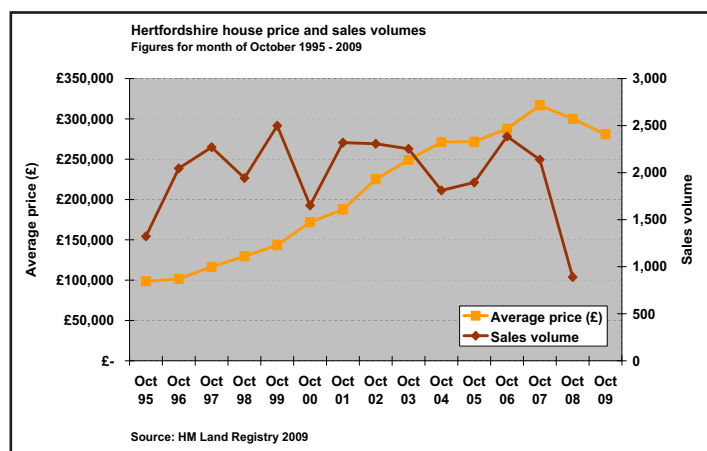


House prices dip but volume of sales dive

2009 Land Registry data confirms the latest impact of the recession with a fall in house prices accompanied by a more severe reduction in the volume of sales. The county already had relatively high property prices so the reduction in prices only makes a slight difference in affordability. Prices in Hertfordshire have held up better than the average figures for England and Wales. Homelessness figures continue to fall.



The Government's vision in the 2007 Housing Green Paper was for everyone to have access to a decent home at a price they could afford, in a place where they wanted to live and work. However, even with the recent reduction of property prices, affordability continues to be a concern in the county.

The challenge for central and local Government is to try to intervene – through housing and planning powers – to balance the needs of a growing and ageing population with the housing stock. The recession may have made the existing stock slightly more affordable through the immediate impacts on house prices, but this may mask an underlying lack of supply.

Hertfordshire's population is estimated to have grown by 42,900 (4.1%) between 2001 and 2008 to a total of 1.08 million people¹. Natural change (births minus deaths) accounts for 64.6% of this growth with net in-migration (and other changes) accounting for the remaining 35.4%.

Dwellings in Hertfordshire

As at 1st April 2008, Hertfordshire's growing population was accommodated within a stock of 457,276 dwellings. The greatest proportion of these

were in the private sector; over 81% were either owner occupied or privately rented. The proportion held by Registered Social Landlords (RSLs) rose from 9% in 2007 to 11%. The table below shows the tenure split in the county's districts.

The 2001 Census defines a dwelling as a self-contained unit of accommodation, where all the rooms particularly kitchen, bathroom and toilet, are behind a door that only the household can use. Communal establishments are not therefore included in the dwelling stock totals.

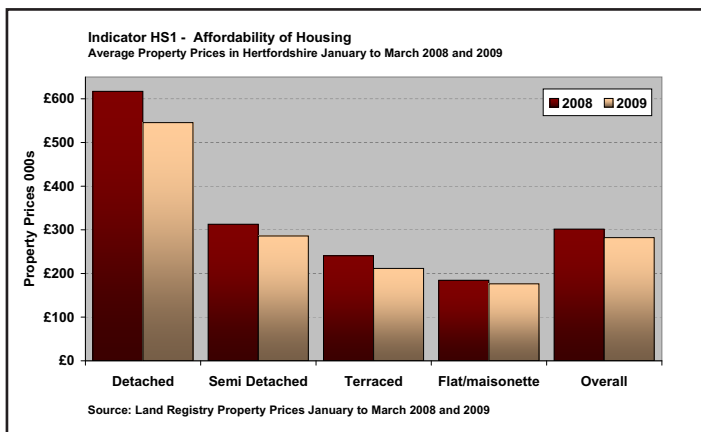
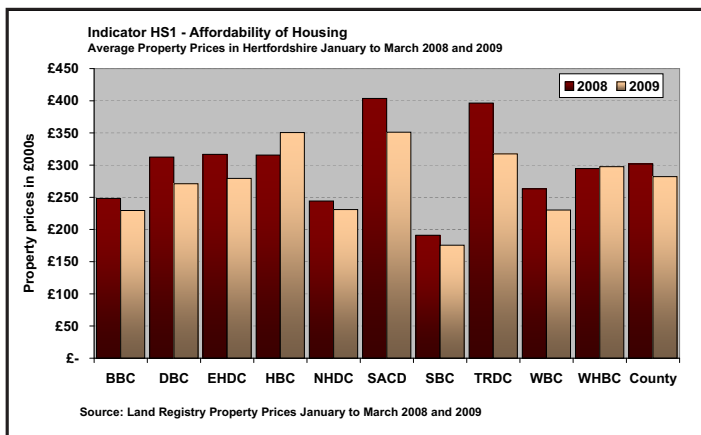
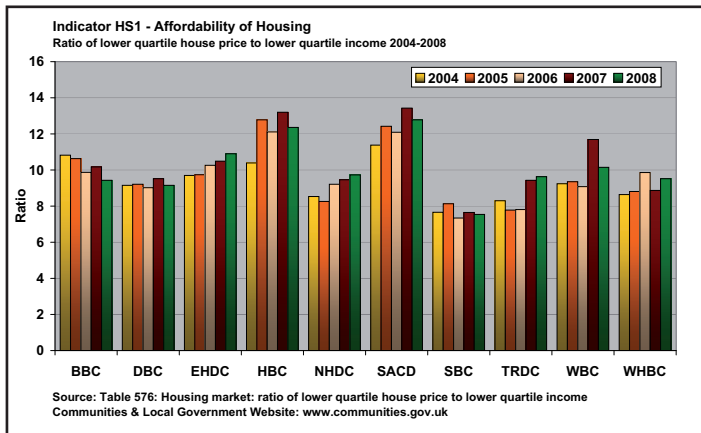
	Private Sector (non RSL)	Local Authority	Registered Social Landlord	Total Stock
BBC	32,952	503	4,936	38,391
DBC	46,558	10,739	2,376	59,673
EHDC	49,235	57	7,825	57,117
HBC	32,971	230	7,329	40,530
NHDC	43,284	105	10,370	53,759
SACD	49,512	5,464	1,773	56,749
SBC	24,375	8,388	1,905	34,668
TRDC	31,000	22	4,903	35,925
WBC	29,835	109	5,499	35,443
WHBC	32,440	9,378	3,203	45,021
County	372,162	34,995	50,119	457,276

