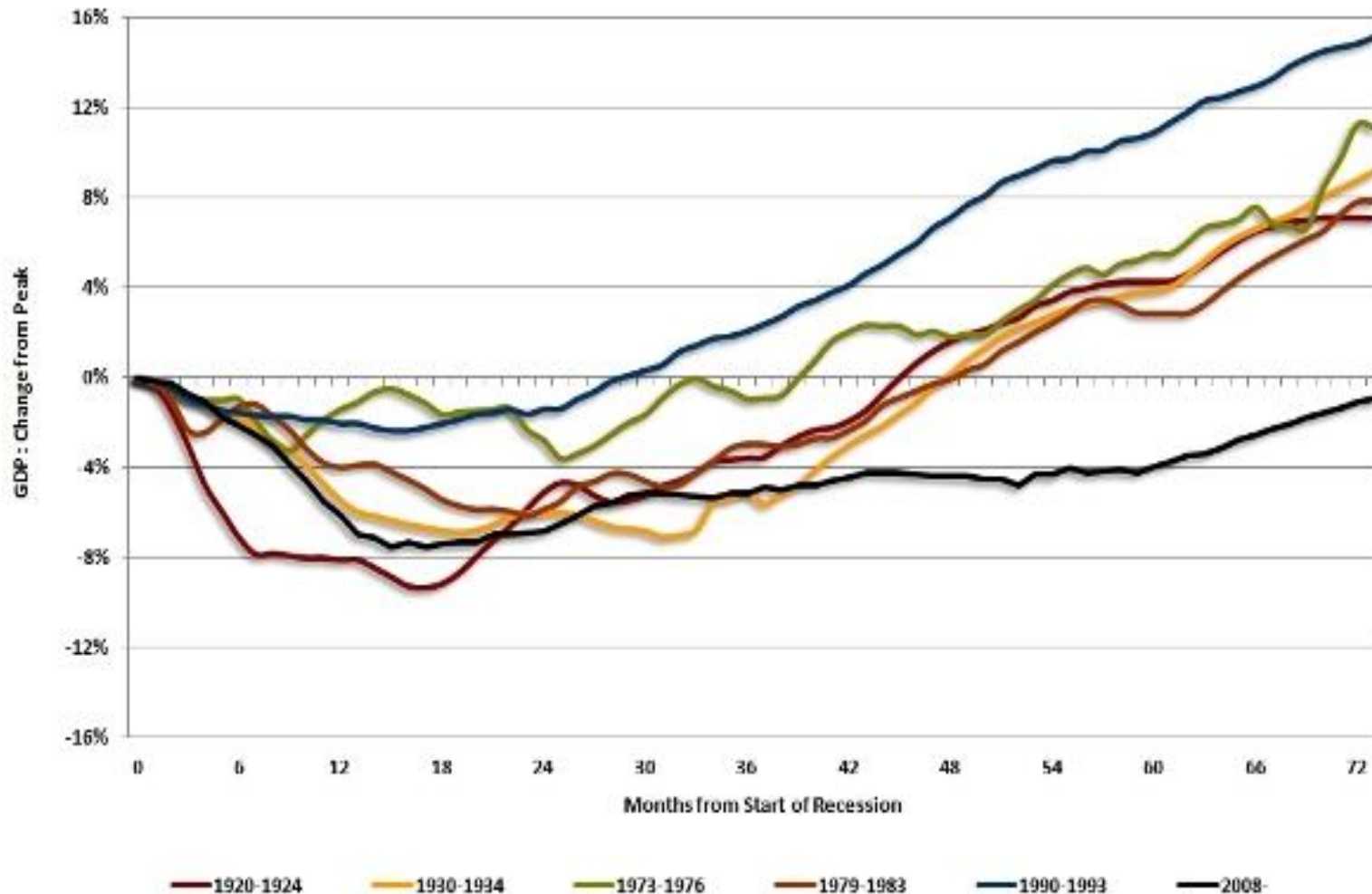




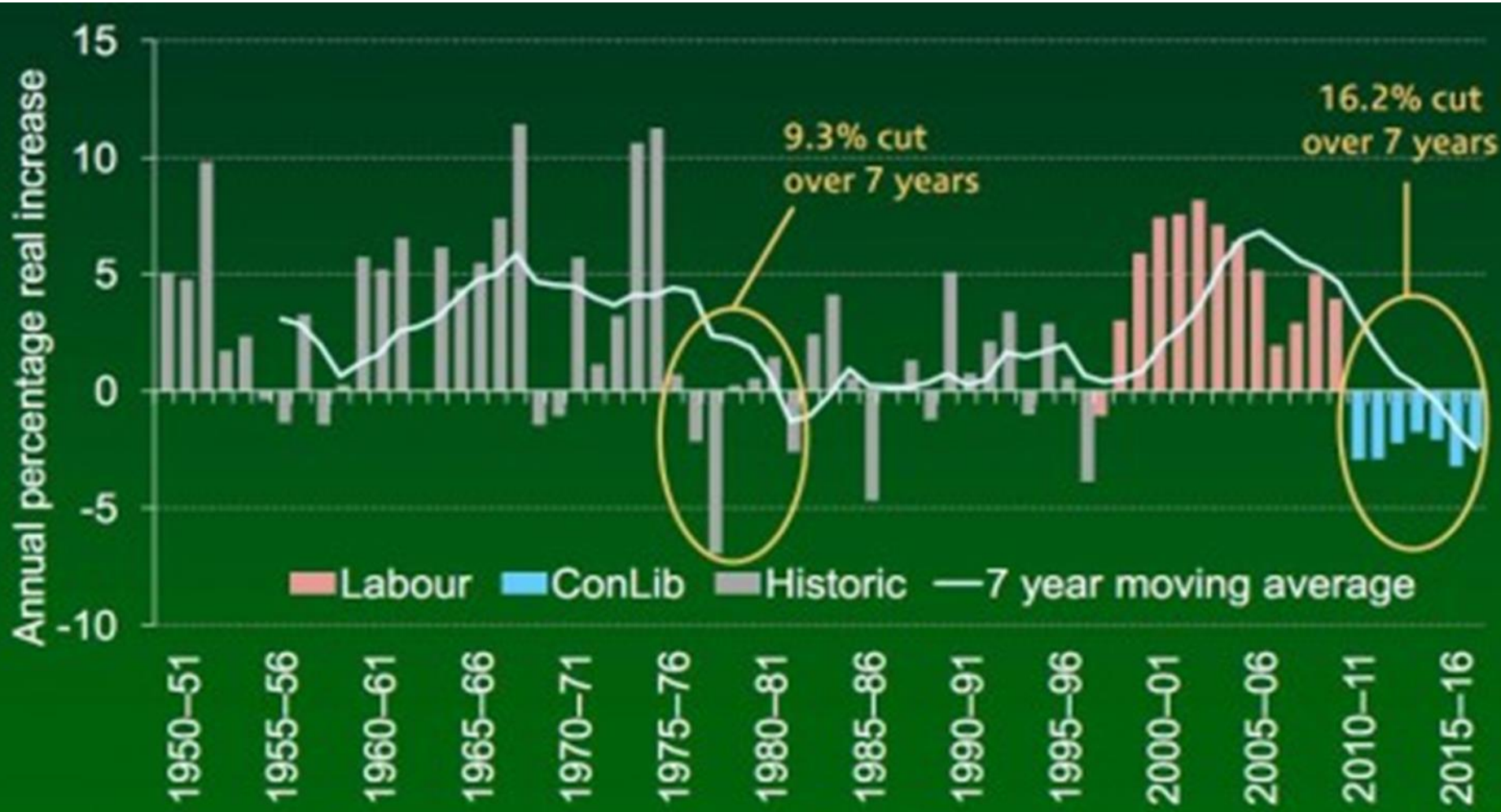
Impact of Austerity on Levels of Deprivation and Access to Basic Needs

