

Millfield Market Analysis Report

Sunderland City Council

April 2020

Main Contact: Dr Michael Bullock
Email: michael.bullock@arc4.co.uk
Telephone: 0800 612 9133
Website: www.arc4.co.uk

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Registered Address: arc4, 41 Clarendon Road, Sale, Manchester, M33 2DY

Email: businesssteam@arc4.co.uk Web: www.arc4.co.uk

arc4 Limited, Registered in England & Wales 6205180 VAT Registration No: 909 9814 77

Directors Helen Brzozowski and Michael Bullock

Introduction and Profile of Millfield Ward

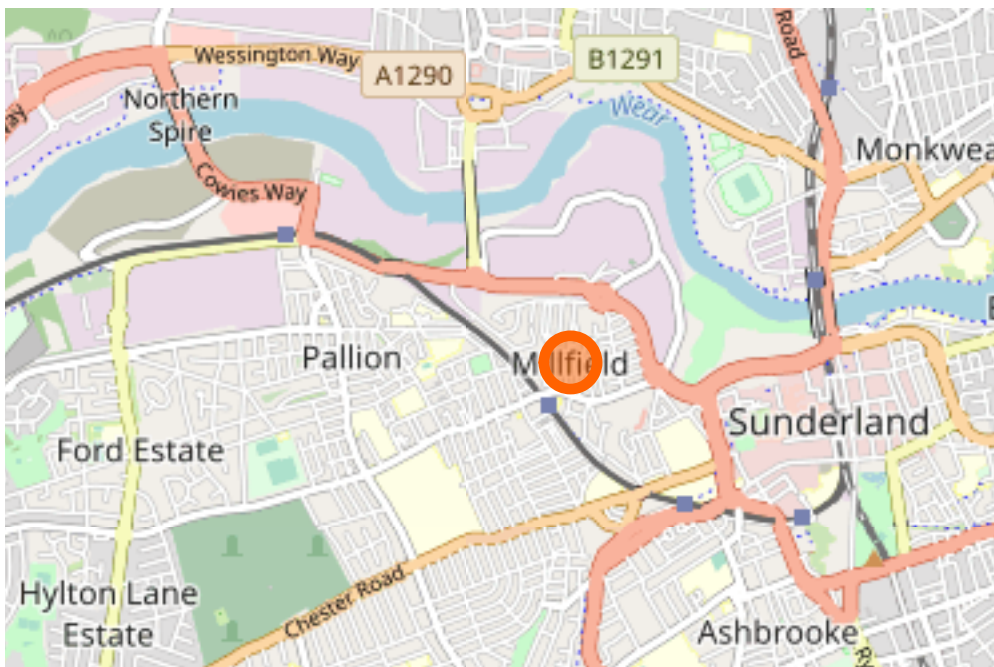
As part of the Sunderland Strategic Housing Market Assessment, arc4 were asked to provide a market analysis for two separate smaller market areas, Roker Avenue and Millfield area of the city. The council sought additional data on these two areas, with specific consideration for the concentration of Houses in Multiple Occupation (HMOs) and the demand for family housing.

The geographical data utilised for this analysis was taken from the council's original council tax register. The postcodes for both areas were separated into new datasets which allowed for further detailed analysis specific to these areas.

Millfield is a suburb and electoral ward in the City of Sunderland with a population of around 11,958. The BAME population in Millfield is around 23.5%, with the highest proportion of ethnic groups being categorised as Asian/Asian British (17.6%). The mean age of residents is around 36 years.¹

The number of households within Millfield, with at least one usual resident is 4,839, with the main property type being terraced (59.0%). The average number of bedrooms within Millfield is 2.5. Just over half of households are in owner occupation (53.4%), private rent accounts for just over a third (33.1%) and 13.5% are in some form of affordable tenure (mainly social rented).²

Map Figure 1 (Millfield Area)



Source: OpenStreetMap.org

¹ Census 2011

² Census 2011







House in Multiple Occupation (HMO)

MILLFIELD WARD

Definition of a House in Multiple Occupation (HMO)


- 3 or more unrelated people live in the same home as at least 2 separate households;
 - They share the same basic facilities, such as a bathroom or kitchen facility with the other tenants.
 - A house split into bedsits / Hostel / Bed and Breakfast (not just for holidays) / Shared house/flat / Shared accommodation for students.
- Source: Shelter


