

Better
Housing
Briefing

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**Understanding
ethnic
inequalities
in housing:
Analysis of the
2011 census**

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Key messages

- 1 The persistence of ethnic inequalities in the housing sector suggests that this has been an area of policy neglect.
- 2 Ethnic inequalities in overcrowding have been obscured in the last decade because of changes to the way it is statutorily measured.
- 3 Private renting has increased amongst all ethnic groups since 1991. However, the increase has been particularly large for the Indian, Pakistani and Black Caribbean ethnic groups.
- 4 Insecurity of tenure is pronounced among young adults which has implications for future housing markets and social equality.
- 5 Some minority groups (Other White, Arab) are disproportionately represented in insecure private rented accommodation.

Introduction

This briefing explores the disparities between ethnic groups in relation to two key social concerns relating to housing in the UK: the prevalence of overcrowded accommodation and the rise in the private renting sector. The briefing uses 2011 Census data, providing up-to-date national evidence on ethnic inequalities in housing that can be used by policy makers, practitioners, landlords and social housing regulators. It draws on work of the Centre on Dynamics of Ethnicity (Finney and Harries, 2013).

There is evidence that some ethnic groups are discriminated against in the housing market (Harrison & Phillips, 2003) and reside disproportionately in poorer parts of cities (Phillips, 1998). It is therefore important to understand how ethnic groups experience housing and tenure in different ways. This briefing:

- examines the differences in levels of overcrowding and under-occupancy between ethnic groups;
- considers differences between ethnic groups in tenure (home ownership, social and private renting);
- highlights how some ethnic groups are particularly and increasingly disadvantaged in terms of insecure housing tenure;
- shows that the disparities between ethnic groups are especially visible among young adults.

The briefing raises a series of questions which are relevant to policy makers and people working in the housing sector about why ethnic inequalities persist in housing and considers what consequences this persistence may have for policy and practice.

1 Ethnic differences in overcrowding and under-occupancy

Overcrowding raises significant social concerns. There has been a great deal of research to examine the detrimental effects of overcrowding on physical and mental health (see, for example, Jones, 2010; Hacker, Ormandy and Ambrose, 2011). The purpose of this section is to use Census data to determine the extent to which ethnic inequalities exist and persist in terms of overcrowding, using data on the occupancy rating of bedrooms and rooms to identify households that are overcrowded or under-occupied.

Box 1 provides the definitions of bedroom and room requirements used by the Office for National Statistics in the compilation of census data. The 2011 Census was the first time that a census measure of occupancy based on bedrooms has been produced. The ages of the household members and their relationships to each other are used to derive the number of bedrooms they require, using a standard formula.

Box 1: Census definitions of room and bedroom requirements used to calculate occupancy ratings (Source: ONS)

- The 2001 census calculation of room standard is based on the definition of room standard as described in the Housing Act 1985. The 2011 census calculation of bedroom standard is based on the more recent Housing Overcrowding Bill 2003.
- A bedroom is defined as any room that was intended to be used as a bedroom when the property was built, or any room that has been permanently converted for use as a bedroom. It also includes all rooms intended for use as a bedroom even if not being used as a bedroom at the time of the Census.
- Bedsits and studio flats are counted as having one bedroom.
- A one-person household requires three rooms and one bedroom.

The *room* requirements for a multi-person household are:

1. One room per couple or lone parent;
2. One room per person aged 16 and above who is not a lone parent or in a couple;
3. One room for every two males aged 10-15, rounded down;
4. One room for every pair of males of whom one is aged 10-15 and one is aged 0-9, if there are an odd number of males aged 10-15;
5. One room for a remaining unpaired male aged 10-15;
6. Repeat steps 3-5 for females;
7. One room for every two remaining children aged 0-9 (regardless of gender), rounded up;
8. Add two rooms to this total.

The *bedroom* requirements for a multi-person household are:

1. One bedroom per couple;
2. One bedroom per person aged 21 or over not in a couple;
3. One bedroom for every two males aged 10-20, rounded down;
4. One bedroom for every pair of males of whom one is aged 10-20 and one is aged 0-9, if there are an odd number of males aged 10-20;
5. One bedroom for a remaining unpaired male aged 10-20;
6. Repeat steps 3-5 for females;
7. One bedroom for every two remaining children aged 0-9 (regardless of gender), rounded up.