Grainia Long- Chief Executive
Chartered Institute of Housing

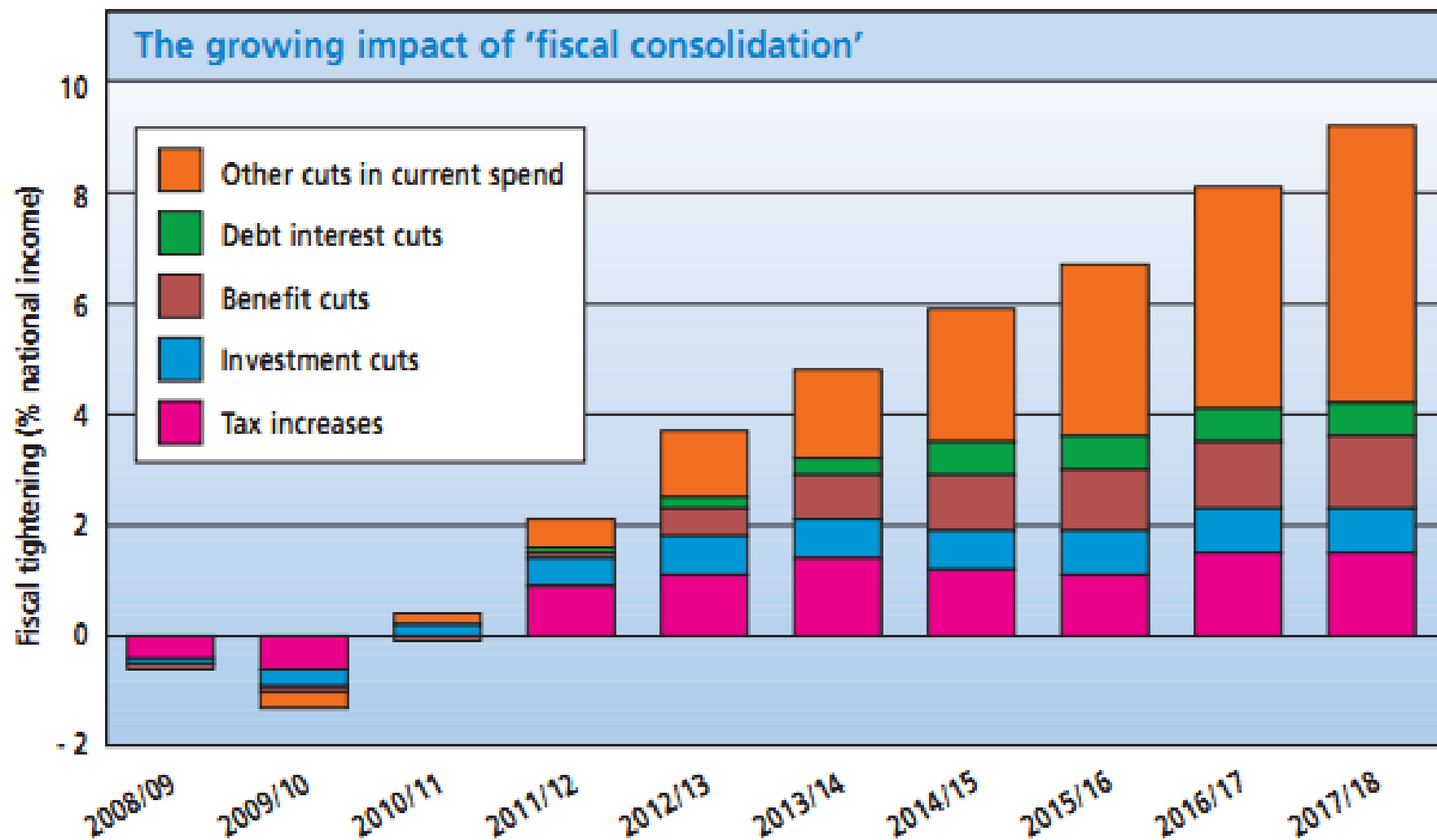
Recession in context



Public Spending Environment

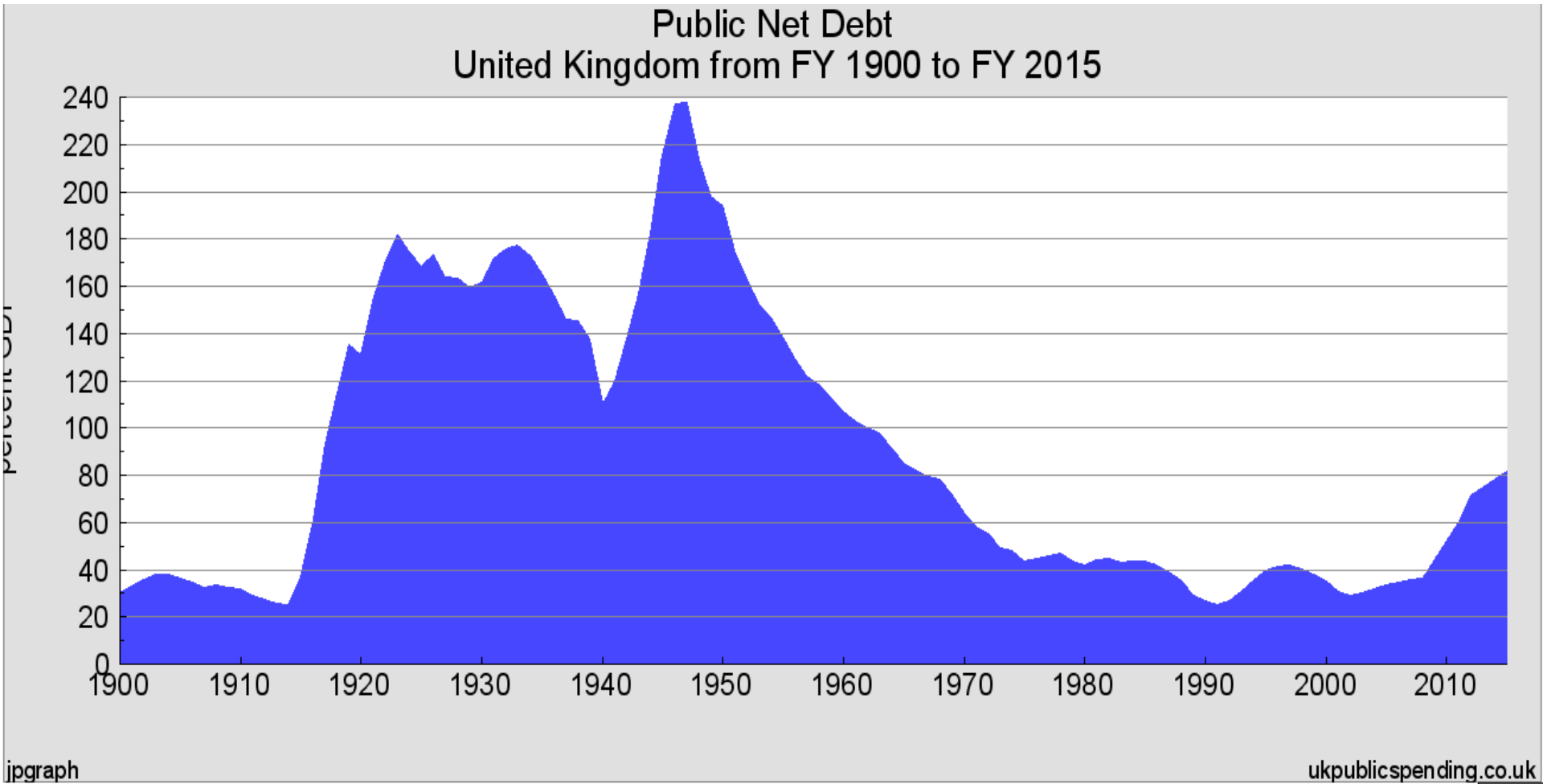


'Fiscal consolidation'

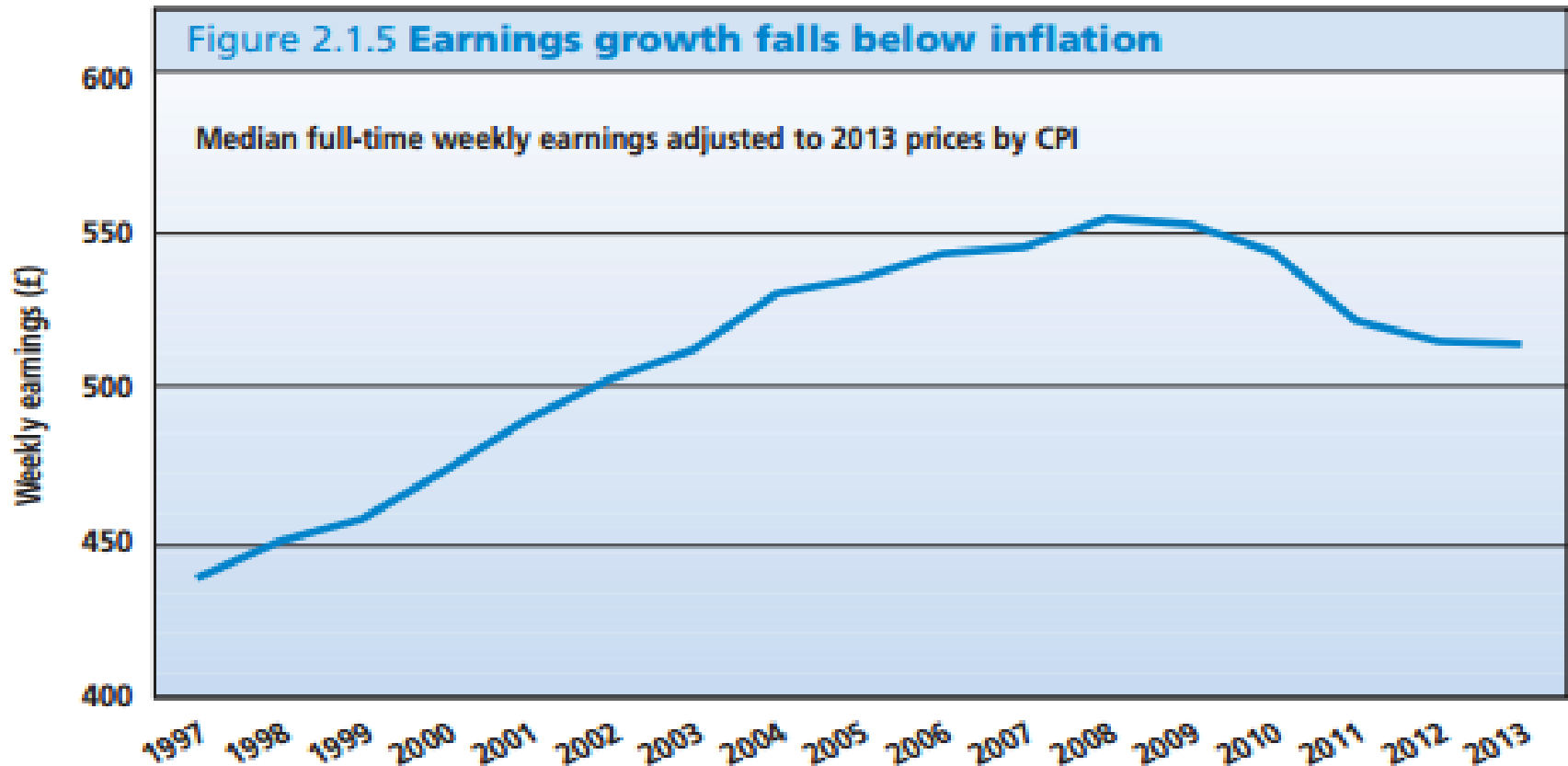


Source: Tetlow, G. (2013) *Cutting the deficit: three years down, five to go?* IFS.