Current Stock of HMO's Within Millfield Ward


	(42) Bedsits (9.9%)		(163) Student shared accommodation (38.6%)
	(1) Hostel (0.2%)		(50) Licenced (11.8%)
	(96) Self contained bedsit/flat (22.7%)		(71) Shared accommodation (16.8%)

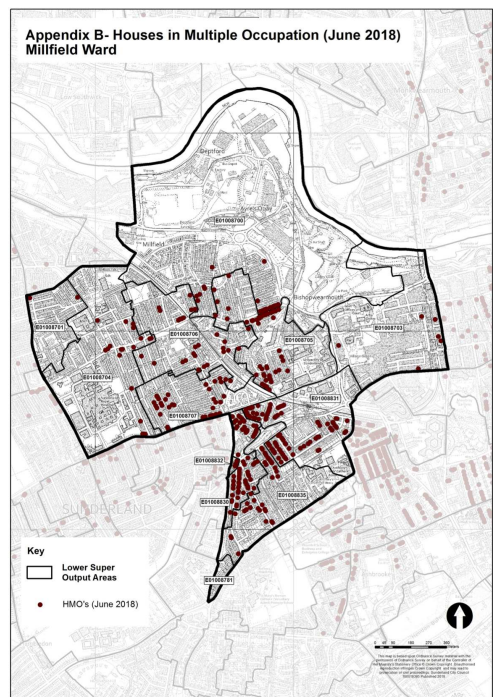
Source: Sunderland City Council

Map of HMO's

 (6) Average number of tenants in each type

 Lsoa E01008831 - 131 HMO Properties
Capacity to house 727 tenants

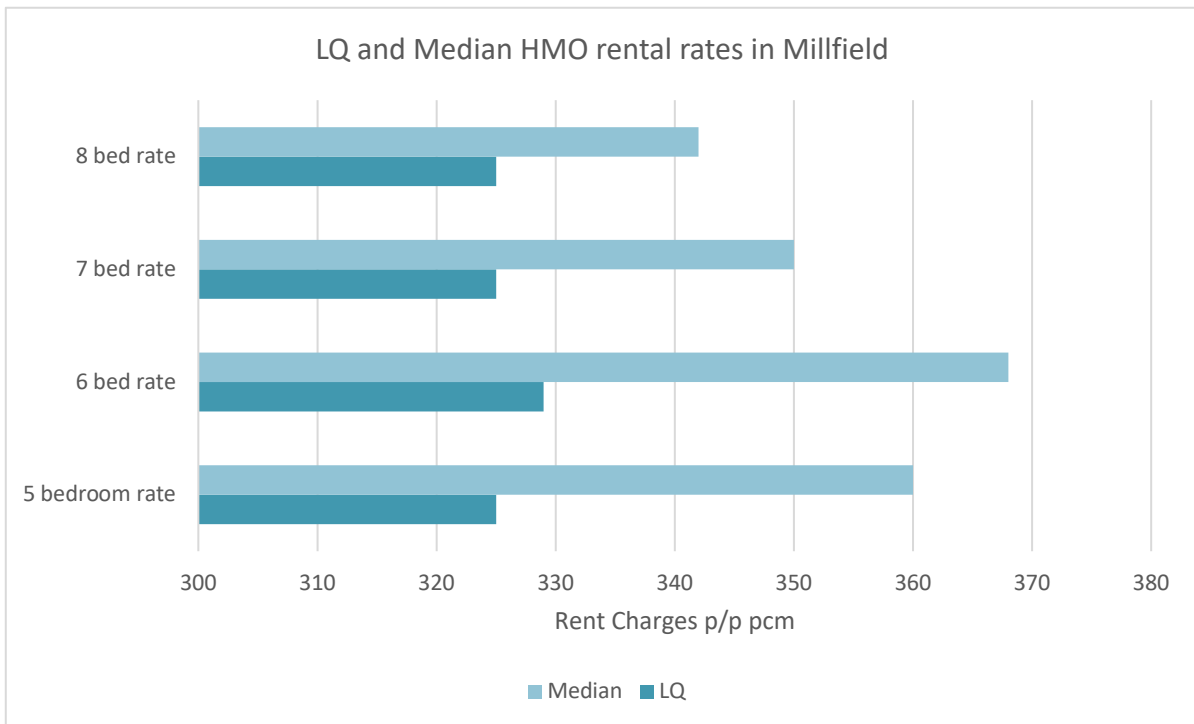
 Average HMO rate £355 ppm per person



The main distribution of HMO properties is in the South of the ward, specifically within Lower Super Output (LSOA) area E01008831 (131 HMO properties). Within this LSOA, the highest number of HMO properties are found in postcode area SR2 7JJ (22), followed by SR2 7PW (13), SR2 7PP (12), SR2 7ER (11) and SR2 7LB (10).

