



HOUSING VISION

Independent Assessment of Housing Needs and Strategic Housing Market Assessment: St Albans City and District Council

Final Report

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Acronyms & Abbreviations

APS	Annual Population Survey
ASHE	Annual Survey of Hours and Earnings
BIS	Business Information & Skills
BRMA	Broad Rental Market Area
CLG	Communities and Local Government
CORE	Continuous Recording of lettings and sales of social housing
CPI	Consumer Price Index
CT	Council Tax
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
GIS	Geographical Information System
GP	General Practitioner
HB	Housing Benefit
HESA	Higher Education Statistics Agency
HSSA	Housing Strategy Statistical Appendix
IMD	Index of Multiple Deprivation
JSA	Job Seekers Allowance
LEP	Local Economic Partnership
LFS	Labour Force Survey
LHA	Local Housing Allowance
NHS	National Health Service
NHSCR	National Health Service Central Register
NINO	National Insurance Number
NOMIS	National Online Manpower Information System
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
p.a.	Per Annum
PRDS	Patient Register Data Service
RP	Registered Provider
RSL	Registered Social Landlord
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
UA	Unitary Authority
UC	Universal Credit
VOA	Valuation Office Agency

Executive Summary

- ES 1 The National Planning Policy Framework places a clear obligation on local planning authorities to assess the need for housing in their area. Under the title ‘Delivering a wide choice of high quality homes’, the Framework states that:

*‘use their evidence base to ensure that their Local Plan meets the **full, objectively assessed needs for market and affordable housing in the housing market area**, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period’* (paragraph 47, our emphasis).

- ES 2 This report provides an independent and objective assessment of the need for housing in the St Albans City and District Council area.

- ES 3 2013 Draft National Planning Practice Guidance concerning the ‘Assessment of Housing and Economic Development Needs’ confirms the definition of housing need as follows:

‘Need for housing in the context of the guidance refers to the scale and mix of housing and the range of tenures that is likely to be needed in the housing market area over the plan period - and should cater for the housing demand of the area and identify the scale of housing supply necessary to meet that demand’.

- ES 4 It is clear from the NPPF and Draft Practice Guidance that ‘housing needs’ refers to the need for market and affordable housing, and to meet the needs of different groups in the community

- ES 5 The NPPF provides a clear definition of affordable housing at Annex 2, page 50 as follows:

‘Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices’

- ES 6 Households with ‘specific needs’ are a sub-set of all households requiring housing. In this context ‘needs’ refers to those who require additional care and/or support. Some households with specific needs will also be *‘households whose needs are not met by the market’*. They may therefore be also in need of affordable housing.

- ES 7 Paragraph 50 of the NPPF introduces the concept of housing demand but provides no guidance concerning its definition. Therefore it has been necessary to consult 2007 ‘Strategic Housing Market Assessment Practice

Guidance' to establish an official definition. Housing demand is defined there as:

- *'the quantity of housing that households are willing and able to buy or rent' (page 8).*

ES 8 'Housing supply' is widely used but has received the least definitional consideration. It is not the same as housing stock which refers to the total number of dwellings available at any defined point in time. The term has been applied throughout this report to refer to the combined effects of:

- Housing turnover: housing provided through re-letting and re-sales of existing market and affordable dwellings, and transfers between affordable dwellings.
- New supply: housing stock additions provided through lettings and sales of newly completed dwellings and/or dwellings converted from other uses.
- Stock losses: housing lost through demolition and/or conversion to other uses.

ES 9 Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs' (2013) defines a Housing Market Area as a:

'geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work' (D 2a-010-130729).

ES 10 In terms of 'Plan-making' for housing, the NPPF states at paragraph 159 that local planning authorities should:

'prepare a Strategic Housing Market Assessment to assess their full housing needs (and) identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period'

ES 11 It is further required that this housing:

- *'meets household and population projections, taking account of migration and demographic change;*
- *addresses the need for all types of housing; and*
- *caters for housing demand and the scale of housing supply necessary to meet this demand'*

ES 12 The St Albans City and District Assessment of Housing Need and Strategic Housing Market Assessment (SHMA) conforms with Government planning policy and guidance (NPPF/G) and forms a key piece of evidence to facilitate the preparation of the Local Plan.

- ES 13 Housing Market Assessments have typically provided static outputs which are incapable of being amended as circumstances change. Completion of the Assessment has involved the development of a version of Housing Vision's dynamic and interactive Housing Needs and HMA Toolkit which allows for bespoke affordability testing of any housing option by type, bed space and tenure.
- ES 14 Housing market dynamics are shaped by an area's social and housing history and by the interaction between the two. For example, a local authority's 'housing offer' may be shaped by a legacy of family housing but if that area is unattractive to families, through for example, poor educational, leisure and 'quality of life' provision, such housing may be in low demand and converted to other uses. Alternatively, a legacy of smaller housing such as flats and apartments may act as an obstacle to families settling in an area who may have no choice but to look elsewhere.
- ES 15 In the case of St Albans, both its housing and wider 'offer' of a well located destination providing a good quality of life are working to strengthen its established role in housing families, including from outside the district. To take a few illustrative statistics, St Albans ranks third of 348 local authorities for the proportion of married or same sex civil partnerships with dependent children, and it has above average proportions of 3, 4 and 5 bedroomed homes, especially in the owner occupied sector.
- ES 16 In terms of the profile of the housing sector, St Albans has a high level of home ownership - especially in the higher Council Tax Bands - and associated lower proportions of social and private rented housing. The number of properties in the home ownership sector with 5 or more rooms (83%) or 3 or more bedrooms (77%) is above the national averages of 71% and 65% respectively. Consequently, it is easy to see why St Albans is a destination for families, especially those able to afford local prices. The district has high house prices and some very high price 'hot spots'; the average sales price was over £442,000 for all homes sold between January 2012 and May 2013.
- ES 17 However, this pattern of a high proportion of family housing is not consistent across tenures; both the private and social rented sectors have much higher proportions of smaller one and two bedroomed homes more suitable for single people, couples or small families. As a result, lower income families will be at a severe disadvantage in accessing suitable housing in the St Albans' housing market.
- ES 18 Furthermore, St Albans is by no means an exclusively family location and in common with all local authority areas, it has an established and growing older population. Almost a quarter of Census Output Areas in the district had more

than a quarter of their households aged over 65, and this pattern will be extended by area and by concentration within areas over the next 20 years.

ES 19 Finally, St Albans has a diverse and growing ethnic population; more than one in 10 of its residents are non-White, principally of Asian (Indian or Bangladeshi) origin, and one in 20 are of 'Other White' ethnic origin. In common with many other areas, St Albans has experienced international migration from EU Accession countries over the past 10 years and continuing migration from countries with whom links are well-established, such as South Africa and Australia.

ES 20 In common with all areas, the tenure pattern has changed over the 10 years to 2011 with a 50% growth in the private rented sector. The sector now provides over one in 8 homes across the district and, with a turnover exceeding 30%, it makes the largest contribution to the turnover element of housing supply. However, it is important to emphasise that 70% of properties have only one or two bedrooms and its dominant role is therefore to house single people or couples. As the private rented sector has grown, the home ownership sector has fallen slightly as a proportion of all homes but the social sector has remained stable at 12% of total stock.

ES 21 It is interesting to note that completions of shared ownership properties in the affordable sector have been very limited in recent years. This may reflect a policy preference for more urgently needed social rented homes but, in the context of a high value house prices, there may be potential for options tailored to the market, a view shared by estate agents. Typically, shared ownership sales have been to single people and couples previously renting in the private market or living with family or friends. In common with most housing areas, the ambition of shared ownership providing a stepping stone from social renting to home ownership has not been realised.

ES 22 The social rented sector provides an essential resource in an acutely unaffordable and high value housing market but turnover in the region of 5% is extremely low and falls even further for 3 bedroomed homes or larger. There are currently 702 registered applicants, almost one in four of whom are in the Urgent to High Need Priority Bands. Registered demand is strongest for smaller one and two bed homes.

ES 23 There are two strong dynamics currently at work in the housing market in St Albans:

1. A polarisation between the majority of households in receipt of above average incomes and a minority dependent on low incomes for whom affordability is an acute and worsening problem; and

2. A high level of movement in and out of the district, especially from neighbouring local authority areas and from London, and which is resulting in a net annual gain of households

ES 24 In reviewing average household incomes and incomes from employment, it is tempting to characterise St Albans City as a relatively affluent part of the London 'commuter belt'. It is an area with high levels of economic activity; high rates of employment and low unemployment; with a concentration of employment in more senior and managerial occupations attracting well above average incomes. St Albans and District is, according to the 2010 English Indices of Deprivation, one of the least deprived local authorities and the district has a well below average level of benefits dependency.

ES 25 However, a series of indicators suggest that a minority of local households are under severe pressure financially, and in terms of access to affordable housing, especially families. For example, there are over 5,000 households in receipt of both Housing and Council Tax Benefits - which is almost 10% of all households in the district - and there are small pockets of Multiple Deprivation including in relation to poor quality housing.

ES 26 As already identified, housing options for those on lower incomes are very limited, not just by affordability but by the profile of the stock available. Almost certainly reflecting the impact of Right to Buy, the social rented stock is skewed towards one and two bed properties, especially flats. This pattern has been reinforced through the type of new completions; over 80% of new social rented homes completed between 2008 and 2012 had only one or two bedrooms. Options in a private rented sector dominated by smaller homes are no better, and the high rentals achievable for family housing typically exceed Local Housing Allowance rates.

ES 27 The second powerful dynamic facing St Albans concerns patterns of movement over which the local authority has little or no control. Review of home move and commuting patterns and trends, complemented by the views of estate agents, have confirmed the extent and complexity of St Albans' housing market area. It is clearly possible, and necessary for analytical purposes, to identify a 'Core Housing Market Area' which approximates with the district's boundaries. However this is immediately connected through home move and commuting patterns to a 'Wider Housing Market Area' of adjacent local authorities and a 'Peripheral Housing Market Area' of London Boroughs.

ES 28 This 'connectedness' has two consequences, both of which increase competition with local residents for available homes, firstly there is the impact of large numbers of people moving in and out - effectively passing through - the housing market and secondly, there is the effect on the housing market of more people moving into the area than move out.

- ES 29 In terms of net gains, the number of households is estimated to be in excess of 200 per year, consisting mainly of people aged 25-44 and children aged up to 15. This family-led growth is partly balanced by net losses of those aged 16-24, most likely associated with education, employment and/or housing affordability - and of those aged 45 and above who may be moving for a different quality of life, including people who are 'downsizing'. Such an 'escalator effect' of balanced in and out movements is characteristic of high demand or aspirational housing markets.
- ES 30 Of greater significance for local market dynamics is the level of activity associated with people moving to St Albans then moving on through the area. Those involved are principally families and the effect is a substantial increase in competition with local residents for available homes.
- ES 31 Whilst it is extremely difficult to separate cause from effect, new home completions may well be enabling or encouraging movement to the area by smaller households. Between 2008 and 2012, 76% of new housing was in the owner occupied sector; two thirds of new homes had one or two bedrooms and 60% were flats. However, properties sold for owner occupation, especially apartments, may be purchased by private landlords and immediately 'transferred' to the private rental market. Analysis of Council Tax data for a sample of new-build schemes has identified the extent of purchase by private landlords and that many if not most new occupiers - both renters and owners - are from outside the district. These patterns are consistent for all Council Tax Bands and property types.
- ES 32 These patterns and trends of movement to and through St Albans constitute an 'unstoppable force', an example of a housing market in which the exercise of demand will always exceed supply and will arise from well beyond St Albans' boundaries. The attraction of the district to 'outsiders', especially from London, is confirmed by estate and lettings agents, most of whom felt that demand was being led from outside the district. Intermediate housing - which constituted less than 5% of affordable completions between 2008 and 2012 - might offer some defence against this trend by establishing a requirement for a local connection and/or by marketing to local applicants.
- ES 33 Added to pressures from migration internal to the UK, there are separate demands associated with international migration. As a proxy for international migrants, almost 9,000 people registered for a National Insurance number in the district between 2002 and 2012, one in 6 of whom were from Poland. Whilst there is no reliable data on the net effect of international migration, the 2011 Census table 'Year of Arrival in the UK' shows that 7,261 residents arrived between 2001 and 2011. The impact on the housing market is difficult to quantify but the typical pattern is to seek housing in the private rented sector - which was expanding at the time - initially sharing with family, friends or community contacts then moving into more self-contained and family accommodation.

- ES 34 This report has considered official population and household projections and concluded that there was a need to commission additional population and household scenarios. The scenarios in the report include projections and forecasts. A projection shows the future course of change if past trends were to continue. A forecast shows the possible impacts of different assumptions that alter the course of change.
- ES 35 The Office for National Statistics provides the official population statistics for England and Wales. It carries out the 10-yearly Census, which is intended to provide a comprehensive and accurate measure of the size and composition of the resident population, together with an estimate of the number and characteristics of households.
- ES 36 ONS prepares national and sub-national projections of the population, usually at two year intervals. Sub-national projections are controlled to the results of the national projections and are published some months later. They show how the population of local authorities would change in the following 25 years if recent past trends were to persist. ONS use the most recent 5 years as the period for projecting most of the Components of Population Change.
- ES 37 The official trend-based projections show how the population would change if past trends were to persist into the future. They take no account of policies that might alter trends in the future and employ no judgement as to the desirability or feasibility of those trends. Indeed the use of trend-based projections to frame long-term development policies at local level may create a self reinforcing cycle. If past trends determine future policy, that policy will perpetuate those trends. These trends will in turn feed into the next round of policy-making, and so the cycle may continue.
- ES 38 It is important to note that the 2011-based projection shows slower population growth between 2011 and 2021 than the 2010 projection.
- ES 39 New evidence will become available during the preparation of the St Albans Local Plan. 2012-based national population projections published on 6 November 2013 set out new national net immigration assumptions which will in turn influence subsequent 2012-based sub-national population and household projections to be issued in 2014.
- ES 40 Issues about methodology and data compound the inherent difficulties of projecting or forecasting the future path of demographic change in a world in which economic and political conditions are very uncertain.
- ES 41 Although the Census casts doubt on their reliability, official projections carry significant weight in the view of Government and Planning Inspectors, and there have to be strong grounds for departing from them. However, current circumstances and the need to understand local issues and implications make

it prudent to explore a local range of possible future trajectories/forecasts or 'scenarios' of population change.

- ES 42 6 'forecasts' or scenarios have been prepared by Edge Analytics to explore the consequences of changing key demographic assumptions, mostly about migration. These assumptions have been fed into a formal computer model to produce population, household and labour force outcomes. These use recent official demographic trend data, but unlike the trend projections, explore the long-term effects of theoretical maximum and minimum net migration gains.
- ES 43 Reflecting the uncertainty associated with future rates of household formation and accommodating the fact that the latest 2011-based data only run to 2021, two alternative headship rate assumptions have been used in considering the impact of the scenarios:
- Option A: CLG 2011-based headship rates, with the 2011-21 trend continued after 2021.
 - Option B: CLG 2008-based headship rates, scaled to be consistent with the 2011 Census but following the original trend thereafter.
- ES 44 The recommended scenario (Migration-led 5 years) demographic projection is based on recent and revised trend data for the 5 year period that should inform the 2012-based official projections. It shows slower population growth than the 2010-based sub-national projections, but such a reduction gains some support from the recent 2012-based national projections, which point to a lower level of net international migration.
- ES 45 The SHMA has recommended the demographic scenario that reflects as far as possible the data and methods that ONS use in its projections. For consistency, it is recommended that Option A, rolling forward the most recent 2011-based household trends should be adopted.
- ES 46 Household projections for the recommended Migration-led (5 years) scenario for St Albans City and District between 2011 and 2031 identify a large growth in single and couple with no children households and a dramatic growth (41%) of couple/lone parent with 1 child households followed by couple/lone parent with 2 children households (27%). The most significant increases in these two household types are in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%. The combined total of these 4 age groups in the two household categories is 2,302 households from an overall total of 5,400 for all age groups. Other households are also growing with the exception of a group of families/lone parents with 1 child plus extra adult.

- ES 47 Applying the recommended scenario (Migration-led 5 years), there is a net need for 11,724 additional homes in the St Albans and District area between 2011 and 2031, an annual average of 586 home per annum.
- ES 48 There is a projected large growth (51%) in the need for 3 bed housing; 21% growth in the need for 1 bed; 20% growth in the need for 2 bed housing and a 7% increase in the need for 4 bed housing.
- ES 49 Based on an estimated current need for 2,160 specialised units of accommodation in the St Albans and District, there is a projected need - as a sub-set of the overall requirement - for 1,080 additional units to be provided between 2011 and 2031, including 402 Extra Care housing places from an estimated current need for 803 places.

1. Introduction: setting the context

- 1.1 This chapter reviews the national and local policy context for the Housing Needs Assessment and Strategic Housing Market Assessment (SHMA); summarises the approach adopted and establishes the St Albans City and District Housing Market Area.
- 1.2 The SHMA for St Albans City and District has been prepared against a rapidly changing national background. The responsibility for assessing and addressing housing need has moved from regional and sub-regional to lower tier local authority level. The planning system has changed and radically altered expectations of policy outcomes. The housing market remains at best uncertain.
- 1.3 The overriding factor is the economy and the spin-off effects of the financial crises of 2007-8. These include the 2010 Government's adoption of an austerity programme and the banks' virtual strangulation of the mortgage market, despite interest rates being at a record low. Drastic cuts in public expenditure have had an effect on jobs in both the public and the private sector; on new house building; and on the ability of low income households to cover their housing costs.

The economic context

- 1.4 Economic indicators over the past 3 or 4 years have been somewhat disappointing and have failed to confirm whether or not the long recession has ended, despite interest rates remaining at a historic low of 0.5%.
- 1.5 The update on August 7th 2013 ¹, when the new Governor of the Bank of England made his first official assessment of the UK economy as he set out a new strategy of "forward guidance" on interest rate policies. He indicated that Britain had suffered an unprecedented financial crisis but that "a renewed recovery" was under way. The most recent official figures showed manufacturing output surged in June, while surveys have also indicated gathering strength in the service sector and housing market. The Bank has raised its growth forecasts, predicting economic growth would reach an annual rate of at least 2% by the end of 2013 - a year sooner than previously predicted.
- 1.6 Under the forward guidance, the Bank will not consider raising interest rates until unemployment has fallen from its current rate of 7.8% to 7% or below. This is to avoid "unnecessary fears" that interest rates will rise in response to the improving economy. Although the improving economic news was welcome, the Governor indicated that the "legacy of the financial crisis means that the recovery remains weak by historical standards and there is still a

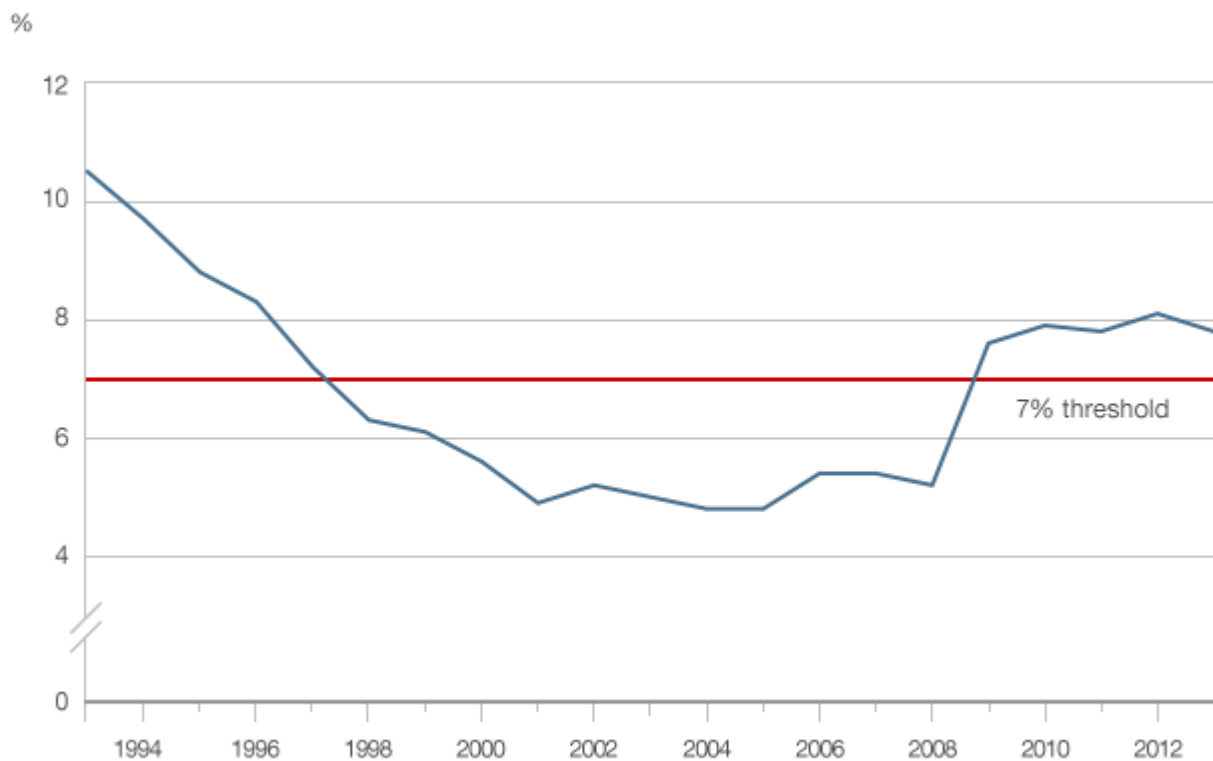
¹ Bank of England Inflation Report, August 2013

significant margin of spare capacity in the economy, this is most clearly evident in the high rate of unemployment."

- 1.7 Longer term certainty over interest rates means businesses intending to invest will be able to plan ahead with more confidence and may also give banks and mortgage lenders the ability to "lock-in" customers at lower rates for longer. With short-term interest rates already at historic lows, the aim is to reduce any pressure for longer-term interest rate rises.
- 1.8 The Bank's guidance is subject to three provisos; breaching any of them would sever the link between interest rates and unemployment levels. These so-called 'knock-outs' are:
 - CPI inflation is judged more likely than not to be at or above 2.5% over an 18-month to two-year horizon;
 - inflation getting out of control in the medium term; and
 - the Bank's Financial Policy Committee judges this stance poses a significant threat to financial stability.

Figure 1.1

Unemployment rate in the UK since 1993



Source: ONS

- 1.9 The Bank's view is that current unemployment rates are the key indicator that the economy is still fragile; hence, its decision to tie low interest rates to an improvement in the jobs situation, estimating that around 750,000 jobs will need to be created to bring unemployment down to 7%.

The housing market context

- 1.10 There is inconsistent evidence on housing market performance nationally. The recently observed rise in house prices disguises considerable regional variation. Whilst the London area is seeing strong demand and consequent price rises, which spill over into places within commuting distance of the capital, the market in other parts of the country - lacking the confidence of buyers in the capital - remains flat.

The sales market

- 1.11 The second hand sales market is driven by the existence of first time buyers and buy to let investors; without them, residents who need to trade up cannot find purchasers for their property at a price which allows them to buy another home. There is a dilemma here in that first time buyers and investors are often competing for the same property but investors will only buy if they can obtain sufficient return through rental income and first time buyers can only buy if they have sufficient deposit and can get a mortgage. These 2 factors act to drive down prices but the sellers may simply chose to wait, believing prices will rise to what they consider to be a fair price for their property. The result is stagnation.
- 1.12 The Government is seeking to address the issues in the sales market by offering assistance to would-be purchasers. So far, these have been targeted on new build schemes - seeking primarily to stimulate the construction industry- but the latest initiative, Help to Buy², will extend to the second hand market from January next year. It will cover buyers who have at least a 5% deposit and who can raise the remainder via a mortgage; the Government will offer a mortgage guarantee of 15% of the value of the home, which can be up to £600,000. Whilst this may help to get the second hand market moving, some commentators have expressed concern that it may also fuel another housing "bubble" similar to that which burst in 2007.

The rental market

- 1.13 With mortgages still very hard to obtain for average earners looking to buy their first home and who lack the backing of the "bank of mum and dad", there is a ready market for rented homes in many parts of the country, including St Albans. In many places, demand exceeds supply of rented homes, meaning landlords can pick and choose their tenants. This, coupled with changes to

² Help to Buy: Home ownership schemes – DCLG 2013

welfare benefits (see below), means there is greater reluctance to house tenants dependant on Local Housing Allowance.

The strategic housing context

Introduction

- 1.14 Under the previous administration, housing needs were assessed at regional and sub-regional level, with local authorities expected to provide the local detail in accordance with the regional assessment of housing need in their areas. With the abolition of Regional Planning Bodies and the scrapping of Regional Spatial Strategies under the Localism Act 2011, the duty of assessing future housing need has devolved to the lower tier of local authorities. Each council is expected to undertake a Strategic Housing Market Assessment which will feed into their Local Plan (see below).
- 1.15 The power of the Secretary of State under the Local Government Act 2003 to require local housing authorities to prepare housing strategies and housing statements is to be repealed under the Deregulation Bill, currently in draft form and awaiting consideration by Parliament.

The supply of housing

- 1.16 As indicated above, the major push from national Government has been targeted on stimulating the supply of new homes through the private market. Measures include:
 - Help to Buy and its predecessor schemes which assist the purchase of brand new properties – the scheme will extend to the second hand market in January 2014.
 - Growing Places Fund³ to support infrastructure investment for housing and economic growth.
 - Reconsideration of Section 106 agreements⁴ on affordable housing where it can be shown these obligations have stalled new build schemes.
 - New Homes Bonus⁵, paid to local councils over a 5 year period following the delivery of new homes in their area.
- 1.17 The social housing sector has seen public capital funding investment severely cut back and housing associations required to raise capital in the private market and build new homes at affordable rents of up to 80% of market rents. On the positive side, the removal of the Housing Revenue Account regime for local authorities is leading to a number of stock owning councils planning to deliver the first new council homes for some years.

³ Growing Places Fund – DCLG 2012

⁴ Renegotiation of Section 106 agreements, DCLG 2012

⁵ New Homes Bonus, DCLG 2011

The 'Right to Buy' ⁶

- 1.18 Discounts available to tenants to purchase their council home have been increased dramatically to a maximum of £100,000 in London and £75,000 elsewhere. To avoid a constantly diminishing stock, this is coupled with a requirement to replace the home sold, but not necessarily in the same area. The draft Deregulation Bill proposes reducing the qualifying period for right to buy from 5 years to 3.

Tenancy and welfare changes

- 1.19 Intended to increase flexibility and efficiency in the use of stock, tenancy changes affect social housing tenants only. The major change is the ability of social landlords to give fixed term, rather than on-going, tenancies, usually for a period of 5 years⁷. Another proposal, with details yet to be finalised, is the power for social landlords to charge a market rent to tenants with a household income of at least £60,000.
- 1.20 Intended to reduce public expenditure and incentivise paid employment, welfare changes apply to tenants in both the social and private rented sector. Already implemented are:
- Welfare benefit cap, limiting total welfare payments to £500 per week for couples and lone parents and £350 per week for single people.
 - Local Housing Allowance⁸ (LHA) for private tenants is now calculated on the 30th percentile instead of the median average of local market rents.
 - LHA is generally paid direct to the tenant instead of the landlord, which has made some landlords even less inclined to take tenants on benefit.
 - The spare room subsidy for social rented tenants, who suffer housing benefit reductions if they are deemed to have one or more spare rooms⁹
- 1.21 Still to come is the roll-out of Universal Credit, whereby all welfare claimants receive a single monthly payment. This will probably not happen until the new financial year.

The national planning policy context

- 1.22 With the policy announcement of the demise of the regional planning bodies and the Regional Spatial Strategy, planning experienced a brief period of limbo until the Government introduced its National Planning Policy Framework (NPPF) in March 2012¹⁰. The local authority Local Plan is now the main part

⁶ Reinvigorating Right to Buy – DCLG 2012

⁷ Localism Act 2011

⁸ Housing Benefit: Changes to the Local Housing Allowance arrangements – DCLG 2011

⁹ Housing Benefit: under-occupation of social housing – DCLG 2012

¹⁰ National Planning Policy Framework – DCLG 2012

of the development plan system and councils are charged to prepare new Local Plans with reference to the NPPF. The development plan remains the starting point for determining planning applications; proposed development which accords with an up-to-date Local Plan should normally be approved and, conversely, proposed development that conflicts should normally be refused. The key phrase here is “up-to-date Local Plan”.

- 1.23 At the heart of the NPPF is the concept of a presumption in favour of ‘sustainable development’. With this in mind, the local authority, when preparing or updating its Local Plan, should objectively assess and indicate how it will meet the need for housing and other types of development. This should normally be within its own area or by collaborative working with its neighbours. Also, if the Local Plan is still in preparation or its policies on a particular development application are out of date, permission should normally be granted unless adverse impacts significantly and demonstrably outweigh any benefits and/or the proposal conflicts with the NPPF.
- 1.24 The Strategic Housing Market Assessment (SHMA) is key to assessing the need for housing in an area; without which, the Local Plan is unlikely to be approved. Further detail of the NPPF’s needs in relation to assessing the need for housing are set out in detail from paragraph 1.29. Allied to the SHMA is a Strategic Housing Land Availability Assessment (SHLAA) and a requirement that a local council maintain a 5 year supply of specific development sites for housing.
- 1.25 Other relevant planning changes include:
 - Greater policy support for green field development, particularly through needs for a ready supply of developable land. The possibility of Green Belt boundary change to allow housing development has to be considered through Local Plans; an issue of central concern to St Albans. The NPPF has dropped the national targets for development on brownfield sites and local authorities are expected to consider the consequences for sustainable development of directing development to urban areas within their Green Belt boundaries and not to include as Green Belt, land that does not need to be kept as open land permanently. Although the Government was originally adamant that it would protect the Green Belt and would only expect to see development on sites which were formerly developed, for example former quarries, there has been considerable debate subsequently about the role and inviolability of the Green Belt. For example:
 - In March 2013, the Campaign to Protect Rural England published a report *Countryside Promises: Planning realities*, which found that 20 major housing schemes in the countryside had been allowed despite being refused by the local authority or

not being in line with local plans. It also found that local plans are calling for up to 80,000 new homes on Green Belt land.

- A survey of 100 councils by housing magazine *Inside Housing* in September found that 69 of them gave either full or outline planning consent for at least one housing development that falls within the Green Belt between April 2010 and March 2013.
- There have been various informal ministerial comments about the need for local planning authorities to contemplate development in Green Belt by reassessing boundaries in their Local Plans. This includes the suggestion of swapping Green Belt losses for additions in other locations. On 25th October 2013, in a Westminster debate, the Planning Minister indicated there are no longer enough suitable brownfield sites to meet the country's housing need and that potential Green Belt housing developments may be required.
- The possibility of local councils who fail to decide 30% of applications within 13 weeks being placed in “special measures”; this means having their planning applications decided by the Planning Inspectorate at the applicant's request.
- Additional permitted development rights to change use from commercial to residential without planning permission
- Allowing some open market sales on rural exception sites, if the local council considers doing so would significantly facilitate the provision of affordable housing.

The local planning context

- 1.26 With the removal of the regional tier of planning and the revocation of Regional Spatial Strategies, and under the auspices of Localism, a key change has been the opportunity for local planning authorities to establish the appropriate level of future housing to be delivered in their area. However the nature of the NPPF and its interpretation in Government and Planning Inspectorate decisions has meant that this local setting of housing needs/targets in Plans can only take place against the background imperative to meet full housing need and significantly boost housing supply.
- 1.27 The Localism Act, related regulations and the NPPF has certainly reshaped the face of planning for housing land supply. The nature and role of Local Plan evidence on housing need and the housing market has altered significantly. The scope of what might need to be covered in the development plan is also changing. Significantly the process needs have shifted the emphasis towards a single Local Plan rather than a “portfolio” style plan under

the former Local Development Framework (LDF) system. In doing so, it has changed the expectations of what should be contained within, and covered by, the Plan; in particular intimating that authorities prepare a more comprehensive initial Local Plan document and demonstrate that the Plan deals effectively with the duty to co operate with neighbouring authorities on strategic issues – particularly housing market and land supply related matters. A clear long term strategy with identification of specific sites and related evidence seems to be a necessity.

- 1.28 The current adopted Development Plan for St Albans City and District comprises the saved policies set out in the District Local Plan Review of 1994. A Draft Strategic Local Plan (effectively a LDF Core Strategy) has been prepared shaped by a range of consultations and meetings. However, at a meeting of the Council held on 28th November 2012, it was decided to defer its submission until two independent studies had been undertaken:

1. a review of Green Belt boundaries and a Green Belt study of all potential housing locations needs and
2. a study of housing need in St Albans and its District, including a full SHMA that meets the new NPPF approach which is this Study.

Assessing the need for housing in St Albans

- 1.29 The National Policy Planning Framework places a clear obligation on local planning authorities to assess the need for housing in their area. Under the title 'Delivering a wide choice of high quality homes', the Framework states that:

*'use their evidence base to ensure that their Local Plan meets the **full, objectively assessed needs for market and affordable housing in the housing market area**, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period'* (paragraph 47, our emphasis);

and at paragraph 159 states that:

*'Local planning authorities should have a **clear understanding of housing needs in their area**'* (our emphasis);

- 1.30 This report provides an **independent and objective assessment of the need for housing in the St Albans City and District Council area**. Paragraph 50 goes on to clarify the policy context informing the requirement to assess the need for housing and provides further definition of housing need as follows:

'To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:

- *plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes); and*
- *identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand'.*

- 1.31 2013 Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs' confirms the definition of housing need as follows:

'Need for housing in the context of the guidance refers to the scale and mix of housing and the range of tenures that is likely to be needed in the housing market area over the plan period - and should cater for the housing demand of the area and identify the scale of housing supply necessary to meet that demand'.

- 1.32 It is clear from the NPPF and Draft Practice Guidance that 'housing needs' refers to the need for market and affordable housing, and to meet the needs of different groups in the community

The need for affordable housing

- 1.33 At paragraph 47, the NPPF makes a clear distinction between market and affordable housing. The 2008 DCLG report 'Estimating Housing Need' reviewed in detail categories of housing need and provided the following observation at paragraph 8.14 of the report:

'There will always be debates about what should be counted as needs, and compromises have to be made between 'ideal' definitions and data which are available in suitable form for modelling'.

- 1.34 Fortunately, the NPPF provides a very clear definition of affordable housing at Annex 2, page 50 as follows:

'Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices'

- 1.35 Further clarification is provided concerning types of affordable housing as follows:

'Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as "low cost market" housing, may not be considered as affordable housing for planning purposes.'

- 1.36 2013 Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs' (D 2a-023-130729) has further specified 'What types of households are considered in housing need?'. The following table identifies the relevant households and where in the report their numbers are assessed:

Table 1.1: households in housing need, indicators applied and location of assessment in the report

Needs category	Indicator	Location in report
Households lacking their own and/or suitable housing		
• Concealed households	Homeless households and those in Temporary/Insecure Accommodation/Census	Chapter 4
• Sharing households	Homeless households	Chapter 4
• Overcrowded households	Census Occupancy Rating	Chapter 4
• Households experiencing mobility impairment and lacking suitable housing	Housing register data	Chapter 4
• Households lacking basic amenities/facilities or living in unsuitable dwellings which cannot be made suitable	Housing register data	Chapter 4
• Households containing people with particular social needs which cannot be resolved except through a move	Housing register data	Chapter 4
Households who cannot afford to meet their housing needs in the market		
• Households who cannot afford home ownership (current)	Housing register data/HMA and Housing Needs Toolkit	Chapters 4/5
• Households who cannot	Housing register data/ HMA and	Chapters

afford market renting (current)	Housing Needs Toolkit	4/5
<ul style="list-style-type: none"> Households who cannot afford home ownership (future) 	Housing register data/ HMA and Housing Needs Toolkit/25% gross household income affordability threshold	Chapters 4/5
<ul style="list-style-type: none"> Households who cannot afford market renting (future) 	Housing register data/ HMA and Housing Needs Toolkit/25% gross household income affordability threshold	Chapters 4/5

Specific needs

1.37 Households with ‘specific needs’ are a sub-set of all households requiring housing. In this context ‘needs’ refers to those who require additional care and/or support including some or all of:

- older people with specific needs;
- younger people with specific needs;
- adults with a learning disability and/or a physical disability;
- people sleeping rough and homeless families with support needs;
- minority groups with specific needs;
- gypsies and travellers;
- asylum seekers and refugees;
- people with mental health problems;
- people with substance misuse problems; and
- offenders and people with HIV.

1.38 However, it may well be that some households with specific needs will also be *‘households whose needs are not met by the market’*. They will therefore be households with a specific need who are also in need of affordable housing.

Housing demand

1.38 Paragraph 50 of the NPPF introduces the concept of housing demand but provides no guidance concerning its definition. Therefore it has been necessary to consult 2007 ‘Strategic Housing Market Assessment Practice Guidance’ to establish an official definition. Housing demand is defined there as:

- *‘the quantity of housing that households are willing and able to buy or rent’* (page 8).

1.39 This definition has been applied throughout the Report. It is important to note that housing demand does not relate solely to market housing. Households may be unwilling to rent affordable housing of the wrong type and/or in the wrong location as many research projects exploring the problems of ‘low demand’ identified in the late 1990s and early 2000s.

- 1.40 Housing preferences and aspirations are important concepts relating to housing demand but they have not been formally defined as housing terms. They are drivers of housing choice which can be identified from housing consumption behaviour including bidding for properties available through an affordable housing 'choice based lettings' system such as 'Herts Choice Homes'.

Housing supply and housing stock

- 1.41 'Housing supply' is widely used but has received the least definitional consideration. For example, in 'Section 6: Delivering a wide choice of high quality homes', the National Policy Planning Framework (2012) focuses on the 'supply of housing' without defining its meaning. Similarly, no definition is provided in 2013 Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs'. The term 'housing supply' has been applied throughout this report to refer to the combined effects of:
- Housing turnover: housing provided through re-letting and re-sales of existing market and affordable dwellings, and transfers between affordable dwellings.
 - New supply: housing stock additions provided through lettings and sales of newly completed dwellings and/or dwellings converted from other uses.
 - Stock losses: housing lost through demolition and/or conversion to other uses.
- 1.42 Housing supply is thus clearly differentiated from housing stock which refers to the total number of dwellings available at any defined point in time.

Housing market area

- 1.43 Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs' (2013) defines a Housing Market Area as a:

'geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work' (D 2a-010-130729).

- 1.44 Such a definition assumes that households are able to express demand and preference, but for those in housing need who are dependent on the availability of affordable housing and/or housing support, a housing market area may be much smaller, and defined by lack of choice.

Assessment of Housing Needs and Strategic Housing Market Assessment

- 1.45 In terms of 'Plan-making' for housing, the NPPF states at paragraph 159 that local planning authorities should:

'prepare a Strategic Housing Market Assessment to assess their full housing needs (and) identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period'

- 1.46 It is further required that this housing:

- *'meets household and population projections, taking account of migration and demographic change;*
- *addresses the need for all types of housing; and*
- *caters for housing demand and the scale of housing supply necessary to meet this demand'*

- 1.47 The preparation of the Local Plan needs to be supported by robust and credible evidence to demonstrate that the policies and proposals within it are 'sound'. To this end, the setting of any locally derived housing policies will need to be supported by up-to-date and proportionate evidence. The St Albans City and District Assessment of Housing Need and Strategic Housing Market Assessment (SHMA) conforms with the needs of the NPPF and forms a key piece of evidence to facilitate this.

- 1.48 The Study also constitutes a key evidence document to support the preparation of future housing policies for the Local Plan and to feed into other housing, planning, regeneration and economic strategies and interventions. In the absence of strategic housing needs imposed by a Structure Plan or a Regional Spatial Strategy, it will inform the strategic housing needs to be incorporated in the Plan. In turn the Study is crucial to the Council's new Housing Strategy.

- 1.49 As identified by the review of housing terms above, there are three Government documents guiding the production of Strategic Housing Market Assessments. These are:

- Strategic Housing Market Assessment Practice Guidance, (2007);
- National Policy Planning Framework (2012); and
- Draft National Planning Practice Guidance concerning the 'Assessment of Housing and Economic Development Needs' (2013). This is intended to replace the 2007 Guidance above.

1.50 The following table summarises the Core Outputs drawn from these sources and the associated Key Questions which inform the structure of the SHMA and their location in the Report.

Table 1.2: key research questions and core outputs of the Assessment

Chapter	Key Research Questions	Core Outputs
2	What is the housing market area?	Application of definition and mapping of housing market area(s) using a range of indicators including property price patterns; 70% 'self-containment' of home moves and commuting patterns and the professional views of estate and lettings agents.
2	What are the key influences and drivers at work in relation to the housing market? Who lives in the area, how might this change over the next 20 years?	Description of key drivers underpinning the housing market. Estimates of current and future population and household size and profile by population age band; age of household reference person and 17 CLG standard household types
3	What is the current pattern of supply of housing?	Analysis of past and current housing market trends, including the balance between supply and demand in different sectors.
4	What is the current pattern of need and demand for housing? How affordable is housing?	Estimates of current number of households in need of affordable housing
6	What is the future quantity of housing needed by type and tenure, and for those with special needs?	Using commissioned data from Edge Analytics and Housing Vision's modelling of the relationship between household type and housing needs, projections of future households between 2011 and 2031 and of their need for market and affordable housing by bedsize

1.51 In accordance with Government guidance on Housing Market Assessment, the approach adopted makes maximum use of existing and available secondary demographic, social and housing data to identify the dynamics of the local housing market; the 'choices' available to local people; the imbalances between need, demand and supply which constrain those choices and the projected future need for housing. Whilst specialist demographic projection and forecast data has been commissioned from Edge Analytics, no new surveys or other primary research have been undertaken.

- 1.52 Housing Market Assessments have typically provided static outputs which are incapable of being amended as circumstances change. Completion of the Assessment has involved the development of a version of Housing Vision's dynamic and interactive HMA and Housing Needs Toolkit which is capable of assessing the need for housing arising from household growth. The application of the Toolkit is fully described in Chapter 5. This dynamic approach to the Housing Market Assessment also includes the opportunity for affordability modelling through the application of a related Housing Options Toolkit. This allows for bespoke affordability testing of any housing option by type, bed space and tenure.

Data sources

- 1.53 The approach adopted in undertaking this Assessment places a primary reliance on secondary data. The advantage of such an approach is the opportunity it offers for continual updating, enabling the monitoring of housing markets directly in the future by housing and planning officers. The many data sources used are listed below accompanied by appropriate weblinks and guidance on updating is provided at Appendix 1.
- 1.54 Specialist demographic forecasts and projections have been commissioned from Edge Analytics who provide expertise in geographical modelling and research with a specialism in scenario forecasting. This expertise is based upon 20 years' experience in the application of modelling methods to support investment, planning and policy development in the public and private sector, both in the UK and internationally.
- 1.55 Edge Analytics is contracted by the Local Government Association (LGA) to support and develop the POPGROUP suite of forecasting models used by over 100 local planners across the UK. During 2010-12, Edge Analytics has successfully developed POPGROUP to be the 'industry standard' for demographic analysis and forecasting in the UK.

Accuracy and rounding

- 1.56 Please note that where percentages have been rounded this is indicated in the text, and where applied, cumulative totals may slightly exceed or fall below 100%.

Table 1.3: data sources consulted in order of use

Name of source	Origin	Web address
Census data 2001 and 2011	NOMIS	https://www.nomisweb.co.uk/Default.asp
ONS mid-year population estimates 2010, including components of population change	ONS	http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-231847
ONS 2010-based sub national population projections	ONS	http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-246448
Specialist demographic projections and forecasts	Edge Analytics	http://www.edgeanalytics.co.uk/
Annual Population Survey for 2008 (commuting)	NOMIS	https://www.nomisweb.co.uk/articles/554.aspx
CLG 2008-based sub national population projections	CLG	http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/
English Indices of Multiple Deprivation 2010	CLG	http://www.communities.gov.uk/publications/corporate/statistics/indices2010
English Indices of Multiple Deprivation 2010	CLG	http://www.communities.gov.uk/publications/corporate/statistics/indices2010
Annual Survey of Hours and Earnings (ASHE)	NOMIS	https://www.nomisweb.co.uk/Default.asp
CACI PayCheck Profile data for gross household incomes by district and postcode	CACI	http://www.caci.co.uk/
Housing Benefit and Council Tax recipients	DWP	http://statistics.dwp.gov.uk/asd/asd1/hb_ctb/hbctb_release_aug12.xls
Patient Register Data Service (PRDS), the National Health Service Central Register (NHSCR) and Higher Education Statistics Agency (HESA)	ONS	http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-218545
Occupancy Rating, 2011	NOMIS	http://www.nomisweb.co.uk/census/2011/qs408ew and http://www.nomisweb.co.uk/census/2011/qs412ew
Labour Force Survey (LFS) 2001	Business Information & Skills (BIS)	http://www.education.gov.uk/rsgateway/DB/VOL/v000303/index.shtml
Land Registry property price post-coded data	Land Registry	http://epsplatform.eu/content/uk-land-registry-releases-data-free-charge
Valuation Office Agency (VOA) data on private rents	VOA	http://www.voa.gov.uk/corporate/statisticalReleases/120126_PrivateRentalMarket.html
Private rental data	findaproperty.com	http://www.findaproperty.com/search-tools/
	rightmove.co.uk	http://www.yourrightmove.co.uk/

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Name of source	Origin	Web address
Housing Strategy Statistical Appendix (HSSA) data on affordable lettings, sales and completions	CLG	http://www.communities.gov.uk/publications/corporate/statistics/lahousing201011
COntinuous REcording of lettings and sales of social housing in England (CORE)	CLG	https://core.communities.gov.uk/
Rough Sleeping Statistics	CLG	http://www.communities.gov.uk/publications/corporate/statistics/roughsleepingautumn2011
Registered provider housing stock, applications and lettings data	Herts Choice Home	
Housing completions and empty and second homes data	St Albans City and District Council	

Boundaries

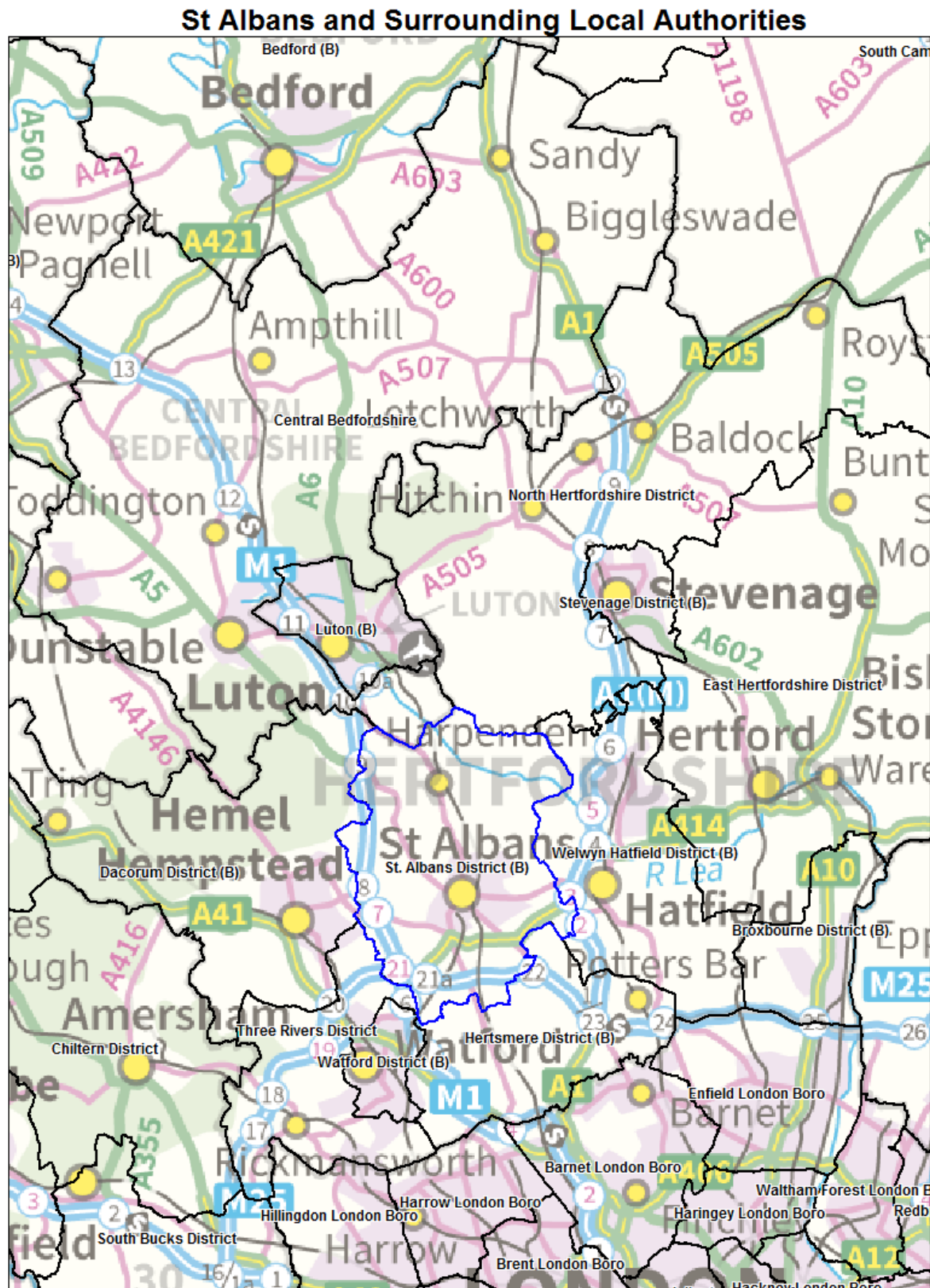
- 1.57 The 2010 English Indices of Deprivation use the 2004 ONS Lower Super Output Area boundaries. The Output Area Classification uses 2001 Census Output Areas. The 2011 Census data uses the new 2011 ONS Lower Super Output Area Boundaries. Data is collected and collated according to a range of boundaries which seldom conform to each other. The requirement is to achieve the best fit possible and the boundaries applied in this Assessment are summarised in the table below by data used.

Table 1.4: boundaries used by data in the SHMA

Boundary	Data	Source
St Albans City and District	Age structure Ethnic origin Household composition Occupation Economic Activity Qualifications Year of arrival UK Accommodation type Tenure type Number of rooms Rooms, average household size and Occupancy Rating (Overcrowding) Number of bedrooms Under-occupation (Occupancy Rating) Vacant homes Method of Travel to Work Car ownership Second homes	ONS Census 2011
	Internal migration, international migration and travel to work	ONS
	Incomes data	CACI
	Property price data	Land Registry
	Private rental data	VOA, rightmove.co.uk and zoopla.co.uk
	Household deprivation Affordable lettings, sales and completions data	CLG
	Affordable housing stock, applications and lettings data	Herts Home Choice

- 1.58 Map 1.1 below locates St Albans City and District in relation to neighbouring local authority areas and Map 1.2 identifies the St Albans City and District Council.

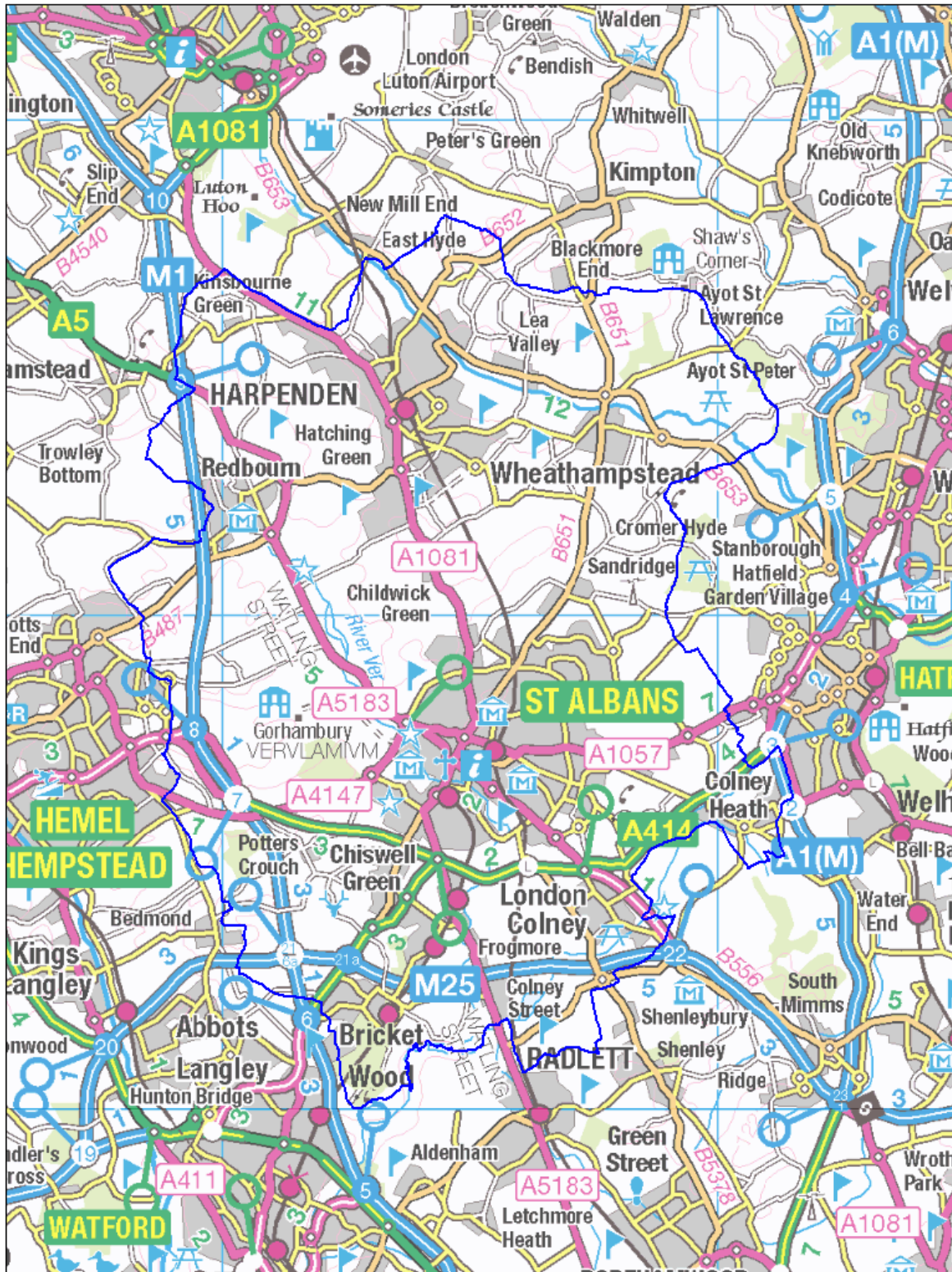
Map 1.1



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Map 1.2

St Albans



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Defining the St Albans City and District Housing Market Area and Sub Areas

- 1.59 Housing markets can be understood geographically by identifying the characteristics of the market within a defined area, or socially by identifying the behaviour of housing consumers across a defined area. Both principles have been applied in this case. The principle underlying the definition of housing market areas is that of 'self-containment', that within a defined area, a majority of people will either live and work and/or move home. The degree of self-containment 'defining' a housing market area is usually set at 70%. Whilst it has been possible to apply this threshold in relation to commuting patterns, such is the range of origin and destination local authorities for small numbers of 'home movers' that this would have been impractical. Consequently, a further threshold has been applied of a minimum of 100 moves either in or out over the three previous years for which data is available.
- 1.60 A further approach to defining housing market areas is to map property values by area and to identify concentrations by lower or higher values. This is especially useful in defining the housing market area around St Albans as the district has high property values relative to adjoining local authority areas as indicated below.
- 1.61 Finally interviews with estate and lettings agents across the area have been used to answer the question: *"How would you define the local housing market in this area?"*
- 1.62 In summary, the St Albans City and District housing market area has been defined according to the following indicators:
 1. The degree of self-containment using live: work patterns at the 70% level. This data is only available for unitary or second tier local authorities and therefore, identification of self-containment can only be achieved at this geographic level. This data is only available for unitary or second tier local authorities and therefore, identification of self-containment can only be achieved at this geographic level.
 2. The degree of self-containment using home move patterns at the 70% level where 100 or more people moved in or out over each year of the three previous years for which data is available. This data is only available for unitary or second tier local authorities and therefore, identification of self-containment can only be achieved at this geographic level.
 3. Patterns of property values; and
 4. Interviews with estate and letting agents.

- 1.63 The following table identifies the indicators applied; to define the St Albans City and District Housing Market Area and the sources used in the report. Subsequent maps identify the Area's boundaries.

