Resident
of the future

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Contents

Executive summary

SNG is a newly merged organisation – we're delivering services to a larger customer base than both entity organisations had previously done so, and overall this customer base will span a wider geography. It's important that we understand what our combined customer base looks like and how it will look going forward, as this will inform how we plan and shape our service delivery to meet their needs, as well as how we invest in existing and new homes. This is especially necessary as we expect that the majority of our new future customers will experience one or more vulnerabilities.

The research also responds to the Housing Ombudsman's spotlight report on 'Attitudes, respect and rights: Relationship of Equals', which (in the context of the cost-of-living crisis, increase in mental health difficulties and housing shortages) calls for social landlords to 'create human-centric policies, adapt to meet the needs of all their residents and ensure the most vulnerable residents are not left behind.' The report recommends that landlords carry out their own 'Resident of the Future' forecast for the next ten years, which should underpin an action plan that ensures we are ready to meet the needs of our future residents.[1]

Key findings

Our research and forecasts were based on our internal data sources and information on our current customer base (within our Low-Cost Rental Accommodation (LCRA) households), as well as external sources (e.g. Office for National Statistics, SDR etc.), to gather insights from national demographic trends and build a more comprehensive picture of the future social housing tenant.

We expect the following changes to our customer demographics by 2035:

- An older customer base – 13% increase in age 65+
- A rise in long term health issues and disabilities
- More customers requiring medium to high level support
- 'No Religion'/Christians to still make up majority of customers – 3% increase to 65%
- Muslims to grow the most – by 28%, but still make up only 4% of customers
- White customers to still make up vast majority of customers – 1% increase to 81%
- 'Mixed' customers to grow the most – by 14%, but still make up only 2% of customers.
- Women to still make up the majority of customers – 1% increase to 67%
- National trends suggest a rise in larger, intergenerational households.

Recommendations

Conduct further research

Focus on supporting vulnerable customers

Improving data quality

An initial set of recommendations have been made, based on the outcomes of our research.

Once the report is rolled out across the business, we intend to test the recommendations with colleagues and subsequently refine them where necessary.

Please see page 20 for more detail on each recommendation.

Introduction

SNG owns and manages over 84,000 homes and invests in communities across the South of England, as well as aiming to create thousands of new affordable places for people to live every year. As we deliver our services to such a large customer base and span a wide geography, it's important that we adequately plan for how we will continue to provide a quality service to all our customers. To do this, we must understand what our future customer base will look like.

By predicting who will make up our future customer base, we can make informed insights into the housing needs of our future customers, i.e. service and support needs. We can also use this research, and its further phases, to better approach our delivery of new homes (which types of homes are required by our future customer?) and investment in existing homes. Moreover, this research highlights where are the gaps in our own data, and supports proposals for efforts across the business to fill those gaps.

The paper also builds upon existing research undertaken within SNG, namely – customer segmentation research and the research on the customer repairs experience (please see Appendix B for further information). These projects already offer valuable knowledge on how our services should be adapted to meet the needs of current and future customers.
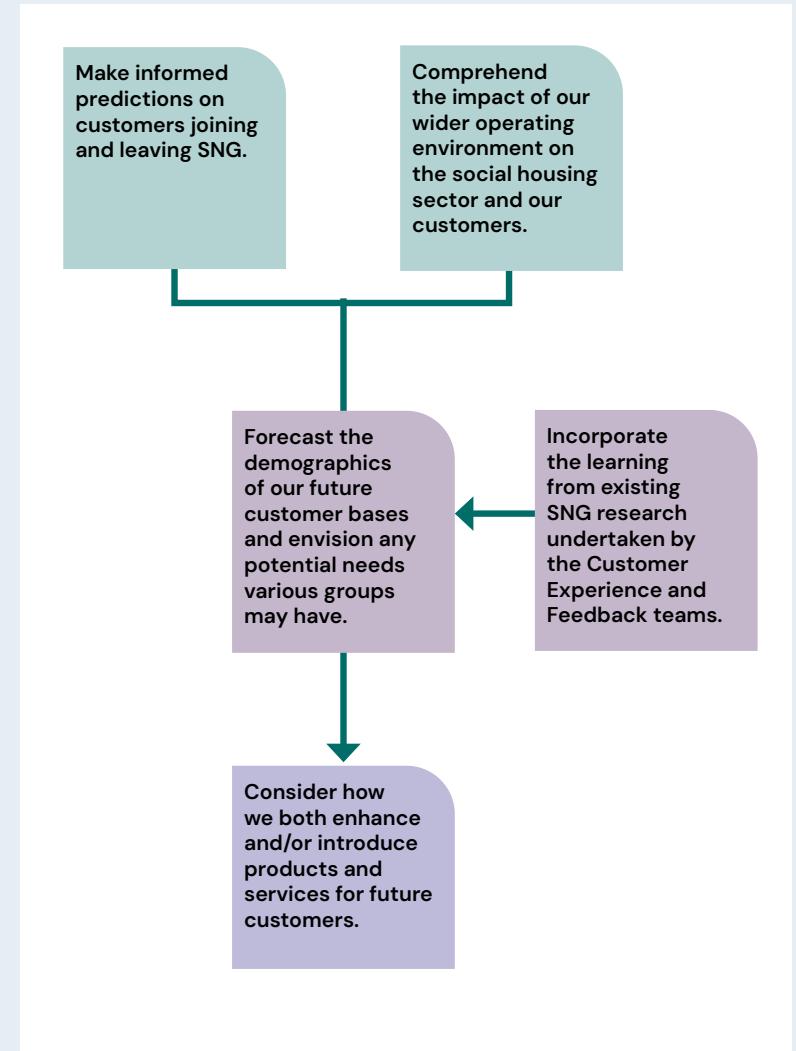
This research looks at forecasts of our customers by the following demographics:

• Age
• Health issues and/or disabilities
• Ethnicity
• Religion
• Household composition/Size

Detail on the methodology used to forecast our future customer population can be found in Appendix A.

For each demographic we detail the make-up of our customer base, potential needs that certain groups will have, and then propose a set of recommendations on how we can adapt service delivery to meet them.

We know that there is a shortage of social housing and priority will be given to those with the greatest need. We predict that the majority of our new future customers will experience one or more vulnerabilities and so it's crucial we plan forward to meet these needs where we can.

Make informed predictions on customers joining and leaving SNG.

Comprehend the impact of our wider operating environment on the social housing sector and our customers.

Forecast the demographics of our future customer bases and envision any potential needs various groups may have.

Incorporate the learning from existing SNG research undertaken by the Customer Experience and Feedback teams.

Consider how we both enhance and/or introduce products and services for future customers.

What does an aging population mean for SNG?

Our analysis suggests that SNG customers will increasingly grow older over the next ten years.

The percentage of our customers aged 65+ will increase by 13% – making up 36% of our customer population.

Meanwhile, the percentage of our customers aged 34 or younger will decrease by around 11% – to just 5% of our overall population.

Older tenants are more likely to be vulnerable and are therefore more likely to require ongoing support from SNG, including higher levels of assistance with home maintenance, adaptations and repairs and advice on housing services.
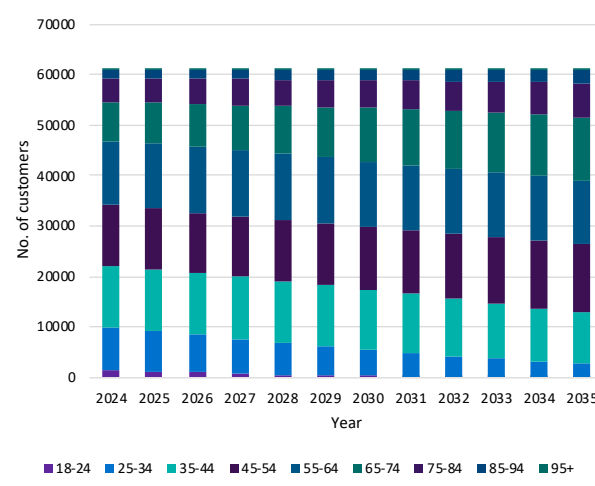
The research does, however, suggest that the age groups with the highest number of new customers moving into our properties are the 25–34 and 35–44 groups, (which together form 47% of total cumulative new tenants moving in over the ten–year period). Yet, as we only predict a 1.5% yearly churn rate (as explained in Appendix A), new customers only make up a small percentage of our future customer base.