Within this LSOA (E01008831) there is the capacity to house 727 tenants, mainly within student shared accommodation (24 units), standard shared accommodation (13 units), self-contained flats (13 units) and licenced HMO's (12 units).

An Investigation into the rental prices for HMO properties within Millfield, produced the following results.



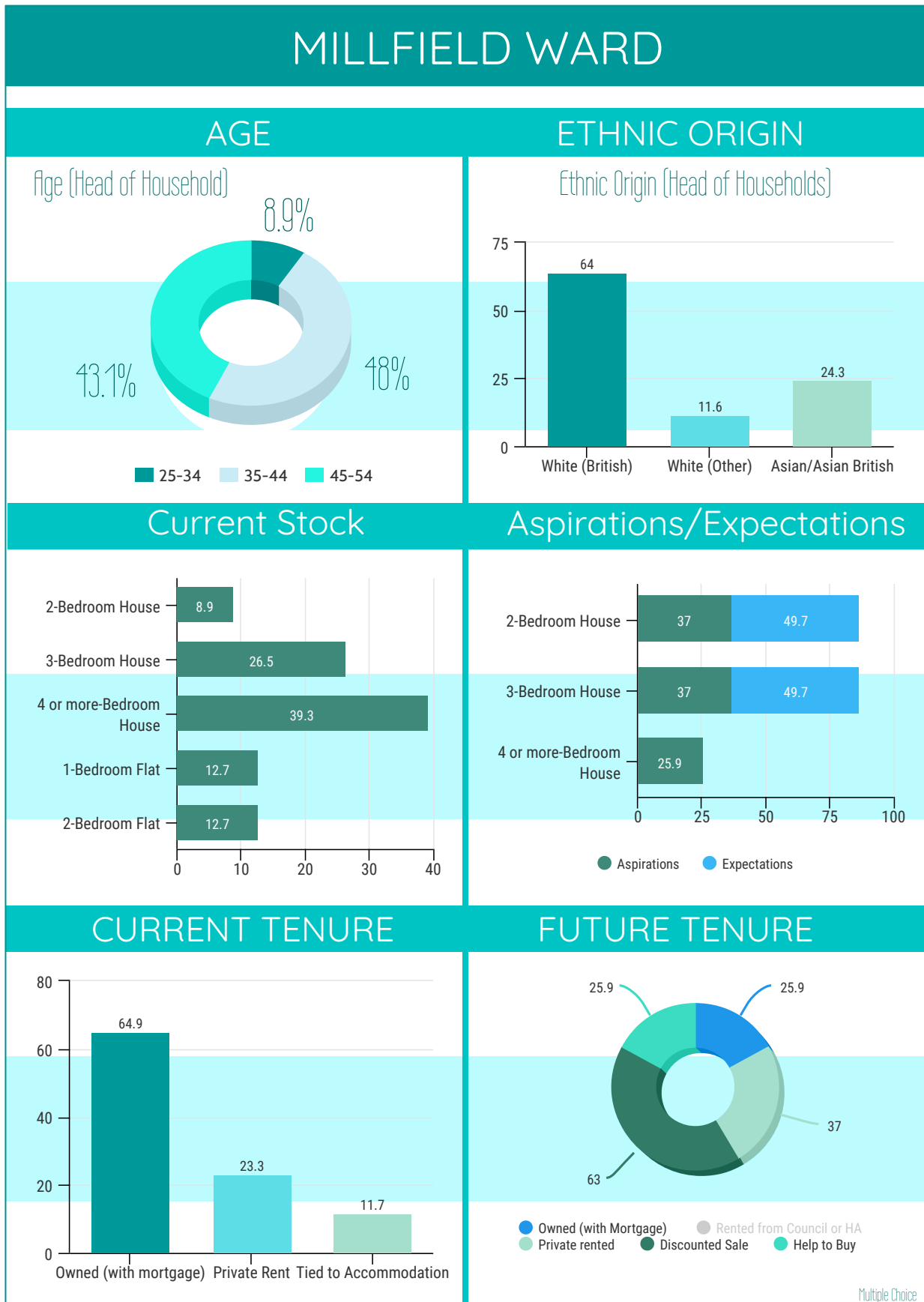
Source: Rightmove

The Lower Quartile rental rate across all sizes within Millfield is around £325 pcm per person and the average rental rate is around £355 pcm per person.