Table 1.5: definition of the St Albans City and District Housing Market Area

Definition	Travel to work @ 70% self-containment	Home moves @ 70% self-containment + 100 movers per annum	Property prices	Property agents
Core Housing Market Area	Yes	Yes	Yes	Yes
Wider Housing Market Area	Yes	Yes		
Peripheral Housing Market Area	Yes	Yes		Yes

- 1.64 As described in the following maps, St Albans is at the centre of a hierarchy of housing markets identified according to the extent to which the district is connected to them as follows:

1. Based on property price patterns and the views of property agents, a high value 'Core Housing Market Area' which extends slightly beyond the district's boundaries to the north and south. This conforms with the conclusions of the ORS 2008 SHMA for the London Commuter Belt (West) which identified at paragraph 3.17, '*St Albans, Harpenden and much of the less sparsely populated areas constituting one or more further sub-markets (each having relatively more expensive housing stock)*'. However in terms of travel to work self-containment, St Albans was placed in the 60-65% category which is below the threshold applied here and as recommended in draft National Planning Practice Guidance. St Albans was assessed in terms of its relative 'self-containment' in relation to the London Commuter Belt (West) sub-region whereas a broader perspective has been adopted here. Further detail concerning the 2008 definition of the St Albans housing market area is available at:

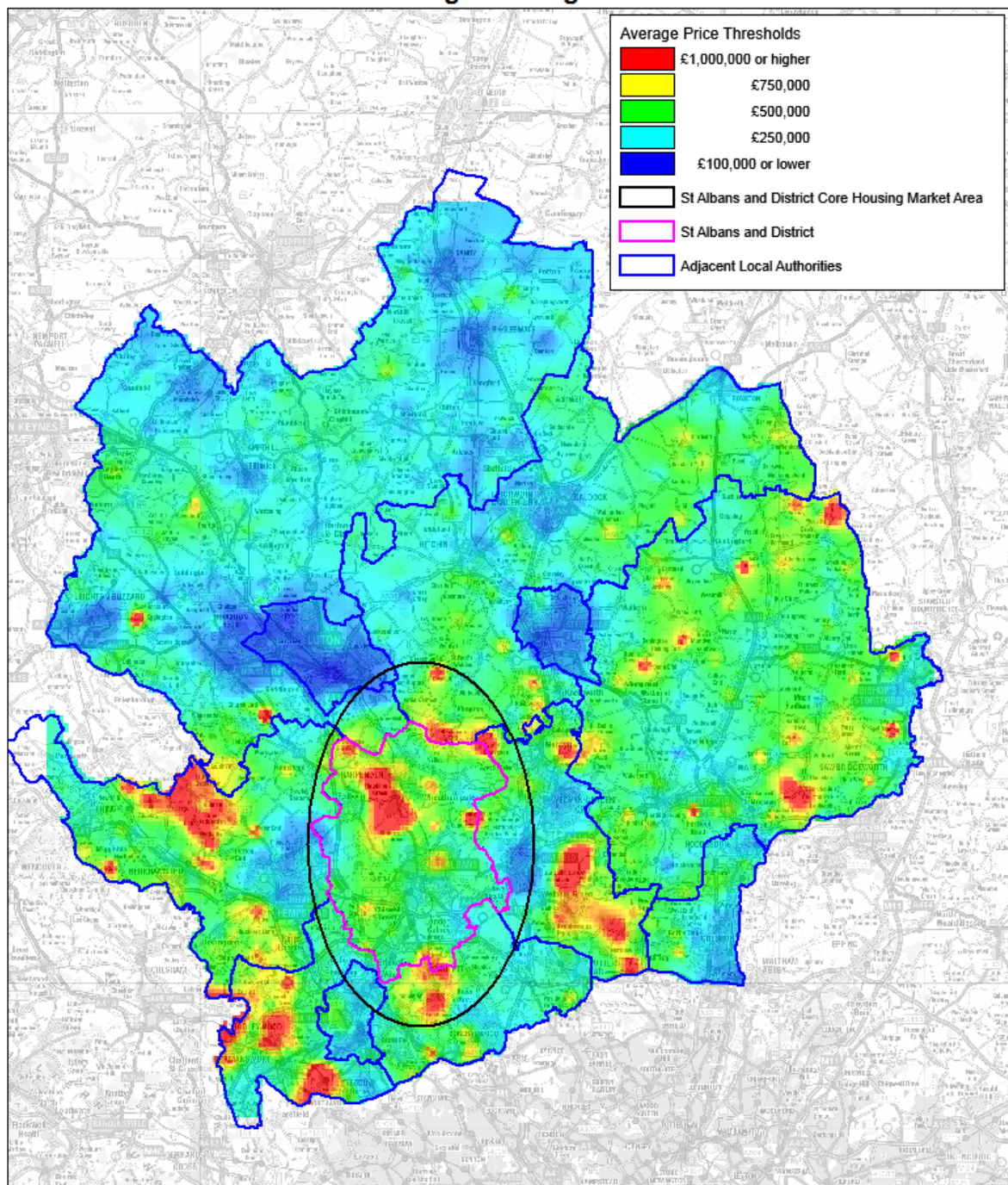
http://www.stalbans.gov.uk/Images/LCB%20SHMA%20Exec%20summary_tcm15-15744.pdf

2. Based on home move and travel to work self-containment at 70%, there are links to a geographically continuous but 'Wider Housing Market Area' which consists of:
 - Central Bedfordshire
 - Dacorum
 - East Hertfordshire
 - Hertsmere

- Luton
 - North Hertfordshire
 - Stevenage
 - Three Rivers
 - Watford
 - Welwyn Hatfield
3. Based on home move and travel to work self-containment at 70% and the views of property agents, there are links to an extended but 'Peripheral Housing Market Area' consisting of the following London boroughs:
- Barnet
 - Brent
 - Camden
 - City of London
 - Haringey
 - Harrow
 - Islington
 - Wandsworth
 - Westminster

Map 1.3

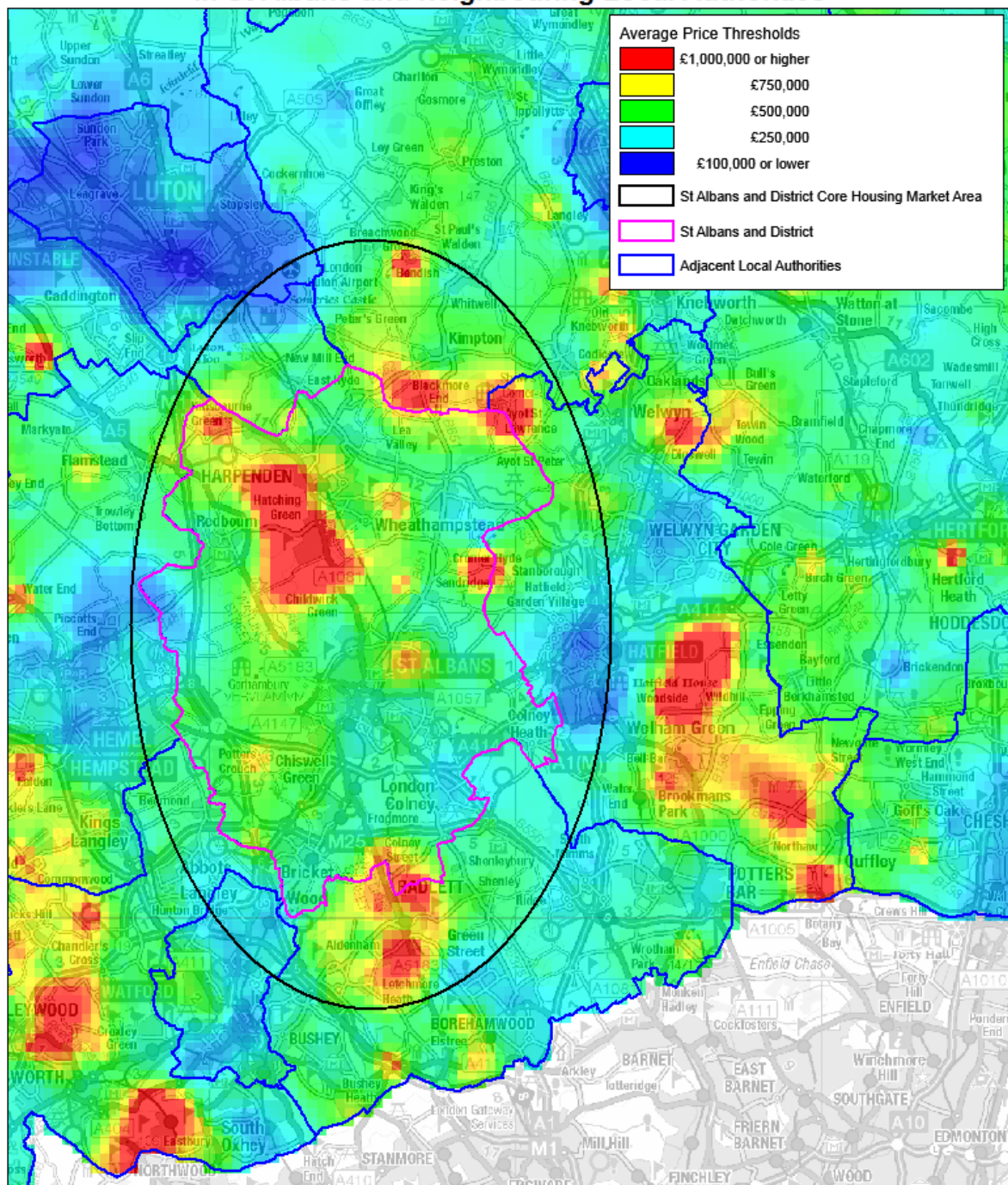
**St Albans and District Core Housing Market Area
Showing Average House Prices for Sales Registered with the Land
Registry during the period 1/1/2012 to 31/5/2013
in St Albans and Neighbouring Local Authorities**



Source: Land Registry Website, <http://www.landregistry.gov.uk/market-trend-data/public-data/price-paid-data>
This data covers the transactions received at the Land Registry in the period 1/1/2012 to 31/5/2013.
(c) Crown copyright 2013. Contains Ordnance Survey Data (c) Crown copyright and database right 2013.
Contains Royal Mail data (c) Royal Mail copyright and database right 2013. Contains National Statistics data.
(c) Crown copyright and database right 2013.

Map 1.4

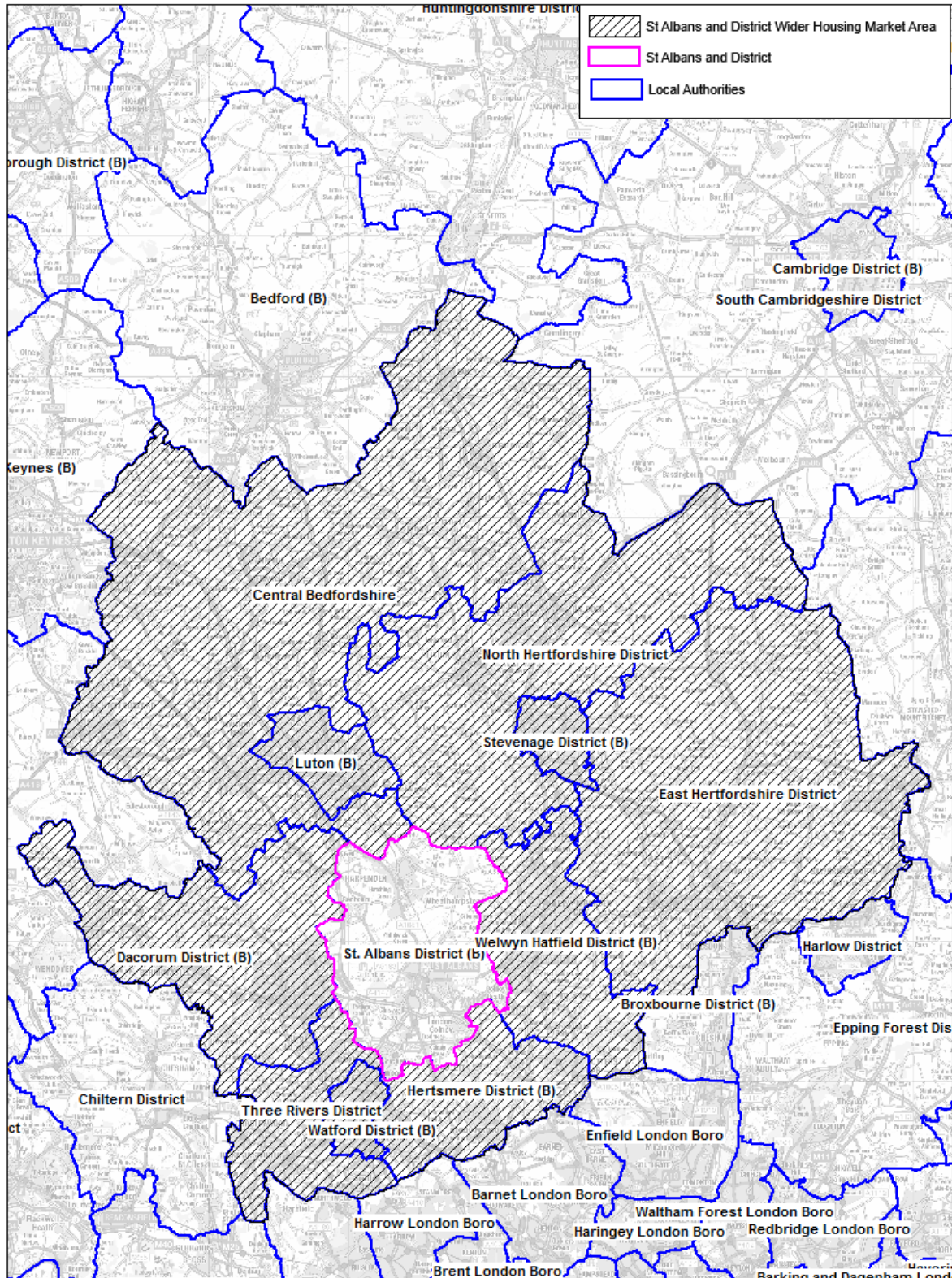
St Albans and District Core Housing Market Area (Zoomed)
Showing Average House Prices for Sales Registered with the Land
Registry during the period 1/1/2012 to 31/5/2013
in St Albans and Neighbouring Local Authorities



Source: Land Registry Website, <http://www.landregistry.gov.uk/market-trend-data/public-data/price-paid-data>
This data covers the transactions received at the Land Registry in the period 1/1/2012 to 31/5/2013.
(c) Crown copyright 2013. Contains Ordnance Survey Data (c) Crown copyright and database right 2013.
Contains Royal Mail data (c) Royal Mail copyright and database right 2013. Contains National Statistics data.
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Map 1.5

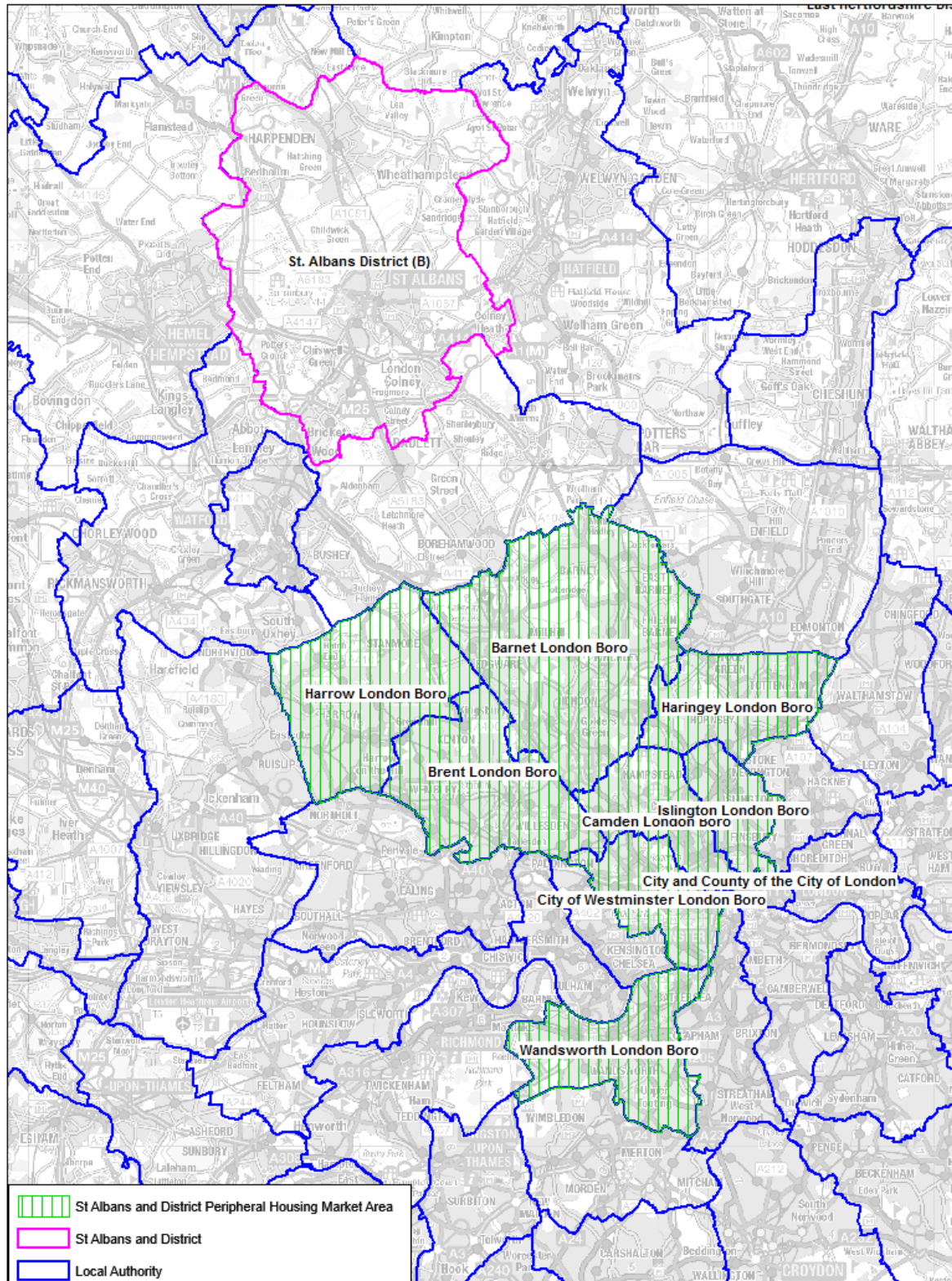
St Albans and District Wider Housing Market Area



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Map 1.6

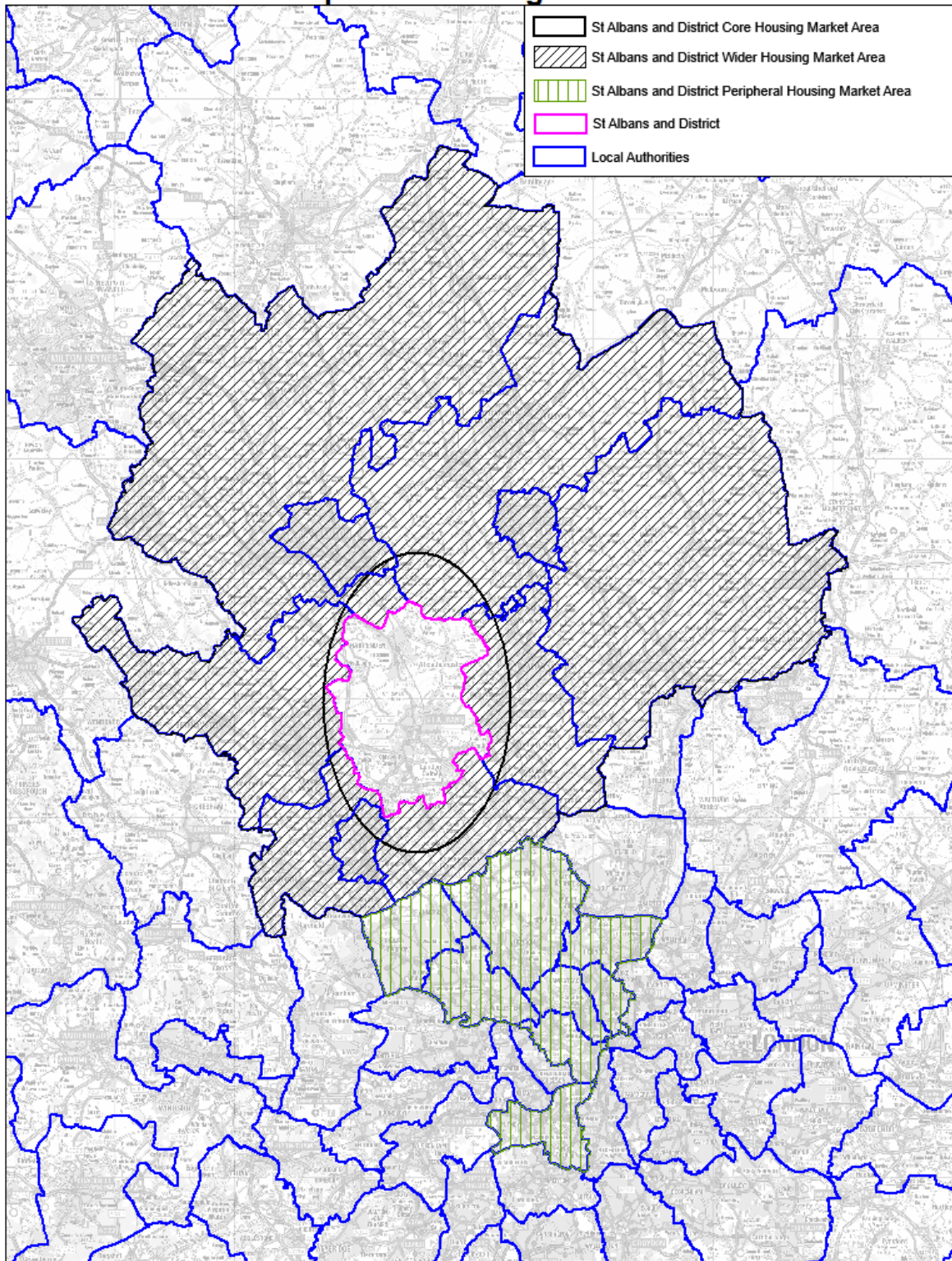
St Albans and District Peripheral Housing Market Area



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Map 1.7

St Albans and District with Core, Wider and Peripheral Housing Market Areas



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The St Albans City and District SHMA and its relationship to SHMAs in the Wider Housing Market Area

1.65 Analysis of the housing market area for St Albans City and District has identified a relationship with a 'Wider Housing Market Area consisting of:

- Central Bedfordshire
- Dacorum
- East Hertfordshire
- Hertsmere
- Luton
- North Hertfordshire
- Stevenage
- Three Rivers
- Watford
- Welwyn Hatfield

1.65 The following table identifies SHMAs of relevance and their current status and provides a weblink to the relevant reports.

Table 1.6: SHMAs for local authorities in the Wider Housing Market Area

Authority	Link to published SHMA	Status
Dacorum (Housing needs and market assessment update by DCA)	http://www.dacorum.gov.uk/docs/default-source/planning-development/dca-dacorum-housing-market-and-needs-assessment-2012-2.pdf?Status=Master&sfvrsn=0	2012 update A new SHMA will be undertaken next year as part of the early review of their Core Strategy.
Hertsmere	See London Commuter Belt West SHMA	
London Commuter Belt West SHMA (undertaken by ORS for St Albans, Dacorum, Hertsmere, Three Rivers, Watford, Welwyn Hatfield)	http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/evidence-base/strategic-housing-market-assessment-(shma)-2008	2008 - 2010
Luton and Central Bedfordshire	http://www.luton.gov.uk/housing/other%20housing%20information/housing%20development%20a	2010 Report

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(undertaken by ORS)	nd%20strategy/pages/strategic%20housing%20market%20assessment_1.aspx	
	http://www.centralbedfordshire.gov.uk/Images/FINAL%20Luton%20and%20Central%20Bedfordshire%20SHMA%20Update1_tcm6-39254.pdf	2012 update
Three Rivers -	See London Commuter Belt West SHMA	
Watford	See London Commuter Belt West SHMA	
Welwyn Hatfield	See London Commuter Belt West SHMA Turley Associates are currently undertaking a new SHMA for the Authority, this is not available yet.	

2. Housing Stock and Supply

Introduction

2.1 Using a wide variety of authoritative secondary sources, this section reviews patterns and trends in the supply of housing across the area since 2001 as the basis for understanding the balance between supply and demand and the future need for housing. As explained in Chapter One, a distinction is made between:

- housing stock - the total number of dwellings; and
- housing supply - the number of dwellings available annually to rent or purchase due to turnover from the existing stock and from new supply resulting from construction, conversions and/or bringing empty homes back into use.

Setting the baseline: patterns and trends in the housing stock

Property type

2.2 The following table summarises the baseline position by accommodation type in 2011 and the sub-section closes with a detailed estimate of stock by tenure.

Table 2.1: Accommodation Type, St Albans City and District, 2011

Property Type	St Albans City and District			East		England	
	No	%	Rank	No	%	No	%
Whole House or Bungalow:							
Detached	15,443	26.6	181	744,954	29.4	5,128,552	22.3
Semi-detached	17,403	30.0	189	769,846	30.4	7,076,395	30.7
Terraced (including end terrace)	12,231	21.1	197	577,263	22.8	5,642,969	24.5
Flat, maisonette or apartment:							
Purpose Built block of flats or tenement	10,501	18.1	82	348,277	13.7	3,854,451	16.7
Part of a converted or shared house (including bed-sits)	1,472	2.5	131	53,284	2.1	984,284	4.3
In commercial building	644	1.1	131	22,473	0.9	257,218	1.1
Temporary/Mobile							
Caravan or other mobile or temporary structure	306	0.5	138	19,401	0.8	100,228	0.4
All Categories: Household Spaces	58,000	100.0		2,535,498	100.0	23,044,097	100.0

(Source: Table KS401EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- The total dwelling stock increased by 4,198 or by 7.8% in the 10 years since the 2001 Census. The St Albans and District Annual Monitoring Report for December 2013 recorded 3,557 residential completions over the period which implies that a further 641 dwellings have been provided by conversions from other uses or by dwellings being brought back into use. Further detail of completions can be found at:
http://www.stalbans.gov.uk/Images/Authority's%20Monitoring%20Report%20-%20April%202011%20to%20March%202012_tcm15-30258.pdf
- 30.0% of accommodation in St Albans City and District was in semi-detached homes at the time of the 2011 Census. This was similar to the East (30.4%) and England (30.7%).
- More than one quarter (26.6%) was detached homes. This was lower than in the East (29.4%) and higher than for England (22.3%).
- More than one fifth (21.1%) was in terraced homes. This was a little lower than in the East (22.8%) and in England (24.5%).
- More than one fifth (21.8%) lived in flats. This was higher than in the East (16.7%) and lower than in England (22.1%).
- 0.5% of accommodation in St Albans City and District was in caravans or other temporary or mobile structures. This was lower than in the East (0.8%) and higher than in England (0.4%).

Tenure

2.3 The following table summarises the baseline position in 2011.

Table 2.2: Tenure Type, St Albans City and District, 2011

Tenure	St Albans City and District			East		England	
	No	%	Rank	No	%	No	%
Owned							
Owned Outright	19,409	34.6	153	797,019	32.9	6,745,584	30.6
Owned with a Mortgage or loan	21,422	38.2	58	840,842	34.7	7,229,440	32.8
Shared Ownership							
Shared Ownership (part owned and part rented)	261	0.5	257	17,760	0.7	173,760	0.8
Social Rented							
Council	4,753	8.5	149	188,886	7.8	2,079,778	9.4
Other	2,079	3.7	291	191,445	7.9	1,823,772	8.3
Private Rented							
Rented from: Private landlord or letting agency	7,065	12.6	177	322,938	13.3	3,401,675	15.4
Private Rented Other	559	1.0	314	33,289	1.4	314,249	1.4
Rent Free							
Living Rent Free	592	1.1	269	30,856	1.3	295,110	1.3
All Categories: Tenure	56,140	100.0		2,423,035	100.0	22,063,368	100.0

(Source: Table KS402EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- 72.7% of homes in St Albans City and District were owner occupied, a reduction from 76.7% in 2001. This was higher than in the East (67.6%) and in England (63.3%) for the year 2011 (Source: KS18, 2001 Census data, Neighbourhood Statistics website). A decline in owner occupation has been seen across the country, although the decline in St Albans has been smaller than that for England as a whole. As is shown below, the decrease in owner occupation is almost precisely matched by an increase in the private rented sector in the area.
- 0.5% of homes were Shared Ownership in St Albans City and District. This was lower than in the East (0.7%) and in England (0.8%).
- 12.2% of homes in St Albans City and District were social rented. This was lower than in the East (15.7%) and in England (17.7%).
- The number of social rented homes has not grown much since 2001 as there were 6,618 in 2001 compared to 6,832 in 2011.
- 3.7% of homes in St Albans City and District were Other Social Rented. This was lower than in the East (7.9%) and in England (8.3%).
- 8.5% of homes in St Albans City and District were local authority social rented. This was higher than in the East (7.8%) and lower than in England (9.4%).
- 13.6% of homes in St Albans City and District were private rented (both from a private landlord/lettings agency plus Other Private Rented combined). This was lower than in the East (14.7%) and lower than in England (16.8%).
- 12.6% were privately rented from a landlord/lettings agency, an increase from 7.7% in 2001. (Source: KS18, 2001 Census data, Neighbourhood Statistics website)
- 14.7% were either private rented or Living Rent Free. This had increased from 10.4% in 2001. (Source: KS18, 2001 Census data, Neighbourhood Statistics website)

Accommodation type by tenure

2.4 The following table shows accommodation type by tenure.

Table 2.3: Accommodation Type by Tenure, St Albans City and District, 2011

Accommodation Type	Whole house or bungalow						Other: Flat, Maisonette or Apartment:						Total	
	Detached		Semi-detached		Terraced (including end-terrace)		In a purpose-built block of flats or tenement		That is part of a converted or shared house (including bed-sits)		In a commercial building, or mobile/temporary accommodation		All Categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Owned														
Owned Outright	7,788	51.7	6,276	36.7	3,365	28.3	1,643	16.6	115	8.3	222	27.4	19,409	34.6
Owned with a Mortgage or loan	6,265	41.6	7,563	44.3	5,309	44.6	2,154	21.7	295	21.4	97	12.0	21,683	38.6
Social Rented														
Council	91	0.6	1,545	9.0	1,135	9.5	1,804	18.2	145	10.5	33	4.1	4,753	8.5
Other	81	0.5	393	2.3	426	3.6	1,051	10.6	117	8.5	11	1.4	2,079	3.7
Private Rented														
Rented from: Private landlord or letting agency	634	4.2	1,060	6.2	1,450	12.2	2,909	29.4	662	48.0	350	43.3	7,065	12.6
Private Rented Other or Living Rent Free	197	1.3	254	1.5	212	1.8	348	3.5	44	3.2	96	11.9	1,151	2.1
All Categories: Tenure	15,056	100.0	17,091	100.0	11,897	100.0	9,909	100.0	1,378	100.0	809	100.0	56,140	100.0

(Source: Table DC4402EW, 2011 Census data, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- 93.3% of detached houses were owner occupied, 5.5% were privately rented and 1.1% were social rented.
- 81.0% of semi detached houses were owner occupied, 11.3% were social rented and 7.7% were privately rented.
- 72.9% of terraced houses were owner occupied, 14.0% were privately rented and 13.1% were social rented.
- 38.3% of purpose built flats were owner occupied, 32.9% were privately rented and 28.8% were social rented.
- More than half (51.2%) of flats in converted or shared houses were privately rented, 29.8% were owner occupied and almost one fifth (19.0%) were social rented.
- 55.1% of flats in commercial buildings or temporary/mobile accommodation were privately rented, 39.4% were owner occupied and 5.4% were social rented.

Number of rooms and bedrooms

- 2.5 A key indicator when profiling the supply of housing is the number of bedrooms. The 2001 Census data in the table below shows only the number of habitable rooms i.e. excluding bathrooms, toilets, halls or landings.

Table 2.4: Number of Rooms, St Albans City and District, 2011

Rooms	St Albans City and District		East		England	
	No	%	No	%	No	%
1 Room	293	0.5	11,420	0.5	172,008	0.8
2 Rooms	1,487	2.6	56,289	2.3	641,307	2.9
3 Rooms	5,134	9.1	218,770	9.0	2,264,602	10.3
4 Rooms	9,559	17.0	427,324	17.6	4,227,236	19.2
5 Rooms	10,513	18.7	591,100	24.4	5,446,830	24.7
6 Rooms	10,341	18.4	477,702	19.7	4,275,834	19.4
7 Rooms	7,123	12.7	267,353	11.0	2,223,733	10.1
8 Rooms	5,366	9.6	179,573	7.4	1,400,789	6.3
9 or more Rooms	6,324	11.3	193,504	8.0	1,411,029	6.4
All Household Spaces With At Least One Usual Resident	56,140	100.0	2,423,035	100.0	22,063,368	100.0
Average Number of Rooms Per Household	5.8		5.6		5.4	

(Source: Table QS407EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- The average number of rooms per household in St Albans City and District was 5.8. This was higher than in the East (5.6) and in England (5.4).
- There was a slightly higher percentage of homes with 1, 2 or 3 rooms in St Albans City and District (12.3%) than in the East (11.8%) and a lower percentage than in England (14.0%).
- More than half (54.2%) of homes in St Albans City and District had 4, 5 or 6 rooms. This was lower than in the East (61.7%) and in England (63.2%).
- Just over one third (33.5%) of homes in St Albans City and District had 7 plus rooms, higher than in the East (26.4%) and in England (22.8%).

Number of rooms and tenure

2.6 The following table shows tenure by the number of rooms.

Table 2.5: Tenure by Number of Rooms, St Albans City and District, 2011

Number of Rooms	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1 room	9	0.0	15	0.1	56	1.2	50	2.4	132	1.9	31	2.7	293	0.5
2 rooms	137	0.7	259	1.2	235	4.9	219	10.5	565	8.0	72	6.3	1,487	2.6
3 rooms	739	3.8	935	4.3	1,108	23.3	607	29.2	1,530	21.7	215	18.7	5,134	9.1
4 rooms	2,392	12.3	2,646	12.2	1,281	27.0	608	29.2	2,355	33.3	277	24.1	9,559	17.0
5 rooms	3,776	19.5	3,830	17.7	1,227	25.8	393	18.9	1,083	15.3	204	17.7	10,513	18.7
6 rooms	4,270	22.0	4,363	20.1	695	14.6	115	5.5	717	10.1	181	15.7	10,341	18.4
7 rooms	3,049	15.7	3,521	16.2	99	2.1	40	1.9	335	4.7	79	6.9	7,123	12.7
8 or more rooms	5,037	26.0	6,114	28.2	52	1.1	47	2.3	348	4.9	92	8.0	11,690	20.8
All categories	19,409	100.0	21,683	100.0	4,753	100.0	2,079	100.0	7,065	100.0	1,151	100.0	56,140	100.0

(Source: DC4404, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- 42.1% of Other Social Rented homes were smaller homes with 1 to 3 rooms compared to 31.5% of privately rented homes with a landlord/lettings agency, 29.4% of local authority social rented homes, 27.6% of Other Private Rented or Living Rent Free, 5.6% of Owner Occupied with a Mortgage or Shared Ownership homes and 4.6% of owner occupied outright homes.
- 67.4% of local authority social rented homes had 4 to 6 rooms compared to 58.8% of privately rented homes with a landlord/lettings agency, 57.5% of other privately rented or Living Rent Free, 53.8% of owner outright homes, 53.7% of Other Social Rented and 50.0% of Owner Occupied with a Mortgage/loan or Shared Ownership homes.
- 44.4% of Owner Occupied with a Mortgage/loan or Shared Ownership homes had 7 plus rooms compared to 41.7% owner outright homes, 14.9% other privately rented or Living Rent Free, 9.7% of privately rented homes with a landlord, 4.2% of Other Social Rented homes and 3.2% of local authority social rented home.

Number of bedrooms

2.7 The following table shows the number of bedrooms according to the 2011 Census.

Table 2.6: Number of Bedrooms, St Albans City and District, 2011

Bedrooms	St Albans City and District		East		England	
	No	%	No	%	No	%
No Bedrooms	106	0.2	5,194	0.2	54,938	0.2
1 Bedroom	6,018	10.7	251,374	10.4	2,593,893	11.8
2 Bedrooms	13,294	23.7	633,776	26.2	6,145,083	27.9
3 Bedrooms	20,053	35.7	1,002,547	41.4	9,088,213	41.2
4 Bedrooms	12,143	21.6	407,633	16.8	3,166,531	14.4
5 or More Bedrooms	4,526	8.1	122,511	5.1	1,014,710	4.6
All Household Spaces with at least one usual resident	56,140	100.0	2,423,035	100.0	22,063,368	100.0
Average Number of Bedrooms Per Household	2.9		2.8		2.7	

(Source: Table QS411 EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>).

Key findings

- The average number of bedrooms per households was 2.9 in St Albans City and District, a little higher than in the East (2.8) and in England (2.7).
- More than one third (34.6%) of homes in St Albans City and District were small with zero, one or two bedrooms. This was lower than in the East (36.7%) and in England (39.9%).
- 57.3% of homes in St Albans City and District had 3 or 4 bedrooms. This was lower than in the East (58.2%) and higher than in England (55.5%).
- 8.1% of homes in St Albans City and District were larger 5 plus bed homes. This was higher than in the East (5.1%) and in England (4.6%).

Number of bedrooms and tenure

2.8 The following table shows Tenure by the number of bedrooms.

Table 2.7: Tenure by Number of Bedrooms, 2011

Number of Bedrooms	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1 Bedroom	800	4.1	971	4.5	1,366	28.7	814	39.2	1,866	26.4	307	26.7	6,124	10.9
2 Bedrooms	3,815	19.7	3,858	17.8	1,413	29.7	726	34.9	3,117	44.1	365	31.7	13,294	23.7
3 Bedrooms	7,834	40.4	8,182	37.7	1,824	38.4	432	20.8	1,441	20.4	340	29.5	20,053	35.7
4 Bedrooms	5,089	26.2	6,279	29.0	124	2.6	73	3.5	467	6.6	111	9.6	12,143	21.6
5 or More Bedrooms	1,871	9.6	2,393	11.0	26	0.5	34	1.6	174	2.5	28	2.4	4,526	8.1
All Categories	19,409	100.0	21,683	100.0	4,753	100.0	2,079	100.0	7,065	100.0	1,151	100.0	56,140	100.0

(Source: DC4405, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- 74.1% of Other Social Rented homes had 1 or 2 beds compared to 70.5% of privately rented homes with a landlord/lettings agency, 58.5% of local authority social rented homes, 58.4% of other privately rented or Living Rent Free homes, 23.8% of Owned Outright homes and 22.3% of Owned with a Mortgage/loan or Shared Ownership homes.
- Two thirds (66.7%) of owner occupied homes with a mortgage/loan or Shared Ownership and 66.6% of owner occupied outright homes had 3 or 4 beds compared to 41.0% of homes rented from a local authority, 39.2% of other privately rented or Living Rent Free homes, 27.0% of homes rented privately with a landlord/lettings agency and 24.3% of Other Social Rented homes.
- 11.0% of homes Owned with a Mortgage/loan or Shared Ownership and 9.6% of homes Owned Outright had 5 plus beds compared to 2.5% of homes rented privately with a landlord/lettings agency, 2.4% of Other Private Rented or Living Rent Free homes, 1.6% of Other Social Rented homes and 0.5% of local authority homes.

Dwellings by Council Tax band

2.9 The following table summarises dwellings by Council Tax band in 2011.

Table 2.8: dwellings by Council Tax band in St Albans City and District, 2011

Council Tax Band	St Albans		East		England	
	No	%	No	%	No	%
Band A	895	1.5	362,637	14.3	5,701,030	24.8
Band B	2,982	5.1	538,952	21.3	4,494,194	19.6
Band C	8,904	15.4	661,902	26.2	4,992,524	21.8
Band D	15,668	27.0	440,796	17.4	3,513,171	15.3
Band E	12,487	21.6	267,660	10.6	2,166,533	9.4
Band F	8,742	15.1	145,085	5.7	1,144,117	5.0
Band G	7,148	12.3	98,094	3.9	805,748	3.5
Band H	1,110	1.9	12,258	0.5	130,183	0.6
Total	57,936	100.0	2,527,384	100.0	22,947,500	100.0

(Source: Dwellings by Council Tax Band; Neighbourhood Statistics Website
<http://www.neighbourhood.statistics.gov.uk/>. Contains public sector information licensed under the
Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- There were a very low percentage of low Council Tax Band (A and B) homes in St Albans City and District (6.7%). This was much lower than in the East (35.7%) and in England (44.4%).
- Conversely, there were a much higher percentage of high Council Tax band (F to H) homes in St Albans City and District (29.3%) than in the East (10.1%) and England (9.1%).
- However, it must be remembered that as the property values on which these bandings have been based have not been updated since 1st April 1991, they may no longer be a valid indication of current market values.

Under-occupation and overcrowding

- 2.10 Under-occupation and overcrowding are likely to be experienced at different stages of the life cycle. Under-occupation is more likely to affect older people living in family housing from which children have moved on. Overcrowding is more likely to affect younger people with dependent children who are in need of more bedrooms. Under-occupation and overcrowding can therefore, be two sides of the same coin, where a reduction in under-occupation by older people can increase the supply of family housing for younger households.
- 2.11 The Occupancy Rating provides a measure of whether a household's accommodation is overcrowded or under-occupied and is widely used by central and local Government to develop appropriate housing policies and plan future housing provision. Datasets provide estimates at the Census day, 27 March 2011, that classify households in England and Wales. Full descriptions of the methods used for calculating these two measures can be found here <http://www.nomisweb.co.uk/census/2011/qs408ew> (rooms) and here <http://www.nomisweb.co.uk/census/2011/qs412ew> (bedrooms). There are two measures of occupancy rating, one based on the number of rooms in a household's accommodation, and one based on the number of bedrooms. Each assesses the relationship between household members according to their ages and gender and the number of rooms or bedrooms in relation to the number of rooms or bedrooms 'required' by the members of that household. The number of rooms/bedrooms required is subtracted from the number of rooms/bedrooms in the household's accommodation to obtain the occupancy rating. An occupancy rating of -1 implies that a household has one fewer room/bedroom than required (overcrowded), whereas +1 implies that they have one more room/bedroom than the standard requirement (under-occupying).
- 2.12 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. Set out below is a description of how the number of bedrooms/rooms required is calculated as follows:

- A one-person household requires three rooms and one bedroom.

2.13 The **room** needs for a multi-person household are calculated as follows:

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 if there are no males aged 0-9 to pair him with;
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.

2.14 The **bedroom** needs for a multi-person household are as follows:

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 if there are no males aged 0-9 to pair him with;
6. Repeat steps 3-5 for females;
7. One bedroom for every two remaining children aged 0-9 (regardless of gender), rounded **up**.

2.15 Applying the Occupancy Rating:

- An occupancy rating of +2 or more suggests there are 2 or more rooms more than are 'required' according to the definition, i.e. there is more than one spare room and there is under-occupation; and
- An occupancy rating of -1 suggests there is one less room than is 'required' according to the definition, i.e. there are not enough rooms for the number of people and there is overcrowding.

2.16 Using the Occupancy Rating, the following table summarises the level of under-occupation and overcrowding for all households at the time of the 2011 Census.

Table 2.9: Under-occupation and Overcrowding, St Albans City and District, 2011

Occupancy Rating	St Albans City and District		East		England	
	No	%	No	%	No	%
Occupancy rating (rooms) of -1 or less	3,747	6.7	156,437	6.5	1,928,596	8.7
Occupancy rating (bedrooms) of -1 or less	1,920	3.4	86,102	3.6	1,060,967	4.8
Occupancy Rating 2+ All Households Bedrooms	23,124	41.2	912,653	37.7	7,558,815	34.3
Occupancy Rating 2+ All Households Rooms	32,458	57.8	1,318,884	54.4	10,970,550	49.7
All Households	56,140	100.0	2,423,035	100.0	22,063,368	100.0

(Source: Table QS408 and 411 EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- Overcrowding was less of a problem in St Albans and District than in England at the time of the 2011 Census.
- Using the bedroom occupancy rating, 3.4% of households in St Albans City and District were overcrowded in 2011. This was lower than in the East (3.6%) and in England (4.8%).
- Using the room occupancy rating, 6.7% of households in St Albans City and District were overcrowded. This was slightly higher than in the East (6.5%) and lower than in England (8.7%).
- There was a higher level of under occupation in St Albans City and District than in the Region and in England at the time of the 2011 Census:
 - Using the bedroom occupancy rating, 41.2% of households in St Albans City and District were under-occupied. This was higher than in the East (37.7%) and in England (34.3%).
 - Using the room occupancy rating, 57.8% of households were under-occupied. This was higher than in the East (54.4%) and in England (49.7%).

Persons per bedroom by tenure

- 2.17 The number of persons per bedroom is equal to the number of usual residents in a household divided by the number of bedrooms in that household's accommodation. 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. The following tables show the number of persons per bedroom for tenure and accommodation type.

Table 2.10: Tenure by Persons per Bedroom, St Albans City and District, 2011

Persons Per Bedroom	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Up to 0.5 persons	9,177	47.3	3,967	18.3	730	15.4	226	10.9	1,135	16.1	373	32.4	15,608	27.8
Over 0.5 and up to 1.0 persons	8,968	46.2	12,047	55.6	2,439	51.3	1,169	56.2	3,788	53.6	565	49.1	28,976	51.6
Over 1.0 and up to 1.5 persons	932	4.8	4,319	19.9	629	13.2	293	14.1	947	13.4	98	8.5	7,218	12.9
Over 1.5 persons	332	1.7	1,350	6.2	955	20.1	391	18.8	1,195	16.9	115	10.0	4,338	7.7
All Categories	19,409	100.0	21,683	100.0	4,753	100.0	2,079	100.0	7,065	100.0	1,151	100.0	56,140	100.0

(Source: CD4407EW, 2011 Census, NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Table 2.11: Accommodation Type by Persons Per Bedroom, St Albans City and District, 2011

Persons Per Bedroom	Whole house or bungalow						Other: Flat, maisonette or apartment						Total	
	Detached		Semi-detached		Terraced (including end-terrace)		In a purpose-built block of flats or tenement		That is part of a converted or shared house (including bed-sits)		In a commercial building, or mobile/temporary accommodation		All Categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Up to 0.5 persons	5,739	38.1	4,045	23.7	3,142	26.4	2,279	23.0	207	15.0	196	24.2	15,608	27.8
Over 0.5 and up to 1.0 persons	7,646	50.8	8,999	52.7	5,806	48.8	5,339	53.9	797	57.8	389	48.1	28,976	51.6
Over 1.0 and up to 1.5 persons	1,408	9.4	2,933	17.2	1,958	16.5	736	7.4	96	7.0	87	10.8	7,218	12.9
Over 1.5 persons	263	1.7	1,114	6.5	991	8.3	1,555	15.7	278	20.2	137	16.9	4,338	7.7
All Categories	15,056	100.0	17,091	100.0	11,897	100.0	9,909	100.0	1,378	100.0	809	100.0	56,140	100.0

(Source: CD4407EW, 2011 Census, NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- More than one fifth (20.1%) of social housing rented from a local authority had more than 1.5 persons per bedroom and almost one fifth (18.8%) of Other Social Rented housing had more than 1.5 persons per bedroom.
- 16.9% of housing rented from a private landlord or agency had more than 1.5 persons per bedroom, and 10.0% of Other Private Rented or Living Rent Free accommodation had more than 1.5 persons per bedroom.
- Only 1.2% of owner occupied housing Owned Outright had more than 1.5 persons per bedroom, and 6.2% of housing Owned with a Mortgage or Shared Ownership had more than 1.5 persons per bedroom.
- Almost half (47.3%) of Owned Outright housing had up to 0.5 persons per bedroom, nearly one third (32.4%) of Other Private Rented or Living Rent Free, 18.3% of housing Owned with a Mortgage or Shared Ownership, 16.1% of privately rented housing with a landlord or letting agency, 15.4% of social housing rented with a local authority and 10.9% of Other Social Rented housing had up to 0.5 persons per bedroom.
- More than one fifth (20.2%) of flats, maisonettes or apartments that were part of a converted or shared house had more than 1.5 persons per bedroom. 16.9% of flats, maisonettes or apartments that were part of a commercial building or were mobile or temporary accommodation had more than 1.5 persons per bedroom. 15.7% of flats, maisonettes or apartments that were part of a purpose built block of flats or a tenement had more than 1.5 persons per bedroom.
- 8.3% of terraced housing, 6.5% of semi-detached housing and 1.7% of detached housing had more than 1.5 persons per bedroom.
- 38.1% of detached housing, more than one quarter (26.4%) of terraced housing, 24.2% of flats, maisonettes or apartments in a commercial building or temporary or mobile home, 23.7% of semi detached, 23.0% of households in flats, maisonettes in apartments in purpose built blocks or tenements and 15.0% of households in flats, maisonettes in apartments that were part of converted or shared houses had up to 0.5 persons per bedroom.

Vacant, second and holiday homes

2.18 The following tables estimate the number of second and holiday homes in St Albans City and District.

Table 2.12: Estimated second homes in St Albans City and District, 2011

Area	All usual residents	Usual residents elsewhere with a second address in this area	People with a second address per 1,000 usual residents	People with a second address per 1,000 usual residents	People with a second address per 1,000 usual residents	People with a second address per 1,000 usual residents
		All second address types	All second address types	Second address: Working	Second address: Holiday	Second address: Other
St Albans City and District	140,664	5,262	37	3	0	34
East	5,846,965	122,683	21	3	2	16

(Source: Table1a Second Addresses, 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- In 2011, 5,262 people were usually resident in another local authority who had second addresses in St Albans City and District, 3.7% of the usual resident population or 37 per 1,000 usual residents. The majority of the residents with second addresses

- in St Albans City and District, (91.8%) used them for Other reasons that were not holiday addresses or for work. 8.1% used their second addresses as work addresses. None used them as holiday addresses.

2.19 Using the proxy indicator of 'household spaces', the following table identifies the number of vacant homes recorded by the 2011 Census. A household space is by definition the space taken by one household, including that of just one person.

Table 2.13: vacant homes in St Albans City and District, 2011

Household spaces	St Albans City and District		East		England	
	No	%	No	%	No	%
Household spaces with at least one usual resident	56,140	96.8	2,423,035	95.6	22,063,368	95.7
Household spaces with no usual residents	1,860	3.2	112,463	4.4	980,729	4.3
All categories: Household spaces	58,000	100.0	2,535,498	100.0	23,044,097	100.0

(Source: Table KS401EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- 3.2% of household spaces (1,860) in St Albans City and District were vacant in 2011 which was lower than in the East (4.4%) and in England (4.3%).

Trends in residential completions

Overall completions

2.20 Using St Albans Planning Department data, this section reviews trends in residential completions in general, by sector, bedsize and property type. There are very slight discrepancies between the overall totals between tables. The following table summarises completions since the financial crisis of 2007, no losses through demolition were recorded over this period.

Table 2.14: residential completions in St Albans City and District 2008-2012

Indicator	2008/09	2009/10	2010/11	2011/12	Total
Completions	466	329	495	468	1,758

(Source: St Albans City and District Council Planning Department)

Key findings:

- Residential completions have held up well since the 2007 financial crash with 1,758 properties completed between 2008 and 2012; the completion rate actually increased after 2009-10.
- A large number of completions during 2008-09 planning year were at:
 - 31-35 Park House, Park Street where 137 dwellings were completed.
 - There were a further 48 completions at the Pinneys of Harpenden Site, Station Road, Harpenden.
 - During 2009-10 there were 107 completions at the City Station Car Park site in Victoria Street, St Albans, with 41 at the City Campus Site, Hatfield Road, and a further 22 at 31-35 Park House.
 - Almost half of 2010-11 completions were at the City Campus Site of Oaklands College in Hatfield Road (183), 31 came from the Wheathampstead Education Centre, Butterfield Road, a further 28 at Park House, Frogmore and 24 at the former Co-op Dairy in Burleigh Road, St Albans.
 - There were 72 further completions at the City Station Site during 2011-12, 43 at the City College Site, 34 at Wheathampstead Education Centre.
- The main contributions during the period 2008 through to 2012 were from the following sites:
 - City Station Car Park: 179
 - 31-35 Park House, Frogmore: 183
 - City Campus Site: 267
- The above information indicates for the period 08/09 to 11/12 that completions have averaged considerably close to the former RSS annual dwelling target of 360. It is important to note that almost all of the development has come from non Green Belt sites. These sites are considered to be historic urban capacity opportunities which will be limited in the future

Completions by tenure

2.21 The following table summarises trends in all, market and affordable (RSL), housing completions between 2008 and 2012.

Table 2.15: all, market and affordable, residential completions in St Albans City and District, 2008-2012

Tenure	Property type	No. of bedrooms	2008/09	2009/10	2010/11	2011/12	Total
Social rented	House	2	9	0	12	6	27
		3	10	0	15	1	26
		4	3	0	0	2	5
	Flat	1	32	67	43	52	194
		2	19	64	41	15	139
		3+	0	0	0	5	5
	Sub-total social rented		73	131	111	81	396
Intermediate (LCHO)	House	2	0	0	2	3	5
		3	0	0	1	0	1
	Flat	1	12	0	1	0	13
		2	1	0	0	0	1
	Sub-total intermediate		13	0	4	3	20
All affordable			86	131	115	84	416
All housing supply			466	329	495	468	1,758
% affordable			18.5	39.8	23.2	18.0	23.7

(Source: St Albans City and District Council Planning Department)

Key findings:

- Of 1,758 dwelling completions between 2008 and 2012, 24% were affordable housing.
- Total new affordable completions have decreased since 2009/10.
- Very few homes for intermediate owner occupation were completed over this period.
- Flats (including apartments and maisonettes) made up the majority of new social rented completions. Further analysis could be undertaken of the impact of different types of developments and stock additions, including major locations.

Housing completions by bedsize

2.22 The following table uses local authority data to examine output by bedsize for the period 2008-2012.

Table 2.16: residential completions by bedsize in St Albans City and District, 2008-2012

Year	1	2	3	4	5+	Not known	Total
2008/09	105	189	73	62	31	-	460
2009/10	127	103	25	43	29	-	327
2010/11	130	175	85	67	36	-	493
2011/12	129	173	66	57	29	-	454
Total no.	491	640	249	229	125	24	1,758
Total %	27.9	36.4	14.2	13.0	7.1	1.4	100%

(Source: St Albans City and District Council Planning Department)

Key findings:

- Over the period 2008-10:
 - Almost two thirds (64%) of new homes were 1 or 2 bed;
 - 14% were 3 bed; and
 - 20% were 4 bed or larger.

Housing completions by property type

2.23 The following table uses local authority data to examine output by property type for the period 2008-2012.

Table 2.17: residential completions by property type in St Albans City and District, 2008-2012

Year	Bungalow	Flat/ maisonette	House	Mobile home	Total
2008/09	9	252	202	3	466
2009/10	5	228	94	2	329
2010/11	6	277	210	2	495
2011/12	5	288	161	14	468
Total no.	25	1,045	667	21	1,758
Total %	1.4	59.4	37.9	1.2	100%

(Source: St Albans City and District Council Planning Department)

Key findings:

- Over the period 2008-12:
 - The main property type built was flats or maisonettes (59%); 38% were houses; 1% were bungalows and 1% mobile or temporary homes.

Who is accessing new-build housing - and what impact is it having on migration to the area and on household growth?

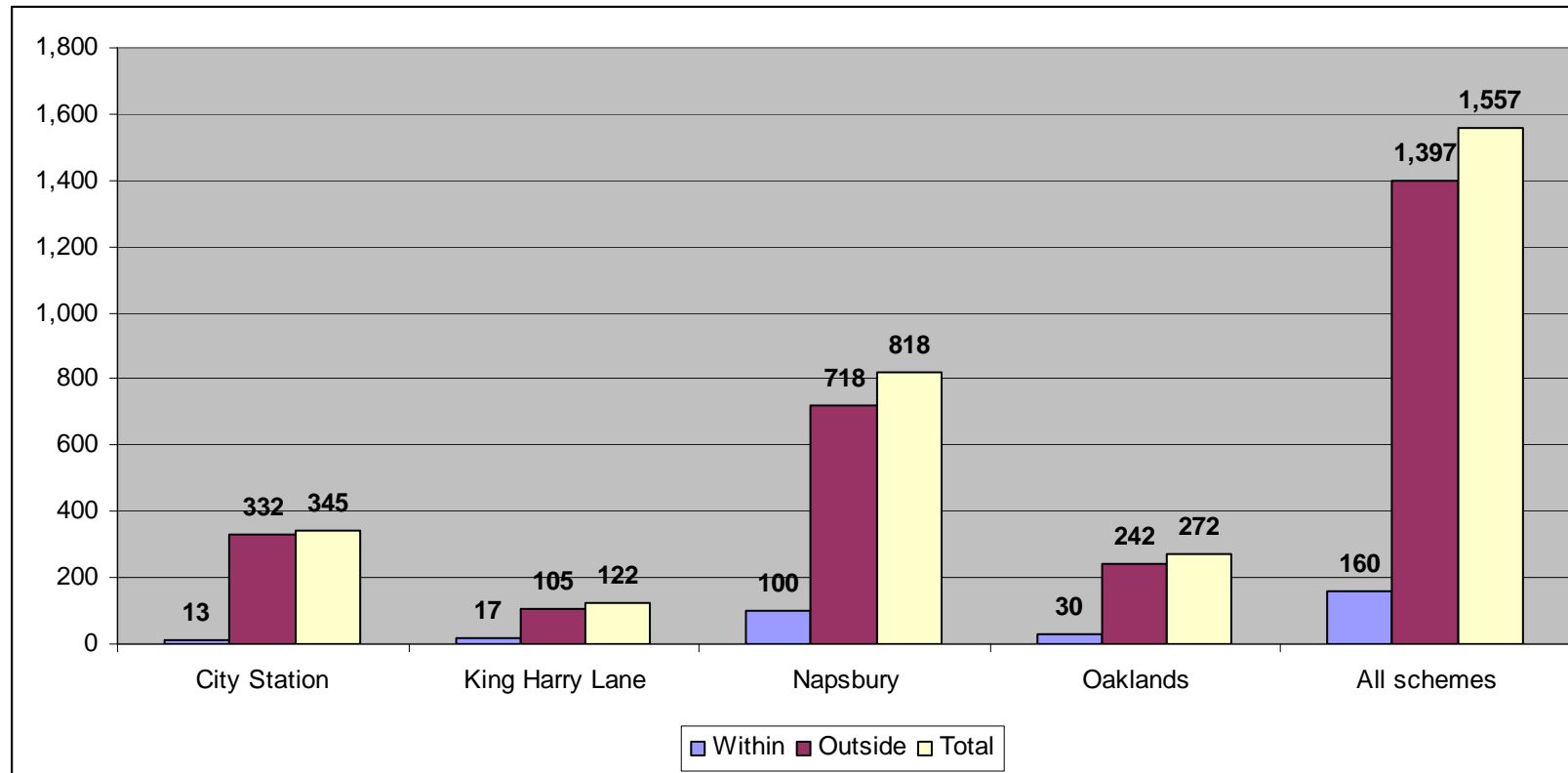
- 2.24 Three important questions in an area subject to net in-migration are:
1. who is accessing new-build housing schemes?
 2. what impact is the supply of new housing having on migration to the area? and;
 3. what impact is the supply of new housing having on household growth?
- 2.25 In order to address these questions, three exercises have been undertaken:
1. a review of St Albans City and District Council Tax data for a sample of new-build schemes in which accounts were opened between 2002 and 2013;
 2. a comparison of residential completion rates and the net effect of internal migration for the period between 2002 and 2012, the latter being the latest year for which migration data is available; and
 3. a comparison of residential completion rates and household growth for the longer period between 1990 and 2013.