Govt Debt in perspective



Pace of earnings change



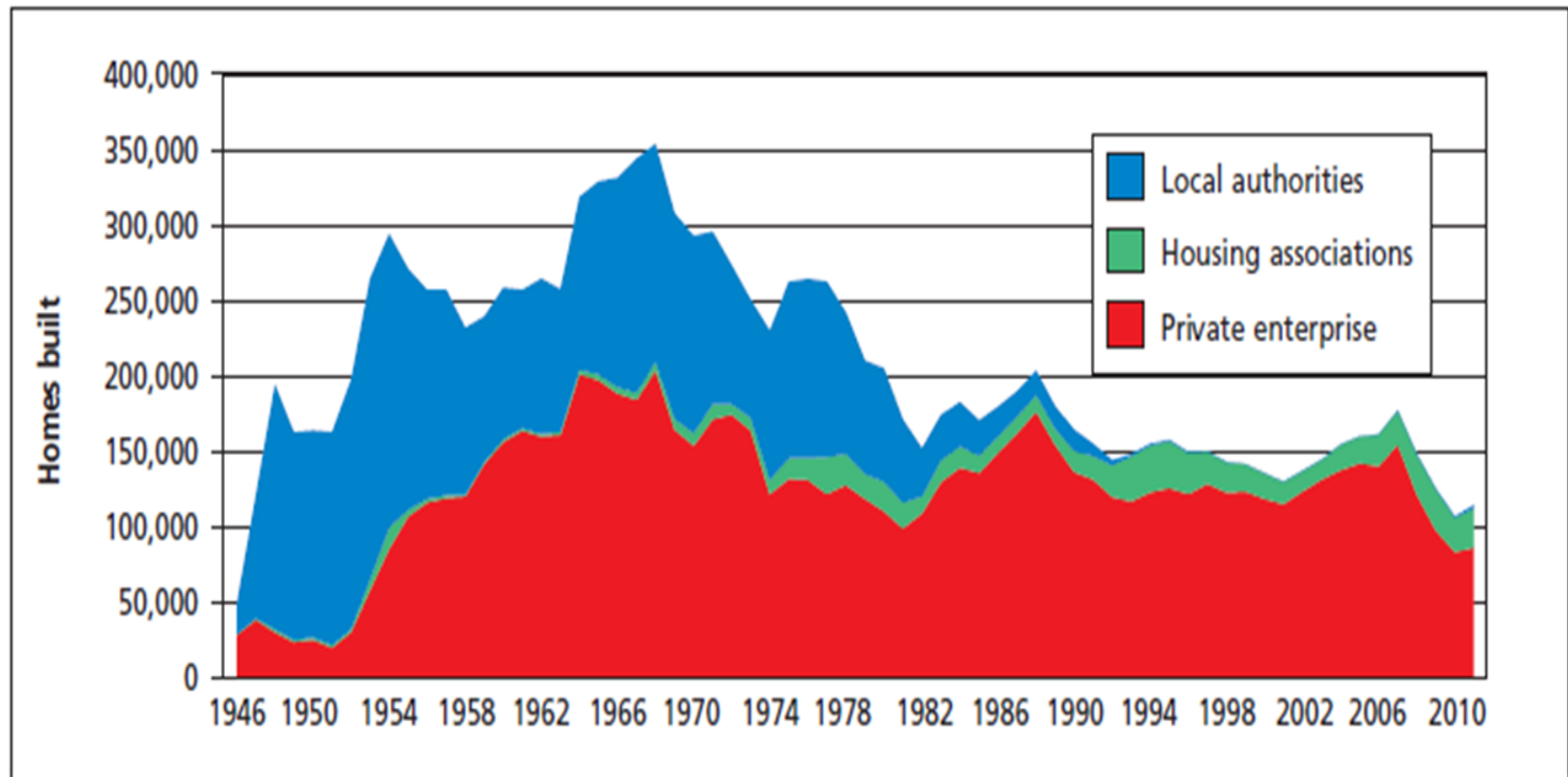
Source: Patterns of Pay: Estimates from the Annual Survey of Hours and Earnings UK 1997 to 2013, Office for National Statistics.

Note: Figures adjusted to remove impact of changes to ASHE methodology that have at various points also tended to reduce returns for average earnings.

The real picture- supply crisis



Graph 1a: New build by tenure (England)



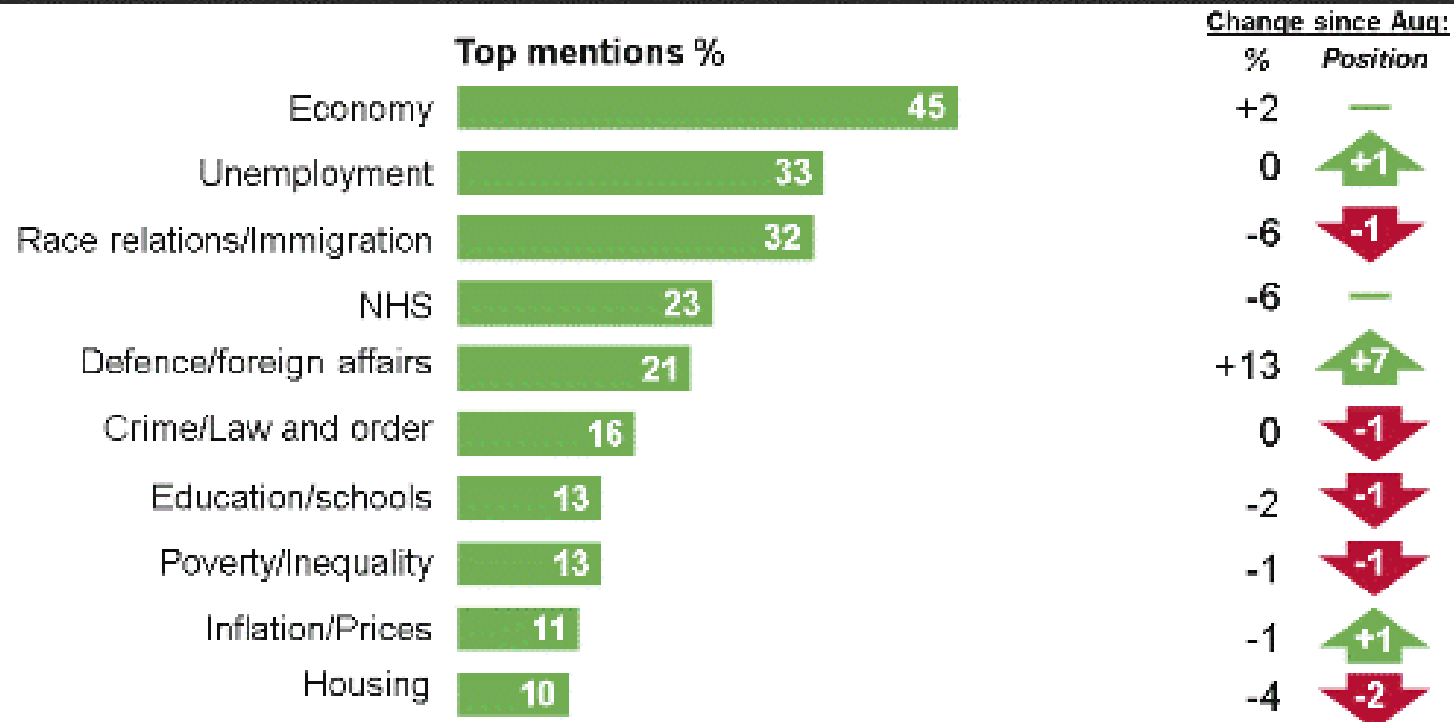
Source: DCLG Live table 244.

The public mood...



Issues Facing Britain: September

What do you see as the most/other important issues facing Britain today?



Base: 367 British adults 18+, 8th – 12th August 2013

Source: Ipsos MORI Issues Index

Ipsos MORI





Role of the State (BSAS)

% who think it's government's responsibility to provide decent standard of living for the unemployed.