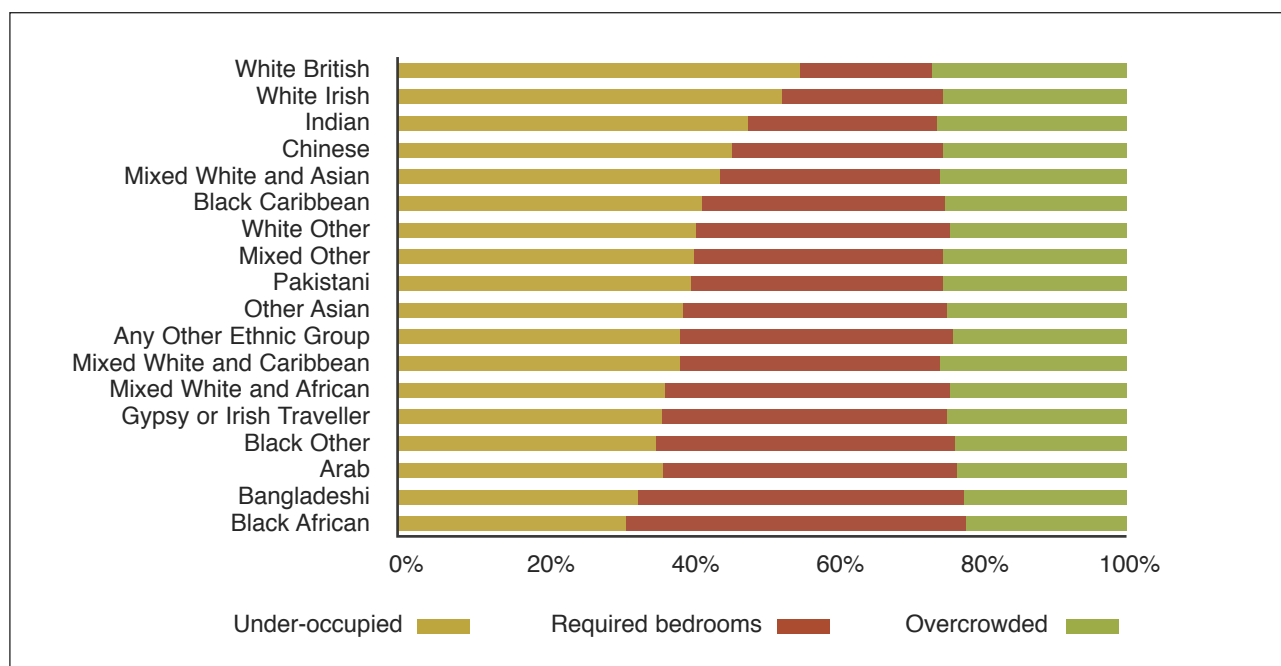
The formula is based on the definition of overcrowding in the Housing Overcrowding Bill 2003. This definition is used to inform Government policy, for example, on entitlement to social housing (for example, in the Welfare Reform Act 2012, which includes the 'size criteria' measure commonly known as the 'bedroom tax'). In government and policy, occupancy measures based on rooms have been superseded by occupancy based on bedrooms.

Each household is allocated to an ethnic group according to the Household Reference Person identified in the census. This is usually the oldest economically active person in the household.

Figure 1 indicates the proportion of each ethnic group in 2011 that was in under-occupied housing, overcrowded housing and housing that meets the standard and statutory requirements based on number

of bedrooms. This chart shows little variation in the proportion of each ethnic group living in overcrowded housing in 2011, with around a quarter of the population of each ethnic group in overcrowded housing. This ranges from 22 per cent for the Bangladeshi and Black African ethnic groups to 27 per cent for the White British ethnic group.

Figure 1: Percentage of ethnic groups (HRPs) in under-occupied, overcrowded, and required size accommodation based on number of bedrooms, 2011

