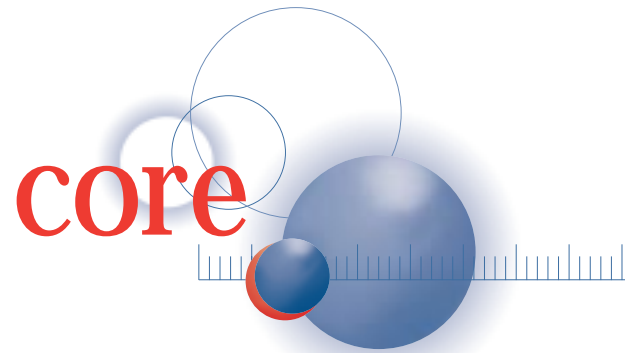


August 2003



# CORE analysis

## Ethnicity and Housing: the contribution of housing associations

### 1. INTRODUCTION

The Race Relations (Amendment) Act 2000, which updates the general provisions of the 1976 Race Relations Act, places a duty on the Housing Corporation as a public body to: 'eliminate unlawful discrimination', 'promote equality of opportunity' and 'promote good relations between people of different racial groups' in the housing association sector. Anticipating the provisions of this Act, and recognising the need for a more proactive stance, the Housing Corporation developed its first Black and Ethnic Minority (BME) strategy in 1986 and since December 1998 the Housing Corporation has required housing associations to develop race relations strategies to ensure that they respond to the housing needs of BME household. Following the recommendations of the Race and Housing Inquiry (2001), the Corporation reviewed its performance standards issuing a new Regulatory Code and Guidance in January 2002. The Regulatory Code expects housing associations to have made significant progress in a range of areas of service delivery and operation by April 2005 (Housing Corporation Good Practice Note 4, November 2002). A key target in this respect, established in 1998, is the achievement of 14% of national housing association lettings to BME tenants.

This paper examines the contribution of housing associations in meeting the housing needs of BME households and charts the changes over time and the regional variability in provision. The paper is based on analysis of CORE data on housing association lettings and the 2001 Census.

The paper complements the previously published Housing Corporation Sector Studies: BME-led housing associations (Sector Study 4), BME communities (Sector Study 11), Race Equality Strategies (Sector Study 12), and Emerging issues in race and housing (Sector Study 26).

#### *1.1 CORE and the Census 2001 - Data Definitions*

The Census definition of ethnicity has been incorporated in CORE since 2001<sup>1</sup>. To allow comparison over time some tables in the paper have employed a collapsed version of this definition. CORE collects information on the social and economic status of new housing association tenants at the point at which a new tenancy is allocated. Ethnic information is collected at the household level in CORE while the Census provides information at both the individual and household level. Comparisons with Census data are made using a special tabulation of the census at household level.

For the purposes of this paper 'BME households' are defined as all households who are not classified as White: British or White: Other white. This will therefore include households who are: White: Irish, Mixed ethnic origin, Asian, Black or Chinese.

Census data on housing association lets is drawn from the Other Social Landlord category which includes registered social landlords and housing co-operatives and charities; the Census does not separately identify housing associations.

<sup>1</sup>See Census 2001: Output Classifications, September 2001 for a full definition.

## CORE analysis

### 2. KEY FINDINGS

- 6.7% of all households and 10.2% of BME households live in the housing association social rented sector.
- Lets to BME households, as recorded by CORE, have matched or exceeded the 14% target established in 1998.
- BME households were more likely to have been living in overcrowded housing, in temporary housing or with family and friends prior to being allocated a housing association dwelling compared to White households.
- Single adult households account for the majority of lettings among all ethnic groups except Asian households.
- Among Asian households, 2+ adult households with children comprise the largest category (33%, rising to 50% among Bangladeshi households).
- Lone parent households are the second largest category among white, mixed and black households.
- When income is adjusted to take account of family size and composition, a higher proportion of Asian households pay more than 25% of their income on rent and have lower incomes remaining after rent payments.
- One-fifth of supported accommodation is let to BME households
- More than half of supported lettings to Black Caribbean and African households were to single homeless people.
- A third of supported lettings to Indian and Bangladeshi households and half to Pakistani households were to women experiencing domestic abuse.
- One-third of general needs lettings to BME households were made in London and a further third in the South-East, West Midlands and North-West regions – broadly reflecting the distribution of BME households in England.
- Almost half of all general needs lets in London were to BME households (almost 8,000 dwellings in 2001/02).
- Nearly half of all BME lets in London were made in 8 boroughs – Lambeth, Hackney, Brent, Tower Hamlets, Newham, Southwark, Westminster and Haringey.

