
Chapter 6

Housing flows

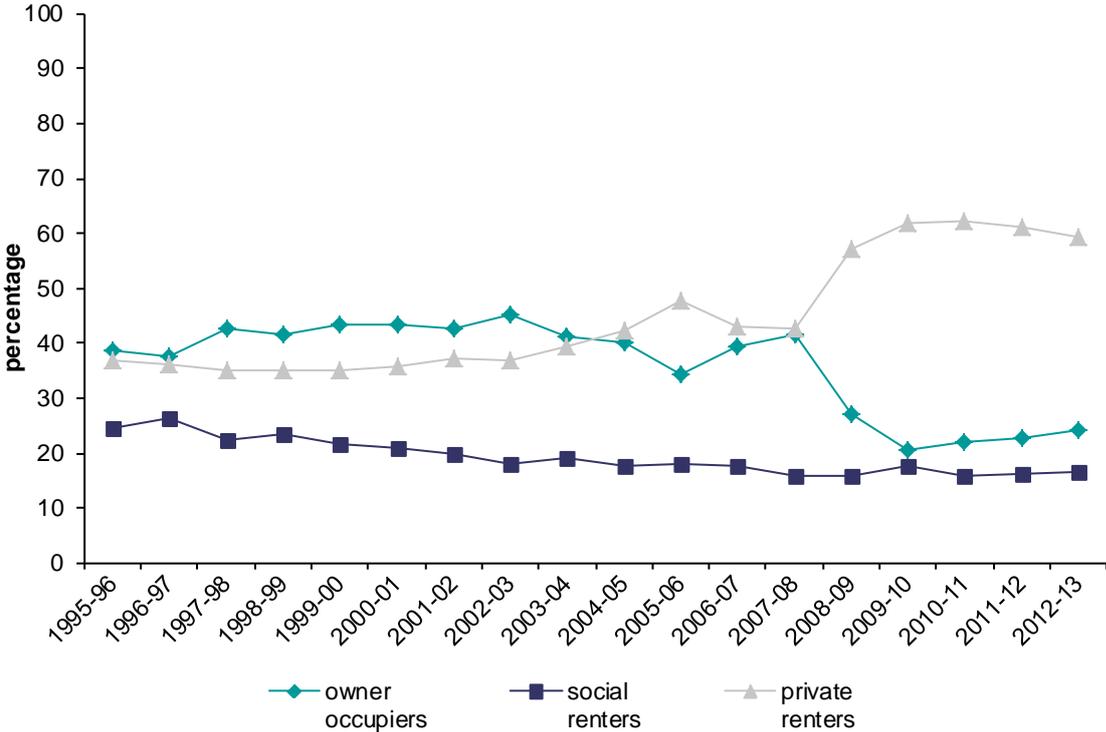
This chapter focuses on households who have recently moved, that is those households who moved into their current home in the last 12 months¹. The first section reports on the prevalence of moving, demographic characteristics of recent movers and reasons for moving. The chapter then looks at movement between sectors, and in particular those who have left the owner occupied sector to become private renters. The final section considers aspirations to buy among renters (which is also covered in Chapters 3 and 4).

Recent movers

- 6.1 In 2012-13, there were 2.3 million households that reported that they were recent movers. Three-fifths (59%) of recent movers moved into private rented properties, a quarter (24%) moved into owner occupied homes and 16% moved into social housing, Annex Table 6.1.
- 6.2 Between 2007-08 and 2009-10, the proportion of all movers who entered owner occupation dropped from 42% to 20%. Over the same period, movers were more likely to move into the private rented sector, the proportion doing so increasing from 43% to 62%. This may be due to the recession and helps to explain the increases in the size of the private rented sector described in Chapter 1. The percentage of movers entering each of the three sectors has remained relatively constant since 2009-10, Figure 6.1.

¹ This includes both new and continuing households but excludes sitting tenant purchasers. For definitions of these terms, please refer to the glossary.