Due to the majority of HMO properties being linked with student accommodation, we examined the movements of current students living within Millfield ward. All student households who responded to the household survey stated that they did want to move within the next 5 years.

The locations chosen by student households moving within the next 5 years were Pallion Ward and Fullwell Ward and the reasons behind the location choices were schools and education and for health or social care reasons.

Family Households



Source: Sunderland Household Survey 2019

The data on family households wanting to move to Millfield suggest that those moving within the next 5 years may wish to downsize and to move into more affordable tenures (within Millfield) than they are in currently, such as discounted sale and help to buy.

Further analysis on family households wanting to move to more affordable tenures shows that the main reason for a move to discounted home ownership was because they are currently living in temporary accommodation. Those who said they would like to move to social rented or private rent stated it was because they wanted to move away from neighbours.

Utilising the data from ONS household projections for Sunderland as a whole and the household survey data for Millfield on current stock profile, age and household composition we are able to determine if family households will increase or decrease over a set time period. The time period we have worked to is 2015 to 2033, the same as in the main Strategic Housing Market Assessment report.

Family households in Sunderland overall will increase by around 3.0% between 2015 and 2033. For family households with 1 or 2 children, the data shows an increase of 3.9% between 2015 and 2033. However, for family households with 3 or more children the data shows a decrease of -2.3%.

Within Millfield, dwelling type and size requirements for family households with 1 or 2 children shows an increase in need for 2-bedroom, 3-bedroom and 4-bedroom houses and 1-bedroom and 2-bedroom flats over the 18-year period. For family households with 3 children or more, the data shows a decrease in 4 or more-bedroom properties.

Summary

There are around 423 HMO properties within Millfield, with an average tenancy number of 6. The largest supply of HMO properties is student shared accommodation (163 units) with the capacity to house around 673 students. All students in a HMO within Millfield aim to move within the next 5 years and to areas outside of Millfield.

Family households with fewer children are expected to increase by around 3.9% but family households with 3 or more children are likely to decrease between 2015 and 2033. This would suggest the need for small to medium housing to meet future need. The household survey data confirms this with the evidence for family households wishing to move within the next 5 years and remain within Millfield. The need is for more affordable/intermediate tenures with a demand for 2 and 3-bedroom houses and a decline in those wanting larger 4 or more-bedroom homes.

Within Millfield the supply of larger sized accommodation may increase within the next five years. This is due to the number of students currently living in HMO properties and who want to move out of the area within the next five years. The increased supply of larger properties could be brought back into family use to benefit those family households needing larger accommodation within the next five years, however smaller 2- and 3-bedroom properties will also be in demand.

Roker Avenue Area Market Analysis Report

Sunderland City Council

April 2020

Main Contact: Dr Michael Bullock
Email: michael.bullock@arc4.co.uk
Telephone: 0800 612 9133
Website: www.arc4.co.uk

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Email: businessteam@arc4.co.uk Web: www.arc4.co.uk

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Directors Helen Brzozowski and Michael Bullock

Introduction and Profile of Roker Avenue Area

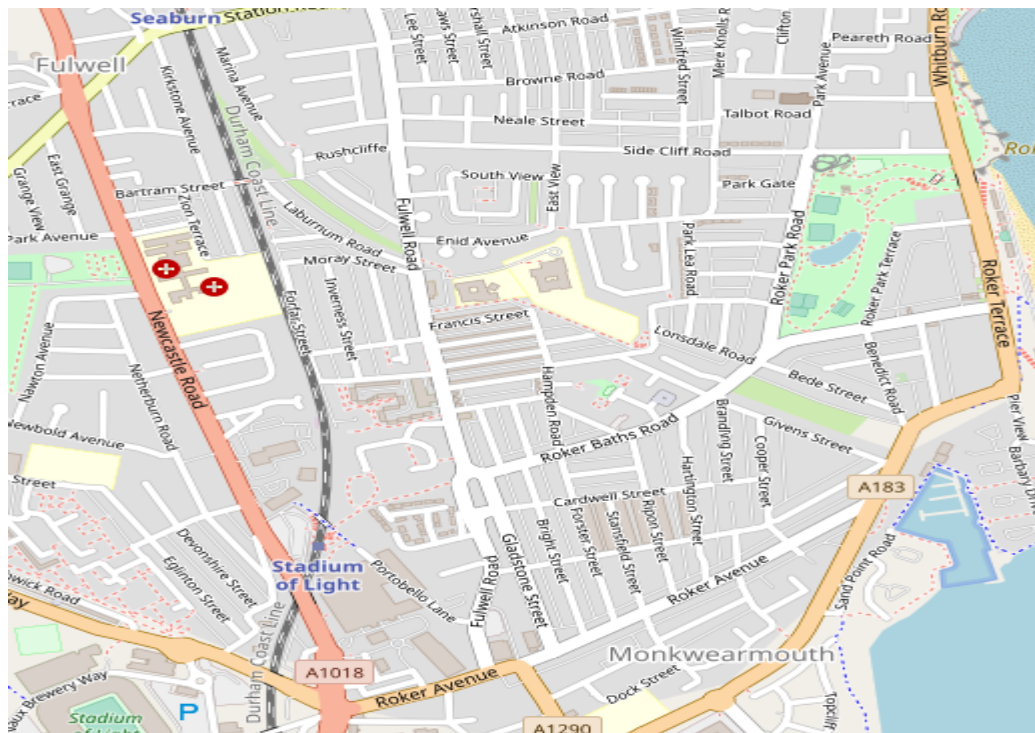
As part of the Sunderland Strategic Housing Market Assessment, arc4 were asked to provide a market analysis for two separate smaller market areas, Roker Avenue and Millfield area of the city. The council sought additional data on these two areas, with specific consideration for the concentration of Houses in Multiple Occupation (HMOs) and the demand for family housing.