### 3. HOUSING ASSOCIATION LETTINGS TO BME HOUSEHOLDS

#### 3.1 Households by Tenure

The 2001 Census indicates that 6.1%<sup>2</sup> of all households and 10.2% of BME households live in the housing association social rented sector. Some ethnic groups have a higher representation in the housing association sector than others. For example, over 15% of black households (Caribbean or African), mixed households (white and

black Caribbean or African) and Asian Bangladeshi households rent from housing associations; these ethnic groups are also heavily represented in the local authority social rented sector. On the other hand only 4-5% of Asian Indian and Chinese households live in housing association property. A relatively higher proportion of Asian Indian households (76%) live in the owner-occupied sector and a higher proportion of Chinese households rely on the private rented sector (Table 1).

Table 1: Census 2001 – Ethnicity by tenure

	LA %	HA %	PR %	Employer %	OO %	Rent Free %	ALL %
White : British	12.9	5.7	8.7	0.2	70.5	2.0	100.0
White : Irish	17.7	8.4	10.8	0.2	60.5	2.3	100.0
White : Other White	8.9	5.3	29.0	0.6	53.1	3.1	100.0
Mixed : W+ Black Caribbean	28.2	16.6	13.9	0.2	38.4	2.7	100.0
Mixed : W+ Black African	23.3	15.2	22.4	0.4	35.5	3.3	100.0
Mixed : White and Asian	13.1	7.9	19.2	0.3	56.7	2.9	100.0
Mixed : Other Mixed	16.0	10.3	21.5	0.4	48.5	3.3	100.0
Asian : Indian	5.7	3.9	12.1	0.5	76.1	1.8	100.0
Asian : Pakistani	10.1	6.2	14.3	0.2	66.4	2.7	100.0
Asian : Bangladeshi	33.1	15.2	11.6	0.1	36.8	3.1	100.0
Asian : Other Asian	9.6	6.8	18.8	0.4	60.9	3.4	100.0
Black : Caribbean	26.8	16.1	7.6	0.1	48.1	1.3	100.0
Black : African	32.8	17.9	19.6	0.4	25.9	3.4	100.0
Black : Other Black	30.0	20.6	11.2	0.2	35.4	2.6	100.0
Chinese : Chinese	8.0	5.3	20.9	0.5	61.8	3.5	100.0
Chinese : Other Ethnic Group	13.0	9.3	32.6	1.0	39.5	4.5	100.0
All households	13.2	6.1	9.7	0.3	68.7	2.0	100.0

Source: Census 2001 Table S111

<sup>2</sup>It has been suggested that this figure may be increased to 6.7% to allow for inaccurate recording by households living in dwellings transferred to housing associations under LSVT (see Wilcox, S (2003) *UK Housing Review* Joseph Rowntree Foundation, York)

## CORE analysis

### 3.2 Lettings by housing associations

In the Census year 2001/2002 one-fifth of all housing association general needs lettings and a quarter of all supported housing lettings were to households other than White British. While the relative *proportion* of lettings to white British households compared to households of other ethnic origin has shown remarkably little change during the last five years (Table 2), the *total* number of lettings have varied significantly among ethnic groups. During the period since 1996/97, the total number of general

needs lettings increased by 16.5% and of supported housing by 30.4%. However, during the same period total general needs lettings to households of mixed ethnic origin increased by 79% and by 41% for households of black ethnic origin, while total lettings to Chinese households declined by 28%. Similarly, total lettings of supported housing to households of mixed and of black ethnic origin increased by around 50%, while total lettings to households of Chinese origin decreased by 39%.