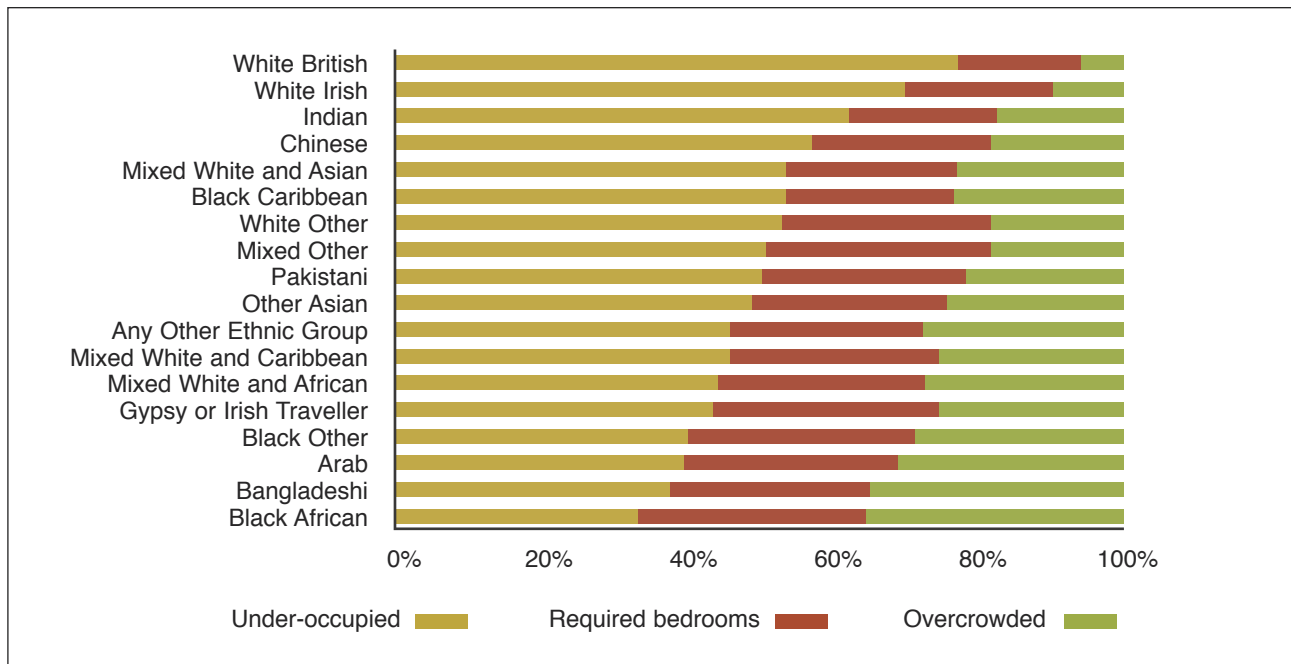


Source: England and Wales Census 2011, dc4206ew

Although the differences between ethnic groups do not appear to be significant, it is noteworthy that these figures for overcrowding are less for some ethnic groups than those reported for 2001. This disparity can at least partly be explained by changes in statutory definitions of overcrowding. For censuses prior to 2011, the statutory measure of overcrowding was based on rooms, rather than bedrooms. The room-based measure gives a much larger range in overcrowding across ethnic groups than the bedroom-based measure: a range from 6 per cent of White British to 35 per cent of Black African ethnic groups in overcrowded accommodation (Figure 2). Significantly, therefore, the room-based measure reverses the pattern for ethnic groups compared with the bedroom-based measure: the new bedroom-based measure of overcrowding serves to reduce ethnic differences and emphasise disadvantage amongst the White British group.

The data relating to under-occupancy in 2011 highlights considerable ethnic differences in whether a household has spare rooms. The proportion of households in each ethnic group that has at least one 'spare' bedroom varies from a third of the Arab, Bangladeshi and African ethnic groups to more than half of the White British and White Irish ethnic groups (Figure 1). Three times as many White British and White Irish households (28 per cent) as Black Africans (9 per cent) and Bangladeshis (11 per cent) live in houses with two or more spare bedrooms. These differences are even more stark if a measure of under-occupancy based on rooms is used (Figure 2).

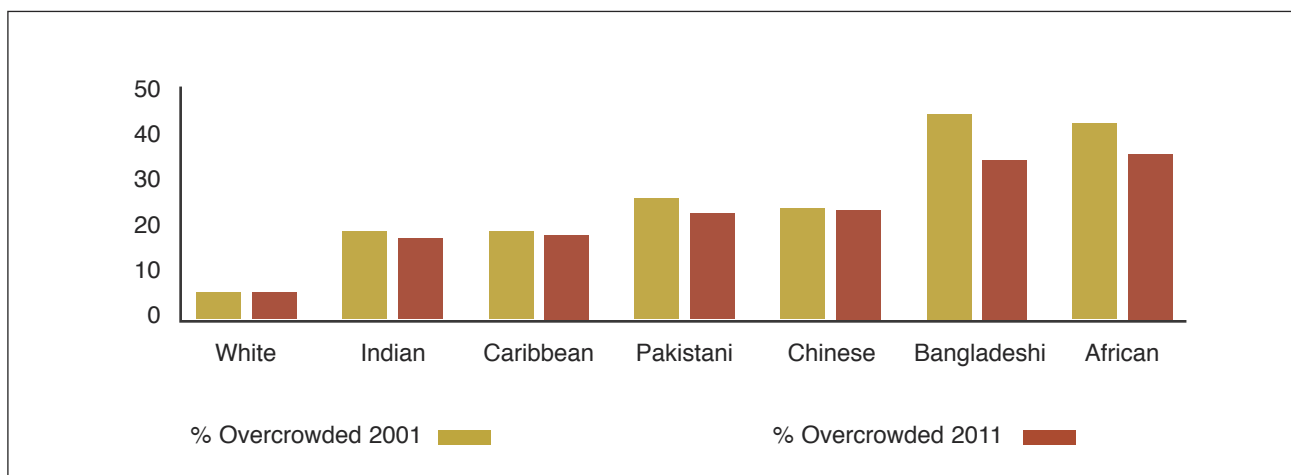
Figure 2: Per cent of ethnic groups (HRPs) in under-occupied, overcrowded, and required size accommodation based on number of rooms, 2011



Source: England and Wales Census 2011, dc4205ew

Figure 3 compares change over time in overcrowding using the room-based measure available in both 2001 and 2011 census data. It shows that during this decade levels of overcrowding decreased, particularly for African and Bangladeshi groups, and ethnic inequalities were reduced. Nevertheless, levels of overcrowding (based on rooms) remain high, at over a third of Bangladeshi and Black African households in 2011.

Figure 3: Percentage of ethnic group (HRPs) in overcrowded accommodation based on rooms, 2001 and 2011



Source: England and Wales, Census 2011 dc4205ew; Census 2001 S124. Note: the ethnic groups shown are those that are considered to be reliably comparable between censuses (Simpson and Akinwale 2007).