81%
1985

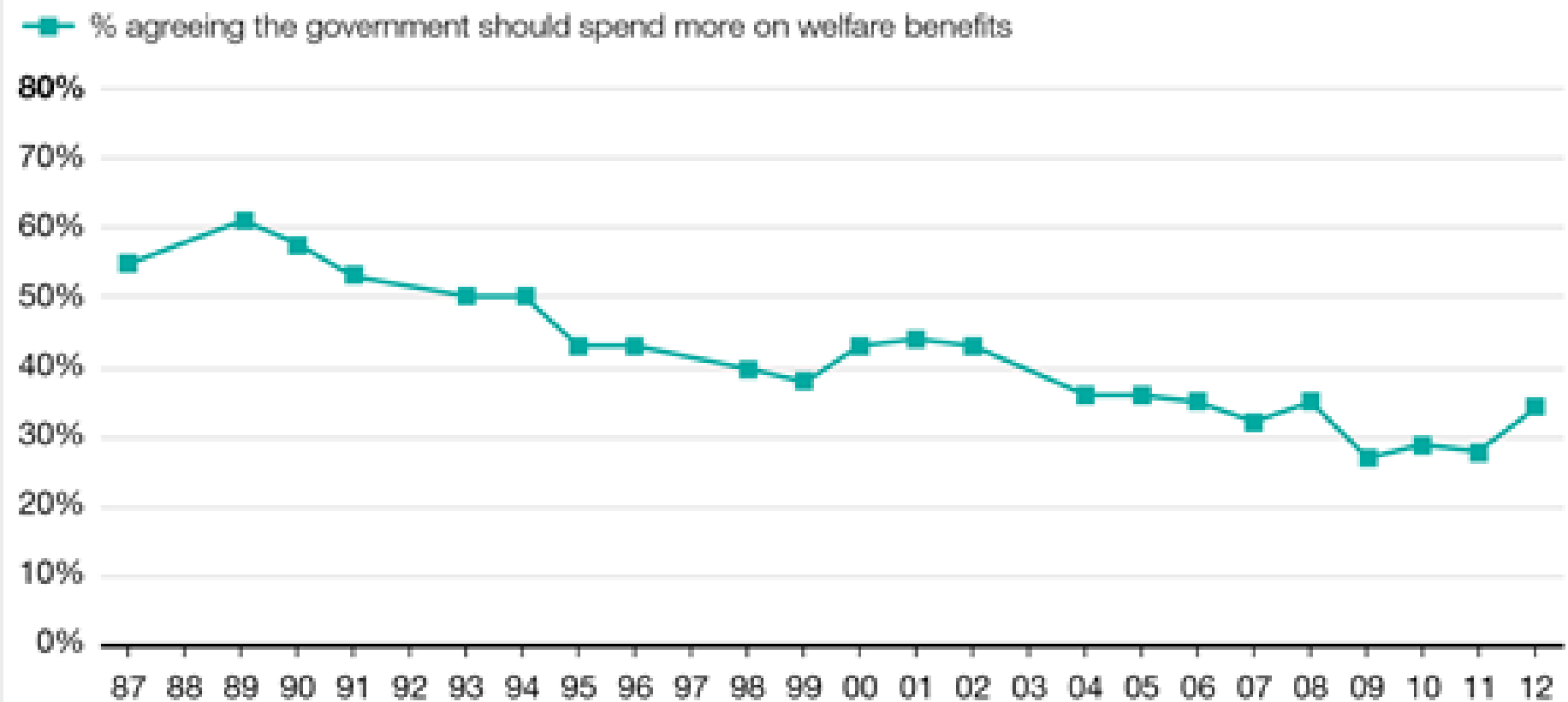
59%
2012



British Social Attitudes Survey



Figure 2.3 Views on government spending on benefits, 1987–2012



The data on which Figure 2.3 is based can be found in the appendix to this chapter

Table 2.3 First and second priorities for extra spending on welfare, 1983–2012

	83	84	85	86	87	89	90	91	93	94
	%	%	%	%	%	%	%	%	%	%
Retirement pensions	64	66	64	65	68	67	65	63	63	64
Child benefits	20	22	23	23	24	30	32	35	31	34
Benefits for the unemployed	32	35	31	33	33	25	21	22	32	26
Benefits for disabled people	58	55	58	58	54	60	59	58	51	57
Benefits for single parents	21	16	18	18	16	17	18	19	18	14
None of these	1	1	1	*	1	*	1	*	1	1
<i>Weighted base</i>	<i>1719</i>	<i>1645</i>	<i>1769</i>	<i>3066</i>	<i>2766</i>	<i>2930</i>	<i>2698</i>	<i>2836</i>	<i>2945</i>	<i>1187</i>
<i>Unweighted base</i>	<i>1761</i>	<i>1675</i>	<i>1804</i>	<i>3100</i>	<i>2847</i>	<i>3029</i>	<i>2797</i>	<i>2918</i>	<i>2945</i>	<i>1167</i>
	95	96	00	01	03	05	07	10	12	
	%	%	%	%	%	%	%	%	%	
Retirement pensions	68	71	74	76	79	80	78	72	72	
Child benefits	33	30	33	35	38	39	42	42	35	
Benefits for the unemployed	25	26	13	12	10	8	7	11	12	
Benefits for disabled people	58	54	61	57	54	53	54	53	59	
Benefits for single parents	12	12	15	14	16	15	15	14	14	
None of these	1	1	1	1	1	1	1	2	2	
<i>Weighted base</i>	<i>1199</i>	<i>3620</i>	<i>3426</i>	<i>3287</i>	<i>3276</i>	<i>3210</i>	<i>3082</i>	<i>3297</i>	<i>3248</i>	
<i>Unweighted base</i>	<i>1234</i>	<i>3620</i>	<i>3426</i>	<i>3287</i>	<i>3272</i>	<i>3193</i>	<i>3094</i>	<i>3297</i>	<i>3248</i>	

Percentages sum the responses to two questions, so will add to more than 100 per cent

Why the public/political interest?

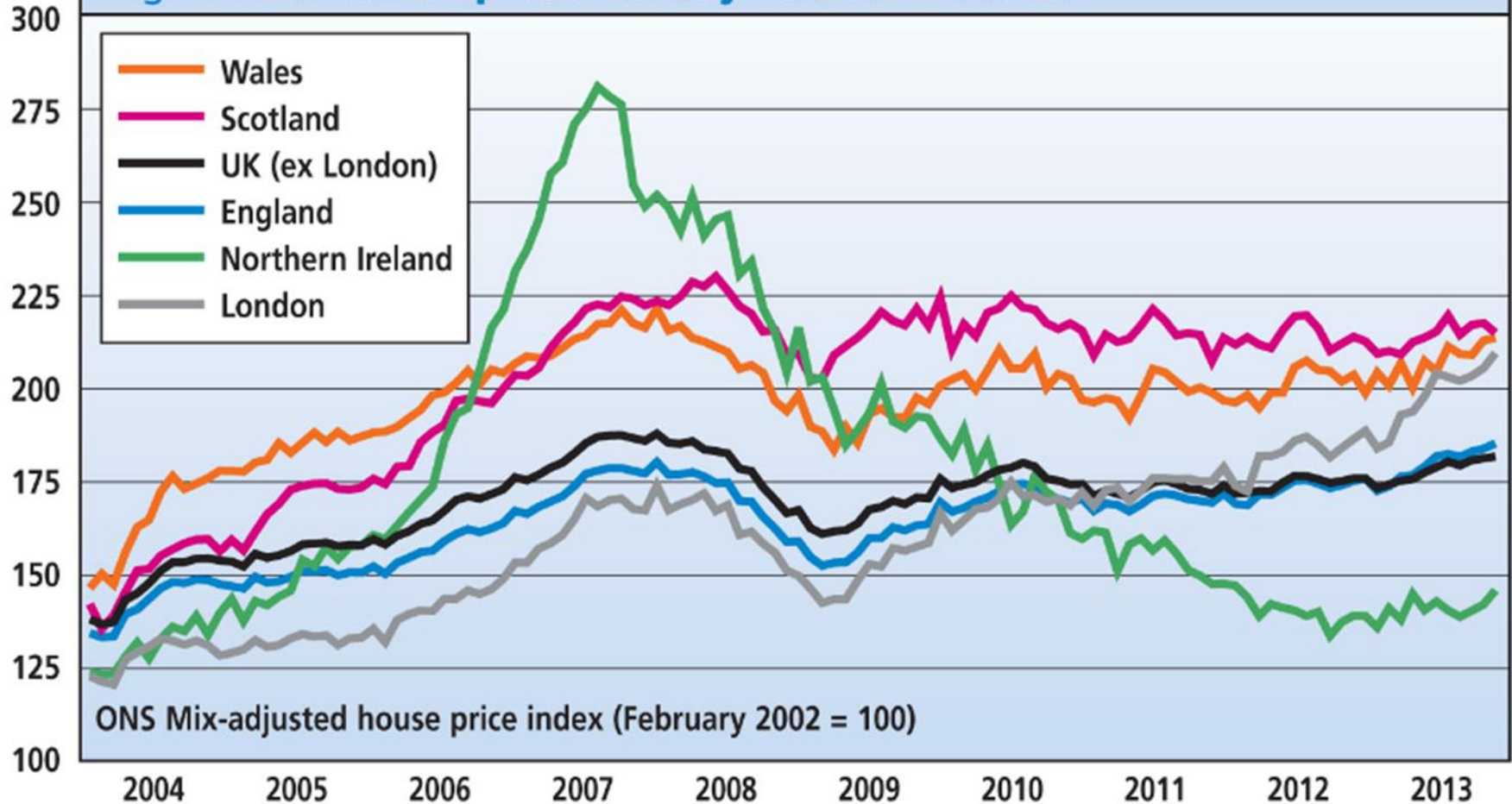


- 50% of UK personal wealth is based on property (cf. with US = 25%)
- Our financial health is tied up with the value of our property
- Housing has form- it has a major economic impact
- Housing as a 'sticky' issue: coalition politics, the politics of borrowing, intervention in the market
- Large scale inequality- one third of UK households don't own their own home- 11% own more than one
- Intergenerational inequality in how we invest in housing

London and 'the rest'



Figure 2.3.1 House prices steady outside London



Source: ONS Mix-adjusted house price index.