A vast majority of our customers will hold on to their lifetime social tenancy and stay within their current homes. Therefore, our future customer base will largely reflect the aging of our current customers. Notably in 2024, 40% of our tenant population are aged between 45–64.
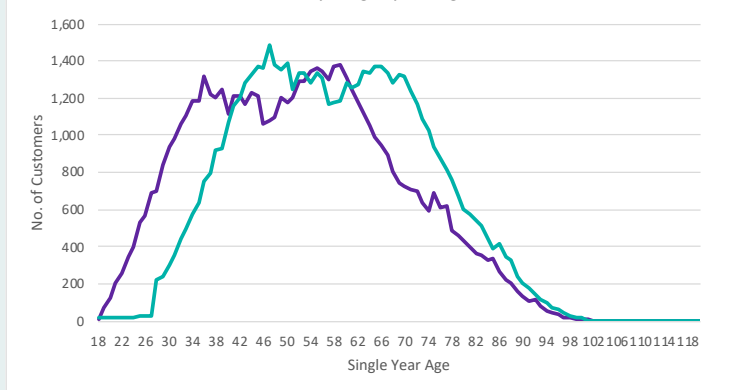
This trend was similar across the sector in 2023, where whilst 44% of new lead tenants were aged 16 to 35 years, 47% of all lead tenants were aged 55 and over.[1]

Focusing on our oldest customers, our forecast suggests the number of 85+ year olds will increase from 3% of our customer population, to 4%. Again, this roughly aligns with the growth nationally; the Office for National Statistics (ONS) project that over the next 15 years the size of the UK population aged 85 years and over will increase from 2.5% of the total population to 3.5% (1.6 million to 2.6 million).[2]

[1] Department for Levelling Up, Housing and Communities, March 2024, 'Social housing lettings in England, tenants: April 2022 to March 2023', section 6.2.

[2] Office for National Statistics, January 2024, 'National population projections: 2021–based interim', section 1.

Ages of SNG customers (2024-2035)

Legend: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, 75-84, 85-94, 95+

Heads of household by single year age, 2024 and 2035

This graph demonstrates how the age of our main tenants will change, indicating a significant decrease in under 30s.

Demand for rural social homes is 10 x compared to cities.

Analysis by the National Housing Federation has found that demand for social homes (the number of households on local authority waiting lists) in rural areas grew at over ten times the rate of that in towns and cities between 2019 and 2022 – 31% compared to 3%. However, only a quarter of the social housing stock in England is in rural areas.[6]

This may be important to consider when thinking about where to focus future housebuilding and the type of properties to build. It will be considerably easier to plan and build homes that are easily adaptable/optimised to ensure independent living, given the higher concentration of older adults in these geographical areas, rather than trying to adapt at scale later. Further analysis should assist with this.

Having accessible ground-floor flats, which are 'alter-life' ready, within new builds can also ensure older-residents (who are already at one of the most vulnerable points of their life) can stay long-term in areas they are familiar with and within their established communities.

Where (geographically) will our population age?

Our model does not assess the geographical distribution of our customer base and therefore does not forecast where our population is likely to age the most. It's recommended that this analysis is conducted in a further phase of this research (please see Recommendations).

However, we can judge that our customer base will get older in both our urban/metropolitan geographies, as well as within our rural or coastal areas. Even where national trends suggest that some people relocate out of cities and urban towns to quieter rural areas as they get older, the unlikelihood of giving up a social tenancy coupled with the lack of available (suitable) social homes in rural geographies means that those that are within our urban stock are likely to age within these very properties.

Moreover, the latest ONS data also tells us that our population is aging 'everywhere':

- Between 2018 and 2043, the percentage of the population aged 65 years and over is projected to increase in all but four local authorities by at least 2%, (the exceptions include Bristol – increasing by only 0.7% (from 12.9% to 13.6%). In the Isle of Wight, however, the increase is over 10%, (from 27.8% to 39.3%).[3]
- Nonetheless, it is the case that the rate of ageing is higher in rural areas.
- Within these same years, the population aged 65 years and over is projected to increase by an average of 45.9% in rural England, compared with 39.4% in urban areas.[4]
- For those aged under 65 years, the projected increase is similar for rural and urban areas with averages of 2.2% and 0.8% respectively.[5]

No. of heads of households aged 85+
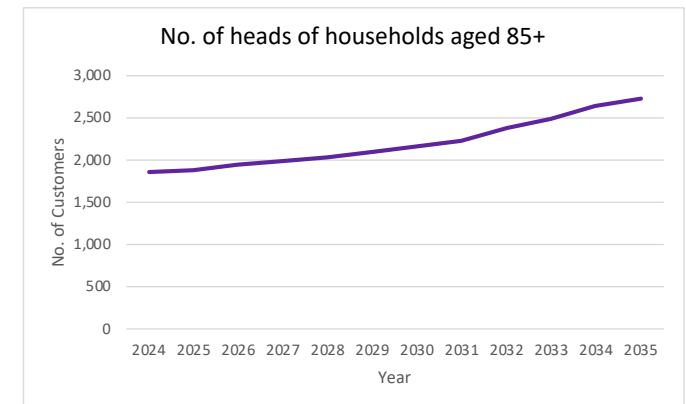
[3] Office for National Statistics, July 2020, 'Living longer: trends in subnational ageing across the UK', section 9.

[4] Office for National Statistics, July 2020, 'Living longer: trends in subnational ageing across the UK', section 9.

[5] Office for National Statistics, July 2020, 'Living longer: trends in subnational ageing across the UK', section 9.

[6] National Housing Federation, July 2023, 'Demand for social homes in rural areas is growing at over 10 times the rate of that in towns and cities.

Age 55+ least likely to fix repairs themselves

What does an aging population mean for SNG?

Our Segmentation analysis tells us that older tenants are most likely to possess the high-support 'Nurture' persona – 26% of all customers belonging to this persona were over 61.[7]

This means they may:

- Face a range of long-term physical vulnerabilities
- Experience emotional hardship, such as a low self-esteem, due to the loss of a work-life balance (following retirement), friends or a partner and a loss of independence due to physical disabilities – heightening isolation and loneliness.

Therefore, some may require ongoing support from SNG. This includes higher levels of support with home maintenance and adaptations (which we already do), but these customers have also expressed that they want SNG to be better at taking ownership of repairs - as their vulnerabilities prevent them from doing so themselves. Our Repairs Research highlighted that those aged 55+ were the least likely (age group) to consider trying to fix a lot of 'do-it-yourself' repairs/issues themselves.

Extra support with home maintenance will enable these customers to stay in their homes for longer, which is especially important as we expect that our customers want to grow older within our properties. Where our older customers do require additional care and support, we provide specialist Housing for Older People at 70 sites.

These schemes allow our older customers to live comfortably, securely and independently, while knowing that assistance is there if they need it.[8]

They also may need specific support, such as information and advice on housing options and services, to enable them to make informed and timely choices about how and where they live, for instance support with swapping homes to suit their changing physical needs.

Older customers are also likely to possess the medium-support 'Sustain' persona – 57% of all customers belonging to this persona were over 61.

These customers may not currently require high levels of support or interaction but should be recognised as a group at risk of becoming more dependant/vulnerable in the (near) future. They are more likely to live alone, having lost their partner.

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[7] Please see Appendix B for more detail on the Segmentation analysis and associated personas.

[8] Our Specialist Housing service also includes accommodation for people with mental health needs, learning disabilities, young people or people fleeing domestic abuse. The support ranges from 24-hour support to occasional support, and everything in between. We've developed a successful model based on a multi-agency approach to deliver a number of professional services. Working with local authority partners and specialist providers is key to meeting the individual needs of those who we support.

How will health issues impact our customers?

As a result of our aging customer population, there will be a significant increase in the number of our customers with one or multiple health conditions by 2035.[9]

The number of customers with three or more health conditions is predicted to increase by 37%.

Four or more health conditions is predicted to increase by 38%.

As well as providing these customers with more support, we need to ensure that their homes are adapted to enable them to live independently and that our staff are trained to recognise when a customer may have a specific health condition (and their associated needs).

We know that with increased age comes a higher likelihood of having one or more long-term health conditions. This can include hearing loss and reduced vision, mobility and respiratory issues, depression and dementia. Poorer health and/or disabilities can also lead to customers feeling more lonely.

What does a rise in customers with health issues mean for SNG?

- As health issues can induce physical and emotional vulnerabilities, these customers are likely to require the higher levels of support (i.e. with home maintenance and repairs), as detailed above.
- Where needs become more complex, customers may require more focused support from external agencies (please see end of this section).
- We're also aware that older people with long-term or chronic health problems are more vulnerable to the negative impacts of cold homes (and associated consequences, such as damp and mould), especially as they are more likely to spend more time in their homes. This is only going to worsen with the ever-increasing impact of climate change.

This puts these customers at a higher risk of chest infections, cardiovascular events (such as a heart attack or stroke) or can worsen pre-existing conditions (such as arthritis or mental health). Social tenants are also less likely to be able to afford to heat homes, especially given the rise in energy costs.

[9] We applied analysis by Age UK which suggests that those aged 65–74 have a nearly 74% chance of being diagnosed with a long-term condition. This jumps to nearly 87% for people aged 75–84, and to 86% for people aged 85 years and over: Age UK, 2023, 'The State of Health and Care of Older People', p. 5.