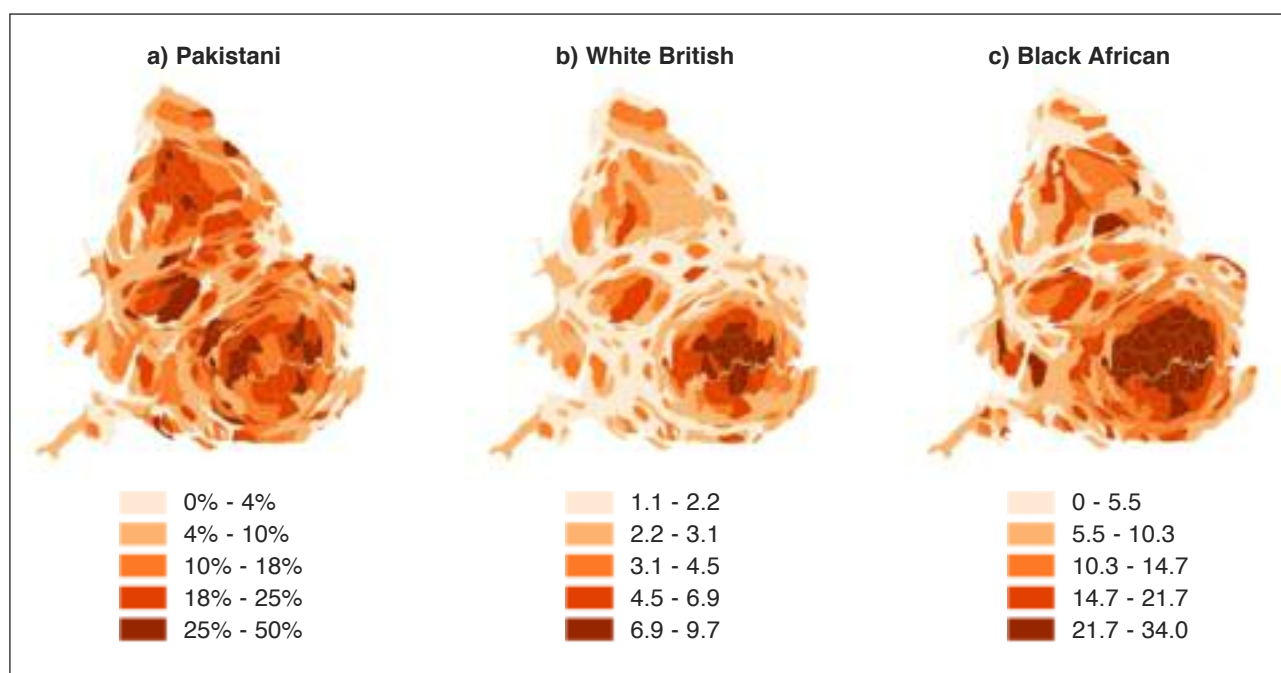
In summary:

- Around a quarter (25 per cent) of each ethnic group lives in overcrowded accommodation, according to official definitions based on number of bedrooms.
- Overcrowding based on number of rooms ranges from 6 per cent of White British households to 35 per cent of Black African households.
- Three times as many White Britons as Africans and Bangladeshis live in houses with two or more spare bedrooms.
- Ethnic inequalities in overcrowding have been obscured in the last decade because of changes to the way this is statutorily measured.
- Although levels of overcrowding decreased between 2001 and 2011 (based on number of rooms), ethnic inequalities persist.

2 Geographical variation in overcrowding

Where is provision of housing not meeting the needs of diverse communities? Although there is little difference in overcrowding by bedrooms nationally, there is variation geographically. The places where different ethnic groups experience overcrowding most are also not the same in all cases. Figure 4 illustrates the geographical variation in overcrowding by presenting maps for three ethnic groups with distinct and contrasting patterns. The maps show that there are high levels of overcrowding for Pakistanis in the Midlands but that this is not the case for other ethnic groups. Highest levels of overcrowding are concentrated in London: 1 in 5 Black African households in inner and North London is overcrowded and White British overcrowding is highest in inner London.

Figure 4: Percentage of households in districts of England and Wales and that are overcrowded, 2011



Source: England and Wales Census 2011, dc4206ew. Note: These maps are population cartograms where each local authority district is shown approximately proportional in size to its resident population. Cartograms have not excluded any districts on the basis of ethnic group populations.

In summary:

- Overcrowding varies across the country. This may be related to the availability of adequate housing in different parts of the country. Overcrowding is particularly high in London especially for White British, Black African and Black Caribbean ethnic groups.

3 Trends in tenure in England and Wales

The UK is typically characterised as a nation of home owners rather than renters. The latest Census shows that in England and Wales in 2011 36.2 million people owned their home, 9.8 million were private renters and 9 million were social renters. Preference for home ownership is overwhelmingly the norm and successive government policies such as 'right to buy', 'shared ownership' and 'help to buy' have helped to cement this view. However, rising house prices, exacerbated in areas where demand outstrips supply, have also meant that the home ownership sector is becoming increasingly difficult to enter. Indeed, the latest census shows that between 1991 and 2011, levels of home ownership decreased. Social housing, which has traditionally been the more affordable secure form of tenure, has also been in decline overall; the number of households in social housing decreased by 39 thousand (from 4.1 million). This can be largely explained by the proportionate and net decrease in social rented stock. In 2004, social housing represented 18.5 per cent of total stock compared with 31 per cent in 1979 (Hills 2007).