Impacts on housing



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Cuts in LHA biting deeply in London



Table 1.1.1 Housing benefit claimant numbers in the private rented sector

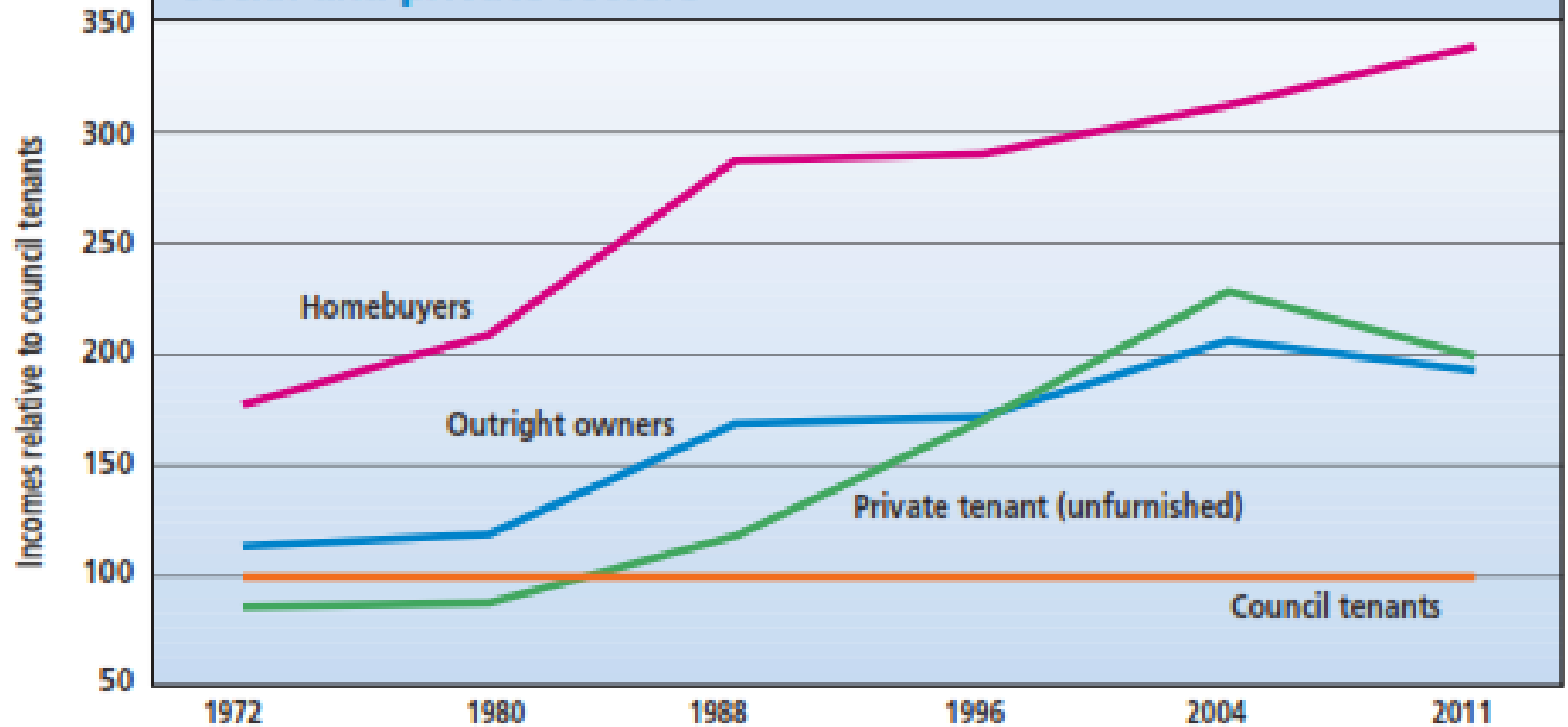
	March 2011	December 2011	December 2012	November 2013	Percentage change Mar 2011 – Nov 2013
Great Britain	1,545,860	1,600,080	1,652,321	1,645,303	6.4
Scotland	92,290	93,430	96,201	97,168	5.3
Wales	79,130	82,350	85,801	85,896	8.6
England	1,376,440	1,424,300	1,470,319	1,462,439	6.2
London	267,040	278,460	280,007	277,491	3.9
Inner London	102,200	104,980	100,279	96,863	- 5.2
Kensington & Chelsea	4,180	3,930	3,291	3,027	- 27.6
Westminster	8,580	8,570	6,712	5,893	- 31.3

Source: DWP housing benefit statistics.

UK Housing Review



Figure 2.2.1 Increasing income gulf between households in the social and private sectors



Source: Compendium Table 36a.

Affordability Crisis



Table 2.3.1 The UK Housing Review Affordability Index

Based on mortgage costs for first-time buyers and average incomes for all working households

Country/Region	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
United Kingdom	100.0	95.5	94.5	110.9	117.3	119.1	134.5	126.4	140.0	140.9	182.7	180.0	178.2	199.1	177.3	137.3	144.5	144.5	159.1	155.5
North East	100.0	93.5	93.5	106.5	112.9	109.7	118.3	100.0	115.1	123.7	184.9	177.4	171.0	189.2	168.8	138.7	135.5	134.4	143.0	133.3
North West	100.0	92.7	88.5	103.1	108.3	106.3	124.0	117.7	129.2	124.0	178.1	181.3	181.3	193.8	171.9	137.5	135.4	126.0	129.2	121.9
Yorkshire and The Humber	100.0	96.9	96.9	108.3	112.5	109.4	125.0	109.4	130.2	127.1	178.1	183.3	186.5	203.1	185.4	150.0	147.9	140.6	149.0	141.7
East Midlands	100.0	93.9	92.9	109.2	112.2	109.2	121.4	114.3	135.7	141.8	190.8	189.8	186.7	218.5	189.1	140.2	144.6	132.7	145.9	138.8
West Midlands	100.0	92.9	89.4	99.1	100.9	100.9	112.4	112.4	131.0	125.7	160.2	159.3	154.9	169.0	150.4	123.9	131.9	130.1	137.2	131.0
East	100.0	98.2	100.0	119.3	126.6	122.9	145.9	142.2	160.6	153.2	190.8	183.5	175.2	199.1	180.7	136.7	141.3	137.6	151.4	144.0
London	100.0	94.5	92.9	111.8	122.8	135.4	145.7	137.0	143.3	146.5	185.8	177.2	178.7	200.8	181.1	138.6	158.3	165.4	189.0	192.1
South East	100.0	93.4	93.4	109.9	117.4	112.4	134.7	133.9	148.8	149.6	185.1	172.7	172.7	190.9	168.6	128.1	138.8	138.8	150.4	143.8
South West	100.0	97.3	98.2	121.4	122.3	125.0	143.8	137.5	168.8	164.3	211.6	200.9	192.0	213.4	189.3	145.5	150.0	143.8	154.5	148.2
England	100.0	94.6	92.9	109.8	116.1	117.9	134.8	127.7	142.0	143.8	186.6	181.3	177.7	199.1	176.8	137.5	144.6	144.6	158.9	156.3
Wales	100.0	86.1	88.9	100.9	106.5	106.5	113.9	112.0	127.8	119.4	171.3	174.1	168.5	175.0	154.6	118.5	122.2	118.5	131.5	125.9
Scotland	100.0	102.1	101.0	119.6	121.6	115.5	118.6	113.4	124.7	108.2	148.5	151.5	154.6	176.3	156.7	126.8	117.1	126.8	135.1	126.8
Northern Ireland	100.0	132.9	139.7	167.1	175.3	175.3	195.9	179.5	189.0	182.2	219.2	235.6	260.3	356.2	290.4	209.6	194.5	175.3	164.4	150.7

Source: Computed from Regulated Mortgage Survey mix-adjusted house prices for first-time buyers and household earnings data from the Living Costs & Food Survey.

Note: 1. Mortgage costs assume a constant 82% mortgage-advance-to-house-price ratio, in line with the average over the period. They are based on average mortgage lender rates for new mortgages in the last quarter of the year, and assume a standard 25-year repayment mortgage. 2. The index is based on the mortgage cost ratios shown in Table 2.3.2 with 1994 as the base year (=100).