Heads of households aged 55+ living with diagnosed long term health conditions
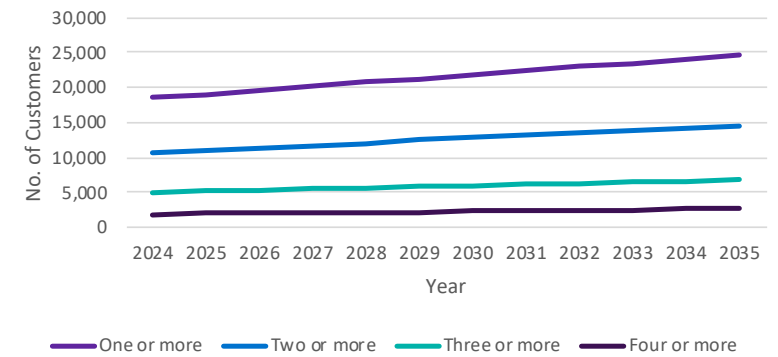
% growth in numbers of heads of households aged 55+ living with diagnosed long term health conditions, 2024-2035
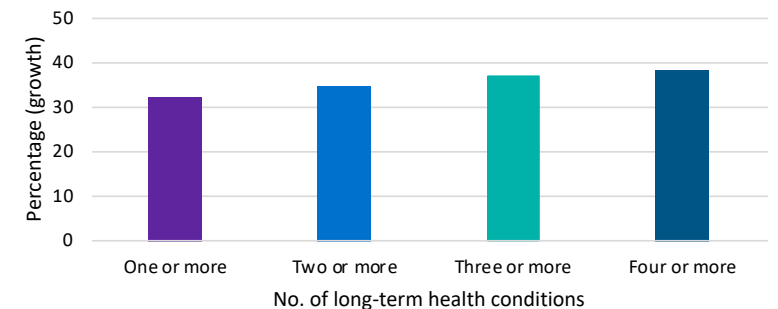
Home adaptations improved the quality of life for 90% of people with dementia.

There is a requirement then, for SNG to focus on properly insulating homes, upgrading windows and doors and adapting them to ensure they are cheaper to heat and run – perhaps the homes of our older customers should be prioritised when it comes to these programmes.

Taking a closer look at dementia in particular, the number of SNG customers with dementia is likely to increase by around 3% over the next 10 years.[11]

It's important to recognise that 70% of dementia sufferers are also living with another medical condition. Someone with dementia is also twice as likely to fall as others in their same age group (increasing their mortality rate by three times in the three months following the fall).[12]

What can SNG do to support our residents with dementia?

The quality of life and safety of our customers with dementia can be significantly improved by making sure the home environment is well designed and made 'dementia–friendly'. In fact, a previous study found that 90% of people with dementia that received home adaptations reported an improved quality of life.[13] This can include:

- Installing wet rooms, step-free access , open plan layouts, clear and appropriate signage (i.e. signs on cupboard doors of what items are inside) and even colour contrasts between different rooms.[13]

- Placing technology into homes, which can support independence – this could include movement sensors and automatic lights.

No. of heads of households living with dementia
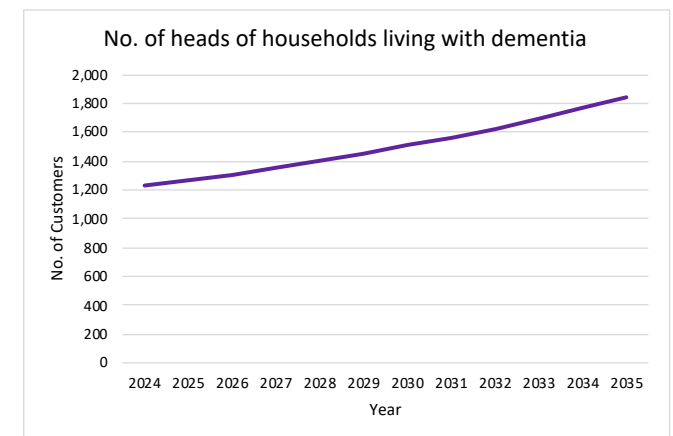
Source data: Alzheimer's Society.[10]

[10] Alzheimer's Society, 'Risk factors for dementia – Age'.

[11] Research suggests that whilst the risk of developing dementia is around 2% for those aged between 65 and 69, this risk then roughly doubles every five years following. This means that, of those aged over 90, the risk of developing dementia is around 33%.

[12] AKW, 2016, 'The Social Housing Ageing & Disability Crisis', p. 7.

[13] Alzheimer's Society, 2020, 'Dementia Friendly Housing Guide', p. 40.

What can SNG do to support residents with health needs overall?

In all, SNG should ensure colleagues (especially customer facing colleagues) are trained to recognise and understand the flags and markers that suggest somebody may have conditions such as dementia, mental health or mobility issues – as well as the different needs these customers may have. It's also important staff are able to support these customers when they may become distressed, are unable to retain information about services, or have challenges with communication.[14]

For South and West, e-learning training, modules focused on recognising and responding to various (health) vulnerabilities have recently been rolled out to customer facing colleagues. There have also been a series of webinars on autism, learning difficulties, dementia and sensory loss/physical health issues.

There are ambitions to host day-long training courses focused on health issues that impact older customers.

Our colleagues should also be aware of local external services and agencies that they can signpost customers affected by various health issues to - when needs are more complex - for more specialised, wrap-around support.

[14] Alzheimer's Society, 2020, 'Dementia Friendly Housing Guide', p. 40.

[15] Here we applied data recorded in the 2021 census, which looked at the percentage of disabled people per age category (and the severity of the disability), to our age-based model, Office for National Statistics, February 2023, 'Disability by age, sex and deprivation, England and Wales: Census 2021'.

Heads of household living with disability, 2024-2035
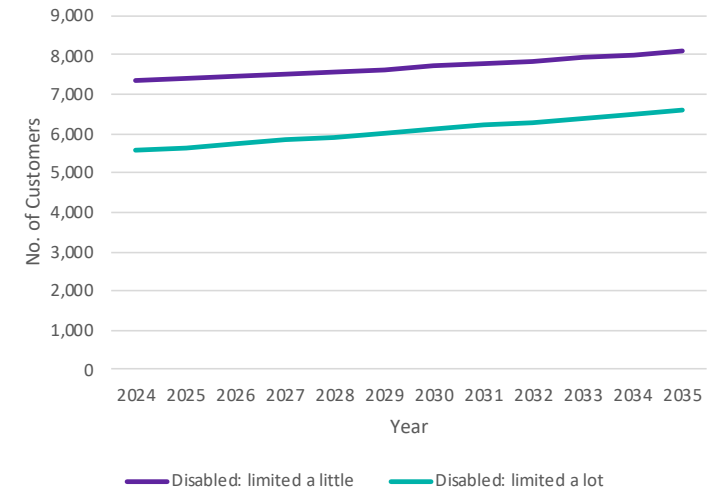
Source data: ONS.[15]

% growth in number of heads of household living with disability, 2024-2035
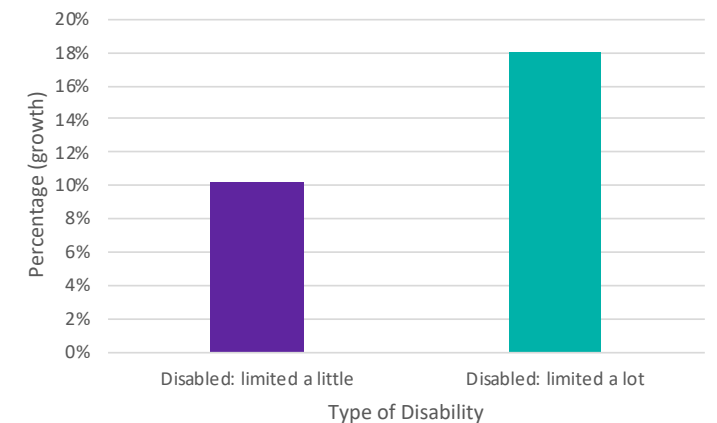
As disability prevalence also increases with age and rises considerably after the age of 70 to 74 years, our forecast suggests that the number of SNG customers with disabilities will see a notable increase:

- by 10% of those whose disabilities limit them a little.
- by 18% for those whose disabilities limit them a lot.

Our current internal data suggests that only 4% of our customers are disabled – this is highly unlikely to be the case as around 18% of the population is disabled, and disabled people are twice as likely as non–disabled people to be social housing tenants.[16]

Notably, this highlights an existing issue with our data quality. This needs to be addressed across the organisation, to ensure we are appropriately responding to customer needs. Please see the Recommendations section for more on this.

In 2022–23, more than half (56%) of all social renting households had at least one member of the household with a long–term illness or disability.[17] This is because social tenancies are more affordable (disabled customers are also likely to have greater financial need due to being disproportionately impacted by work challenges and adverse mental health), are a more secure tenure and social landlords are more willing to install adaptations.

However, it's also the case that 1 in 5 disabled people in social housing live in unsuitable accommodation.[18] A 2018 report by the Equality and Human Rights Commission noted that disabled social tenants have expressed feeling trapped in their homes – having to eat, sleep or bathe in one room or of adults having to be carried around their homes by family members due to a lack of available facilities.[19]

How can SNG support our customers with disabilities?