Table 2: Lettings by Ethnic Group 1996/97 to 2001/02 (General Needs and Supported Housing)

GENERAL NEEDS	1996/97 %	1997/98 %	1998/99 %	1999/00 %	2000/01 %	2001/02 %
White : British/other	85	85	86	86	86	84
White : Irish	1	1	1	1	1	1
Black : Caribbean	3	3	3	3	2	3
Black : African/other	2	2	2	2	1	3
Asian	3	4	3	3	3	3
Chinese	1	1	1	1	1	1
Mixed	2	2	2	2	2	3
Refused	2	2	2	2	2	2
Total	100	100	100	100	100	100
Number of Lets	134195	140309	140781	142739	144648	156324
<b>SUPPORTED ACCOMMODATION</b>						
White : British/other	78	79	80	81	80	79
White : Irish	4	3	3	2	2	3
Black : Caribbean	4	4	3	3	3	4
Black : African/other	3	3	2	2	3	6
Asian	3	3	3	3	3	4
Chinese	1	2	2	2	2	1
Mixed	3	3	3	2	3	4
Refused	5	4	4	4	4	1
Total	100	100	100	100	100	100
Number of Lets	44184	53007	60384	63140	60583	63467

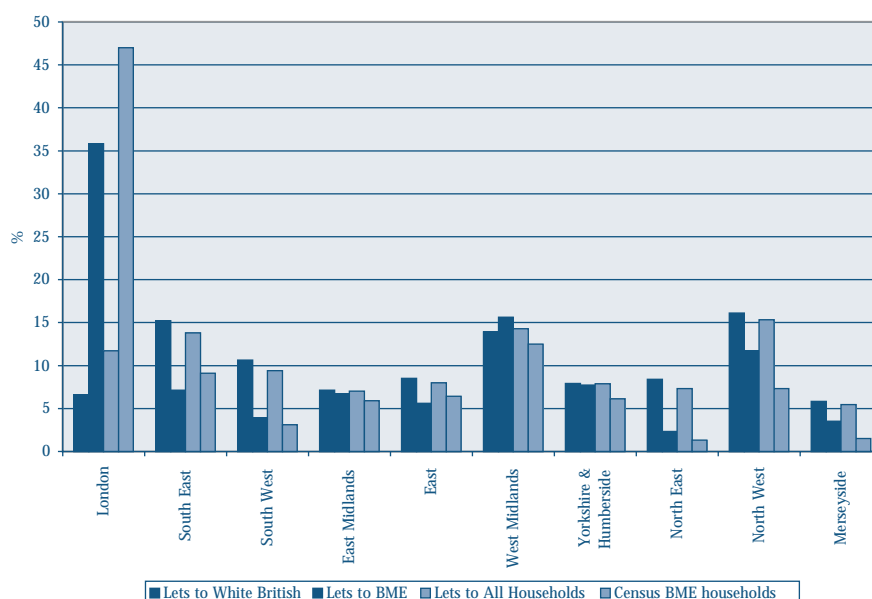
Source: CORE.

### 3.3 Inter-regional variation

The geography of housing association lettings to BME households broadly reflects their distribution in the population (Figure 1). Almost half (47%) of all BME households in England live in London and a further 30% live in the three regions of the South-East, the West Midlands and the North West. More than one-third of all general needs lettings to BME households are found in the London region (36%), and a further 35% are made to households in the South East (7.1%), the West Midlands (15.6%) and the North West regions (11.7%).

The unique case of London is examined in greater detail below.

