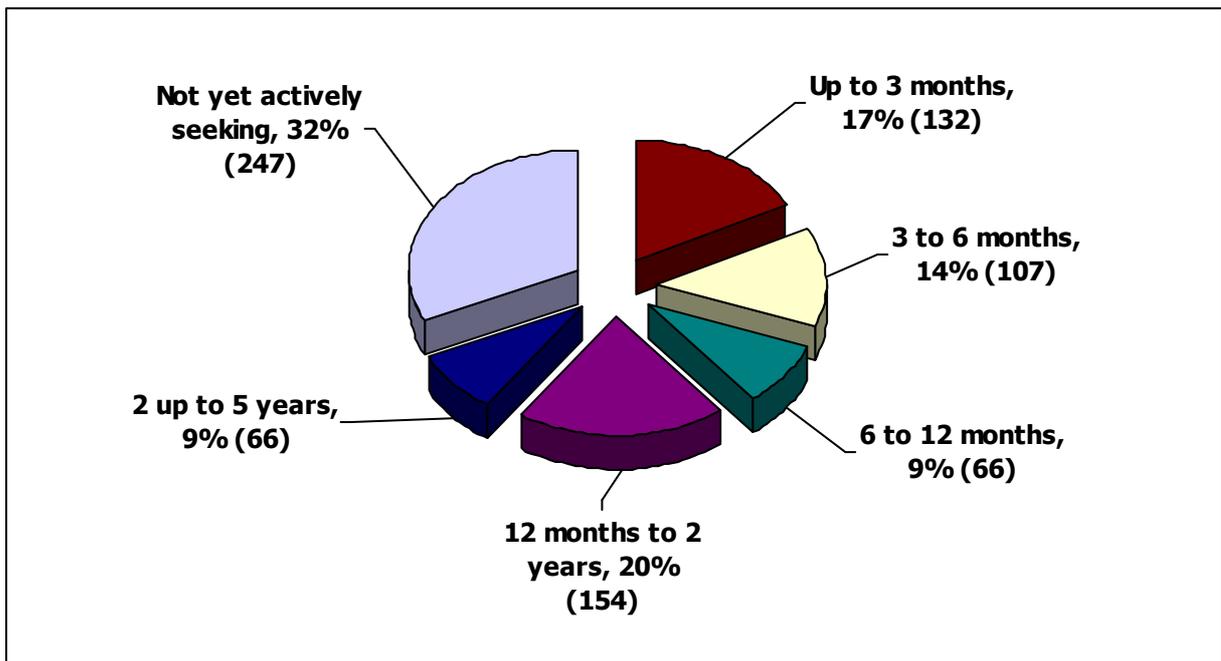


Figure 71: Concealed Households: Length of Time Seeking Housing

Source: States of Guernsey Household Survey 2006

Future Moves

4.40 20% of established households reported that they wanted to move or needed to do so. Of these households, 7% felt that it was likely that their household would move within the next year (Figure 72).

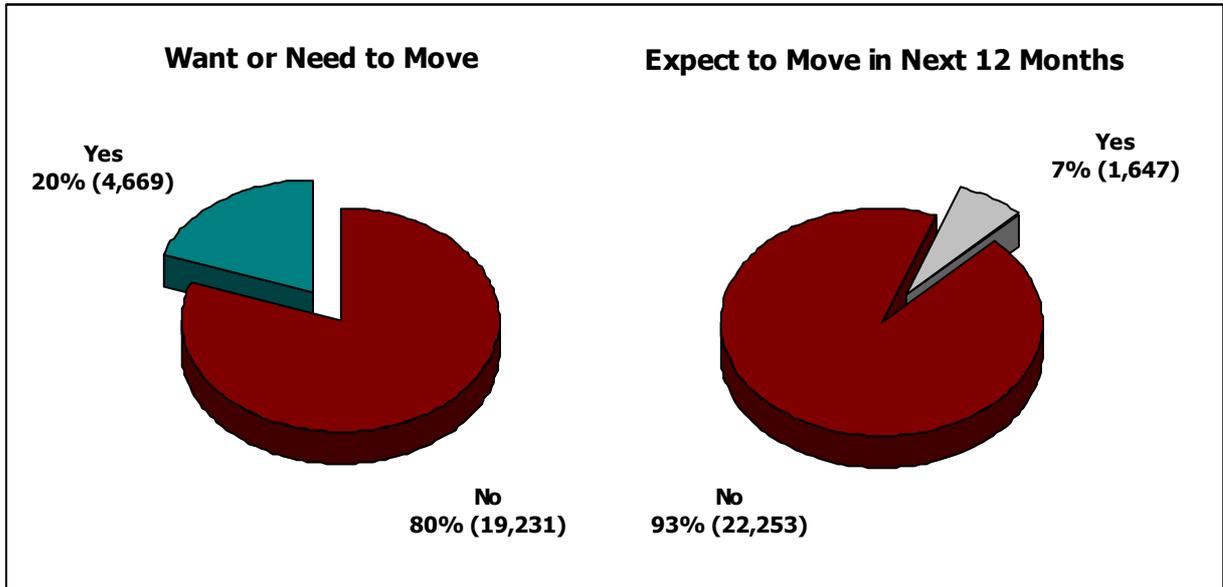


Figure 72: Want, Need and Expect to Move
Source: States of Guernsey Household Survey 2006

4.41 The main reason given for households both wanting and expecting to move was that their current home was too small. Around 15% of households who wanted or needed to move felt that their current home was too large, though this only applied to 9% of those likely to move within the next 12 months. Many also wanted or expected to move because they wanted a better home or because they wanted to own a property (Figure 73).

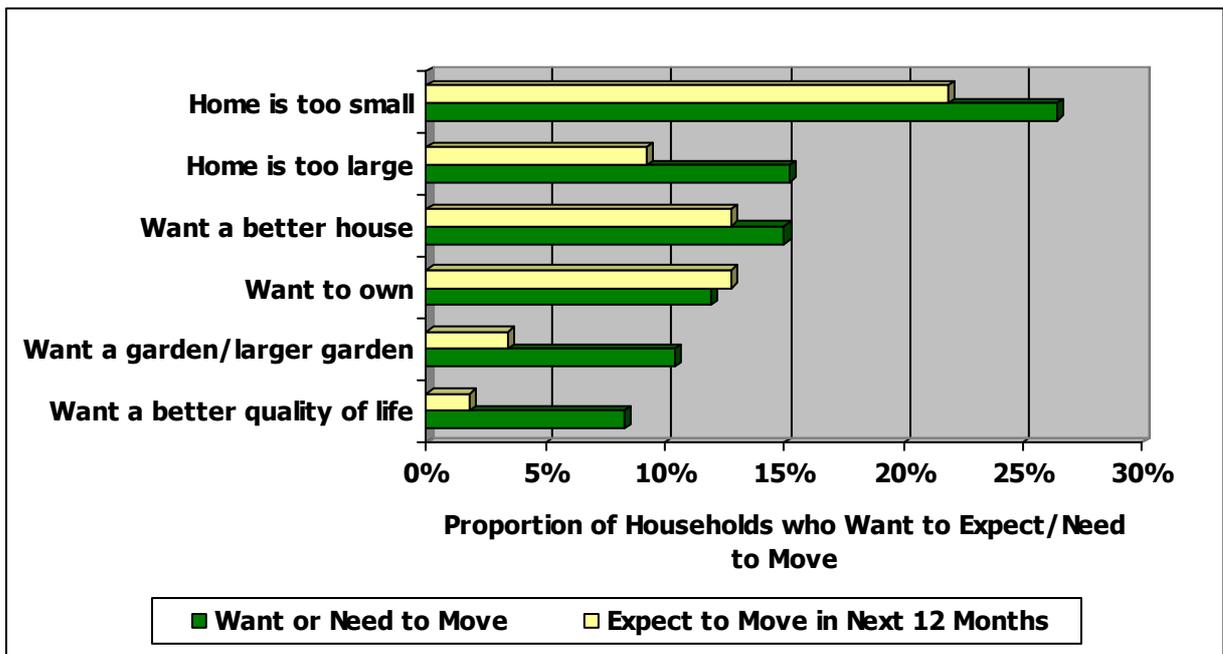


Figure 73: Why Want or Expect/Need to Move
Source: States of Guernsey Household Survey 2006

4.42 Of those who are expecting to move in the next 12 months, 79% (1,302) expect to remain on Guernsey with only 21% (346) expecting to leave the island.