Who is accessing new-build housing?

- 2.26 Council Tax records can identify whether a first occupant was previously resident in the district and had an account there (recorded as 'Within') or not (recorded as 'Outside'). However, those with no previous Council Tax account, for example, newly forming households will be recorded as 'Outside' even though they may have previously lived in the district. Therefore, some properties owned by housing associations are most likely to house local people, for example:
- 100 properties at City Station of which only 5 addresses of first occupiers are recorded as Within; and
 - 43 properties at King Harry Lane of which only 5 addresses of first occupiers are recorded as Within.
- 2.27 Despite these reservations, the numbers and proportions of account holders recorded as 'Within' is massively outweighed by those recorded as 'Outside' to an average ratio of 10: 1. These patterns are repeated for second occupants and across all Council Tax Bands and

strongly suggest that new-build schemes are driving in-migration to the area rather than meeting the needs of local residents. This conclusion is supported by the views of estate agents at 4.18 that the majority of demand for housing is from London. The following table sets out the pattern for first occupiers for the schemes sampled. It is important to emphasise that further analysis was also undertaken relating scheme completions to household growth but no relationship was established.

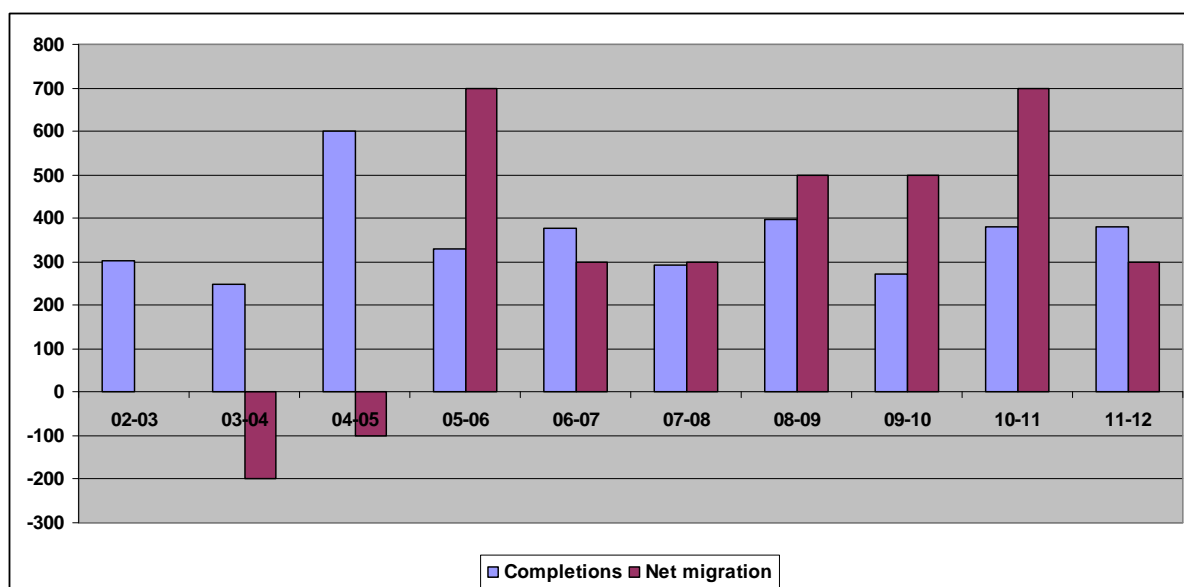
Figure 2.1: first occupiers of a sample of new build schemes. The number of previous Council Tax accounts recorded as originating from 'Within' or 'Outside' the District



What impact is the supply of new housing having on migration to the area?

2.28 The previous analysis of Council Tax strongly suggests that new-build schemes are driving in-migration to the area. If that is the case, it could be anticipated that there is a relationship between residential completions and the net effect of internal migration. The following chart examines this relationship for the period 2002-12.

Figure 2.2: completions of housing compared with the net effect of internal migration in the St Albans City and District Council area, 2002-2012



(Source: SADC residential completions data and Estimates from NHS Patient Registration with GPs data, Office for National Statistics)

Key findings:

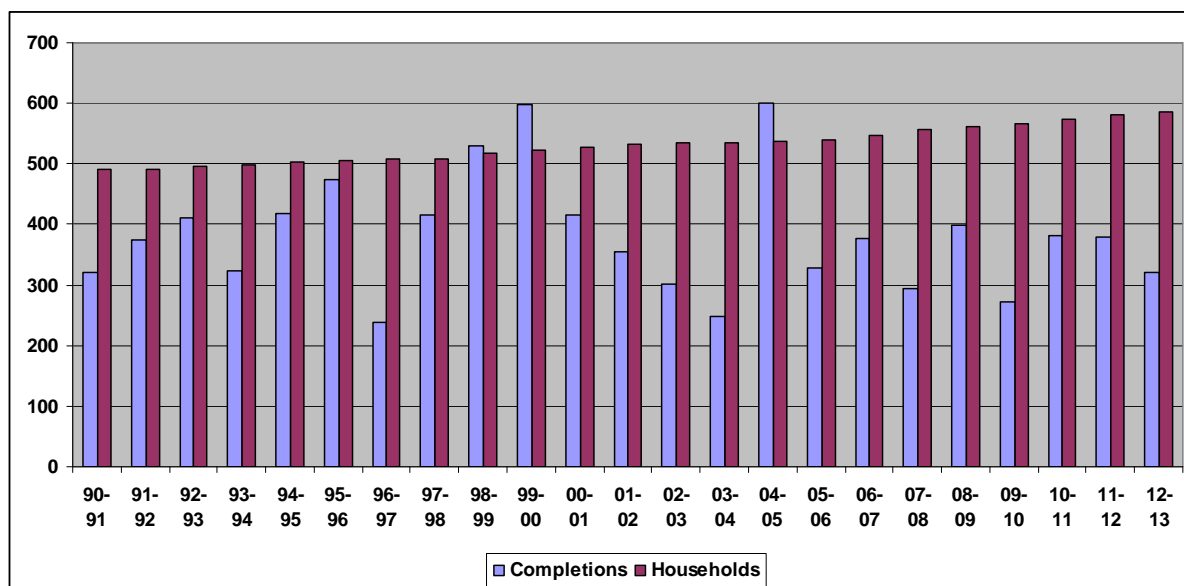
- There is no direct relationship between the level of residential completions and net migration. Migration was in balance for 2002-03 and declined between 2003 and 2005 whilst completions of new housing grew.
- There was a more of a trend between 2007-08 and 2010-11 but the scales of completions and net migration are different.
- Therefore other factors are involved in accounting for net migration gains which must be taking place including:
 - The effects of local household formation.
 - The nature of net in-migration, for example, are families moving in or single person households? This would affect relationship between number of migrant households and number of migrant persons.
 - The nature of out-migration - how much of this is whole households leaving and how much individuals, for example, young people leaving home to study/work elsewhere

- Movement within existing re-sale housing.

What impact is the supply of new housing having on household growth?

2.29 A further check on the demographic effect of residential completions is to examine the relationship between residential completions and household growth. The following chart examines this relationship for the period 2002-12.

Figure 2.3: completions of housing compared with household growth in the St Albans City and District Council area, 1990-2013



(Source: SADC residential completions data and Table 406 Interim 2011-based Household projections for England)

Key findings:

- There is no direct relationship between the level of residential completions and household growth. The pattern between 1990 and 2000 was for a series of peaks and declines in completions but the household growth rate was constant. A similar pattern is evident between 2005 and 2013 but completions and household growth are in an inverse relationship between 2000 and 2004.
- Therefore other factors are involved in accounting for gains in households including:
 - Households forming which have been unable to access housing.
 - The strong growth of the private rented sector which may well have involved the subdivision of housing and/or more shared dwellings; and internal and international migration, especially where the latter has coincide with the growth of the private rented sectors.

The private rented sector

Introduction

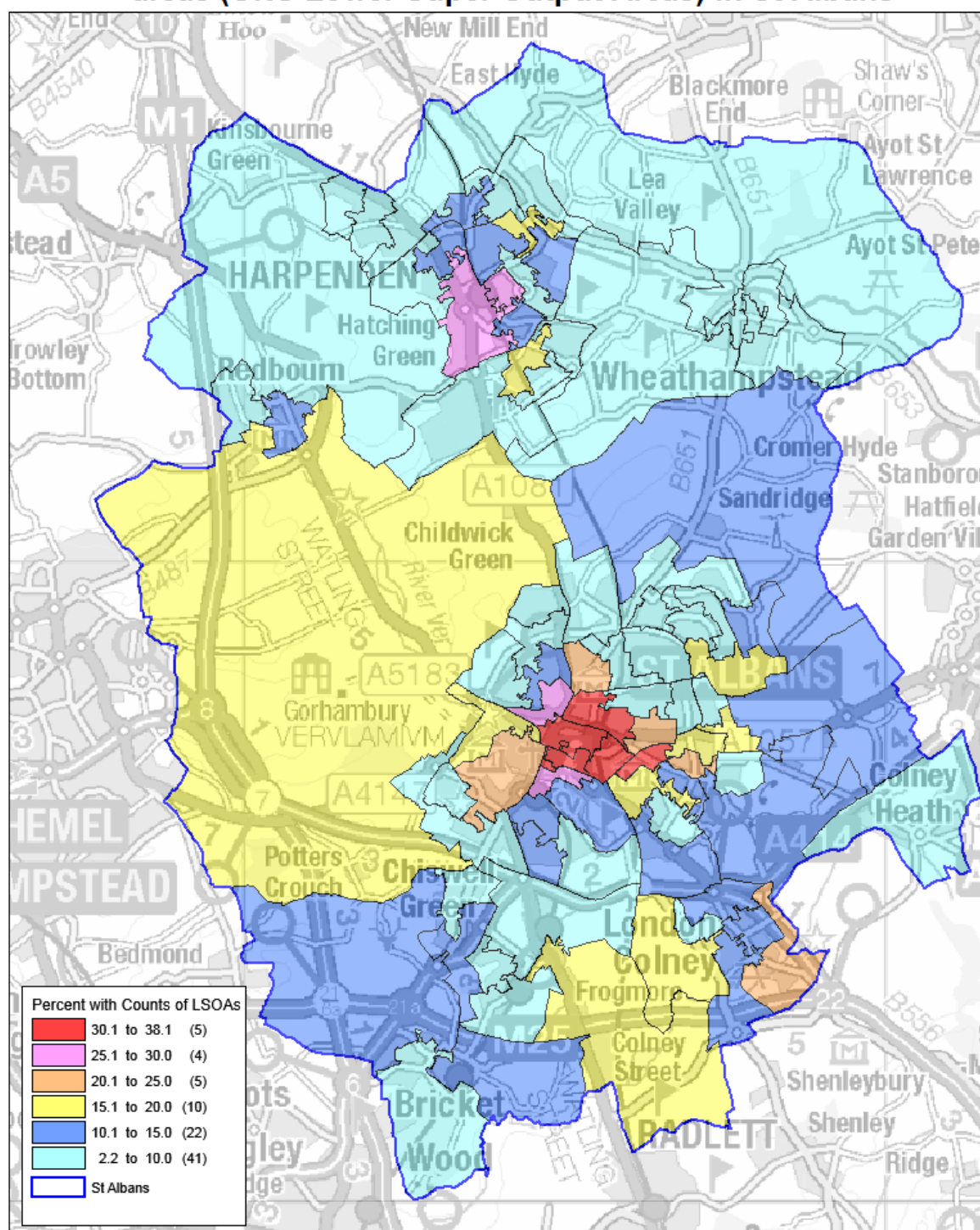
- 2.30 The private rented sector, including those living rent free, has grown by 50% since 2001 and now represents 15% of all stock. This section profiles the sector by property type, bedsize and rental levels. In addition to 2011 Census data, the following data sources have been consulted:
- the property websites 'rightmove.co.uk' and 'Zoopla.co.uk'; and
 - the Valuation Office Agency database. The Valuation Office Agency (VOA) database holds lettings information collected as part of the VOA's responsibility to administer the rent officer functions related to Housing Benefit (Local Housing Allowance and Local Reference Rents) on behalf of the Department for Work and Pensions (DWP).
- 2.31 The following map shows the proportion of private rented households within small areas within St Albans and identifies the following.

Key findings

- There were 5 small areas within St Albans City and District where more than 30% of households were renting privately in 2011. These were in St Albans.
- There were 4 small areas where more than one quarter (25.1%) to 30.0% were renting privately, these being located, 2 in St Albans and 2 in Harpenden.
- There were 5 small areas with between one fifth and one quarter of households renting privately.
- There were 10 small areas with between 15.1% and 20.0% of households renting privately.
- There were 20 small areas with between 10.1% and 15.0% of households privately renting.
- The remaining 41 small areas had between 2.2% and 10.0% of households privately renting.

Map 2.1

**Percent of Private Rented Households within small
areas (ONS Lower Super Output Areas) in St Albans**



Source: Table KS402EW Tenure, 2011 Census Data, Office for National Statistics,
NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government
Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>).
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Turnover

Stock and supply profile

- 2.32 The 2011 Census identified a total of 7,624 privately rented homes in St Albans City and District, representing 13.6% of the total, slightly higher than for the East but below the England average, and 592 households Living Rent Free (1.1% of the total) slightly lower than regional and national averages.
- 2.33 Property websites enable the supply of private rented housing to be profiled by property type. Over the period July-September 2013, in the region of 350 properties was for rent at any one time, representing 4.6% of stock rented from a private landlord or letting agency. The following table identifies the average number and proportion of properties available by property type.

Table 2.18: the private rented sector in St Albans City and District by property type, average number of properties advertised for the 3 months March to May 2013 (numbers rounded to 5)

Year	Bungalow	Detached house	Semi-detached house	Terraced house	Flat	Total no.	Total %
Total no.	10	70	30	65	175	350	-
Total %	2.9	20.0	9.0	19.0	50.0	-	100%

(Source: zoopla.co.uk)

Key findings:

- In terms of typical property types for rent, 50% were flats compared with a total stock of 21%; only 9% were semi-detached houses compared with a 2011 stock of 30%; 19% were terraced houses compared with a stock of 21% and 20% were detached houses compared with a stock of 27%. This profile suggests that smaller households are at an advantage and families at a disadvantage in accessing properties in the private rented sector.
 - Interviews with letting agents reported below identified that properties took from 4 days to 6 weeks to let. If the longer time period is applied, this is equivalent to all currently available stock turning over within 6 weeks or the same amount of stock turning over or 8.7 times per annum (365 days/6 weeks or 42 days). This is equivalent to 3,045 properties (8.7 x 350 properties available to let). As a proportion of the 7,624 privately rented properties identified in the 2011 Census as rented from a private landlord or letting agency, this is equivalent to a turnover of 40% (7,624/3,045). This rate exceeds that recorded in the English Housing Survey 2011-12, that 32% of those renting privately had lived in their homes for 1 year or less and suggests a very active and buoyant private rental market.
- 2.34 Collected in the course of determining Local Housing Allowances, the Valuation Office Agency provides useful data profiling the rental stock by bedsize and providing rent levels. Data is recorded by Broad Rental Market

Areas (BRMA) and St Albans City and District fall within a wider South West Hertfordshire BRMA. Further detail including a map of the area is available at:

<https://lha-direct.voa.gov.uk/SearchResults.aspx?LocalAuthorityId=269&LHACategory=99&Month=9&Year=2013&SearchPageParameters=true>

- 2.35 The following table provides detailed information concerning the number of properties and average rents by bedsize for properties for the period from 1st January to 31st December 2012. The table also include the relevant LHA rates for September 2013.

Table 2.19: the number of market rents and rental levels by property type and bedsize, in St Albans City and District, VOA, 1st January-31st December 2012 , LHA rate and estate agents' lowest estimates of typical rents, September 2013

	Number of rents	% of rents	Average Rent (£)	Lower Quartile Rent (£)	Median Rent (£)	Upper Quartile Rent (£)	Current LHA rate	Agents' lowest estimate
Shared room	22	5.0	423	360	425	450	340	500
1 bed	10	2.3	599	500	585	625	664	600
2 bed	93	21.3	744	695	735	795	813	750
3 bed	200	45.8	1,037	873	950	1,163	1,022	1,100
4 bed	112	25.6	1,401	1,150	1,325	1,585	1,584	1,500
All	437	100%	-	-	-	-	-	-

(Source: VOA Residential Rental Market Statistics)

Key findings:

- Average rents ranged from £423 for a Room and £599 for a 1 bed property to £744 for a 2 bed and over £1,000 for a 3 bed property or larger which compare closely with agents' estimates of lowest typical rents.
- Current LHA rates are just below 2012 lower quartile rents for shared properties, above the lower quartile and average rents for 1 and 2 bed properties and above the lower quartile level for 3 and 4 bed properties.

The home ownership sector

- 2.36 This section uses Land Registry data, net-based data and interviews with estate agents to profile the supply of housing from the home ownership sector. The following table summarises the number of sales and average property prices between 2007 and 2012.

Table 2.20: the annual volume of sales and average property prices in St Albans City and District, 01.01.10 to 28.05.13

Year	St Albans	
	No Sales	Average Price
1/1/2010 to 31/12/2010	2,444	£423,932.96
1/1/2011 to 31/12/2011	2,320	£415,583.63
1/1/2012 to 31/12/2012	2,222	£437,128.02
1/1/2013 to 28/05/2013	738	£454,335.26
Totals	7,724	£428,125.85
Annual Average Sales	2,261	

(Source: Land Registry)

Key findings

- As a proportion of the total stock of 40,831 owner occupied homes an average of 2,261 sales is equivalent to a turnover rate of 5.5% in St Albans City and District during the five year period from 1/1/2010 to 28/05/2013. The turnover rate was 5.4% for the most recent full calendar year 2012.
- The number of sales has dropped over the 3 full years for 2010, 2011 and 2012. If sales continue at the rate they have been for the first 5 months of 2013, the total would be 1,771 sales for the year 2013 which is also a reduction from the previous 3 years.
- The average house prices dropped between 2010 and 2011, but increased between 2011 and 2012. There is also an increase during the first 5 months of 2013 compared to 2012.
- The average price at £428,125.85 for the 3 year and 5 month period increased by 3.1% between 2010 and 2012.

2.37 The following table summarises the number of sales and average price by property type between January 2012 and the end of May 2013.

Table 2.21: average property price by type of dwelling in St Albans City and District, 01.01.12 to 28.05.13

Type	St Albans		
	No Sales	% Sales	Average Price £
Detached	628	21.2	£769,672.84
Semi Detached	816	27.6	£453,811.57
Terraced	830	28.0	£350,870.30
Flats and Apartments	686	23.2	£235,729.96
Overall	2,960	100.0	£441,418.20

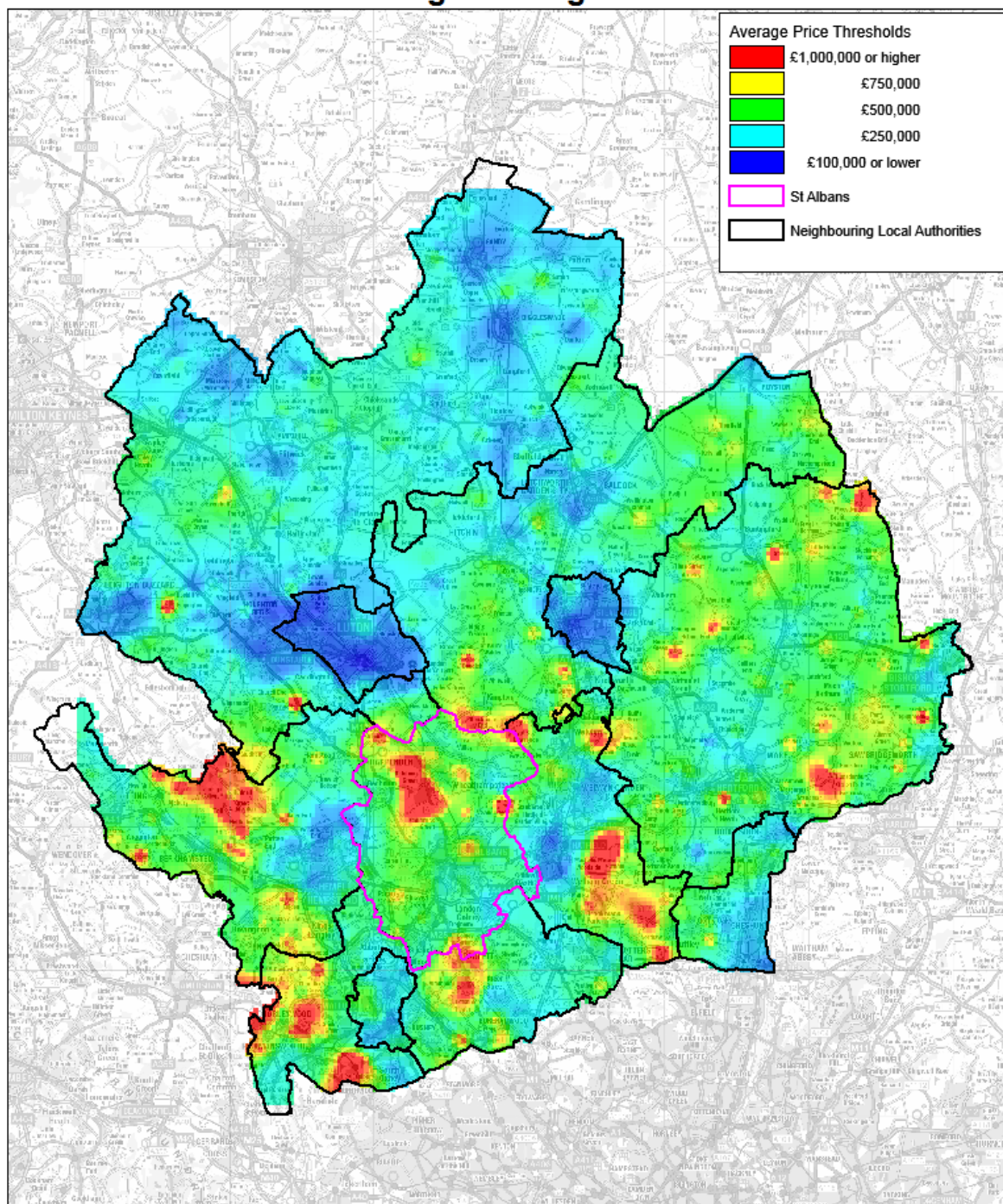
(Source: Land Registry)

Key findings:

- Sales of detached properties during the period 1/1/2012 to 28/05/2013 made up more than one fifth (21.2%) of sales compared with a 2011 stock of 26.6% of detached homes.
 - Sales of semi-detached properties during the period 1/1/2012 to 28/05/2013 made up more than one quarter (27.6%) of sales compared with a 2011 stock of 30.0% of semi-detached homes.
 - Sales of terraced properties during the period 1/1/2012 to 28/05/2013 made up more than one quarter (28.0%) of sales compared with a 2011 stock of more than one fifth (21.1%) of terraced homes.
 - Sales of flats during the period 1/1/2012 to 28/05/2013 made up 23.2% of sales compared to a 2011 stock of 21.8% of flats.
- 2.38 The following maps identify the spectrum of average sales prices in St Albans City and District and adjacent local authority areas and enables lower and higher prices hot spots to be identified. Please note that the maps are constructed around price thresholds as indicated then shade colours applied according to the averages between them. The maps have been created using the inverse distance weighting method of interpolation in MapInfo thematic mapping options. This method is used for data values that produce arbitrary values over the grid and is especially suited to sparse data. **Please note that the white areas on the fringe of the district map are a product of the software where few sales have been recorded; unfortunately this cannot be resolved.**

Map 2.2

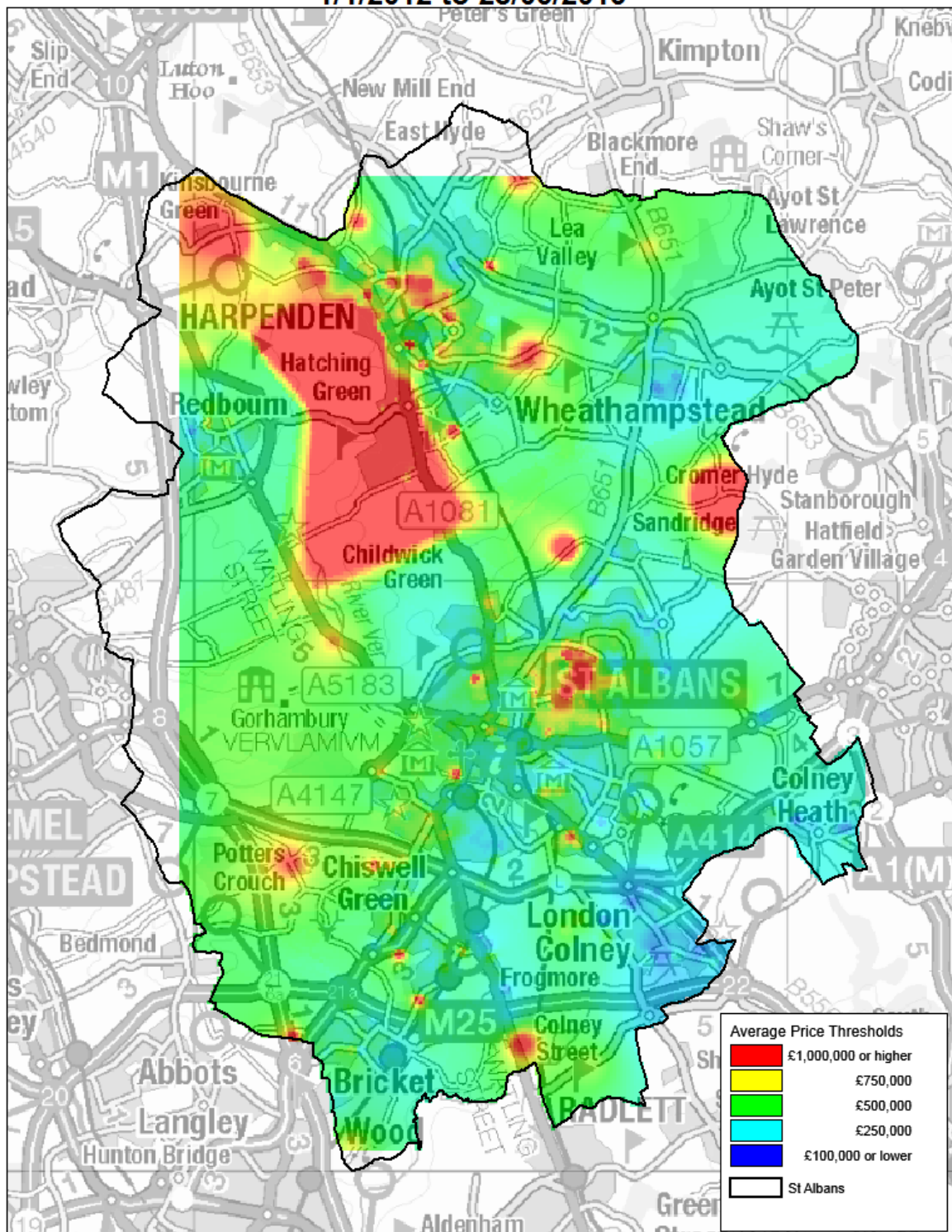
**Average House Prices for Sales Registered with the Land
Registry during the period 1/1/2012 to 31/5/2013
in St Albans and Neighbouring Local Authorities**



Source: Land Registry Website, <http://www.landregistry.gov.uk/market-trend-data/public-data/price-paid-data>
This data covers the transactions received at the Land Registry in the period 1/1/2012 to 31/5/2013.
(c) Crown copyright 2013. Contains Ordnance Survey Data (c) Crown copyright and database right 2013.
Contains Royal Mail data (c) Royal Mail copyright and database right 2013. Contains National Statistics data.
(c) Crown copyright and database right 2013.

Map 2.3

**Average House Prices in St Albans from
1/1/2012 to 28/05/2013**



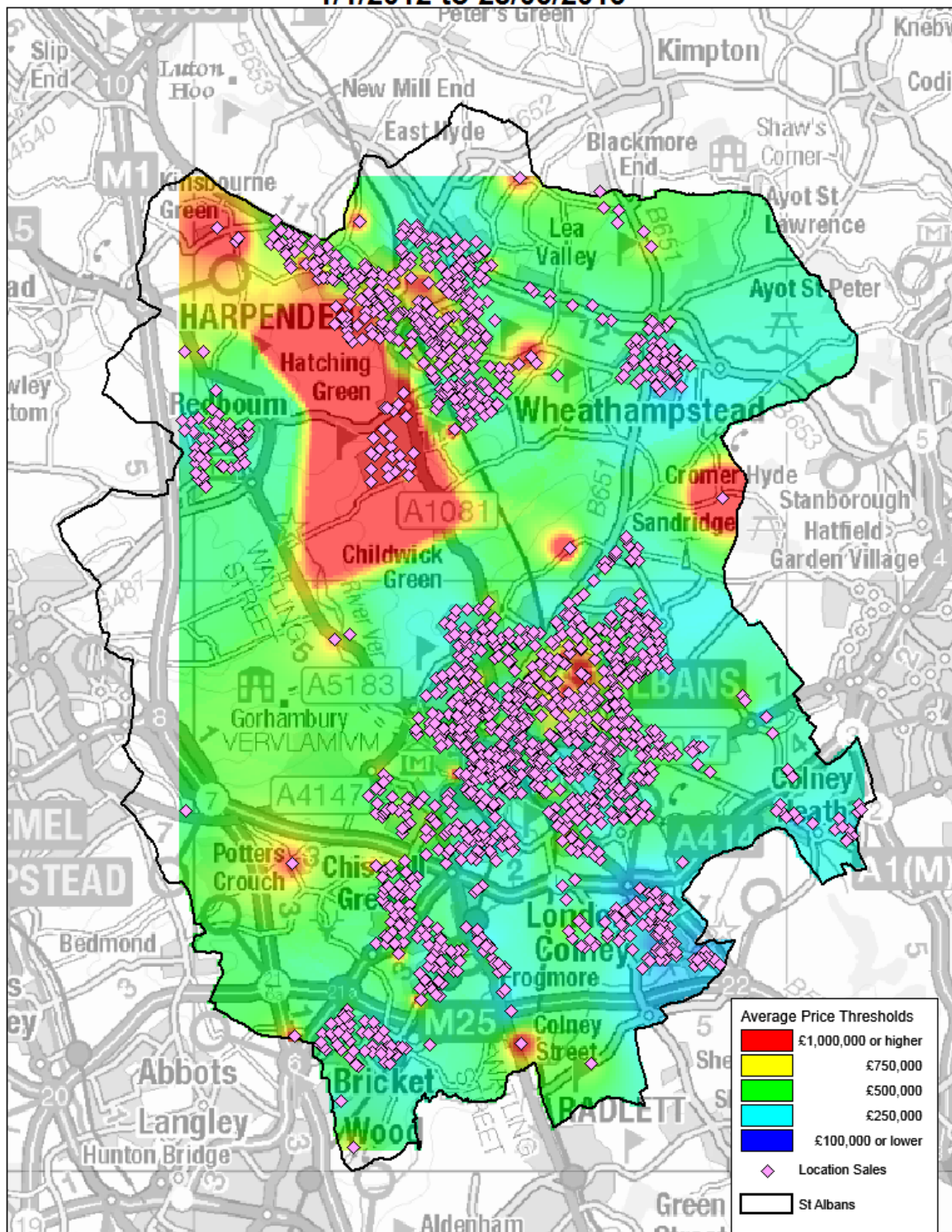
Source: Land Registry Sales, Land Registry. Contains Ordnance Survey data

(c) Crown copyright and database Right 2013. Contains Royal Mail data

(c) Royal Mail copyright and database right 2012. Contains National Statistics (c) Crown copyright and database right 2013.

Map 2.4

**Average House Prices in St Albans from
1/1/2012 to 28/05/2013**



Source: Land Registry Sales, Land Registry. Contains Ordnance Survey data

(c) Crown copyright and database Right 2013. Contains Royal Mail data

(c) Royal Mail copyright and database right 2012. Contains National Statistics (c) Crown copyright and database right 2013.

Key findings

- The maps identify the following patterns:
 - St Albans appears not to have as many areas with low house prices as the majority of its neighbouring local authorities. There appear to be more areas with lower prices particularly in the local authorities to the North of St Albans such as Luton, Central Bedfordshire, Stevenage and North Hertfordshire. There are also areas with low house prices in the adjacent areas on the East and West side of St Albans City and District in Welwyn Hatfield and Dacorum plus some areas in the South in Hertsmere; and
 - There are house price hotspots in the north of St Albans City and District, particularly to the north towards Harpenden, one to the east side of the District in Redbourn and one to the west side in Wheathampstead.

The intermediate housing sector

- 2.39 The intermediate housing sector consists of market housing provided at a discount to enable access to home ownership or market housing. Schemes have been mainly variants of Shared Ownership or have provided sub-market rental such as Intermediate Rental. Detail of current schemes to help home owners is available at:

<https://www.gov.uk/affordable-home-ownership-schemes/overview>

- 2.40 The 2011 Census recorded only 261 Shared Ownership properties, a negligible 0.5% of all stock. Even if a 5% turnover rate is applied which is close to the full cost sector, this implies a supply of no more than 13 properties per annum.

Supply in the social rented sector

- 2.41 This section uses recent and current data provided by St Albans District Council (May 2013), and by Herts Choice Homes to provide a profile of the stock and supply of social rented homes in the District. The following four tables outline the characteristics of the District's social rented stock by property type and bed size. Key findings follow the tables.

Stock by property type and bed size

Table 2.22: total number of social rented properties by type and bed size

Type & bed size	St Albans District Council stock	
	No.	%
Bedsit/ studio	172	3.43
<i>Sub-total</i>	172	3.43
1 bed		
House	23	0.46
Bungalow	299	5.97
Maisonette	0	0
Flat	1,043	20.82
<i>Sub-total</i>	1,365	27.25
2 bed		
House	521	10.40
Bungalow	8	0.16
Maisonette	1	0.02
Flat	876	17.49
<i>Sub-total</i>	1,406	28.06
3 bed		
House	1,936	38.64
Bungalow	10	0.20
Maisonette	14	0.28
Flat	12	0.24
<i>Sub-total</i>	1,972	39.36
4 bed		
House	86	1.72
Bungalow	0	0
Maisonette	0	0
Flat	0	0
<i>Sub-total</i>	86	1.72
5+ bed		
House	9	0.18
Bungalow	0	0
Maisonette	0	0
Flat	0	0
<i>Sub-total</i>	9	0.18
Total	5,010	100.0

(Source: information supplied by the SADC Housing Team, May 2013, excludes sheltered accommodation)

Key findings:

- In terms of SADC social rented stock:
 - 30.68% are 1 bedroom or less
 - 28.06% are 2 bedrooms
 - 39.36% are 3 bedrooms
 - 1.9% are 4 or more bedrooms

- The predominant form of housing is 3 bedroom houses, which represent 38.64% of the Council's total stock
- In terms of property type, just over 40% of the Council's stock is flats (including bedsits), almost all of which are 1 and 2 bedroom
- 94% of the Council's 317 bungalows have just 1 bedroom

2.42 Information supplied by St Albans District Council Housing Department in May 2013 indicates that 8 Housing Associations operate in the district. There are two main providers, Aldwyck, and Hightown Praetorian and Churches Housing Association (HPCCHA) in addition to which both Places for People and Home Group have significant general needs social rented stockholdings with the following stock profile.

Table 2.23: housing association stock in St Albans District

Tenure	Count
General Needs:	
Social rented	1,758
Affordable/intermediate rent	47
Shared ownership	226
Supported Housing	117
Total	2,148

(Source: information supplied by the SADC Housing Team, May 2013)

Key findings:

- Housing association provision makes up 29.6% of the district's total social housing stock

2.43 Limited data is available to profile the District's housing association stock in full as data was not provided by all registered providers. However, information has been collated for the properties of Aldwyck Housing Group, and Hightown Praetorian and Churches, two of the largest associations in the area, and which represents around two thirds of the overall housing association stock. The following table profiles stock by bedsize.

Table 2.24: profile of Aldwyck Housing Group and Hightown Praetorian and Churches Housing Association stock in St. Albans District, September 2013

Property type	No. of bedrooms					Total
	0	1	2	3	4+	
House	0	26	235	271	44	576
Bungalow	0	0	22	0	0	22
Maisonette	0	9	0	1	0	10
Flat/bedsit	12	373	228	10	0	623
Total	12	408	485	282	44	1,231

(Source: Aldwyck Housing group and Hightown Praetorian and Churches Housing Association)

Key findings:

- Data gathered from housing associations representing two thirds of all housing association stock, reveals the following property profile:
 - 34.12% are 1 bedroom or less
 - 39.40% are 2 bedrooms
 - 22.91% are 3 bedrooms
 - 3.57% are 4 or more bedrooms
 - The predominant form of housing is 1 bedroom flats, which represent 30.30% of the total stock of the two housing associations
 - In terms of property type, just over 50.61% of the housing associations' stock is flats (including bedsits), almost all of which are 1 and 2 bedroom
 - Of the 46.79% of properties which are houses, 4.51% have just 1 bedroom, 40.80% have 2 bedrooms, 47.05% 3 bedrooms, and 7.63% have 4 or more bedrooms
 - All of the 22 bungalows have 2 bedrooms.
- Shared ownership accounts for approximately 3% of all affordable housing provision in the district

The supply of social housing through re-lets

2.44 The following table summarises the number of lettings by Hertfordshire Choice Homes by type and bed size from the beginning of choice based lettings in the District (May 2009) through to May 2013.

Table 2.25: lettings by property type and bed size

Property type	No. of beds	May-Dec 2009	Jan-Dec 2010	Jan-Dec 2011	Jan-Dec 2012	Jan-May 2013	Total
House	1	0	1	1	3	3	8
	2	17	20	46	33	7	123
	3	24	49	71	74	21	239
	4	1	4	7	4	3	19
	5	0	0	0	1	0	1
Bungalow	1	14	26	31	33	15	119
	2	0	2	3	2	1	8
Maisonette	1	2	4	4	5	0	15
	2	5	2	4	4	5	20
	3	1	0	0	0	0	1
Flat	1	74	93	108	99	36	410
	2	69	69	81	70	36	325
	3	0	0	1	1	0	2
Bedsit/ studio	0	11	10	5	4	0	30
Unknown	-	13	11	17	5	4	50
TOTAL		231	291	379	338	131	1,370

(Source: Herts Choice Homes data, May 2013)

Key findings:

- From a total of 1,370 lettings over the period May 2009 to May 2013:
 - In terms of property type:
 - 29.6% were houses
 - 9.6% were bungalows
 - 2.7% were maisonettes
 - 58.1% were flats or bedsits
 - In terms of number of bedrooms:
 - 44.1% had 1 bedroom (including bedsits)
 - 36.1% had 2 bedrooms
 - 18.3% had 3 bedrooms
 - 1.5% had 4 or more bedrooms
- There is an annual average of 334 lettings per year, which represents a turnover rate of 4.67%
- A multiplier of 1.75 (2,148/1,231) has been applied to this data which, when combined with the Council owned stock, gives an approximate profile of all social rented stock. Using lettings data for the most recent full year for which data is available (2012), turnover rates by property type and bed size can be determined as follows:
 - Overall average annual turnover across all social rented stock was 4.7%
 - Annual rate of turnover by property type was:

▪ Houses	3.2%
▪ Bungalows	9.8%
▪ Maisonettes	27.3%
▪ Flats/bedsits	5.6%
 - Annual rate of turnover by number of bedrooms was:

▪ 1 (incl. bedsits)	6.3%
▪ 2	4.8%
▪ 3	3.0%
▪ 4 or more	2.9%

Supply by priority band

- 2.45 Herts Choice Homes lettings information enables analysis of lettings by in-house priority band since May 2009.

Table 2.26: lettings by priority band, May 2009 – May 2013

Band	May-Dec 2009		2010		2011		2012		Jan-May 2013		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
A	21	9.1	22	7.6	10	2.7	19	5.6	11	8.4	83	6.1
B	101	43.7	148	50.8	198	52.2	205	60.7	79	60.3	731	53.3
C	72	31.2	84	28.9	105	27.7	52	15.4	21	16.0	334	24.4
D	32	13.8	33	11.3	61	16.1	51	15.1	20	15.3	197	14.4
E	5	2.2	4	1.4	5	1.3	11	3.2	0	0	25	1.8
Total	231	100	291	100	379	100	338	100	131	100	1370	100

(Source: Herts Choice Homes data, May 2013)

Key findings:

- In total, there were 1,370 lettings through Herts Choice Homes from May 2009 to May 2013. This equates to an annual average of 334 lettings.
- Lettings for each period across the four years were most commonly made to households categorised as in 'Very High Housing Need' (Band B).
- On average, 6.1% of all lettings were to households in Band A (Urgent Housing Need). However, the proportion of lettings to Band A applicants varied significantly from year to year.
- From 2009 to 2013, the proportion of lettings to those in 'High Housing Need' (Band C) dropped from 31.2% to 16%.

Supply by age of applicant

2.46 The following table profiles social housing lettings by the age of the lead household member (the applicant).

Table 2.27: lettings by age of applicant, May 2009 – May 2013

Age Band	May-Dec 2009	2010	2011	2012	Jan-May 2013	Total
Under 25	145	197	235	166	63	806
Between 25 and 29	20	19	31	28	10	108
Between 30 and 39	27	28	58	53	23	189
Between 40 and 49	15	21	25	30	19	110
Between 50 and 54	6	3	7	7	3	26
Between 55 and 59	2	4	11	15	7	39
Between 60 and 64	7	6	3	14	1	31
65 and over	9	13	9	25	5	61
Total	231	291	379	338	131	1370

(Source: Herts Choice Homes data, May 2013)

Key findings:

- The overwhelming majority of lettings are to households in the under 25 age band, which represented 58.8% of all lettings from May 2009 to May 2013.
- Lettings to those aged 25 to 54 accounted for almost a third (31.6%) of all lettings.
- 9.6% of all lettings were to those aged 55 and over.

Supply by household type

2.47 The table below shows lettings by household type from May 2009 to 2013.

Table 2.28: Lettings by household type, May 2009 – May 2013

Household type	May-Dec 2009	2010	2011	2012	Jan-May 2013	Total	
						No.	%
Single person	162	219	254	196	73	904	66.0
Couple, no children	1	9	7	16	3	36	2.6
Family, with children	67	62	113	125	50	417	30.4
Other (multi-person)	1	1	5	1	5	13	1.0
Total	231	291	379	338	131	1370	100.0

(Source: Herts Choice Homes data, May 2013)

Key findings:

- Almost two thirds (66%) of all lettings from May 2009 to May 2013 have been to single person households.
- Just under a third (30.4%) of all lettings have been to family households with children.

Losses through the Right to Buy

2.48 Introduced in 1980, the Right to Buy resulted in a contraction in the stock of local authority social rented housing, especially of houses. The scheme was extended to housing association tenants under the Right to Acquire in 1997. 2005 limitations on eligibility and lower purchase discounts reduced the number of sales dramatically. However, since April 2012 and the raising of maximum discounts to £75,000, there has been a surge in Right to Buy sales. Data supplied by SADC records 66 Right to Buy sales in St Albans district between 2008/09 and 2013/14 with 68 live applications at November 2013.

Rent levels

2.49 This section reviews average weekly rents for social rented housing. Two datasets are available, information supplied by St Albans District Council for all council owned stock at May 2013 and Core data for all social housing lettings for the year 2011/12, the table averages both datasets.

Table 2.29: average social housing rents in St Albans

No. of bedrooms	SADC-owned stock May 2013	New lettings for all social rented stock in 2011/12
1 (incl. bedsits)	£76.50	£75.24
2	£97.60	£92.39
3	£113.14	£106.91
4+	£126.28	

(Sources: SADC data, May 2013; CORE data, year to 31 March 2012)

Key findings:

- Whilst it is not possible to make a direct comparison between the SADC and Core datasets, it can be seen that average weekly rents for council-owned general needs social housing were higher in May 2013 than the average weekly rents for all new general needs social housing lettings in 2011/12.
- Average weekly rents for all new lettings during 2011/12, ranged from £75.24 for a 1 bedroom property to £106.91 for a properties with 3 or more bedrooms.
- Average weekly rents for council-owned general needs properties ranged from £76.50 for a 1 bed to £126.28 for a property with 4 or more bedrooms.

Housing supply profile

2.50 The following table summarises the current annual supply of housing through turnover by sector as follows.

Table 2.30: the current annual supply of housing through turnover in St Albans City and District, September 2013 (excludes Living Rent Free)

Indicator	Owner occupied	Private rent	Social Rent	Shared Ownership	Total
Total stock	40,831	7,624	6,832	261	55,548
% of stock	73.5	13.7	12.3	0.5	100%
Turnover: annual supply as % of stock by tenure	5.5%	30%	4.7%	5%	
Annual supply	2,245	2,287	840	13	5,385
% of all supply of housing	41.7	42.5	15.6	0.2	100%

(Source: 2011 Census and Housing Vision estimates)

Key findings:

- Although it constitutes only 14% of all housing stock, the private rented sector is estimated to play a slightly greater role in the supply of housing than the home ownership sector which represents 74% of total stock. This is largely because of the widespread use of Assured Shorthold 6 month tenancy agreements and does not mean that there are movements with every new tenancy agreement. As stated by property agents below, a typical tenancy lasts for 12 to 18 months.
- The social sector provides 16% of available homes although it represents almost 12% of total stock; and
- The intermediate sector has a very marginal role providing 0.2% of available supply and 0.5% of total stock.

The views of estate and lettings agents

Introduction

- 2.51 In the third and fourth week of July 2013, 10 estate agents were interviewed in St Albans, all covered the whole of St Albans and dealt in all residential property types; 4 dealt with both sales and rental, 3 with sales only and 3 with rental only. These interviews are intended to provide a practitioner perspective to understanding housing need, demand and supply. Views may be offered which contain factual inaccuracies, but as key actors in the housing market, it is essential to understand their perspective. The analysis presented below deals with all areas but identifies differences between locations.

How is the market performing? How has this changed recently?

- 2.52 All 7 agents who dealt with sales reported a very strong market with a high demand for properties, one described it as a “sellers’ market” whilst another said it was “phenomenal - more like London”. The main problem is too few properties to meet an increased demand as buyers became more confident and mortgages are more readily available. This has had an effect on prices, 2 agents said they were now above the 2007 peak; another estimated a 5-10% increase over the last 12 months and a third quoted a 7-10% increase. 3 agents thought the market had stabilised whilst the others thought prices were still rising. Compared with a year ago, 5 agents reported fewer properties and greater demand; one indicated no change; and one was unable to estimate.
- 2.53 The rental market is also performing well, it is more stable than the sales market with a continuing healthy demand. Rents have risen, one agent indicated they were the highest ever, but have now stabilised. One agent indicated there was a wider range of tenants renting now, including high-earning professionals. A typical tenancy lasted 12 to 18 months; but two indicated renters were seeking tenancies of up to 3 years.

- 2.54 Only one of the agents dealt with rooms in shared houses and indicated that, following the LHA changes, landlords will not accept tenants on Housing Benefit. Of the others, only one agent currently had any tenants on Housing Benefit and their landlords were not taking new tenants on Benefit.
- 2.55 The time taken to rent a property varied, times quoted ranged from 2 days to 4-6 weeks though the longer time period related to properties which were to be vacated. A more typical time was 10-14 days.

What's the typical cost of 1 bed flat, 2 bed flat, 2 bed house and 3 bed house to purchase and rent?

- 2.56 The table below covers the range of costs given, several agents indicated that properties in the town centre and near the railway station commanded higher prices.

Table 2.31: the typical cost of properties to purchase and rent, the views of estate and lettings agents

Property	£
Rental	
Shared room	£500
1 bed	£600-1,100
2 bed	£750-1,750
3 bed	£1,100-2,500
4 bed	£1,500-3,000
Sale	
1 bed	£130-250k
2 bed	£160-350k
3 bed	£300-750k
4 bed	£450-1,500k

(Source estate and lettings agents)

What are the gaps in the market - for sale or rent?

- 2.57 3 agents identified a shortage of 3-4 bedroom family homes for sale; another said "good family homes"; and one indicated affordable homes such as 2 bedroom flats and small houses. The remaining 2 agents indicated a shortage of homes across the board. 3 agents indicated a general shortage; one cited cottages in the conservation area; one 2 bedroom houses and one bedroom flats in the city centre; one agent "smaller" homes and one family homes.

Is there oversupply anywhere in the market - for sale or rent?

- 2.58 Only one agent thought there might be a small oversupply for sale of properties in the villages. 2 of the agents dealing with rentals identified an oversupply of 2 bedroom apartments, one of whom also included new 1 bedroom ones, saying a lot had been bought to rent. The other 5 thought there was no oversupply.

What sale and rental options are available for first time buyers?

- 2.59 Comments ranged from “bank of mum and dad” to Government schemes such as HomeBuy and Help to Buy to citing incentives from developers. One agent said there were very few flats available for first time buyers and another indicated that most of the first time buyers were moving from London rentals. If potential first-time buyers could not afford to buy, two agents thought there were good rental options available; one agent thought there were “some”. But another agent said “rental is more expensive”

What is the extent of interest from second home owners and investors?

- 2.60 4 agents indicated there was either no interest from second home owners or virtually none. Of the others, one estimated between 2-4% of sales went to second home owners; one estimated 10% and one 20%.
- 2.61 Estimates of investor interest varied considerably, ranging from less than 5% to 50%, although several agents indicated it was a fluctuating market – one said “it went down then up again.” Of those that offered an opinion, 4 agents said they did not expect investor interest to change and one thought it would grow slowly.

How do you expect the private rented sector to change over the next few years?

- 2.62 Of the agents who dealt with rental, 3 thought the private rented sector would grow and 3 thought it would stabilise. The seventh, who did sales as well, hoped it would decline as this would indicate sales were strong.

Is there anything else you’d like to add about the market in the area?

- 2.63 Six agents offered further comments.

“St Albans has always been a city that people want to live in – good schools, train links to London etc and it’s a lovely place to live. Whatever goes on in the economy, people want to live here for those reasons, which don’t change
(Sales agent)

“It’s a cracking market.” (Sales agent)

“A strong market is always present and as such the popularity will continue to grow” (Sales and rental agent)

“The market comes as quickly as it goes” (Sales & rental agent)

“It’s very popular, with good transport links; it’s a nice place to live” (Rental agent)

“We’re pretty lucky here” (Rental agent)

Executive summary for Section 2

Overall patterns and trends

- 2.64 More than three quarters of household spaces were in detached, semi detached or terraced homes family housing, and just over 20% was in flats.
- 2.65 More than 70% of homes were owner occupied which was higher than in the Region or England. A lower percentage was social rented (12%) or private rented (14%).
- 2.66 At 2.9, the average number of bedrooms per households was slightly higher than in the East or England and at 5.8, the average number of rooms per household was also higher.
- 2.67 There was a smaller percentage of homes with 0, 1 or 2 bedrooms than regionally or nationally which is of concern in housing smaller and/or lower income households. As a corollary, there was a higher percentage of 3, 4 and 5 bed homes.
- 2.68 Over 70% of Other Social Rented housing and homes Rented Privately with a Landlord/Lettings Agency, and nearly 60% of Local Authority homes had just 1 or 2 bedrooms and were therefore suitable for smaller households. This compares to just over 20% of Owned Outright and Owned with a Mortgage homes.
- 2.69 The stock of Owner Occupied homes is especially suited to housing families, two thirds had 3 to 4 bedrooms compared with just over 40% of Local Authority homes and in the region of 25% of homes rented Privately with a Landlord/Lettings Agency and Other Social Rented homes.
- 2.70 There were a very low percentage of low Council Tax Band (A and B) homes in St Albans City and District (7%) which is a concern in housing lower income households.
- 2.71 Based on the 'occupancy rating' and the application of 2 or more bedrooms more than are 'required' by households, St Albans City and District had slightly higher levels of under-occupancy than in the region or nationally.
- 2.72 3% of households were overcrowded based on bedrooms or 7% based on the number of rooms per household, lower than in the region or England for the bedroom measure
- 2.73 A higher proportion of houses were owner occupied (more than 90% of detached housing; more than 80% of semi-detached housing and more than 70% of terraced housing. Flats were more evenly distributed across the tenure types; nearly 40% of purpose built flats were owner occupied, in the region of 30% were privately rented and socially rented. More than half of flats in converted or shared houses were privately rented and almost 30% were owner occupied.

- 2.74 Currently, 5,262 people have second homes in the district, 4% of the total. The majority were used for 'Other reasons' and some were used as working addresses and none were used as holiday homes.
- 2.75 The vacancy rate of 3.2% (1,860 household spaces) was lower than in the Region or in England.
- 2.76 1,758 new homes were completed between 2008 and 2012 at an average of almost 440 per annum. Almost two thirds of new properties were one or two bedroomed and almost 60% were flats. Additions to the affordable housing stock over this period amounted to 24% of new homes in St Albans City and District, most of which were flats for social renting.

The private rented sector

- 2.77 The private rented sector has increased since 2001 from 7.8% to almost 12.6% of homes across the area. It is dominated by one and two bedroomed properties which make up 70% of the total, only 20% of the stock is three bed. The sector provides an estimated supply in the region of 3,000 lettings per year, more than double the contribution of the social rented sector.
- 2.78 Monitoring over a 3 month period identified an average in the region of 350 properties advertised at any one time and confirmed the dominance of smaller properties. Over 50% were flats or apartments which is much higher than a total stock of 21%; 20% were detached homes which is lower than a stock of 27%; 19% were terraced, which is similar to the total stock and 20% were semi-detached compared with a stock of 30%).
- 2.79 The growth of the private rented sector has good and bad points. It has been important in extending flexibility and choice, and in maintaining a supply of housing when turnover has reduced in the home ownership and social rented sectors. However, homes purchased by investors are likely to be those accessible to first time buyers, which has the effect of further excluding them from the market and placing an upward pressure on lower value prices.
- 2.80 Valuation Office Agency data for 2012 identified very few shared or bedsit available. This is of particular concern in the context of the application of the Local Housing Allowance shared accommodation rate to all single people under 35 years old.
- 2.81 Overall, the private rented sector is likely to be more effective in meeting the needs of smaller households consisting of single people and couples - whose numbers will continue to increase - and the needs of smaller family households.

The home ownership sector

- 2.82 The growth in private renting has resulted in the home ownership sector falling in proportionate terms from 77% of all homes in 2001 to 73% in 2011.

- 2.83 An average price of £428,125.85 increased by 3.1% between 2010 and 2012, and 7.2% between 2010 and the sales made during the first 5 months of 2013.
- 2.84 There was an average of 2,261 sales between 2010 and the end of May 2013 which is equivalent to a turnover rate of 5.5%. Sales have dropped throughout the period. Sales of terraced homes and flats were higher in proportion to their percentage of the stock, and sales of detached and semi detached were lower in proportion to the percentage of the stock indicating a demand for lower priced properties.
- 2.85 St Albans appears not to have as many areas with low house prices as the majority of neighbouring local authorities. There appear to be more areas with lower prices in local authorities to the north of St Albans such as Luton, Central Bedfordshire, Stevenage and North Hertfordshire. There are also areas with low house prices in adjacent areas to the east and west side of St Albans in Welwyn Hatfield and Dacorum plus some areas to the south in Hertsmere.
- 2.86 There are house price hotspots in the north of St Albans City and District, to the north towards Harpenden; to the east side of the District in Redbourn and to the west in Wheathampstead.