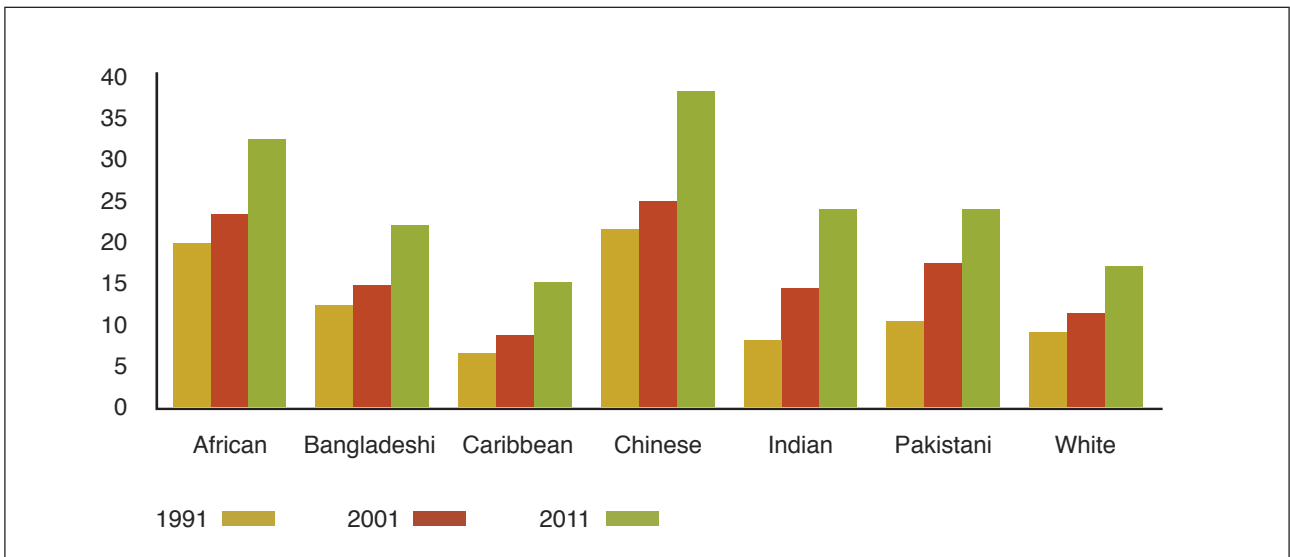
Meanwhile, the number of households in private renting increased between 1991 and 2011. In England and Wales in 2011, 4.2 million households (9.8 million people or 18 per cent of the population) were renting privately. This represents a 63 per cent increase since 2001 when 2.6 million households were renting privately (12 per cent of the population). The rapid rise in the private rental sector is a key social concern: whilst private renting can offer flexibility which suits people at particular life stages and in particular labour markets, it is the most precarious and insecure form of tenure. Insecure tenure, and the associated concerns about lack of regulation of landlords, unpredictability of rental prices and maintenance of private rental housing, can have adverse effects on people's lives, especially on families with young children (Albanese, 2013, Ball, 2010). Furthermore, there is concern over the cost and condition of housing stock on offer (see, for example, Jones, 2010). These issues are of increasing concern and particularly affect young people, a situation described by Shelter as the creation of 'Generation Rent' (Lindsay and Earley, 2013).

The following sections examine how these national changes have differently affected ethnic groups.

4 Ethnic differences in the private rented sector

Figure 5 gives the changes in the proportion of people living in private rented accommodation between 1991, 2001 and 2011. All ethnic groups have seen an increase in the proportion of their population living in private rented housing since 1991, but the greatest proportional increase in private renting was for the Indian, Pakistani and Black Caribbean populations.

Figure 5: Per cent of ethnic groups in private rented accommodation, 1991-2001-2011 (HRPs)