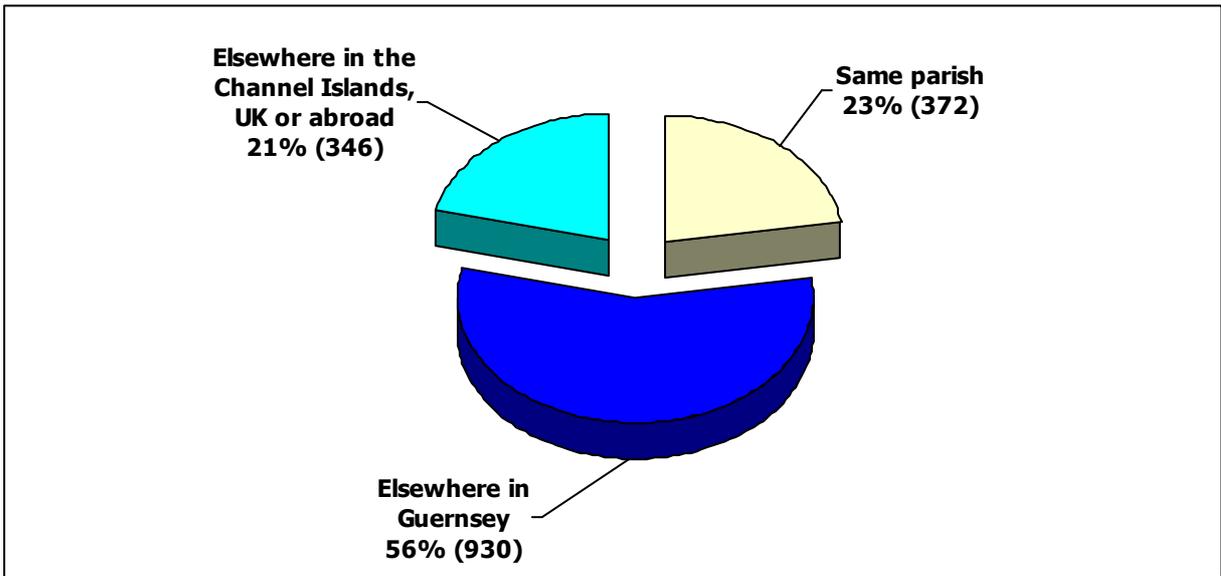


Figure 74: Where Expecting to Move? By all Households Who Expect to Move

Source: States of Guernsey Household Survey 2006

4.43 Those households who were expecting to move within the next 12 months to another home on Guernsey were asked what they would do if they couldn't find a suitable property in their price range. The majority (74%) would remain in their current home. Some would move to a smaller home or to a different part of Guernsey, but less than 2% felt that they would be seeking to move away from the island.

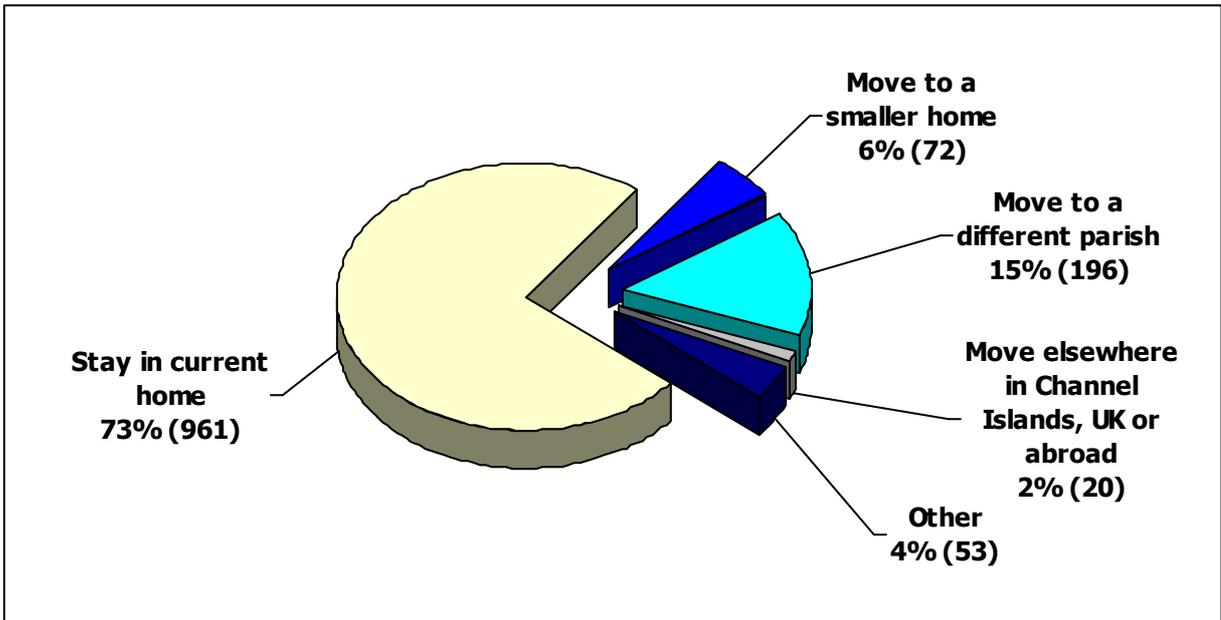


Figure 75: What They Will do if They are Unable to Find a Property They Want at Price They can Afford. By all Households who Expect to Move to Owner Occupation

Source: States of Guernsey Household Survey 2006

Existing Households in Housing Need

- 4.44 An important element of housing requirements is housing need – households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some form of assistance (Bramley & Pawson, 2000). Overall, a total of 3,678 households were assessed as living in unsuitable
- 4.45 The unsuitability problems experienced are shown below.