Figure 6.1: Trends in recent movers by current tenure, 1996-97 to 2012-13



Base: households resident less than a year

Notes:

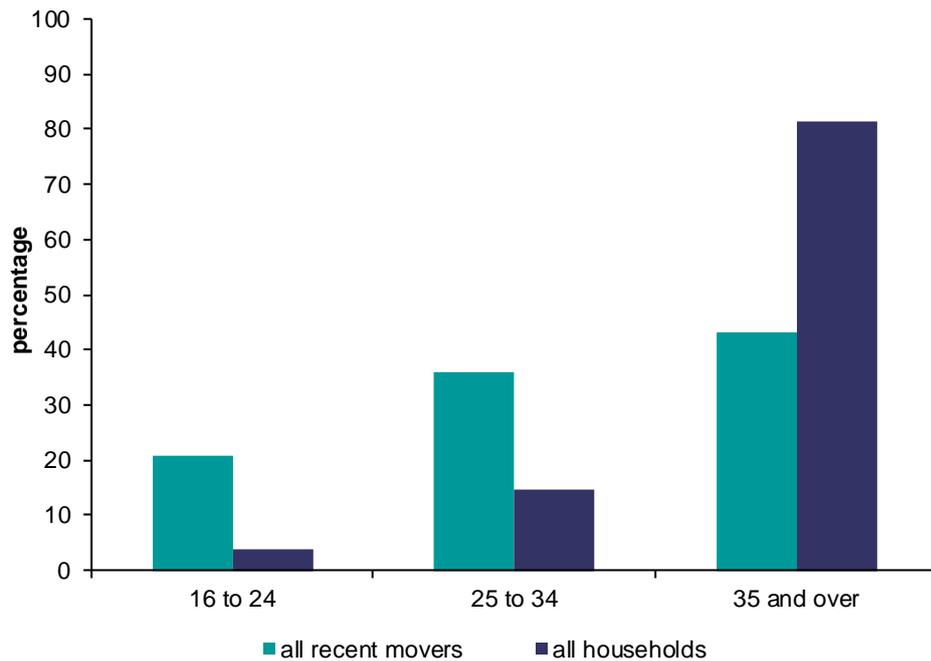
- 1) underlying data are presented in Annex Table 6.1
- 2) a small number of cases with inconsistent responses have been omitted

Sources:

1996-96 to 2007-08: Survey of English Housing;
 2008-09 onwards: English Housing Survey, full household sample

6.3 In 2012-13, recent movers tended to be comparatively young: 57% had an HRP aged less than 35, compared with 18% among the population as a whole, Figure 6.2. They were most likely to be either one person households (31%) or couples with no dependent children (27%), Annex Table 6.2.

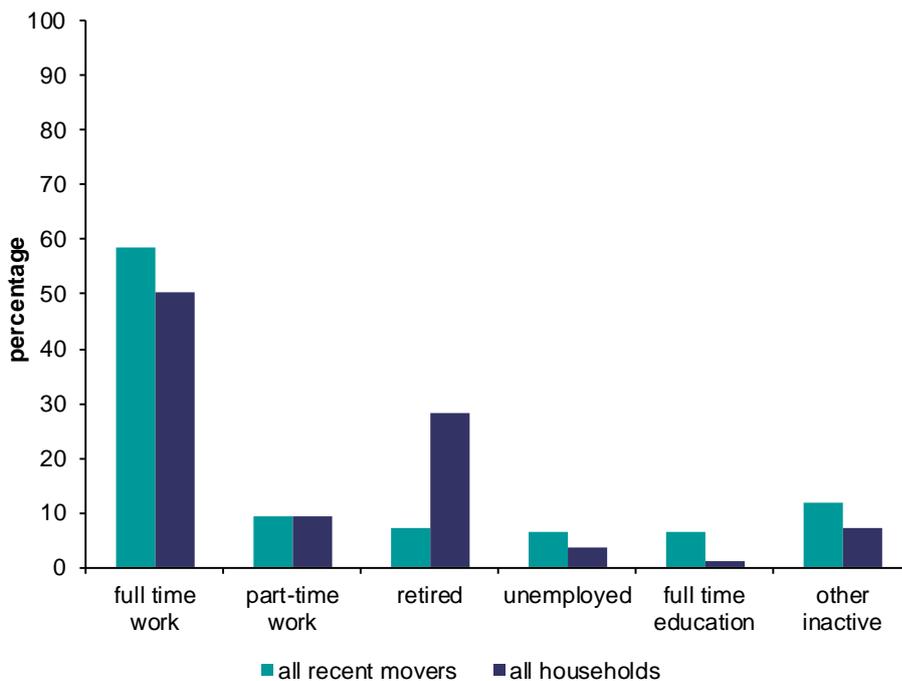
Figure 6.2: Age of HRP of recent movers



Base: all households who have moved in last year
Note: underlying data are presented in Annex Table 6.2
Source: English Housing Survey, full household sample