With the number of disabled customers set to continue to rise, it's important that we ensure that both existing and new disabled customers are able to live independently.

To do this, as well as delivering accessible new builds, we must improve the availability of accessible accommodation within existing stock, by adapting these homes. And to be able to adapt enough homes in situ, we must improve our adaptation services.

Adaptations could include installing wet rooms or widening doorways so wheelchairs can pass through.

For those with physical disabilities that do require more support (whereby their disabilities are more complex), we have 60 supported homes across South and West.

However, in recent years there has been little development of new supported schemes for disabled customers. Our forecast suggests there is reason to expand this service offer – as well as for other vulnerabilities, including mental ill–health support schemes (we currently have 280 homes) and learning difficulties (we currently have 230 homes).

Our disabled customers are likely to belong to our high support 'Nurture' or 'Restore' personas and therefore would require various forms of assistance, advice and advocacy from SNG.

This support could look like:

- Supplying information in accessible formats such as 'easy read' – especially those with learning disabilities, sensory impairments or mental health conditions.
- Clearly specifying advertisements for accessible properties.
- One–on–one assistance with various applications – particularly given the complexity of the systems for allocations and adaptations, as well as changes to welfare policy/the benefit system and related assessment processes.
- Providing personalised tenancy sustainment support.

[16] AKW, 2016, 'The Social Housing Ageing & Disability Crisis', p. 5.

[17] Ministry of Housing, Communities & Local Government, July 2024, 'English Housing Survey 2022 to 2023: rented sectors', section 1.

[18] House of Commons Levelling Up, Housing and Communities Committee, May 2024, 'Disabled people in the housing sector', p. 3.

[19] Equality and Human Rights Commission, May 2018, 'Housing and disabled people Britain's hidden crisis', p. 6.

Customers experiencing loneliness?

Although one may assume that loneliness increases in age and despite our ageing customer base, our forecast predicts a decrease in customers that experience loneliness.

By 2035, the number of lonely SNG customers is predicted to decrease by just over 6%.[20]

The ONS report that feeling lonely more often tends to decrease with age – in 2021/22 only 15% of people 75 report feeling loneliness some of the time, compared to 26% of those aged 16 to 24 years.

There could be different explanations for this:

- It's possible that people become more resilient to loneliness as they get older, possibly through the experience of significant life events and life transitions.
- Younger people feeling lonelier may be a consequence of the effects of technology and the younger generation being more 'online' – thus feeling less physically connected.
- As they begin to navigate (adult) life, young people may lack a sense of engagement and belonging or acceptance.[21]

However, it is also the case that health and disability are strongly related to loneliness.

The ONS survey revealed people with a limiting long-term illness or disability were more likely to say they felt lonely often/always than those without – 13% compared with 3%.[22]

The relationship between health and loneliness can be reciprocal – with poorer health or disability influencing the experience of loneliness as well as loneliness influencing poorer health and disability.

Therefore, we may have more (older) lonely people within our future customer base than our forecast suggests, as we expect to have more customers with (multiple) health issues and/or disabilities.

It is also the case that with an increase of older customers, more of our customers will feel lonely due to living alone. This may have a more significant impact on older customers located within our rural or coastal geographies, as these customers are even less likely (than their counterparts in urban areas) to have access to external support. This is partly due to the fact that the proportion of working-age people able to provide care or companionship is often reducing in these areas.

We can therefore hypothesise then that our older 'Nurture' customers in rural areas will be most reliant on communication and support from SNG.

Our 'Sustain' customers may also require this, as older customers belonging to this persona were more likely to live alone.

How can SNG support our customers that experience loneliness?

Although there are various causes of loneliness, they often include a sense of disconnection with community, inability or lack of opportunity to meet and get to know others, and a lack of access to dedicated physical space for socialising.

Therefore, SNG can:

- Utilise our connections within the local communities we serve; we can promote social opportunities to our customers which will enable them to be more connected with their communities and foster connections. Such work can be led by our colleagues within the Community Foundation.

- This can also include continuing to invest and utilise the community centres within our schemes, which usually host various recreational/sports classes.
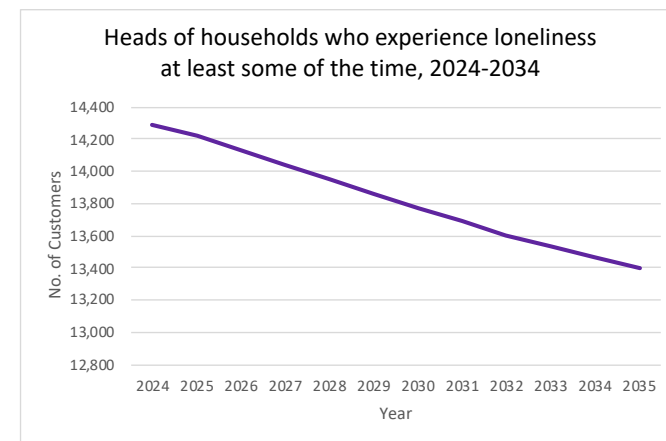
Community Life Survey 2021/22 – Department for Culture, Media and Sports.[22]

[20] Here, we applied ONS statistics on how often people feel lonely by age group to our age-forecast – younger people were more likely to feel lonely some of the time. The survey asked participants how often they felt lonely but also how often they felt they lacked companionship, felt left out or felt isolated from others, Department for Culture, Media & Sport, May 2023, 'Community Life Survey 2021/22: Wellbeing and loneliness', section 2.

[21] Cedars-Sinai, May 2023, 'Why Loneliness Affects Young People More Often Than Older Adults'.

[22] Department for Culture, Media & Sport, May 2023, 'Community Life Survey 2021/22: Wellbeing and loneliness', section 2.

How will our religious groups change?

Our forecast suggests that the distribution of our customers by various religious groups will largely stay the same over the next ten years.[23]
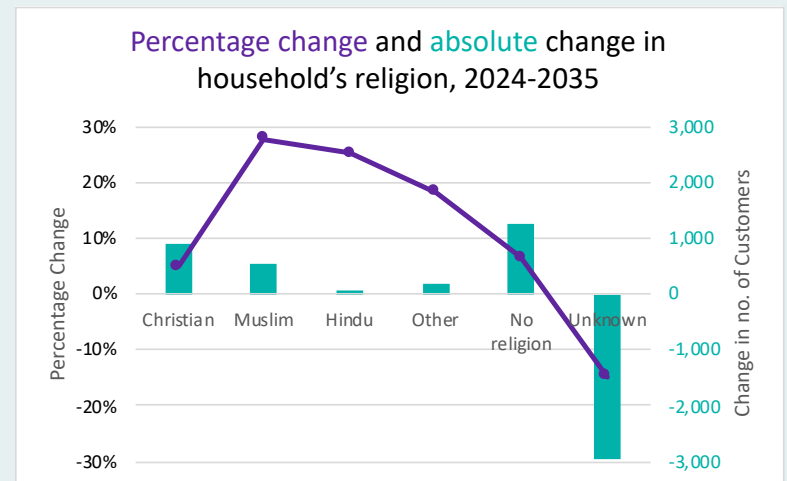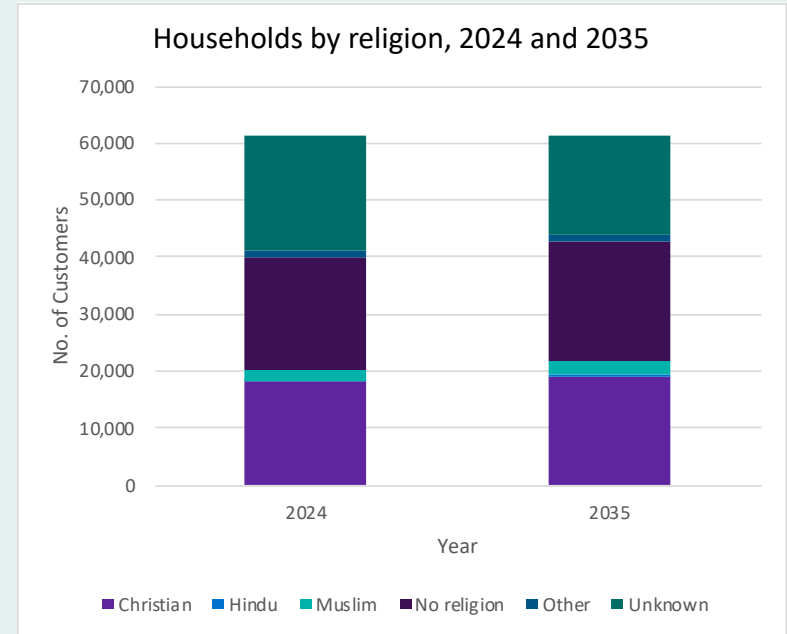
Our Muslim customer population will grow the most – by 28%, however they will still only make up 4% of our overall customer base.