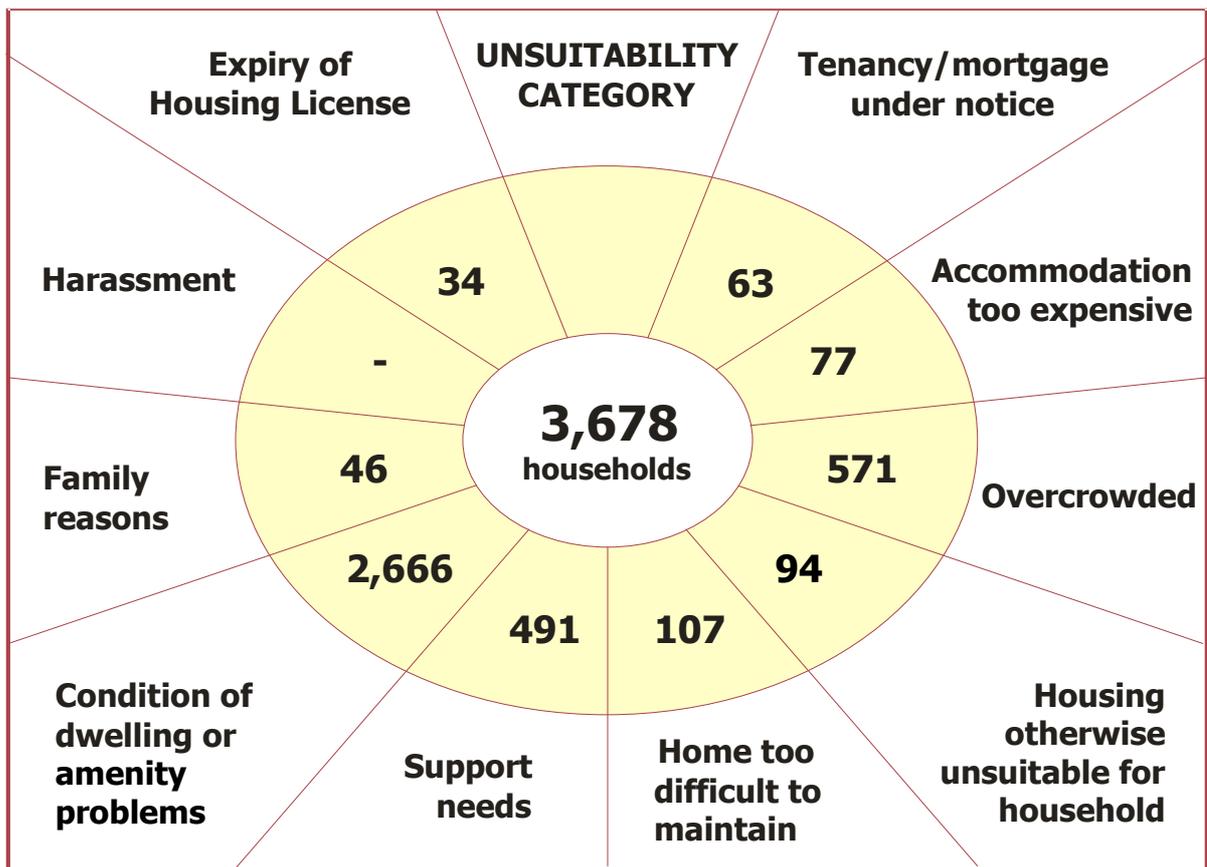


Figure 76: Established Households Living in Unsuitable Housing

Source: States of Guernsey Household Survey 2006

- 4.46 It is worth noting that overall, this equals 15.4% of all established households in Guernsey, though many of these households may not need to move to resolve the identified problems as in-situ solutions may be more appropriate.

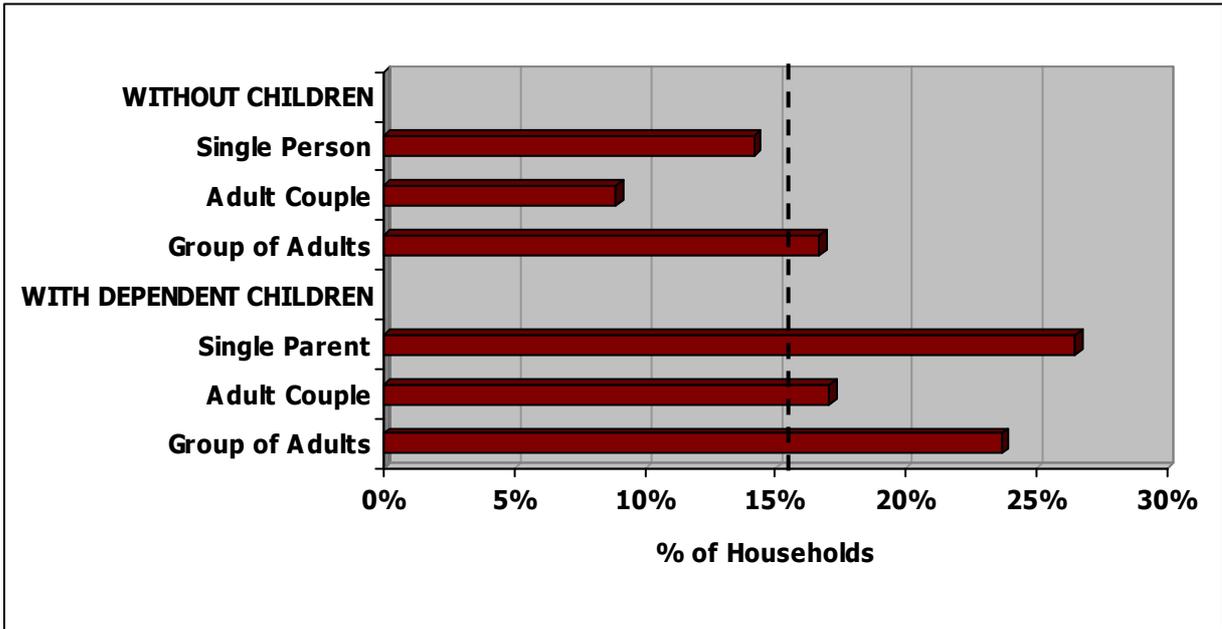


Figure 77: Proportion of Established Households in Unsuitable Housing by Household Type

Source: States of Guernsey Household Survey 2006

Note: Dashed line shows overall average

4.47 26.5% of single parent households and 23.7% of groups of adults with dependent children are living in unsuitable housing. Figure 78 (below) shows that young adults (aged 15 to 24) and households with young children (in particular those aged under 5) are most likely to live in unsuitable housing, and that the likelihood of living in unsuitable housing is generally much lower for those between 55 and 69. Of course, this corresponds with the high proportion of households with dependent children living in unsuitable housing.

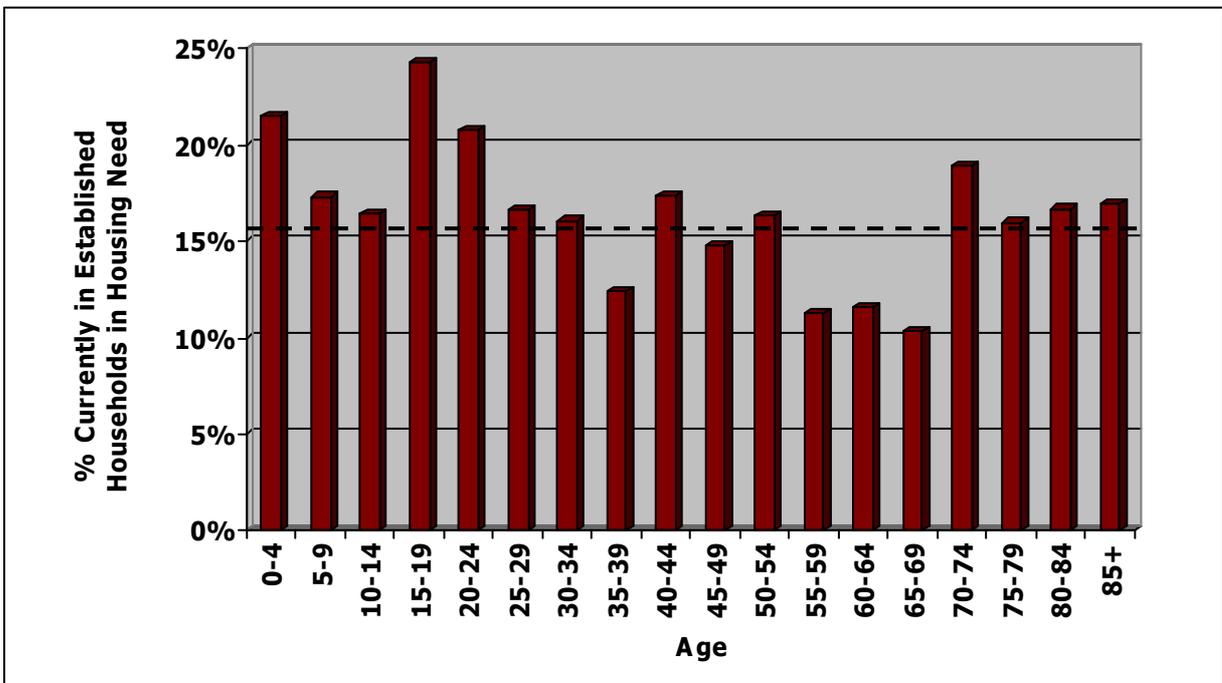


Figure 78: Proportion of Persons Living in Established Households in Unsuitable Housing by Age