The geographical data utilised for this analysis was taken from the council's original council tax register. The postcodes for both areas were separated into new datasets which allowed for further detailed analysis specific to these areas.

Roker is an area within the St Peters ward in the City of Sunderland with a population of around 6,300. The BAME population in Roker is around 13.2%, with the highest proportion of ethnic groups being categorised as Chinese (33.6%), followed by 'other white' (24.2%). The mean age of residents is around 40 years old.¹

The number of households within the Roker area, with at least one usual resident is 3,121, with the main property type being terraced (44.2%), followed by flats (38.8%). The average number of bedrooms within the area is around 2. Just over half of households are in owner occupation (55.8%), private rent accounts for around 25.6% of the stock and 18.6% are in some form of affordable tenure (mainly social rented).²

Map Figure 1 (Roker Area of St Peters ward)



Source: OpenStreetMap.org

¹ Census 2011

² Census 2011

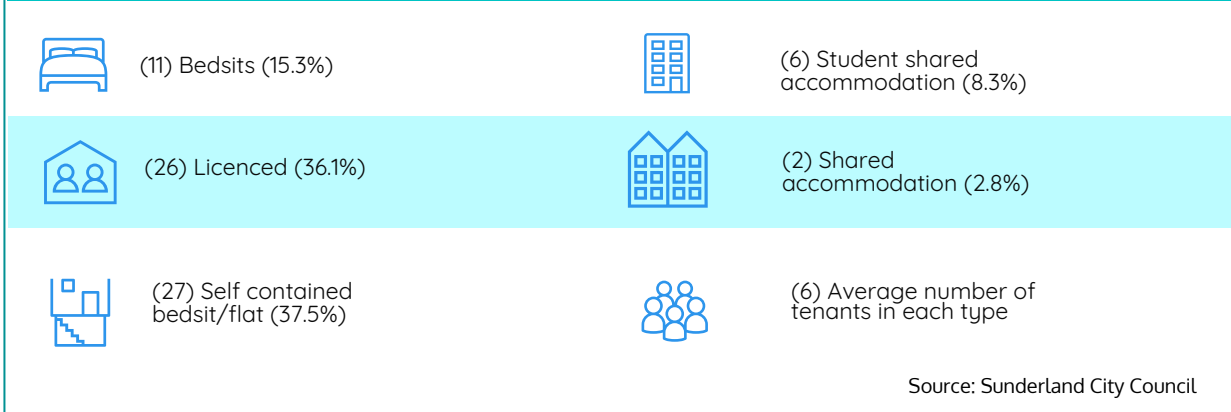
House in Multiple Occupation (HMO)

ROKER AVENUE


Definition of a House in Multiple Occupation (HMO)

- 3 or more unrelated people live in the same home as at least 2 separate households;
 - They share the same basic facilities, such as a bathroom or kitchen facility with the other tenants.
 - A house split into bedsits / Hostel / Bed and Breakfast (not just for holidays) / Shared house/flat / Shared accommodation for students.
- Source: Shelter