Affordable Rents by Region



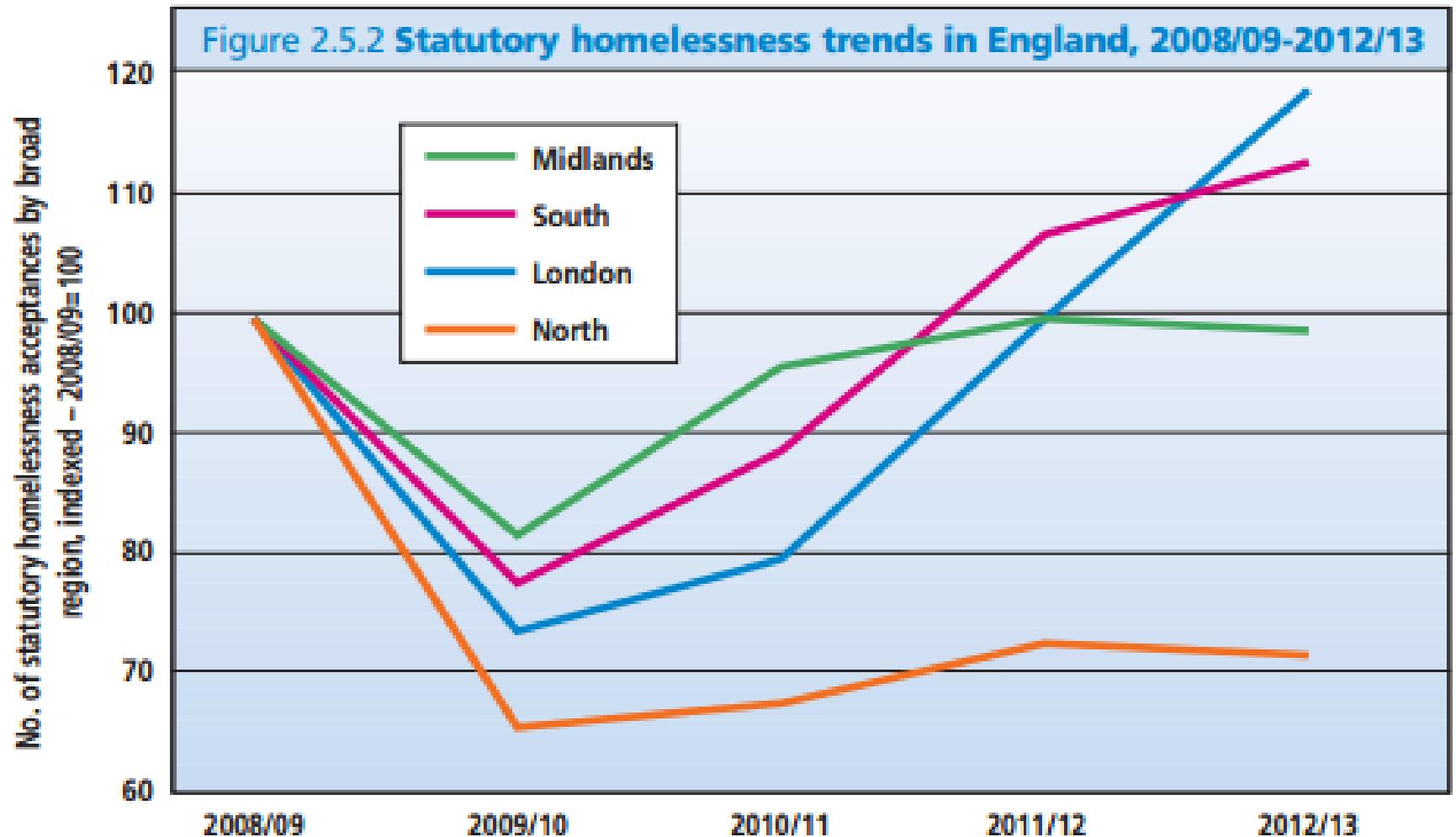
Table 2.4.4 Affordable Homes Programme – Affordable Rents compared with market rents by region

Region	Average rent (£/week)		Average rent as a % of market rent
	AR	Market	
London	163	237	69%
East and South East	134	174	77%
Midlands	108	137	79%
North East, Yorkshire and The Humber	98	124	79%
North West	103	129	80%
South and South West	122	156	78%
Average outside London	114	144	79%

Source: HCA and GLA.

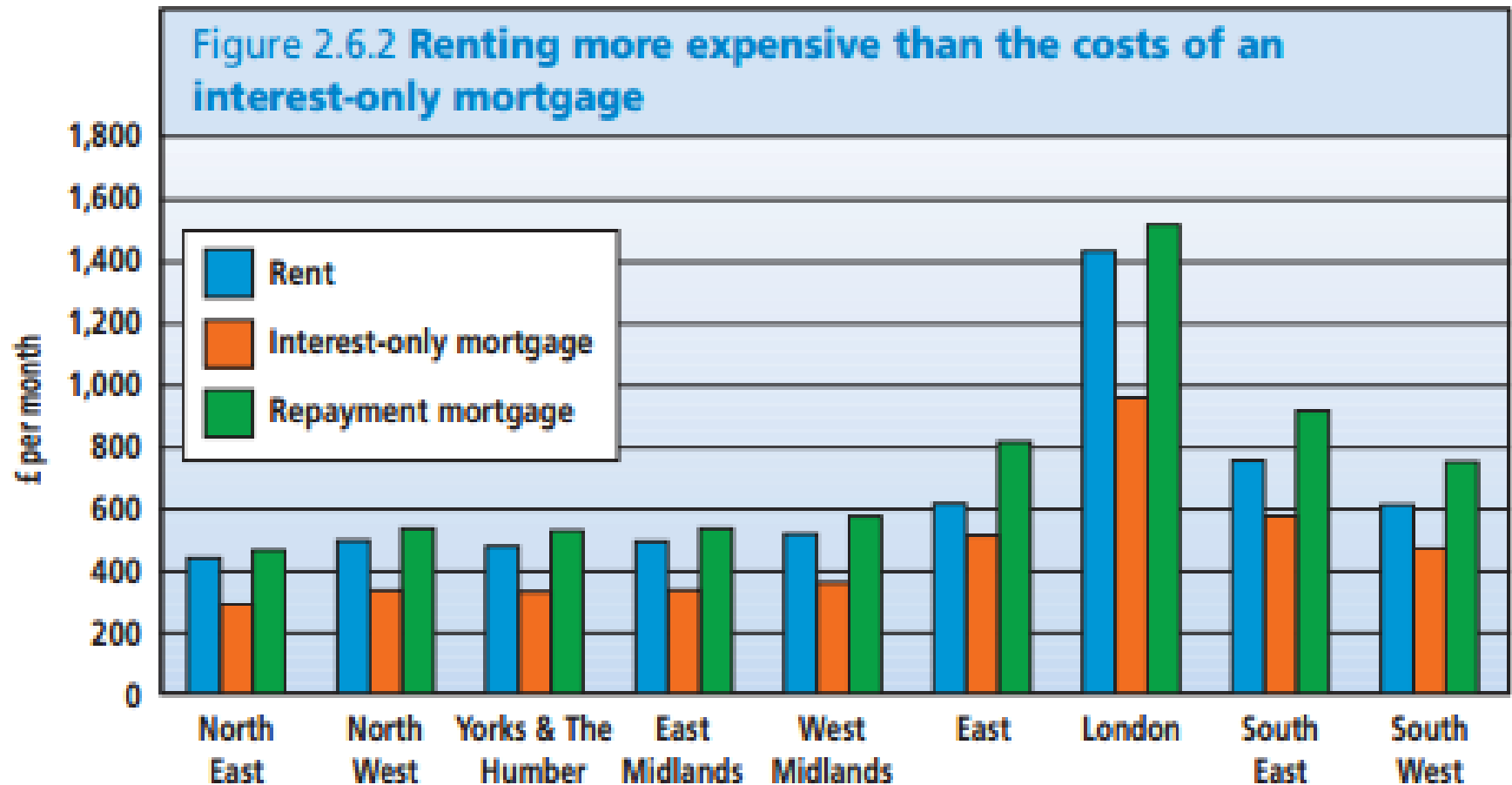
Note: Rents shown are average gross rents, including service charges. The equivalent table in the 2013 *Review* was based on net rents.

Rise in homelessness



Source: The English Housing Monitor 2013 (Crisis).

One final thought- what next?



Source: ONS house prices; Valuation Office Agency Rents 2012.

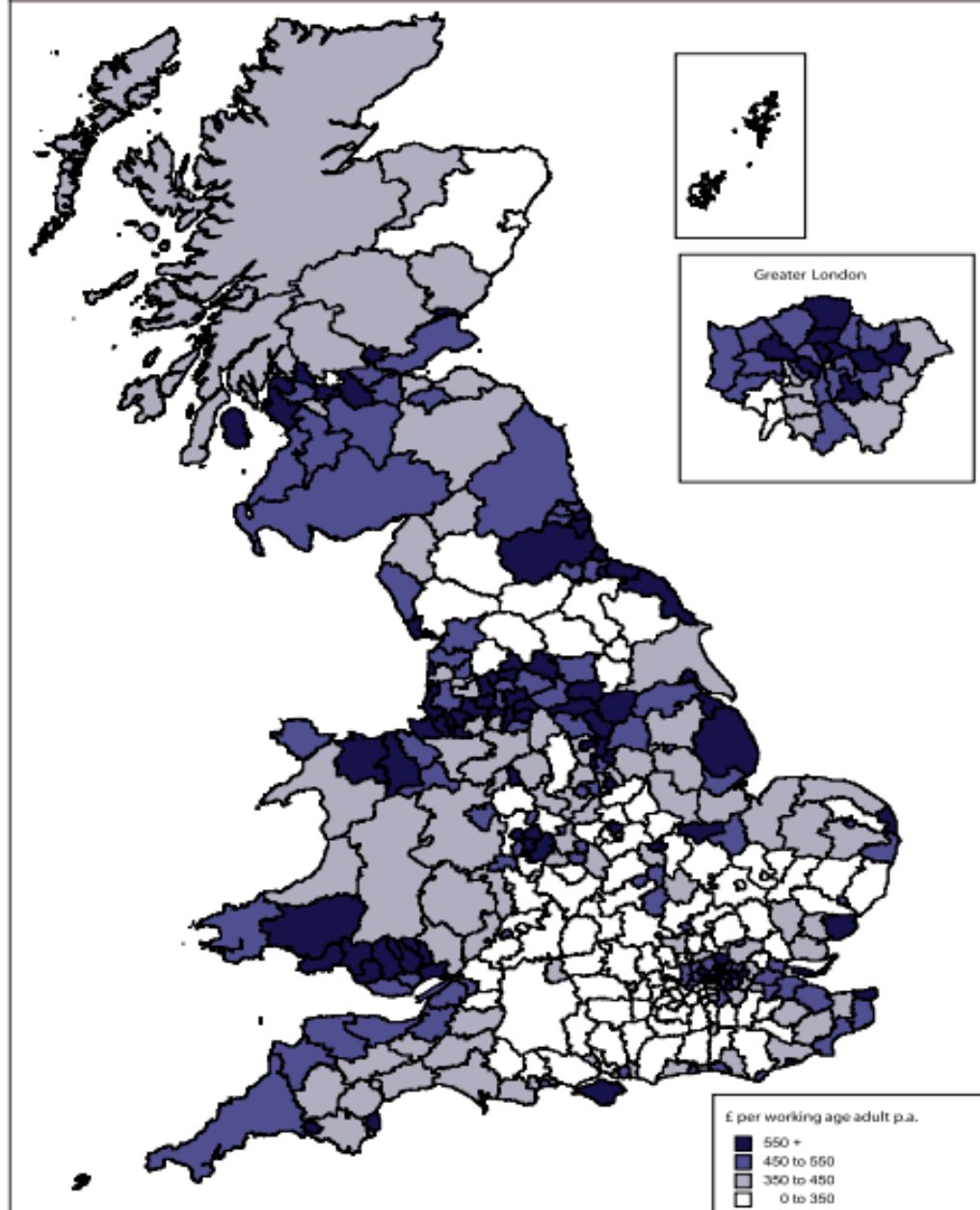
Note: Data are for two-bedroom dwellings.