Notably:
- There will be an increase in the number of customers belonging to all known religious groups.
- The largest percentage change will be seen by our Muslim customer population (which will see a 28% increase), followed by our Hindu customers (a 25% increase).
- Nonetheless, it should be acknowledged that in 2035, (recorded) Muslims will still only make up 4% of our overall customer base, whilst the number of (recorded) Hindu's will make up less than 0.05%.
- In 2035, those with 'no religion' will increase by 6% since 2024, and will remain our largest known group, making up 34% of our overall customer base (in 2024 this was 32%).
- Meanwhile, our recorded Christian population in 2035 will increase by 5% since 2024 and make up 31% of the overall customer base (in 2024 this was 30%).

The 2021 census showed that there was a large disparity across religious groups in the percentage of people in social housing:

- Those who identified as Muslim were the highest percentage group – 26.6% of people who lived in social housing, compared with 16.6% of the overall population living in social housing. It's also important to highlight that only 6.5% of the overall population is Muslim.[24]
- Therefore, it is likely that our current and therefore projected number of Muslim customers is higher than the numbers suggest. Some customers may not choose to disclose their religion (as highlighted by the large percentage of 'Unknowns').
- Notably, in 2021, the percentage of people who identified as 'Muslim' (within all tenures) experienced overcrowding four times more than the overall population – 32.7% lived in overcrowded homes, compared with 8.4% of the overall population.

Households by religion, 2024 and 2035

Percentage change and absolute change in household's religion, 2024-2035

[23] When calculating churn we included Unknowns in numbers moving out; when calculating new tenant population, we excluded Unknowns from our forecast.

[24] Office for National Statistics, March 2023, 'Religion by housing, health, employment, and education, England and Wales', section 3.

How will our ethnic groups change?

Similarly to religion, our overall distribution of customers by the various ethnic groups over the next ten years will remain the same.[25]

The most significant change projected is an increase, by 14% between 2024 and 2035, of our 'Mixed' customers. However, our known 'Mixed' customers will still only make up 2% of our overall customer base.

It's important that SNG has culturally competent services and colleagues that respect and address the specific needs of customers from all ethnic and religious backgrounds.

The 2021 census showed that there was a 40% increase in the number of people identifying as being from 'mixed/multiple ethnic groups' since 2011 – the fastest growing ethnic group in the UK:

- Our 'White' customers will comprise 81% of our customer base in 2035 – a 1% increase since 2024.
- Our next largest group – 'Black' customers, will remain at 7% of our customer base.
- Around 12% of our future customer base will be made up of minority ethnic groups.

According to the English Housing Survey, overcrowding is higher among households with an ethnic minority main tenant (11%) than with a white main tenant (6%).[26]

How can SNG support customers of various ethnic and religious groups?

As certain 'minority' groups are projected to increase, it's important that SNG invests in creating culturally competent services that respect and address the specific needs of diverse populations. This includes:

- Equal access to information for all customers by providing interpretation services, translated materials, and multilingual staff members.
- A focus on culturally appropriate communication, and awareness of religious and cultural practices.
- Training programmes to colleagues (especially customer facing colleagues, including contractors) to enhance their understanding of different communities and cultural differences and address biases.
- Fostering partnerships with community organisations and cultural groups within our local geographies. Collaborating with these organisations can help us to better understand the specific needs of/service offers required by different communities.

Head of household by ethnic group, 2024 and 2035

Legend: White, Black, Asian, Mixed, Other, Unknown

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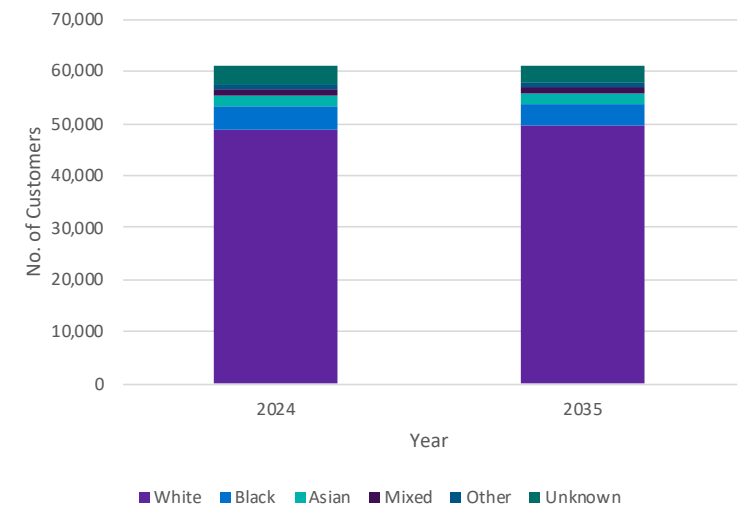
[25] When calculating churn we included Unknowns in numbers moving out; when calculating new tenant population, we excluded Unknowns from our forecast.

[26] Department for Levelling Up, Housing and Communities, July 2023, 'English Housing Survey 2021 to 2022: social rented sector', section 1.

Percentage change and **absolute change** in head of household's ethnic group, 2024-2035
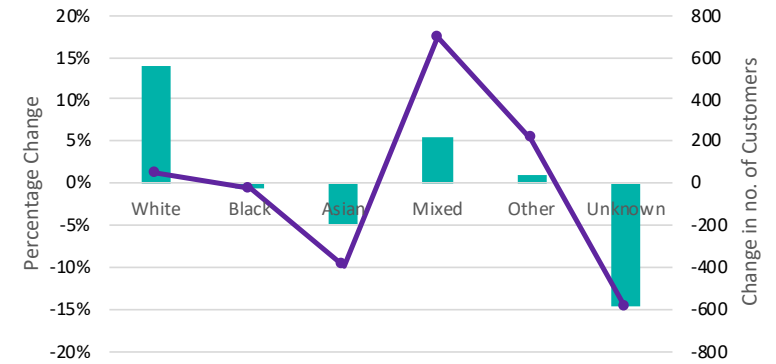
It is also important to note that the distribution of our ethnic minority (and potentially certain religious) customers varies greatly. For example, a majority of our ethnic minority customers reside in London and other urban areas (in fact, the percentage of ethnic minority main tenants – from known ethnicity groups – is 66% in London compared to only 6% in non–London regions). Delivering services such as that outlined above may therefore be more crucial in some areas compared to others. Undertaking a second phase of research, whereby we conduct the analysis and assess its outcomes at a more regional/local level is important – otherwise for instance, the fact that we have highly diverse areas with the likelihood of specific service needs might be masked by the overall picture, which suggests our customer base is not that diverse.

Further analysis highlighting where we have larger concentrations of ethnic minority and/or Muslim customers can help us identify where overcrowding might be more prevalent and to therefore do more in those areas to provide information and assist customers with transfers/mutual exchanges. It can also help to think about which areas we should build more larger (3–4 bedroom) homes in.

In tandem with this, analysing our service outcomes by protected characteristics will enable us to understand if services need to be adapted for certain groups, in order to meet their needs. Please see Recommendations for more.

How will our household composition change?

Our forecast predicts that by 2035, within SNG there will be a:

- 7% increase in the number of one or two person households,
- 9% decrease in the number of three to five persons households
- 2% decrease in the number of six to nine persons households

However, despite our forecast, national trends suggest a rise in larger, intergenerational households.

SNG must be prepared to better support overcrowded households, including responding to damp and mould, building larger family-sized homes, adopting a more personalised approach to mutual exchanges and better incentivising downsizing.

Our forecast reflects national trends. Between April 2021 and March 2022 over three-quarters (79%) of new lettings were to single adult led households, 59% of which were without children. This has changed little over the last decade.[27]
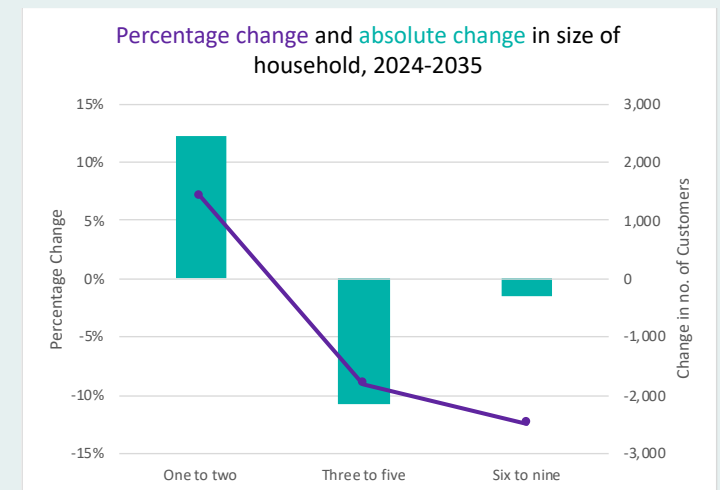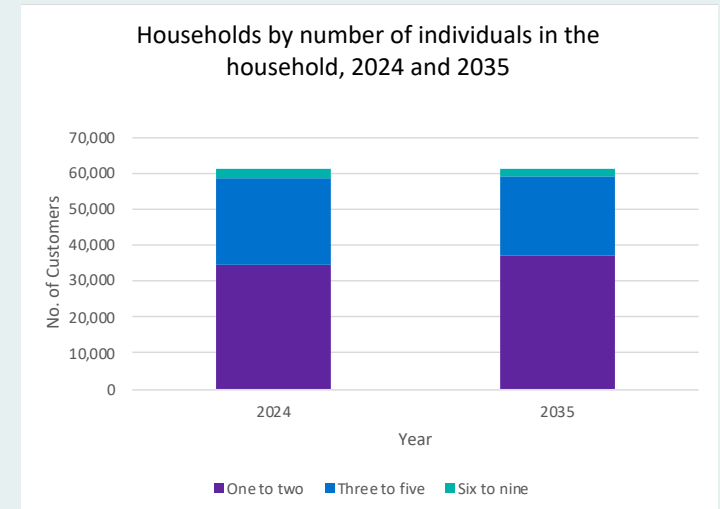
The rise, and projected continued rise, of living alone may reflect:

- later marriage and nonmarriage as well as higher divorce rates
- delayed childbearing and childlessness
- couples living apart
- longer life spans
- widowhood
- a growing desire for individual autonomy and independence (especially given the fact that technology can still keep people connected).