6.4 Around two-thirds (68%) of recent movers worked full- or part-time (compared with 60% among all households). A further 7% were retired, much lower than the 28% among all households, Figure 6.3.

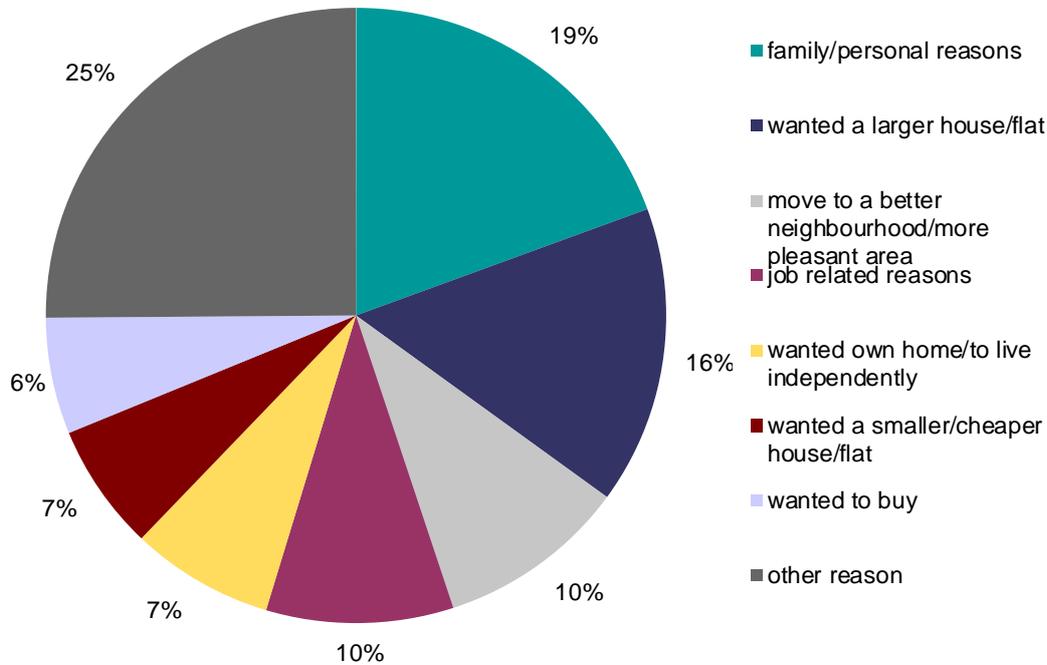
Figure 6.3: Economic status of recent movers



Base: all households who have moved in last year
Note: underlying data are presented in Annex Table 6.2
Source: English Housing Survey, full household sample

6.5 The most common reasons for moving were family or personal reasons (19%), wanting a larger home (16%), wanting to move to a better neighbourhood or a more pleasant area (10%) and job related reasons (10%), Figure 6.4.

Figure 6.4: Reasons for moving home, 2012-13



Base: households who have moved in the past 3 years
Note: underlying data are presented in Annex Table 6.3
Source: English Housing Survey, full household sample

Movement between and within sectors

6.6 This section explores the number of household moves within and between tenures, and the number of new households created in the 12 months prior to interview. This is summarised in Figure 6.5.

6.7 In 2012-13, a total of 2.3 million households had moved home in the previous 12 months. Of these, 386,000 (17%) were new households (see Box 1 below), 1.4 million (61%) were moves within tenure and the remaining 498,000 (22%) were moves between tenures, Annex Table 6.4.