Source: States of Guernsey Household Survey 2006

Note: Dashed line shows overall average

Resolving Housing Unsuitability

- 4.48 Not all housing unsuitability problems require the households involved to move from their current home. In-situ solutions may be more appropriate to resolve some of the problems identified. For example, overcrowding could be resolved by one or more member(s) of the household leaving to live elsewhere, or an alternative solution could be to extend the existing property. Similarly, homeowners or landlords may undertake repairs to resolve problems with the condition of the property. In these cases (and many others) the problems identified can be resolved without the need for relocation to alternative accommodation.
- 4.49 Whilst in practice it is important to resolve the housing needs of individual households, a strategic analysis is primarily concerned with addressing overall housing need. In this context, it is particularly relevant to consider housing suitability issues concerned directly with the dwelling stock – such as major disrepair or unfitness. Resolving such individual household needs (through enabling a move to alternative housing) will not reduce the overall level of housing need because the vacancy that arises will inevitably (over time) be occupied by another household, who will once again be in housing need. In such cases, it is investment in the existing stock (or in extreme cases, clearance and redevelopment) that is required to reduce the numbers unsuitably housed.
- 4.50 It should be noted that any dwellings that are lost from the stock through clearance programmes would need to be replaced in addition to the number of additional housing units identified by this study – that is, our analysis considers the housing requirement in the context of a net increase in dwelling stock.
- 4.51 Where a move is appropriate and required to resolve a housing problem, some households may need to move to homes outside the area (for example, those moving for care or support), and others will choose to move further afield for other reasons. Where unsuitably accommodated households are likely to willingly leave the area, their needs should not be counted within the estimate of net need. Nevertheless, in discounting the needs of likely out-migrants, any needs of in-migrants to the area will add to the total requirement
- 4.52 Finally, a proportion of the households remaining will be able to afford to buy or rent an appropriate dwelling at (or above) threshold market prices. Therefore, when considering households who are in housing need, we must also discount from the total those who are able to afford.

4.53 The impact of each of these stages is summarised below:

Factor	Number of Households	
	Discounted	Remaining
Households assessed as currently living in unsuitable housing	-	3,678
Households with an objectively assessed in-situ solution	2,402	1,276
Households with a subjectively assessed in-situ solution (where the household neither wants nor expects nor needs to move)	696	580
Households that need to move, but that will leave the area	51	529
Households that need to move, but will be moving into institutional housing or join another household	50	479
Households that need to move, but can afford to rent or buy market housing	267	212

Figure 79: Resolving Housing Suitability Problems

Source: States of Guernsey Household Survey 2006

Note: Figures may not sum due to rounding

4.54 After discounting the households whose needs do not require alternative housing provision in Guernsey or can afford such housing in the private sector, only 212 (5.8%) of the identified 3,678 unsuitably housed households remain.

Modelling the Housing Market

4.55 For any housing requirement study, the key or core issues are:

- How many additional units are required?
- How many additional units should be affordable homes?
- For what type of open-market housing is there demand?
- How will 'demand' and 'need' change over time?

4.56 The ORS Housing Market Model addresses these issues by analysing the whole housing market. Instead of focusing only or primarily upon poorer households and social sector need, it interprets the interaction of requirement and supply across all sectors of the housing market. Social sector needs are interpreted within the context of market housing demands to take account of the interaction of effective and ineffective demands and needs and the likely supply from the range of properties vacated within the existing stock.

4.57 The Model interprets the market dynamically – by likening the interchange between households and vacancies to 'musical chairs'. The musical chairs analogy brings out the dynamic relation between requirement and supply – for most households find suitable vacancies only because others move or suffer dissolution. In this context, the model is primarily concerned with households likely to (or that otherwise need to) move. Of course, some households likely to stay in their current home may still have housing needs that should be addressed – but, by definition, the appropriate solutions for such problems will be provided in situ and will therefore not impact on the mix of additional housing provision.

4.58 Whether households want or need to move, and what housing is appropriate for them, depends upon their characteristics, requirements and current accommodation. Effective demand is driven primarily by choice – nonetheless, even well-off households can find accommodation only if suitable vacancies arise. On the other hand, housing need is considered objectively – by evaluating households' current housing circumstances alongside their ability to afford local housing to establish a realistic assessment of housing need.

4.59 Through analysing the creation and take-up of vacancies the Model recognises that it is only because some households wish to and do move that others can find suitable homes. Nevertheless, the lack of suitable existing housing does not constrain the allocation process – for the mix of housing required by all households (including those currently without housing and unable to afford) is analysed, and it is shortfalls identified in the existing stock that determine the mix of new housing required.

4.60 The elements of housing need and demand are detailed in Figure 80 (below):

Element	Derivation
Established households currently in need	<p>Households currently living in unsuitable housing that need to move to resolve their housing problems and cannot afford to buy or rent market housing.</p> <p>By definition, all households require affordable housing – but the split between intermediate and social rent is based on affordability.</p> <p>The size of property required is based on household composition.</p> <p>It is assumed that the identified existing need is addressed over a 5-year period, therefore 20% of the total is counted annually.</p>
Newly arising need from established households	<p>The future projection for this flow is based on recent trend figures for the last 12 months.</p> <p>Households currently living in unsuitable housing who were suitably housed one-year ago are assumed to constitute new need during the period, together with households who were forced to move during the period and were re-housed in affordable housing due to a problem that would have not been identified 12 months ago.</p> <p>By definition, all households require affordable housing – but the split between intermediate and social rent is based on affordability.</p> <p>The size of property required is based on household composition.</p>
Effective demand from established households	<p>The future projection for this flow is based on expectations of existing households moving within the island over the next 12 months.</p> <p>Households are only counted if they are able to afford to buy or rent market housing, therefore by definition all will require market housing.</p> <p>Size of property required is based on household expectations in the context of expressed demand.</p>
In-migrant households to the island	<p>The future projection for this flow is based on recent trend figures for the last 12 months.</p> <p>Households are allocated to market, intermediate or social housing on the basis of affordability.</p> <p>Size of property required is based on trends in terms of the number of bedrooms in properties occupied by recent in-migrant households.</p>
Hidden households emerging as newly forming households	<p>The future projection for this flow is based on recent trend figures for the last 12 months. The figure only includes newly forming households from host households in the island.</p> <p>Households are allocated to market, intermediate or social housing on the basis of affordability.</p> <p>Size of property required is based on trends in terms of the number of bedrooms in properties occupied by recent newly forming households.</p>

Figure 80: Derivation of Elements of Housing Need and Demand

4.61 The extent to which the market clears depends upon the match or mismatch between the households seeking housing, on the one hand, and the available stock, on the other. The sources of housing supply are detailed in Figure 81 (below).

Element	Derivation
Property vacated by established households moving home	<p>The future projection for this flow is determined by the three flows of established households considered within the elements of housing need and demand:</p> <ul style="list-style-type: none"> - Established households currently in need; - Newly arising need from established households; and - Effective demand from established households. <p>All established households moving are assumed to vacate their current home. The type and size of property counted within the supply is based on the actual tenure and number of bedrooms in the current home, i.e. the property being vacated.</p>
Property vacated by out-migrant households leaving the island	<p>The future projection for this flow is based on expectations of existing households moving away from the island over the next 12 months. All out-migrant households are assumed to vacate their current home. The type and size of property counted within the supply is based on the actual tenure and number of bedrooms in the current home, i.e. the property being vacated.</p>
Property vacated following household dissolution due to death or household merging	<p>The future projection for this flow is based on the structure of individual households coupled with ONS survival rate statistics. Each household is allocated a probability of survival such that a residual probability of dissolution can be derived. All households identified as moving to "live with" another household, moving to communal housing or otherwise no longer requiring independent housing are also counted as vacating their current home. The type and size of property counted within the supply is based on the actual tenure and number of bedrooms in the current home, i.e. the property being vacated.</p>

Figure 81: Derivation of Elements of Housing Supply

4.62 Of course, new housing development and property conversions will also contribute to housing supply on the island – but these components are not considered by the Model, for it is seeking to understand how the existing housing stock will (or more importantly will not) be able to house future households in the area.