Living alone is most common among young adults and older adults, when people are not yet coupled, or are divorced or widowed.[28] Due to the lack of affordable housing and the general cost of living crisis, we may also see a rise in two-person households since new couples are more likely to move in with a partner already in a socially rented unit, to prioritise cheaper renting arrangements.

However, despite our forecast, national trends suggests a rise in larger, intergenerational households. This can include:

- Older people moving in with family members (given the lack of retirement homes/suitable accommodation, or older residents struggling to maintain upkeep of their own homes).
- Parents moving in with family members due to needing help with childcare and the cost of childcare.[29]
- Young adults are staying in their family home and living with parents, post full-time education, due to living costs and difficultly accessing the property market.

Households by number of individuals in the household, 2024 and 2035

Percentage change and absolute change in size of household, 2024-2035

[27] Department for Levelling Up, Housing and Communities, February 2024, 'Social housing lettings in England, tenants: April 2021 to March 2022', section 6.

[28] Sage Journals, Philip N. Cohen, 2021, 'The Rise of One-Person Households'.

[29] Metropolitan Thames Valley & Enfield Council, 2020, Housing for the Future: Intergenerational Living, p. 8.

A reason our forecast may contradict these happenings may be due to the fact that whilst a majority of our data on 'newer' households is likely to be accurate, our data on older tenancies may not reflect actual (larger) household sizes. This is because not all customers inform us when someone else (i.e. a partner or family member(s) moves into their home or when they have children.

A closer look at adult children staying in their family home

The number of families in England and Wales with adult children living with their parents rose 13.6% between the 2011 Census and Census 2021.[30]

This was most significant in London, where more than one in four (26.8%) London families had at least one adult child in the home, the largest proportion of any English region.[31]

Notably, this was not entirely pandemic-related. Around 9 in 10 (91.3%) adult children said in Census 2021 that they had been living at the same address a year earlier.

However, families with adult children were also more likely to be in overcrowded households.

In 2021, 11.3% of families with adult children were in overcrowded households compared with 5.1% of families without adult children, (this was most prevalent in London – 23.2%).

With a high number of occupants in the home, and a higher likelihood of overcrowding, these households are more likely to suffer from damp and mould. It is often difficult for social households to mitigate against the effects of excessive condensation as they are, in many instances, on low incomes and therefore susceptive to experiencing fuel poverty.

How can SNG support these larger households, i.e. families with adult children?

SNG can:

- Focus on damp-proofing homes, prioritising those that are already overcrowded.
- Focus on building larger, family-sized homes. Larger homes are also the types of homes that would enable the most movement across social housing stock.
- Encourage housing or letting officers to adopt a more tailored/personalised, person-centred approach to mutual exchanges – identifying homes that satisfy the needs of the households involved and actively facilitating bidding and swaps.
- Offer more attractive incentives to encourage downsizing.
- Invest in and form partnerships with community facilities, such as recreation centres, sports clubs, libraries, and parks, which can provide families (and especially children) with additional space to gather and engage outside of their often-crowded homes.

These household also may belong to the 'Restore' persona, due to the likelihood of issues relating to family dynamics (often a result of the overcrowding and lack of personal space). Adult children who remain in their parent's homes are also more likely to be unemployed or providing unpaid care.

Therefore, they may also require more support from SNG, related to their changing circumstances e.g., financial advice/support.

Our Segmentation research showed that those belonging to the Restore persona were most likely to receive support from our Financial and Digital Inclusion (FIDI) team.[32] They were also the joint top persona to receive referrals to our Customer Income Advisors (CIA).[33]

[30] Office for National Statistics, May 2023, 'More adults living with their parents'.

[31] Despite Census 2021 being conducted during the coronavirus pandemic (where some adults may have been more likely to return to their family home or delayed moving out to reduce their living costs or be closer to family), the rise in numbers of adults living with their parents appears to be a continuing trend rather than a result of the pandemic.

[32] FIDI offers per 1000 customers was 35.88% for Restore customers. This can include receiving fuel vouchers, supermarket vouchers, whitegoods grants or digital equipment grants.

[33] CIA referrals per 1000 customer was 28% for Restore customers. This team provides welfare and benefit advice.

How will our gender make-up change?

The gender make-up of our customer base will see little change over the next 10 years.[34]

Our forecast projects:

- a 1% increase in our number of female customers
- a 2% decrease in our number of male customers
- This means in 2035, 67% of our customer base will be women.

In recent years, a rise of female lead tenants in social homes is likely to reflect priority being given to single mothers. These customers may need more support, including advice on managing finances as they have additional demands on their finances. A high proportion of female customers also means our staff must be able to recognise signs of and respond appropriately to gender-based violence/domestic-abuse.

Recent data highlights that a majority of new social General Needs lets are to female lead tenants, rising from 59% to 63% between April 2022 and March 2023.

Moreover, 71% of 16-to 34-year-old lead tenants in new General Needs lets were women, likely to be reflecting the priority given to single parents, which tend to be single mothers. Of the single parents moving into social housing in this time period, 92% were women and 8% were men.[35]

Our segmentation analysis tells us that our single parent customers (who are mainly single mothers) are most likely to belong to our 'Restore' persona – in fact 82% of single parents (with 2 children) included in the analysis were categorised as part of the Restore persona. These customers may feel overwhelmed by life – facing the emotional stress of juggling the burden of running a household, childcare and/or changes in employment and finances.

As a result of such struggles and the accompanying hopelessness, some may even develop long-term emotional or physical vulnerabilities – and therefore may belong to the 'Nurture' persona (17% of single parents with 2 children were classified under this persona). They may also have low self-esteem, possibly due to being out of work to care for children, thus heightening isolation and loneliness.

Female customers are also more likely to enter social housing after fleeing domestic abuse – this is on the rise. The percentage of households leaving their last settled home, and entering a new social let, due to domestic abuse has increased steadily from 4.6% in 2013/14, to 7.3% in 2022/23.[36]

Head of household by gender, 2024 and 2035
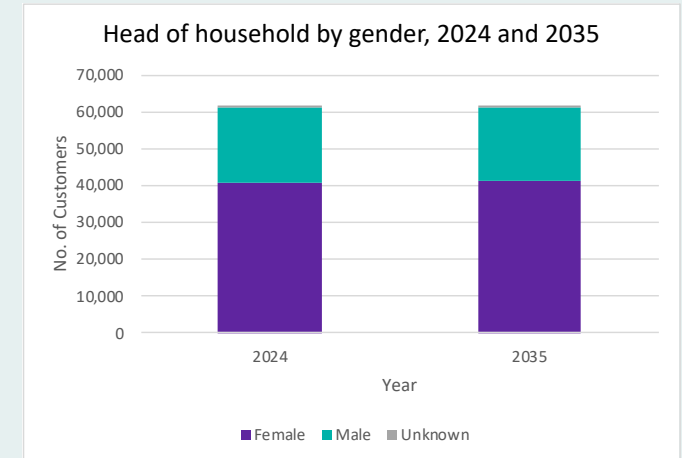
[34] When calculating churn we included Unknowns in numbers moving out; when calculating new tenant population, we excluded Unknowns from our forecast.

[35] Department for Levelling Up, Housing and Communities, March 2024, 'Social housing lettings in England, tenants: April 2022 to March 2023', section 6.

[36] Department for Levelling Up, Housing and Communities, March 2024, 'Social housing lettings in England, tenants: April 2022 to March 2023', section 4.