Addressing Housing as a Human Rights Issue

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Figure 1.1.1 The spatial impact of welfare reforms



Map shows overall financial losses due to welfare reform by local authority area. Data relates to 2014/15 average.

Bedroom Limit ££ deductions



Table 1.1.2 Social sector tenant households subject to a 'bedroom limit' deduction

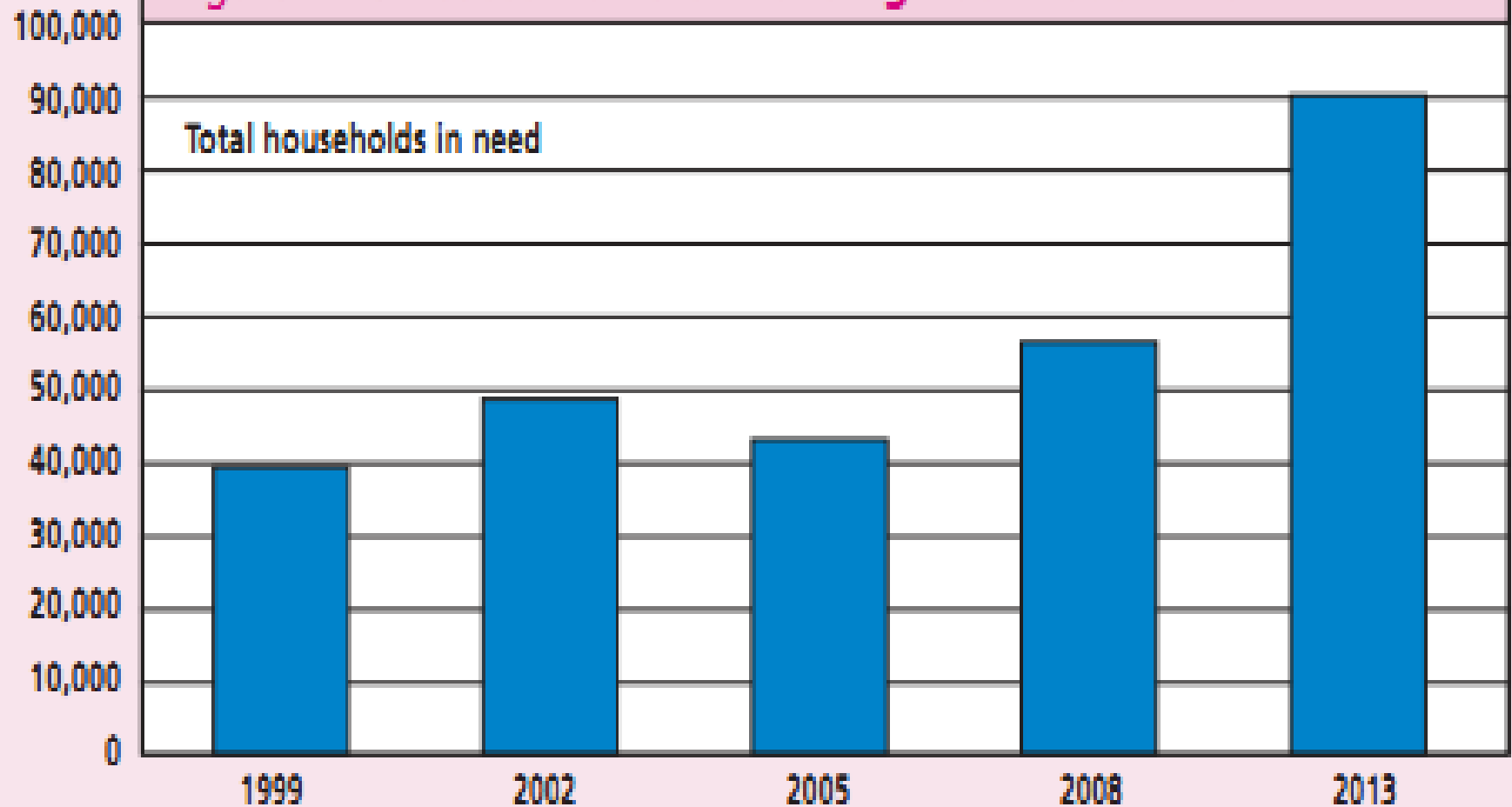
Region	May 2013		August 2013		November 2013	
	Numbers with deduction	Average weekly deduction	Numbers with deduction	Average weekly deduction	Numbers with deduction	Average weekly deduction
North East	41,271	£13.22	38,663	£12.90	37,549	£12.85
North West	89,027	£14.08	82,944	£13.97	78,836	£13.92
Yorkshire & The Humber	54,763	£13.10	50,953	£12.99	49,046	£12.92
East Midlands	37,462	£13.57	35,257	£13.46	33,522	£13.34
West Midlands	55,680	£14.70	52,234	£14.57	49,364	£14.54
Eastern	36,123	£15.97	33,829	£15.87	32,230	£15.78
London	59,881	£20.38	55,219	£20.22	52,196	£20.12
South East	39,496	£17.54	36,904	£17.38	35,107	£17.35
South West	29,427	£15.00	27,366	£14.93	26,253	£14.90
England	443,130	£15.29	413,357	£15.14	394,121	£15.06
Wales	35,714	£13.23	33,876	£13.11	32,385	£13.08
Scotland	80,122	£11.61	75,662	£11.50	71,682	£11.32
Great Britain	558,972	£14.63	522,905	£14.48	498,174	£14.40

Source: DWP Statistics November 2013 and February 2014. May figures shown in italics have been adjusted for a small number of incomplete local data returns.

Housing Need- Ireland

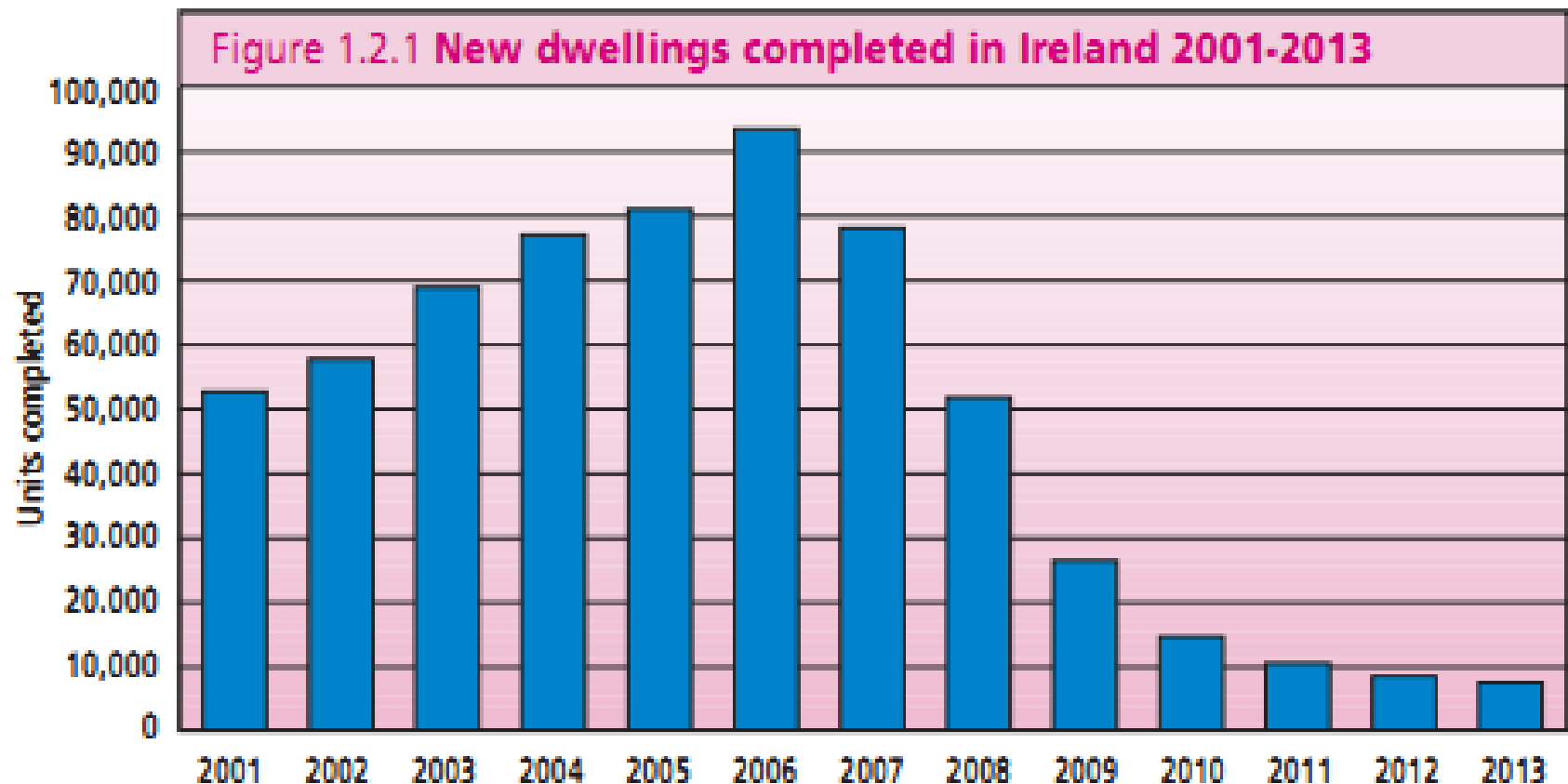


Figure 1.2.5 Assessments of housing need 1999-2013



Source: Summary of Social Housing Assessment, 2013 (Housing Agency)