Figure 1: Proportion of general needs lettings by region (2001/2002)



Source : Core General Needs Lettings Data 2001/2002: Census 2001 Table S111

## CORE analysis

### 3.4 Reason for Housing

In 2001/2002, a quarter of all lets were made to households who had previously been living with family and friends, a further quarter to existing RSL tenants, 15% to local authority tenants, 15% to private tenants and 8% to households living in temporary accommodation. Compared with all lettings, a significantly larger proportion of lettings to BME tenants were to households living in temporary accommodation (14%) and slightly more to households who had previously been local authority tenants (17%). A third of lettings to households of Indian and Pakistani origin were made to those who had previously been living with family and friends, compared to a quarter for all

households. With the exception of households of Irish origin, overcrowding was a more significant reason for housing for BME households (23%) compared to white British households (14%). On the other hand, racial or neighbour harassment was not a prominent reason for re-housing among any of the BME groups (5%).

There is a strong indication, particularly in relation to lettings of supported housing, that domestic abuse is a more significant reason for housing particularly among households of Asian origin. This issue is examined in more detail in the section on support and housing.

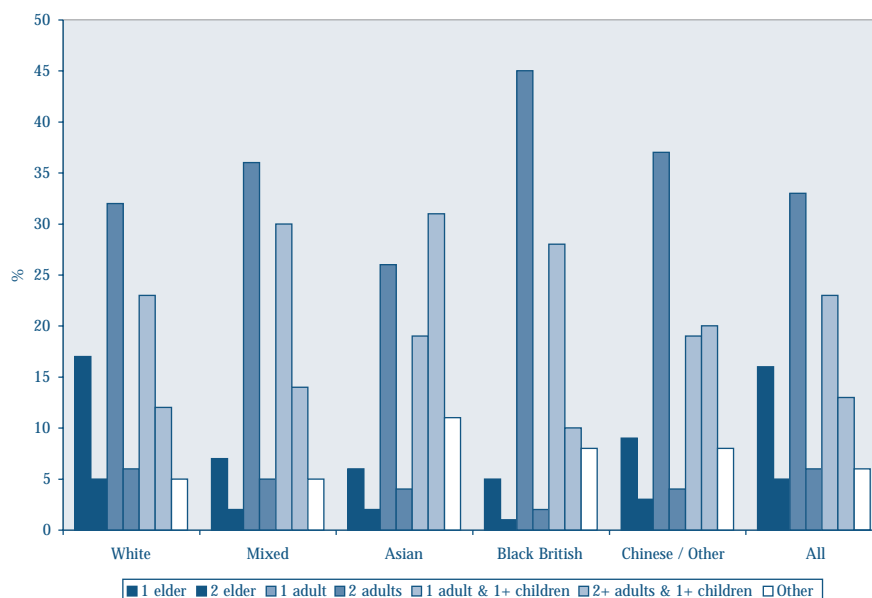
## 4. DEMOGRAPHIC CHARACTERISTICS OF HOUSEHOLDS

In 2001/02, a third of all general needs lettings were made to single people, a quarter to single parents and one-fifth to older single or couple households (Figure 2). However, when examined by ethnic group some significant differences become apparent.

- Single adult households account for the majority of lettings among all ethnic groups except Asian households.
- Lone parent households are the second largest category among white, mixed and black households.
- The proportion of lettings to older people is highest among white British (23%), Irish (30%) and Chinese (26%).

- Among Asian households, 2+ adult households with children comprise the largest category (33%, rising to 50% among Bangladeshi households).
- Among female headed households, lone parent households comprise a significantly larger proportion of BME general needs housing (e.g. 68% of Pakistani, 66% of Mixed White & Asian and 65% of Mixed White & Black Caribbean) compared to the equivalent proportion among White British (46%).
- Similarly in the supported housing sector, lone parents make up a higher proportion of female headed BME households (e.g. Pakistani -37%, Indian -30%, and Bangladeshi -27%) compared to the equivalent proportion among the White British (24%).

Figure 2: Household Type by Ethnic Group



Source : Core General Needs Lettings Data 2001/2002

## CORE analysis

This pattern of household composition reflects both the size of households and the age structure of the heads of households.