Percentage change and **absolute change** in head of household's gender, 2024-2035
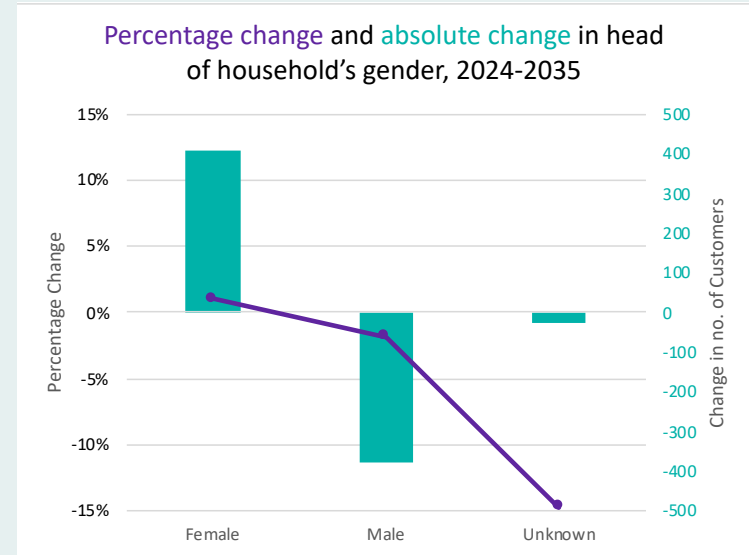
How can SNG support these customers?

SNG can aim to ensure:

- Enhanced communication in regard to repairs, so not to add to stress levels.
- Focus on providing these customers with education on grants/budgeting and support for changing (financial) circumstances (as in many cases they'll have to survive on one income or even benefits if out of work). As mentioned above, 'Restore' customers are more likely to access support from our FIDI and CIA teams.
- Measures are put in place to prevent and respond to gender–based violence, including training to colleagues to ensure they are able to pick up on signs of domestic abuse, and referring these customers to local support services.

Recommendations

The following is an initial set of recommendations, based on the outcomes of our research.

Once the report is rolled out across the business, we intend to test the recommendations with colleagues and subsequently refine them where necessary.

Recommendation 1
Further research

Recommendation 2
Supporting vulnerable customers

Recommendation 3
Improving data quality

Recommendation 1
Further research

Among 35–54 year olds:

- **9% require additional support**
- **48% more likely to receive 6+ repairs**

Factoring–in new builds

Our current method of analysis (please see Appendix A) does not factor in newly built stock. Therefore a further phase of research should be conducted, which takes into account new homes being built – this will create an overall more accurate understanding of our future customer base.

Geographical–based analysis

This phase of research could also look at how our customer base will evolve within each of our areas, so as to inform high-level decisions such as:

- Where to focus future housebuilding and which types of properties to build where – i.e. in areas where we forecast a larger percentage of older customers, we can plan to build homes that are easily adaptable to ensure independent living.
- Where to focus the delivery of certain services, i.e. culturally competent services may be more important in some areas due to a more diverse customer population.
- How various investments by our area-specific teams should be focused – based on the make-up of the customer population there. This research can be carried out in conjunction with our Chief Investment and Development Office department.

Exploring vulnerabilities in more depth

As explained in the Methodology (Appendix A), we utilised public data when forecasting various vulnerabilities that correlate with age (i.e. the prevalence increases with older age), including disability and diagnosed long term health conditions. Resultantly, this paper is more focused on how such vulnerabilities may impact our older customers.

Further research could therefore delve further into these and other vulnerabilities and look into how they impact various other age-groups.

Our Segmentation analysis (Appendix B) suggests that nearly 27% of those within the Nurture persona (the highest support level) were between the ages of 31–45.

Our Repairs Research (Appendix C) suggests that 9% of our current 35 – 54-year-old customers need physical and mental disability support.

We could also look more closely at mental health vulnerabilities, such as depression and anxiety – especially whereby the cost-of-living crisis and subsequent worse financial health has exasperated these conditions.

According to our Repairs Research, 11% of 18–34-year-olds need financial support.

We also may want to think about the more general circumstances of our younger/middle–aged groups. For instance, our Repairs Research tells us that 35–54-year-olds are more likely to have received 6+ repairs a year (48%). With working from home arrangements becoming increasingly the norm and customers more likely to be in the home for more hours a day, this may well increase.

Further use of the customer segmentation analysis

The Segmentation analysis, and its associated personas, is in its first phase. We have built out our segmentation model and identified 5 personas across the South and West and have carried out exploratory modelling with London & Hertford.

Our intention is to integrate the personas into Microsoft Dynamics so we can operationally use the personas to further enhance our understanding of our customer needs and the experiences delivered to our customers. We will ensure alignment of the Resident of the Future research with our persona work.

Improved analysis of service outcomes by protected characteristics

Understanding how our services are experienced by various groups will enable us to see if they need to be adapted to meet the needs of current and future customers.

Recommendation 2
Supporting vulnerable customers
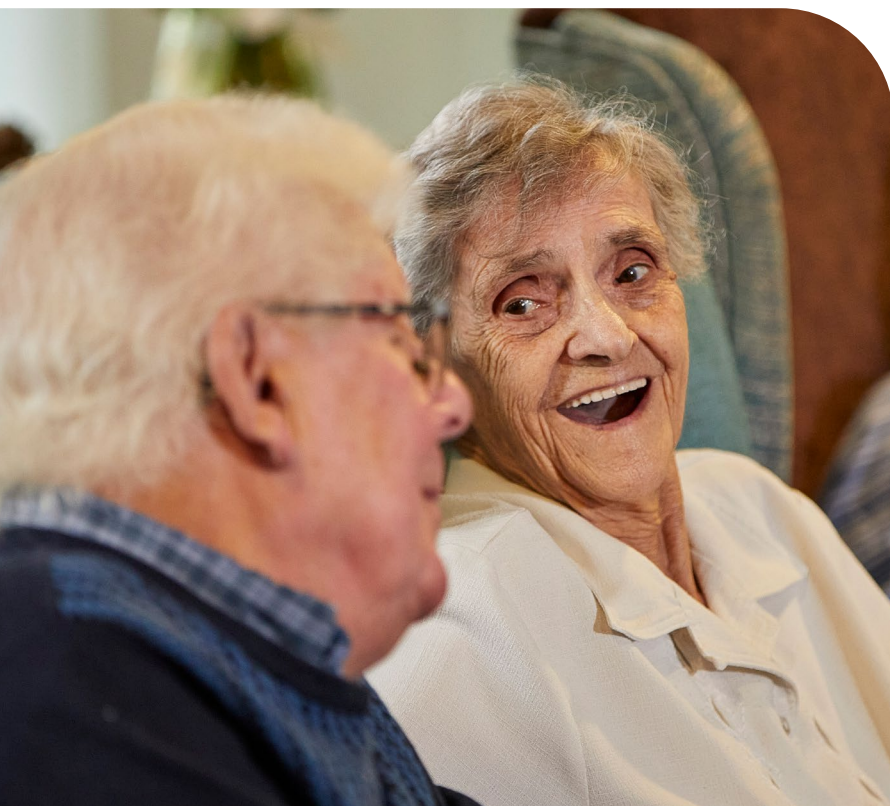
As this report highlights, there is likely to be a range of customers with varying physical/emotional vulnerabilities, some of these will be long-term. These customers would require ongoing support from SNG.

Older customers

As our analysis suggests, our customer population is ageing and with older age the likelihood of vulnerabilities increases. In particular, these customers, especially those that belong to our 'Nurture' persona, would need higher levels of support with home maintenance, repairs and adaptations, to enable them to stay in their homes for longer. They may also require specific support, such as information and advice on housing options, i.e. downsizing, to make informed and timely choices about how and where they live, to suit their changing physical needs.

Adapting homes

For a number of vulnerabilities which are forecasted to increase within our customer base, home adaptations could enable customers to live more safely and independently i.e. making the home accessible for customers with disabilities, making them dementia-friendly or even prioritising the damp-proofing of homes for households which are overcrowded.

Community partnerships

An increased focus on fostering connections with external organisations within the local communities we serve, will enable us to signpost our customers to sources of support. We could therefore adequately ensure a range of our customer's needs are met, especially where we are not in a position to provide specialised support – i.e. for those with long-term health conditions, or those that have experienced domestic violence.

Moreover, partnerships with local facilities/centres could also mean our customers can become more connected with their communities – which is especially important for those experiencing loneliness or for those in overcrowded homes that require additional space to gather.

This work can be led by our Communities Team and the Community Foundation.

Training colleagues : As the number of customers with vulnerabilities is set to increase, we should continue to invest in training colleagues (especially customer-facing colleagues) to understand the flags and markers that suggest somebody may have conditions such as dementia, mental health or mobility issues - as well as ensuring that colleagues can appropriately gage the specific service needs of these customers and know when to signpost to external support services.

Colleagues can also be trained to provide more tailored, personalise support where possible, i.e. housing or letting officers more actively facilitating mutual exchanges for overcrowded households.

Recommendation 3
Improving data quality

Recording customer data and vulnerabilities

As explained in the Methodology (Appendix A), for a selection of analysis undertaken we relied on publicly available data, whereby it was better than our own internal data. We must therefore focus on improving our internal record keeping of our customers' vulnerabilities when they disclose such information to us. In the future, then, we'd be in a position to forecast our future customer more accurately.

In tandem with this it's imperative we record these customers' associated needs and service requirements, including communication preferences (e.g., following up calls in writing or being given a certain amount of time to process conversations).

As different groups/personas will have different preferences, we should optimise our channel mix.