4.63 To do this, the Model notionally assigns – or matches – available housing to households. Through matching gross housing requirements with supply (vacancies created), the model identifies net housing requirements – i.e. those households who are unlikely to find suitable housing within the existing housing stock. Such an approach was recognised by Bramley and Pawson (2000) in the DETR Good Practice Guidance, where it was noted that:

The value of this approach is that it makes the connections between what is happening in the private sector and the social sector explicit. It keeps track of households, who can't just disappear without trace, and draws particular attention to the roles of migration.

4.64 This focus on household moves is certainly the correct approach for properly understanding the household/dwelling dynamic – but it is important to recognise that policy initiatives to change the movement patterns for individual households will inevitably influence the modelling results.

- 4.65 An example of this may be to actively encourage households who are under-occupying larger properties to move to smaller homes. Whilst such households would currently be assumed to remain in their existing homes (and would therefore have no impact on the balance of housing), a successful relocation policy would increase the requirement for smaller properties whilst also increasing the supply of larger homes – thereby adjusting the appropriate mix of new housing to be delivered. Conversely, it may be appropriate to discourage households moving from smaller to larger homes by encouraging such households to extend their existing properties where appropriate. Whilst such households would currently be counted as moving, allowing suitable extensions to existing homes could reduce the need for larger properties and also reduce the supply of mid-sized homes – once again adjusting the appropriate mix for new housing provision.
- 4.66 Whilst it would be difficult to accurately predict the precise impact of such policies, it is still important to consider the role for initiatives that seek to change household behaviour (which in turn change the mix of new housing required) when determining the range of appropriate policy responses.
- 4.67 The projected flows of housing need, demand and supply for Guernsey are shown below.

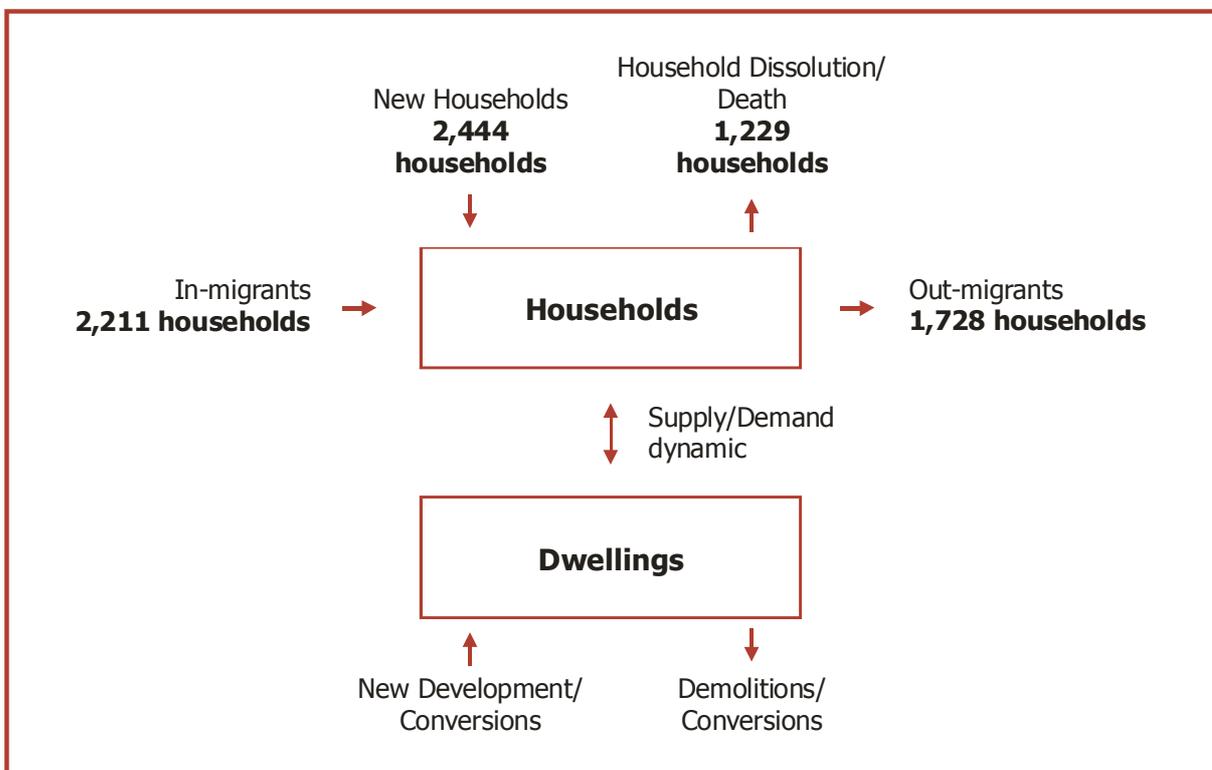


Figure 82: 5-Year Requirement/Supply Flow Analysis

Source: ORS Housing Market Model, States of Guernsey Housing Needs Survey 2006

- 4.68 In considering this combination of inward and outward household flows, we can determine the likely pressure placed upon the dwelling stock – and the implicit requirement for additional housing provision. The net gains and losses of each pair of flow streams are detailed below, where it is apparent that up to a net 1,698 additional dwellings would need to be provided over the 5-year period to sustain the existing supply/demand balance. If this number of homes is not provided, one or more flows will have to change.

Housing Type	Inward Flow	Outward Flow	Net Requirement
5-YEAR REQUIREMENT			
Migration – households moving to and from Guernsey	2,211	1,728	483
Indigenous change – new household formations and deaths/dissolutions	2,444	1,229	1,215
Established household moves	5,551	5,551	-
TOTAL	10,206	8,507	1,698

Figure 83: Summary of 5-Year Housing Requirements by Household Flows

Source: ORS Housing Market Model, States of Guernsey Housing Needs Survey 2006

Note: Figures may not sum due to rounding

4.69 On the basis of current trends and existing population forecasts, the ORS Model estimates that 2,211 households will move to Guernsey over the next 5-years – though this will be offset against an estimated 1,728 dwellings likely to be vacated by households leaving the Island.

Understanding the Required Housing Mix

4.70 In seeking to understand the required housing mix, household affordability has been grouped into three classifications:

- **Social rented housing** – for those households unable to afford any more than social rents;
- **Intermediate housing** – for those households able to afford more than social rents, but unable to afford to buy and unable to afford to rent market housing, based on lowest quartile market prices; and
- **Market housing** – for those households able to afford to buy or able to afford to rent market housing.

4.71 An equivalent supply relates to each of these groups – with owner occupied housing and rented housing accounting for market supply, the future resale of shared ownership homes classified as intermediate supply, and existing social rented properties considered as social supply.

4.72 As previously noted, the ORS housing market model identified an overall requirement for 1,698 additional dwellings over a 5-year period. By matching housing need and demand (gross requirements) against supply it is possible to consider the overall net housing requirement for the area and the balance of this net requirement between the different housing types.

4.73 The gross housing requirements and likely supply are matched by the ORS Model as detailed below:

Housing Type	Gross Housing Requirement	Housing Supply	Net Housing Requirement (Surplus)
5-YEAR REQUIREMENT			
Market	9,093	7,792	1,302
Intermediate	249	-	249
Social	864	716	148
TOTAL	10,206	8,507	1,698

Figure 84: Summary of 5-Year Housing Requirements by Housing Type

Source: ORS Housing Market Model, States of Guernsey Housing Needs Survey 2006

Note: Figures may not sum due to rounding

4.74 In summary, the ORS housing market model identifies an overall 5-year requirement for 1,698 additional dwellings, with the balance between social housing, intermediate housing and market housing being 9:15:77. Figure 85 (below) identifies the gross requirement for housing over the next 5-years in terms of housing type and size, and then details the overall net requirement and the net requirement on an annualised basis.