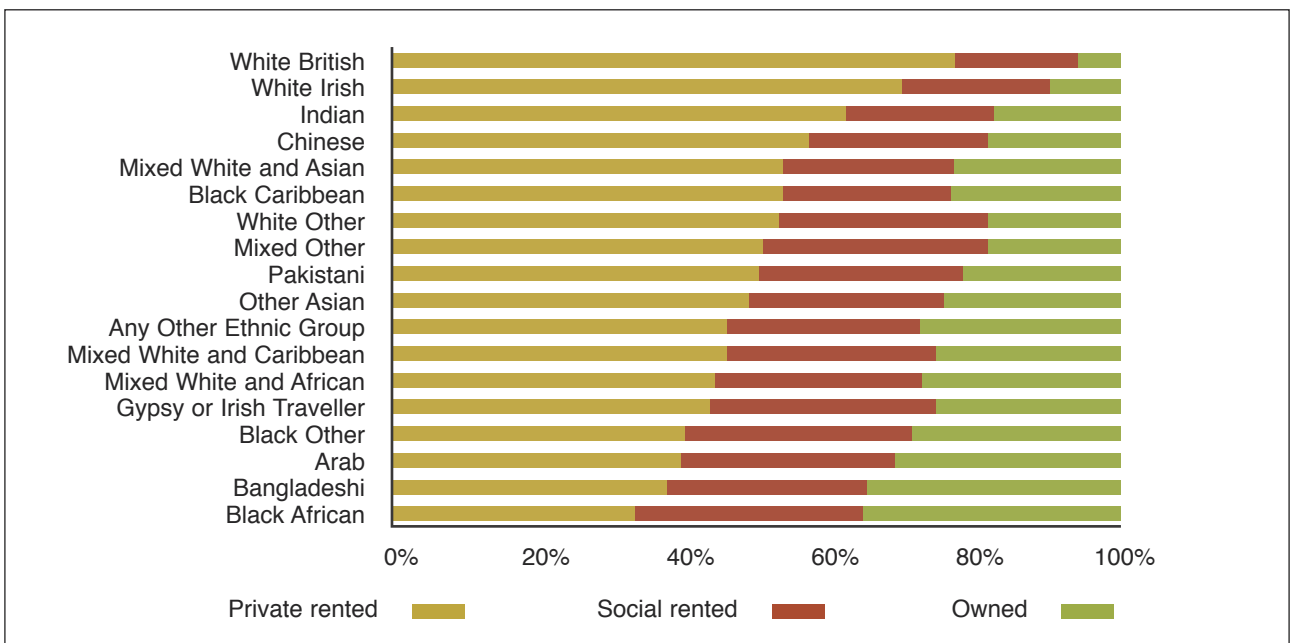


Source: England and Wales Census, 2011 dc4201ew; 2001 S111; 1991 T11. Note: the ethnic groups shown are those that are considered to be reliably comparable between censuses (Simpson and Akinwale, 2007).

Figure 6 gives the percentage of each ethnic group in private rented, social rented and owned accommodation in 2011. It shows a more than threefold variation between ethnic groups in the proportion in private renting, from 15 per cent for Black Caribbean and White British to 50 per cent for Arab and White Other.

(NB: The 2011 Census increased the number of ethnic categories used to include Arab and White Gypsy or Irish Traveller.)

Figure 6: Percentage of ethnic groups in private rented, social rented and owned accommodation, 2011 (HRPs)



Source: England and Wales Census, 2011 dc4201ew Cartograms have not excluded any districts on the basis of ethnic group populations.

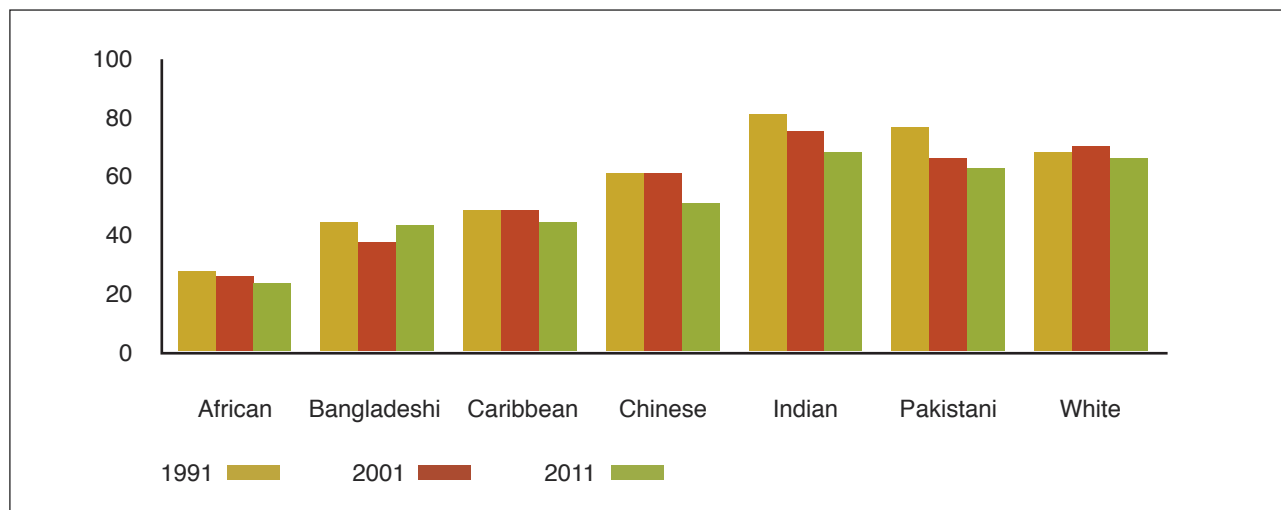
In summary:

- Private renting was highest in 2011 for the Other White (51 per cent) and Arab (49 per cent) ethnic groups and lowest for the Black Caribbean (15 per cent) and White British (15 per cent) ethnic groups.
- For the White Other group, the high levels of private renting are likely to reflect the accessibility of this tenure for recent immigrants.
- Increased private renting between 1991 and 2011 was a common experience across ethnic groups, but private renting increased more for some ethnic groups than others.
- The increase in private renting between 1991 and 2011 was proportionately greatest for the Indian, Pakistani and Black Caribbean populations (for whom the per cent in private renting more than doubled) and least for the Black African and Chinese ethnic groups.

5 Ethnic differences in home ownership

Although the preference for home ownership is common across ethnic groups (Harries *et al*, 2008), there are stark differences between groups in levels of home ownership. Figure 7 shows the proportion of each group that owned their own home in 1991, 2001 and 2011. In 2001, whilst more than half of White British, Pakistani, White Other, Chinese and Indian households owned their own home, this was the case for only a quarter of Black African and Arab households. Between 1991 and 2011 levels of home ownership decreased for all ethnic groups but particularly so for Pakistani, Chinese and Indian households.

Figure 7: Percentage of ethnic groups in owner occupied accommodation, 1991-2001-2011 (HRPs)



Source: England and Wales Census, 2001 dc4201ew; 2001 S111; 1991 T11. Note: the ethnic groups shown are those that are considered to be reliably comparable between censuses (Simpson and Akinwale, 2007).