Our repairs research tells us that, overall, the optimal channel mix for communicating appointment updates, is a blend of phone, text, email, WhatsApp and SNG digital customer platforms. This is a good indicator for futureproofing our channel mix. Current gaps in the channel mix are an App and WhatsApp.

Text was the most favoured method of accessing information amongst all respondents, regardless of demographic or persona.

Encouraging customers to share protected characteristic data

We understand that in certain cases, customers may not always wish to provide personal information, i.e. disability status, religion or ethnicity. However, we may wish to undertake a drive to explain to customers why sharing this information is important, as accurate demographic data can help us to improve our services.

Appendices

Appendix A: Methodology

To forecast the make-up of our tenants, we looked at our current tenant demographics, then estimated the numbers of people who would move out and be replaced, then estimated the make-up of the new tenants moving in to replace them.

As a simplifying assumption, we only looked at what will happen to our current stock – although we will build many new homes between now and 2035, our forecast does not factor in these new homes (although a further phase research which takes this into account is included within our Recommendations). In effect this meant, after estimating churn, we resized the new tenant population variable so it was exactly the same as churn.

It should be noted that this will only be focused on (all household members) within our low cost rented accomodation properties. This is because we have very low amounts of information on our low cost home ownership households, as well as a different relationship and therefore different expectations around service delivery.

Because age is one of the variables of churn, our model for forecasting age tracked each year individually, showing yearly movements in single-year age based on both churn and new tenant population. We validated the likelihood of tenant death (publicly available data) against our own internal data on tenant death, and found the publicly available data almost exactly mirrored the number of tenants who had in fact died over the last two years. For these reasons, we can have a high degree of confidence that our age forecast is accurate.

2035 tenant population=current tenant population–churn+new tenant population

Current tenant population	Churn	New tenant population
We looked at every social tenant household, including housing for older people (but not including intermediate housing, low cost homeownership, or specialised supported housing), by: • Age • Gender • Ethnicity • Religion • Disability status (yes/no) • Household size.	To create our churn, we used two variables: • Likelihood of tenant death, a function of age.[37] • Average churn rates (past two years) excluding due to death.[38] This value was 1.5%. With these two variables, we could estimate the number of homes that would be vacated at each year between now and 2035.	We used historic trends in new tenants (2014-present) to forecast the demographics of new tenants between now and 2035, using data science techniques.[39] This involved validating our own forecast against how it would have performed in the last few years – i.e. if the model would have accurately predicted, in 2018, the make-up of new tenants between 2018 and 2024, it was a good model. We then resized this variable so that only the numbers of tenant households moving out (churn) would be replaced.

[37] Office for National Statistics, January 2020, Deaths by single year of age tables, UK.

[38] We We also excluded other reasons people move out that would not result in any new tenants joining – for example, if we had included internal transfers, we would have double counted the void, because although two homes would be vacated per internal transfer, only one set of new tenants would move in.

[39] To create customer demographic predictions we used the Arima model which uses past data to predict future values. We then assessed the models performance by looking at evaluation metrics.

For each of the demographic variables other than age, we used our forecast based only on age to determine the proportion of tenants who would be replaced over the entire period – 14.72% in total. We then deducted 14.72% from each of the categories of demographics to give us the number of people who would be repopulated using our data science forecast.

For example, our current data shows we rent homes to 1,993 people who have identified to us as Muslim. To estimate the number of Muslims in 2035, we took off the total churn of 14.72%, or 293 individuals: 1,993 – 293 = 1,700. The total number of tenants moving out was 9,015 (14.72% of our current tenant population). Our data science forecast tells us that 9.4% of new tenants between now and 2035 will be Muslim: 9.4% of 9,015 is 849. So we add 849 to 1,700 to get a 2035 estimate of 2,549.

Because we did not estimate churn as a function of any other category than age, it's possible that, for example, Muslims would leave their homes at a different rate to Christians (and this would certainly be true if our Christian population tends to be older than our Muslim population). For this reason, we have a lower level of confidence in our forecasts for other demographics than age.

We also used our forecast on age to estimate the numbers of other things that correlate with age and for which publicly available data is better than our own internal data – disability,[40] loneliness,[41] dementia,[42] and diagnosed long term health conditions.[43] While we do have internal data on these, and some of them composite to make up our internal disability data, because they are so related to age we opted to look at them separately rather than our headline disability data.

[40] Office for National Statistics, February 2023, 'Disability by age, sex and deprivation, England and Wales: Census 2021'.
– weighting data two thirds female and one third male to account for the proportion of each gender among our tenants.

[41] Department for Culture, Media & Sport, May 2023, 'Community Life Survey 2021/22: Wellbeing and loneliness'.

[42] Alzheimer's Society, August 2024, 'Risk factors for dementia'.

[43] Age UK, 2023, 'The State of Health and Care of Older People'.

Appendix B: Customer Segmentation Analysis and Repairs Research

SNG partnered with a specialist research agency to undertake a multi-phase segmentation research project, starting with a quantitative scoping phase and culminating in a series of qualitative focus groups and in-depth interviews (IDIs) across three support segments: High, Medium and Low.

From this, we developed a needs-based segmentation model and associated personas, to support the objective of delivering effortless experiences for our customers.

We now better understand:
- What services our customers need and value.
- What products and services we need to develop in the future.
- Where we invest time, money and resources on propositions which really matter to our customers.
- The most relevant Channel Strategy to put in place.

The personas:

- Not life stage dependant
- Long term physical/mental health issues (adult or kids)
- Single occupant living alone with/without children
- Majority unemployed due to disabilities

- Unique to families
- Bias towards single parents (mainly females)
- Disability which is manageable or short-term prognosis
- A degree of financial support required

- Bias towards older tenants without children and Gen X
- Have overcome issues in the past
- Short term vulnerabilities
- Employed or retired

- Primarily observed in those under 50 years old
- Spread of those living alone or in couples
- Two income households
- No apparent vulnerabilities

- Bias towards couples (pre=family) and young singles
- High propensity of Millennials and Gen Z
- Aspirational – don't seek support (financial or emotional)
- In paid employment – two income households

SUPPORT LEVELS

HIGH	MEDIUM	LOW
NURTURE		
RESTORE		
	SUSTAIN	
		ENABLE
		EMPOWER
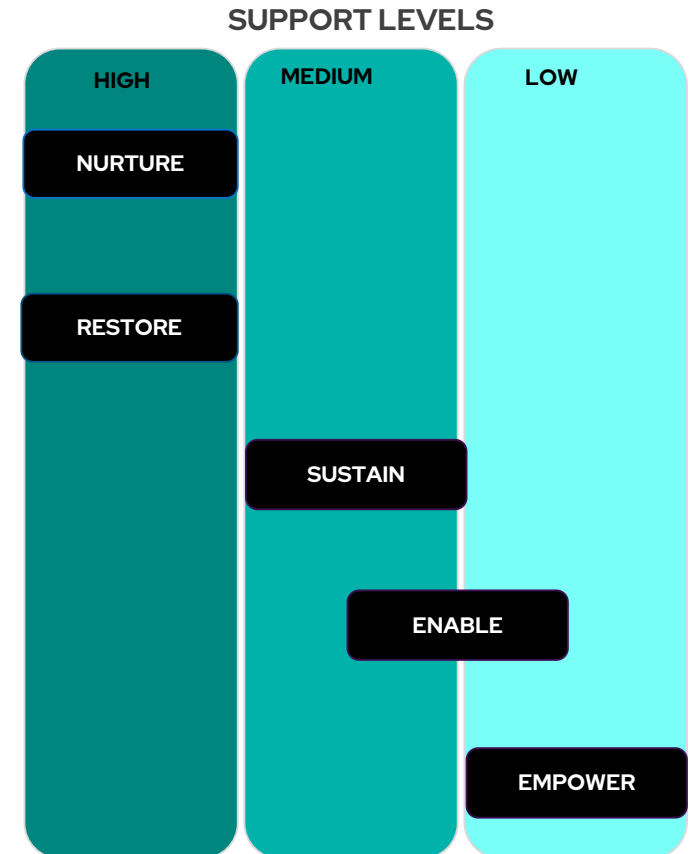
It should be acknowledged that whilst we can draw broad, transferable conclusions, this research was only carried out with a section of our current customer base and therefore does not formally apply to all customers currently. Moreover, at this stage the analysis and model are only a first pass, and so is not in a position where it can categorically inform outputs/decision-making. As further stages of this research are carried out, more data will feed into the analysis and solidify our learnings.

Repairs research

The persona model has aided the design of a future proofed repair experience, and the ability to better understand how to personalise our planned and responsive repair experience – to meet different needs and vulnerabilities. This was a multi-phase research project, beginning with an ideation session, followed by a series of qualitative focus groups and IDI's, and finally a quantitative online survey across the 5 personas.

This research has enabled us to:

- Know what we need to implement now and for the future to improve the experience.
- Lays the foundation for the thinking on resident of the future.
- Where we invest time, money and resources on propositions which really matter to our customers.

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