Almost two-thirds of lettings to Irish households are to people aged over 40 compared to two-fifths of all lettings. Proportionately more lettings to households of Mixed White & Black Caribbean origin are to people aged under 25 (two-fifths compared to one-fifth of all lettings to that age group). Almost half of lettings to households of Asian and of Black British origin are to households aged 25-39, compared to one third of all lettings to that age group.

Households of Asian origin tend to be larger than other ethnic groups. Two-thirds of lettings to Pakistani and Bangladeshi households and two-fifths of lettings to Indian households are to families of three or more people compared to a quarter of all lettings. On the other hand, almost two-thirds of lettings to Irish people are made to one-person households compared to half of all lets. This pattern is reflected in the type of property occupied by different groups. A higher percentage of households of Asian origin are in 3+ bedroom houses, while households of Irish or Black British Caribbean or African origin more commonly occupy 1-bedroom flats.

### 5. HOUSEHOLD INCOME AND AFFORDABILITY

An examination of CORE affordability measures indicates that the gap between rents and incomes has been falling over recent years. This has been particularly apparent since the introduction in 1997 of the RPI + 1% rent guidelines. This section considers the pattern of affordability for different ethnic groups. This analysis uses equivalised incomes to take account of household size and composition. A common adjustment made by government and other agencies seeking to establish the impact of costs on household budgets, is to equalise household incomes by taking account of household size and composition. The McClement scale is typically used for such equalisation. This scale is based on the assumption that smaller working households on the same income as larger households will be significantly better off. The scale takes childless, two adult households as standard (that is, they are weighted by 1) and scales up the income of households with fewer people and scales down the income of households with more.<sup>3</sup>

Our calculation of affordability measures uses working households.<sup>4</sup> While the Census classifies 61% of all households as working, only one-third of all general needs housing association lettings are made to working households. Among some ethnic groups the proportion of housing association lets to working households is even lower; only one-fifth of Irish and Chinese households and a quarter of Pakistani households are classified as working. The lower proportion of working households in the Irish and Chinese groups reflects in part the higher proportion of retired and older households.

To take account of the wide variation in household type and size described above, Table 3 shows the median equivalised income for working households over the five year period since the introduction of rent guidelines. The impact of equalisation highlights the situation of larger families compared to single person or couple households with no children. The effect in relation to ethnic groups is clearly seen in the lower household incomes available to households of Asian origin.

Table 3: Equivalised income by ethnic group

	1997/98	1998/99	1999/00	2000/01	2001/02
White : British	200	206	226	246	258
White : Irish	246	246	271	295	299
White : Other	174	161	198	227	250
Mixed : White & Black Caribbean	206	246	244	220	270
Mixed : White & Black African					270
Mixed : White & Asian	150	142	160	183	231
Mixed : Other	200	201	217	246	246
Asian/Asian British : Indian					203
Asian/Asian British : Pakistani					183
Asian/Asian British : Bangladeshi					164
Asian/Asian British : Other	139	148	162	180	205
Black/Black British : Caribbean	224	232	246	270	277
Black/Black British : African					295
Black/Black British : Other	218	233	246	261	258
Chinese/Other ethnic group : Chinese					202
Chinese/Other ethnic group : Other	181	208	209	241	250
All Working Households	199	205	225	246	257