Figure 6 shows the disparities in home ownership between ethnic groups in 2011. Home ownership is greatest for the Indian (69 per cent of households) and White British (68 per cent of households) ethnic groups. It is lowest for Black African (24 per cent) and Arab (27 per cent) which may reflect the disadvantaged position of these groups in the labour market (Nazroo and Kapadia, 2013) and resulting difficulties obtaining mortgages to buy a home.

In summary:

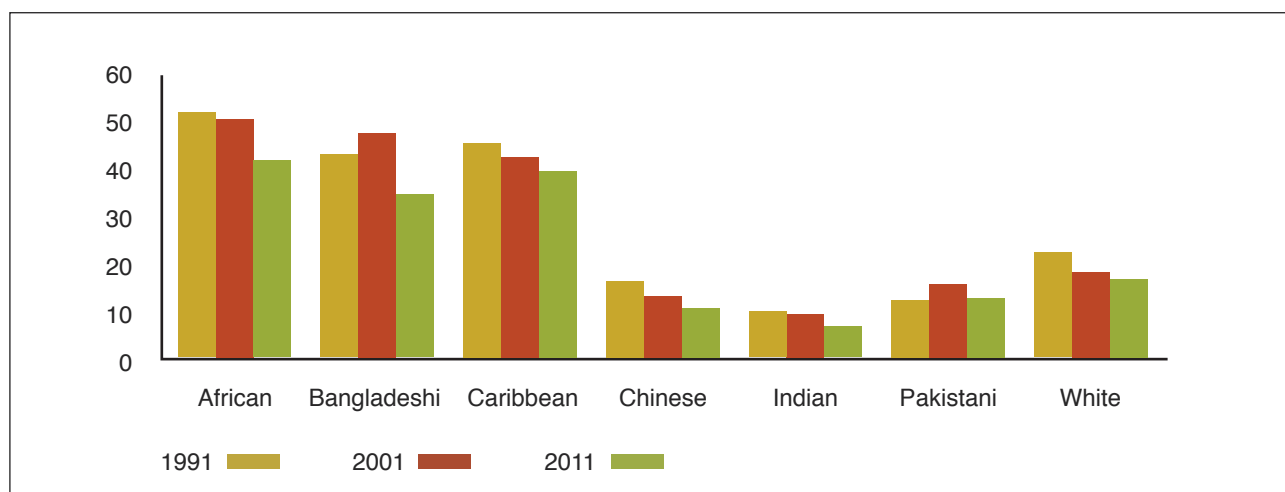
- Between 1991 and 2011, levels of home ownership have decreased for all ethnic groups.
- The decrease in home ownership was proportionately greatest for Chinese (-17.4 per cent) and Pakistani (-18 per cent). The decrease was proportionately least for White (-3 per cent) and Bangladeshi (-3 per cent).
- In 2011, over 50 per cent of Indian, White British, Pakistani, White Irish and Chinese ethnic groups lived in a house they owned. Indians had the highest proportion at 69 per cent.
- Home ownership is lowest for the Black African (24 per cent) and Arab (27 per cent) ethnic groups (2011). The low levels of home ownership among these two groups may reflect their disadvantaged position in the labour market.

6 Ethnic differences in social housing

There are persistent differences between ethnic groups in levels of social housing. Figure 8 shows the proportion of each ethnic group in social housing in 1991, 2001 and 2011. This illustrates how the reduction in social housing has been experienced by all ethnic groups.

In 2011 (see Figure 6), the Black African, and also the Other Black, White Gypsy and Irish Traveller and Mixed White and Black Caribbean groups have the highest proportions of their population in social rented housing (housing rented from local authorities, housing associations and other social housing providers); over 40 per cent for each of these groups. Social renting is lowest for the Indian (7 per cent), Chinese (11 per cent), Other White (12 per cent) and Pakistani (13 per cent) groups. Low levels of social housing take-up among some ethnic minority groups may reflect their particular difficulties accessing social housing and may not, therefore, be an accurate indicator of demand.

Figure 8: *Per cent of ethnic groups in social rented accommodation, 1991-2001-2011 (HRPs)*



Source: *England and Wales Census, 2001 dc4201ew; 2001 S111; 1991 T11. Note: the ethnic groups shown are those that are considered to be reliably comparable between censuses (Simpson and Akinwale, 2007).*

In summary:

- The trend in social renting has been one of decline overall for all ethnic groups.
- The Bangladeshi and Pakistani ethnic groups were the only ones to see a rise in social renting between 1991 and 2001. This may reflect some success of housing strategies in the 1990s to improve access of some ethnic groups to social housing.
- In 2011 a smaller proportion of all ethnic groups lived in social rented housing than in 1991 apart from the Pakistani group who had the same level of social renting in 1991 and 2011