The intermediate housing sector

- 2.87 The intermediate housing sector makes a negligible contribution to the housing stock and supply; 261 properties constitute only 0.5% of the total stock) and even if a 5% turnover rate is applied, no more than 13 homes would become available each year.

The social rented sector

- 2.88 The social rented sector has remained relatively stable proportionately since 2001 with over 6,000 social rented properties constituting just over 12% of all stock.
- 2.89 As a result of average turnover over the past 4 years of 5%, in the region of 335 properties are available each year, in the region of 60% are 2 bed or less. Most general needs lettings are of smaller properties, typically 30% are 1 bed or less and 30% are 2 bed. Turnover rates for 3 bed homes or larger are very low at only 4%.
- 2.90 In common with the private rented sector, the needs of singles, couples and smaller family households are more likely to be met by the social rented sector, household types whose numbers will continue to increase.

3. The Housing Market

Introduction

- 3.1 Using the definitions set out in Section 1, this section reviews evidence of the current need and demand for affordable and market housing. The need and demand for market housing has been researched through interviews with estate and lettings agents; the need and demand for 'intermediate housing' such as shared ownership and shared equity homes, has been researched through CORE data which analyses sales, and the need and demand for affordable housing has been researched using Herts Choice Homes choice based lettings data in relation to social housing applications, advertisements, bids and lettings (May 2009 to May 2013). It is recognised that in an area in which there is high need for affordable housing, many people may be deterred from applying or may be allocated to a category of 'no housing need'. Whilst it is recognised that this data may underestimate the level of the need for affordable housing, it provides the only comprehensive and consistent data set identifying patterns and trends.

The expressed need for social rented housing

- 3.2 Since May 2009, affordable housing providers in the St Albans district have participated in Herts Choice Homes, a choice based lettings scheme. As at October 2013, there were 1,132 applicants registered of whom, 702 were 'home seekers' and 430 were 'transfers'. Following the introduction of the Localism Act, local authorities have more freedom to exercise discretion as to who can join their Housing Register. SADC have revised their allocation policy so that only those applicants who have a local connection can join the register. The following 5 Priority Bands are applied to applicants as follows:

Band A - Urgent Housing Need

This band is for applicants with a local connection and an urgent need to move. Examples include applicants in imminent danger and people who need to move urgently for medical reasons. Applicants will be placed in Band A in circumstances where the applicant's current property poses a significant risk to life or health, and immediate re-housing is required. Applicants in Band A will be offered time-limited bidding (usually 4 cycles unless otherwise stated) and/or a direct let.

Band B - Very High Housing Need

This is for applicants with a local connection and very high need to move. One example is homeless applicants to whom the council has accepted a main duty under homeless legislation. Band B also includes applicants with composite housing need. That is a term given to applicants with a range of circumstances which, combined, increase their need to move more quickly. Applicants placed in Band B are deemed to need re-housing urgently.

Band C - High Housing Need

Applicants with a local connection and a high need to move will be placed in Band C. Examples include applicants with a high level of medical priority and families sharing facilities or lacking two bed spaces or more.

Band D - Recognised Housing Need

This includes applicants both with a local connection and without one. Applicants without a local connection but who have a reasonable preference identified, as defined in Bands A to C, will be placed in Band D. Also placed in this Band will be applicants with recognised medical priority and homeless applicants who do not qualify for Band B – regardless of whether a local connection exists or not.

Band E – Applicants who are over 60, have a local connection but no identified housing need

Applicants aged 60 and over with a local connection but without an identified need that are applying for sheltered or age restricted housing (60 years and over).

The identified need for affordable housing

- 3.3 It is normal practice, and now a Government requirement for eligibility for Housing Benefit, to 'fully occupy' properties, i.e. to allocate properties by bedsize according to applicants' household size and composition with no spare bedroom available. In general, this will mean that a 1 bed property will be allocated to a single person or a couple; a two bedroom property to a lone parent/couple and 1 or 2 children dependent on age and sex; a three bedroom property to a lone parent/couple and 2 or 3 children dependent on age and sex and a four bedroom property to a lone parent/couple and 3-5 children dependent on age and sex.
- 3.4 This section uses Herts Choice Homes waiting list data, as at May 2013, to develop a profile of the age and property size needs of applicants registered for social housing. The following table shows the age profile of applicants by Priority Band. It should be noted that trend data is not available and that applicants are registered on Herts Choice Homes according to their current address.

Table 3.1: applicants for social housing by age and Priority Band, May 2013

Age group	Priority Band					Total	
	A	B	C	D	E	No.	%
Under 25	2	14	17	73	5	111	10.4
25-29	0	11	15	69	4	99	9.3
30-39	0	17	39	174	9	239	22.4
40-49	2	38	19	142	2	203	19.0
50-54	3	13	9	35	1	61	5.7
55-59	3	16	7	26	3	55	5.1
60-64	5	10	2	17	45	79	7.4
65 and over	16	20	12	35	138	221	20.7
Total	31	139	120	571	207	1,068	100.0

(Source: Herts Choice Homes data, May 2013)

Key findings:

- In terms of distribution of registered applicants by Priority Bands:
 - 2.9% of all registered applicants are in Band A, identified as being in urgent housing need; a further 24.2% are classified as in very high or high housing need
 - The majority, 53.5%, of all registered applicants have been placed in Band D (having a recognised housing need)
 - Almost a fifth of all registered applicants, 19.4%, are in Band E, 'Other Housing Circumstances' (including those classed as having no housing need)
- When considering the age profile of registered applicants:
 - 10.4% are aged under 25
 - 9.3% are aged between 25 and 29
 - 22.4% are aged between 30 and 39
 - 19% are aged between 40 and 49
 - 5.7% are aged between 50 and 54
 - 5.1% are aged between 55 and 59
 - 7.4% are aged between 60 and 64
 - 20.7% are aged 65 and over
- For most of the age groups, the most common band which registered applicants have been categorised as is Priority Band D (i.e. with a recognised housing need), which accounts for:
 - 65.8% of those aged under 25
 - 69.7% of those aged 25-29
 - 72.8% of those aged 30-39
 - 70.0% of those aged 40-49
 - 57.4% of those aged 50-54

- 47.3% of those aged 55-59
- For the age groups 60-64 and 65 and over, however, the majority of applicants are in Priority Band E, 57% and 62.4% respectively

3.5 The following table shows the bed size needs of applicants by Priority Band.

Table 3.2: applicants for social housing by bed size needs and Priority Band, May 2013

Bed size	Priority Band					Total	
	A	B	C	D	E	No.	%
0	0	0	1	3	10	14	1.3
1	29	82	42	301	187	641	60.0
2	2	43	47	103	2	197	18.5
3	0	13	23	137	1	174	16.3
4	0	0	5	25	0	30	2.8
5	0	0	2	2	0	4	0.4
Unknown	0	1	0	0	7	8	0.7
Total	31	139	120	571	207	1068	100.0

(Source: Herts Choice Homes data, May 2013)

Key findings:

- In terms of the bed size needs of registered applicants:
 - The most common bed size requirement is for 1 bedroom, which accounts for 60% of all applicants
 - Of the 31 applicants in Priority Band A, 29 require 1 bedroom and 2 require 2 bedrooms
 - 30.9% of all applicants in Priority Band B require 2 bedrooms
 - 16.3% of all applicants require 3 bedrooms, of which:
 - None are in Priority Band A
 - 7.5% are in Priority Band B
 - 13.2% are in Priority Band C
 - 78.7% are in Priority Band D
 - 0.6% are in Priority Band E
 - In total, 3.2% of registered applicants require 4 or more bedrooms, and all of these applicants are in Priority Bands C and D.

Homelessness and rough sleeping

3.6 The following table identifies the pattern of households accepted as homeless and in Priority Need between 2002-03 and 2011-12.

Table 3.3: homeless accepted and in Priority Need, 2002-2012

2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
188	166	141	125	105	135	85	54	80	75

(Source: HSSA Returns, Table 784 and Table 627 Local Authorities Actions under Homeless Provisions of the Housing Acts CLG website <http://www.communities.gov.uk/corporate/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings:

- From a peak of 188 households in 2002-03, acceptances have fallen steadily to 54 in 2009-10 but have shown an increase from 54 in 2009/10 to 80 in 2010-11 and a decrease to 75 in 2010-11. These patterns are likely to be associated with economic recession and associated increases in repossession and redundancy, etc.

3.7 The most recent rough sleeping count undertaken in autumn 2012 identified 11 rough sleepers in St Albans City and District, an increase from 8 in autumn 2011 and 2 in autumn 2010.

The demand for advertised housing

3.8 This section uses Herts Choice Homes data to consider the expressed demand for social rented housing using the indicator of the number of bids received for each advertised property for all lettings between May 2009 and May 2013. Firstly, overall rates of bids per advertised property are explored.

Table 3.4: total number of bids received for SADC properties advertised through Herts Choice Homes, May 2009-May 2013

	May-Dec 2009	2010	2011	2012	Jan-May 2013	Total
No. of properties advertised	231	291	379	338	131	1,370
Total no. of bids received	10,036	20,066	29,403	35,707	10,844	106,056
Bids per property	43.4	69.0	77.6	105.6	82.8	77.4

(Source: Herts Choice Homes data, May 2013)

Key findings:

- The total number of bids per property advertised from May 2009 to May 2013 was 77.4

- The ratio of bids to advertised property rose steadily from 2009 to a peak of 105.6 bids per property in 2012, after which is dropped to 82.8.

3.9 The following table further analyses the above information to give a profile of the ratio of bids per property according to property type.

Table 3.5: bids per property by property type, May 2009-2013

Property type	May-Dec 2009	2010	2011	2012	Jan-May 2013	Total
House	88.2	85.7	82.2	95.1	84.2	87.5
Bungalow	24.0	39.6	67.7	83.1	84.3	63.0
Maisonette	60.5	70.8	80.3	149.9	27.6	84.4
Flat/bedsit	35.8	65.7	71.2	115.9	87.9	76.1

(Source: Herts Choice Homes data, May 2013)

Key findings:

- The ratio of bids to advertised property is, on average, highest for houses (87.5) and lowest for bungalows (63.0).
- The highest rates of bidding for properties was in 2012 and, in particular for flats and maisonettes, at 115.9 and 149.9 bids per property respectively.

3.10 It is also possible to consider the ratio of bids per property according to bed size, as shown in the table below.

Table 3.6: bids per property, by bed size

No. of bedrooms	May-Dec 2009	2010	2011	2012	Jan-May 2013	Total
0	17.0	50.4	44.4	51.8	41.0	39.1
1	38.8	69.0	82.2	109.3	118.1	82.2
2	45.8	68.7	80.2	123.5	54.0	78.1
3	65.0	77.0	70.4	82.1	70.2	74.8
4+	35.0	41.0	26.0	15.2	27.3	30.5

(Source: Herts Choice Homes data, May 2013)

Key findings:

- Bids per advertised property are highest for 1 bedroom properties, averaging at 82.2 across the period May 2009 to May 2013.
- The highest ratio of bids per property according to bed size was in 2012, when they were 123.5 for 2 bedrooms, 109.3 for 1 bedroom, and 82.1 for 3 bedrooms.

Who is being housed in the intermediate housing sector?

- 3.11 This section considers who is being housed in the intermediate housing sector in the area. CORE data is available for sales of typically of Shared Ownership or HomeBuy properties for 2009-12. Further information has been provided by the zone agent Lea Valley Homes for 18 sales in St Albans between April 2012 and September 2013, extracts from which have been added below. All purchasers already lived in St Albans. The first dimension considered is the type of households being housed then their net weekly incomes.

Table 3.7: sales by type of household, April-March 2009-12

Household type	Numbers
Single adult	68
Multi-adult no children (typically couples)	29
Multi-adult + children (families)	3
Lone parents	4
Older people (not included above)	6
Total	110

(Source: CORE)

Key findings:

- The data identifies that Shared Ownership housing is working most effectively for single adults and couple (who are typically younger). This almost certainly reflects the type of smaller housing provided.
- Despite the potential for 'downsizing' and the existence of a designated scheme, only 6 older people were housed in this way.

Incomes of purchasers

- 3.12 The following table reviews average gross annual income for single income purchasers (Person 1). This may be all or partly from benefits/pensions but not including child benefit, housing benefit, council tax benefit or interest from savings. The incomes distribution is compared with median gross annual incomes from full-time employment recorded for residents in 2012 by the Annual Survey of Hours and Employment.

Table 3.8: sales by average gross annual income of Person 1, April-March 2009-12

Income band	Numbers
Under £7.5k	1
£7.5-9,999	1
£10-13,999	0
£14-17,999	1
£18-21,999	8
£22-29,999	35
£30-39,999	35
£40k+	9
Total	90
Median full-time Gross earnings 2012	

(Source: CORE and ASHE 2012)

Key findings:

- Almost 90% of purchasers earned in excess of £21,999.
- Lea Valley Homes data identified the average share purchased was 40% and the average income for purchasing a 3 bedroomed house was £39,376.

3.13 The following table reviews sales by previous tenure, data is provided for Person 1 only.

Table 3.9: sales by previous tenure of Person 1, April-March 2009-12

Previous tenure	Numbers
Social rented	6
Private rented	41
Tied home/renting with job	1
Owning/buying	8
Family/friends	51
Temporary	0
Other	4
Total	111

(Source: CORE)

Key findings:

- Intermediate sales are working most effectively for former private tenants (37%) and those living with family or friends (46%); and
- Only 5% were previously social renters which indicates that shared ownership is providing a route to home ownership for this group.

The demand for market housing: the views of estate and lettings agents

Introduction

- 3.14 In the third and fourth week of July 2013, 10 estate agents were interviewed in St Albans, all covered the whole of St Albans and dealt in all residential property types; 4 dealt with both sales and rental, 3 with sales only and 3 with rental only.

What's selling well/not so well?

- 3.15 Family houses of 3 or 4 bedrooms were quoted by 5 agents as selling particularly well, one cited properties between £500k and £1m. Only 3 agents indicated any difficulties with sales, one said properties above £2m were "slowing" and another that the top end of the market had slowed; the third indicated apartments were slower to sell.

What's renting well/not so well?

- 3.16 One agent said all properties were renting well, particularly those within walking distance of the city centre. Another 2 agents also mentioned the attraction of the centre and the train station especially 2 bed cottages and other 2-4 bedroom homes. Of the others, one indicated the popularity of 2 bed homes; one 3 bed homes and smaller; and one 1-2 bed homes. The final agent indicated all homes under £2k per calendar month were renting well.
- 3.17 The bigger properties were more difficult to let, one agent indicated that prices had dropped; another said 3-4 bed homes were "slow" and 2 agents indicated homes with rents of £3k and above were difficult. 3 agents said there were no properties not renting well.

How is the local housing market defined? Where does most demand come from?

- 3.18 Most agents were unequivocal that the majority of demand for both purchase and rental housing is from London. Only one agent thought that demand was primarily from local people and only two of the 10 interviewed thought it was 50:50 between local and London. Most demand comes from a mix of professionals - mostly couples, and young families.

Is there demand from local people to buy homes abroad?

- 3.19 One agent reported that about 10% of their vendors were moving abroad and another said there was some demand, although this had declined. The others had either not noticed any demand or said it no longer existed due to economic changes both here and abroad.

What's the demand like for new homes?

- 3.20 All agents identified a strong demand for new homes with 2 indicating there was a shortage of development sites. Agents thought there was a mix of local and outsider purchasers with one agent indicating that the higher priced new homes at £700-800k were bought both by local people trading up, and those in the £400-450k price range by Londoners.
- 3.21 The general view was that 95% of the asking price was being achieved, although one agent's experience was that 100% was being obtained. In the current climate of a shortage of homes in St Albans, it was not necessary to offer other incentives.

Is there a market for Shared Ownership/equity in the area?

- 3.22 Of those agents who offered an opinion, all thought there was a market for shared ownership/shared equity in the area, although one added that many purchasers were affluent enough to buy outright and another said that developers were not offering it because of the high demand for outright purchase. Potential shared owners were thought to be mostly local or key workers.
- 3.23 Views were mixed as to whether it represented value for money, 2 agents said no, one said yes and the others were either non-committal or said it depended on circumstances.

What's the extent of interest from investors and second home owners?

- 3.24 4 agents indicated there was either no interest from second home owners or virtually none. Of the others, one estimated between 2-4% of sales went to second home owners, a second estimated 10% and a third as much as 20%.
- 3.25 Estimates of investor interest varied considerably, ranging from less than 5% to 50%, although several agents indicated it was a fluctuating market; one said that "it went down then up again." Of those who offered an opinion, 4 agents said they did not expect investor interest to change and one thought it would grow slowly.

Determining the affordability of housing

- 3.26 There are three main approaches to determining the affordability of housing:
1. The residual income approach calculates how much income is left over for housing after relevant living expenses have been taken into account for different household types. If there is insufficient income left for housing costs, a household has an affordability problem. This approach requires calculations to be made for a very wide variety of household types and income levels and is more appropriate for middle to higher income groups.
 2. The second approach involves setting 'affordability ratios' of the relationship between incomes and property prices, for example lower quartile incomes as a ratio of lower quartile property prices or property

prices as a multiple of average earnings from employment. However, whilst such ratios are capable of identifying the relationship between incomes and prices, they are not capable of identifying affordability for households where deposit and interest rate levels are the key factors.

3. The third approach involves setting an affordability threshold or benchmark which identifies the maximum proportion of a household's gross or net income which should be spent on housing costs. This is a straightforward approach which is considered especially appropriate for lower to middle income groups and which can take account of both deposit levels and interest rates.
- 3.27 In all cases, particular mention should be made of the disadvantaged position of families with children as their additional living expenses constrain what they can afford to spend on housing, including their ability to borrow to purchase market housing. An assessment of this can be obtained by consulting Equivalence Scales, see Table 2, University of York, Social Policy Research Unit's Minimum Income Standards paper:

http://www.crsp.ac.uk/MIS/downloads/launch/equivalence_WP3_20june08.pdf

- 3.28 In view of the complexity of developing a generic model capable of calculating residual incomes and the limitations of the 'affordability ratio' approach, an affordability threshold approach has been applied here. However, there is no consensus over the affordability level to be adopted, for example:

- The National Housing Federation (NHF), the representative body for housing associations, had previously recommended rent levels were affordable when they were 25% or less of gross household income for new tenant households in work, equivalent to 34% of net income.
- The Homes and Communities Agency (HCA), the funding body for new affordable housing, recommended that 30 - 45% of net income is the acceptable range for housing costs. (Capital Funding Guide, HCA, 2011), please see: <http://cfg.homesandcommunities.co.uk/>
- The CLG whose assessment of affordability for intermediate housing is that a household should use a maximum of 25% of gross income to pay for their mortgage and rent (Strategic Housing Market Assessment Practice Guide, 2007), please see: <http://www.communities.gov.uk/publications/planningandbuilding/strategichousingmarket>
- The Mayor of London: the London Plan states that for products where a rent is paid, the annual housing costs, including rent and service charge, should be no greater than 40% of net household income (London Plan Annual Monitoring Report, February 2011), please see: <http://www.london.gov.uk/priorities/planning/research-reports/annual-monitoring-reports>

- Tenant referencing agencies provide affordability checks for private landlords. Based on experience and historic default levels, the standard level of rent to gross income acceptable to private landlords is 40%.
- A major review of data sources undertaken in 2010 concluded that a household can be considered able to afford market renting where the rent payable is up to 25 per cent of their gross household income. The 'rent payable' figure is defined as the entire rent due, even if it is partially or entirely met by housing benefit. Other housing-related costs, such as council tax and utility bills should not be included (Measuring Housing Affordability: A Review of Data Sources, CCHPR, 2010), please see: <http://www.communities.gov.uk/documents/507390/pdf/1098230.pdf>
- Finally, 'the 30/40 rule' has been developed which takes 30% of gross income committed to housing costs as the benchmark and applies this either to all households or to the lower 40% of households by income.

3.29 The secondary incomes data available to enable affordability modelling is extremely limited and consists of the following:

1. Data from the Annual Survey of Hours and Earnings (ASHE)

This data identifies the gross weekly pay of full-time workers at mean and median levels and for each 10th percentile of the income range by local authority area and is produced annually.

2. Published data for social rentals from CORE

This data identifies the net weekly income of tenants/purchasers or tenant/purchaser and partner, excluding child benefit, housing benefit, council tax benefit or interest from savings, for lettings/sales by bedsize and household type by local authority area, and is produced annually.

3. Published data for intermediate sales from CORE

This data identifies the net weekly income of tenants/purchasers or tenant/purchaser and partner, excluding child benefit, housing benefit, council tax benefit or interest from savings, for lettings/sales by bedsize and household type by local authority area, and is produced annually.

4. Data from CACI PayCheck Profiles

This data source identifies gross household incomes across 21 income bands to £100k+ and the mean and median income band and is produced annually. The data needs to be commissioned commercially but is especially useful for bespoke sub-areas below local authority level.

3.30 Each secondary data source has different characteristics as summarised in the following table. Almost all have serious limitations

Table 3.10: characteristics of secondary incomes data sources

Characteristics	ASHE	CORE rental	CORE sales	CACI PayCheck
Application/limitation	Only for those in paid employment (by gender)	Only for tenants and partners (if applicable)	Only for purchasers (persons 1 - and 2 if applicable)	For all households
Household type	Individual earners only	Single adult/multi-adult with/without children/ lone parent/older people	Single adult/multi-adult with/without children/ lone parent/older people	Yes
Geography	Local authority	Local authority	Local authority	Local authority/postcode sector/bespoke area
Sources of income	Earned only	All or partly from benefits/pensions for local authority and/or housing association tenants as appropriate *1	Earned and includes benefits, except housing and council tax, excludes income through investments	All
Gross/net	Gross weekly	Net weekly	Gross annual	Gross annual
Incomes structure	Mean, median and number of workers for every 10 th percentile	Mean	Mean	Mean, median, number and percentage of households for each of 21 income bands to £100k+
Full/part-time	Full and part-time	Not specified	Not specified	Not known
Cost	Free of charge	Free of charge	Free of charge	Commercial rates
Source (see below)	NOMIS web-based	CORE web-based	CORE web-based	By commission

Notes: *1 but not including child benefit, housing benefit, council tax benefit or interest from savings

Relevant web links

ASHE/NOMIS: Available through 'Advanced Query' at: <https://www.nomisweb.co.uk/Default.asp>
 CORE: Available through 'Analyse CORE data/Interactive reports - Advanced analysis' (see Appendix 1) at: <https://core.tenantservicesauthority.org/AnalyseCOREdataMain.asp>
 CACI: Further information available at: <http://www.caci.co.uk/paycheck.aspx>

3.31 The St Albans City and District 'HMA and Housing Needs' Toolkit, the operation of which is explained in detail in Section 6, has been used to assess affordability using the following secondary data sources:

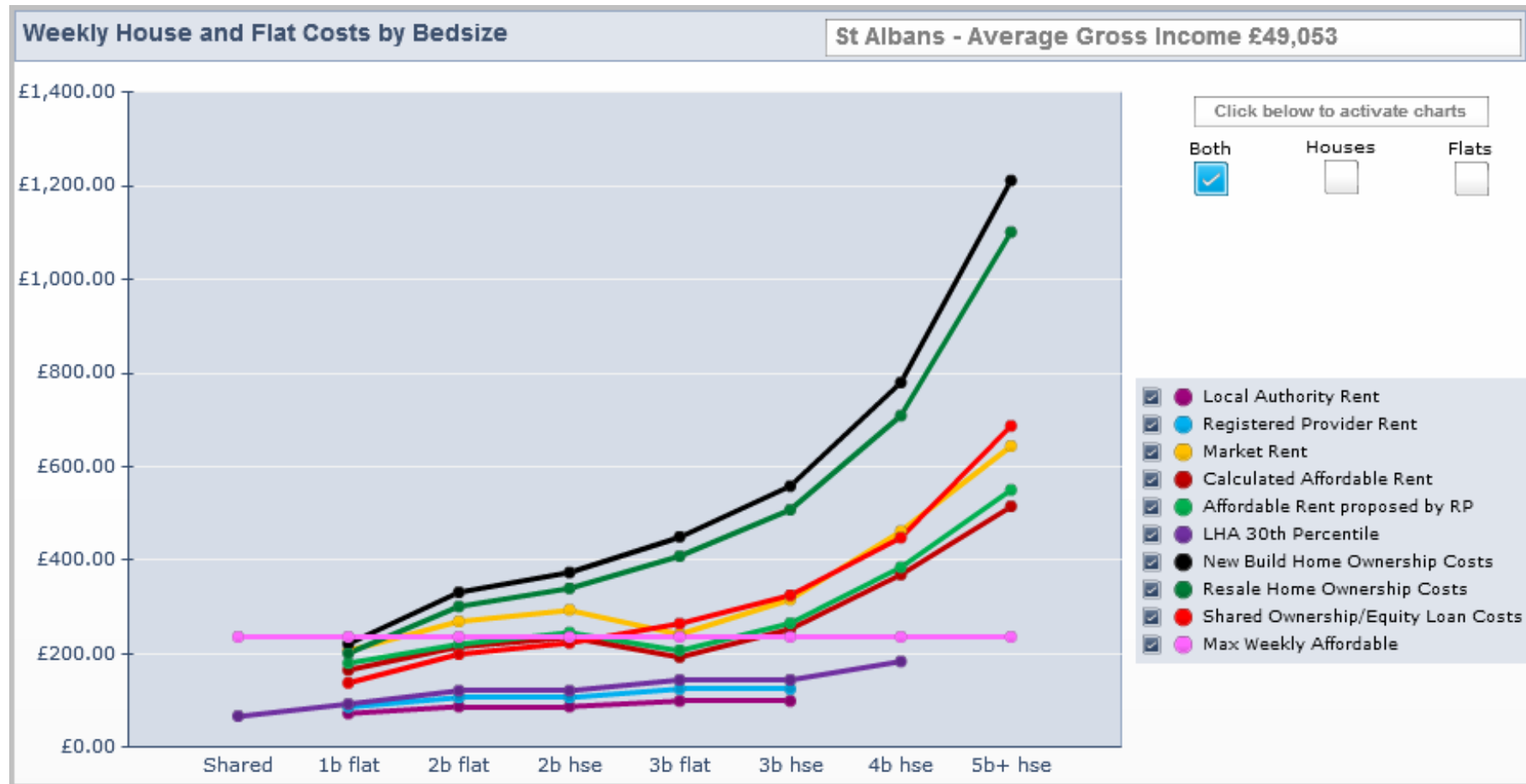
- gross household income levels determined by CACI PayCheck profiles;
- rents and sales prices by property type and bed size;
- for shared ownership/equity loan, the share purchased, deposit, interest rate and period, the rental element and service charge; and
- for home ownership, the deposit, loan interest rate and period.

3.32 The process applied is as follows.

1. The Toolkit applies a 25% gross/34% net affordability threshold to a profile of gross household incomes to identify the proportion of households that can afford the same entry level property for all tenures from social renting to new build home ownership, and including Affordable Rented properties.
2. The entry level property type applied is a 2 bed house which is suitable to meeting the typical needs of new or additional households, the majority of which are small.
3. The cost of accessing this property for all tenures is compared against the maximum housing costs available to households using the affordability threshold. The output is a hierarchy of affordability from those who can only afford social rented housing to the additional percentages who can afford other options.
4. All tenures are included though access to Housing Benefit may make Affordable Rent more accessible to lower income groups.
5. It is not possible to assess with any accuracy how many households on the incomes profile will be in receipt of sufficient Housing Benefit to be able to afford Affordable Rent but it does indicate the level of household income required to access an Affordable Rented product.
6. Private rent has been separately identified as it now constitutes a major element of housing supply, though in terms of new housing required, this is likely to be provided by the home ownership sector then transferred to the private rental sector.

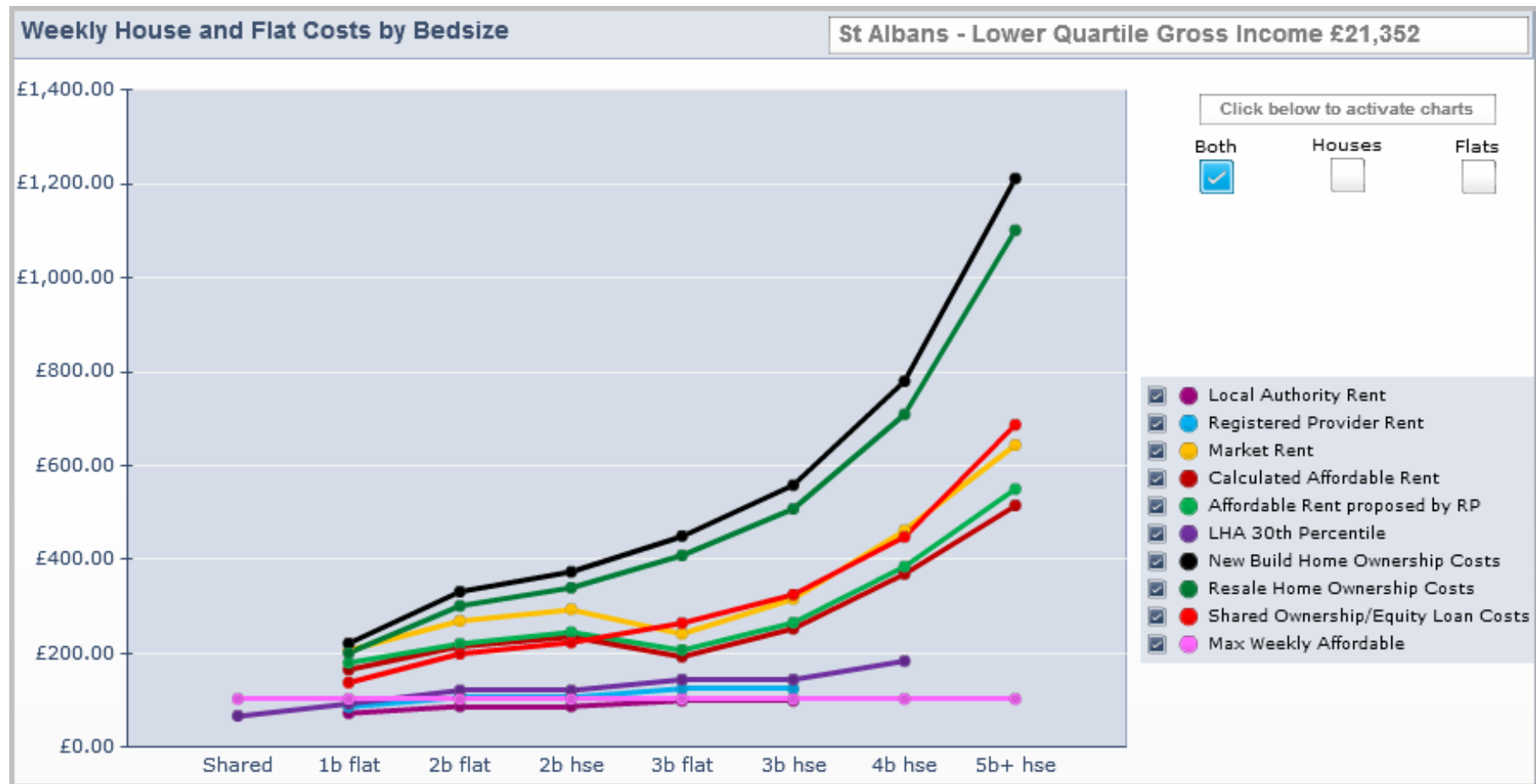
3.33 The following charts are taken from the Toolkit and demonstrate the extent to which housing options in the St Albans City and District are affordable to those in receipt of either average or lower quartile gross incomes. Only those properties below the maximum weekly affordable threshold shown (in pink) are affordable, no account has been taken of Housing Benefit support.

Figure 3.1: the affordability of housing in St Albans City and District for households in receipt of the average gross household income of £49,053



(Source: St Albans City and District Affordability and Housing Options Toolkit)

Figure 3.2: the affordability of housing in St Albans City and District for households in receipt of lower quartile gross household incomes of £21,352



(Source: St Albans City and District Affordability and Housing Options Toolkit)

Key findings:

- For those in receipt of average incomes without housing support, only the following properties are affordable:
 - social rent: all 1 to 3 bed flats and houses;
 - Affordable Rent: 1 to 2 bed flats and houses and 3 bed flats;
 - market rent: 1 bed flats;
 - shared ownership: 1 to 2 bed flats and houses;
 - re-sale home ownership: 1 bed flats; and
 - new-build home ownership: 1 bed flats.
- For those in receipt of lower quartile incomes only 1 to 3 bed local authority social rented flats and houses and 1 bed registered provider flats are affordable without housing support.

The impact of housing and welfare reforms

- 3.34 The Government's housing and welfare reform will have a profound effect on access to housing in the affordable and private rented sectors. Assessments have yet to be undertaken to assess their precise impact but their potential extent can be determined on the basis of the numbers of claimants in receipt of relevant benefits. The subsequent table summarises the main reforms of relevance and identifies the sector, the type of people affected and their likely impact.
- 3.35 At February 2013 DWP Statistics recorded that in relation to Housing Benefit:
- there were 5,997 claimants in St Albans City and District, 4,534 in the social rented sector and 1,465 in the private rented sector.

In relation to Council Tax Benefit:

- there were 6,740 claimants.

There were 5,300 claimants in receipt of both Housing Benefit and Council Tax benefits.

Table 3.11: the impact of current and proposed housing and welfare reforms

Date	Change	Housing sector	People affected	Impact
01.04.11	Reduction in Local Housing Allowance (LHA) rates from 50 th to the 30 th percentile. Abolition of the higher rate for 5 bed or larger properties.	Private rented	All in receipt of LHA	Reduction in the number of eligible properties – increased demand for lower cost properties.
01.01.12	LHA shared room rate for under 25s extended to 25-34 year olds	Private rented	Under 35s	Reduction in the size of eligible properties – greater demand for shared housing.
01.04.13	Council Tax (CT) Benefit abolished and replaced with a localised scheme funded from a fixed non-ring fenced grant payment.	All	Working age applicants	Unknown. The replacement scheme will be at the discretion of local authorities. Overall, CT benefit expenditure is to be reduced by 10%.
01.04.13	LHA rates to be uplifted on the basis of Consumer Price Index (CPI) rather than by reference to local rents.	Private rented	All in receipt of LHA	If rents increase at a rate above CPI then there will be a reduction in the number of eligible properties.
2012-13	LHA rates will be frozen (rates will be based on March 2012 figures)	Private rented	All in receipt of LHA	If rents increase at all, then there will be a reduction in the number of eligible properties.
01.04.13	Housing Benefit (HB) restrictions – Social Housing - Working Age. Size restrictions will be introduced for working age tenants on HB in the social sector. Customers who have one spare bedroom will experience a 14% reduction in the rent allowed for HB. Those with two or more spare bedrooms will see a 25% reduction in the rent allowed for calculating HB.	Social rented	Working age applicants	Greater pressure is likely to be placed on the demand for smaller homes.

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Date	Change	Housing sector	People affected	Impact
01.04.13	Household Benefit Cap. There will be a total maximum amount that can be claimed in all benefits for working age non-working families. It is proposed that the threshold will be set at the median net earnings for working age households: £500 per week (£26,000 p.a.) for a couple and lone parent households A lower rate of £350 per week will apply for single adult households.	Social rented	Working age applicants	This is likely to have the greatest impact on larger families living in larger homes which attract the highest rentals.
01.04.13	Community Care Grants and Crisis Loans for living expenses (Part of the Discretionary Social Fund) will be abolished and replaced with a locally-based non-ring fenced provision. There will be no new duties on local authorities to provide the new assistance.	All	All in receipt of emergency loans	Unknown, emergency provision will be at the discretion of local authorities.
2013	Introduction of Universal Credit (UC). The aim of UC is to simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment. Payments will go to one member of the household, although it will be the whole household that claims. Payments will be calendar monthly and paid in arrears. Payments to go direct to the tenant unless vulnerable.	All	All in receipt of <ul style="list-style-type: none"> • Income related Job Seeker's Allowance • Income related Employment & Support Allowance • Income Support • Child Tax Credits • Working Tax Credits • Housing Benefit 	Unknown.

Executive summary for Section 3

What is the current pattern of need and demand for social rented housing?

- 3.36 'Herts Choice Homes' choice-based lettings data enables patterns and trends in the need for housing to be identified. At October 2013, there were almost 1,132 registered applicants, 4.5% of whom were in the Urgent and 13.3% in the 'Very High Need' priority bands.
- 3.37 High levels of housing need are reflected in high bidding ratios. The average over 4 years is 77 bids per property and is currently in the region of 83 per property.
- 3.38 Demand is strongest for 1 bed properties; 60% of applicants are registered for properties of this size; 19% of applicants are registered for 2 bed and only 16% for 3 bed housing.
- 3.39 From a peak of 188 households in 2002-03, homeless acceptances have fallen steadily to 75 in 2011-12 which is almost certainly indicative of effective preventions work.

What is the current pattern of demand for intermediate housing?

- 3.40 Based on sales data from 2009 to 2012, the intermediate sector has been most successful in housing single people and couples. Very few lone parents or older people were housed in this sector. These trends are most likely a result of the product being developed and the marketing strategies employed to attract buyers.
- 3.41 90% of purchasers earned £22k per annum or above and had previously rented privately or lived with family or friends; very few had previously been renting in the social sector.
- 3.42 This limited information available suggests that the intermediate housing sector is more successful in housing people who were previously social or private renters – which is in contrast with many other areas - and consultation with estate agents suggests there is a demand for it.

What is the pattern of affordability?

- 3.43 Applying an affordability threshold of 25% of gross incomes, equivalent to 34% of net household income, and before any housing support is taken into account, most housing - other than larger houses - is affordable for those on average incomes. However, those on lower quartile incomes are very much excluded from market options and, without housing support, only one bed social rented flats are affordable.

The impact of housing and welfare reforms

- 3.44 Whilst the precise impact is still to be assessed, the Government's housing and welfare reforms are affecting access to housing in the affordable and private rented sectors, limiting choice and households to housing by bedroom requirement. Those most affected are of working age, especially young single people under 35, and in receipt of Council Tax or Housing Benefit. Some indication of the potential impact of the reforms can be gauged from the number of people claiming Housing Benefit. There are currently almost 6,000 claimants, almost 4,500 in the social sector and the remainder in the private rented sector. There are 6,740 claimants for Council Tax Benefit and 5,300 in receipt of both Benefits, almost 10% of all households.

4. Key Influences and Drivers

Introduction

- 4.1 This major chapter reviews the key influences and drivers underpinning the housing market. It progresses from a demographic and social profile to a review of population and household projections and the factors influencing them, including trends in international and internal migration and patterns of commuting. Some data from the 2011 Census has been used; however, where this is not yet available data from the 2001 Census has been used.

Demographic profile

Population by age band

- 4.2 The 2011 Census identifies a population of 140,664 in St Albans City and District and 56,140 households at an average household size of 2.5.
- 4.3 The area's population by age will influence household formation which in turn determines housing needs. The following table summarises age structure by age band for the 2011 Census.

Table 4.1: Age Structure, St Albans City and District, 2011

Age Bands	St Albans City and District		East		England	
	No	%	No	%	No	%
Age 0 to 15	30,074	21.4	1,108,632	19.0	10,022,836	18.9
Age 16 to 17	3,641	2.6	148,076	2.5	1,314,124	2.5
Aged 18 to 24	8,903	6.3	490,197	8.4	4,970,636	9.4
Aged 25 to 44	40,240	28.6	1,546,616	26.5	14,595,152	27.5
Age 45 to 64	36,030	25.6	1,529,262	26.2	13,449,179	25.4
Age 65 plus	21,776	15.5	1,024,182	17.5	8,660,529	16.3
All Categories	140,664	100.0	5,846,965	100.0	53,012,456	100.0
Mean Age	38.9		40.2		39.3	
Mean Age Rank	248					
Median Age	39.0		40.0		39	
Median Age Rank	230					

(Source: KS102EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- The 65 plus population in St Albans City and District was lower (15.5%) than in the Region (17.5%) and in England (16.3%);
- Just over one fifth (21.4%) of the population in St Albans City and District were 0 to 15 year olds, slightly higher than in the East (19.0%) and in England (18.9%).
- 2.6% of the population in St Albans City and District were 16 to 17 year olds, just slightly higher than in the East (2.5%) and in England (2.5%).
- 6.3% of St Albans City and District's population were 18 to 24 year olds, slightly lower than in the East (8.4%) and in England (9.4%).
- More than half (54.2%) of St Albans City and District's population were aged between 25 and 64, a little higher than in the East (52.6%) and in England (52.9%).
- The Mean Age in St Albans City and District was 38.9, just a little younger than the East (40.2) and national Mean Age of 39.3.
- The Rank for the Mean Age is 248 and the Rank for the Median Age is 230 out of 348 local authorities in England and Wales. This means that 71.3% of local authorities have an older Mean Age and 66.1% have an older Median age than in St Albans City and District.

Tenure by Age of Household Reference Person

- 4.4 The following table shows tenure by age of the Household Reference Person (HRP) in St Albans City and District. The concept of a Household Reference Person was introduced in the 2001 Census to replace the traditional concept of the 'head of the household'. HRPs provide an individual person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person.

Table 4.2: Tenure by Age of Household Reference Person, St Albans City and District, 2011

Age Bands	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Age 24 and under	34	0.2	70	0.3	182	3.8	143	6.9	385	5.4	78	6.8	892	1.6
Age 25 to 34	354	1.8	2,897	13.4	516	10.9	388	18.7	2,741	38.8	270	23.5	7,166	12.8
Age 35 to 49	2,267	11.7	11,461	52.9	1,323	27.8	817	39.3	2,782	39.4	289	25.1	18,939	33.7
Age 50 to 64	6,223	32.1	6,208	28.6	1,201	25.3	422	20.3	849	12.0	210	18.2	15,113	26.9
Age 65 to 74	4,782	24.6	660	3.0	640	13.5	161	7.7	177	2.5	94	8.2	6,514	11.6
Age 75 to 84	4,093	21.1	282	1.3	554	11.7	90	4.3	87	1.2	109	9.5	5,215	9.3
Age 85 and over	1,656	8.5	105	0.5	337	7.1	58	2.8	44	0.6	101	8.8	2,301	4.1
All categories: Age	19,409	100.0	21,683	100.0	4,753	100.0	2,079	100.0	7,065	100.0	1,151	100.0	56,140	100.0

(Source: DC4201, 2011 Census, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0)

Key Findings

- More than half (54.3%) of household reference persons (HRPs) living in Owned Outright accommodation were 65 plus compared to almost one third (32.3%) renting from the local authority; just over one quarter (26.4%) in Other Private Rented and Living Rent Free accommodation, 14.9% in Other Social Rented housing, 4.8% in Owner Occupied housing with a Mortgage or Shared Ownership and 4.4% of HRPs in Private Rented house with a Landlord or Lettings Agency.
- Three quarters (75.0%) of HRPs aged 65 plus years lived in Owned Outright accommodation compared to 10.9% living in local authority social rented housing, 7.5% in Owner Occupied housing with a Mortgage and 2.2% in each of the other 3 tenure types.
- 6.9% of HRPs in Other Social Rented housing and 6.8% of HRPs in Other Private Rented or Living Rent Free were 24 years or under compared to 5.4% of HRPs in Private Rented with a Landlord or letting agency housing, 3.8% of HRPs living in local authority social rented housing, 0.3% of HRPs living in Owner Occupied housing with a Mortgage or Shared Ownership and 0.2% of HRPs living in owner occupied outright housing.
- More than two fifths (43.2%) of 18 to 24 year old HRPs live in privately rented housing with a landlord or letting agency, compared to just over one fifth (20.4%) in local authority social rented housing, 16.0% in Other Social Rented housing, 8.7% in Other Private Rented or Living Rent Free, 7.8% in Owner Occupied with a Mortgage, and 3.8% in Owned Outright housing.
- 38.8% of HRPs living in Private Rented with a Landlord or agency housing were aged between 25 and 34 years compared to 23.5% of HRPs in Other Private Rented or Living Rent Free, 18.7% of HRPs in Other Social Rented housing, 13.4% of HRPs in Owner Occupied with a Mortgage or Shared Ownership housing, 10.9% of HRPs in local authority social rented housing, and 1.8% of HRPs in owner occupied Owned Outright housing.
- More than two fifths (40.4%) of 25 to 34 year old HRPs lived in Owner Occupied with a Mortgage housing compared to 38.3% renting with a private landlord or lettings agency, 7.2% in local authority social rented housing, 5.4% in Other Social Rented housing, 4.9% in Owned Outright housing and 3.8% in other privately rented or Living Rent Free housing.
- 81.5% of HRPs in Owner Occupied housing with a Mortgage or Shared Ownership were between 35 and 64 years of age compared to 59.6% of HRPs in Other Social Rented Housing, 53.1% of HRPs in Local Authority social rented housing, 51.4% of HRPs with a Private Landlord or letting agency, 43.7% of HRPs in Owner Occupied Outright housing, and 43.4% of HRPs in Other Private Rented and Living Rent Free households.
- More than half (51.9%) of HRPs aged 35 to 64 years lived in Owner Occupied housing with a Mortgage, nearly one quarter (24.9%) lived in owner occupied

outright housing, 10.7% lived with a private landlord or letting agency, 7.4% rented from a local authority, 3.6% lived in Other Social Rented housing, and 1.5% lived in Other Private Rented or Living Rent Free housing.

Household total, composition and size

- 4.5 The following table identifies the composition and size of households in St Albans City and District in the context of the East and England.

Table 4.3: Household Total and Composition, St Albans City and District, 2011

Household Composition	St Albans City and District			East		England	
	No	%	Rank	No	%	No	%
One Person Household:							
Aged 65 and over	6,390	11.4	278	306,941	12.7	2,725,596	12.4
Other	8,598	15.3	204	382,769	15.8	3,940,897	17.9
One Family Only:							
All aged 65 and over	4,832	8.6	201	226,812	9.4	1,789,465	8.1
Married or same-sex civil partnership couple: No children	6,985	12.4	227	327,750	13.5	2,719,210	12.3
Married or same-sex civil partnership couple: Dependent children	13,058	23.3	3	404,171	16.7	3,375,890	15.3
Married or same-sex civil partnership couple: All children non-dependent	3,166	5.6	207	141,766	5.9	1,234,355	5.6
Cohabiting couple: No children	3,274	5.8	80	131,722	5.4	1,173,172	5.3
Cohabiting couple: Dependent children	1,842	3.3	295	103,744	4.3	890,780	4.0
Cohabiting couple: All children non-dependent	219	0.4	292	12,568	0.5	108,486	0.5
Lone parent: Dependent children	2,751	4.9	293	150,707	6.2	1,573,255	7.1
Lone parent: All children non-dependent	1,693	3.0	239	76,941	3.2	766,569	3.5
Other household types:							
With dependent children	1,058	1.9	226	53,987	2.2	584,016	2.6
All full-time students	26	0.0	164	6,802	0.3	124,285	0.6
All aged 65 and over	98	0.2	337	6,901	0.3	61,715	0.3
Other	2,150	3.8	106	89,454	3.7	995,677	4.5
All Categories	56,140	100.0		2,423,035	100.0	22,063,368	100.0

(Source: Table KS105EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- St Albans City and District had a lower percentage (7.9%) of lone person households than in the East (9.4%) and in England (10.6%).
- Just over one fifth (20.2%) of households in St Albans City and District were 65 plus years, lower than in the East (22.3%) and just over one fifth in England (20.8%).
- The percent of Lone Person households Over 65 in St Albans City and District was 11.4%, lower than in the East (12.7%) and in England (12.4%).
- One third (33.3%) of households in St Albans City and District had dependent children, higher than in the East (29.4%) and in England (29.0%).
- St Albans City and District ranked 3rd out of the 348 local authorities in England and Wales for married or same sex civil partnership couples with dependent children, but had much lower rankings for other types of households with dependent children.
- 9.0% of households in St Albans City and District had non-dependent children compared to 9.5% in the East and 9.6% in England.
- Almost one fifth (18.3%) of households in St Albans City and District were couples with no children. This was lower than in the East (19.0%) and slightly higher than in England (17.6%).

Household composition and tenure

- 4.6 The following table shows Tenure by Household Composition for St Albans City and District.

Table 4.4: tenure by household composition, St Albans City and District, 2011

	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented		Living Rent Free		All categories	
One Person Household:	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Aged 65 and over	4,432	22.8	324	1.5	22	8.4	960	20.2	241	11.6	176	2.5	36	6.4	199	33.6	6,390	11.4
Other	2,022	10.4	2,761	12.9	97	37.2	816	17.2	650	31.3	1,927	27.3	180	32.2	145	24.5	8,598	15.3
One Family Only:																		
All aged 65 and over	4,165	21.5	297	1.4	6	2.3	248	5.2	27	1.3	49	0.7	16	2.9	24	4.1	4,832	8.6
Married or same-sex civil partnership couple: No children	3,098	16.0	2,791	13.0	18	6.9	209	4.4	73	3.5	692	9.8	51	9.1	53	9.0	6,985	12.4
Married or same-sex civil partnership couple: Dependent children	1,837	9.5	9,153	42.7	30	11.5	545	11.5	271	13.0	1,115	15.8	52	9.3	55	9.3	13,058	23.3
Married or same-sex civil partnership couple: All children non-	1,544	8.0	1,247	5.8	1	0.4	241	5.1	38	1.8	74	1.0	6	1.1	15	2.5	3,166	5.6

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	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented		Living Rent Free		All categories	
dependent																		
Cohabiting couple: No children	390	2.0	1,374	6.4	31	11.9	126	2.7	64	3.1	1,190	16.8	75	13.4	24	4.1	3,274	5.8
Cohabiting couple: Dependent children	143	0.7	980	4.6	14	5.4	232	4.9	128	6.2	317	4.5	25	4.5	3	0.5	1,842	3.3
Cohabiting couple: All children non- dependent	57	0.3	96	0.4	0	0.0	40	0.8	15	0.7	10	0.1	0	0.0	1	0.2	219	0.4
Lone parent: Dependent children	338	1.7	837	3.9	15	5.7	683	14.4	364	17.5	458	6.5	31	5.5	25	4.2	2,751	4.9
Lone parent: All children non- dependent	691	3.6	423	2.0	5	1.9	357	7.5	87	4.2	112	1.6	7	1.3	11	1.9	1,693	3.0
Other household types:																		
With dependent children	178	0.9	507	2.4	4	1.5	142	3.0	45	2.2	151	2.1	18	3.2	13	2.2	1,058	1.9

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	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented		Living Rent Free		All categories	
All full-time students	2	0.0	0	0.0	0	0.0	0	0.0	3	0.1	19	0.3	2	0.4	0	0.0	26	0.0
All aged 65 and over	64	0.3	14	0.1	0	0.0	14	0.3	1	0.0	5	0.1	0	0.0	0	0.0	98	0.2
Other	448	2.3	618	2.9	18	6.9	140	2.9	72	3.5	770	10.9	60	10.7	24	4.1	2,150	3.8
All Categories	19,409	100.0	21,422	100.0	261	100.0	4,753	100.0	2,079	100.0	7,065	100.0	559	100.0	592	100.0	56,140	100.0

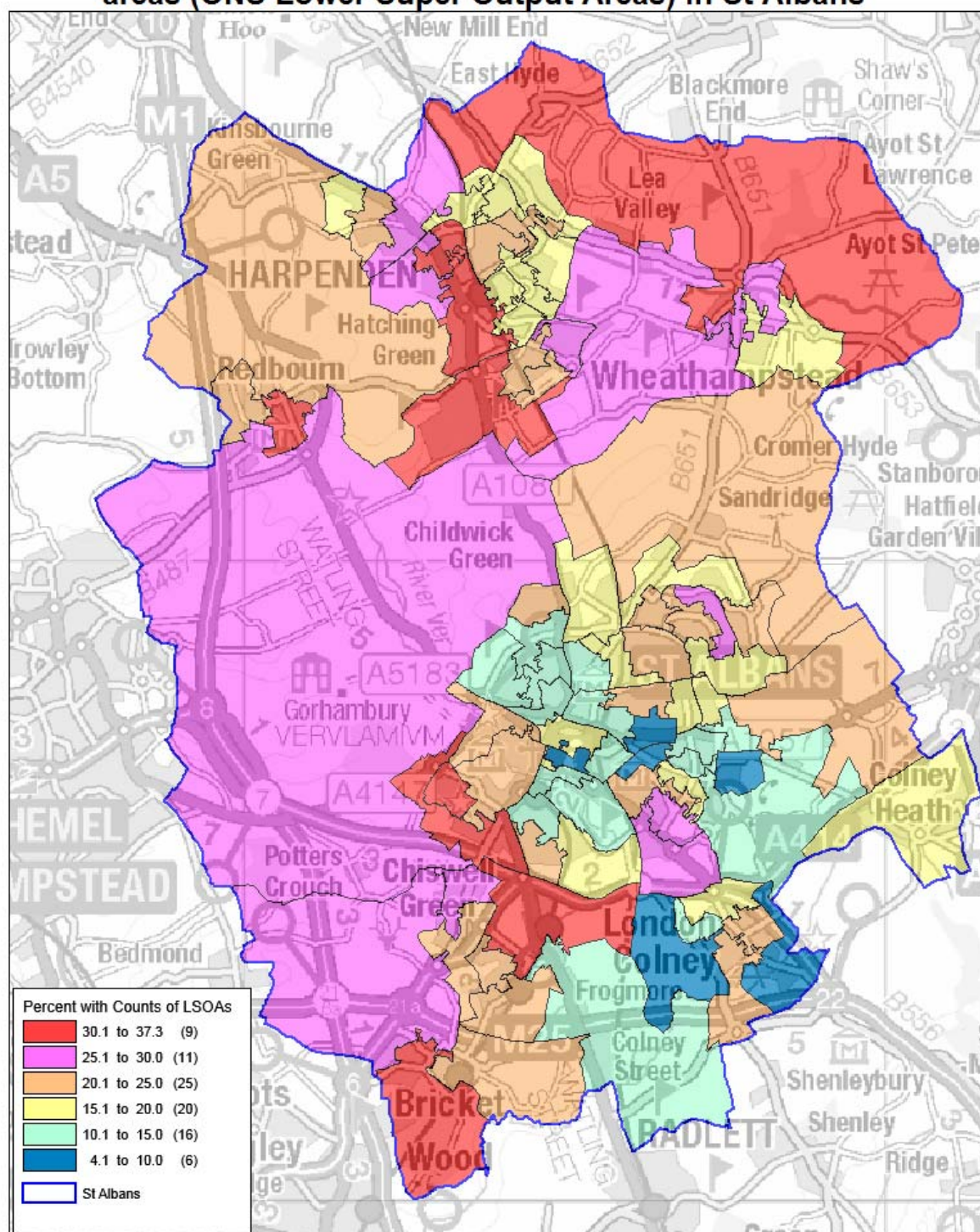
(Source: DC4101, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- More than two fifths (44.6%) of Outright Owner Occupied households were 65 plus years. One third were Lone Person households (including 65 plus lone person households). 12.9% of Owner Outright households were households with dependent children, and 18.0% were couples with no children.
 - More than half of Owner Occupied households with a Mortgage had dependent children, nearly one fifth (19.4%) were couples with no children, 14.4% were lone person households (including 65 plus) and 3% were 65 plus households (including lone person households).
 - Total numbers of Shared Ownership households were small (261 households). 45.6% of Shared Ownership households consisted of Lone Persons, nearly one quarter were households with dependent children, 18.8% were couples with no children and 10.7% were 65 plus households (including lone person households).
 - 37.4% of Local Authority households were Lone Persons (including 65 plus years), just over one third (33.7%) were households with dependent children, just over one quarter (25.7%) were 65 plus years households (including lone persons), and 7.0% were couples with no children.
 - 42.9% of Other Social Rented households were Lone Person households, 38.9% were households with dependent children, 12.9% were 65 plus years (including lone person households) and 6.6% were couples with no children.
 - 29.8% of Private Rented with a Landlord/Lettings Agency households were Lone Person households (including 65 plus years), 28.9% were households with dependent children, 26.6% were couples with no children, and 3.3% were 65 plus years households (including lone person households).
 - 38.6% of Other Private Rented households were Lone Person Households (including 65 plus years), 22.5% had dependent children, 22.5% were couples with no children and 9.3% were 65 plus years households.
 - 58.1% of Living Rent Free households were Lone Person Households (including 65 plus years), 37.7% were 65 plus years (including lone person households), 16.2% had dependent children and 13.0% were couples with no children.
- 4.7 Map 4.1 shows the small areas where there are concentrations of households Over 65 within St Albans City and District. There are 9 small areas where more than 30% of the households are Over 65s and a further 11 small areas where more than one quarter of households are Over 65's. This means that 23.0% of small areas in St Albans City and Districts had more than one quarter of households being Over 65s.

Map 4.1

**Percent of Older Person Households (Over 65s) within small
areas (ONS Lower Super Output Areas) in St Albans**



Source: Table KS105EW Household Composition, 2011 Census Data, Office for National Statistics, NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

4.8 The following table profiles household size for St Albans City and District and is followed by a map showing household size within small areas.