Housing Supply- Ireland



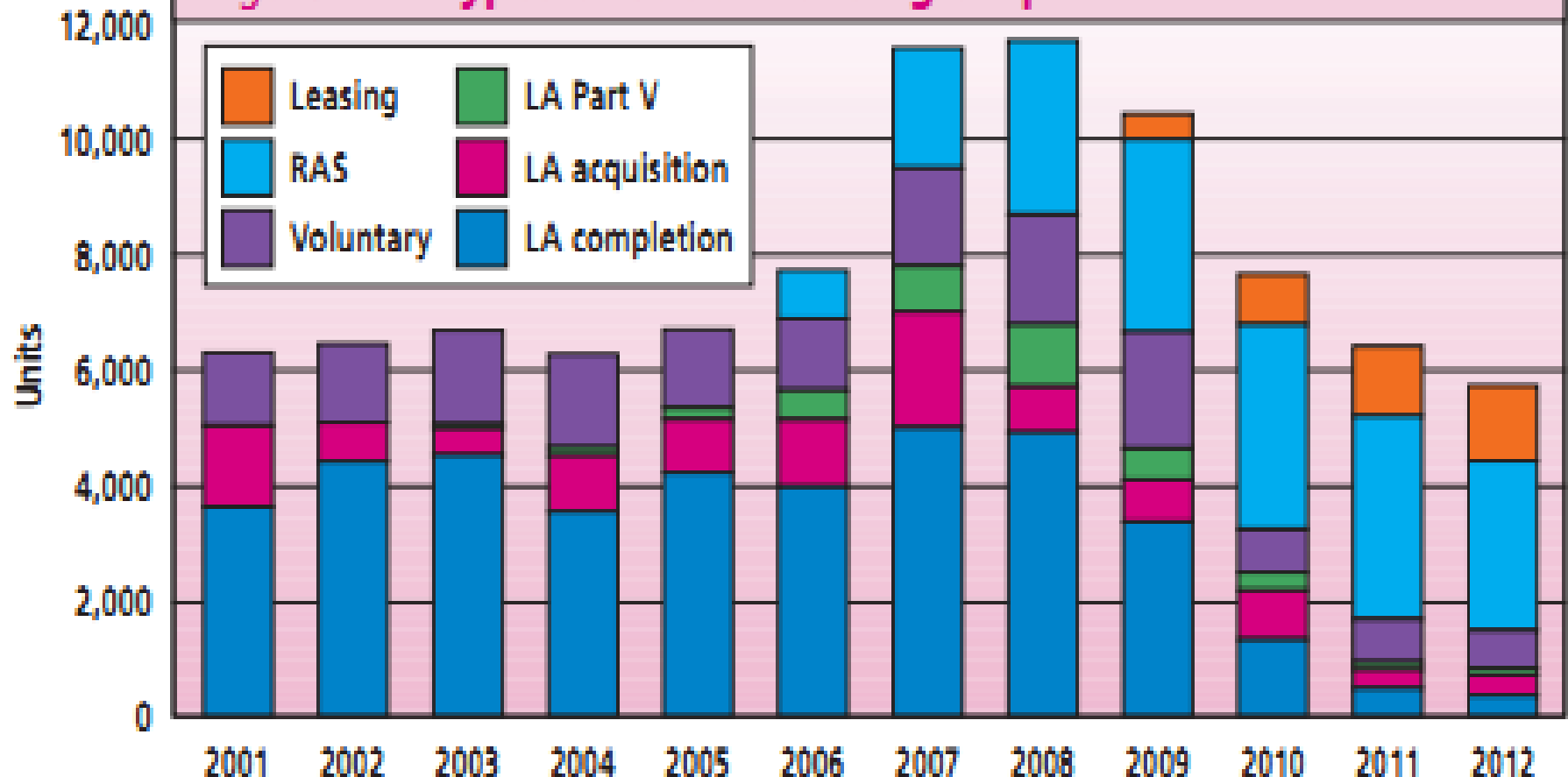
Source: Department of the Environment, Community and Local Government, Dublin.

Notes: Completions for 2013 are estimated from Q1-3.

Social Housing Supply- Ireland

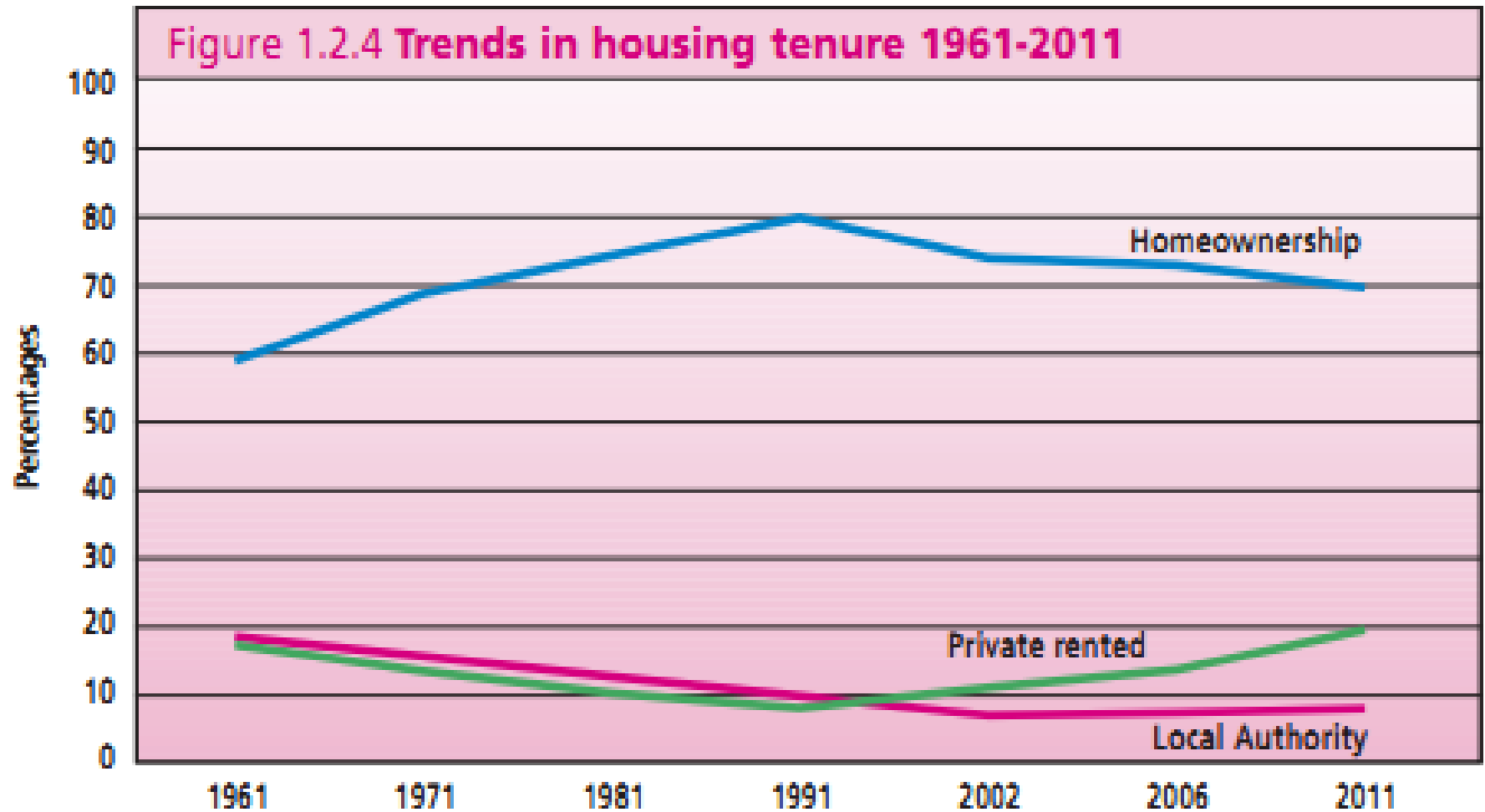


Figure 1.2.2 Types of social housing output 2001-2012



Source: Department of the Environment, Community and Local Government, Dublin.

Tenure Split – Ireland



Source: CSO Census Returns.