Source: CLG Housing Strategy Statistical Appendix 2008

Indicator HS1 - Affordability of Housing

The first graph for Indicator HS1 shows the ratios of the lower quartile (lowest 25%) of house prices to the lower quartile of earnings for the last 5 years for each district in Hertfordshire. This is derived from the Land Registry's house prices data and the income data from the Annual Survey of Hours and Earnings.

The ratio of house price to income reflects the affordability of housing. The figure for Hertfordshire remains high (10) and exceeds both the regional (8) and national (7) figures. Under the umbrella of the Government led initiative Homebuy², several schemes exist to increase the availability of affordable homes. Homebuy offers shared ownership and equity loans to help lower income households to enter the housing market.



Property Prices in Hertfordshire

Land Registry data shows that within the county the overall average house price fell 6.5% when data from January to March 2009 is compared with the same period in 2008. However, in Welwyn Hatfield average prices still increased, whilst prices in Hertsmere rose by a significant amount (11%). The most significant reduction in average prices was seen in Three Rivers with an average reduction of 20%.

In terms of dwelling type, prices for detached, semi-detached and terraced houses fell by 10% whilst

flats/maisonettes showed a less marked 5% reduction.

In England and Wales the average property price for all types of property was £197,700 compared with £282,080 for Hertfordshire in the same quarter. Overall, average house prices in Hertfordshire were still 42% higher than the rest of England and Wales. Prices have not fallen as much as elsewhere which actually widens the difference between the county and the rest of England and Wales by 3% when compared to the previous years data.

Hertfordshire Average Property Prices January - March 2009

	Detached	Semi-Detached	Terraced	Flat/M'nette	Overall
BBC	£453,858	£262,544	£192,439	£147,115	£229,498
DBC	£525,837	£294,695	£219,812	£148,831	£271,072
EHDC	£498,376	£290,852	£216,809	£163,452	£279,313
HBC	£856,831	£298,916	£208,476	£236,944	£350,552
NHDC	£357,642	£241,753	£179,773	£136,698	£231,011
SADC	£608,300	£345,149	£267,292	£192,760	£351,135
SBC	£320,833	£177,562	£173,094	£142,514	£175,616
TRDC	£653,748	£262,954	£242,333	£231,245	£317,405
WBC	£444,400	£267,231	£196,657	£145,041	£230,322
WHBC	£593,954	£279,977	£198,719	£179,466	£297,637
County	£545,551	£285,804	£211,516	£176,303	£282,088

Source: UK Land Registry 2009

Indicator HS2 - Statutorily Unfit Homes

A dwelling is considered unfit if it fails to meet the requirements of the Housing Act 1985 (as amended) and as a result becomes unsuitable for habitation. Disrepair, dampness, inadequate supplies of water, heating, lighting and ventilation, lack of satisfactory kitchen and bathroom facilities can all contribute to a property being classed as unfit. The responsibility for maintaining a property lies with the owner, whether it is a local authority, Registered Social Landlord or private sector property.