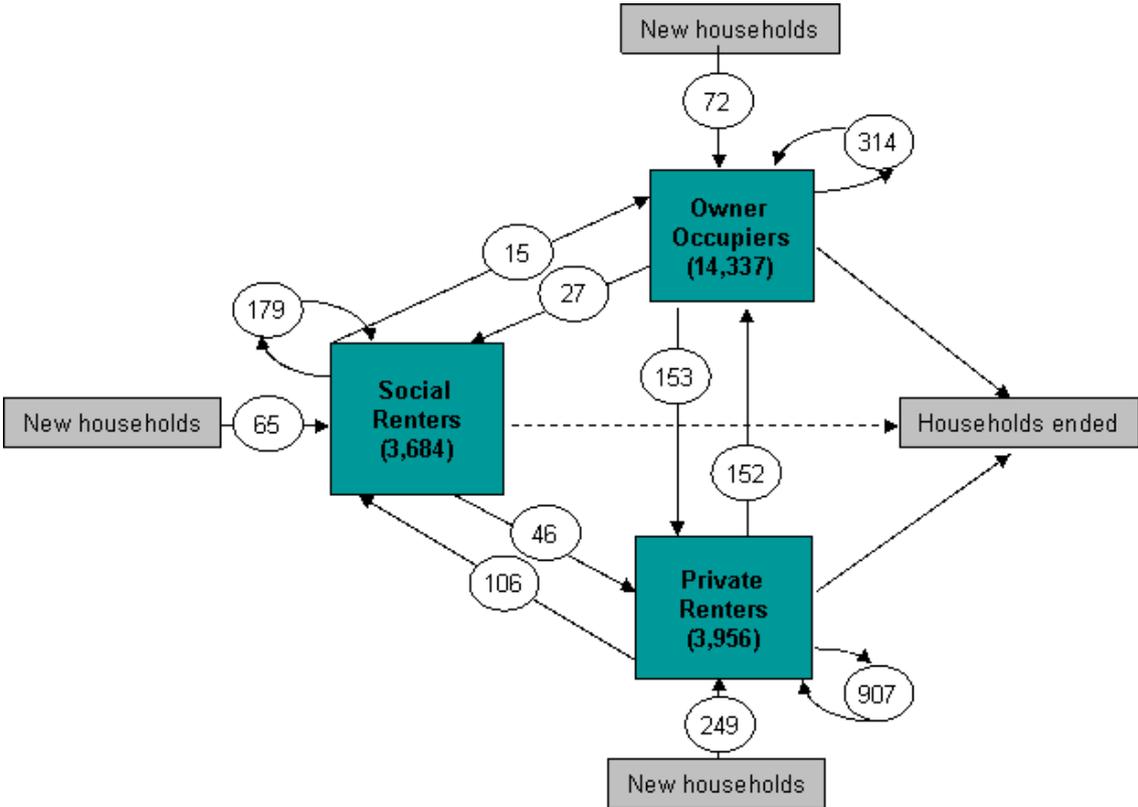
Box 1: New households

A 'new household' is classified in this report as one where neither the household reference person (HRP), nor their spouse/partner, occupied the HRP's previous permanent accommodation in either of their names.

Previous accommodation refers to the HRP's previous permanent accommodation and does not include any accommodation considered by the HRP to be temporary. If someone had moved more than once, then information was collected only about the last move from permanent accommodation.

- 6.8 The greatest number of household moves occurred within, into or out of the private rented sector. In total, 907,000 households moved within the tenure (i.e. from one privately rented home to another) and 249,000 new households were created. There were 199,000 moves into the sector, of which three-quarters (77%, 153,000) were from owner occupation. There were 258,000 moves out of the sector, with 59% (152,000) of these moving to owner occupied accommodation. Across the private rented sector as a whole, one third (34%) of households had moved within the past year, Figure 6.5.
- 6.9 There was much less movement in the social rented sector. In 2012-13, 179,000 households moved from one social rented property to another and 65,000 new households were created. There were 133,000 households that moved into the sector, with 80% (106,000) households moving from the private rented sector. Around 61,000 households left the social rented sector, with three-quarters of these (75%) moving to the private rented sector.
- 6.10 In the owner occupier sector, 314,000 households moved within the tenure and 72,000 new households were created. There were 167,000 households that moved into the tenure of which 91% (152,000) were from the private rented sector. Around 180,000 households moved out of the sector, with 85% of these (153,000) moving to the private rented sector.
- 6.11 Of the 386,000 new households, they were most likely to enter the private rented sector; around two-thirds (64%) of all new households doing so during 2012-13. A sixth (17%) entered the social rented sector and a fifth (19%) became owner occupiers, Annex Table 6.2.
- 6.12 Most of the new households were aged under 35: 45% had an HRP aged under 25, and 41% were aged 25-34. Correspondingly, most new households consisted of one person (35%) or couples with no dependent children (30%).