Housing Requirement	Type of Housing				All Sectors
	Market Housing		Affordable Housing		
	Owned	Rented	Intermediate	Social	
Gross Requirement					
1 bedroom	1,315	557	42	320	2,234
2 bedrooms	2,474	512	29	363	3,377
3 bedrooms	1,819	386	165	153	2,523
4+ bedrooms	1,639	391	13	29	2,072
Total	7,247	1,847	249	864	10,206
Net Requirement					
1 bedroom	1,194	(560)	42	258	933
2 bedrooms	891	(441)	29	(93)	385
3 bedrooms	117	(102)	165	24	205
4+ bedrooms	464	(261)	13	(40)	176
Total	2,666	(1,364)	249	148	1,698
Net Requirement (Annualised)					
1 bedroom	239	(112)	8	52	187
2 bedrooms	178	(88)	6	(19)	77
3 bedrooms	23	(20)	33	5	41
4+ bedrooms	93	(52)	3	(8)	35
Total	533	(273)	50	30	340

Figure 85: 5-year Housing Requirement by Property Type and Size

Source: ORS Housing Market Model, States of Guernsey Housing Needs Survey 2006

Note: Figures may not sum due to rounding

4.75 Finally, Figure 86 shows the breakdown of identified intermediate need in terms of housing products once existing supply is taken into account.

5-Year Requirement	Net Housing Requirement (Surplus)	
	N	%
Intermediate Home Ownership		
Open Market Homebuy: 25% equity loan	-	-
Newbuild Homebuy: 50% equity but less than Open Market Homebuy	121	48.8%
Newbuild Homebuy: 25% equity but less than 50% equity	117	47.0%
Intermediate Rent		
Rent above Social Rent but less than Market Rent	11	4.2%
TOTAL	249	100.0%

Figure 86: Summary of 5-Year Net Intermediate Housing Requirements by Product

Source: ORS Housing Market Model, States of Guernsey Housing Needs Survey 2006

Note: Figures may not sum due to rounding

Summary of Key Points

- Household affordability depends on the relationship between the cost of appropriate local housing and the amount that the household is able to afford. Whilst assessments should not commit households beyond their means, affordable housing should not be allocated to households able to afford housing in the private sector;
- Existing private sector rents tend to be around double the rent for equivalent social sector properties, with even the cheapest properties in the private sector typically costing 1.5x the social sector average;
- The study assumed the amount affordable for rent was 25% of gross household income. The amount affordable for owner occupation is the total amount borrowable (5.5 x individual income and 5.0 x joint income) together with any existing equity and savings, offset against any debts or negative equity;
- Over the period from 1999 to 2006, the average local market property price on Guernsey rose by 100% but after taking into account increased earnings and fluctuations in the base rate the "affordability index" virtually remained unchanged over the period;
- 3,678 (15.4%) of established households on Guernsey are currently living in unsuitable housing, of which 212 need to move within the area to resolve their housing problems and cannot afford to buy or rent market housing – they are in housing need;
- A significant proportion of households with dependent children are currently in unsuitable housing – including 26.5% of single parents and 23.7% of groups of adults with dependent children;
- The ORS housing market model identifies an overall 5-year net requirement for 1,698 additional dwellings. The net requirement is attributable to an indigenous growth of 1,215 households (as more households form than dissolve) coupled with a net gain of 483 households through migration;
- The balance of housing requirements is for 9% social housing, 15% intermediate housing and 77% market housing. This balance is determined on the basis of affordability, assumes that the relationship between house prices and income remains
- If they cannot find a suitable home at a price they can afford, 74% of households looking to move within the next 12 months to another home on Guernsey are likely to remain in their current home;
- 7% of households reported a member had left the household in the last 12 months. The main reasons for leaving were to get married, to set up an independent home and to separate from a partner;
- 53% of emerging households moved into the rented sector with another 5% also renting a room in lodgings.

Appendix A:

Household Survey Technical Report

Survey Design

- A.1 In partnership with the States Housing Department, a detailed questionnaire was designed to gather the required information – including comprehensive information about individual household members both past and present.
- A.2 The main sections of the questionnaire are detailed below.
- Current housing circumstances – tenure, type, size and condition of current home;
 - Satisfaction with current area and local services;
 - Previous homes – area, type, tenure and reasons for moving;
 - Future moves – likelihood of moving, preferred tenure and likely destination;
 - Household profile – age, gender, relationships, ethnicity and employment;
 - Health problems, special needs and housing options for getting older;
 - Changes in the household structure – persons that have recently left household and the likelihood of household members leaving the household in future;
 - Financial issues – sources of income, income level, savings and debts;
 - Housing costs – current costs, second homes and experiences of financial difficulties.

Sampling Framework

- A.3 The need for reliable data about household composition, affordability and other characteristics, such as special needs, tenure and bedroom requirements meant that a household survey (based upon detailed personal interviews in people’s homes) was the most appropriate method for the study.
- A.4 Providing surveys are conducted with rigorous sampling and fieldwork standards to ensure a good approximation to a random survey, surveys can achieve very accurate results with quite moderate sized samples. However, it is not often understood that only proper random samples can be certified as more or less accurate at determinate confidence levels. The fieldwork for the Guernsey Study involved a household survey of a random and representative sample of 1,500 households.
- A.5 The population base for selecting the required sample was the Postal Address File (PAF) and the sampling strategy was based upon a simple random probability selection – where all

households had an equal chance of selection that would not be influenced by any previous selection, with the exception of prohibiting the selection of the same dwelling on more than one occasion.

A.6 In order to achieve 1,500 household surveys, an initial sample of 2,120 dwellings was selected – which would yield a response rate of c.70% before adjustment.

Fieldwork Procedures

A.7 Only experienced fieldwork staff that had previously worked on housing requirement studies with ORS undertook the interviews, and their work was carefully monitored on a day-by-day basis. Only householders or their partners were accepted as respondents, and they were interviewed in depth about their current and potential housing needs.

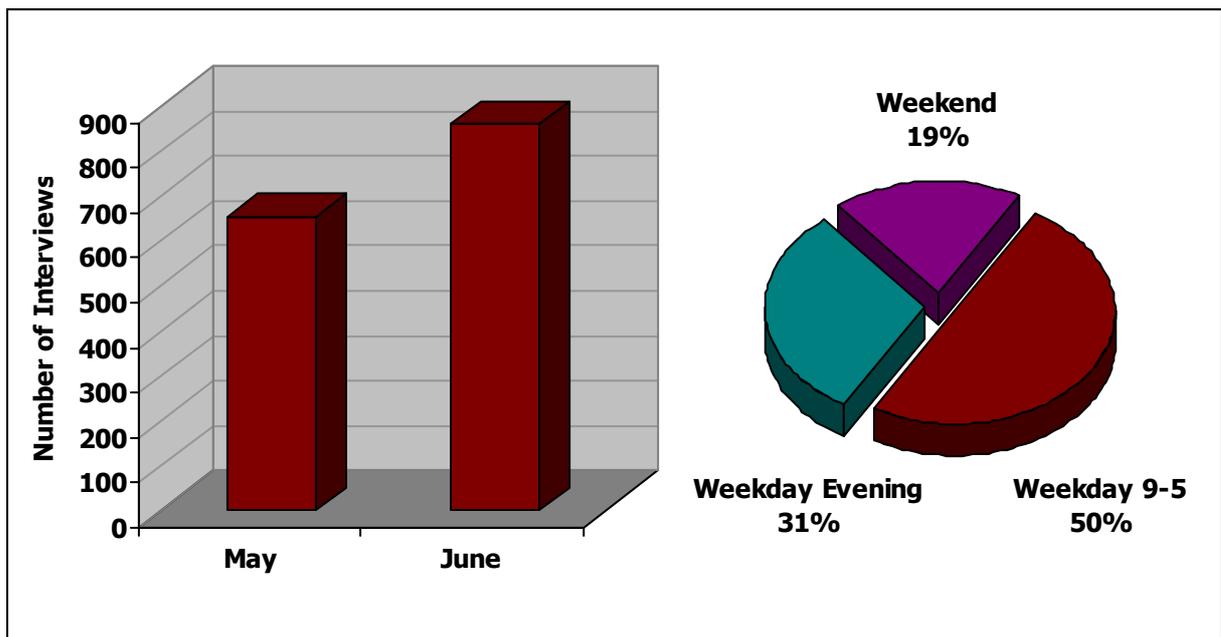


Figure 87: Number of Achieved Interviews by Interview Month and Time of Day

Source: States of Guernsey Household Survey 2006

A.8 Of the 2,120 addresses called on, 71.3% yielded a successful interview – though this increases to 79.9% when invalid addresses are discounted from the base sample. The remainder of the calls were as follows:

Interview Outcome	Number of Addresses Approached	% of Addresses Approached	% of Qualifying Households Approached
Household Interviewed			
Successful interview	1,512	71.3%	79.9%
Incomplete interview or interview failed quality control	9	0.4%	0.5%
Household Not Interviewed			
Refused to be interviewed	185	8.7%	9.8%
Not contactable	186	8.8%	9.8%
No Household Resident			
Property empty	111	5.2%	-
Non-residential or business only property	14	0.7%	-
Demolished or otherwise untraceable	103	4.9%	-
GRAND TOTAL	2,120	100.0%	100.0%

Figure 88: Summary of Interview Outcomes

Source: States of Guernsey Household Survey 2006

Note: Figures may not sum due to rounding

A.9 Emerging UK Government Guidance emphasises the importance of high response rates, and identifies an acceptable range of 60-80% (wider than the 67-75% identified in the earlier DETR Guidance). The achieved response rate of 79.9% clearly sits comfortably at the very top of this range.

Statistical Confidence

A.10 A random sample should be representative of its population to within specified statistical limits, and (as previously noted) the Guernsey Housing Needs Survey achieved 1,512 personal interviews with households randomly selected throughout the area. The analysis for such a sample should represent the entire population of households to within $\pm 2.5\%$ points at the 95% level confidence – that is, if all households on Guernsey were interviewed, 19 times out of 20 the results would not differ by more than 2.5% points from the results for the sample.

A.11 Such error margins and levels of confidence are linked. Whilst we can be 95% confident that the overall sample is accurate to within $\pm 2.5\%$ points, we are confident that 4 times out of 5 the results will actually be within $\pm 2.1\%$ points. A further factor that influences the error margin is the split in opinion. If the result for a specific question is significantly biased to one response (e.g. if 95% of the sample stated Option A whilst only 5% stated Option B) the results will be subject to a smaller error than if there was less consensus (i.e. where both Option A and Option B are represented more equally). Whilst the achieved sample is always accurate to within $\pm 2.5\%$ points (based on the worse case scenario of a 50:50 split in opinion), the error margin reduces to $\pm 1.1\%$ points when at least 95% of respondents opt for the same option.

A.12 The level of accuracy and impact of changes in the opinion split are illustrated below, though most social research projects adopt a confidence level of 95% when reporting their findings.

Confidence Level	Opinion Split			
	50:50	75:25	90:10	95:5
MARGIN OF ERROR ±				
80% (4 times out of 5)	1.7%	1.4%	1.0%	0.7%
90% (9 times out of 10)	2.1%	1.8%	1.3%	0.9%
95% (19 times out of 20)	2.5%	2.2%	1.5%	1.1%
99% (99 times out of 100)	3.3%	2.9%	2.0%	1.4%

Figure 89: Differential Error Margins by Confidence Level and Opinion Split

A.13 Of course, the above table is based on results for the entire population. When results for individual sub-groups are considered, the error margins will increase – but to what extent will depend on the number of achieved interviews within the sub-group, as detailed below.

% of Overall Sample in Sub-sample	Opinion Split			
	50:50	75:25	90:10	95:5
MARGIN OF ERROR ± @ 95% Confidence Level				
75% of sample (1,134 cases)	2.9%	2.5%	1.7%	1.3%
50% of sample (756 cases)	3.6%	3.1%	2.1%	1.6%
25% of sample (378 cases)	5.0%	4.4%	3.0%	2.2%
10% of sample (151 cases)	8.0%	6.9%	4.8%	3.5%
5% of sample (76 cases)	11.3%	9.8%	6.8%	4.9%

Figure 90: Differential Error Margins by Sub-Sample Size and Opinion Split

Response Bias

A.14 The confidence limits described above consider only the probability of errors arising in the figures from chance, and do not take account of other potentially more systematic errors arising from sample bias – that is, where some households are more likely to participate in the study than others.

A.15 As previously noted, interviews were achieved at 71.3% of all addresses approached – but this rate varied for different types of properties approached as detailed below.

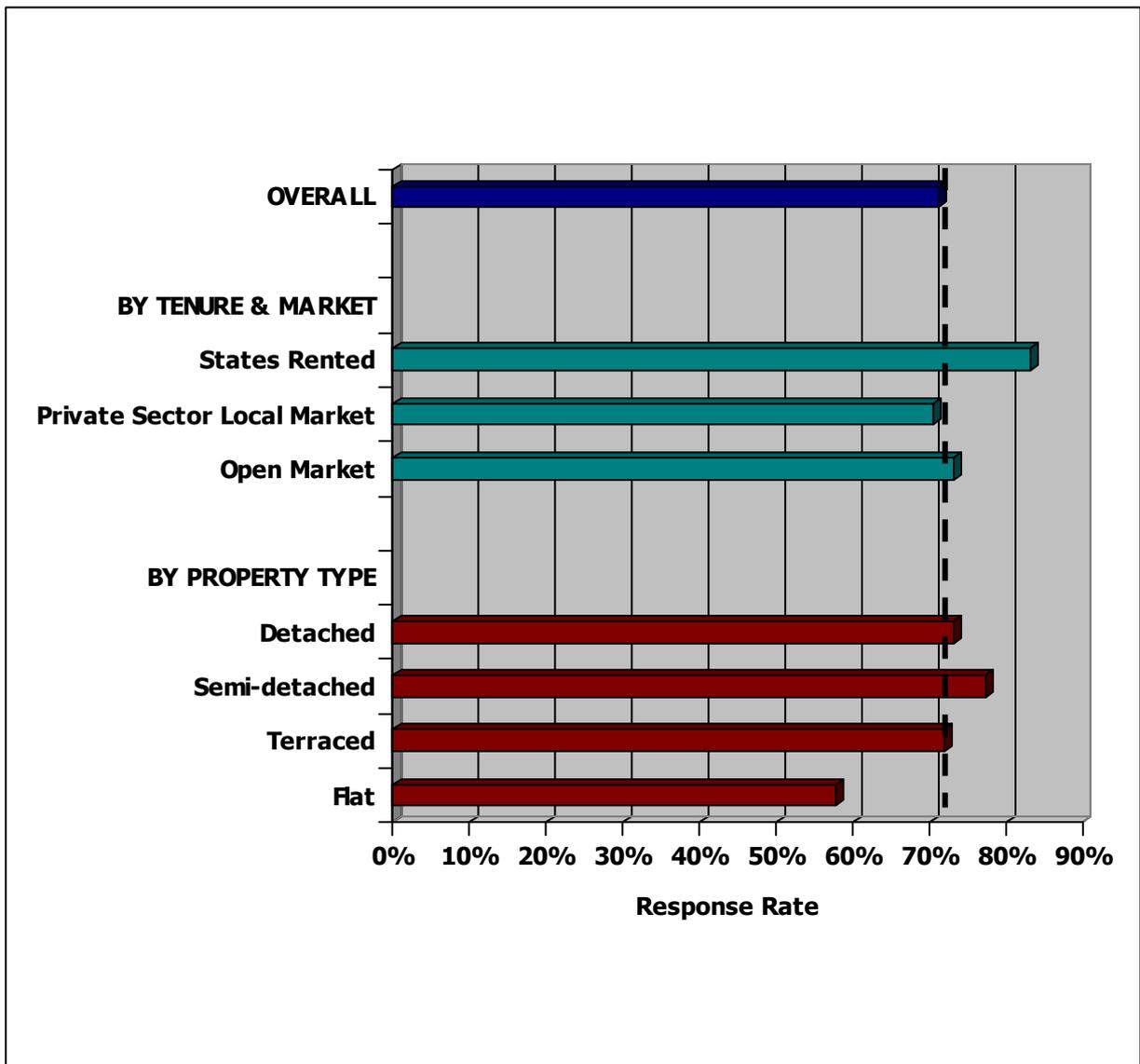


Figure 91: Response Rate by Tenure & Market and Property Type

Source: States of Guernsey Household Survey 2006

- A.16 To compensate for these differential response rates, a statistical weight is derived for each case on the basis of tenure, market and property type to generate a weighting factor for each case.
- A.17 Whilst it isn't possible to identify further response bias in this way (insofar as no information is available about the households that were not interviewed), it is important to critically consider the profile of the achieved interviews against existing secondary data sources.