Table 4.5: household size, St Albans City and District, 2011

Household Size	St Albans City and District		East		England	
	No	%	No	%	No	%
1 person in household	14,988	26.7	689,710	28.5	6,666,493	30.2
2 people in household	18,843	33.6	860,973	35.5	7,544,404	34.2
3 people in household	8,609	15.3	378,048	15.6	3,437,917	15.6
4 people in household	9,494	16.9	334,703	13.8	2,866,800	13.0
5 people in household	3,115	5.5	113,217	4.7	1,028,477	4.7
6 people in household	838	1.5	34,606	1.4	369,186	1.7
7 people in household	154	0.3	7,468	0.3	88,823	0.4
8 or more people in household	99	0.2	4,310	0.2	61,268	0.3
All categories	56,140	100.0	2,423,035	100.0	22,063,368	100.0
Average Household Size	2.5		2.4		2.4	

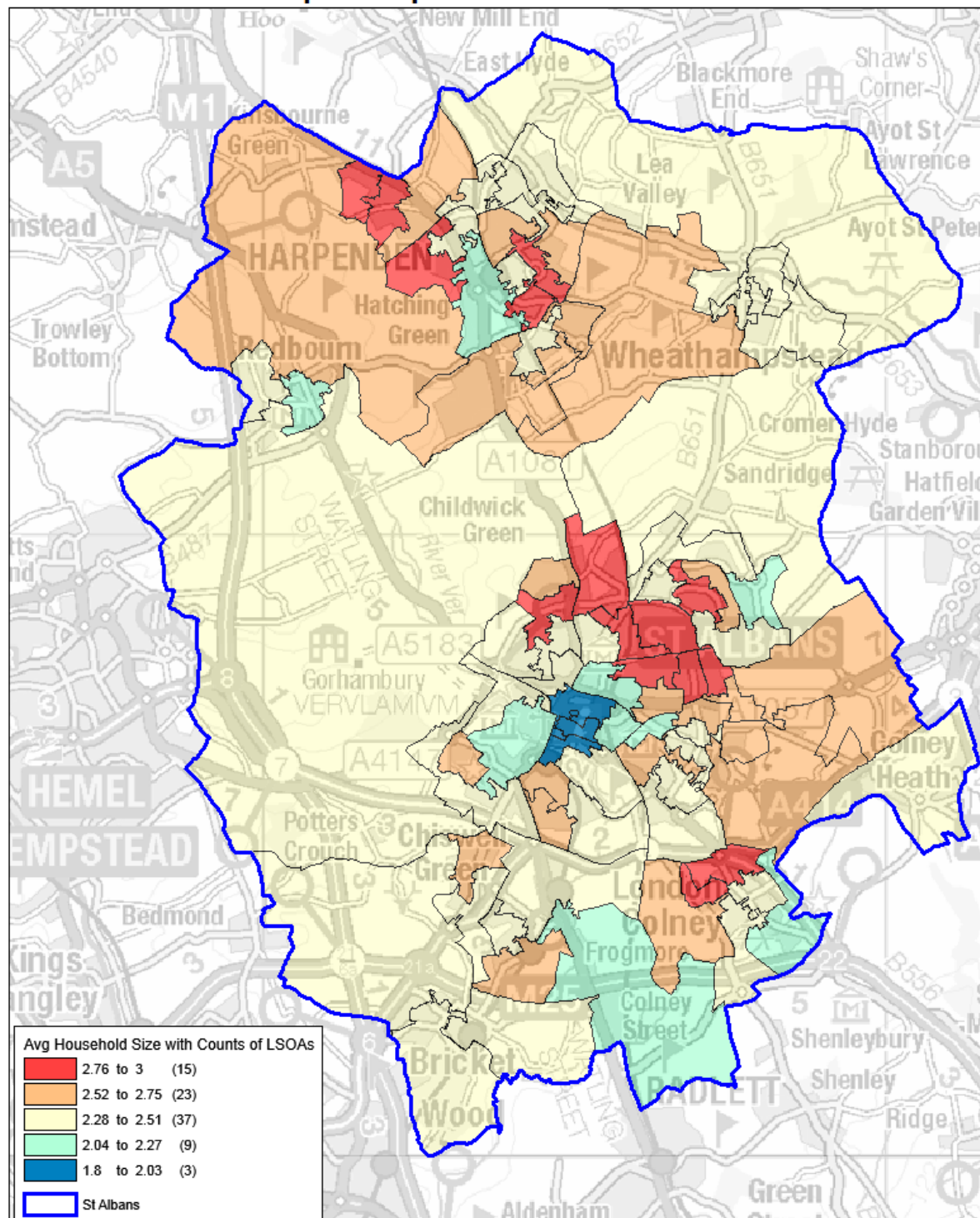
(Source: Table KS 105 EW and Table KS403EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- The average household size in St Albans City and District was 2.5, slightly higher than in the East (2.4) and in England (2.4).
- Just over one quarter of households were one person households which was lower than in the East (28.5%) and in England (30.2%).
- More than one third of households were two person households which was lower than in the East (35.5%) and in England (34.2%).
- Almost one third were 3 or 4 persons households which was higher than in the East (29.4%) and in England (28.6%).
- 8% of households were 5 plus persons households which was higher than in the East (6.6%) and in England (7.0%).
- There were 38 small areas with above average household sizes for St Albans City and District (43.6%).

Map 4.2

Average Household Size in ONS Lower Super Output Areas in St Albans



Source: Table KS403EW, Rooms, Bedrooms and Central Heating, 2011 Census Data, Office for National Statistics, NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>).
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Household size and tenure

4.9 The following table shows tenure by household size in St Albans City and District.

Table 4.6: tenure by household size, St Albans City and District, 2011

Tenure	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
Persons in Household	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1 person	6,454	33.3	3,204	14.8	1,776	37.4	891	42.9	2,103	29.8	560	48.7	14,988	26.7
2 people	8,612	44.4	5,423	25.0	1,232	25.9	460	22.1	2,771	39.2	345	30.0	18,843	33.6
3 people	2,207	11.4	4,259	19.6	688	14.5	308	14.8	1,029	14.6	118	10.3	8,609	15.3
4 people	1,528	7.9	6,285	29.0	537	11.3	230	11.1	827	11.7	87	7.6	9,494	16.9
5 people	477	2.5	1,935	8.9	298	6.3	119	5.7	259	3.7	27	2.3	3,115	5.5
6 or more people	131	0.7	577	2.7	222	4.7	71	3.4	76	1.1	14	1.2	1,091	1.9
All categories	19,409	100.0	21,683	100.0	4,753	100.0	2,079	100.0	7,065	100.0	1,151	100.0	56,140	100.0

(Source: DC4404EW, 2011 Census, NOMIS website, <http://nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- 4.7% of local authority rented households, 3.4% of Other Social Rented households, 2.7% of those Owned with a Mortgage or a loan, 1.2% of Other Private Rented or Living Rent Free households, 1.1% of those with a private landlord or lettings agency and 0.7% of Owned Outright households had 6 or more persons in the household.
- More than half (52.9%) of 6 plus person households lived in Owner Occupied housing with a Mortgage, just over one fifth (20.3%) lived in local authority housing, 12.0% lived in Owned Outright housing, 7.0% lived in privately rented with a landlord/lettings agency housing, 6.5% lived in Other Social Rented housing and 1.3% lived in other privately rented or Living Rent Free housing.
- 57.6% of Owned with a Mortgage or loan households, nearly one third (32.0%) of social rented from local authority households, 31.6% of Other Social Rented, 29.9% of Private Rented with a Landlord or lettings agency households, more than one fifth (21.7%) of Owned Outright households, and just over one fifth (20.2%) of Other Private Rented or Living Rent Free households had 3, 4 or 5 people in the household.
- 78.6% of Other Private Rented or Living Rent Free households, more than three quarters (77.6%) of Owned Outright households, 69.0% of those renting with a private landlord or lettings agency, 65.0% of Other Social Rented households, 63.3% of social rented from a local authority households, and 39.8% of those owning with a mortgage or loan were small households with 1 or 2 persons.

Ethnicity

4.10 The following table provides 2011 Census data by ethnic origin.

Table 4.7: ethnic origin, St Albans City and District, 2011

Ethnic Origin	St Albans City and District			East		England	
	No	%	Rank	No	%	No	%
White:							
English/Welsh/Scottish/ Northern Irish/British	114,145	81.1	264	4,986,170	85.3	42,279,236	79.8
Irish	2,514	1.8	31	55,573	1.0	517,001	1.0
Gypsy or Irish Traveller	165	0.1	114	8,165	0.1	54,895	0.1
Other White	7,556	5.4	63	260,286	4.5	2,430,010	4.6
Mixed/Multiple Ethnic group:							
White and Black Caribbean	1,019	0.7	81	37,222	0.6	415,616	0.8
White and Black African	397	0.3	87	15,388	0.3	161,550	0.3
White and Asian	1,491	1.1	35	32,226	0.6	332,708	0.6
Other Mixed	997	0.7	49	27,280	0.5	283,005	0.5
Asian/Asian British:							
Indian	2,210	1.6	105	86,736	1.5	1,395,702	2.6
Pakistani	1,149	0.8	90	66,270	1.1	1,112,282	2.1
Bangladeshi	2,633	1.9	21	32,992	0.6	436,514	0.8
Chinese	1,149	0.8	74	33,503	0.6	379,503	0.7
Other Asian	1,870	1.3	88	58,871	1.0	819,402	1.5
Black/African/Caribbean/ Black British:							
African	1,203	0.9	99	69,925	1.2	977,741	1.8
Caribbean	911	0.6	72	33,614	0.6	591,016	1.1
Other Black	274	0.2	87	13,903	0.2	277,857	0.5
Other Ethnic Group:							
Arab	459	0.3	76	10,367	0.2	220,985	0.4
Any other ethnic group	522	0.4	100	18,474	0.3	327,433	0.6
All Categories	140,664	100.0		5,846,965	100.0	53,012,456	100.0

(Source: Table KS201EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- St Albans City and District had a larger non white population (11.6%) than in the East (9.2%) and a smaller non white population than in England (14.3%).
- 6.4% of the population in St Albans City and District were Asian compared to 4.8% in the East and 7.7% in England.
- 2.8% of the population in St Albans City and District were Mixed or from Multiple Ethnic groups compared to 1.9% in the East and 2.2% in England.

- A very small percentage (1.7%) of St Albans City and District's population were Black, lower than in the East (2.0%) and in England (3.4%).
- 0.7% of St Albans City and District's population were from Other Ethnic groups, just a little higher than for the East (0.5%) and lower than in England (1.0%).
- 5.4% of St Albans City and District's population were White Other. This was a little higher than in the East (4.5%) and in England (4.6%).
- There were 165 Gypsies or Irish Travellers in St Albans City and District (0.1%) of the population. This was the same percentage as in both the East and in England. St Albans City and District ranked 114 out of 348 local authorities for Gypsies and Irish Travellers.
- In circumstances of very low ethnic populations, their social, economic and housing circumstances can only be understood through detailed and localised analysis; it is not possible to generalise from studies undertaken with concentrated ethnic populations.

Geo-demographic profile

- 4.11 Geo-demographic data identifies the likely characteristics of local areas within St Albans and District, for example tenure and income levels. By identifying the extent to which small areas reflect shared or contrasting composition, such data can help to identify distinct and continuous sub-areas or localities such as neighbourhoods, housing estates or other housing areas.
- 4.12 Data is not yet available from the 2011 Census Output and therefore this analysis of Output Area Classification (OAC) is drawn from 2001 Census. 2011-based outputs will be announced using the following link: <http://areaclassification.org.uk/> The classification comprises 41 variables selected from the Key Statistics tables of the 2001 Census within five main 'domains' of Demographic Structure, Household Composition, Housing, Socio-Economic and Employment. The classification takes the form of a three tier hierarchy:
- the first - at the larger scale consists of 7 'super-groups' - details of which are provided as appendices
 - the second of 21 'groups' - details of which are provided as appendices; and
 - the third tier, with the greatest level of detail, is labelled 'sub-groups' of which there are 52.
- 4.13 The Super Groups and Groups have variables with Proportions that are below, above or close to the national average. Some information is given below for the characteristics of the 7 Super Groups.

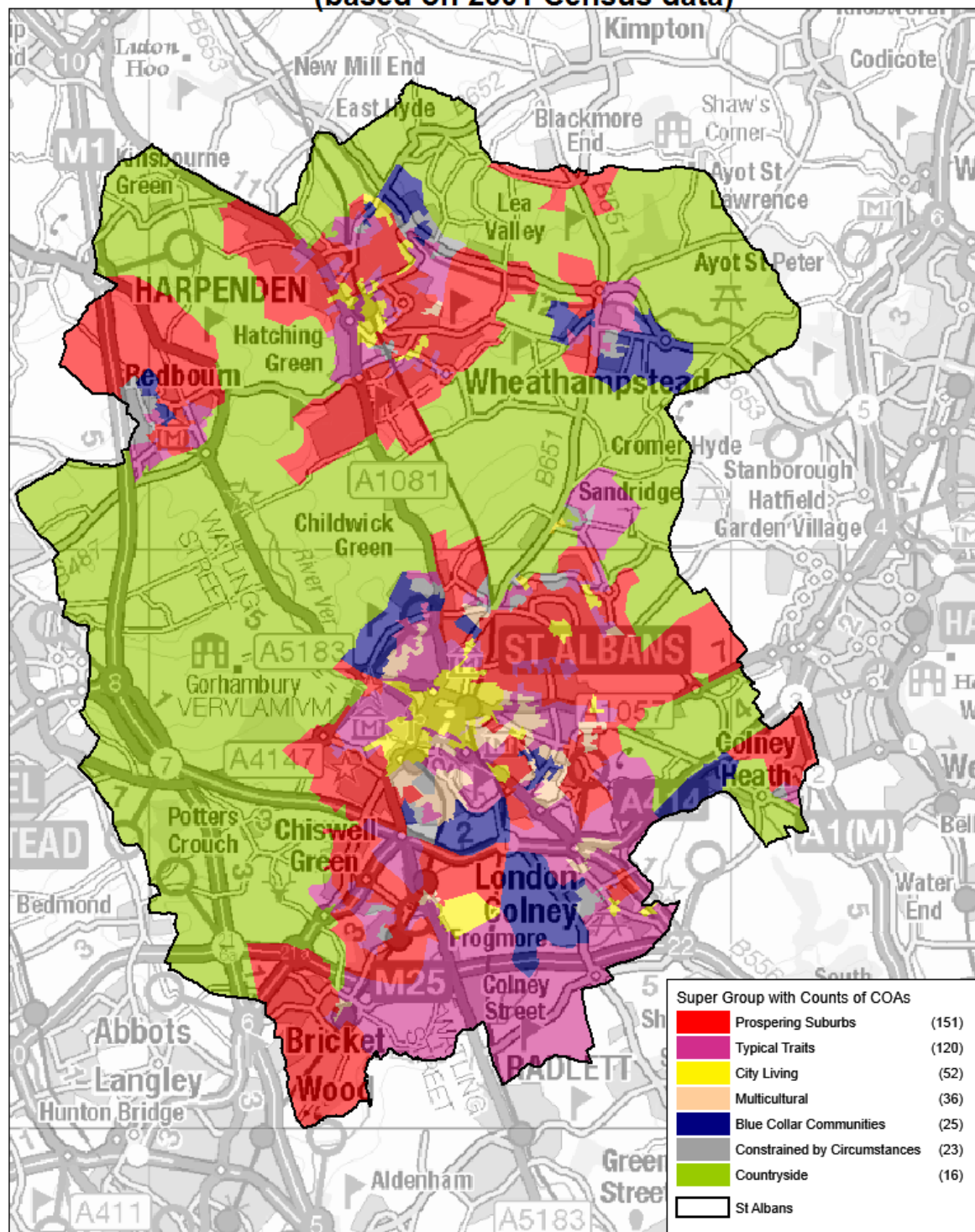
- 4.14 The OAC Users Group provides a Grand Index which combines the OAC with the British Population Survey 2008. It uses an Index where 100 is the national average. For the purposes of this analysis, two tables have been included for the Super Groups, one on tenure and one on income. The precise income levels are at the 2008 level, therefore they will not be as up to date as CACI household income data but they give a flavour of the likely situation at a local level. The Grand Index includes information on other topics such as internet access, social class, work status, newspaper reading, car ownership and shopping.

Super Groups

- 4.15 The following map shows the location of the 7 Super Groups within small areas where they are the dominant Super Groups and some characteristics of the 7 Super Groups which are linked to both tenure and income.

Map 4.3

**Output Area Classification Super Groups in St Albans
(based on 2001 Census data)**



Source: Output Area Classification, Office for National Statistics, Neighbourhood Statistics website, [www.http://www.neighbourhood.statistics.gov.uk](http://www.neighbourhood.statistics.gov.uk). Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Office for National Statistics Census Output Areas 2001. Contains Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Key findings

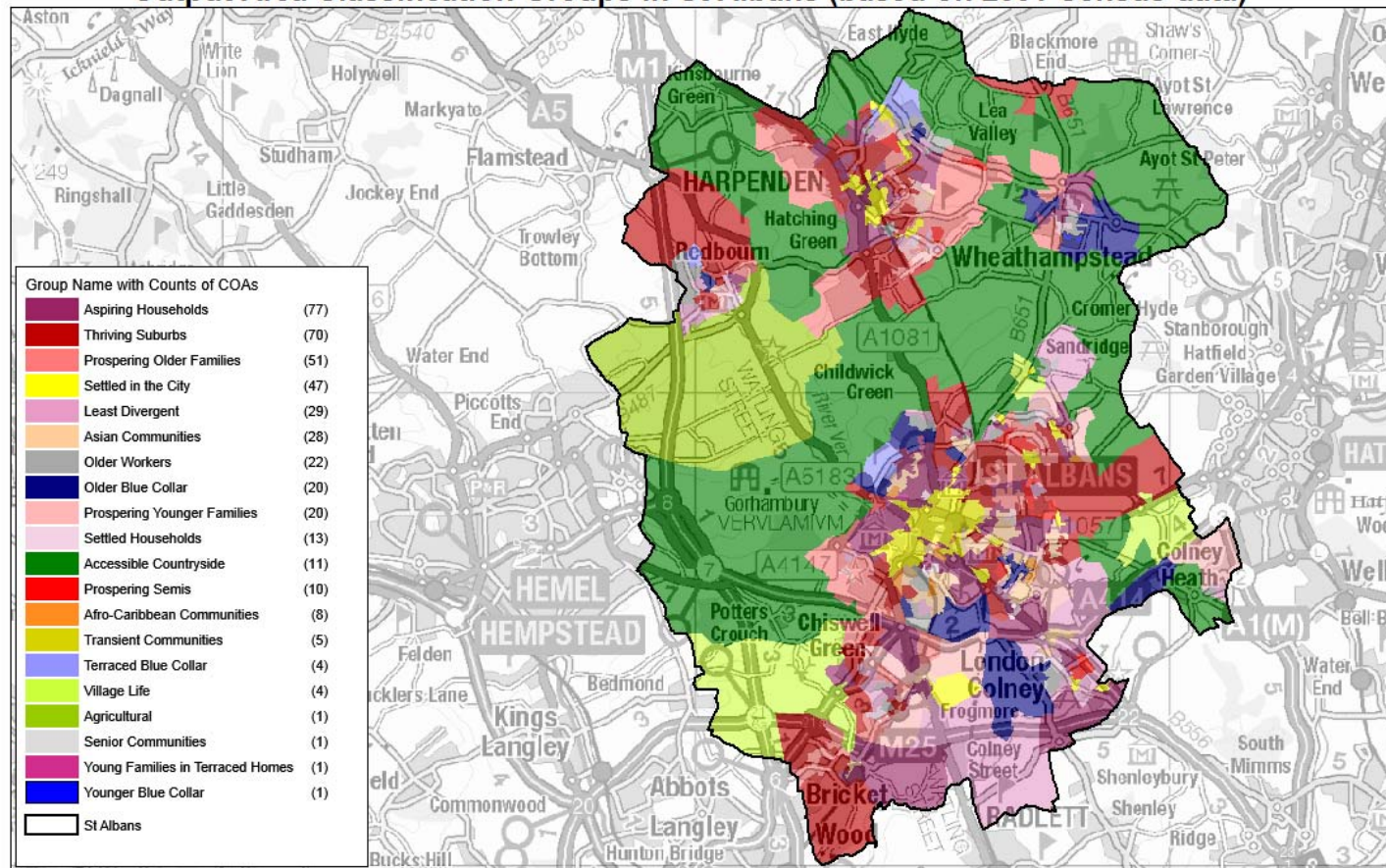
- More than one third (35.7%) of small areas have Prospering Suburbs as their predominant Output Area Classification (OAC) Super Group.
 - The characteristics of this Super Group are likely to be that they have incomes of over £25,000 to over £100,000.
 - People in this Super Group are more likely to live in Owner Occupied housing and the likelihood of owning outright is higher in this Super Group than in any of the other Super Groups.
 - People in this Super Group are more likely to live in detached housing and have 2 or more cars, and less likely to live in flats, private or public rented housing, terraced housing or have no central heating.
 - This means that more than one third of the small areas in St Albans City and District were characterised as having a predominantly fairly well off population who are able to afford to live in owner occupied housing.
- More than one quarter (28.4%) of small areas have Typical Traits as their predominant Output Area Classification (OAC) Super Group.
 - People in this Super Group are more likely to be owner occupiers, a little more likely to have a mortgage than owning outright, or more likely to be in private rented housing.
 - People are more likely to live in terraced housing (above average) and less likely to live in public rented housing (below average).
 - This means that more than one quarter of small areas in St Albans City and Districts consists of a population who are predominantly accessing either owner occupied or privately rented housing and who have a range of incomes that enable them to either own or rent privately. It is likely that the housing they are accessing may be more modest than the Prospering Suburbs Super Group in that it is more likely to be terraced than detached housing and the range of incomes in the group is greater than for the Prospering Suburbs with some earning medium to lower incomes.

Groups

- 4.16 The following map identifies OAC Groups in St Albans City and District.

Map 4.4

Output Area Classification Groups in St Albans (based on 2001 Census data)



Source: Output Area Classification, Office for National Statistics, Neighbourhood Statistics website, [www.http://www.neighbourhood.statistics.gov.uk](http://www.neighbourhood.statistics.gov.uk). Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Office for National Statistics Census Output Areas 2001. Contains Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Key findings

- There were a diverse range of Geo-demographic groups in St Albans City and District with 20 different Groups being dominant in small areas (Census output Areas)
- There were 2 Groups with 70 or more Census Output Areas in which they were the main Group; these being, Aspiring Households and Thriving Suburbs.
- There were 2 Groups with between 40 and 70 Census Output Areas in which they were the main Group; these being, Prospering Older Families and Settled in the City.
- There were 5 Groups with between 20 and 30 Census Output Areas in which they were the main group; these being, Least Divergent, Asian Communities, Older Workers, Older Blue Collar and Prospering Younger Families.
- The remaining 11 Groups had between 1 and 13 Census Output Areas.

Economic activity

- 4.17 Economic Activity from the 2011 Census shows the economic situation of 16 to 74 year olds including employment, unemployment, students, retirement, looking after the home and family and long term sickness or disabilities. It breaks employment down into full time, part time and self employed. It breaks the population down into those that were economically active and those that were economically inactive. The following table shows economic activity in St Albans City and District in 2011.

Table 4.8: Economic Activity in St Albans City and District, 2011

Economic Activity	St Albans City and District		East		England	
	No	%	No	%	No	%
Economically Active						
Employee: Part-time	13,476	13.5	606,944	14.3	5,333,268	13.7
Employee: Full-time	42,999	43.1	1,696,374	40.0	15,016,564	38.6
Self-employed	12,566	12.6	446,248	10.5	3,793,632	9.8
Unemployed	2,715	2.7	161,631	3.8	1,702,847	4.4
Full-time student	2,797	2.8	126,893	3.0	1,336,823	3.4
Economically Inactive						
Retired	12,321	12.3	609,778	14.4	5,320,691	13.7
Student (including full-time students)	4,614	4.6	196,147	4.6	2,255,831	5.8
Looking after home or family	4,817	4.8	190,552	4.5	1,695,134	4.4
Long-term sick or disabled	2,078	2.1	133,500	3.1	1,574,134	4.0
Other	1,480	1.5	77,477	1.8	852,450	2.2
All usual residents aged 16 to 74	99,863	100.0	4,245,544	100.0	38,881,374	100.0

(Source: KS601EW to KS603EW Economic Activity, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- Almost three quarters of 16 to 74 year olds were economically active at the time of the 2011 Census. This was a higher percentage than in the East (71.6%) and in England (69.9%).
- More than two thirds of 16 to 74 year olds were in employment, a higher percentage than in the East (64.8%) or England (62.1%).
- 2.7% of 16 to 74 year olds were unemployed, a lower percentage than in the East (3.8%) and in England (4.4%).
- 4.6% of 16 to 74 year olds were full-time students, the same percentage as in the East (4.6%) and lower than in England (5.8%).
- 12.3% of 16 to 74 year olds were retired, a lower percentage than in the East (14.4%) and in England (13.7%).
- 2.1% of 16 to 74 year olds were long term sick or disabled. This was a lower percentage than in the East (3.1%) and in England (4.0%).
- 4.8% of 16 to 74 year olds were looking after the home or family. This was a slightly higher percentage than in the East (4.5%) and in England (4.4%).

Educational qualifications

4.18 The following table shows the highest level of qualifications obtained in St Albans City and District for usual residents aged 16 and over.

Table 4.9: Highest Level of Qualification for Usual Residents Aged 16 and Over

Highest Level of Qualification	St Albans City and District		East		England	
	No	%	No	%	No	%
No qualifications	14,268	12.9	1,067,449	22.5	9,656,810	22.5
Level 1	11,061	10.0	693,576	14.6	5,714,441	13.3
Level 2	14,763	13.3	769,520	16.2	6,544,614	15.2
Apprenticeship	3,076	2.8	177,366	3.7	1,532,934	3.6
Level 3	11,518	10.4	557,318	11.8	5,309,631	12.4
Level 4 and above	51,251	46.3	1,218,862	25.7	11,769,361	27.4
Other qualifications	4,653	4.2	254,242	5.4	2,461,829	5.7
All categories	110,590	100.0	4,738,333	100.0	42,989,620	100.0

Source: KS501EW, Qualifications and Students, 2011 Census data, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>

Key findings

- 12.9% of usual residents aged 16 and over in St Albans City and District had no qualifications. This was a lower percentage than in the East (22.5%) and also in England (22.5%).
- Almost one quarter (23.4%) of usual residents aged 16 and over in St Albans City and District had either a Level 1 or Level 2 qualification. This was lower than in the East (30.9%) and in England (28.5%).
- 2.8% of usual residents aged 16 and over in St Albans City and District had an apprenticeship. This was lower than in the East (3.7%) and in England (3.6%).
- 10.4% of usual residents aged 16 or over in St Albans City and District had a Level 3 qualification. This was lower than in the East (11.8%) and in England (12.4%).
- More than two fifths (46.3%) of usual residents aged 16 or over in St Albans City and District had a Level 4 or above qualification. This was much higher than in the East (25.7%) and England (27.4%).

Occupational profile

- 4.19 Profiling Occupation Groups is useful as it indicates from a hierarchy of skills and qualifications, the likely associated income levels of the employed population. Incomes are dealt with specifically in subsequent sections. The following tables use Census data profile the occupation of usual residents aged 16 to 74.

Table 4.10: occupation: usual residents aged 16 to 74, St Albans City and District, 2011

Occupation	St Albans City and District			East		England	
	No	%	Rank	No	%	No	%
1. Managers, directors and senior officials	10,983	15.4	16	324,015	11.4	2,734,900	10.9
2. Professional occupations	20,382	28.6	8	476,413	16.7	4,400,375	17.5
3. Associate professional and technical occupations	11,911	16.7	20	366,335	12.9	3,219,067	12.8
4. Administrative and secretarial occupations	7,465	10.5	243	341,028	12.0	2,883,230	11.5
5. Skilled trades occupations	5,042	7.1	334	340,617	12.0	2,858,680	11.4
6. Caring, leisure and other service occupations	5,054	7.1	337	264,989	9.3	2,348,650	9.3
7. Sales and customer service occupations	4,149	5.8	331	224,452	7.9	2,117,477	8.4
8. Process, plant and machine operatives	2,262	3.2	338	208,251	7.3	1,808,024	7.2
9. Elementary occupations	4,130	5.8	344	303,412	10.6	2,792,318	11.1
All Categories	71,378	100.0		2,849,512	100.0	25,162,721	100.0

(Source: KS608EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>
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Key findings

- The 2011 Census identifies that the highest percentage of usual residents aged 16 to 74 in employment the week prior to the 2011 Census in St Albans City and District were in professional occupations (28.6%) as their main job. This was much higher than in the East (16.7%) and in England (17.5%). St Albans City and District ranked only 8th out of 348 local authorities in England, therefore it was in the highest 3% in England for this category.
- 16.7% of 16 to 74 year olds in employment in St Albans City and District were in Associate and Professional and technical occupations; this being a higher percentage than in the East (12.9%) and in England (12.8%). St Albans ranked 20th out of 348 local authorities for percentages in this category, therefore it was in the highest 6% in England.
- 15.4% of 16 to 74 year olds in employment in St Albans City and District were Managers, Directors or Senior Officials; this being a higher percentage than in the East and in England. St Albans ranked 16th out of 348 local authorities in this category placing it in the highest 5% of local authorities for this occupation type in England.
- More than three fifths (60.7%) of 16 to 74 year olds in employment in St Albans City and District were in Categories 1, 2 and 3. This was much higher than just over two fifths in the East (41.0%) and in England (41.2%).
- Almost one quarter (24.7%) of 16 to 74 year olds in employment were in Categories 4, 5 and 6. This was lower than in the East (33.3%) and in England (32.2%).
- 14.8% of 16 to 74 year olds in employment were in Categories 7, 8 & 9. This was a much lower percentage than in the East (25.8%) and in England where it was more than one quarter (26.7%).
- No data is provided on incomes in these tables but, as the groups are presented as a hierarchy from higher to lower skills and qualifications, it can be assumed that income from earnings follows a similar pattern. The findings from the 2011 Census data implies that local people are likely to be at an advantage in terms of their incomes compared to the nation as a whole and the rest of the East Region.

Occupation and Tenure

- 4.20 The following table shows tenure by Occupation for St Albans City and District for the 2011 Census.

Table 4.11: tenure by occupation of Household Reference Person, St Albans City and District, 2011

Occupation	Owned				Social Rented				Private Rented				Totals	
	Owned: Owned Outright		Owned with a Mortgage or loan or Shared Ownership		Rented from council (Local Authority)		Other Social Rented		Private landlord or letting agency		Other Private Rented or Living Rent Free		All categories	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1. Managers, directors and senior officials	1,673	18.4	4,706	23.0	153	6.8	90	7.7	1,041	16.5	122	16.0	7,785	19.4
2. Professional occupations	2,952	32.4	6,997	34.2	177	7.8	160	13.8	1,952	31.0	220	28.9	12,458	31.1
3. Associate professional and technical occupations	1,320	14.5	3,828	18.7	151	6.7	114	9.8	1,271	20.2	113	14.8	6,797	17.0
4. Administrative and secretarial occupations	979	10.8	1,342	6.6	203	9.0	84	7.2	463	7.3	53	7.0	3,124	7.8
5. Skilled trades occupations	704	7.7	1,489	7.3	390	17.3	139	12.0	461	7.3	83	10.9	3,266	8.2
6. Caring, leisure and other service occupations	491	5.4	584	2.9	281	12.4	154	13.2	279	4.4	61	8.0	1,850	4.6
7. Sales and customer service occupations	310	3.4	444	2.2	168	7.4	85	7.3	273	4.3	35	4.6	1,315	3.3
8. Process, plant and machine operatives	337	3.7	635	3.1	300	13.3	131	11.3	218	3.5	20	2.6	1,641	4.1
9. Elementary occupations	336	3.7	460	2.2	437	19.3	206	17.7	342	5.4	54	7.1	1,835	4.6
All categories: Occupation	9,102	100.0	20,485	100.0	2,260	100.0	1,163	100.0	6,300	100.0	761	100.0	40,071	100.0

Source: DC4604, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- More than three quarters (75.8%) of households owning with a mortgage, or loan more than two thirds (67.7%) of privately renting with a landlord or lettings agency households, nearly two thirds (65.3%) of households owning outright, 59.8% of Other Private Rented or Living Rent Free households, nearly one third (31.3%) of Other Social Rented households and just over one fifth (21.3%) of social rented with a local authority households had a Household Reference Person (HRP) in Occupational Categories 1, 2 or 3.
- 38.7% of social rented with a local authority households, almost one third (32.4%) of Other Social Rented households, just over one quarter (25.9%) of Other Private Rented or Living Rent Free households, 23.9% of Owned Outright households, just under one fifth (19.1%) of privately rented with a landlord or lettings agency households and 16.7% of Owned with a Mortgage or loan households had an HRP in Occupational Categories 4, 5 or 6.
- Two fifths (40.0%) of social rented with a local authority households, 36.3% of Other Social Rented households, 14.3% of Other Private Rented or Living Rent Free households, 13.2% of private landlord or lettings agency households, 10.8% of Owned Outright and 7.5% of households owning with a mortgage or loan had an HRP in Occupational Categories 7, 8 or 9.
- These findings from the 2011 Census show that those who are living in social housing are likely to have lower incomes than those in privately rented or owner occupied homes, although almost one fifth of HRPs in local authority housing and almost one third of HRPs in social rented housing are categorised as Occupational Categories 1, 2 or 3, therefore there are some households in social renting that are more likely to have higher incomes.

Car and van availability

- 4.21 Car and van availability can provide a proxy indicator for income levels within an area, the following table show the availability of cars or vans and the sum of all cars/vans in both areas.

Table 4.12: car or van availability, St Albans City and District, 2011

Cars or Vans Available	St Albans City and District		East		England	
	No	%	No	%	No	%
No cars or vans in household	7,606	13.5	449,358	18.5	5,691,251	25.8
1 car or van in household	24,108	42.9	1,039,677	42.9	9,301,776	42.2
2 cars or vans in household	18,964	33.8	703,968	29.1	5,441,593	24.7
3 cars or vans in household	3,975	7.1	166,426	6.9	1,203,865	5.5
4 or more cars or vans in household	1,487	2.6	63,606	2.6	424,883	1.9
All categories: Car or van availability	56,140	100.0	2,423,035	100.0	22,063,368	100.0
Sum of All cars or vans in the area	80,562		3,231,763		25,696,833	

(Source: KS416EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk> and NOMIS website, <http://www.nomisweb.co.uk>
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Key findings

- 13.5% of households in St Albans City and District had no cars or vans in their household compared with 18.5% in the East and just over one quarter (25.8%) in England.
- There was an average of 1.4 cars or vans per household in St Albans City and District compared with 1.3 in the both the East and 1.2 in England.
- There was the same percentage of households with one car or van in St Albans City and District (42.9%) as in the East and this was similar to England (42.2%).
- Just over one third of households (33.8%) in St Albans City and District had two cars or vans compared to 29.1% in the East and just under one quarter in England (24.7%).
- 9.7% of households in St Albans City and District had 3 or more cars compared to 9.5% in the East and 7.4% in England.

Household incomes from all sources

- 4.22 Household income is the most important factor in determining access to housing. The following table profiles the proportion of households receiving gross incomes across a range of income bands for St Albans City and District. It is important to emphasise that this profile includes income from all sources, including social security benefits, and is for all household types. This data has been applied in the Housing Needs Toolkit.

Table 4.13: gross household income, St Albans City and District and England, percentages, September 2013

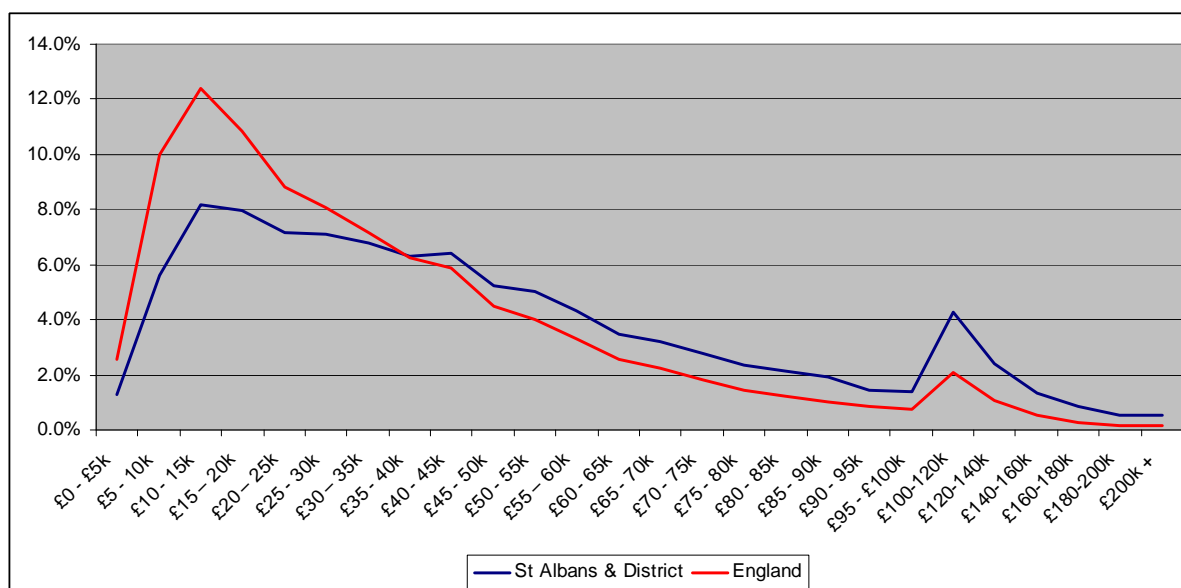
Income band	St Albans City and District	England
£0 - £5k	1.3%	2.6%
£5 – 10k	5.6%	10.0%
£10 – 15k	8.2%	12.4%
£15 – 20k	8.0%	10.8%
£20 – 25k	7.2%	8.8%
£25 – 30k	7.1%	8.0%
£30 – 35k	6.8%	7.2%
£35 – 40k	6.3%	6.3%
£40 – 45k	6.4%	5.9%
£45 – 50k	5.3%	4.5%
£50 – 55k	5.0%	4.0%
£55 – 60k	4.3%	3.3%
£60 – 65k	3.5%	2.6%
£65 – 70k	3.2%	2.2%
£70 – 75k	2.8%	1.8%
£75 – 80k	2.3%	1.4%
£80 – 85k	2.2%	1.2%
£85 – 90k	1.9%	1.0%
£90 – 95k	1.5%	0.9%
£95 - £100k	1.4%	0.8%
£100-120k	4.3%	2.1%
£120-140k	2.4%	1.1%
£140-160k	1.3%	0.6%
£160-180k	0.8%	0.3%
£180-200k	0.5%	0.2%
£200k +	0.5%	0.1%
Mean income	£49,053	£36,367
Median income	£39,657	£28,360
Lower quartile	£21,352	£15,024

(Source: PayCheck data, CACI, May 2013)

Key findings:

- Average incomes in St Albans are 35% higher than the England average and the lower quartile income is 42% higher.
- Despite this, there are peaks at the lower level of the income distribution with almost 25% of households in receipt of gross incomes of £20,000 or less. There is a further peak at £120-£140,000. These patterns are most clearly seen in the following chart.

Figure 4.1: gross household income, St Albans City and District and sub areas, percentages, May 2013



(Source: PayCheck Data, CACI, September 2013)

Personal incomes from employment

4.23 The Annual Survey of Hours and Earnings (ASHE) identifies the gross weekly pay of full-time workers at mean and median levels and for each 10th percentile of the income range by local authority area and is produced annually. The following table summarises the gross median weekly incomes of residents in 2012, the most recent year for which data is available.

Table 4.14: gross median weekly incomes for residents in St Albans City and District, 2012

Hours	St Albans	East	England
Full Time	£675.2	£531.0	£512.70

(Source: ONS Annual Survey of Hours and Earnings – resident analysis, NOMIS website, <http://www.nomisweb.co.uk/>.

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<http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- Data on gross median incomes from employment show substantially higher incomes in St Albans City and District than both the regional and national averages.
- Full-time median weekly incomes for Residents in St Albans City and District are 127% of the regional and 132% of the national average.

Personal incomes from benefits

4.24 The following tables use data provided by the Department of Work and Pensions (DWP) to summarise the number and proportion of key working age benefit claimants including Employment Seeker's Allowance (ESA). Working age refers to the age group 16-64, Key Findings are provided after the second table.

Table 4.15: residents in receipt of working age benefits, St Albans City and District, November 2012

Type Benefit	St Albans			East			England		
	No	%	Proportion of 16-64 year old Residents	No	%	Proportion of 16-64 year old Residents	No	%	Proportion of 16-64 year old Residents
Job seeker	1,370	21.2	1.5	107,270	25.1	2.9	1,234,550	26.1	3.6
ESA and incapacity benefits	2,880	44.6	3.2	182,030	42.6	4.9	2,053,820	43.4	6.0
Lone parent	570	8.8	0.6	40,540	9.5	1.1	442,620	9.4	1.3
Carer	660	10.2	0.7	41,060	9.6	1.1	427,340	9.0	1.2
Others on income related benefit	170	2.6	0.2	12,300	2.9	0.3	134,910	2.9	0.4
Disabled	620	9.6	0.7	36,710	8.6	1.0	371,990	7.9	1.1
Bereaved	190	2.9	0.2	7,130	1.7	0.2	64,210	1.4	0.2
Total	6,460	100.0	7.2	427,040	100.0	11.5	4,729,440	100.0	13.8
Out of Work Benefits	4,980	77.1	5.6	342,140	80.1	9.2	3,865,900	81.7	11.3

(Source: DWP benefit claimants - working age client group, NOMIS website, <http://www.nomisweb.co.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Table 4.16: ESA Claimants as Percentage of 16 to 64 years, May 2013

St Albans		East	England
No	%	%	%
1,403	1.6	2.9	3.6

(Source: ESA Claimant Count, NOMIS website, <http://www.nomisweb.co.uk>
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<http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

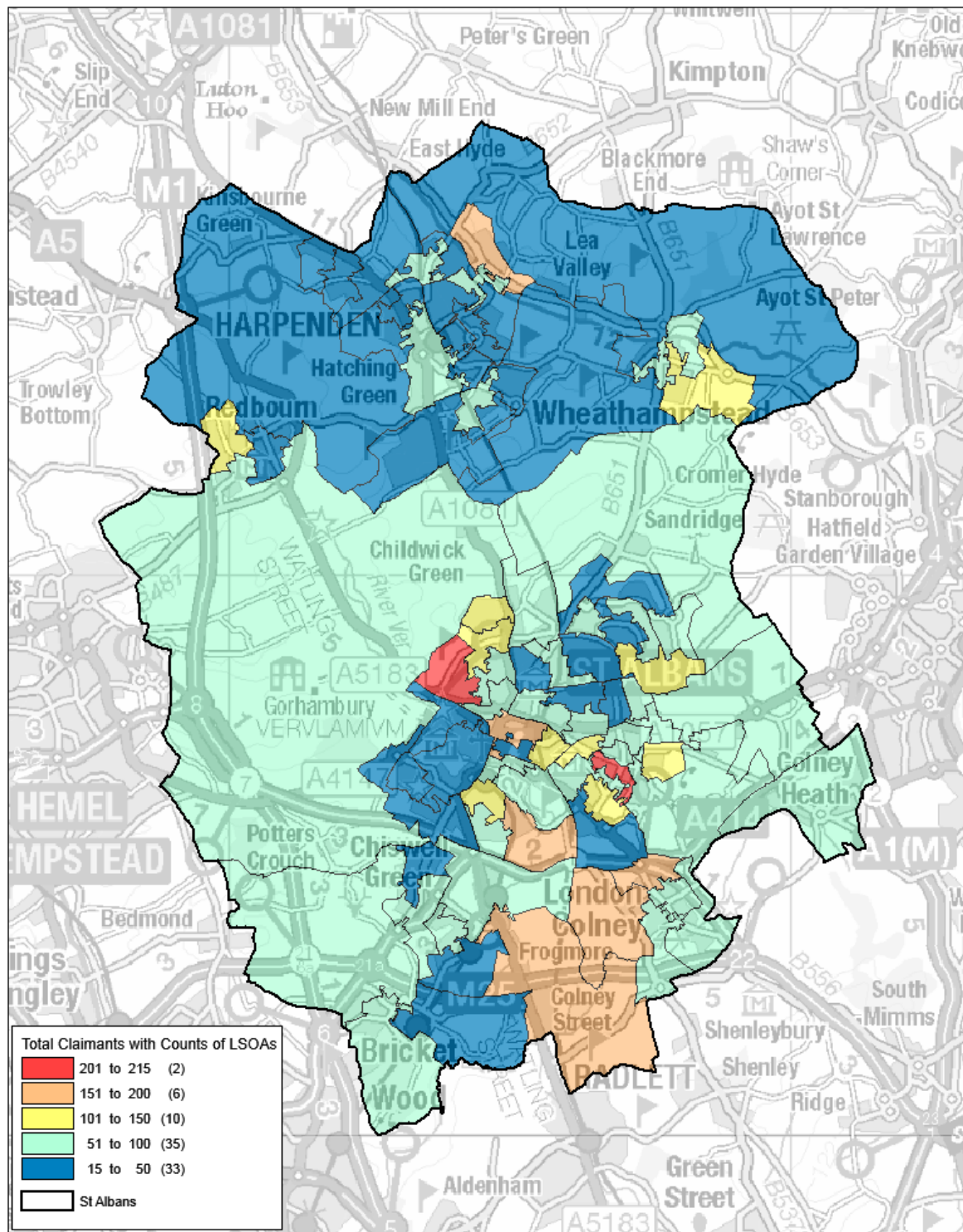
- DWP data shows that there were 6,460 working age people claiming benefits in St Albans City and District in November 2012 and that of these claimants, nearly four fifths (77.1%) were claiming Out of Work Benefits. This was a lower percentage than in the East (80.1%) and in England (81.7%) for Out of Work Claimants.
- The proportion of Out of Works Benefits Claimants as a percentage of the 16 to 64 years population was 5.6% in St Albans which was lower than in the East (9.2%) and England (11.3%).
- Total working age claimants as a proportion of the 16 to 64 years population was 7.2% compared to 11.5% in the East and 13.8% in England.
- ONS Claimant counts for May 2013 show a lower percentage of JSA claimants as a percentage of 16 to 64 year olds in St Albans City and District (1.6%) than in the East (2.9%) and in England (3.6%).

4.25 The following maps identify:

- the numbers of working age claimants in small areas in St Albans City and District, and the number of Out of Work working age claimants in small areas in St Albans City and District. They provide a useful indication of where there are pockets with higher levels of benefit claimants.
- that there were 2 pockets (small areas) with more than 200 working age benefits claimants, and a further 6 pockets with more than 150 and less than 201 working age benefits claimants.
- That there were 3 areas with more than 150 and up to 195 Out of Work Benefits claimants. It showed one small area with no out of work benefits claimants.

Map 4.5

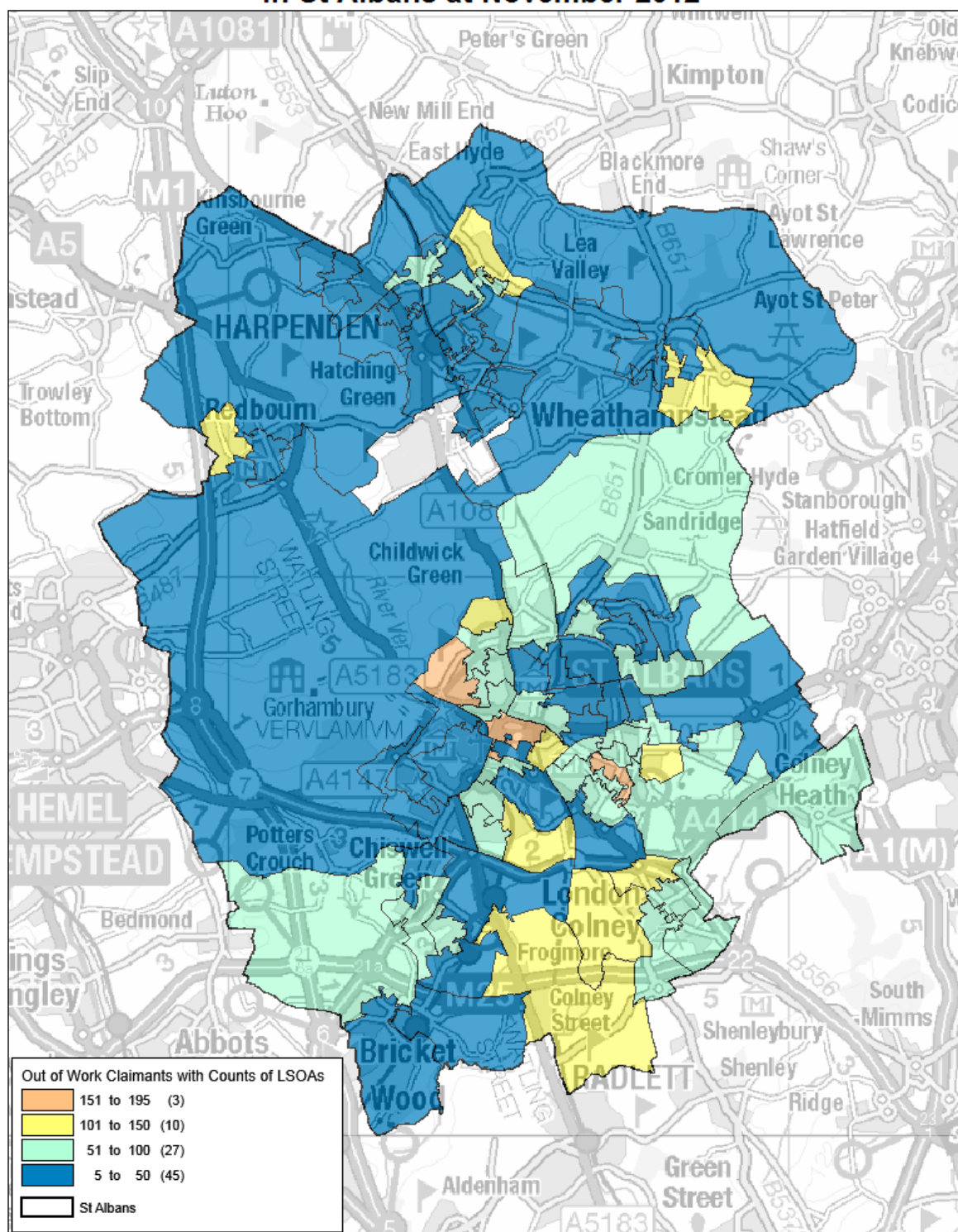
Numbers of Working Age Claimants in Small Areas in St Albans at November 2012



Source: DWP data, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Map 4.6

Numbers of Out of Work Benefits Claimants in Small Areas in St Albans at November 2012



Source: DWP data, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Relative levels of deprivation

- 4.26 **The English Indices of Deprivation 2010** are a relative measure of deprivation showing whether one small area is more or less deprived than another small area in England but not by how much. It is based on ONS Lower Super Output Areas (LSOA) of which there are 32,482 in England.
- 4.27 The National Rank is used in the maps throughout this section and ranks all the Domains of Deprivation from 1 (most deprived) to 32,482 (least deprived). The English Indices of Deprivation are able to show where there are pockets of high relative deprivation within a local authority compared to other small areas in England. The English Indices of Deprivation 2010 is made up as follows:
- Index of Multiple Deprivation (IMD)

Domains

- Income Domain
- Employment Domain
- Health & Disability Domain
- Education, Skills and Training Domain
- Crime Domain
- Living Environment Domain
- Housing and Barriers to Services Domain

Sub-Domains

- Indoors Living Sub Domain
- Outdoors Living Sub Domain
- Wider Barriers Sub Domain
- Geographical Barriers Sub Domain
- Skills Sub Domain
- Children and Young People Sub Domain

Supplementary Income Indexes

- Income Deprivation for Older People Index
 - Income Deprivation for Children Index
- 4.28 Although there is no single measure which enables England's 326 district local authorities to be compared, local authority District Summaries provide an indication of comparative deprivation. The following table provides the rank and scores of the LSOAs for each District and is population weighted.

Table 4.17: extract from local authority district summaries ID2010

<i>Local Concentration</i>	<i>Rank of Local Concentration</i>	<i>Extent</i>	<i>Rank of Extent</i>	<i>Income Scale</i>	<i>Rank of Income Scale</i>	<i>Employment Scale</i>	<i>Rank of Employment Scale</i>	<i>Average Score</i>	<i>Rank of Average Score</i>	<i>Average Rank</i>	<i>Rank of Average Rank</i>
19690.28	286	0.00	282	9648	232	3811	242	7.75	317	5743.84	316

(Source: ID2010 District Summaries, CLG website, <http://www.communities.gov.uk/corporate/>.)

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Key findings

- St Albans City and District is in the 5% least deprived in terms of the Rank of Average Rank and Rank of Average Scores for its small areas in the Indices of Deprivation 2010.
- Extent is the proportion of a district's population living in the most deprived LSOAs in the country. This was a very low score that rounded to zero at two decimal places for St Albans City and District, and as a District St Albans ranked among the 20% least deprived for Extent.
- Local Concentration is the population weighted average of the ranks of a district's most deprived LSOAs that contain exactly 10% of the district's population. St Albans ranked among the 20% least deprived Districts for this measure.
- There were 3,811 persons considered to be "employment deprived" and 9,648 persons considered to be "income deprived" at the time of data collection for the Indices of Deprivation 2010. St Albans ranked among the 30% least deprived local authorities for these two measures.

4.29 The **Index of Multiple Deprivation** is a measure of multiple deprivation at the small area level and is based on the idea of distinct dimensions of deprivation which can be recognised and measured separately. People may be counted as deprived in one or more of the dimensions depending on the number of types of deprivation that they experience. The overall Index of Multiple Deprivation is a weighted area-level aggregation of these specific dimensions of deprivation (i.e. the seven Domains of Deprivation).

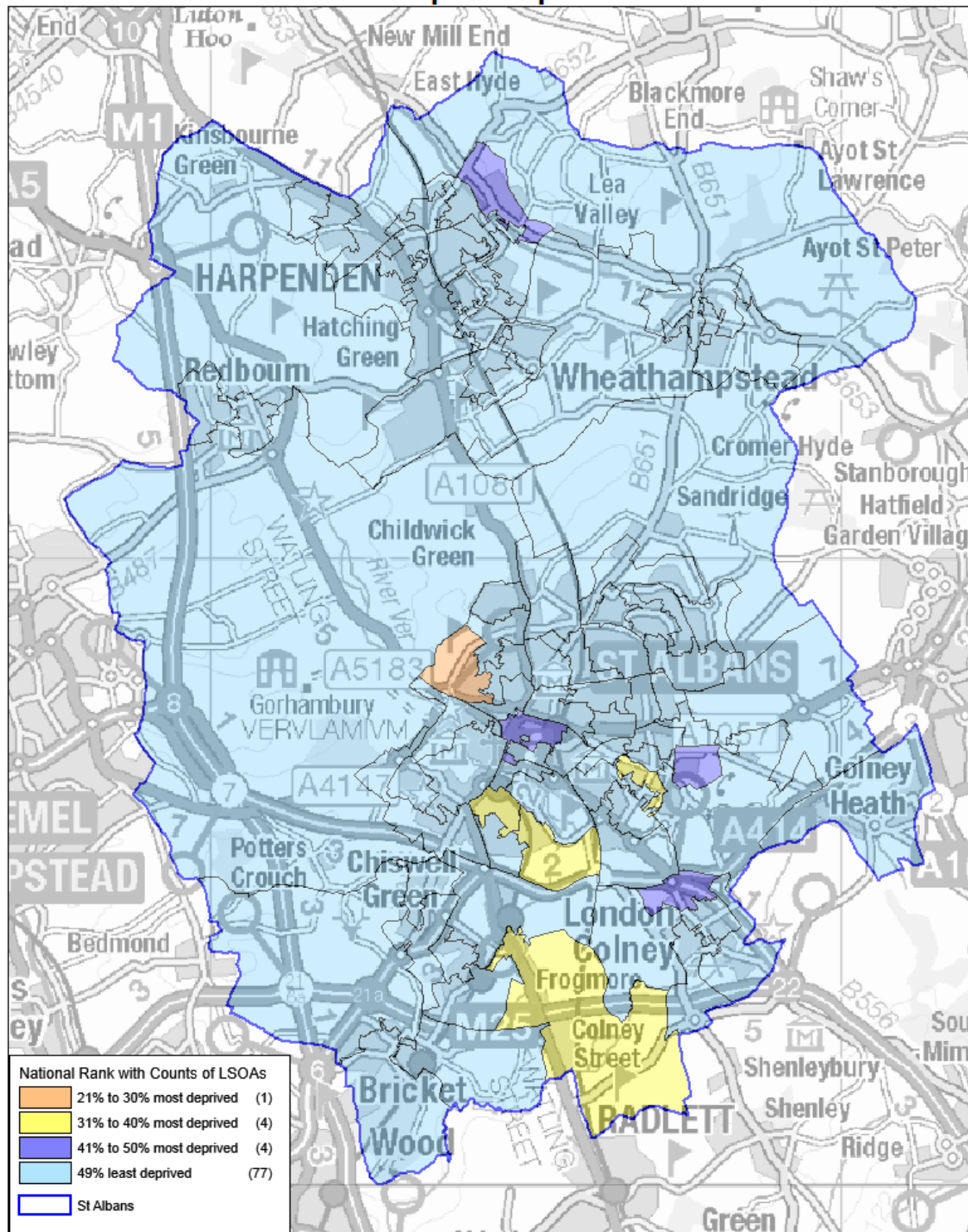
- 4.30 The following maps and tables examine patterns for those Domains and sub-Domains of most relevance to understanding the need and demand for housing, they are accompanied by maps highlighting specific locations of concern as appropriate in relation to the following:
- the overall Index of Multiple Deprivation;
 - Income Domain and the supplementary Income Deprivation Affecting Older People Index (affecting affordability issues for housing) ;
 - Indoors Living Sub Domain which is concerned with measuring the quality of housing (stock condition and lack of central heating); and
 - Wider Barriers Sub-Domain which includes housing indicators (overcrowding, homelessness and access to owner occupation)

Index of Multiple Deprivation 2010

- 4.31 The following map shows levels of relative deprivation for the Index of Multiple Deprivation 2010 using national rank in small areas in St Albans City and District.