Figure 6.5: Number of households moving into and out of sectors, 2012-13



Base: all households resident less than 1 year

Notes:

- 1) underlying data are presented in Annex Table 6.4
- 2) excludes a small number of cases where previous landlord type was unknown

Source: English Housing Survey, full household sample

6.13 As described in Chapter 1, the owner occupied and social rented sectors in 2012-13 were of a similar size to 2011-12. However, the private rented sector has increased from 3.8 million to 4.0 million households in the same time period.

6.14 By comparing English Housing Survey (EHS) data from 2012-13 with that from 2011-12 together with other flow data for 2012-13, it is possible to estimate the number of households that ended in the past year. These households ended due to various reasons such as becoming part of an existing household, moving into an institution, or through death of the household member(s). An estimated 110,000 households ended in the owner occupied sector, 261,000 households ended in the social rented sector and 77,000 households ended in the private rented sector for these reasons. Due to the nature of the weighting of the two years' data, these results should be treated with caution².

² Please contact ehs@communities.gsi.gov.uk for further detail on the calculations.

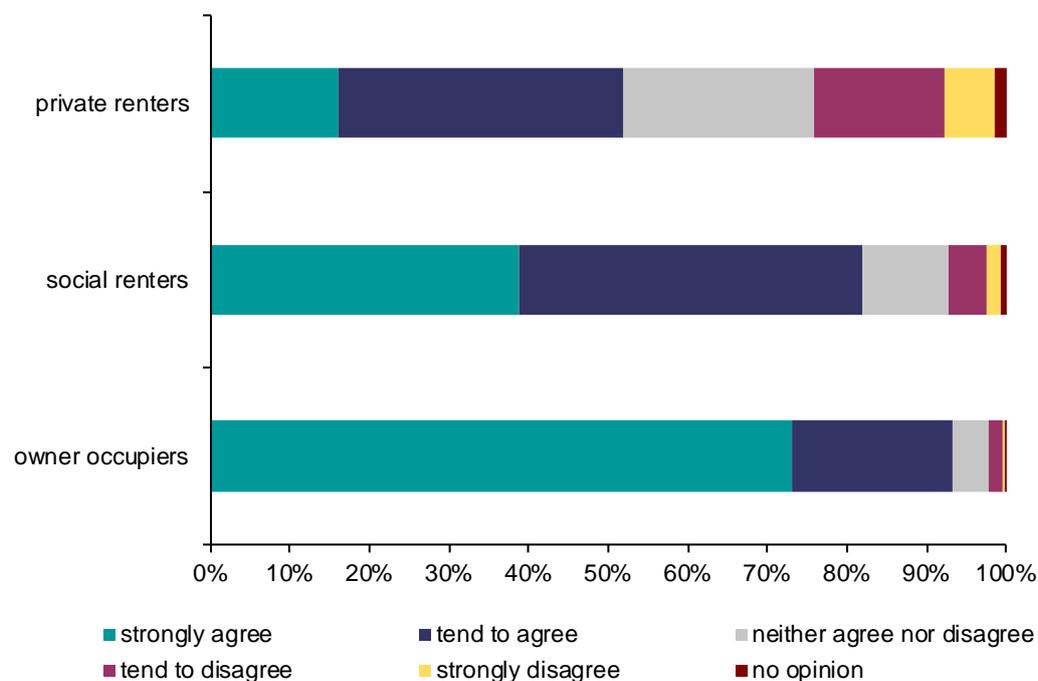
Factors restricting movement between sectors

6.15 This section looks at factors which restrict movement between rented sectors and owner occupation, in particular looking at financial reasons and ability to pay a deposit and finance a mortgage.