Current Stock of HMO's - Roker Avenue



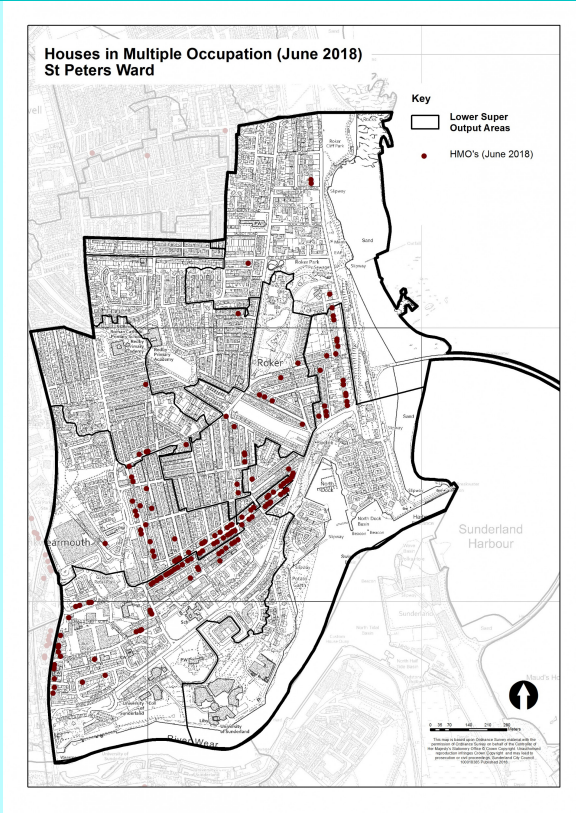
Map of HMO's



LSOA E01008791 - 38 HMO properties with the capacity to house 229 tenants



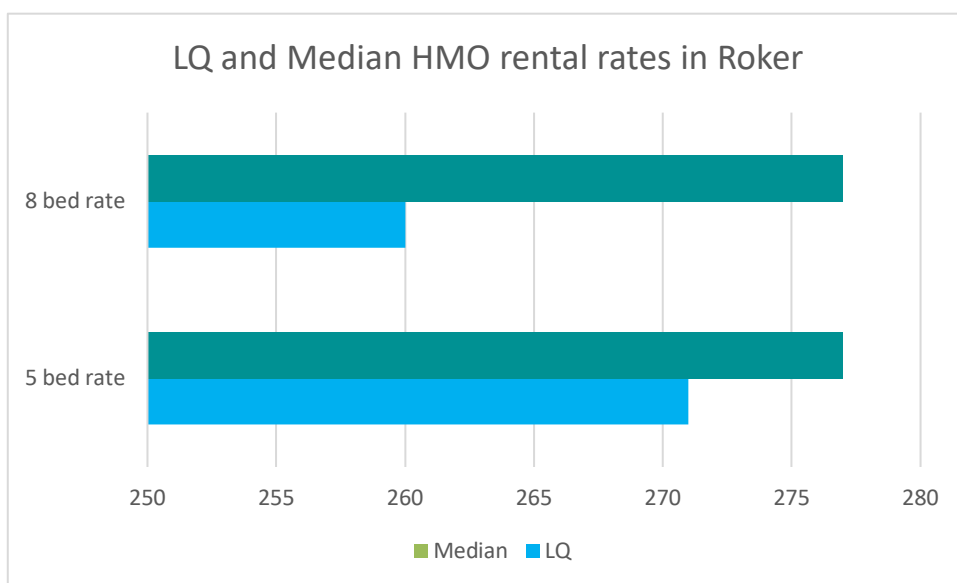
Average HMO rate within this area is £277 per month per person



The main distribution of HMO properties is along the Roker Avenue area, specifically within Lower Super Output (LSOA) area E01008791 (38 HMO properties) and E01008787 (23 HMO properties).

Within the LSOA (E01008791) there is the capacity to house 229 tenants, mainly within licenced HMO units. Within LSOA (E01008787) there is the capacity to house 131 tenants, mainly within licenced HMO properties.

An Investigation into the rental prices for HMO properties within the Roker area, produced the following results.