Identifying Unsuitably Housed Households

Introduction

- B.1 Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance (Bramley & Pawson, 2000). Therefore, to identify existing housing need we must first consider the adequacy and suitability of households' current housing circumstances.
- B.2 A classification of unsuitable housing, adapted from Parker and Stirling (1995): "Seen to be Fair: a guide to allocations", was presented by Bramley and Pawson (2000) in the DETR publication "Local Housing Needs Assessment: A Guide to Good Practice". The classification is sub-divided into four main categories, with a total of sixteen sub-divisions as detailed below.

Main Category	Sub-divisions
1. Homeless or with insecure tenure	<ul style="list-style-type: none"> i. under notice, real threat of notice, or lease coming to an end ii. living in temporary accommodation (e.g. hostel, B&B, with friends or relatives) iii. accommodation too expensive
2. Mismatch of household and dwelling	<ul style="list-style-type: none"> iv. overcrowded v. house too large (difficult to maintain) vi. households with children living in high flats or maisonettes vii. sharing a kitchen, bathroom or WC with another household viii. household containing person with mobility impairment or other special needs living in unsuitable dwelling (e.g. accessed via steps or containing stairs)
3. Dwelling amenities and condition	<ul style="list-style-type: none"> ix. lacks a separate bathroom, kitchen or inside WC x. subject to major disrepair or unfitness
4. Social requirements	<ul style="list-style-type: none"> xi. harassment or threats of harassment from neighbours or others living in the vicinity xii. relationship breakdown xiii. family unable to live together because of lack of accommodation xiv. need to give or receive support including living closer to family/friends xv. need to live closer to employment and/or other essential facilities xvi. want to live independently

Figure 92: Classification of Unsuitable Housing

Source: Bramley & Pawson, 2000

- B.3 Most of the identified sub-divisions concern established households and several may cause a household to need to move from one property to another, though many will not necessarily need to move if appropriate changes are made to their existing home.
- B.4 Even where a move is deemed necessary, facilitating households to relocate from one property to another will not inherently require additional homes to be provided because, whilst the characteristics of such dwellings may differ, the overall number of homes will remain the same. Nevertheless, to satisfy the needs of all households, it may be necessary to provide some additional housing with particular characteristics leaving an equivalent number of dwellings (with different characteristics) available to meet housing needs and demands from elsewhere in the market.
- B.5 Whilst the majority of sub-divisions concerning established households may not contribute directly to the additional housing requirement, households who are currently in temporary housing (group ii) and a number of sub-divisions of the social requirements category may each require additional housing provision.

Established Households in Unsuitable Housing

- B.6 Figure 92 established four main categories for identifying unsuitable housing, each with a number of sub-divisions. Whilst some of the indicators related to households currently lacking their own housing, the majority considered the circumstances of existing households.
- B.7 Information on a wide range of housing issues was collated by the Household Survey, and by drawing on information gathered throughout the questionnaire we are able to rigorously identify whether or not households' current homes are suitable for their needs. Whilst the assessment of housing suitability is based on responses to questions within the survey, many of the indicators are assessed relatively objectively on the basis of answers provided to factual questions. This is a far more sophisticated approach than relying on households identifying themselves with one or more problems selected from a "shopping list" of possibilities, and avoids households associating themselves with issues on the basis of interviewer prompts.
- B.8 Objective assessments (based upon factual information) can clearly be used in assessing issues such as households' lack of facilities. Where, for example, respondents are asked whether they have an inside WC or not. Such a factual yes/no response clearly leads to an objective assessment of the criteria.
- B.9 The measure of overcrowding and under-occupancy is also calculated objectively. The number of rooms required by a household is assessed through analysing the household profile against an agreed "bedroom & living room standard". This requirement is then set against the number of rooms available in the home. The bedroom standard used for the Guernsey study is similar as follows. It provides one bedroom for each of the following groups or individuals:
- Each adult couple;
 - Each remaining adult (aged 18 or over);
 - Each pair of children of the same gender;
 - Each pair of children aged 10 or under;
 - Each remaining child that has not been paired.

- B.10 The number of rooms required is then set against the number of bedrooms in the current home, to determine the level of overcrowding or under-occupation.
- B.11 A similar (though less complicated) assessment is used to identify children living in high rise flats – where the presence of children within the household is compared with the floor on which the household lives to determine whether or not the combination is acceptable.
- B.12 Where it is not possible to identify problems in an objective manner, subjective responses from the survey have been used. Nevertheless, these are largely responses provided in an unprompted manner to more general, open-ended questions. This avoids any bias being introduced by the interviewing process.
- B.13 A summary of the categories used to assess housing suitability from the Guernsey Household Survey data is detailed below:

Categories	Survey Analysis
1. Homeless or with Insecure Tenure	
Tenancy under notice, real threat of notice or lease coming to an end	Household wanting/having/needing to move because of end of tenancy, eviction, repossession or otherwise forced to move OR Landlord or mortgagor taking action to repossess the property or evict them because of arrears
Accommodation too expensive	Household currently in rent or mortgage arrears and currently finding housing costs extremely difficult to manage
Expiry of housing License	Household wanting/having/needing to move because of expiry of Housing Licence
2. Mismatch of Household and Dwelling	
Overcrowding	Size and composition of household used to assess number of bedrooms required; compared with Number of current bedrooms
Home too difficult to maintain	Household wanting/having/needing to move because they have difficulty maintaining garden
Housing otherwise unsuitable for household	Household with children/pensioners; and Living in multiple occupancy dwelling; and Sharing at least one basic facility OR Household with children aged under 16; and Living in a flat above 4th floor
Households with support needs	Someone in household has long-term illness/disability/infirmity and their current home/circumstances do not meet their needs satisfactorily Need a carer to stay permanently or overnight and don't have space for them; or Need to move to sheltered housing, residential home, nursing home or hospital; or Household wanting/having/needing to move to receive care from a friend or relative

Continued...

Categories	Survey Analysis
3. Dwelling Amenities and Condition	
Dwelling Amenities and Conditions	Household having no bathroom or shower-room; or Household having no inside WC; or Household having no kitchen; or Household having no washbasin with running hot water; or Household having no heating in the home; or Household relying exclusively on portable fires or heaters; or Household experiencing serious problems (as opposed to only experiencing problems) with interior or exterior structural repairs, roof repairs or rising damp or subsidence; or Household experiencing serious problems (as opposed to only experiencing problems) with two or more of the following: <ul style="list-style-type: none"> - Damp penetration or condensation - Window repairs - Electrical or wiring repairs - Gas supply or appliances - Heating or plumbing - Drainage problems - Repairs to gutters or down pipes
4. Social Requirements	
Harassment	Household wanting/having/needing to move because of racial or other harassment problems
Family reasons	Household wanting/having/needing to move because of separation from partner, to join other household members or to give care to a friend or relative

Figure 93: Derivation of Unsuitable Housing Indicators

- B.14 Households are classified as being unsuitably housed if one or more of the above factors are found to apply. The households identified are considered to be living in unsuitable housing regardless of the number of problems that are identified. This avoids potential double counting.
- B.15 Although local authorities typically use points systems to score and prioritise overall needs, our analysis does not use artificial calculations to score the relative unsuitability of housing. After all, to say that some homes are more unsuitable than others does not mean that the households in the latter are not in need.

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