6.16 If households are dissatisfied with their current tenure, then this may be indicative of a desire to switch tenures.

6.17 All households were asked how satisfied they were with their current tenure status, e.g. being an owner occupier, local authority/housing association tenant or private renter. Private renters (23%) were more likely to be dissatisfied with their tenure than owner occupiers (2%) or social renters (6%), Figure 6.6.

Figure 6.6: Satisfaction with current tenure, 2012-13



Base: All households

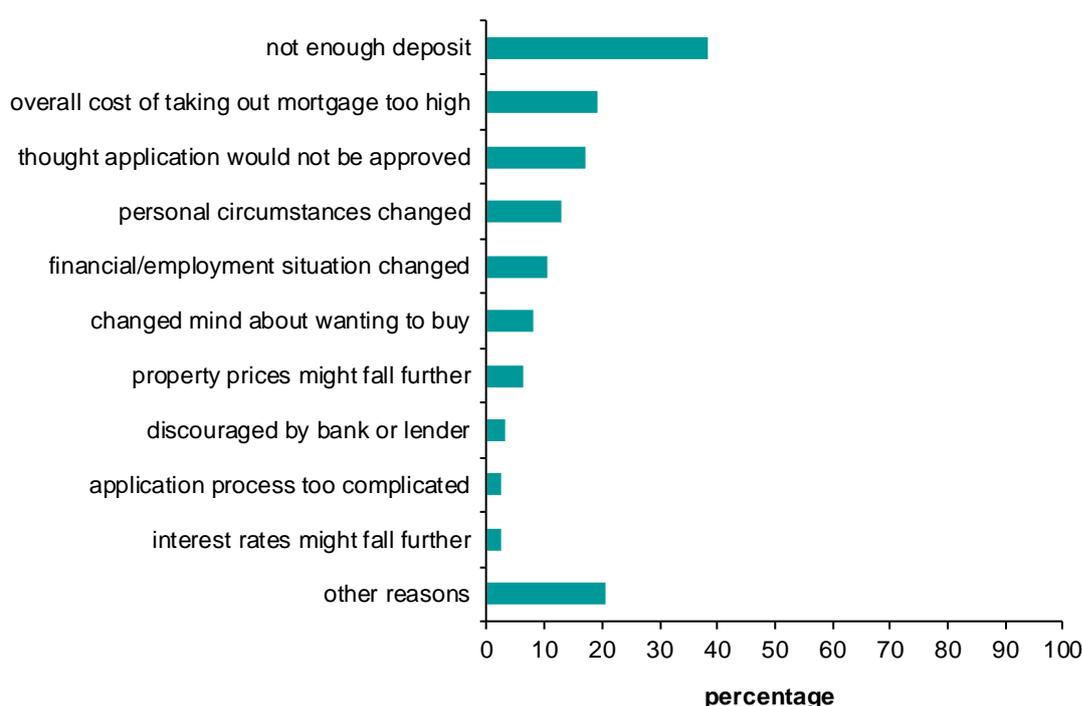
Note: underlying data are presented in Annex Table 6.5

Source: English Housing Survey, full household sample

6.18 Private and social renters were asked whether they had considered applying for a mortgage or loan to buy a property as their main home in the past year. Only 928,000 households (12%) had considered applying for a mortgage. Of these, 37% reported that they had actually applied for a mortgage.

6.19 The remaining households who had considered applying for a mortgage but did not apply were asked the reasons³ why they did not apply. As would be expected, the main factor preventing people from applying for a mortgage was financial: 38% thought they did not have a large enough deposit and 19% felt the overall cost of taking out a mortgage was too high. Other commonly cited reasons for not applying were thinking that the application would not be approved (17%), a change in personal circumstances (13%), and a change in financial or employment situation (10%), Figure 6.7.

Figure 6.7: Reasons why not applied for a mortgage, 2012-13



Base: Social and private renters who had considered applying for a mortgage but had not done so
Note: underlying data are presented in Annex Table 6.6
Source: English Housing Survey, full household sample

Reasons for previous tenancy ending

6.20 Private renters who had moved in the last three years were asked why their last tenancy had ended⁴. Four-fifths (81%) said their tenancy ended because they had wanted to move and 10% said it was by mutual agreement. Only 7% (179,000 households) said it was because they had been asked to leave by their landlord or agent, Figure 6.8.