Source: Rightmove

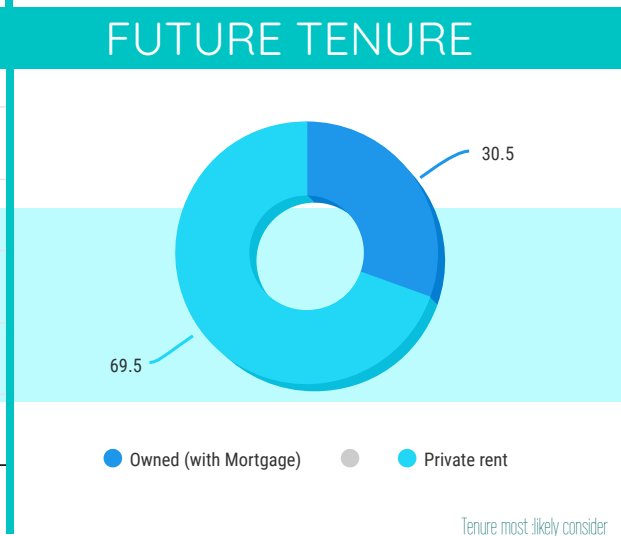
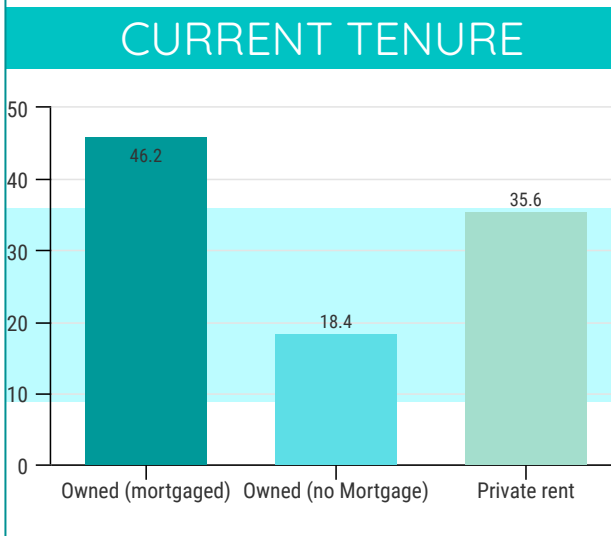
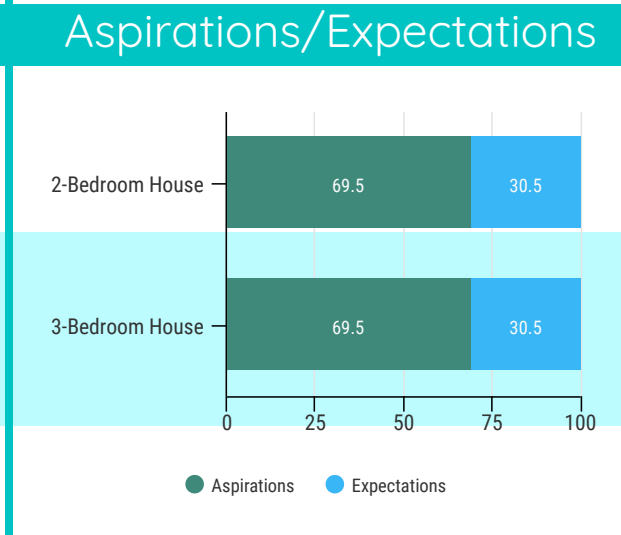
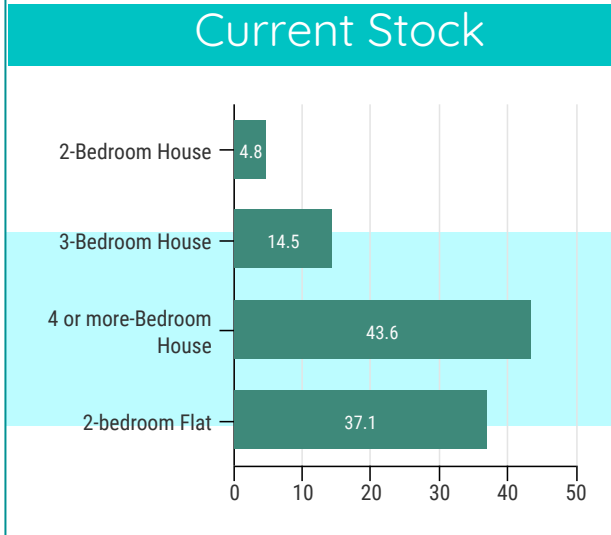
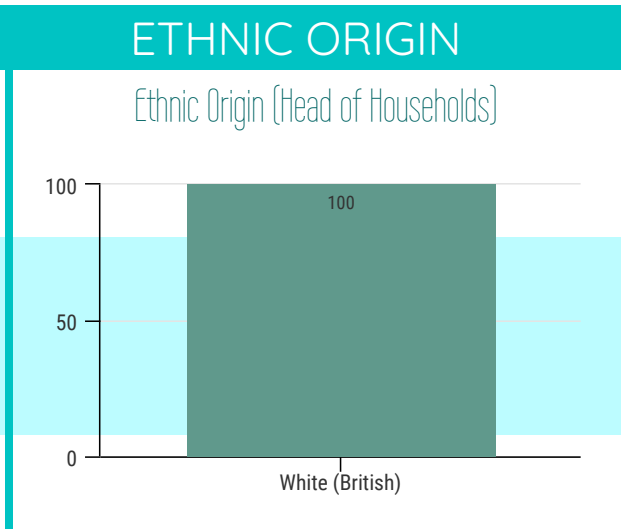
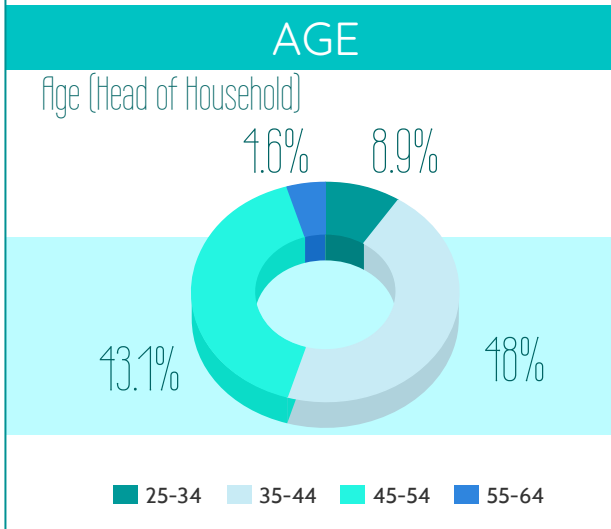
The Lower Quartile rental rate across all sizes within Roker is around £267 pcm per person and the average rental rate is around £277pcm per person.