Map 4.7

National Rank Index of Multiple Deprivation in ONS Lower Super Output Areas St Albans



Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Key findings

- There were no small areas in the top quintile (20% most deprived in England) in St Albans City and District, and 1 small area that was in the 30% most deprived nationally for the Index of Multiple Deprivation.
- The majority (89.5% or 77 small areas) of St Albans City and District were in the 49% least deprived small areas nationally.

4.32 The income Domain measures the proportion of people within each LSOA that are income deprived using the following measures:

- Adults and children in Income Support families;
- Adults and children in income-based Jobseeker's Allowance families;
- Adults and children in Pension Credit (Guarantee) families;
- Adults and children in Child Tax Credit families (who are not claiming Income Support, income-based Jobseeker's Allowance or Pension Credit) whose equivalised income (excluding housing benefits) is below 60% of the median before housing costs; and
- Asylum seekers in England in receipt of subsistence support, accommodation support, or both.

4.33 There are two supplementary indexes for income; these being Income Deprivation Affecting Older People Index and the Income Deprivation Affecting Children Index. The Income Deprivation Affecting Older People Index (IDAOP) is included in this report due to the high percentage of older people in the population of St Albans City and District and its potential to show housing affordability issues. This index represents income deprivation affecting older people as a proportion of living in income support or income based Job Seekers Allowance or Pension Credit Guarantee families.

4.34 The following tables identify the small areas in the 20% most deprived in England for the income domain and the Index of Deprivation for Older Persons.

Table 4.18: Income Domain of Deprivation ONS Lower Super Output Areas in St Albans City and District within 20% most Deprived In England

ONS LSOA Code	ONS LSOA Name	Location	Score	National Rank
E01023669	St Albans 009A	Batchwood Drive	0.24	6,236

(Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk/corporate/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Table 4.19: Index of Deprivation Affecting Older Persons Index ONS Lower Super Output Areas in St Albans City and District within the 20% most Deprived In England

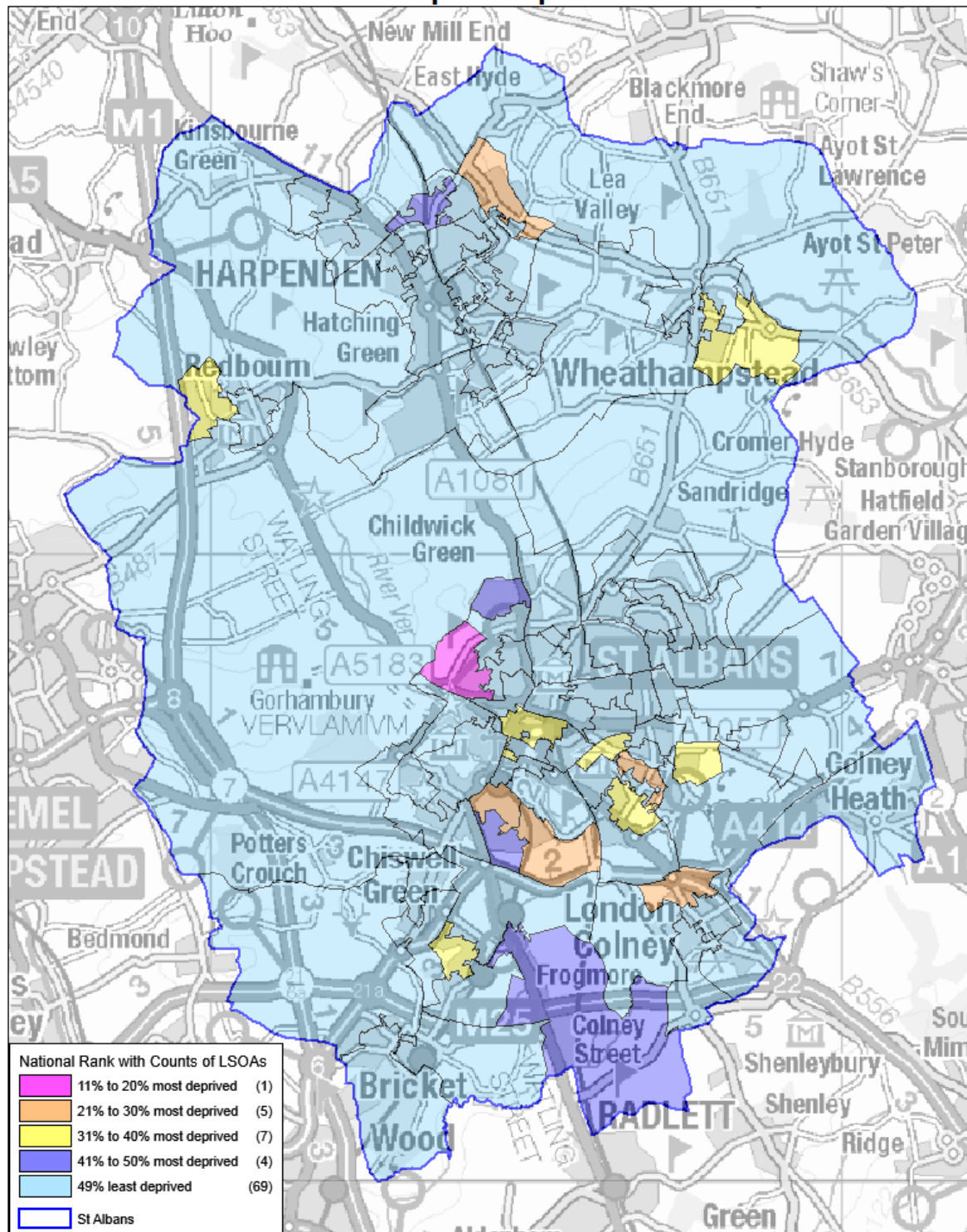
ONS LSOA Code	ONS LSOA Name	Location	Score	National Rank
E01023737	St Albans 017A	Griffiths Way	0.42	2,575
E01023677	St Albans 015A	Princess Diana Drive	0.38	3,912
E01023681	St Albans 016A	Camp Road	0.32	6,015
E01023738	St Albans 017B	Cottonmill Lane	0.32	6,129

(Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk/corporate/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

- 4.35 The following maps show relative deprivation for national rank for Income Deprivation and the Income Deprivation Affecting Older People Index.

Map 4.8

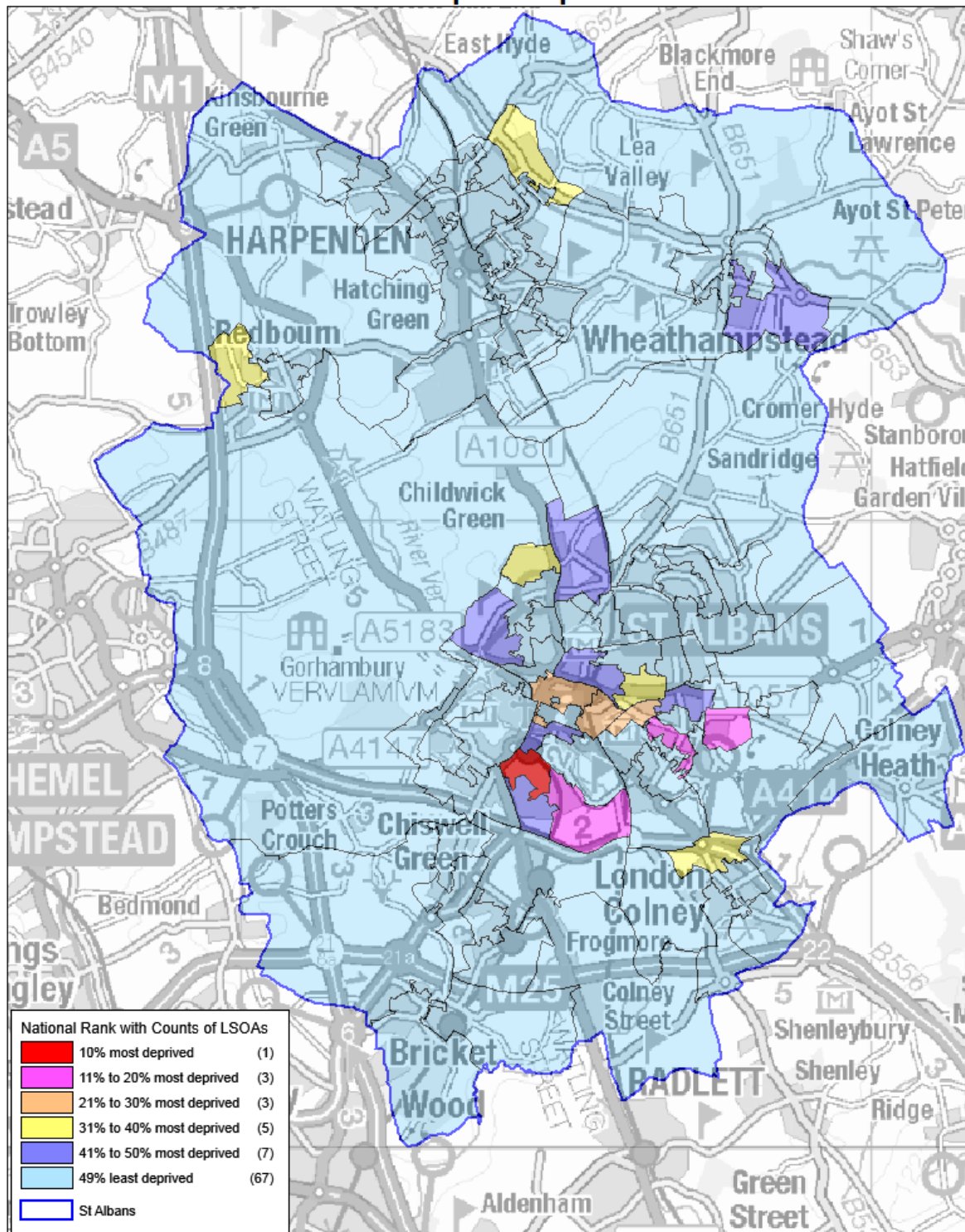
National Rank Income Domain Deprivation in ONS Lower Super Output Areas St Albans



Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Map 4.9

National Rank Index of Deprivation Affecting Older People Index in ONS Lower Super Output Areas St Albans



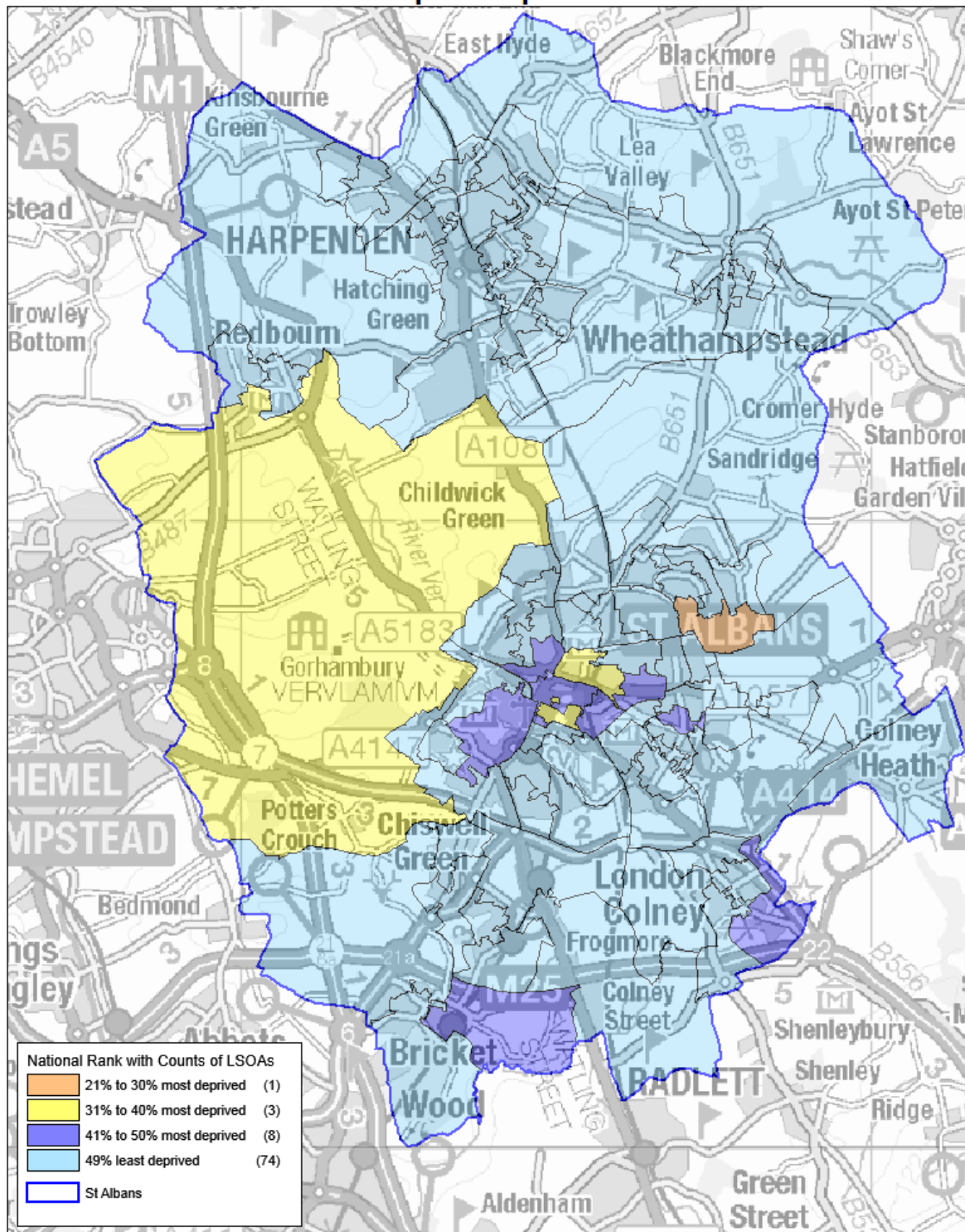
Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Key findings

- Only small area 009A (Batchwood Drive) in north west St Albans was in the 20% most deprived nationally for the income deprivation domain.
 - 5 small areas, Batchwood Drive, Camp Road, Cottonmill Lane, Griffiths Way and Princess Diana Drive, St Albans were in the 21% to 30% most deprived nationally, 7 small areas were in the 31% to 40% most deprived nationally and 4 small areas were in the 41% to 50% most deprived nationally for the income deprivation domain.
 - 80% (or 69 small areas) were in the 49% least deprived nationally for the income deprivation domain.
 - Only Griffiths Way was in the 10% most deprived nationally for the Index of Income Deprivation Affecting Older Persons Index (IDAOP); a further 3 small areas in the south west and south east of St Albans were in the 11% to 20% most deprived nationally. The 4 areas in the 20% most deprived for the IDAOP were not among the 45 small areas where over one fifth (20%) of households were 65 plus. Two of the areas with high income deprivation for older persons had between 15.1% and 20.0% 65 plus households, one had between 10.1% and 15.0% and the 4th small area had between 4.1% and 10.0% of 65 plus households.
 - 3 small areas were in the 21% to 30% most deprived nationally for the IDAOP, 5 small areas in the 31% to 40% most deprived nationally and 7 small areas in the 41% to 50% most deprived nationally.
 - The majority (78% or 67 small areas) were in the 49% least deprived nationally for the IDAOP.
- 4.36 The Living Environment Domain combines the Indoors Living Sub Domain and the Outdoors Living Sub Domain. The Sub Domains are combined so that the Indoors Living Sub Domain has two thirds of the weighting and the Outdoors Living Sub Domain has one third of the weighting.
- 4.37 The Indoors Living Sub Domain has been included in this analysis to identify whether there may be sub-standard housing and in how many areas. The data is based on the 2001 Census 'lack of central heating' and the 2005 English House Condition Survey for 'poor condition of housing.' The Sub Domain contains the following housing indicators:
- Housing in poor condition: The proportion of social and private homes that fail to meet the decent homes standard.
 - Houses without central heating: The proportion of houses that do not have central heating.
- 4.38 The following map shows the national rank of Indoors Living Sub Domain Deprivation for small areas within St Albans City and District.

Map 4.10

National Rank Indoors Living Sub Domain Deprivation in ONS Lower Super Output Areas St Albans



Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>). Contains National Statistics and Ordnance Survey Data (c) Crown Copyright and Database Right 2013.

Key findings

- St Albans City and District had no small areas in the top quintile for the Indoors Living Sub Domain.
- There was 1 small area in the 21% to 30% most deprived nationally.
- The majority of small areas (86.0% or 74 small areas) were in the 49% least deprived for this domain of deprivation, therefore there was not a high degree of relative deprivation for this housing indicator (poor stock condition and lack of central heating), although there were some areas with some degree of relative deprivation.

Wider Barriers Sub Domain

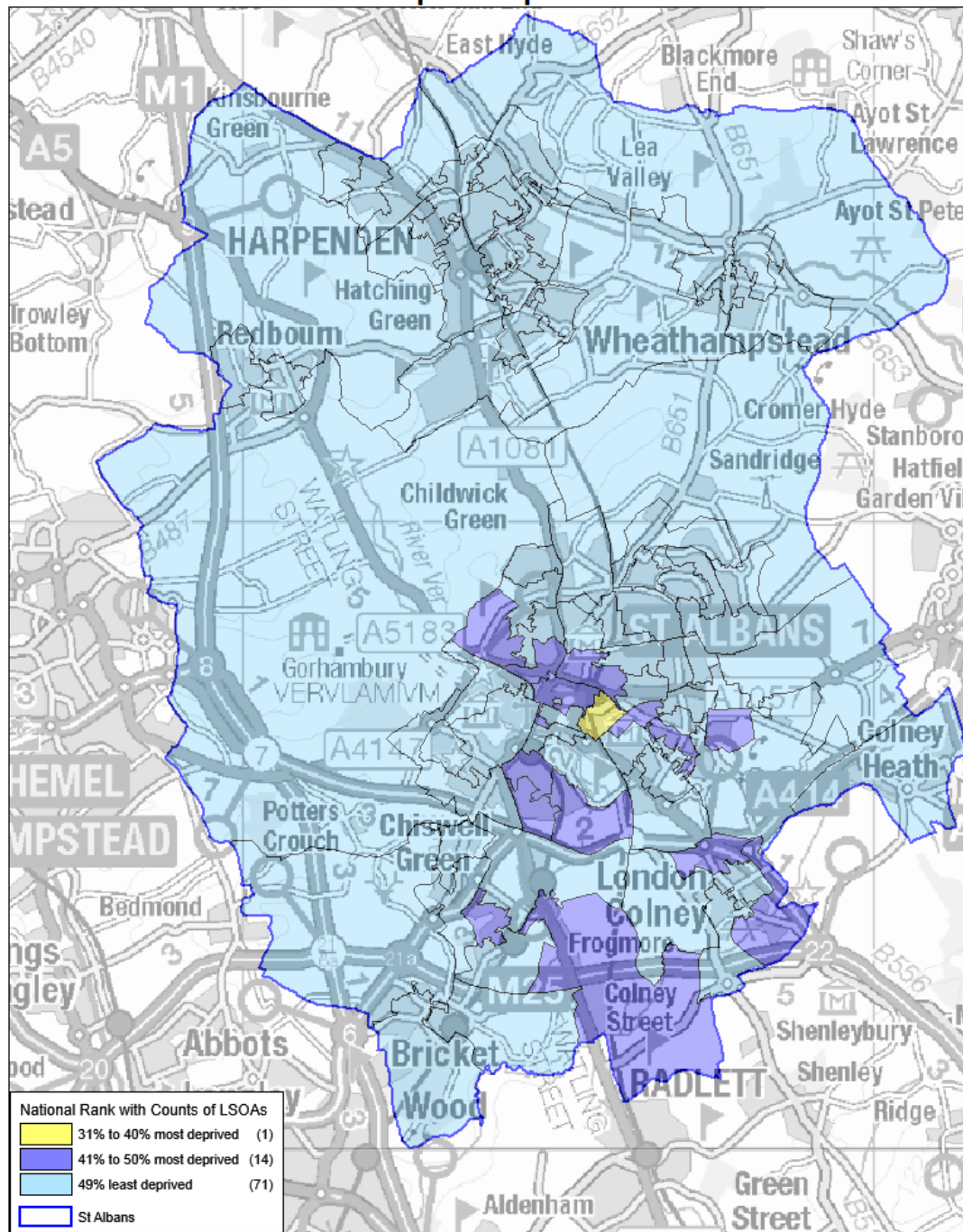
4.39 The Housing and Services Domain is made up of two sub Domains one of which contains housing indicators:

- Sub-Domain: Wider Barriers
 - Household overcrowding: the proportion of all households in an LSOA which are judged to have insufficient space to meet the household's needs.
 - Homelessness: the rate of acceptances for housing assistance under the homelessness provisions of housing legislation.
 - Housing affordability: the difficulty of access to owner-occupation, expressed as a proportion of households aged under 35 whose income means that they are unable to afford to enter owner occupation.

4.40 The following map shows relative deprivation for the Wider Barriers Sub-Domain of Deprivation.

Map 4.11

**National Rank Wider Barriers Sub Domain Deprivation
in ONS Lower Super Output Areas St Albans**



Source: English Indices of Deprivation 2010, CLG website, <http://www.communities.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0 (<http://www.nationalarchives.gov.uk/doc/open-government-licence>).
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Key findings

- There were no small areas in St Albans City and District in the top quintile for the Wider Barriers Sub Domain.
- The majority of small areas (82.5% or 71 small areas) were in the 49% least deprived for the Wider Barriers Sub Domain, therefore there was not a high level of relative deprivation for this housing indicator measuring overcrowding, homelessness and lack of access to owner occupation for under 35s with low incomes; however, there were some small pockets with some level of relative deprivation.

4.41 Pulling together data and information that has been collated on deprivation; it is possible to draw the following conclusions:

- St Albans City and District is among the least deprived local authorities for the English Indices of deprivation 2010 when deprivation is measured using the District measures.
- The majority of small areas do not show multiple deprivation in terms of their relative national ranking although there are some small pockets that show some relative overall multiple deprivation. There were no small areas in the top quintile for national rank for the Index of Multiple deprivation.
- There was 1 small pocket of relatively high income deprivation, and 4 small pockets of relatively high Income deprivation for Older Persons; these being in the top quintile nationally. 1 of these small pockets was in the top 10% nationally for the Index of Income Deprivation for Older Persons therefore showing high relative deprivation.
- The housing indicator indoors living sub domain did not show a high level of relative deprivation for poor stock condition in the small areas in St Albans, although there were some pockets with some relative deprivation. There were no small areas in the top quintile for this sub domain.
- The housing indicator wider barriers sub domain did not show a high level of relative deprivation for access to owner occupation, homelessness and overcrowding in the small areas in St Albans, although there were some pockets with some relative deprivation. There were no small areas in the top quintile for this sub domain.

Population and household changes and projections

4.42 Paragraph 50 of the NPPF emphasises that:

‘To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:

- ‘*plan for a mix of housing based on current and future demographic trends.*’ (our emphasis).

4.43 As explained in Section 1, this assessment of housing needs applies demographic projections commissioned from Edge Analytics. In order to provide a baseline for comparison, this section reviews the outputs of official population and household projections for the St Albans City and District Council area and how they have been derived.

Projected population by age

4.44 This section uses ONS 2010-based population projections to identify trends from 2011-2031. These estimates are released by ONS every 2 years and reflect changes to birth and death rates and to net migration. These inform household projections which are the key factor influencing the future need for housing. 2010-based population projections estimated a total population of 138,000 in St Albans City and District at 2011 compared with a Census estimate of 140,664. Consequently the projections presented below should be considered a slight underestimate. Population projections data has been expressed as both a table and bar chart both of which clearly identify the changing profile of the area’s population by age, especially the real and proportionate increase in the oldest age groups.

Table 4.20: projected change in the population of the St Albans City and District Council area by age band, 2011-2031, 000s

Age Band	2011	2016	2021	2026	2031	Population Change	% Change 2011 to 2031
0-14	29	31	33	34	34	5	17.2
15-24	13	12	13	14	15	2	15.4
25-34	17	19	19	18	18	1	5.9
35-44	23	22	23	25	25	2	8.7
45-54	21	22	22	22	23	2	9.5
55-64	15	16	18	20	19	4	26.7
65-74	11	12	12	13	15	4	36.4
75-84	7	7	8	10	10	3	42.9
85+	3	4	4	5	6	3	100.0
All ages	138	145	153	159	165	27	19.6

*Totals may not sum due to rounding.

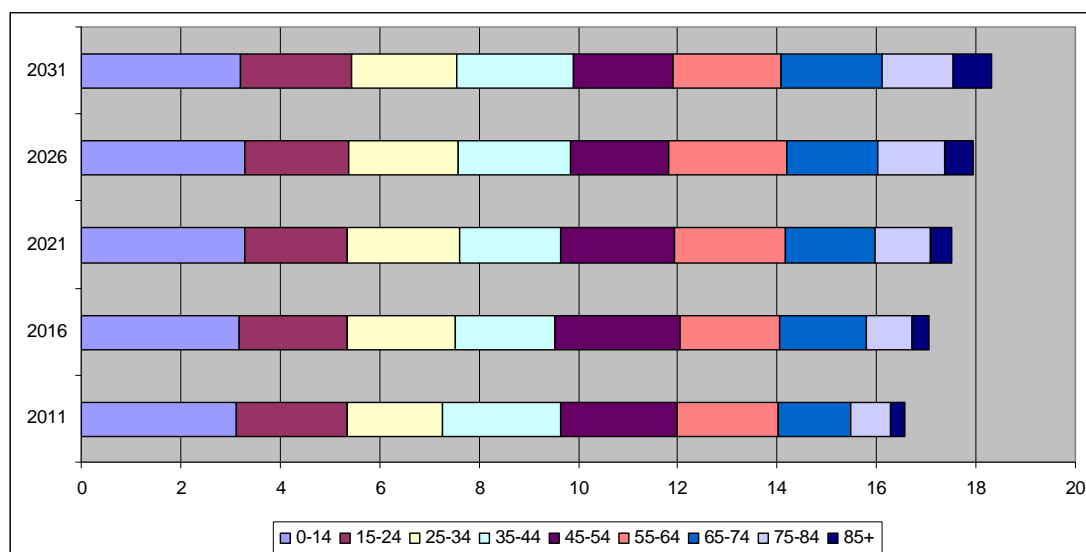
(Source: Sub-National Population Projections ONS 2010, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- The population in St Albans City and District is projected to increase by 26,000 (18.8%) between 2011 and 2031.
- The age profile of the population is expected to change in St Albans City and District, much of which has implications for an increased need for more smaller dwellings as specified in Table 5.5.
 - 16.0% growth is projected in those aged under 15;
 - 15% growth is projected in those aged 15-24
 - 6% growth is projected in those aged 25-34;
 - 9% growth is projected for those aged 35-44;
 - 10% growth is projected in those aged 45-54
 - 27% growth is projected in those aged 55-64
 - Higher levels of growth are projected for all those aged 65 as follows:
 - 36% growth in those aged 65-74;
 - 43% growth in those aged 75-84; and
 - 100% growth in those aged 85 and over. This latter group has the greatest need for housing with care.
 - The high projected growth in the older population will result in:
 - a proportionately higher level of the under-occupation of family housing unless options to downsize are available; and
 - a proportionately greater need for housing which meets the needs of older households, including housing with care.
 - Both these developments are considered in detail at 2.94 and 5.30 below

4.45 The following chart demonstrates graphically the changing age profile of the Council area's population between 2011 and 2031 as detailed above.

Figure 4.2: the effect of change in the population of the St Albans City and District Council area by age band, 2011-2031, 000s



(Source: Sub-National Population Projections ONS 2010, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>.

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4.46 Subsequent to the publication of 2011 Census data, ONS issued revised and 'interim' population projections to 2031 which can be accessed at: <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-274527> When compared with the 2010-based projections above, the principal changes identifiable for the period 2011 and 2031 are:

- an overall increase of 1,400 people;
- 0-14: an increase in the region of 1,200;
- 15-24: an increase in the region of 200;
- 25-34: a reduction in the region of 300;
- 35-44: an increase in the region of 1,400;
- 45-54: no change
- 55-64: no change;
- 65-74: a reduction in the region of 500;
- 75-84: a reduction in the region of 300;
- 85+: a reduction in the region of 100.

Understanding components of population change

- 4.47 Population projections form the basis of household projections which in turn inform the need for housing and the following table summarises components of population change for the period 2011-2031, and the extent to which population change is driven by natural change, internal or international migration.

Table 4.21: 2010-based components of population change for St Albans City and District, 2011-2031, 000s

	2011	2012-16	2017-21	2022-26	2027-31	Total 2012-31
Natural Change	1.0	5.0	5.0	5.0	5.0	20.0
Births	2.0	10.0	10.0	10.0	10.0	40
Deaths	1.0	5.0	5.0	5.0	5.0	20
All Migration Net	0.3	2.4	2.4	1.5	0.9	7.2
Internal Migration In	7.8	40.2	41.7	42.3	43.4	167.6
Internal Migration Out	7.5	37.3	38.7	40.2	41.8	158.0
International Migration In	0.8	5.0	5.0	5.0	5.0	20.0
International Migration Out	0.8	5.0	5.5	5.5	5.5	21.5
Cross Border Migration In	0.2	1.0	1.0	1.0	1.0	4.0
Cross Border Migration Out	0.2	1.5	1.5	1.5	1.5	6.0

(Source: components of population change, 2010-based Sub-National population projections ONS, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings:

- Natural change is the most significant single component of projected population change for St Albans City and District identifying a net increase of 20,000 people in the period 2012-2031. The second main factor is Migration and principally Internal Migration with a net gain from this dimension of 9,400 people. As the impact of Natural Change (through an excess of births over deaths) is unlikely to feed through to household growth in the period 2012-2031, the effect of Internal Migrations is the major driver of the need for housing to be provided in the St Albans City and District Council area. The impact of Migration is reviewed in detail below in terms of the recorded extent of net migration from internal and international migration over the past 10 years.

Household projections

- 4.48 As a baseline for comparison with commissioned household projections, this section reviews most recent CLG household projections which provide projections of change for the St Albans City and District area over a 20 year period to 2031. These are '2008-

based' projections which pre-date the publication of 2011 Census data. 2011-based household projections have been issued which take account of total households identified from the 2011 Census and household formation trends implied, but which are only available for the 10 years 2011-2021.

Methodology

- 4.49 The following extracts explain the methodology underpinning household projections.

"Household projections are based on the population projections produced by the Office for National Statistics (ONS). The number of people living in private households is estimated by taking the population projections for each year and subtracting the number of people living in communal establishments, such as student halls of residence, care homes or prisons.

Household representative rates are projected using logistics time series trends from Census data, by age, marital status and gender. Household representative rates combined with the private household population provides the basic household projections.

To estimate the number of households of each type, information on household type and age group is projected forward from the 1991 and 2001 Censuses, for each household type, age group and local authority area. This is constrained to the total number of households.

Because the overall projections for England are believed to be more accurate than those for individual local authorities, the local authority figures are constrained to the England total".¹¹.

Population projections

- 4.50 The first main input into the household projections is population projections for England produced by the ONS. These are produced for England by local authority, sex and single year of age, using assumptions about births, deaths and migration. The relevant population for household formation is taken to be the adult population, aged 16 or over.
- 4.51 The current methodology for producing the household projections has remained largely unchanged since the 1996 based household projections released in October 1999.
- 4.52 In the current method, projected household representative rates are applied to a projection of the private household population

¹¹ Technical Report, Households Across the United Kingdom, 30/8/2011, Published by Statistical Directorate Welsh Government January 2011 and Updated August 2011, page 3

disaggregated by age, sex and marital/cohabitational status and summing the resulting projections of household representatives. The key data sources and methodological stages are:

- Population projections are taken from the latest release by the Office for National Statistics (ONS) at the national and sub national level.
- Marital status projections at the national level are taken from the latest ONS release. Projections at sub national levels are assumed to follow the national pattern.
- The institutional population is deducted from the total population to give the private household population. The institutional population is assumed to stay at a constant level for younger age groups and at a constant share of the population for older age groups (as given in the 2001 Census).
- Household representative rates are extrapolated from Census data (1971, 1981, 1991, 2001), disaggregated by age, sex and marital status. Labour Force Survey (LFS) data are used to inform inter-Censal interpolations, post-Census estimates and future trends of household representative rates. The LFS and Census data are weighted together with the LFS data being given a lower weight than the Census.
- The resultant household representative rates are applied to the projected private household population and summed across the age/sex/marital status groups to give total household numbers.
- Projections are initially undertaken independently at the national, regional and sub-regional levels with regional projections then being constrained to the national projections and sub-regional projections being constrained to regional projections'¹².

4.53 A detailed description of the current methodology and data sources used is available at

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates>

4.54 Resulting household projections data can be broken down into different household types as follows:

- One person household
- Couple: no dependent children

¹² Consultation on Proposed Changes to the National Statistics on Household Projections, CLG 2010, page 6

- A couple and one or more other adults: no dependent children
- Couple + dependent child(ren)
- Lone parent + dependent child(ren)
- Couple + adult(s) +dependent child(ren)
- Lone parent + adult(s) +dependent child(ren)
- Other households: a multi person household that is neither a couple household nor a lone parent household. Examples include, lone parents with only non-dependent children, brothers and sisters and unrelated (and non-cohabiting) adults sharing a house or flat. This category does not include households with dependent children

4.55 Using 2008-based household projections but adjusted to the household total recorded in the 2011 Census, the number of households is projected to grow by 13,009 between 2011 and 2031, an increase of 23.2%. As detailed in the following table and chart, this includes large growth in single and couple households with no children and a dramatic growth (50%) in couples and lone parent households with 1 child. With the exception of families/lone parents with 3+ children or 2 children plus extra adults, other household types are in decline. The detailed findings are as follows:

- One person: growth of 34%
- Couple no children: 27% growth
- Couple/lone parent and 1 child: 50% growth
- Couple/lone parent and 2 children/couple and 1 or more adults no children: 1% decline
- Couple/lone parent and 1 or more adults and 1 child: 14% decline
- Couple/lone parent and 3+ children/ couple/lone parent and 1 or more adults and 2 children: 8% growth
- Couple/lone parent and 1 or more adults 3+ children: 11% decline

Please note: these CLG 2008-based household projections are **not** the recommended household projection for the St Albans City and District Council area. They have been provided as a comparative benchmark for the household projection Scenario recommended at paragraph 5.85.

Figure 4.3

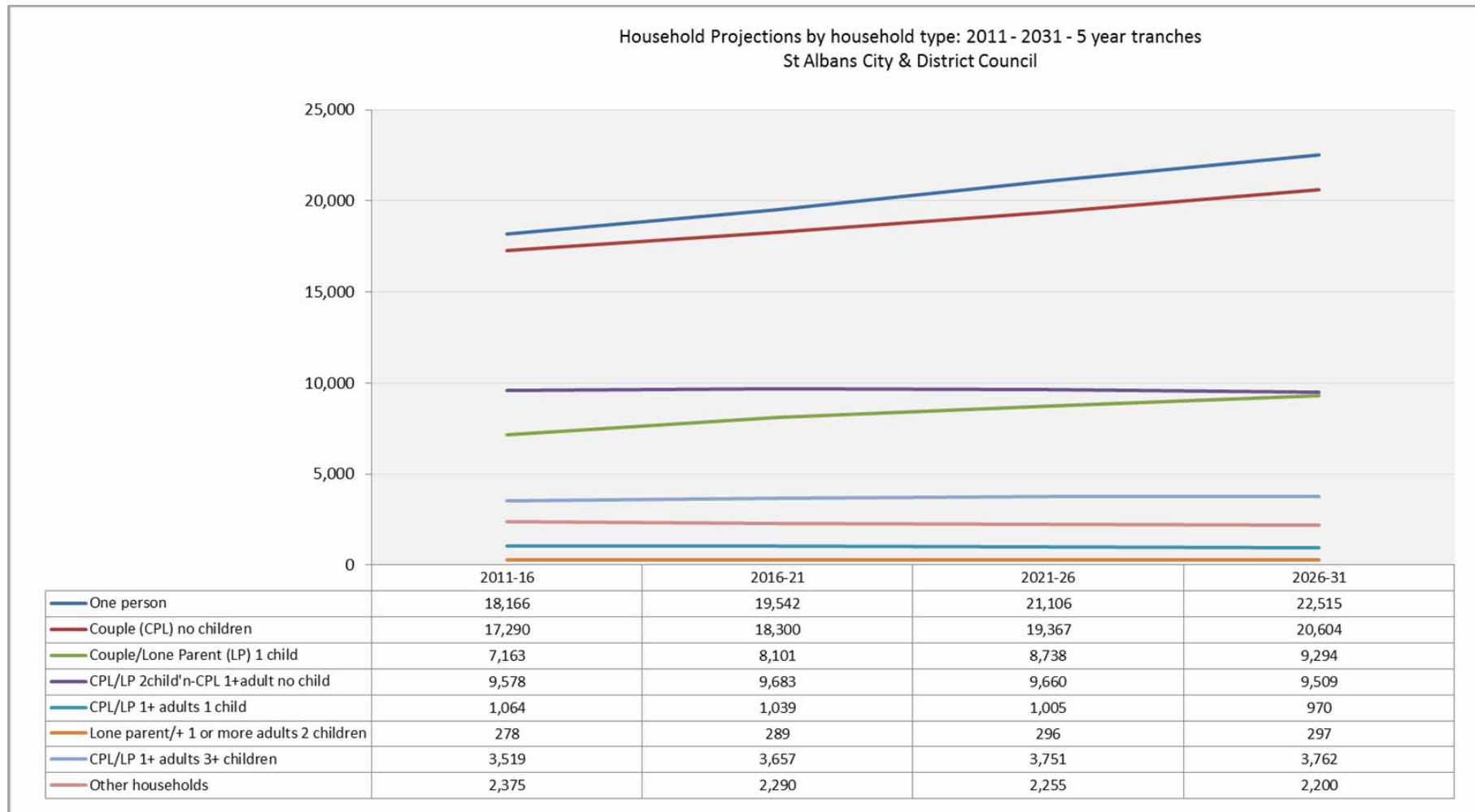
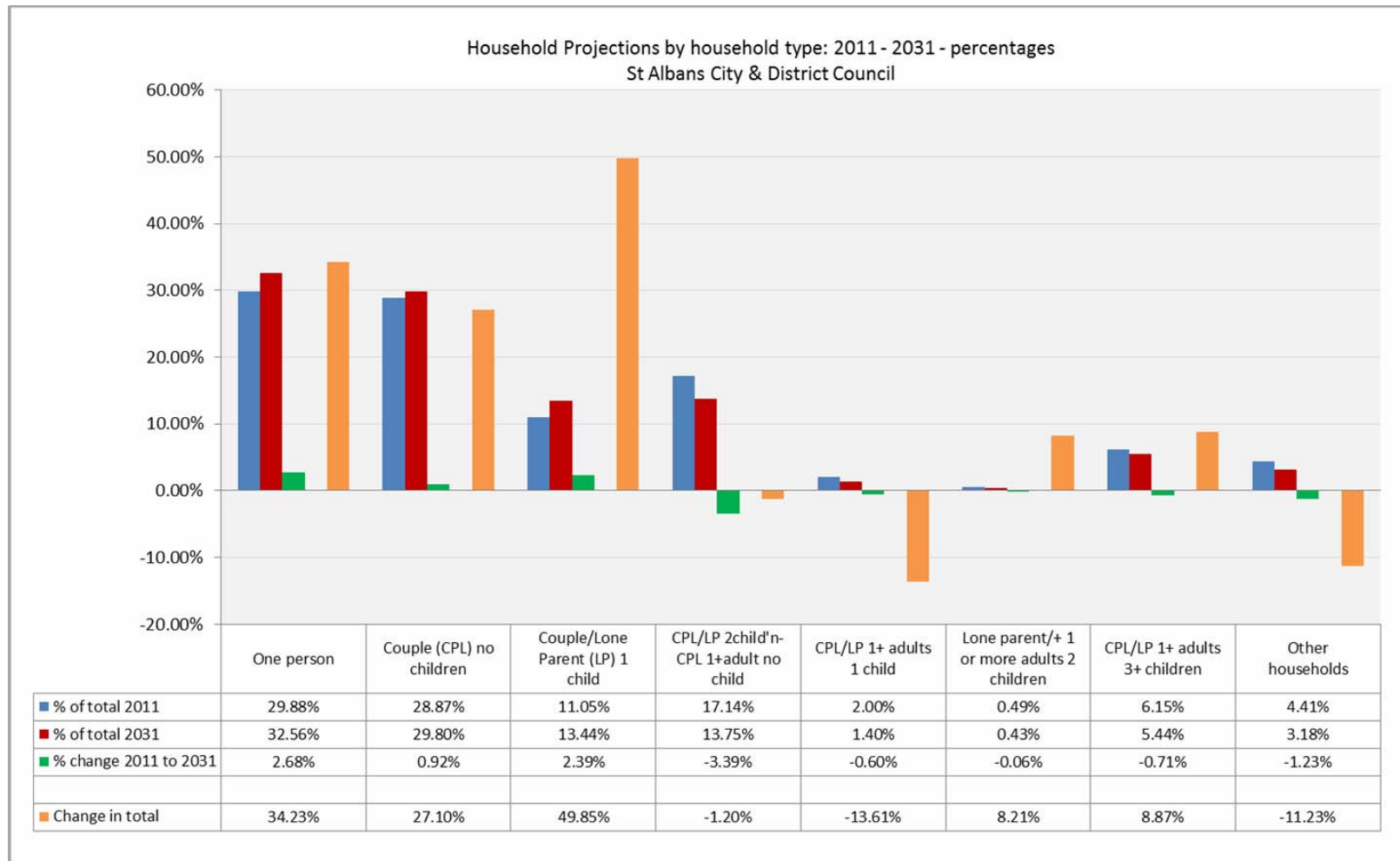


Figure 4.4



International migration

- 4.56 A potentially important component of population change is international immigration for employment. The registration of UK non-nationals for National Insurance (NINO) provides an invaluable source of data. Although National Insurance registrations do not cover all long-term migrants, while including short-term migrants, they provide invaluable insights into the characteristics of people coming to the UK to work. Data identifies the local authority in which people first registered but they may have gone on to work anywhere in the country. Numbers are only recorded for ten or more migrant workers and therefore, the recorded total may be more than the sum of the entries. The following table summarises the extent of migration to St Albans and the East region for the ten years since 2002.

Table 4.22: National Insurance Registration by Non-UK Nationals, 2002-2012, 000s (as at March 2012)

Year	St Albans	East	England
2002/03	0.70	25.97	309.97
2003/04	0.62	26.48	331.98
2004/05	0.71	34.62	388.03
2005/06	1.13	52.78	579.52
2006/07	1.21	52.73	607.95
2007/08	0.96	51.79	636.88
2008/09	0.90	52.21	607.88
2009/10	0.75	42.34	515.12
2010/11	0.85	51.24	636.45
2011/12	0.74	44.35	541.38
Total	8.57	434.51	5,155
Change	0.04	18.38	231.41
% Change	5.7	70.8	74.7

(Source: National Insurance Recording and Pay as You Earn System, Summary Tables, DWP website, <http://www.dwp.gov.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

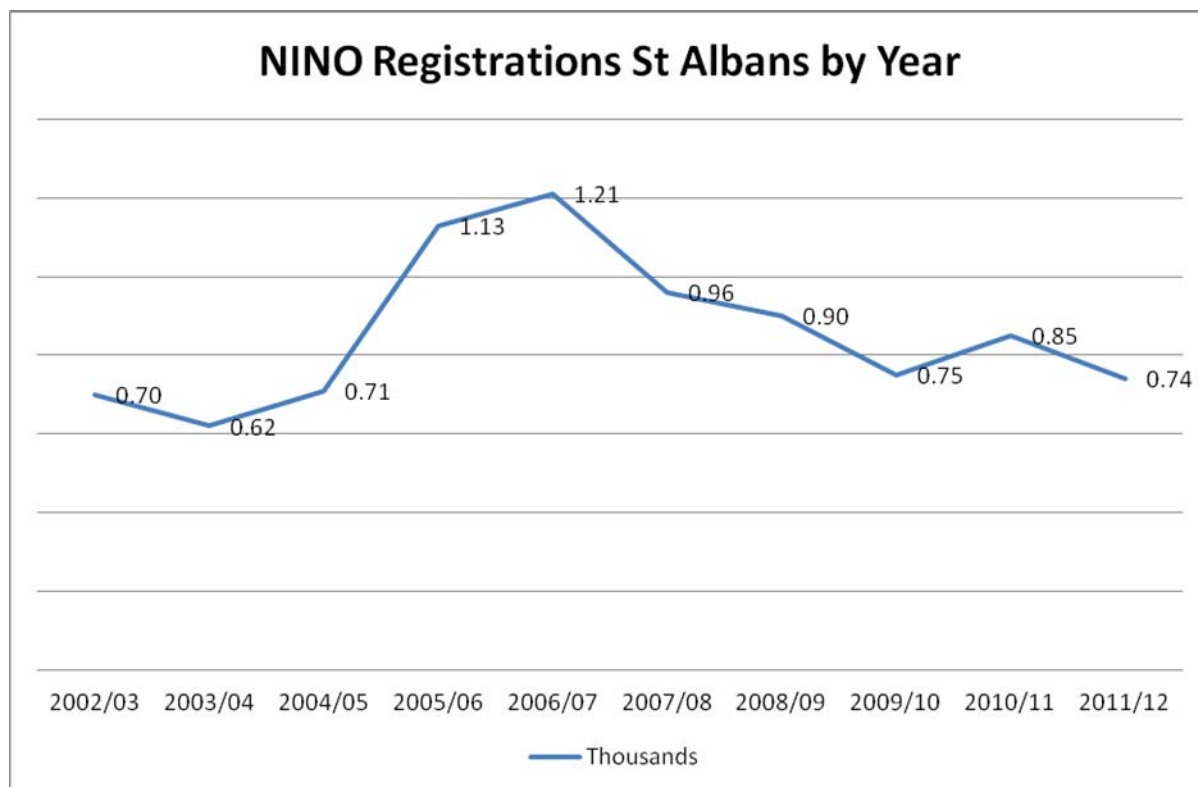
Key findings

- NINO Registrations in St Albans were only 5.7% greater in the year 2011/12 than in the year 2002/03. This was a much smaller increase than in the East (70.8%) and in England (74.7%).
- The total number of NINO Registrations between 2002/03 and 2011/12 was 8,570, an average of 857 per annum.
- Registrations peaked in 2006/07 before a decline in new registrations which may well reflect a fall from the surge in migration following the 2004 EU accession and the worsening economy; or

- It is important to note that 'returning home' is not measured so net gain may be much lower. However, whilst there is no reliable data on the net effect of international migration, the 2011 Census table 'Year of Arrival in the UK' shows that 7,261 residents arrived between 2001 and 2011.

4.57 The following graph demonstrates the pattern of registrations more clearly.

Figure 4.5



(Source: National Insurance Recording and Pay as You Earn System, Summary Tables, DWP website, <http://www.dwp.gov.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

4.58 The following table identifies the 27 main countries from which 100 or more people have migrated.

Table 4.23: NINO Registrations by Nationality people in St Albans City and District from 1st January 2002 to March 2012

Nationality	Number of People	% of Total
Poland	1,490	17.1
South Africa	510	5.8
Australia	480	5.5
Bangladesh	380	4.4
India	350	4.0
France	300	3.4
Germany	280	3.2
Slovak Rep	280	3.2
USA	270	3.1
Rep of Ireland	260	3.0
Italy	250	2.9
Spain	210	2.4
Czech Rep	210	2.4
Pakistan	210	2.4
Hungary	170	1.9
New Zealand	170	1.9
China Peoples Rep	160	1.8
Zimbabwe	150	1.7
Romania	140	1.6
Portugal	120	1.4
Sri Lanka	120	1.4
Netherlands	110	1.3
Mauritius	110	1.3
Canada	110	1.3
Denmark	100	1.1
Rep of Lithuania	100	1.1
Philippines	100	1.1
Other nationalities	1,580	18.1
Total Registrations	8,720	100.0

(Source: DWP Tabulation Tool, DWP website, <http://www.dwp.gov.uk/>.
Contains public sector information licensed under the Open Government Licence v1.0
<http://www.nationalarchives.gov.uk/doc/open-government-licence/>).

Key findings

- 27 countries made up 81.9% of all NINO Registrations for St Albans; 17% were people from Poland, followed by South Africa (5.8%) and Australia (5.5%).

- 4.59 The following table uses Census data to identify the proportion of the population born in the UK and the year of arrival for those who were not born in the UK.

Table 4.24: Year of Arrival in the UK, St Albans City and District, 2011

Year of Arrival	St Albans City and District			East		England	
	No	%	Rank	%	%	No	%
Born in the UK	121,715	86.5	274	5,204,750	89.0	45,675,317	86.2
Arrived before 1941	181	0.1	82	5,203	0.1	46,539	0.1
Arrived 1941-1950	505	0.4	36	14,955	0.3	132,279	0.2
Arrived 1951-1960	1,163	0.8	47	36,862	0.6	346,260	0.7
Arrived 1961-1970	2,027	1.4	66	57,170	1.0	654,558	1.2
Arrived 1971-1980	2,186	1.6	49	52,470	0.9	616,453	1.2
Arrived 1981-1990	2,260	1.6	47	51,344	0.9	639,633	1.2
Arrived 1991-2000	3,366	2.4	58	92,774	1.6	1,218,499	2.3
Arrived 2001-2003	1,792	1.3	89	63,482	1.1	769,202	1.5
Arrived 2004-2006	2,394	1.7	113	104,150	1.8	1,126,327	2.1
Arrived 2007-2009	2,151	1.5	129	109,463	1.9	1,193,078	2.3
Arrived 2010-2011	924	0.7	137	54,342	0.9	594,311	1.1
All Categories	140,664	100.0		5,846,965	100.0	53,012,456	100.0

(Source: QS801EW 2011 Census data, Office for National Statistics website, <http://www.ons.gov.uk>)

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Key findings

- The 2011 Census table Year of Arrival in the UK shows that majority of the population of St Albans were born in the UK (86.5%). This is lower than in the East (89.0%) and slightly higher than in England (86.2%).
- The remaining 13.5% arrived in the UK at different times, 7,261 arrived between 2001 and 2011 with the highest percentage arriving between 1991 and 2000 (2.4%). The most recent year shows arrivals of 0.7%; however, this is only a one year period and if this were to be doubled during 2011 to 2012 then this would be 1.4% and would be a little lower than the previous two year period where it was 1.5%.
- During the two year periods since 2004 and the most recent one year period of 2010 to 2011, St Albans had a lower percentage of arrivals than the national level and a slightly lower percentage than in the East.

Country of birth by age of arrival

- 4.60 The following tables show the Main Country of the Household Reference Person by the Age people were when they arrived in the UK, and a more detailed breakdown of European countries for those who come from Europe.

Table 4.25: main country of birth of Household Reference Person by age of arrival in the UK, St Albans City and District, 2011

Main Country	Europe		Africa		Middle East & Asia		The Americas and the Caribbean		Antarctica and Oceania (including Australasia)		Total	
Age of Arrival UK	No	%	No	%	No	%	No	%	No	%	No	%
Born in the UK	121,715	94.3	0	0.0	0	0.0	0	0.0	0	0.0	121,715	86.5
Born outside the UK: Total	7,373	5.7	3,422	100.0	5,235	100.0	1,937	100.0	982	100.0	18,949	13.5
All categories: All usual residents	129,088	100.0	3,422	100.0	5,235	100.0	1,937	100.0	982	100.0	140,664	100.0
Age of arrival in the UK: 0 to 15	1,757	23.8	1,032	30.2	1,864	35.6	780	40.3	311	31.7	5,744	30.3
Age of arrival in the UK: 16 to 24	2,942	39.9	1,002	29.3	1,425	27.2	394	20.3	187	19.0	5,950	31.4
Age of arrival in the UK: 25 to 34	1,952	26.5	950	27.8	1,337	25.5	489	25.2	341	34.7	5,069	26.8
Age of arrival in the UK: 35 to 49	576	7.8	348	10.2	478	9.1	225	11.6	134	13.6	1,761	9.3
Age of arrival in the UK: 50 to 64	115	1.6	77	2.3	96	1.8	41	2.1	6	0.6	335	1.8
Age of arrival in the UK: 65 and over	31	0.4	13	0.4	35	0.7	8	0.4	3	0.3	90	0.5
Born outside the UK: Total	7,373	100.0	3,422	100.0	5,235	100.0	1,937	100.0	982	100.0	18,949	100.0

(Source: DC2802EW, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Table 4.26: European main country of birth for Household Reference Persons by age of arrival in UK, St Albans City and District, 2011

Age of arrival UK	United Kingdom		Ireland		Other Europe EU Member Countries in March 2001		Other Europe EU Members Accession Countries April 2001 to March 2011		Other Europe: Rest of Europe		Total	
	No	%	No	%	No	%	No	%	No	%	No	%
Born in the UK	121,715	100.0	0	0.0	0	0.0	0	0.0	0	0.0	121,715	94.3
Born outside the UK: Total	0	0.0	1,698	100.0	3,112	100.0	1,849	100.0	714	100.0	7,373	5.7
Age of arrival in the UK: 0 to 15	0	0.0	390	23.0	881	28.3	307	16.6	179	25.1	1,757	1.4
Age of arrival in the UK: 16 to 24	0	0.0	876	51.6	1,071	34.4	759	41.0	236	33.1	2,942	2.3
Age of arrival in the UK: 25 to 34	0	0.0	314	18.5	858	27.6	567	30.7	213	29.8	1,952	1.5
Age of arrival in the UK: 35 to 49	0	0.0	93	5.5	250	8.0	163	8.8	70	9.8	576	0.4
Age of arrival in the UK: 50 to 64	0	0.0	21	1.2	37	1.2	46	2.5	11	1.5	115	0.1
Age of arrival in the UK: 65 and over	0	0.0	4	0.2	15	0.5	7	0.4	5	0.7	31	0.0
All categories: All usual residents	121,715	100.0	1,698	100.0	3,112	100.0	1,849	100.0	714	100.0	129,088	100.0

(Source: DC2802EW, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- 13.5% (18,949) of the Household Reference Persons (HRPs) among usual residents of St Albans City and District were born outside the UK.
- 30.3% of those HRPs who were born outside the UK were aged 15 years or under when they arrived in the UK, 31.4% were aged 16 to 24 years, 26.8% were aged 25 to 34 years, 9.3% were aged 35 to 49 years, 1.8% were aged 50 to 64 years and 0.5% were 65 plus years.
- 38.9% of those HRPs who were born outside the UK were from Europe, 27.6% from the Middle East & Asia, 18.1% from Africa, 10.2% from the Americas and the Caribbean, and 5.2% for Antarctica and Oceania within which the main populations are from Australasia.
- More than two fifths (42.2%) of those HRPs from Europe came from EU Member Countries in March 2001, just over one quarter (25.1%) came from EU Members Accession Countries from April 2001 to March 2011, 23.0% came from Ireland and 9.7% came from the rest of Europe.
- 23.8% of those HRPs who were from Europe were aged 15 years or under when they arrived in the UK, nearly two fifths (39.9%) were aged 16 to 24 years, more than one quarter (26.5%) were aged 25 to 34 years, 7.8% were aged 35 to 49 years, 1.6% were 50 to 64 years and 0.4% were 65 plus years.

Ethnic Origin and Age of Arrival

4.61 The following table shows Ethnic Origin of the Household Reference Person by Age of Arrival for immigrants to St Albans.