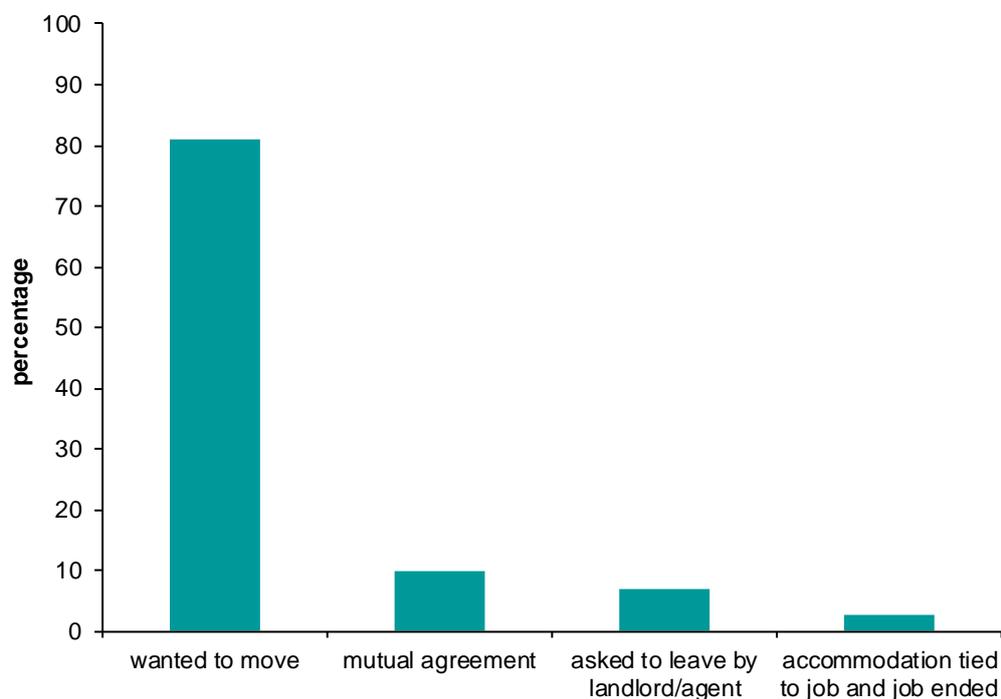
6.21 Of those respondents who said they were asked to leave their previous accommodation by their landlord/agent, the majority (57%) said this was because the landlord wanted to sell or use the property. Ten percent of

³ Respondents could provide more than one reason

⁴ Respondents could provide more than one reason

respondents were asked to leave because they had not paid their rent, Annex Table 6.8.

Figure 6.8: Reasons why previous tenancy ended, 2012-13



Base: private renters who had moved to current accommodation in the past 3 years

Note: underlying data are presented in Annex Table 6.7

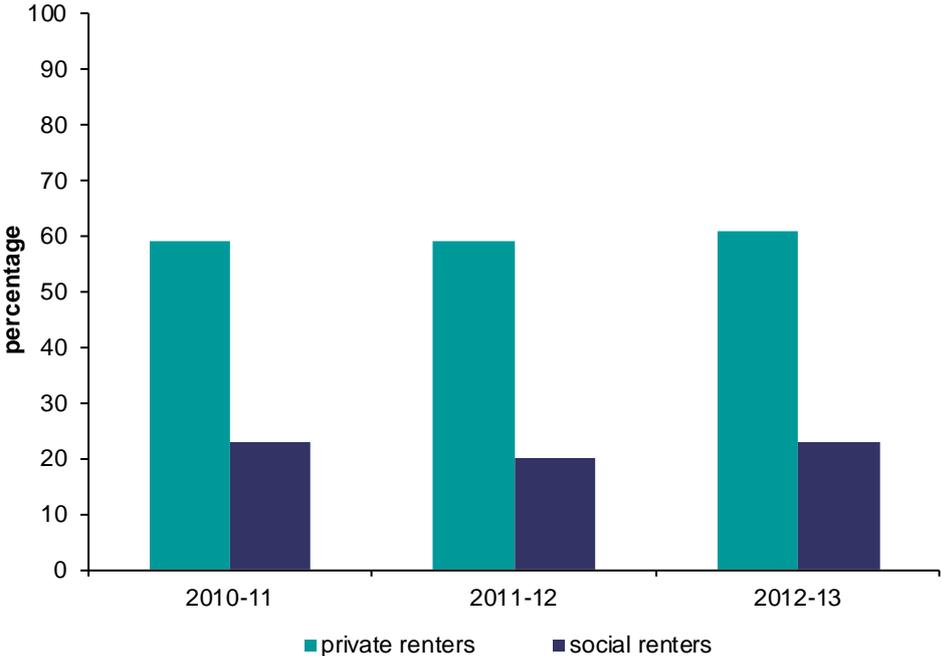
Source: English Housing Survey, full household sample