Source: Derived from CORE General Needs Lettings

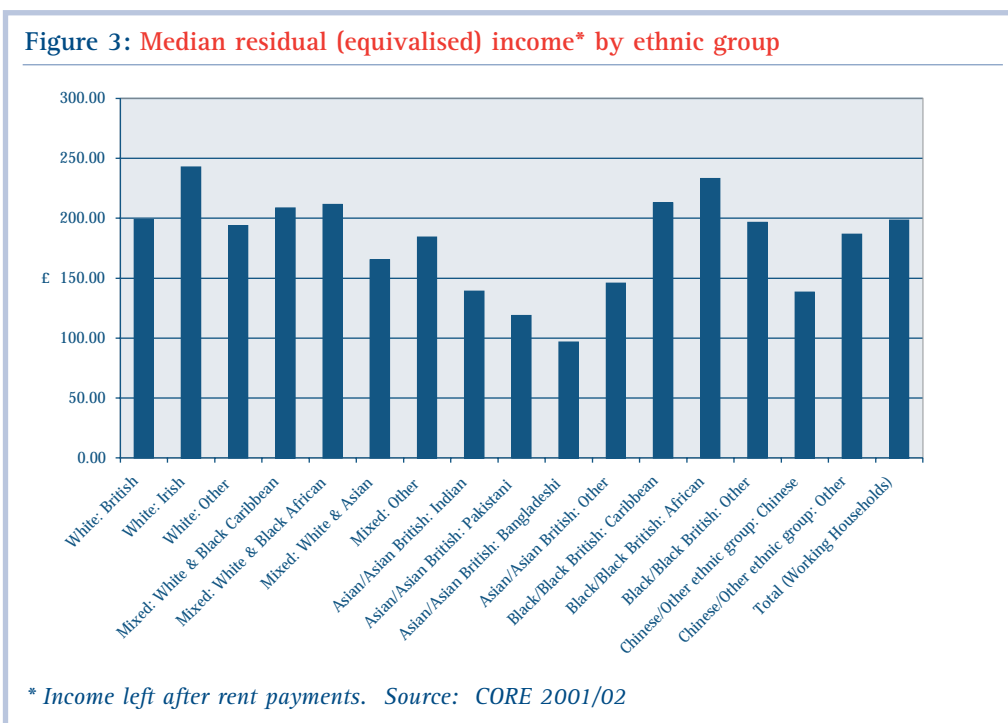
<sup>3</sup> see CORE Analysis Paper number 4 for a discussion and elaboration of this approach (<http://www.core.ac.uk/pubs.htm>)

<sup>4</sup> Working Households are defined as households with the tenant and/or partner in full-time or part-time work.

## CORE analysis

The substitution of equivalised for recorded income suggests the vulnerability to affordability problems of families with children<sup>5</sup> and hence suggests that Asian households may be particularly vulnerable in this regard. A higher proportion of Asian households pay more than

25% of their income on rent and the effect of this on family budgets is suggested by the examination of the net residual income available to households after rent (Figure 3).



## 6. HOUSING AND SUPPORT NEEDS

The ethnic origin of lettings to households in supported accommodation has changed relatively little over the last five years (Table 2). Three-quarters of lettings in supported accommodation are to White British households, one-tenth to Black British and a further tenth to households of Irish, Asian or Mixed ethnic origin (in equal proportions). However, the reason for housing and the characteristics of the client groups served do show diversity between ethnic groups (Table 4). Compared to all lettings, a higher proportion of Black British people were classified as single homeless or young people leaving care. Similarly a higher proportion of Irish households were classified as people with alcohol related problems, while Asian households were characterised by a high proportion of women at risk of domestic abuse.

Overall, two-fifths of all lettings in supported accommodation were to single homeless people. However, more than half of all Black British Caribbean and African lettings were to single homeless people. In contrast between a quarter and a third of Indian, Pakistani and Bangladeshi lettings were to this category of client. However, households of Black British Caribbean and African origin were less likely to be classified as statutory homeless (16%, compared to 22% among all households).

While a tenth of all lettings were to women at risk of domestic violence, a third of lettings to Indian and Bangladeshi households and over half to Pakistani households were in this category. It appears that this is predominantly a problem for younger women. Three-quarters of Bangladeshi women, two-thirds of Pakistani women and half of Indian women provided with supported accommodation because of domestic abuse were aged under 25. This may confirm findings from research that the domestic abuse arises in a family situation (that is, from in-laws and other family members) as well as being caused by a male partner. There may also be a link between the high level of domestic abuse among Asian families and the high proportion of Asian female headed household previously identified as lone parent households. However further research would be needed to confirm these associations.