Table 4.27: ethnic group of Household Reference Person by age of arrival in the UK

Age of Arrival UK	White		Mixed Multiple Ethnic Group		Asian/Asian British		Black/African/ Caribbean/Black British		Other Ethnic Group		Total	
	No	%	No	%	No	%	No	%	No	%	No	%
Born in the UK	113,022	90.9	3,284	84.1	3,902	43.3	1,144	47.9	363	37.0	121,715	86.5
Born outside the UK: Total	11,358	9.1	620	15.9	5,109	56.7	1,244	52.1	618	63.0	18,949	13.5
All categories: All usual residents	124,380	100.0	3,904	100.0	9,011	100.0	2,388	100.0	981	100.0	140,664	100.0
Age of arrival in the UK: 0 to 15	3,435	30.2	289	46.6	1,520	29.8	349	28.1	151	24.4	5,744	30.3
Age of arrival in the UK: 16 to 24	3,588	31.6	149	24.0	1,638	32.1	396	31.8	179	29.0	5,950	31.4
Age of arrival in the UK: 25 to 34	3,022	26.6	120	19.4	1,351	26.4	361	29.0	215	34.8	5,069	26.8
Age of arrival in the UK: 35 to 49	1,056	9.3	55	8.9	468	9.2	120	9.6	62	10.0	1,761	9.3
Age of arrival in the UK: 50 to 64	210	1.8	5	0.8	97	1.9	15	1.2	8	1.3	335	1.8
Age of arrival in the UK: 65 and over	47	0.4	2	0.3	35	0.7	3	0.2	3	0.5	90	0.5
Born outside the UK: Total	11,358	100.0	620	100.0	5,109	100.0	1,244	100.0	618	100.0	18,949	100.0

(Source: DC2801EW, 2011 Census, NOMIS website, <http://www.nomisweb.co.uk>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>)

Key findings

- 59.9% of those Household Reference Persons (HRPs) Born Outside the UK living in St Albans City and District in 2011, were White, 27.0% were Asian/Asian British, 6.6% were Black/African/Caribbean/Black British, 3.3% were from a Mixed or Multiple Ethnic Group and 3.3% were from an Other Ethnic group.
 - 63.0% of those HRPs from an Other Ethnic group were born outside the UK, compared to 56.7% of Asian/Asian British, 52.1% of Black/African/Caribbean/Black British, 15.9% of those from a Mixed or Multiple Ethnic Group and 9.1% of White residents of St Albans City and District in 2011.
 - 63.8% of those HRPs from an Other Ethnic Group, 60.9% of Black/African/Caribbean/Black British, 58.5% of Asian/Asian British, 58.2% of White and 43.4% of those from a Mixed or Multiple Ethnic Group who were born outside the UK were aged between 16 and 34 on Arrival in the UK.
 - Almost half (46.6%) of those HRPs from a Mixed Multiple Ethnic Group, 30.2% of White, 29.8% of Asian/Asian British, 28.1% of Black/African/Caribbean/Black British and 24.4% of those from an Other Ethnic Group were aged 15 years or under when they arrived in the UK.
- 4.62 The important question raised by such migration is the impact on the housing market. It is historically the case that migrants to the UK, especially the first wave of single people or those arriving without their family have, through their household composition and short residence, found difficulty in accessing social housing. Home ownership has also been too expensive. As a result, their initial housing needs have been met by a combination of the 'informal market' of renting through family or friends and most significantly by the private rented sector. Migrants from EU accession countries may well have followed this pattern, but primary research would be required to confirm this.

Internal migration

- 4.63 Internal migration refers to population movement within England and can be an important factor in determining housing needs. Trends can be monitored using estimates of internal migration prepared using a combination of three administrative data sources, the Patient Register Data Service (PRDS), the National Health Service Central Register (NHSCR) and Higher Education Statistics Agency (HESA) data. Referred to as NHSCR data, it is reliant on people registering with a GP and those groups who are recognised to register at lower rates include students, especially male students and young men. Conversely, families and older people are more likely to register. Please note that figures are rounded to the nearest 10 or 100 by ONS and therefore, totals may vary from the sum. Because of the sheer scale and complexity of the data reviewed, an overview of trends over a 10 year period sets the context for examining patterns over the most recent 3 year period for which data is

available. The following table begins the process by showing the 10 year trend in net migration to 2010/11 for as follows.

Table 4.28: net effect of internal migration, St Albans City and District, years ending June 2001-11, 000s

2001/ 02	2002/ 03	2003/ 04	2004/ 05	2005/ 06	2006/ 07	2007 /08	2008/ 09	2009/ 10	2010/ 11	Total	Ave.
0.2	0.0	-0.2	-0.1	0.7	0.3	0.3	0.5	0.5	0.7	2.9	0.29

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- A 10 year trend identifies a net migration annual average of plus 290 people. There has been a gain in population through internal migration for the 6 years since 2005/6. Prior to that there was a loss for two years from 2003/4 to 2004/05, neither a loss nor a gain for the year 2002/03 and a gain for the year 2001/02.
 - It is interesting to compare these net gains against completions data which is detailed at 3.21 below. 466 new dwellings were completed in 2008-09 which fell to 329 in 2009-10 but the net gain remained the same for each of these years. Completions increased to 495 in 2011/12 reaching almost the same level as in 2008/09 but the net gain increased to 700 people.
- 4.64 The remainder of this section focuses on recent patterns and trends in detail. The following maps and table show internal migration in and out of St Albans to/from Regions for each of the three years up to June 2011 and Net Migration for the three year period ending June 2011.

Map 4.12

Migration Into St Albans from Regions in England and Wales in the Three Year Period Ending June 2011 (GP Registrations)



Source: Internal Migration Statistics, Office for National Statistics, ONS website,
<http://www.ons.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0
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Map 4.13

Migration Out of St Albans into Regions in England and Wales in the Three Year Period Ending June 2011 (GP Registrations)



Source: Internal Migration Statistics, Office for National Statistics, ONS website,
<http://www.ons.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0
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Map 4.14

**Net Migration Into/Out of St Albans from/to
Regions in England and Wales in the Three Year Period
Ending June 2011 (GP Registrations)**



Source: Internal Migration Statistics, Office for National Statistics, ONS website,
<http://www.ons.gov.uk>. Contains public sector information licensed under the Open Government Licence v1.0
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Table 4.29: Net migration into and out of St Albans City and District from/to regions for three years ending June 2011

Regions	In Migration			Out Migration			Net Migration
	2009	2010	2011	2009	2010	2011	3 Years
London	2,090	2,400	2,330	1,090	1,050	1,090	3,590
North East	120	120	110	90	110	90	60
West Midlands	280	230	280	260	250	260	20
Wales	100	100	110	100	100	100	10
North West	240	260	270	290	260	220	0
Yorkshire and The Humber	260	280	300	300	290	330	-80
East Midlands	350	330	370	420	370	370	-110
South East	850	780	830	930	1,070	970	-510
South West	270	320	330	520	510	500	-610
East	2,500	2,690	2,720	2,580	3,040	3,050	-760

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- The net effect of 3 years migration to June 2011 was a gain of 1,610 people, or an average of 536 per annum. This compares with an average gain of 290 people over the full 10 year period.
- During the 3 year period ending June 2011 there were substantially more net in migrants to St Albans from London (3,590) than from any other Region. There were small numbers of net in migrants from the North East (60), West Midlands (20), and Wales (10).
- During the 3 year period ending June 2011 there were more out migrants from St Albans than in migrants to the East (minus 760 net), the South West (minus 610 net), the South East (minus 510 net), the East Midlands (minus 110 net) and Yorkshire & The Humber (minus 80 net). These patterns can be seen more clearly in the Net Migration Regional Map 2.14.
- The North West has a net migration figure of zero during the 3 year period ending June 2011.
- During the most recent year ending June 2011 the largest number of in migrants was from the East (Plus 2,720); however, there were an even larger number of Out Migrants to the East (Minus 3,050).
- London also had a large number of in migrants (2,330) during the year ending June 2011, and a large number of out migrants (1,090) although these were less than the number of in migrants.

- The South East also has a fairly large number of in migrants (830), although this was lower than the number of out migrants (970) during the year ending June 2011.
 - All other Regions had lower numbers of both in and out migrants, these being, 500 or lower.
 - It must be remembered that this is a measure of the movement of people and not households. Applying the most reliable average household size from the 2011 Census of 2.5 across the area implies a net gain in the region of 644 households over the three year period ending June 2011, or 215 households per annum and an equivalent demand on the housing market. Later in this chapter at paragraphs 2.100-2.106, analysis of migration data identifies evidence of an 'escalator effect' in terms of families with young children moving into the area.
- 4.65 The following table considers internal migration at the local authority level and the net effect for St Albans City and District. In order to provide a detailed understanding of recent patterns, analysis has been undertaken for the three year period ending June 2011.

Please note that any anomalies in the balancing figures are due to rounding.

Table: 4.30: Internal Migration, St Albans City and District, year ending June 2009 to year ending June 2011

Local Authority	2009			2010			2011		
		Persons (Thousands)			Persons (Thousands)			Persons (Thousands)	
	Inflow	Outflow	Balance	Inflow	Outflow	Balance	Inflow	Outflow	Balance
St Albans	7.2	6.7	0.5	7.6	7.1	0.5	7.8	7.1	0.7
East	144.0	131.2	12.9	145.5	132.2	13.3	145.4	130.7	14.6

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>.
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Key findings

- St Albans gained 500 people in 2008/2009, 500 people in 2009/10 and 700 people in 2010/11, therefore the overall gain was 1,700 during this 3 year period (figures in the Regional tables may be different due to rounding).
- 4.66 Data on internal migration by age enables limited profiling of the types of people and households moving in and out of St Albans City and District for example, those aged 0-15 can be associated with parents aged 25-44 to indicate families with children; those aged 16-24 will include students and those aged 65+ are pensioner households. The following table summarises patterns for the three years ending June 2011.

Table 4.31: internal migration by broad ages for three years ending June 2011

Area	Age Bands	2009			2010			2011		
		Persons			Persons			Persons		
		Inflow	Outflow	Balance	Inflow	Outflow	Balance	Inflow	Outflow	Balance
St Albans	All ages	7.2	6.7	0.5	7.6	7.1	0.5	7.8	7.1	0.7
	0-15	1.1	0.7	0.4	1.2	0.9	0.3	1.3	0.9	0.3
	16-24	1.6	1.9	-0.3	1.6	1.9	-0.3	1.7	1.8	-0.1
	25-44	3.6	2.9	0.7	3.7	2.9	0.8	3.8	2.9	0.9
	45-64	0.6	0.8	-0.2	0.8	1.0	-0.2	0.7	1.1	-0.3
	65+	0.3	0.4	-0.1	0.3	0.5	-0.1	0.3	0.4	-0.1
East	All ages	144.0	131.2	12.9	145.5	132.2	13.3	145.4	130.7	14.6
	0-15	21.2	16.2	5.0	21.6	16.5	5.1	21.5	16.2	5.2
	16-24	44.2	49.8	-5.6	43.3	49.1	-5.8	44.1	48.7	-4.6
	25-44	54.3	45.7	8.6	54.2	44.5	9.7	53.9	44.0	9.9
	45-64	16.8	14.1	2.8	17.7	15.4	2.3	17.4	15.2	2.2
	65+	7.5	5.3	2.1	8.8	6.7	2.1	8.4	6.5	1.9

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>.
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Key findings

- The largest gain of 2,400 people was in the 25 to 44 year age group during the 3 year period ending June 2011, and the next largest gain was 1,000 in the 0 to 15 year old age band. This is indicative of families with younger children moving to the area.
 - There were losses of 700 people in the 16 to 24 year age band which may well be for economic reasons in search of employment and/or also students. There were also losses of 700 people in the 45 to 64 year age band, and a loss of 300 people in the 65 plus years age band, both of which are indicative of middle aged and older people moving on from the area.
 - There was a gain of 900 people in the 25 to 44 year age band in the most recent year ending June 2011, and a gain of 300 people in the 0 to 15 years age band. There was a loss of 300 people in the 45 to 64 year age band, 100 people in the 16 to 24 year age band and 100 people in the 65 plus years age band. Less people in the 16 to 24 year age band left St Albans in the most recent year than in the previous two years, and more people in the 45 to 64 years age band left in the most recent year compared to the previous two years.
- 4.67 The following table takes the analysis further by identifying those local authorities from which 100 or more people moved into the area in any year over a 3 year period from 2009-2011.

Table 4.32: internal migration into St Albans from local authorities where 100 or more moved during any one year of the 3 year period ending June 2011. Please note that 100 or more people moving to the district in every year is highlighted

Local Authority	In Migrants			
	2009	2010	2011	3 Years
Welwyn Hatfield	410	420	460	1,290
Hertsmere	350	380	400	1,130
Dacorum	280	370	330	980
Barnet	240	260	280	780
Luton UA	210	260	230	700
Central Bedfordshire UA	210	230	210	650
Watford	210	200	200	610
Camden	140	190	180	510
Islington	130	130	180	440
North Hertfordshire	140	140	140	420
Wandsworth	160	140	110	410
Haringey	110	160	140	410
Harrow	110	140	140	390
East Hertfordshire	130	130	130	390
Three Rivers	100	100	130	330
Brent	120	100	100	320
Leeds	100	80	110	290
Enfield	100	100	90	290
Westminster	90	100	80	270
Ealing	80	100	90	270
Nottingham UA	80	100	90	270
Lambeth	70	100	80	250
Sub-total	3,570	3,930	3,900	11,400
Remaining LAs	3,330	3,400	3,570	10,300
Total In Migrants	6,900	7,330	7,470	21,700

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

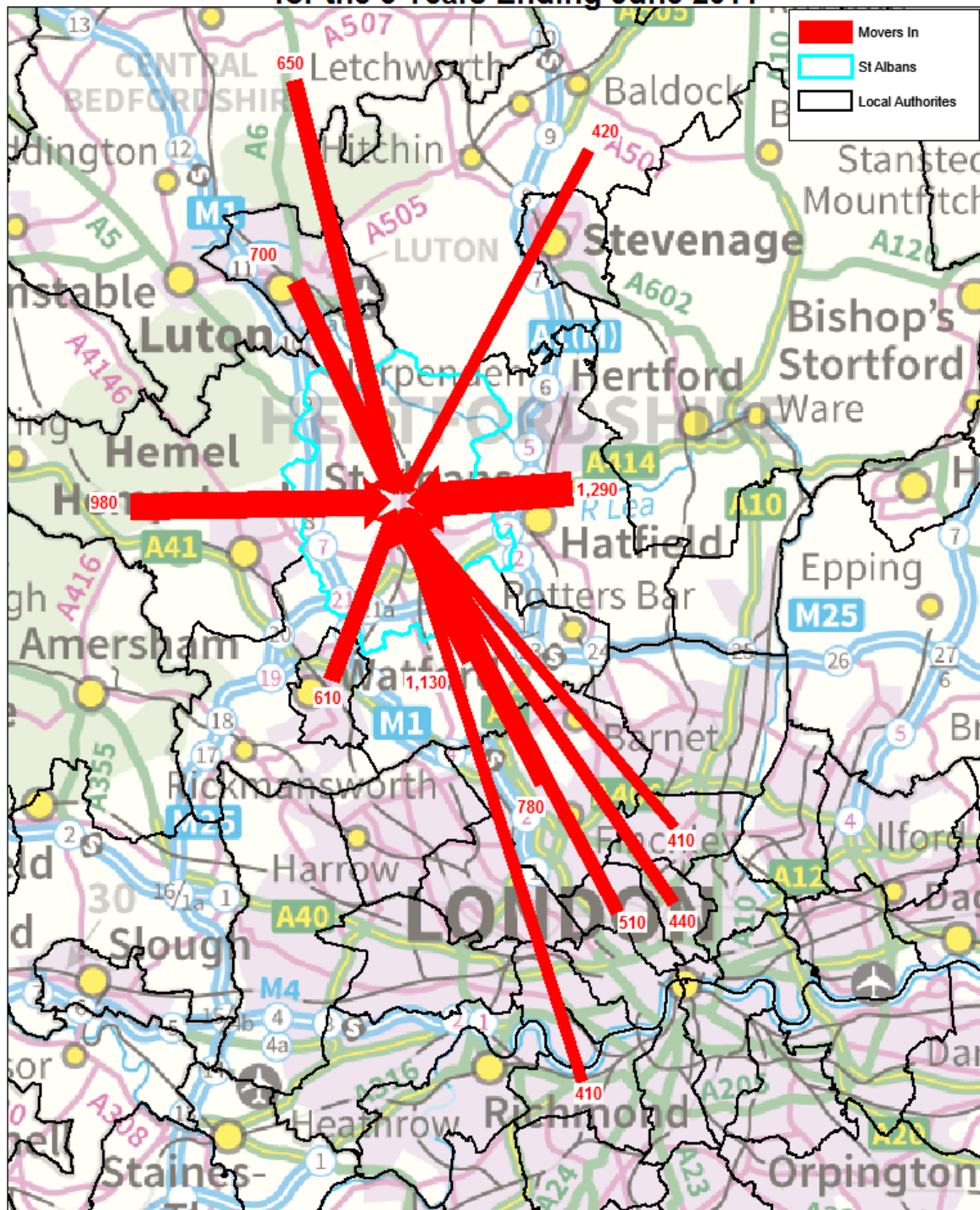
Key findings

- Leeds and Nottingham stand out from a pattern dominated by local authorities in the Wider Housing Market Area and London authorities in the Peripheral Housing Market Area. 63% of those moving from the highlighted authorities were from the Wider and one third from the Peripheral Housing Market Areas.

4.68 The following map shows internal migration from local authorities during the most recent 3 years ending June 2011.

Map 4.15

**Migration into St Albans from Local Authorities with
more than 400 People Registering with a GP
for the 3 Years Ending June 2011**



Source: Internal Migration Statistics, Office for National Statistics, ONS website, <http://www.ons.gov.uk>.
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Key findings

- More than half (52.5%) of internal migrants came from 22 local authorities where there were 100 or more migrants moving into St Albans in at least one of the 3 years up to June 2011.
- More than 1,000 internal migrants moved into St Albans from Welwyn Hatfield and from Hertsmere. The next largest number (980) came from Dacorum during the 3 year period up to June 2011. These 3 local authorities provided the largest number of in migrants for all 3 years.
- Map 2.15 above, shows the 12 local authorities where 400 or more people came from who moved to St Albans in the 3 years ending June 2011. The numbers of people who moved into St Albans from each of these local authorities is also shown on the map.

4.69 The following table identifies those local authorities from which 100 or more people moved out of the area in any one year over a 3 year period ending June 2011

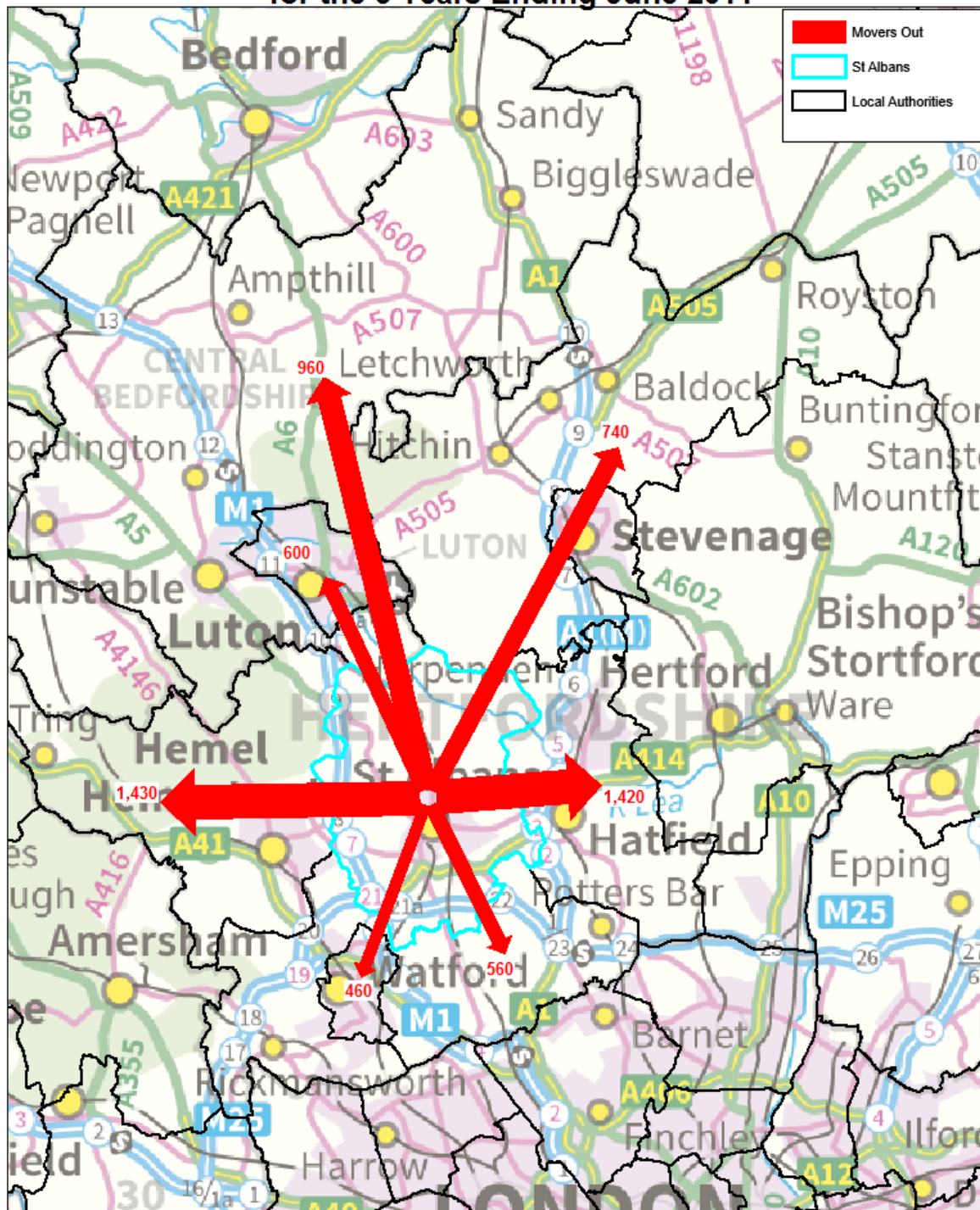
Table 4.33: internal migration out of St Albans to local authorities where 100 or more moved during any one year during the 3 year period ending June 2011. Please note that 100 or more people moving out of the district in every year is highlighted

Local Authority	Out Migrants			
	2009	2010	2011	3 years
Dacorum	410	510	510	1,430
Welwyn Hatfield	450	510	460	1,420
Central Bedfordshire UA	240	330	390	960
North Hertfordshire	210	260	270	740
Luton UA	200	180	220	600
Hertsmere	180	190	190	560
Watford	130	160	170	460
Leeds	120	100	110	330
Nottingham UA	120	110	100	330
Three Rivers	70	140	90	300
East Hertfordshire	100	70	100	270
Sub Total	2,230	2,560	2,610	7,400
Remaining LAs	4,310	4,520	4,160	12,990
Total Out Migrants	6,540	7,080	6,770	20,390

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>.
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<http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Map 4.16

**Migration out of St Albans to Local Authorities with
more than 400 People Registering with a GP
for the 3 Years Ending June 2011**



Source: Internal Migration Statistics, Office for National Statistics, ONS website, <http://www.ons.gov.uk>.
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Key findings

- More than one third (36.2%) of movers out were from 11 local authorities where there were 100 out migrants in at least one of the 3 years up to June 2011.
 - Dacorum and Welwyn Hatfield were the largest local authority destinations during the 3 year period up to June 2011 for out migrants from St Albans with more than 1,400 moving to these two local authorities. The third largest local authority destination was Central Bedfordshire UA with 960 out migrants from St Albans during the period. It would be necessary to establish which types of housing people were moving to but one explanation might be that some people are moving to access lower cost markets on same communication axis.
 - The pattern was the same for all three years individually as well as when they are combined for the 3 main local authority destinations.
 - Map 2.16 shows the 7 local authorities where 400 or more people moved to from St Albans during the 3 year period ending June 2011. It also shows the numbers that moved to each of these local authorities during the 3 years.
- 4.70 The following table and map identify the net effect of movement in and out of the area by local authority for the three years ending June 2011. Please note that in order to ensure that more adjacent local authority areas are more visible, the map does not show Brighton, a surprising destination from St Albans.

Table 4.34: net effect of internal migration in and out of St Albans where net migration is greater than plus or minus 100 in the three years ending June 2011 by main local authority areas

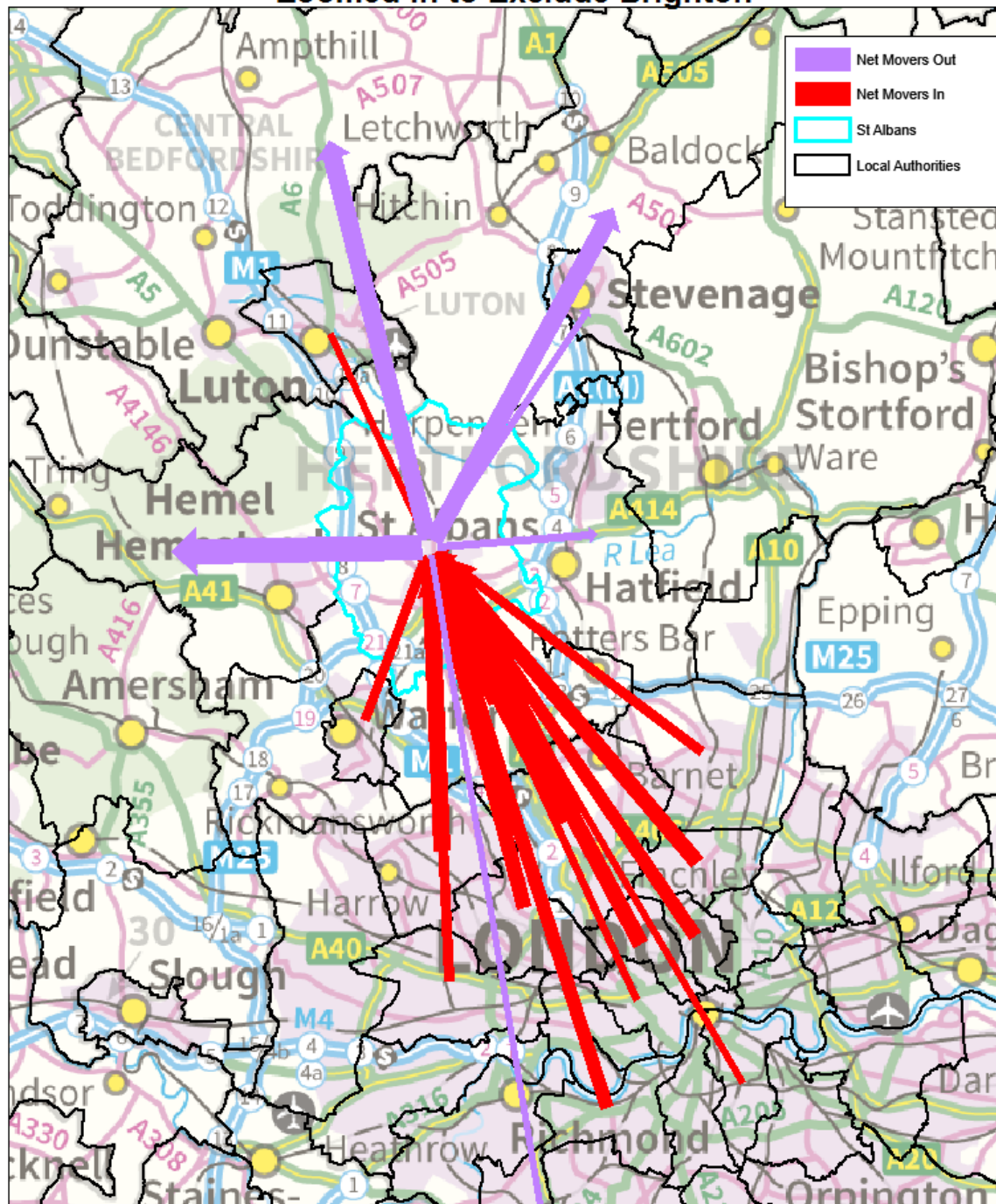
Local Authorities	In			Out			Net Migration
	2009	2010	2011	2009	2010	2011	
Hertsmere	350	380	400	180	190	190	570
Barnet	240	260	280	70	90	90	530
Harrow	110	140	140	50	30	30	280
Haringey	110	160	140	50	50	40	270
Camden	140	190	180	90	90	80	250
Brent	120	100	100	20	30	30	240
Wandsworth	160	140	110	60	60	60	230
Islington	130	130	180	70	70	80	220
Enfield	100	100	90	30	40	60	160
Watford	210	200	200	130	160	170	150
Ealing	80	100	90	50	30	40	150
Westminster	90	100	80	50	50	50	120
Luton UA	210	260	230	200	180	220	100
Southwark	60	80	70	40	40	30	100
Brighton and Hove UA	50	50	40	60	90	90	-100
Stevenage	40	40	40	70	80	80	-110
Welwyn Hatfield	410	420	460	450	510	460	-130
Central Bedfordshire UA	210	230	210	240	330	390	-310
North Hertfordshire	140	140	140	210	260	270	-320
Dacorum	280	370	330	410	510	510	-450

(Source: Estimates from NHS Patient Registration with GPs data, ONS Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

4.71 The following map highlights net migration of 100 or more people for the 3 years to June 2011.

Map 4.17

**Net Migration into/out of St Albans from/to Local Authorities
with Plus or Minus 100 or more People Registering
with a GP for the 3 Years Ending June 2011
Zoomed In to Exclude Brighton**



Source: Internal Migration Statistics, Office for National Statistics, ONS website, <http://www.ons.gov.uk>.
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Key findings

- There were more local authorities (14) with a net gain than there were with a net loss (6) for those gaining or losing plus or minus 100 people.
- The largest net gains were from Hertsmere and Barnet with more than 500 people being gained by St Albans during the 3 year period to June 2011.
- The largest net losses were to Dacorum, North Hertfordshire and Central Bedfordshire UA with more than 300 people being lost by St Albans during the 3 year period to June 2011.
- The map shows the local authorities with the net gains or losses of plus or minus 100 people. It can be seen that the majority of net gains came from the South of St Albans from areas within or close to London. The exception is Luton which is to the North of St Albans. The net losses were more variable although only one was to the South and this was to Brighton.

Commuting to work

- 4.72 Travel to work patterns can have an important impact on housing markets, especially where locations which are attractive to commuters as places to live. The following table summarises the extent of commuting in and out of St Albans in 2001. **Please note** that Travel to work data from the more recent 2011 Census was not available at the time of completion of this Assessment. This will be available some time after October 2013 along with other specialist products from the 2011 Census. It should be borne in mind that commuting patterns may well have changed in the context of the economic recession.

Table 4.35: travel into and out of St Albans City and District to work, 2001

Movement	Numbers
Travel In	55,624
Travel Out	65,464
Net Effect	-9,840

NB Includes 32,233 people who both live and work in St Albans

(Source: Table 107 UK Travel Flows, 2001 Census, NOMIS website, <http://www.nomisweb.co.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- In 2001, 9840 more people travelled to work outside the area than travelled into the area.
- 4.73 The following table and map (Map 2.18) address the question, ‘*where do people live who work in St Albans?*’ and identifies the principal flows

Table 4.36: travel into work to St Albans from local authorities where 100 or more travel, 2001. Please note that 70% self containment is highlighted

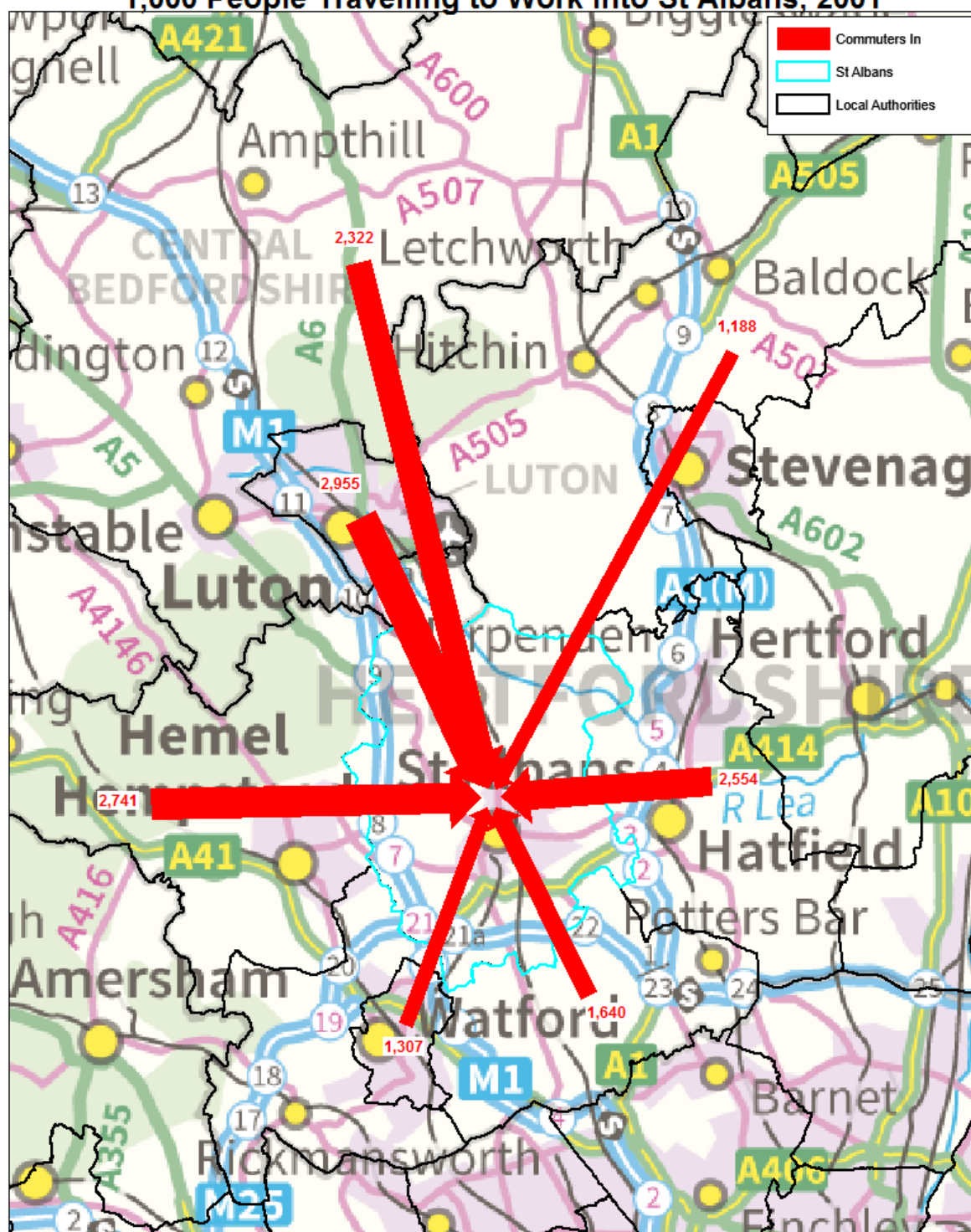
Local Authority	Commuters In	
	No	%
Luton	2,955	12.6
Dacorum	2,741	11.7
Welwyn Hatfield	2,554	10.9
Central Bedfordshire	2,322	9.9
Hertsmere	1,640	7.0
Watford	1,307	5.6
North Hertfordshire	1,188	5.1
Three Rivers	811	3.5
Stevenage	738	3.2
Barnet	703	3.0
East Hertfordshire	573	2.4
Enfield	351	1.5
Harrow	341	1.5
Aylesbury Vale	328	1.4
Milton Keynes	266	1.1
Broxbourne	244	1.0
Chiltern	204	0.9
Brent	202	0.9
Bedford	168	0.7
Hillingdon	130	0.6
Camden	129	0.6
Haringey	127	0.5
Epping Forest	111	0.5
Ealing	103	0.4
Wycombe	101	0.4
All Other Local Authorities less than 100	3,054	13.1
Total	23,391	100.0

NB Excludes 32,233 people who both live and work within St Albans City and District

(Source: Table 107 UK Travel Flows, 2001 Census, NOMIS website, <http://www.nomisweb.co.uk/>.
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Map 4.18

**Commuters from Local Authorities with more than
1,000 People Travelling to Work into St Albans, 2001**



Source: T107, Travel to Work, 2001 Census Data, Office for National Statistics, NOMIS website, <http://nomisweb.co.uk>.
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Key findings

- 12.6% of Commuters into St Albans were from Luton, 11.7% from Dacorum, 10.9% from Welwyn Hatfield, 9.9% from Central Bedfordshire and 7.0% from Hertsmere. These 5 local authorities accounted for more than half (52.1%) of Commuters In. 5.6% of Commuters In were from Watford and 5.1% from North Hertfordshire. The remaining local authorities with over 100 commuters In had 3.5% or less Commuters In. Local authorities with less than 100 made up 13.1% of Commuters In.
 - Map 2.18 shows that the 7 local authorities with more than 1,000 commuters into St Albans to work came from adjacent or nearby local authorities on all sides of St Albans.
- 4.74 The following table and map address the question, '*where do people work who live in St Albans City and District?*' and identify the principal flows. **Please note** that Travel to Work data from the more recent 2011 Census will be available some time after October 2013 along with other specialist products from the 2011 Census. It should be borne in mind that commuting patterns may well have changed during the economic recession.

Table 4.37: travel to work from St Albans City and District to local authorities where 200 or more travelled out, 2001. Please note that 70% self containment is highlighted

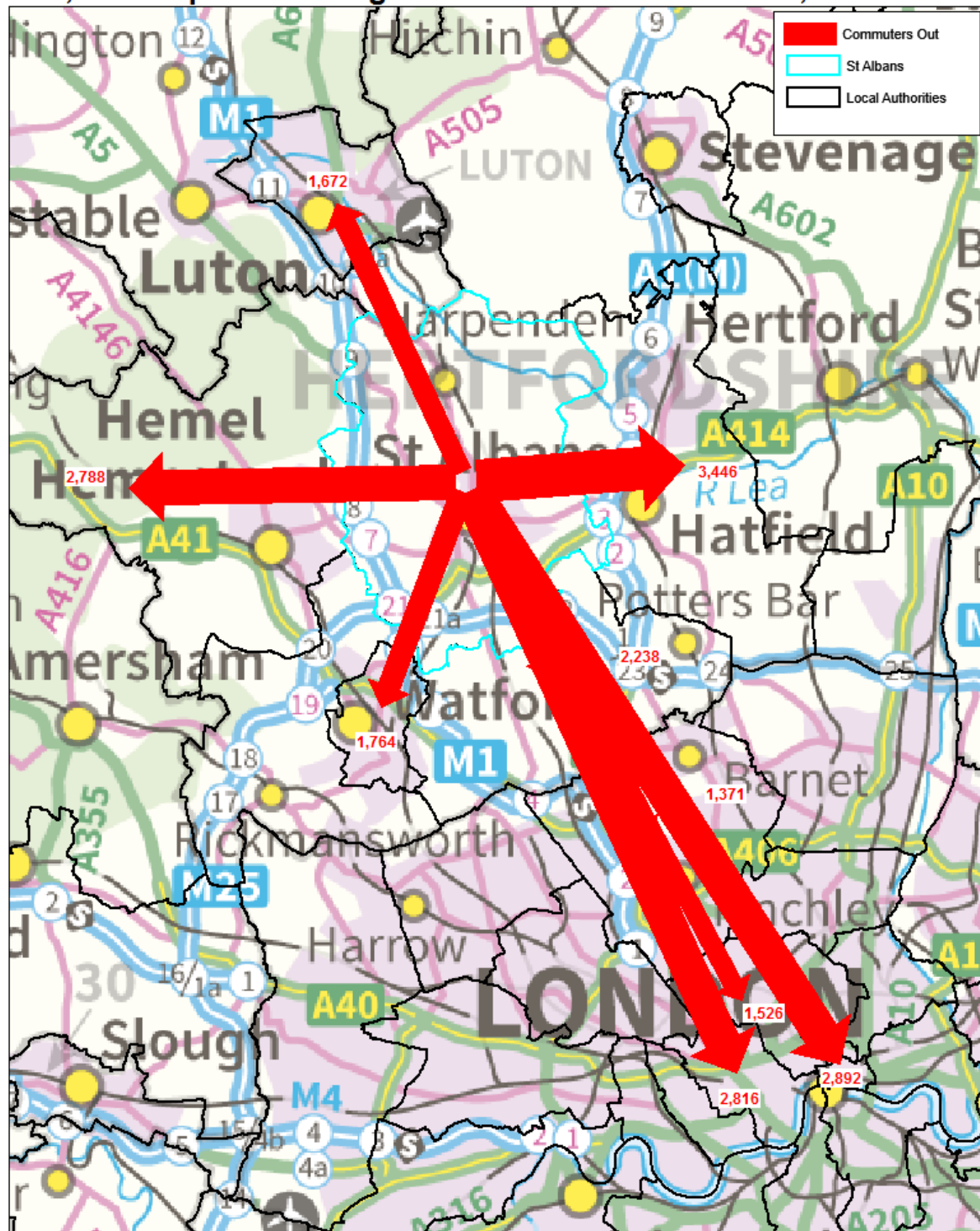
Local Authority	Commuters Out	
	No	%
Welwyn Hatfield	3,446	10.4
City of London	2,892	8.7
Westminster	2,816	8.5
Dacorum	2,788	8.4
Hertsmere	2,238	6.7
Watford	1,764	5.3
Luton	1,672	5.0
Camden	1,526	4.6
Barnet	1,371	4.1
Islington	863	2.6
Stevenage	787	2.4
Three Rivers	707	2.1
Central Bedfordshire	684	2.1
Tower Hamlets	659	2.0
East Hertfordshire	547	1.6
Hillingdon	539	1.6
Southwark	526	1.6
Harrow	517	1.6
Enfield	473	1.4
Brent	465	1.4
North Hertfordshire	439	1.3
Milton Keynes	382	1.1
Ealing	252	0.8
Broxbourne	239	0.7
Hammersmith and Fulham	231	0.7
Kensington and Chelsea	222	0.7
Lambeth	216	0.6
Hounslow	207	0.6
Harlow	201	0.6
Total	33,231	100.0

NB Excludes 32,233 people who both live and work within St Albans

(Source: Table 107 UK Travel Flows, 2001 Census, NOMIS website, <http://www.nomisweb.co.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Map 4.19

**Commuters to Local Authorities with more than
1,000 People Travelling Out to Work from St Albans, 2001**



Source: T107, Travel to Work, 2001 Census Data, Office for National Statistics, NOMIS website, <http://nomisweb.co.uk>.
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Key findings

- 10.4% of Commuters Out went to Welwyn Hatfield, 8.7% to City of London, 8.5% to Westminster, 8.4% to Dacorum. These 4 local authorities accounted for more than one third (36.0%) of Commuters out. 6.7% went to Hertsmere, 5.3% went to Watford and 5.0% went to Luton. The remaining local authorities with more than 100 Commuters Out had 4.6% or less. Local authorities where less than 100 people Commuted Out of St Albans made up 7.0% of the total Commuters Out.
 - Map 2.19 shows that the 9 local authorities where more than 1,000 people commuted out of St Albans to go to work in 2001 included both adjacent or nearby local authorities and those that were in or closer to Central London. Two of the Arrows in the map are covered by other Arrows; however, the numbers of commuters out are placed in the relevant local authorities, these being Barnet and Hertsmere.
- 4.75 The Neighbourhood Statistics website provides an Annual Population Survey (APS) Commuting Tool which can sometimes provide more up to date information on commuting than is available from the 2001 Census. The tool incorporates a significance test to identify the extent of change in commuting patterns between the 2001 Labour Force Survey and 2008 APS. The final two tables consider this data but comparisons must be treated with caution as both rely on limited sample surveys.

Table 4.38: place of residence commuter flows: where do workers live? (commuters in), 2001 and 2008. Please note that 70% self containment is highlighted

Residence	St Albans		
	2001 Flows	2008 Flows	Change Significant at 5% level
	%	%	
St Albans	58.9	55.1	No
Luton	7.4	5.9	No
South Bedfordshire	3.0	4.8	No
Dacorum	4.6	4.8	No
Welwyn Hatfield	4.4	3.9	No
Hertsmere	2.5	2.5	No
Three Rivers	..	2.5	*
Enfield	..	2.5	*
Watford	2.5	2.4	No

**Independent Assessment of Housing Need and SHMA
for St Albans City and District Council**

(Source: 2001 Labour Force Survey and 2008 Annual Population Survey, APS Commuter Flow, Neighbourhood Statistics Website <http://www.neighbourhood.statistics.gov.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Table 4.39: workplace commuter flows: where do residents work? (commuters out), 2001 and 2008. Please note that 70% self containment is highlighted

Workplace	St Albans		
	2001 Flows	2008 Flows	Change Significant at 5% level
	%	%	
St Albans	45.4	50.3	No
City of London	7.7	7.5	No
Watford	4.8	4.8	No
Westminster	4.9	4.5	No
Welwyn Hatfield	3.7	4.3	No
Camden	..	3.4	*
Barnet	..	3.2	*
Dacorum	7.6	2.9	Yes
Southwark		2.3	*
Hertsmere	5.2	2.0	No

(Source: 2001 Labour Force Survey and 2008 Annual Population Survey, APS Commuter Flow, Neighbourhood Statistics Website. <http://www.neighbourhood.statistics.gov.uk/>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

Key findings

- The table indicates a statistically significant change with a decrease of the percentage of commuters out to Dacorum.

Commuters In

- The 2001 Labour Force Survey showed Luton as the largest source of Commuters In followed by Dacorum, Welwyn Hatfield and South Bedfordshire. Other local authorities were Hertsmere and Watford. More than half of Workers in St Albans both lived and worked in St Albans (58.9%).
- The 2008 Annual Population Survey showed no significant changes between 2001 and 2008. More than half of workers (55.1%) both lived and worked in St Albans. There were two additional local authorities from which workers came, these being, Three Rivers and Enfield.

Commuters Out

**Independent Assessment of Housing Need and SHMA
for St Albans City and District Council**

- The 2001 Labour Force Survey showed City of London and Dacorum as the two local authorities where the highest percentage of residents commuted out to, followed by Hertsmere, Westminster, Watford and Welwyn Hatfield. Less than half (45.4%) of working residents both lived and worked in St Albans.
- The 2008 Annual Population Survey showed one significant change which was a reduction in the percentage of working residents commuting to Dacorum from 7.6% to 2.9%. It showed half (50.3%) of working residents as both living and working in St Albans. Other local authorities where residents commuted out to included Camden, Barnet and Southwark in addition to those where residents were working in 2001 (City of London, Hertsmere, Watford, Westminster and Welwyn Hatfield).

Method of Travel to Work

4.76 The following table shows methods of travel to work for usual residents aged 16 to 74 years.

Table 4.40: Method of Travel to Work for Usual Residents Aged 16 to 74 years, St Albans City and District, 2011

Method of Travel	St Albans City and District		East		England	
	No	%	No	%	No	%
Work mainly at or from home	5,599	5.6	161,428	3.8	1,349,568	3.5
Underground, metro, light rail, tram	673	0.7	33,110	0.8	1,027,625	2.6
Train	13,489	13.5	205,077	4.8	1,343,684	3.5
Bus, minibus or coach	1,724	1.7	106,303	2.5	1,886,539	4.9
Taxi	186	0.2	13,227	0.3	131,465	0.3
Motorcycle, scooter or moped	449	0.4	22,475	0.5	206,550	0.5
Driving a car or van	39,425	39.5	1,757,121	41.4	14,345,882	36.9
Passenger in a car or van	2,160	2.2	143,749	3.4	1,264,553	3.3
Bicycle	1,219	1.2	100,651	2.4	742,675	1.9
On foot	6,090	6.1	288,663	6.8	2,701,453	6.9
Other method of travel to work	364	0.4	17,708	0.4	162,727	0.4
Not in employment	28,485	28.5	1,396,032	32.9	13,718,653	35.3
All Categories	99,863	100.0	4,245,544	100.0	38,881,374	100.0

Source: QS701EW, Method of Travel to Work, 2011 Census data, NOMIS website, <http://www.nomisweb.co.uk> Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>

Key findings

- 39.5% of usual residents aged 16 to 74 in St Albans City and District travelled to work by driving a car or van. This was a lower percentage than in the East (41.4%) but higher than in England (36.9%).
- 2.2% of usual residents aged 16 to 74 in St Albans City and District travelled to work by being a passenger in a car or van. This was a lower percentage than in the East (3.4%) and in England (3.3%).
- 13.5% of usual residents aged 16 to 74 years in St Albans City and District travelled to work by train. This was much higher than in the East (4.8%) and in England (3.5%).
- 6.1% of usual residents aged 16 to 74 years in St Albans City and District travelled to work by foot. This was a lower percentage than in the East (6.8%) and in England (6.9%).
- 1.7% of usual residents aged 16 to 74 years in St Albans City and District travelled to work by bus, minibuss or coach. This was lower than in the East (2.5%) and in England (4.9%).
- 5.6% of usual residents aged 16 to 74 years in St Albans City and District worked mainly at or from home. This was higher than in the East (3.8%) and in England (3.5%).
- 1.2% of usual residents aged 16 to 74 years in St Albans City and District travelled to work by bike. This was lower than in the East (2.4%) and in England (1.9%).
- Less than 1% travelled to work by each of the remaining categories in St Albans City and District.
- 28.5% of usual residents aged 16 to 74 years in St Albans City and District were not in employment. This was lower than in the East (32.9%) and in England (35.3%).
- Travel to work by methods that are mainly public transport was higher in St Albans City and District (15.9%) than in the East (8.1%) and in England (11.0%).

Executive Summary of Section 4

Population and household profile

- 4.77 St Albans has a younger age profile than regionally or nationally with a slightly lower percentage of 65 plus residents and a slightly higher percentage up to 15 years old. It has a mean age of 38.9 ranking 248th

out of 358 local authorities thereby showing it has a younger age profile than 247 other local authorities.

- There are more family households in St Albans City and District than regionally or nationally; one third of households had dependent children. St Albans City and District ranked 3rd out of the 348 local authorities in England and Wales for married or same sex civil partnership couples with dependent children.
- Nearly one fifth of households were couples with no children, lower than in the Region and higher than in England. More than one quarter were lone person households, lower than in the Region and in England, and just over one fifth were 65 plus years, lower than in the Region and in England.
- Households with dependent children made up more than half of Owner Occupiers with a Mortgage, nearly 20% of Other Social Rented housing, just over one third of Local Authority Rented housing and almost 30% of Privately Rented housing with a Landlord/lettings agency.
- Nearly a quarter of small areas in St Albans City and Districts had more than a quarter of households aged Over 65.
- 65 plus years households made up very small percentages of Owned with a Mortgage and Private Renters with a Landlord/lettings agency. They made up more than 20% of Owned Outright households; more than one quarter of Local Authority Rented households and more than 10% of Other Social Rented households.
- Only a small proportion of couples with no dependent children lived in Local Authority and Other Social Rented housing. They made up more than a quarter of households Privately Renting with a Landlord/lettings agency; almost 20% of Owned Outright, and almost 20% of Owned with a Mortgage households.
- Lone person households made up more than 40% of Other Social Rented households, almost 40% of Local Authority Rented households, one third of Owned Outright households, and nearly 30% of Private Rented with a Landlord/lettings agency households.

4.78 Reflecting the higher proportion of families in the district, the average household size was 2.5, slightly higher than 2.4 in the region and in England.

Ethnic composition

4.79 St Albans City and District had a larger non-white population (12%) than in the East (9%) but less than in England (14%). 6% of the

population in St Albans City and District were Asian; 5.4% were White Other. 3% were Mixed or from Multiple Ethnic groups, (2%) were Black, and 1% were from Other Ethnic groups.

- 4.80 4% of the Household Reference Persons in St Albans City and District were born outside the UK; mainly from Europe (39%), the Middle East and Asia (29%) and Africa (18%).
- 4.81 Over 40% of those from Europe came from EU Member Countries and just over a quarter from EU Members Accession Countries.
- 4.82 Indicating the level of international immigration, the total number of National Insurance Number (NINO) Registrations between 2002/03 and 2011/12 was 8,570. Registrations peaked in 2006/07 before a decline which is likely to reflect reduced migration from the 2004 EU accession countries and the worsening economy. The largest proportion of NINO Registrations was from people from Poland (17%) followed by South Africa (6%) and Australia (6%). Whilst there is no reliable data on the net effect of international migration, the 2011 Census table 'Year of Arrival in the UK' shows that 7,261 residents arrived between 2001 and 2011.
- 4.83 The majority of the population of St Albans was born in the UK (87%) which is lower than in the East (89%) and slightly higher than in England (86%).

Occupational, income differences, deprivation and geo-demographics

- 4.84 Data on gross median incomes from employment shows substantially higher incomes in St Albans City and District than both the regional and national averages.
- 4.85 More than 60% of 16 to 74 year olds in employment in St Albans City and District were in Categories 1, 2 and 3 at the time of the 2011 Census which was much higher than in the East or England.
- 4.86 2011 Census findings on economic activity provide a similar picture with a higher percentage of 16 to 74 year olds employed than in the Region or England, and a lower percentage unemployed.
- 4.87 As a proxy for income, a lower percentage of households in St Albans City and District had no cars or vans in their household than in the East or England. There was an average of 1.4 cars or vans per household in St Albans above the regional and national averages.
- 4.88 St Albans City and District is among the least deprived local authorities for the English Indices of Deprivation 2010. The majority of small areas do not show multiple deprivation although there are some small pockets.

- 4.89 The housing indicator Indoors Living Sub domain did not show a high level of relative deprivation for poor stock condition in small areas in St Albans, although there were some pockets with some relative deprivation.
- 4.90 Data on occupation and tenure from the 2011 Census show that those who are living in social housing are likely to have lower incomes than those in privately rented or owner occupied homes.
- 4.91 There was a lower level of benefits dependency, both for Out of Work claimants and overall working age claimants than in the Region and in England in November 2012 and a lower percentage of JSA claimants at May 2013.
- 4.92 Almost 20% of small areas in St Albans City and District had as their dominant OAC Super Group one of 'Multicultural', 'Blue Collar' or 'Constrained by Circumstances' in 2001. 'Blue Collar' and 'Constrained by Circumstances' were characterised by being more likely to live in social housing and 'Multicultural' were more likely to live in either social housing or private rented housing. 'Multicultural' were characterised as more likely to have low incomes; 'Blue Collar' and 'Constrained by Circumstances' were likely to have medium to low incomes and all these Super Groups are likely to need access to affordable social housing.
- 4.93 St Albans City and District had a diverse range of OAC Groups in 2001, although more than one third of small areas had 'Prospering Suburbs' as their dominant Group and nearly 30% 'Typical Traits'. These groups were characterised by having a range of incomes and mainly living in owner occupied housing.

Population and household change

- 4.94 According to official ONS population projections, the principal drivers at work across the area now and in the future are the projected growth in the number of households and the very large projected increase in the oldest populations and households.
- 4.95 The population of the district is projected to increase by almost 31,000 or over one fifth between 2011 and 2031 during the course of which the age profile of is expected. Family populations will continue to grow including 16% in those aged 15 or younger; 15% in those aged 15-24 and 6% for those aged 25-34. The greatest increases are projected in the oldest age groups when the need for housing with care increases; over one third in those aged 65-74, over 40% in those aged 75-84 and a doubling of the number aged 85 and over.
- 4.96 There are three main implications for housing systems of the growth in the older population:

1. Older people are increasingly likely to be home owners, to own their home outright and to occupy family housing. The growth in the older population is associated with a growth in owner occupation amongst the retirement population. Such home owners have the potential either to release equity or to move to a smaller dwelling as appropriate.
 2. Older people are least likely to move home. The 2009-10 Survey of English Housing recorded that only 1.7% of people aged 65+ moved home. Most older people continue to live in family housing and one of the central principles of social care is to support older people to live in their existing homes. The effect of low moving rates combined with support to live in existing homes is that many older people will be under-occupying homes which are too large to meet their needs, and which may be difficult to manage. The end result will be a dramatic increase in the need for home-based care and a 'log jam' in the supply of family housing. If this housing is not replaced, the supply of family housing will diminish with the following potential effects:
 - family formation or expansion may be depressed;
 - families will be under pressure to accept properties which are not suitable in terms of the smaller number of bedrooms than are required; and/or
 - families may move outside the district to access suitable properties, although the same pressures are likely to be experienced there.
 3. Alternatives to conventional housing will be both desirable and necessary and the supply of designated, sheltered and extra-care housing will need to increase either in St Albans if people choose to stay in the area. There is no benchmark for the proportion of older people willing and able to 'downsize' though survey data and reviews of research undertaken by Housing Vision identifies a minimum of 10% are willing to downsize, a figure which may well increase as the choice of aspirational options improves. However, the proportion of older people requiring designated, sheltered and extra-care housing is much clearer and can be modelled in relation to levels of need for care and support. This assessment and the level of need identified is dealt with in section 6 below.
- 4.97 The growth in the older population partly explains the projected growth in households, and especially smaller households. However, there are a number of other factors at work which include:
- people living independently for longer which increases the need for more smaller homes;

- a major shift from marriage to co-habitation resulting in earlier but less stable relationships which in turn contributes to relationship breakdown and a resulting need for 2 homes
- women delaying childbirth which decreases the need for family-sized homes.

4.98 As can be seen, many factors underpin the projected increase in households, but other trends may have the reverse effect, including:

- the growth in multi-generational or other shared households through economic necessity or to provide care and support for those in need which reduces the need for smaller homes for newly-forming households ; and
- the growth in forms of communal or collaborative living among older people requiring care and support which may increase the supply of family housing through downsizing.

4.99 It is too early to determine the scale of these trends but it is essential to monitor evidence of lifestyle change and its impact on housing needs.

4.100 Applying official CLG 2008-based household projections adjusted to the 2011 Census household total, the number of households is projected to increase by 13,009 or 23.2% between 2011 and 2031, with much larger increases for certain household types. Considered by household type, projected changes are as follows with the following caveats. Projections for family households are less certain than for single or couple households as they are dependent on the continuation of recent trends of relationship breakdown. Projections for couples with one or more adults are the most uncertain projection as recent trends may reverse if more younger people live with parents for economic reasons.