The household survey asked a question on different types of accommodation classification and of those who responded (living in St Peters ward), 4.8% (223 households) stated they lived in housing shared by other adults who are not related (HMO).

All of the households who said they currently live in a HMO within St Peters said they were aged 55 to 64. Half of the households said they were unemployed and available for work and half said they were permanently sick/disabled. Half of the households stated they would like to move within the next five years (all those who were permanently sick/disabled).

Family Households

ROKER AVENUE (St Peters Ward)



Source: Sunderland Household Survey 2019

The data on family households within the St Peters ward area suggests that those moving within the next 5 years may wish to downsize to a smaller property. Just under half of the current stock for family households is 4 or more-bedroom housing and the future need is mainly for 2 or 3-bedroom houses.

There is a higher aspiration for owner occupation (with a mortgage) compared with current tenure (69.5% future requirement compared with 46.2% current tenure). Private rent proportions for current stock (35.6%) against future aspirations (30.5%) suggest that a high proportion of family households would like to own their property rather than rent within St Peters ward.

Utilising the data from ONS household projections for Sunderland as a whole and the household survey data for St Peters ward on current stock profile, age and household composition we are able to determine if family households will increase or decrease over a set time period. The time period we have worked to is 2015 to 2033, the same as in the main Strategic Housing Market Assessment report.

Family households in Sunderland overall will increase by around 3.0% between 2015 and 2033. For family households with 1 or 2 children, the data shows an increase of 3.9% between 2015 and 2033. However, for family households with 3 or more children the data shows a decrease of -2.3%.

Within this area, dwelling type and size requirements for family households with 1 or 2 children shows an increase in need for 2-bedroom, 3-bedroom and 4-bedroom houses and 2-bedroom flats over the 18-year period.

Summary

There are around 72 HMO properties within the Roker Avenue area, with an average tenancy number of 6. The largest supply of HMO properties are self-contained bedsits/flats (27 units) with the capacity to house around 127 people.

The household survey data shows that currently those in HMO's within St Peters ward are middle aged and not currently in employment, either unemployed and looking for employment or are permanently sick/disabled. Those who are permanently sick/disabled (50%) are looking to move out of their current accommodation within the next five years.

Family households with fewer children are expected to increase by around 3.9% but family households with 3 or more children are likely to decrease between 2015 and 2033. This would suggest the need for small to medium housing to meet future need. The household survey data confirms this with the evidence for family households wishing to move within the next 5 years and remain within St Peters ward.

Supply of larger homes could increase in the future with the movement of a number of HMO households, suggesting that these properties could be brought back into family use to benefit those family households needing larger accommodation within the next five years. However, there is also a need for 2- and 3-bedroom houses.