Proportionally more supported accommodation is let to ethnic minority households than to White British households. In 2001/02 housing associations in England provided a total of 38,340 new lettings to ethnic minority households. Of these 35% (13,328) were in supported accommodation. This compares with a total 181,451 lettings to White British households; of these 28% (50,139) were in supported accommodation. These proportion replicate the pattern of previous years.

<sup>5</sup> see CORE Analysis Paper number 4 for more detail on the impact of income equivalisation (<http://www.core.ac.uk/pubs.htm>)

## CORE analysis

**Table 4: Supported Lettings by main client group and ethnic group (2001/2002)**

	All other groups	Mental Health	Drug/ Alcohol	Young People Leaving Care	Domestic Abuse	Single Homeless	All
White : British	23	8	11	7	10	41	100
White : Irish	19	6	18	2	10	45	100
White : Other	41	5	6	6	8	34	100
Mixed : White & Black Caribbean	17	5	8	13	13	43	100
Mixed : White & Black African	31	10	7	7	7	38	100
Mixed : White & Asian	22	10	7	4	20	36	100
Mixed : Other	18	5	7	13	9	47	100
Asian/Asian British : Indian	23	10	5	4	29	28	100
Asian/Asian British : Pakistani	14	4	1	6	51	25	100
Asian/Asian British : Bangladeshi	14	7	8	3	38	31	100
Asian/Asian British : Other	43	5	4	4	11	32	100
Black/Black British : Caribbean	19	8	5	10	9	49	100
Black/Black British : African	26	3	2	9	6	54	100
Black/Black British : Other	20	5	5	11	7	52	100
Chinese/Other ethnic group : Chinese	37	11	1	11	11	30	100
Chinese/Other ethnic group : Other	38	5	3	5	17	33	100
All households	23	7	10	7	10	42	100

Source: CORE Supported Accommodation

## 7. THE CASE OF LONDON

The 2001 Census indicates that almost half of BME households in England live in London and CORE data demonstrates that more than one-third of all housing associations lettings to BME households are made in the London region. This section considers in more detail the distribution of general needs lettings made by housing associations in London.

In 2001/2002 almost half of all lets of general needs housing in London was made to BME households (Table 5).

In all the Boroughs the proportion of lets to BME households was equal to or greater than the proportion of BME households in the population (according to the 2001 Census).

Nearly half (49%) of these lets were made in eight Boroughs – Brent, Hackney, Lambeth, Newham, Southwark, Tower Hamlets, Westminster and Haringey. Table 6 shows the ethnic composition of general needs lets in these Boroughs.

**Table 5: Ethnic composition of HA lettings compared to Census**

	BME Lettings Count (1)	BME HA Lettings % (1)	BME households % (2)	HA tenants BME h'holds % (2)
Lambeth	608	66.2	36.82	50.7
Hackney	592	62.5	38.90	53.6
Brent	569	76.1	55.99	70.4
Tower Hamlets	560	56.6	35.72	45.2
Newham	455	59.9	51.64	56.1
Southwark	417	57.1	35.06	40.4
Westminster	396	53.8	26.18	34.2
Haringey	308	56.3	35.32	54.3
Croydon	295	43.2	28.53	40.0
Greenwich	289	38.4	21.71	25.7
Ealing	285	58.8	38.84	51.5
Waltham Forest	274	60.5	31.52	40.8
Bromley	261	21.0	8.78	13.3
Lewisham	259	61.1	33.08	47.1
Kensington and Chelsea	220	47.7	21.33	35.0
Enfield	216	43.1	23.19	34.7
Islington	203	49.0	27.21	36.7
Wandsworth	190	48.2	21.99	38.6
Hammersmith and Fulham	188	49.9	24.28	39.8
Hounslow	183	40.4	31.10	32.1
Camden	175	48.3	25.82	38.2
Bexley	169	16.7	8.60	12.4
Hillingdon	144	34.2	19.60	24.7
Barnet	122	38.7	25.67	32.8
Harrow	122	54.5	38.39	45.7
Merton	115	36.3	23.95	29.7
Redbridge	96	30.6	30.31	31.5
Richmond-upon-Thames	78	16.7	10.08	10.7
Barking and Dagenham	44	13.3	14.16	19.0
Sutton	39	14.0	11.26	12.4
Kingston-upon-Thames	28	25.9	14.37	16.0
Havering	26	8.6	5.78	5.2
City	8	*	15.48	38.8
All		45.4	27.10	38.7
Number	7934		818027	