Aspirations to buy

6.22 As reported earlier (Chapter 4), around a quarter (23%) of social renters think they will eventually buy their own home in the UK compared with three-fifths (61%) of private renters.

6.23 The proportions of private and social renters expecting to buy a home in the future have remained relatively constant for the past three years, Figure 6.9.

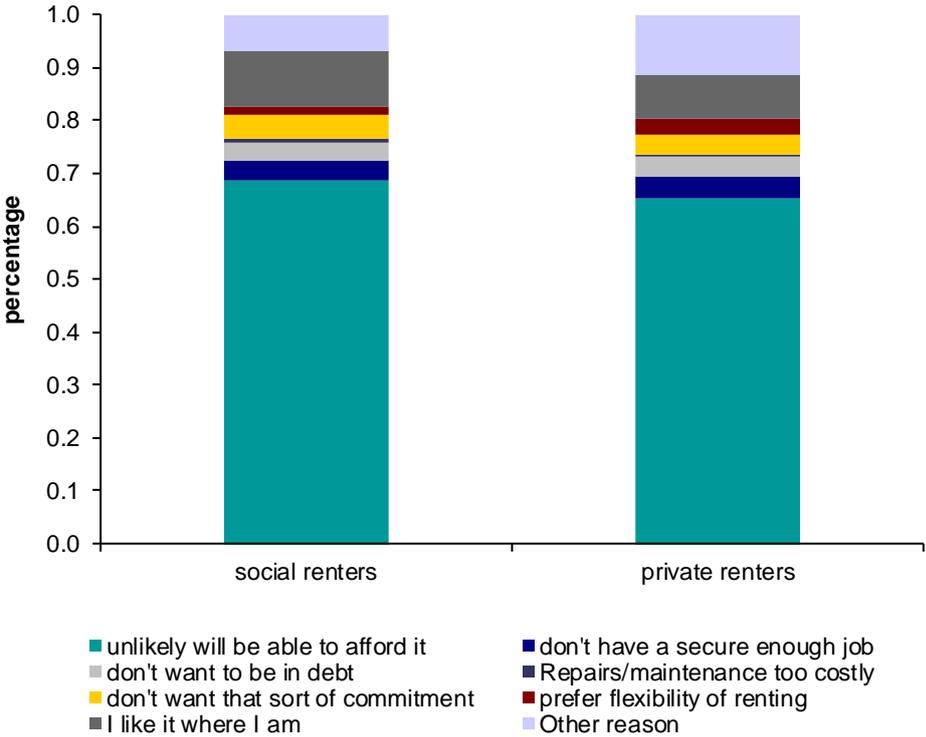
Figure 6.9: Aspiration to buy for private and social renters, 2010-11 to 2012-13



Base: all social and private renters who do not already own
Note: underlying data are presented in Annex Table 6.9
Source: English Housing Survey, full household sample

6.24 Respondents who did not think they would buy their own home were asked the reason why not. Around two-thirds of both private renters (65%) and social renters (68%) stated that their main or only reason was that they could not afford to. A further 10% of social renters and 8% of private renters did not want to buy because they liked it where they were currently living, Figure 6.10.

Figure 6.10: Reason for not expecting to buy own home, 2012-13



Base: all renters who do not think they will eventually buy a home in the UK
Note: underlying data are presented in Annex Table 6.10
Source: English Housing Survey, full household sample