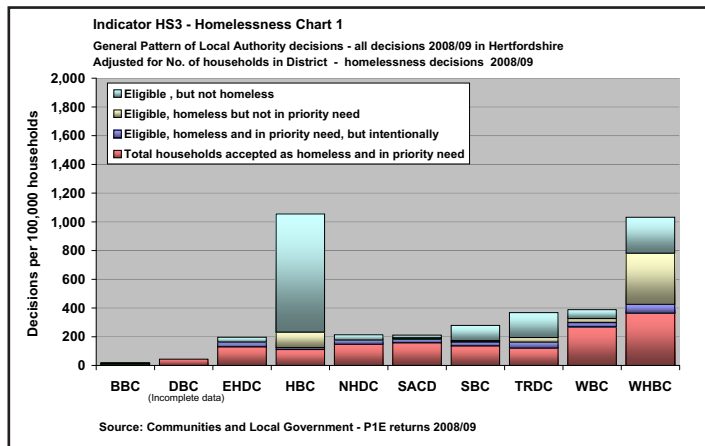
The English House Condition Survey was used to report progress related to the key policy areas of housing condition but from April 2008 the English Housing Survey has replaced both this survey and the Survey of English Housing. First results of the new survey are expected to be released in 2010.

Decent Homes

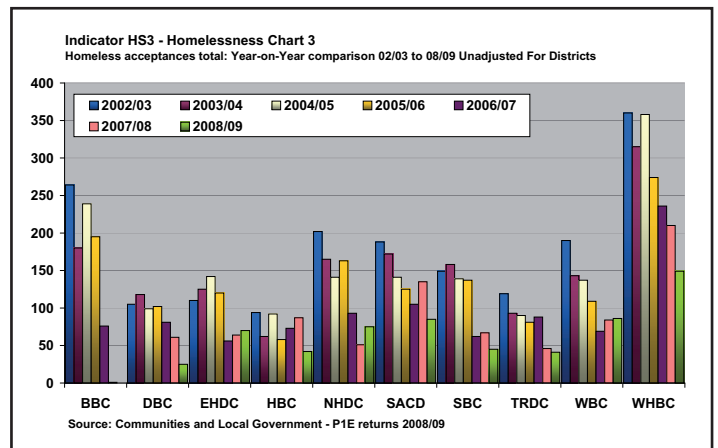
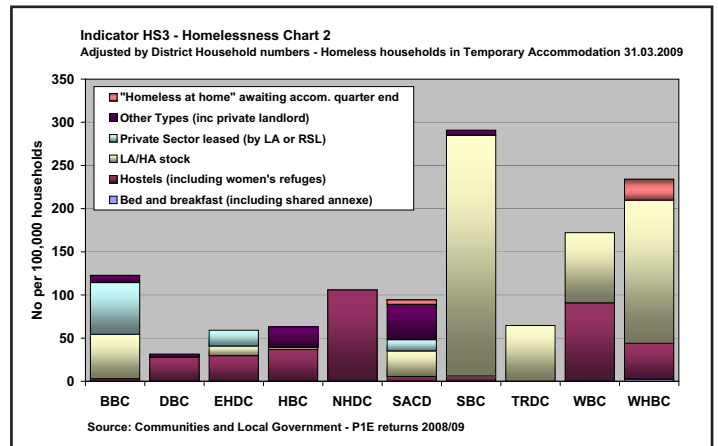
The Housing Health & Safety Rating Standard criteria for decent homes, described in previous QoL reports, remains relevant with local authorities and housing association homes expected to meet the prescribed Decent Homes Standard by 2010.

Indicator HS3 - Homelessness

Every year there continue to be more applications for social housing than there are vacancies. Local authorities continue to invest in homeless prevention services to reduce new cases of homelessness. Since 2002, each local authority has had an obligation to produce a Local Homelessness Strategy that sets out its objectives for providing services to the homeless and how it will prevent homelessness occurring. This includes providing appropriate advice and accommodation for local people. These strategies have contributed to the achievement of targets to reduce rough sleeping and to end the use of accommodation in bed and breakfast, except for emergency situations.



The first two charts show the numbers and reasons for homelessness acceptances by district for 2008/09, adjusted to the number per 100,000 households (based on 2004 mid-year estimates). The highest adjusted number of households homeless and in priority need continues to be in Welwyn Hatfield with 364. This is down from the 512 recorded last year but remains at nearly 100 more than the next highest district (Watford), whilst Broxbourne was lowest with 3. Stevenage has the highest adjusted figure for homeless households in temporary accommodation at 291, but this has fallen from 433 last year. Dacorum has the lowest with 32, 28 temporarily in hostels and 4 in local authority stock.



Strategic Housing Market Assessments (SHMAs)

Considerable further information on housing may be found in the emerging Hertfordshire SHMAs. There will be 3 SHMAs covering the 10 Hertfordshire districts, one of which is being carried out in partnership with adjoining authorities in Essex. Research undertaken in connection with these SHMAs is highlighting the complex nature of the Hertfordshire housing market. There are strong inter-relationships with London for work and many households moving into the area are migrating in from outer London. For many newly forming households, social housing will be the only reasonable option, with evidence indicating that a high proportion of new social tenants have no earnings from employment. SHMAs are also highlighting issues with the affordability of many intermediate housing products, with many households having to spend in excess of CLG guideline levels to afford to live in such properties.

1 Source: Office for National Statistics, Mid year population estimates 2001-2008

2 For more details visit: www.leavalleyhomes.co.uk/