Source: (1) CORE; (2) Census 2001 Table 106, 111

## CORE analysis

Using the five broad categories of ethnicity, the concentration of BME lettings in a small number of Boroughs can also be seen to be reflected in a concentration of particular ethnic groups:

- A quarter of all lets to Irish households were made in Brent, Camden and Lambeth.
- A quarter of all lets to households of Mixed ethnic origin were made in Lambeth, Bromley, Greenwich.

- Two-fifths of lets to Asian households were made in Tower Hamlets, Westminster, Newham, Ealing.
- One-third of lets to Black households were made in Lambeth, Hackney, Brent, Southwark.

The distribution of lettings to Chinese households does not display any marked concentration.

**Table 6: General Needs Lettings by Ethnic Group by London Borough**

	White: British / other %	Irish %	Mixed %	Asian %	Black %	Chinese %	All lets %
Lambeth	33.8	3.8	9.4	4.8	45.5	2.7	100
Hackney	37.5	2.9	6.8	8.4	41.5	3.0	100
Brent	23.9	9.6	7.5	11.2	46.1	1.6	100
Tower Hamlets	43.4	2.3	3.6	31.7	16.6	2.3	100
Newham	40.1	2.8	5.9	12.6	37.9	0.7	100
Southwark	42.9	2.6	7.0	3.3	40.5	3.7	100
Westminster	46.2	4.1	8.6	13.9	23.6	3.7	100
Haringey	43.7	5.5	4.8	8.4	34.4	3.3	100
All households	54.6	3.3	6.2	8.6	25.2	2.1	100

Source: CORE 2001/2002

## 8. CONCLUSIONS

Housing associations play an important role in enabling access to affordable social rented housing for BME households and particularly for some ethnic groups. The target of 14% of national lets to BME households has been met or bettered each year since it was established in 1998. The importance of housing associations is particularly evident in areas (e.g. London) where BME households represent a high proportion of all households. Where our analysis has been able to look at the sub-regional level in London, it is apparent that housing associations are letting a larger proportion of stock to BME households compared to their representation in the population locally.

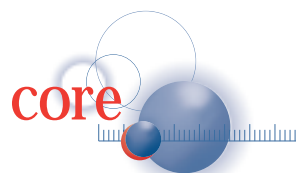
This brief analysis confirms the evidence from other research in relation to the demographic composition, reason for housing and housing requirements of different ethnic groups. However, it additionally highlights the vulnerability of some BME households, and especially Asian households, to affordability problems. The analysis also points to the importance of supported accommodation provided by housing associations for young Black single homeless and for young women of Asian origin experiencing domestic abuse. These issues merit more detailed analysis and research before firm policy conclusions can be drawn, but they are suggestive of the important role played by the housing association sector.

Detailed tabulations not included in this paper can be accessed at: [www.core.ac.uk](http://www.core.ac.uk).

### CORE Annual Digest 2001/2002

The CORE Annual Digest for 2001/2002 is available now. The Digest enables associations to review their own statistics against regional and national averages. Following the success of previous editions, the Digest for 2001/2002 comprises a CD-ROM of standard statistical tables and a concise six-page summary of key facts. The price of the Digest and CD-ROM is £15. Please order a copy by calling the CORE office on 01334 463918.

Please visit the CORE Web Site at  
[www.core.ac.uk](http://www.core.ac.uk)



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