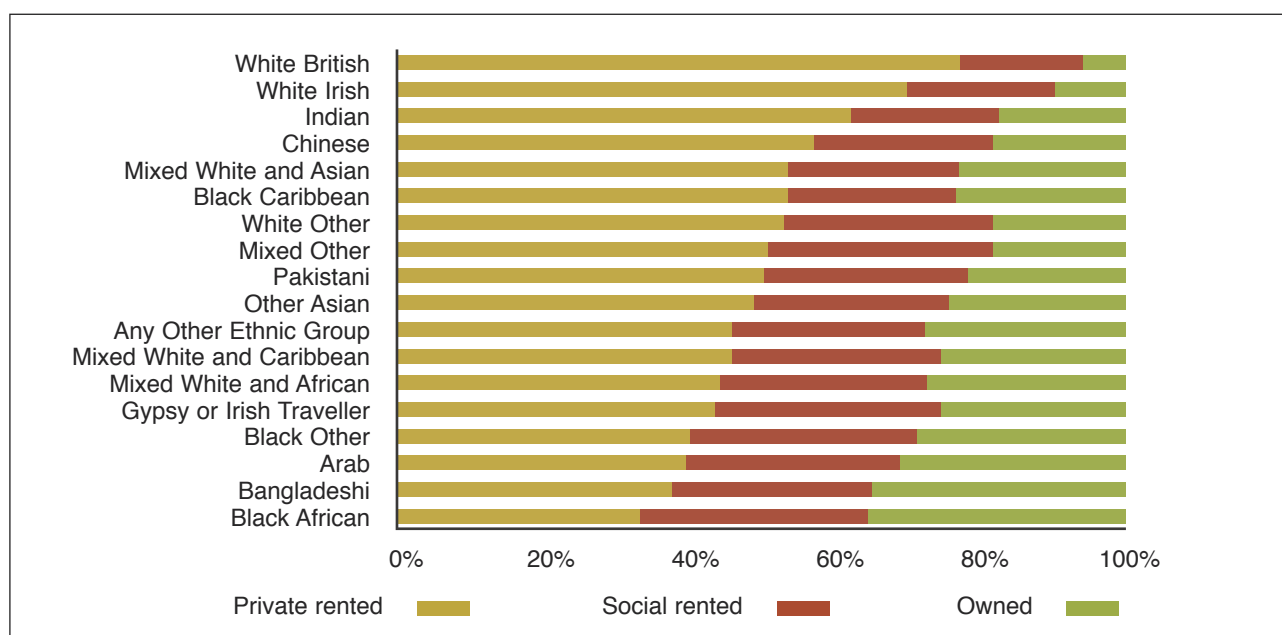
7 Pronounced insecurity of tenure amongst young adults

Young adults are particularly disadvantaged in terms of purchasing a home in the current economic and political climate. Sufficient income for deposit and mortgage takes time to accumulate, and those entering the market before the price booms of the 1980s, 1990s and 2000s were at an advantage for home-owning. This is compounded by more restrictive access to mortgage products in recent years. Access to the housing market is thus more difficult for young adults in 2011.

Figure 9 shows that levels of private renting are higher for young adults than for the population as a whole (compared to figure 6). At least a third of young adults in all ethnic groups live in private rented housing. This figure rises to three quarters of the White Other group which contains a high proportion of recent European immigrants, for example, from Poland.

Home ownership levels vary considerable amongst young adults of different ethnic groups. They are particularly low for Black ethnic groups (less than one in five households) and notably high (over half of households) for the Pakistani ethnic groups.

Figure 9: Percentage of young people (aged 25-34) by ethnic group in private rented, social rented and owned accommodation, 2011 (HRPs)



Source: England and Wales Census, 2011 dc4201ew

In summary:

- Insecurity of tenure is particularly pronounced for young adults, and especially for some minority groups: over half of 25-34 year olds in the Other White, Arab, Chinese, White Irish and Indian ethnic groups live in private rented housing.
- The proportion in private renting ranges from 31 per cent for Black Caribbean and Bangladeshi ethnic groups to 74 per cent for the Other White group.

Conclusion

Policy implications

- Ethnic inequalities in overcrowding and tenure exist and persist in England and Wales.
- The persistence of ethnic inequalities in housing suggests that this has been an area of policy neglect.
- Further work is needed to identify the most appropriate policy actions. This includes:
 - Work to better understand how and why housing requirements vary across ethnic groups.
 - Investigation of how discrimination in private and social housing access affects experiences of different ethnic groups.
 - Geographical analysis of how well the needs of local populations (e.g. in terms of house size) are met by existing housing stock.
 - Consideration of how ethnic inequalities in other social realms (e.g. employment) are related to inequalities in housing.
 - Examination of how housing experiences of recent immigrants have implications for their longer-term housing circumstances.
 - Investigation of how the pronounced insecurity of tenure for young adults is affecting different ethnic groups and what might prevent this resulting in widening of the ethnic gap in housing in the future.

Resources

Census data can be accessed at: www.nomisweb.co.uk/census/2011

CoDE has produced a series of national and local 2011 Census Briefings on ethnic inequalities that are available at: www.ethnicity.ac.uk. The four page briefings include summaries of key points and links to census data.

CoDE has produced a local authority ethnicity age profiler and a local authority diversity profiler which summarise census data for local authorities and are freely available at: www.ethnicity.ac.uk

Details about the 2011 Census can be found at: www.ons.gov.uk/ons/guide-method/census/2011/index.html

Office for National Statistics (ONS) interactive census data results, including on ethnicity and on housing, can be found at: www.ons.gov.uk/ons/guide-method/census/2011/census-data/2011-census-interactive-content/index.html

ONS Census Stories on ethnicity can be found at: www.ons.gov.uk/ons/guide-method/census/analysis/ethnicity--national-identity--language-and-religion/index.html

ONS Census Stories on housing can be found at: www.ons.gov.uk/ons/guide-method/census/analysis/labour-market--housing-and-qualifications/index.html

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