- One person: growth of 34%
- Couple no children: 27% growth
- Couple/lone parent and 1 child: 50% growth
- Couple/lone parent and 2 children/couple and 1 or more adults no children: 1% decline
- Couple/lone parent and 1 or more adults and 1 child: 14% decline
- Couple/lone parent and 3+ children/ couple/lone parent and 1 or more adults and 2 children: 8% growth
- Couple/lone parent and 1 or more adults 3+ children: 11% decline

4.101 Each of these trends has distinct implications for the housing system:

- for singles and couples: an increase in the need for smaller 2 bed properties; and
- for families: increases in the need for family housing is complicated by the projected large increase in lone parent households who have incomes typically around one third of the average.

Internal migration and mobility

- 4.102 A key component of demographic change driving household formation and the need for housing in the St Albans district is internal migration which is included in population projections using trend-based analysis, and is measurable through ONS 'Components of Population Change' tables. 2010-based projections identify a net gain from this dimension of 9,400 people over the period 2012-2031.
- 4.103 Over the 10 years to June 2011, there was an average annual net gain through internal migration of 290 people which, by applying the average household size from the 2011 Census of 2.5, implies in the region of 115 households. For the most recent 3 years for which data is available, the trend has increased to in excess of 200 households per annum. Such net gains place an equivalent increase in the need for housing. In the absence of qualitative data examining choices and preferences, it is not possible to state with confidence why there has been a growth in net migration in recent years. It could be one or more of many pull factors including improved transport links and employment opportunities and the growing perception that St Albans is an attractive location in which to live and/or work or push factors that locations from which people are moving are less attractive. No relationship has been established between residential completions and household growth.
- 4.104 There is evidence of an 'escalator effect' in terms of people moving into and on from the area. Over the 3 year period ending June 2011, the largest gain through internal migration was of 2,400 people in the 25 to 44 year age band, and the next largest gain was 1,000 in the 0 to 15 year old age band. This is indicative of families with younger children moving to the area.
- 4.105 Over the same period, there were losses of 700 people in the 16 to 24 year age band which may well be for economic reasons in search of employment or to access further/higher education. There were also losses of 700 people in the 45 to 64 year age band and of 300 people in the 65 plus years age band, both of which are indicative of people moving on from the area.
- 4.106 Over the 3 year period to June 2011, over 1,000 internal migrants moved into St Albans from each of Welwyn Hatfield and Hertsmere and almost 1,000 from Dacorum. These 3 local authorities provided the largest number of in-migrants for all 3 years.
- 4.107 Over the same period, Welwyn Hatfield and Dacorum were the largest local authority destinations for out migrants from St Albans with over 1,400 moving to each of these two local authorities. The third largest local authority destination was Central Bedfordshire UA with 960 out migrants.

- 4.108 The largest net gains during the 3 year period to June 2011 were more than 500 people from each of Hertsmere and Barnet. The largest net losses were over 400 people to Dacorum, and over 300 people to each of North Hertfordshire and Central Bedfordshire UA.

Commuting

- 4.109 Understanding commuting patterns is constrained by the limited data available. According to 2001 data, 13% of commuters into St Albans were from Luton; 12% from Dacorum; 11% from Welwyn Hatfield; 10% from Central Bedfordshire and 7% from Hertsmere. These 5 local authorities accounted for more than half of commuters in.
- 4.110 10% of commuters out went to Welwyn Hatfield, 9% to the City of London, 9% to Westminster and 8% to Dacorum. These 4 local authorities accounted for more than one third of commuters out.
- 4.111 Data from the Annual Population Survey 2008 identifies a statistically significant decrease in the percentage of commuters to Dacorum.
- 4.112 Travel to work by methods that are mainly public transport was higher in St Albans City and District (15.9%) than in the East (8.1%) and in England (11.0%) in 2011. This may be due to the number of commuters out to work in London.

5. Demographic modelling and implications for assessing housing need

Setting the context

5.1 This section of the Assessment considers projections and forecasts of future change in population and households and their implications for future housing needs. Several scenarios of future change have been prepared by Edge Analytics to complement the official projections prepared by the Office for National Statistics (ONS) and the Department for Communities and Local Government (CLG). This section explains why it is important to consider a range of possible future trajectories of population and household change.

5.2 Paragraph 47 the National Planning Policy Framework (NPPF) states:

'To boost significantly the supply of housing, local planning authorities should:

- *use their evidence base to ensure that their Local Plan meets the **full, objectively assessed needs** for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period.'*

5.3 Paragraph 159 of the NPPF goes on to state:

'The Strategic Housing Market Assessment should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:

- ***meets household and population projections, taking account of migration and demographic change'** (our emphasis).*

5.4 Further guidance is available in materials prepared by the Local Housing Requirement Assessment Working Group. This is an informal grouping of the major professional and representative bodies with an interest in planning for housing in England. The Group's aim is *'to develop guidance for practitioners to assist in developing robust and objective evidence regarding the full range of housing needs in their local area.'* The Group has a website that hosts a range of materials (<http://www.howmanyhomes.org/2.html>):

- Two toolkits to help users to explore official statistical evidence about demographic and household change in a local authority.

- A companion guide to assist with using the toolkits to explore housing need.
- A report by the Cambridge Centre for Housing and Planning Research on 'Choice of Assumptions in Forecasting Housing Needs'.

5.5 The Companion Guide states on page 3 that:

'The Toolkit, and this Guide, provide the starting point and practical support for informing the debate on the number of houses needed in an area. Its intention is to help practitioners to develop a baseline of evidence which, together with an understanding of a local area, should enable those with an interest in planning for housing to take a view on the number and type of homes, both market and affordable, that should be planned for. At the very least it will help to identify areas where further, more focused work is needed'.

5.6 The advice is not from a Government source but it does provide useful material. Unfortunately, much of the detailed data on past and projected demographic and household trends in the Toolkits has been superseded by revised official datasets which take account of the 2011 Census. Despite this, much of the general advice and general guidance remains of use and has been taken into account in this report.

5.7 The following extract is taken from the document 'Choice of Assumptions in Forecasting Housing Needs':

'1. In planning for housing at the local authority level projections need to be made not just of the future population in the area but also of the number, type and age of households. The population projections made by the Office for National Statistics (ONS) and the household projections made by the Department for Communities and Local Government (DCLG) provide a ready-made and widely accepted basis for doing this.

2. ONS and DCLG both emphasise that their figures are projections, not forecasts. They estimate what the effect would be if trends were to continue. Local authorities and others may therefore wish to consider whether the 'trends continue' assumption is the most appropriate to make for their area.'

5.8 This report has considered official population and household projections and has then concluded (as detailed at 5.26) that there was a need to commission additional population and household scenarios. The scenarios in the report include projections and forecasts. A projection shows the future course of change if past trends were to continue. A forecast shows the possible impacts of different assumptions that alter the course of change.

- 5.9 The next section considers ONS' population estimates and projections, and their adequacy as the demographic basis for assessing future housing needs.

ONS population statistics

Determining the size of the population

- 5.10 The Office for National Statistics provides the official population statistics for England and Wales. It carries out the 10-yearly Census, which is intended to provide a comprehensive and accurate measure of the size and composition of the resident population, together with an estimate of the number and characteristics of households. ONS also provides annual estimates of the population for years between Censuses and it periodically produces projections of the population at national and local authority level.
- 5.11 The 2011 Census is widely considered to provide a reliable estimate of the size and composition of the population, although the 2001 Census is less robust. The 2011 Census demonstrated that the annual mid-year population estimates issued by the Office for National Statistics (ONS) for years since 2001 were too low in most local authorities including St Albans; the pre-Census estimate for 2011 was 3,049 below the Census-based estimate.

Factors contributing to population change

- 5.12 The population estimates are updated each year to take account of births, deaths, ageing and migration, both internal (within the UK) and international. In April 2013, ONS revised its population estimates for the period 2002-2010. Even after the revision, ONS has yet to fully account for the discrepancy between the 2011 Census figure and its previous population estimates. The difference between the population of St Albans in the Census years 2001 and 2011 is 12,080; of this, 19% (2,281) cannot be attributed to a specific growth factor. Doubt remains about the extent to which this difference results from one or more of:
- errors and statistical variation in the 2001 Census estimates;
 - errors and statistical variation in the 2011 Census estimates; and
 - errors in the measurement of population change between the Censuses.
- 5.13 Table 5.1 shows ONS' estimates of the contributions of different factors to population change between 2001 and 2011; natural change is the difference between births and deaths. The size of the unattributed element raises questions about the accuracy of monitoring the factors that cause change.

Table 5.1: Components of Population Change 2001-2011

Component	Natural Change	UK Migration	International	Unattributed	Total*
Total gains/losses	+7,941	+2,747	-851	+2,281	+12,080
Annual average	+794	+275	-85	+228	+1,208

(Source: ONS Mid Year Estimates revised in light of 2001 and 2011 Censuses)* includes asylum seeker adjustments, prisoners, armed forces and other factors (total minus 38 over decade).

- 5.14 The recording of births and deaths is considered to be reliable. However, despite several revisions in methodology and source data throughout the last decade, the measurement of migration, particularly international, remains problematic. A recent House of Commons report concluded that:

‘Migration statistics produced by the Office for National Statistics (ONS) and the Home Office are blunt instruments for measuring, managing, and understanding migration to and from the UK. They are not accurate enough to measure the effect of migration on population, particularly in local areas, and they are not detailed enough to measure the social and economic impacts of migration, or the effects of immigration policy’. (Page 3, Volume 1 of HoC PASC “Migration statistics, 16 July 2013, HC523

- 5.15 The official measures of population are subject to ongoing review. Important Census results, particularly on migration and commuting to work between areas, are not yet available. There are continuing challenges to ONS’ methods of measuring and projecting change, particularly migration. ONS are currently considering further methodological changes, for example, to the estimates of emigration from the UK. It is important to note that there is no reliable source of data on emigration at local authority level.

Official projections of the population

- 5.16 ONS prepares national and sub-national projections of the population, usually at two year intervals. Sub-national projections are controlled to the results of the national projections and are published some months later. They show how the population of local authorities would change in the following 25 years **if** recent past trends were to persist. The previous section showed that the measurement of past trends is problematic. Even if measurements of trends were accurate, the selection of the historical trend period for a projection is a matter of judgement. ONS use the most recent 5 years as the period for projecting most of the components of change. The consequences of

choosing different trend periods will be demonstrated by the additional projections commissioned for this report.

- 5.17 Furthermore, it is far from certain that past trends will persist into the future. An ONS report states:

‘As a result of inherent uncertainty of demographic behaviour, any set of projections will inevitably be proved wrong, to a greater or lesser extent, as a forecast of future demographic events or population structure. Projections are uncertain and become increasingly so the further they are carried forward in time, particularly for smaller geographical areas.’ (Frequently Asked Questions: 2010-based Sub-national Population Projections, ONS, 21 March 2012)

- 5.18 The official projections are trend-based and show how the population would change if past trends were to persist into the future. They take no account of policies that might alter trends in the future and employ no judgement as to the desirability or feasibility of those trends. Indeed the use of trend-based projections to frame long-term development policies at local level may create a self reinforcing cycle. If past trends determine future policy, that policy will perpetuate those trends. These trends will in turn feed into the next round of policy-making, and so the cycle may continue.

- 5.19 In recent years, projections have been prepared for the base years of 2008, 2010 and 2011. The 2008 and 2010 projections pre-date the Census, and were based on measurements of past demographic changes that are now seen, to some extent, to be inaccurate.

- 5.20 The latest 2011-based ONS sub-national population projections start from a population base which was re-calibrated to be consistent with the Census. They are termed ‘interim’ and have a limited time horizon to 2021. However, at the time they were prepared, historical trend data had not been revised to take account of the Census, and the assumptions from the 2010 sub-national projections were used. As described above, these assumptions were based on inaccurate data. Furthermore, many experts consider that the assumptions were applied inappropriately to a revised population base, and that the projections are therefore flawed. The following table shows the differences in the outcomes of recent population projections.

Table 5.2: ONS sub-national population projections, for St Albans, 000s

Base year	Population			Change	
	2011	2021	2031	2011-21	2021-31
2008	138.7	151.8	163.1	+13.1	+11.3
2010	138.0	152.7	164.7	+14.7	+12.0
2011*	141.2	154.6	n/a	+13.4	n/a

(Source: Sub-national Population projections for England, ONS

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Subnational+Population+Projections>)

Note: *2011 Mid Year estimate, derived from the Census

- 5.21 The differences between the projections arise partly from the updating of trend-based assumptions to a later year, and partly from changes in the methodology for estimating historical trends in migration.
- 5.22 It is important to note that the 2011-based projection shows slower population growth between 2011 and 2021 than the 2010 projection which seems implausible given that it:
- uses the same underlying assumptions as the 2010 projection, and
 - starts from a higher 2011 population than the 2010 projection.
- 5.23 New evidence will become available during the preparation of the St Albans Local Plan. Indeed, national, 2012-based population projections were published on 6 November 2013. These set out new national net immigration assumptions which will in turn influence subsequent 2012-based sub-national population and household projections to be issued in 2014.
- 5.24 Issues about methodology and data compound the inherent difficulties of projecting or forecasting the future path of demographic change. Furthermore, future changes in real world conditions are very uncertain. For example, are the difficulties in the housing market and the wider economy receding, and is the recovery sustainable in the longer term? There are major uncertainties about the future scale of international migration, stemming from a number of factors including:
- relaxation of controls on Bulgarian and Romanian nationals;
 - turbulence in the Middle East and Africa; and
 - the effectiveness of Government policies to reduce net migration into the UK.
- 5.25 The implications of immigration go beyond the effects on population numbers. Emerging Census data points to differences in the housing circumstances of different migrant communities, and indeed of certain established BME communities.
- 5.26 Although the Census casts doubt on their reliability, official projections carry significant weight in the view of Government and Planning Inspectors, and in our view, there have to be strong grounds for departing from them as identified by the Planning Inspector in his Interim Conclusions of 30th October 2013 relating to Stage 1 of the Examination of the South Worcestershire Development Plan available at: http://www.swdevelopmentplan.org/?page_id=5393. However, current circumstances and the need to understand local issues and implications make it prudent to explore a local range of possible future

trajectories/forecasts or 'scenarios' of population change, not least because:

- the existing official demographic projections are unsatisfactory;
- local circumstances may mean that nationally calculated, top-down projections, are not the most appropriate guide to future change in St Albans; and
- new official projections will become available in the near future, making it is prudent to make use of the most recent evidence.

Official household projections

- 5.27 Attention is now turned to projections of the number of households. These are published by CLG, but use ONS' sub-national projections as one input. Household projections have been produced to 2003, 2004, 2006, 2008 and 2011 bases. The 2011 projections have been termed 'interim' and like the supporting ONS population projection, only run to 2021.
- 5.28 CLG methodology converts the ONS population projection into households by deducting residents of communal establishments (care homes, prisons etc) and applying household representative rates (formerly headship rates) to the remaining 'household population'.
- 5.29 A household representative is a person chosen for statistical reasons by virtue of age and/or sex as the representative of a household using data from the Census or the annual Labour Force Survey. The household representative rate is the probability of anyone in a particular demographic group being a household representative. For the CLG projections, the rates are calculated by age, gender and relationship status. Household representative rates vary across these groups and are generally lower in the younger age groups.
- 5.30 Long-term household representative rates are projected using a complex statistical method based on household results from Censuses dating back to 1971. Some use is also made of data from the Labour Force Survey data for years after the latest Census. The method does not explicitly use economic or other variables to set future household trends.
- 5.31 Most change in the numbers of households arises from changes in the size and age composition of the population. However household representative rates have generally been increasing over time, or at least until 2001. This has led to reducing average household size and generated household growth above and beyond that due to demographic change.

5.32 CLG's 2011 interim household projections, released in April 2013, take account of early information from the Census that indicated that post-2001 trends in household formation had followed a different trajectory to that assumed in the 2008-based projections. Generally the rates were not increasing as rapidly as previously projected, particularly among younger age groups. Nationally the 2011 projections show slower growth in households than the previous 2008-based set, even though projected population growth is higher. This seems counter-intuitive, but is based on the 2011 Census. Table 5.2 showed that the Census found the population in 2011 to be higher than the figure in ONS' 2008-based projection. In contrast, Table 5.3 shows that the Census found fewer households than the 2008-based household projection.

5.33 Table 5.3 compares the 2008 and 2011-based CLG household projections for St Albans; there were no 2010-based projections. Although population growth in the 2008 and 2011 projections is similar over the period 2011-21, household growth in the 2011 projections is less. This may partly be due to differences in age structure, but also reflects differences in household rate trends.

Table 5.3: 2008 and 2011-based sub-national household projections for St Albans, 000s

Base year	Households			Change	
	2011	2021	2031	2011-21	2021-31
2008	57.3	64.2	70.6	+6.9	+6.4
2011	56.4	61.7	n/a	+5.3	n/a

(Sources: Household Interim Projections, 2011 to 2021, England, CLG and Household Projections, 2008 to 2033, England, CLG
<https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/household-projections>)

5.34 CLG stated that the 2011-based projections '*replace the 2008-based household projections released in November 2010.*' (CLG Housing Statistical Release 9 April 2013) and official sources appear to favour adopting a 2011-based household projections, for example, the draft 'National Planning Practice Guidance' concerning the 'Assessment of Housing and Economic Development Needs' (March, 2013) states that: '*The 2011-based Interim Household Projections only cover a ten year period up to 2021, so plan-makers would need to assess likely trends after 2021 to align with their development plan period.*' (D 2a-016-130729)

5.34 However there are two related issues of relevance:

- The projections only run to 2021 so what trends should apply thereafter?

- Do the revised household representative trends incorporated in the projections merely derive from short-term market conditions? Will previous trends resume once housing market conditions and the wider economy recover?

5.35 In considering these questions, the very recent finding of the Inspector for the South Worcestershire Core Strategy Examination is pertinent:

‘A recent Town and Country Planning Association paper argues persuasively that just under half that reduction is attributable to suppressed household formation due to the state of the economy and the housing market. The corollary of this is that, under the more favourable economic conditions expected in future years, there will almost certainly be a return to higher rates of household formation. Thus it would be unwise to rely on the household growth rates shown in the 2011-based projections persisting throughout the Plan period.’

5.36 A further barrier to direct use of the current CLG 2011-based projections is their reliance on the ONS population projections described earlier. However, CLG’s underlying household representative rate projections are based on the most authoritative methods and data currently available. The commissioned scenarios will demonstrate the differences between CLG’s 2008 and 2011 projections of household representative rates.

Developing demographic scenarios

5.37 The preceding paragraphs suggest that in the current circumstances, the available official projections do not necessarily provide the most satisfactory basis for assessing changes in housing needs during the period up to 2031. Therefore, scenarios have been developed to explore the consequences of changing key demographic assumptions, mostly about migration. These assumptions have been fed into a formal computer model to produce population, household and labour force outcomes.

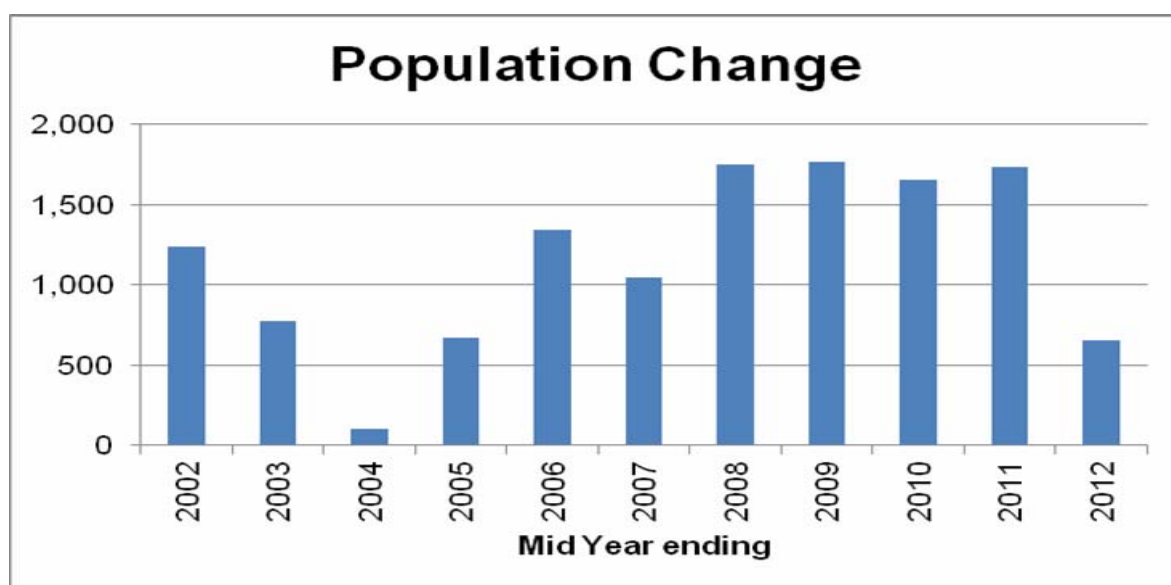
5.38 Draft ‘National Planning Practice Guidance’ on the ‘Assessment of Housing and Economic Development Needs’ (March, 2013) provides relevant guidance concerning the development of future scenarios:

‘Assessing development needs should be proportionate and does not require local councils to consider purely hypothetical scenarios, only future scenarios that could be reasonable expected to occur.’ (D 2a-003-130729); and

‘Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic underperformance, infrastructure or environmental constraints.’ (D 2a-004-130729);

- 5.39 Whilst scenarios that *'could be reasonably expected to occur'* implies the exercise of professional judgment, it also implies that evidence would be required to support any variations. Although the official projections and estimates currently available have serious defects, it would be unwise to disregard official statistics on demographic and household change. Consequently, the following scenarios using official statistics are intended to show the variability in projections of future change that are possible using different combinations of recent official trend data.
- 5.40 Figure 5.1 shows annual fluctuations in population change in St Albans since 2001. Every year saw population growth, but there is no discernible long-term trend. Population growth was high between 2008 and 2011 when the financial crisis of 2007-08 was having its greatest impact, but was then much lower between 2011 and 2012 which might mark a new trend. The wide variations provide an indication of how different base dates and trend periods can have a critical bearing on the outcomes of objective trend-based projections.

Figure 5.1: Annual Population Change in St Albans 2001-2012



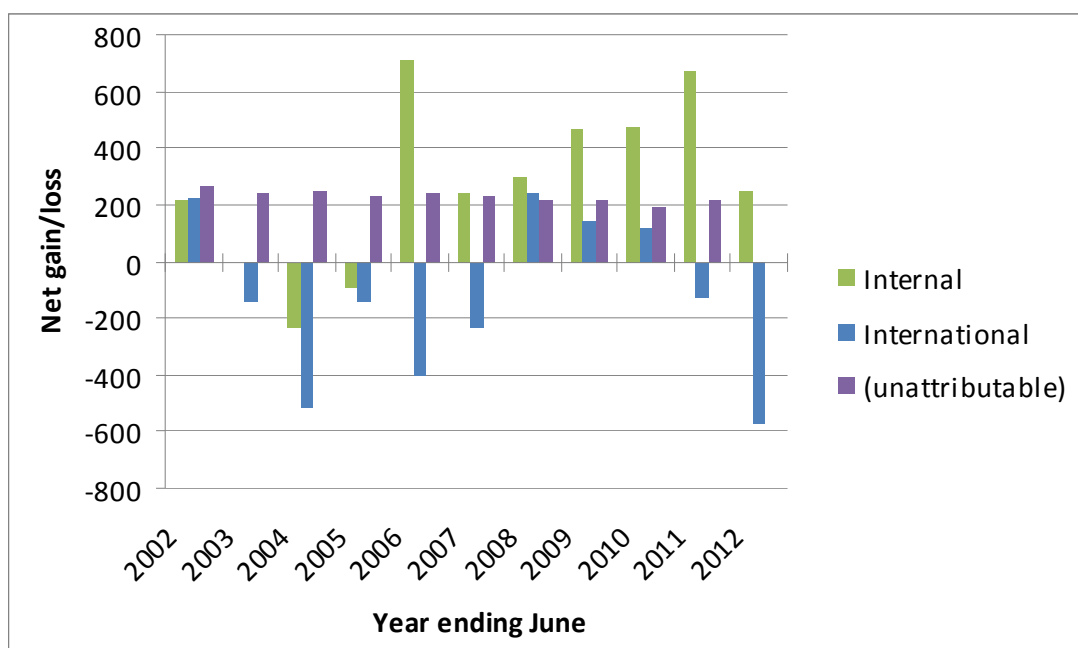
(Source: Mid-Year Population Estimates, ONS, 2002-2010, revised May 2013)

- 5.41 In developing demographic scenarios, consideration is given to the main sources of population change, that is:
- ageing;
 - births;
 - deaths;
 - 'internal' migration within the UK; and
 - international immigration and emigration to and from the UK.

- 5.42 Ageing is inevitable and is a powerful hidden driver of change. There are difficulties in projecting birth numbers with precision. Fortunately, future births have little direct impact on household numbers within the time horizons of this Assessment and Core Strategy.
- 5.43 Mortality trends have a greater impact on household numbers affecting the household circumstances of surviving partners or releasing dwellings for new occupiers. However, substantial local evidence would be necessary to support a departure from nationally calculated assumptions. Alternative mortality scenarios have not been examined in the SHMA.
- 5.44 At the local level, and in the short to medium term, migration flows, both internal and international, are significant drivers of demographic and household change. They are also subject to wide annual variation. Accurate measurement of flows is an issue which has yet to be fully resolved by ONS. Consequently the scenarios focus mainly on different migration assumptions related to migration patterns and trends affecting St Albans.
- 5.45 For internal migration, movements of young adults are the most difficult to measure. This is unfortunate as this group is the most mobile and flows have increased with the growth of higher education. International migration has grown rapidly since 2001 and is volatile, being affected by a range of 'push' and 'pull' factors across Europe and around the world. Despite several and continuing developments in ONS' methods and data sources, measurement remains very problematic, particularly at the local level. The following graph highlights the volatility of national migration patterns.

Figure 5.2: national and international migration as components of population change, England, 2001-2012

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(Source: Components of Population Change for England and Wales Mid-2002)

- 5.46 As a result of the above considerations, and in addition to an 'Official' 2010-based SNPP derived scenario, two alternative 'Demographic trend' projections have been prepared to show the implications of using different trend-based demographic assumptions. These assumptions also make use of ONS' official data on internal and international migration. Despite reservations about this data, there are no reliable alternatives, and to use other sources would run the risk of a planning Inspector ruling the Core Strategy to be unsound.
- 5.47 In addition three 'forecasts' or scenarios have been prepared. These use recent official demographic trend data, but unlike the trend projections, explore the long-term effects of theoretical maximum and minimum net migration gains.
- 5.48 A further demographic scenario shows the changes that would occur if migration flows to and from St Albans were to be balanced; such a scenario is termed 'nil net migration'. This is a very unlikely outcome but gives an indication of the scale of housing growth that would be required for St Albans simply to 'consume its own smoke'. It provides a benchmark for assessing the other scenarios, and helps illustrate the role played by migration in generating growth.
- 5.49 To begin to illustrate the potential effect of planning policy constraints on growth, two dwelling-led scenarios were also considered. The dwelling totals were suggested by the St Albans City and District Council. These forecasts are intended to illustrate the impacts on population and household change of policy-driven approaches to housing provision. It is instructive to compare them with the scenarios that are driven by demographic projections and forecasts.

5.50 All the demographic scenarios are summarised in the following table.

Table 5.4: demographic scenarios

Scenario type	Scenario name	Description	Annual Migration Gain or Loss			
			International		Internal	
			Maximum	Minimum	Maximum	Minimum
Official Projection	SNPP-2010	Trend projection consistent with ONS 2010-based subnational population projections but controlled to 2011 and 2012 population estimates.				
Demographic trend projections	Mig-led (5 years)	Alternative trend projections using latest ONS evidence from revised mid-year population estimates to set migration assumptions. The 5-years scenario uses data for 2007-2012; the 10 years scenario covers the period 2002-2012				
	Mig-led (10 years)					
Demographic Forecast Scenarios	Mig-led High X	Scenarios showing combined effects of recent and projected high and low net migration levels	240		435	
	Mig-led High		143		435	
	Mig-led Low			Minus 85		275
	Net-nil migration	Balanced migration (international and UK)	-	-	-	-

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		Annual Migration Gain or Loss	
		International	Internal
Dwelling led	Dwell-led 250	Population effect of different housing growth strategy - planning policy dwelling provision constraint of 250 dwellings per annum over the period to 2031	
	Dwell-led 550	Population effect of different housing growth strategy - planning policy dwelling provision constraint of 550 dwellings per annum over the period to 2031	

- 5.51 The 'SNPP 2010' scenario uses assumptions from the official population projections, but with the base year totals recalibrated to match the 2011 and 2012 population estimates. It is included as the most recent official projection running to 2031.
- 5.52 The 'Demographic Trend' scenarios are based on different historical periods for calculating trends in migration to and from the rest of the UK (internal) and the rest of the world (international). ONS projections are based on 5 years' worth of trend data. The Mig-led (5 years) projections follows this approach but uses the revised and more recent data for the period 2007-2012. The Mig-led (10 years) is based on data for 2002-2012. This reduces the possibility that trends reflect short-term conditions which may not persist over the longer term and in this sense is more robust. However, it inevitably uses older data, which may no longer be relevant: for example the years before major expansion of the EU in 2004.
- 5.53 Of the demographic forecasts, the Mig-led Low forecast brings together data for the years 2001-2011 when net international migration was negative and the gain from net internal migration gain was also low. Interestingly, the 10 year demographic trend projection, based on 2002-2012, has lower overall net migration gain because of the apparently steep falls in migration in 2011-12. The rationale for combining minimum levels of international and internal migration is that over the long-term low levels of net immigration into the UK might reduce population growth in areas, such as London, that are sources of migration to St Albans.
- 5.54 The Migration-Led High and Migration-Led HighX forecasts show the combined effects of assumed maximum gains from internal and international migration that can be derived from recent official sources. The rationale for combining maximum levels of international and internal migration is that over the long-term high levels of net immigration into the UK might increase population growth in areas, such as London, that are sources of migration to St Albans. The annual internal migration gain in both is 435; this approximates to annual averages from the 2010-based ONS sub-national projections and five year averages from the annual mid-year population estimates for 2006-2011 and 2007-2012.
- 5.55 The 'Migration-led High X' forecast uses the net international migration gain from the 2001 to 2011 population estimates: a small annual loss of

85. In addition it assumes that all of the unattributed difference between the 2001 and 2011 population estimates is accounted for by under-recorded immigration or over-estimated emigration (see Table 1).

- 5.56 The Migration-led High forecast has the highest assumed gain from migration. It uses the net international migration gain from the 2006 to 2011 population estimates: a small annual net gain of 27. In addition it assumes that all of the unattributed difference between the 2006 and 2011 population estimates is due to under-recorded immigration or over-estimated emigration.
- 5.57 Scenarios based on the possible impacts of local employment change have not been modelled, at the request of the Council. Such scenarios are deemed unsuitable for St Albans given the extensive commuting flows to and from other areas as identified in Section 4. Similarly, no attempt has been made to build in possible changes in commuting patterns due to transport improvements or employment growth elsewhere. Apart from methodological and data hurdles, such issues could only be fully addressed in a much wider regional spatial context that would include London. However, the modelled scenarios provide outputs on labour force and jobs. These can be compared with the latest outputs from the East of England Forecasting Model (EEFM), which was originally developed to assist the Regional Economic and Spatial Strategies (<http://www.cambridgeshireinsight.org.uk/EEFM>). The EEFM methodology explicitly considers a range of non-demographic drivers of change, but its approach to demographic modelling makes it unsuitable for direct use in the SHMA modelling. The latest outputs from the EEFM model the effects of three scenarios of future economic change; 'baseline', 'lost decade' and 'high migration'. For the 20 year period 2011-2031 the annual average net gain through internal and international migration ranges from 296 to 646. The SHMA migration scenarios cover this range of possibilities.

Household scenarios

- 5.58 The published CLG projections are affected by problems in the supporting ONS projections. However, the scenarios use CLG's technical assumptions about future trends in household formation. The Cambridge Report, referred to earlier states:

'The general advice is to plan on the basis of household formation patterns assumed in the official projections unless there is strong local evidence to the contrary as to the likely long term trend'.

- 5.59 The dangers in departing from CLG household rates are clearly illustrated by the first reason given by the Inspector into the South Worcestershire Plan for judging the Plan to be unsound:

‘First, the SHMA does not use household representative rates [HRR]1 drawn from the 2008-based DCLG household projections - the corresponding official projections to the 2008 SNPP - or any other official population or household statistics...’ (our note: the plan claimed to use 2008-based CLG rates, but had modified the rates on the basis of local data)

- 5.60 As noted earlier, CLG’s 2011-based household formation rates are considered to replace the 2008-based set. However, the issue remains whether the 2011-based household trends will persist beyond 2021 or whether trends will return to those shown by the 2008-based projections. Reflecting the uncertainty associated with future rates of household formation and accommodating the fact that the latest 2011-based data only run to 2021, two alternative headship rate assumptions have been used in considering the impact of the scenarios:
- Option A: CLG 2011-based headship rates, with the 2011-21 trend continued after 2021.
 - Option B: CLG 2008-based headship rates, scaled to be consistent with the 2011 Census but following the original trend thereafter.
- 5.61 The household impact of each population growth scenario has been modelled using each of the two headship rate alternatives and therefore, Option A and Option B outcomes are presented for each scenario.

The Demographic Model

- 5.62 The software used to model the scenarios, the so-called ‘POPGROUP’ forecasting suite, was developed by pioneering local authorities and the University of Manchester. It is now hosted by the Local Government Association and is used by over 100 authorities and other agencies across the UK. The contractor selected to use the software to run the scenarios, Edge Analytics, are also the provider of technical support for the ‘POPGROUP’ suite and have extensive experience in demographic modelling. Edge Analytics have produced a separate report which provides more detail of the modelling methods and the detailed data assumptions made.

Results

- 5.63 For each projection year and for every 5 years, the following outputs have been generated in table form:
- population by age/gender single year of age for each projection year;

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- components of population change (with UK and international migration split);
- institutional population and population in households;
- households by type (CLG type 2);
- contributions of population change and representative rate trends to household change;
- dwellings; and
- labour force by age and gender.

5.64 The following tables summarise the main results in relation to population and household change; dwellings and jobs required and net migration effects for Option A: CLG 2011-based headship rates and Option B: CLG 2008-based headship rates, with scenarios presented in descending order of annual average dwellings required.

Table 5.5: Option A scenarios - CLG 2011-based headship rates

Scenario	2011-2031				Annual averages		
	Population change Nos.	Population change %	Households change No.	Households change %	Net migration	Dwellings	Jobs
Mig-led High	28,838	20.4	12,821	22.8	625	661	426
Mig-led High X	26,602	18.8	12,099	21.5	533	624	378
SNPP-2010	27,329	19.3	12,005	21.3	397	619	412
Mig-led (5 years)	24,398	17.3	11,329	20.1	437	584	325
Dwell-led 550	23,614	16.7	10,550	18.7	375	550	320
Net-nil migration	14,911	10.6	9,098	16.1	0	469	216
Mig-led (10 years)	18,093	12.8	8,452	15.0	142	436	200
Mig-led Low	17,680	12.5	9,068	16.1	165	468	179
Dwell-led 250	8,531	6.0	5,023	8.9	-238	250	-28

Key findings for 'A' Household Scenarios

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- Demonstrating the significance of the impact of migration, the 'Migration-led high' forecast derived the highest future need for housing and, other than the 'Dwelling-led 250' scenario, the 'Migration-led low' forecast derived the lowest projected need

Table 5.6: Option B scenarios - CLG 2008-based headship rates

Scenario	Population change Nos.	2011-2031			Annual averages		
		Population change %	Households change No.	Households change %	Net migration	Dwellings	Jobs
Mig-led High	28,838	20.4	14,494	25.7	625	747	426
Mig-led High X	26,602	18.8	13,695	24.3	533	706	378
SNPP-2010	27,329	19.3	13,710	24.3	397	707	412
Mig-led (5 years)	24,398	17.3	12,834	22.8	437	662	325
Dwell-led 550	19,503	13.8	10,526	18.7	207	550	224
Net-nil migration	14,911	10.6	10,772	19.1	0	555	216
Mig-led Low	17,680	12.5	10,370	18.4	165	535	179
Mig-led (10 years)	18,093	12.8	9,960	17.7	142	514	200
Dwell-led 250	5,646	4.0	4,999	8.9	-358	250	-96

Key findings for 'B' Household Scenarios

- This Scenario still demonstrates the significant impact of migration, the 'migration-led high' projection derived the highest projected need for housing and, other than the 'Dwelling-led 250' scenario, the 'Migration-led 10 years' projection derived the lowest projected need.

5.65 The following table summarises the dwelling outputs from all scenarios under each Option and as an average.

Table 5.7: all scenarios - annual dwelling growth summary

Scenario	Estimated annual dwellings per year 2012-2031		
	Option A: CLG 2011	Option B: CLG 2008	Average
Mig-led High	661	747	704
Mig-led High X	624	706	665
SNPP-2010	619	707	663
Mig-led (5 years)	584	662	623
Dwell-led 550	550	550	550
Net-nil migration	469	555	512
Mig-led Low	468	535	501
Mig-led (10 years)	436	514	475
Dwell-led 250	250	250	250

Recommendations

- 5.66 The SHMA's focus is on assessing housing needs, and it is for the Council to balance these against other policy considerations to be taken into account in setting housing targets for the Local Plan. The following section does not bring in wider these wider considerations. For this reason the dwelling-based scenarios are not considered here.

Demographic scenario

- 5.67 The NPPF requires local authorities to *'use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period'* (paragraph 47). This report has sought objectively to consider future housing needs. However, the commissioned demographic projections and forecasts illustrate the wide range of possible future outcomes that can be supported by official demographic and household datasets. Also, a range of uncertainty is apparent when comparing the official 2008, 2010 and 2011 ONS population projections and CLG's 2008 and 2011-based household projections. The future is inherently uncertain

and the difficulty of assessing future change is compounded by the limitations of the official data sources using past demographic change.

- 5.68 Furthermore, the picture drawn by official statistics continues to be re-drafted. New 2012-based national population projections have recently been issued. They project fewer births and fewer deaths than the previous 2010-based estimates, and assume that the net gain from international migration will be some 400,000 lower during the decade 2012-2022. In 2014, ONS and CLG intend to release 2012-based sub-national population and household projections. At the time of writing ONS is about to issue research into possible revisions to internal migration estimates for the years 2009-2011.
- 5.69 Theoretical arguments about the appropriate length of period from which to take trends can be made. Arguably, a 10 year period provides a more reliable base, less affected by short term variations in relevant factors such as local house building or the economy, but **a 5 year period is applied by ONS.**
- 5.70 These considerations, however valid they may be, are overshadowed by the Government's clear intention expressed in the NPPF (paragraph 159) that the SHMA *'should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which: meets household and population projections, taking account of migration and demographic change...'* (continues). The recommendations of the SHMA must adhere to this guidance, and should not suggest a course that runs strongly contrary to it. Consequently, Scenarios based on 10 years (Mig-led High X, Mig-led Low and Mig-led (10 years)) are not recommended.
- 5.71 However, following the guidance is difficult as there is at present no up-to-date set of official population and household projections that cover the period to 2031. It is therefore prudent to recommend a scenario that is based on the most up-to-date data that are available, and which, as far as possible, use the same length of trend period as that used in the official projections.
- 5.72 The scenarios Mig-led High, SNPP-2010 and Mig-led (5 years) satisfy this requirement. The Mig-led High option is partly informed by trend data revised in the light of the Census. In addition, it assumes that ONS' current estimation methods do not fully capture migration flows. However, ONS have yet to decide how much of the so-called 'unattributed' population difference in growth between 2001 and 2011 reflects errors or sample variance in the 2001 and 2011 Census estimates, and how much is due to migration. The Migration-led High scenario was included to alert the Council to the possible impacts that could emerge if ONS were to conclude that unattributed change is entirely due to under-reporting of migration gain. It is hoped that the 2012-based projections will resolve this issue, and it is considered unwise for the SHMA to pre-empt the matter. This conclusion is further

supported by the recently issued national population projections, which point to somewhat lower gains from international migration. Therefore these scenarios are not recommended.

- 5.73 The SNPP 2010 scenario has the merit of being the latest official projection to go forward to 2031. However, it relies on data that predates the Census, and that have been superseded by revised trend data. Therefore its use is not recommended.
- 5.74 The Migration-led (5 years) demographic projection is based on recent and revised trend data for the 5 year period that should inform the 2012-based official projections. It shows slower population growth than the 2010-based sub-national projections, but such a reduction gains some support from the recent 2012-based national projections, which point to a lower level of net international migration. Therefore this scenario is recommended.
- 5.75 In practice it is impossible to predict the outcome of the 2012 ONS projections for St Albans which may include changes to methodology. Furthermore under ONS' methodology, the projections of internal migration flows to St Albans depend on projected population changes in the areas from which migrants come. It is not possible to replicate this approach without access to ONS' full range of data and modelling software. The recommended approach is the best that can be achieved to meet the spirit of Government Guidance.

Household projections scenario

- 5.76 This leaves the choice of household formation trends to apply, whether A (2011-based taking the trend forward to 2021-2031) or B (2008-based) or some compromise because the 2011-based projections are interim and run only until 2021. The differences between the two sets of rates are quite large.
- 5.77 CLG are clear that the Option A 2011-based projections replace the Option B 2008-based for the period up to 2021. Therefore, household scenario B is not recommended.
- 5.78 However, the official CLG 2011-based projections do not run past 2021. Earlier in the report, we noted the comments by the South Worcestershire planning Inspector who considered that the 2011 trends would not persist beyond 2021 and cited recent work by Alan Holmans (Alan Holmans, *New estimates of housing demand and need in England, 2011 to 2031*, Town and Country Planning Tomorrow Series Paper 16, September 2013) This argues that the slowdown in household formation between 2001 and 2011 was in part due to economic and housing market circumstances and that recovery will lead to a partial return to pre-2001 trajectories of household change. The paper includes national and regional projections and concludes that:

'The assumption is made that with time the housing market and the economy will recover, but not very quickly. Assumptions are all that is possible. They have to be expressed numerically for purposes of calculation, which can convey an unfounded impression of precision.' (page 10).

- 5.79 This approach is of interest. However, the results are only presented at regional level and they cannot be applied directly to the circumstances of St Albans which may have defied the recession. More importantly, they are not based on the rigorous statistical methods that are used by CLG to project household rates. They depart from CLG's approach by introducing economic considerations that lie outside CLG's methods and data sources.
- 5.80 The methodology of the 2011 projections is consistent with the 2008-based, in that long-term household formation trends are primarily informed by Census data from 1971 onwards. The 2008-based projections were primarily influenced by Census-based trends up to 2001. Suggestions that the 2011-based projections do not reflect long-term household trends strikes at the heart of the official household projection method. It may be that the method needs review but this would need to be done with rigour and supported by clear national and local evidence and research.
- 5.81 Furthermore, it would be inconsistent to insist on using the most recent data sources for demographic projection and forecasting purposes while advocating the use of household trends from the previous century in preference to more recent data.
- 5.82 The SHMA has recommended the demographic scenario that reflects as far as possible the data and methods that ONS use in its projections. For consistency, it is recommended that Option A, rolling forward the most recent 2011-based household trends should be adopted.
- 5.83 However, there are caveats to this recommendation
- The full range of Census data was not available to inform the 2011-based population and household projections.
 - It is not known whether CLG will change its methodology in response to the issues that have been raised about the effects of the economic recession.
 - Without access to CLG's full modelling capability, the projection of the 2011-based trends post 2021 should be regarded as provisional.
- 5.84 Given the above, it is important that this demographic aspect of the SHMA is revisited in the light of the forthcoming 2012-based official

projections, due for release in 2014, and material that may emerge from ONS' ongoing programme to improve and revise the official migration estimates.

5.85 The following table and chart present the household projections for the recommended Migration-led (5 years) scenario for St Albans City and District between 2011 and 2031. They identify a large growth in single and couple with no children households and a dramatic growth (41%) of couple/lone parent with 1 child households followed by couple/lone parent with 2 children households (27%). The most significant increases in these two household types are in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%. The combined total of these 4 age groups in the two household categories is 2,302 households from an overall total of 5,400 for all age groups. Other households are also growing with the exception of a group of families/lone parents with 1 child plus extra adults. The detailed findings are as follows:

- One person: growth of 14%
- Couple no children: 13% growth
- Couple/lone parent and 1 child: 41% growth
- Couple/lone parent and 2 children/couple and 1 or more adults no children: 27% growth
- Couple/lone parent and 1 or more adults and 1 child: 15% decline
- Couple/lone parent and 3+ children/ couple/lone parent and 1 or more adults and 2 children: 24% growth
- Couple/lone parent and 1 or more adults 3+ children: 27% decline.

Figure 5.2

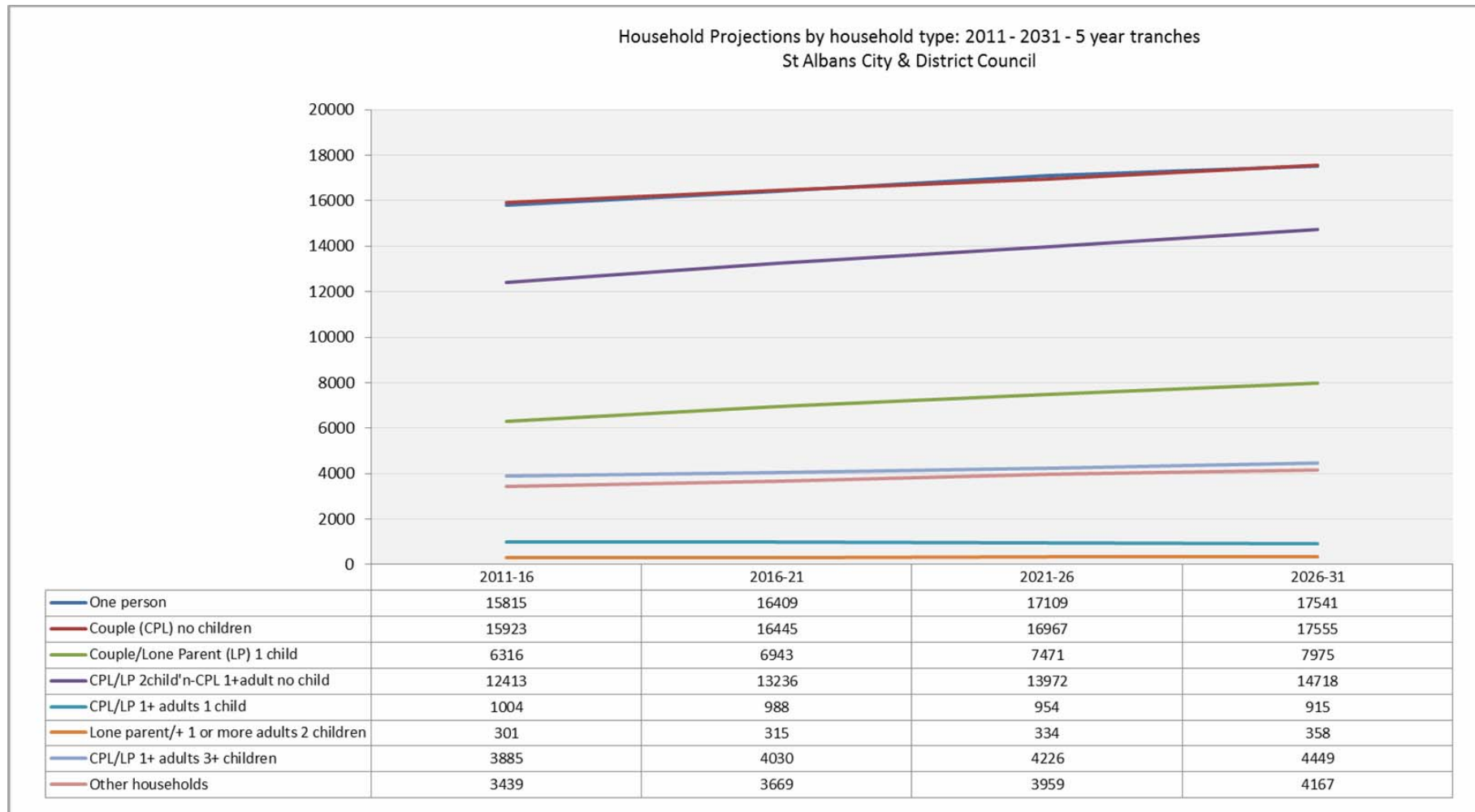
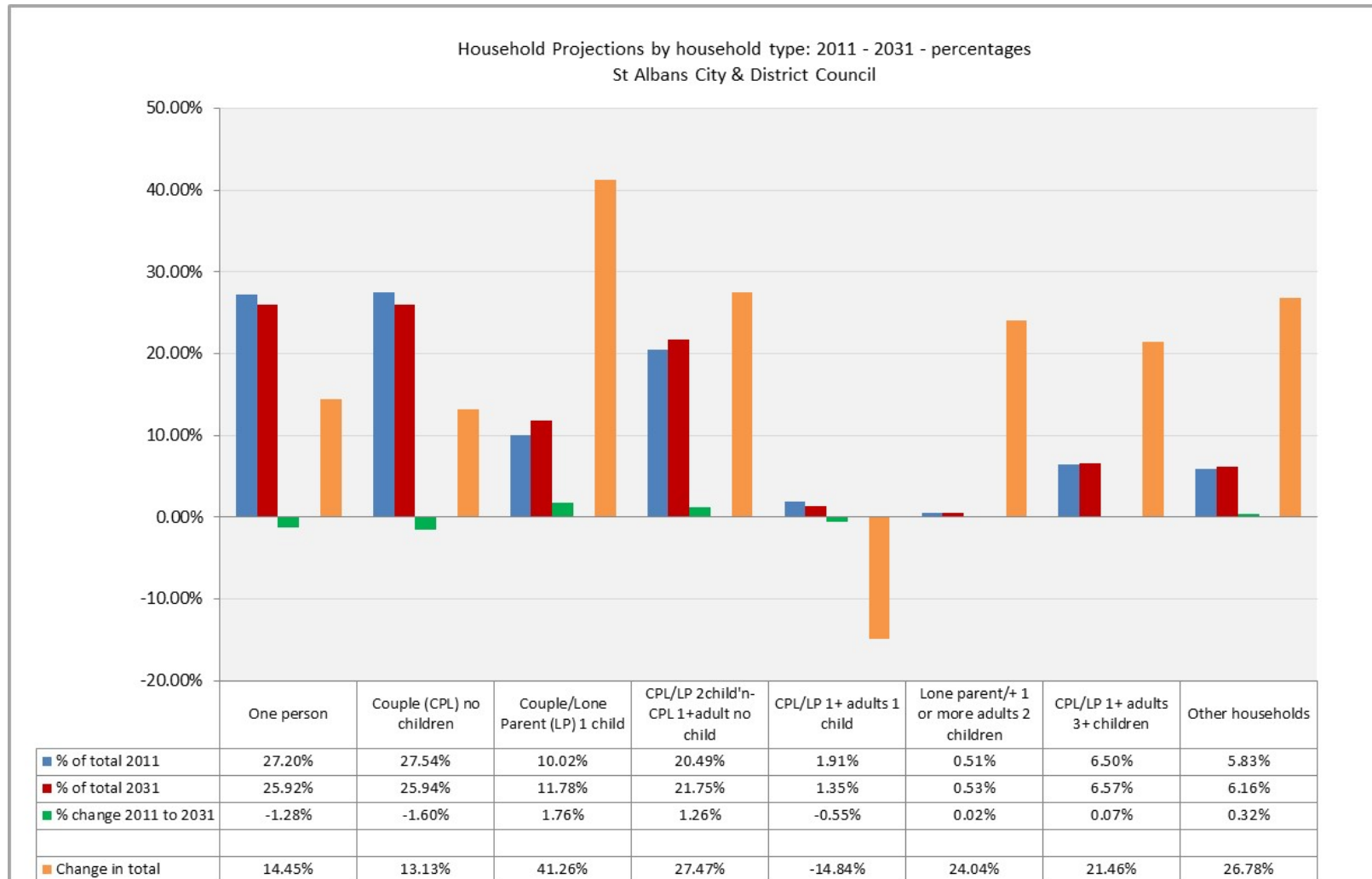


Figure 5.3



5.86 The following table presents the outcome of the recommended scenario in terms of population, household, migration, dwellings required and jobs.

Table 5.9: the recommended scenario: migration-led 5 years population projections and Option A - CLG 2011-based headship rates

Scenario	Population change Nos.	2011-2031			Annual averages		
		Population change %	Households change No.	Households change %	Net migration	Dwellings	Jobs
Mig-led (5 years)	24,398	17.3	11,329	20.1	437	584	325

Executive summary for Section 5

- 5.87 This report has considered official population and household projections and concluded that there was a need to commission additional population and household scenarios. The scenarios in the report include projections and forecasts. A projection shows the future course of change if past trends were to continue. A forecast shows the possible impacts of different assumptions that alter the course of change.
- 5.88 The Office for National Statistics provides the official population statistics for England and Wales. It carries out the 10-yearly Census, which is intended to provide a comprehensive and accurate measure of the size and composition of the resident population, together with an estimate of the number and characteristics of households.
- 5.89 ONS prepares national and sub-national projections of the population, usually at two year intervals. Sub-national projections are controlled to the results of the national projections and are published some months later. They show how the population of local authorities would change in the following 25 years **if** recent past trends were to persist. ONS use the most recent 5 years as the period for projecting most of the Components of Population Change.
- 5.90 The official trend-based projections show how the population would change if past trends were to persist into the future. They take no account of policies that might alter trends in the future and employ no judgement as to the desirability or feasibility of those trends. Indeed the use of trend-based projections to frame long-term development policies at local level may create a self reinforcing cycle. If past trends determine future policy, that policy will perpetuate those trends. These trends will in turn feed into the next round of policy-making, and so the cycle may continue.
- 5.91 It is important to note that the 2011-based projection shows slower population growth between 2011 and 2021 than the 2010 projection.

- 5.92 New evidence will become available during the preparation of the St Albans Local Plan. 2012-based national population projections published on 6 November 2013 set out new national net immigration assumptions which will in turn influence subsequent 2012-based sub-national population and household projections to be issued in 2014.
- 5.93 Issues about methodology and data compound the inherent difficulties of projecting or forecasting the future path of demographic change in a world in which economic and political conditions are very uncertain.
- 5.94 Although the Census casts doubt on their reliability, official projections carry significant weight in the view of Government and Planning Inspectors, and there have to be strong grounds for departing from them as identified by the Planning Inspector in his Interim Conclusions of 30th October 2013 relating to Stage 1 of the Examination of the South Worcestershire Development Plan available at: http://www.swdevelopmentplan.org/?page_id=5393. However, current circumstances and the need to understand local issues and implications make it prudent to explore a local range of possible future trajectories/forecasts or 'scenarios' of population change.
- 5.95 6 scenarios have been prepared by Edge Analytics to explore the consequences of changing key demographic assumptions, mostly about migration. These assumptions have been fed into a formal computer model to produce population, household and labour force outcomes. Three use recent official demographic trend data, but unlike the trend projections, explore the long-term effects of theoretical maximum and minimum net migration gains.
- 5.96 Reflecting the uncertainty associated with future rates of household formation and accommodating the fact that the latest 2011-based data only run to 2021, two alternative headship rate assumptions have been used in considering the impact of the scenarios:
- Option A: CLG 2011-based headship rates, with the 2011-21 trend continued after 2021.
 - Option B: CLG 2008-based headship rates, scaled to be consistent with the 2011 Census but following the original trend thereafter.
- 5.97 The recommended scenario (Migration-led 5 years) demographic projection is based on recent and revised trend data for the 5 year period that should inform the 2012-based official projections. It shows slower population growth than the 2010-based sub-national projections, but such a reduction gains some support from the recent 2012-based national projections, which point to a lower level of net international migration.
- 5.98 The SHMA has recommended the demographic scenario that reflects as far as possible the data and methods that ONS use in its projections. For consistency, it is recommended that Option A, rolling

forward the most recent 2011-based household trends should be adopted and applied to the Migration-led 5 years population projection. This results in a projected growth of 11,329 households between 2011 and 2031 requiring the provision of an average of 584 dwellings per annum.

- 5.98 Household projections for the recommended Migration-led (5 years) scenario for St Albans City and District between 2011 and 2031 identify a large growth in single and couple with no children households and a dramatic growth (41%) of couple/lone parent with 1 child households followed by couple/lone parent with 2 children households (27%). The most significant increases in these two household types are in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%. The combined total of these 4 age groups in the two household categories is 2,302 households from an overall total of 5,400 for all age groups. Other households are also growing with the exception of a group of families/lone parents with 1 child plus extra adults.

6. Determining the Need for Housing

Introduction

- 6.1 This chapter explains, in the context of the NPPF, the approach adopted in determining the future need for housing in the St Albans City and District Council area, the detailed needs are set out by tenure and bed size below. The operation of housing markets is like a complex version of 'musical chairs' as people move between homes and sectors within the limits of the supply available. This process can be likened to a 'zero sum' game whereby a home becoming available through a household dissolving or moving home is matched by a home taken elsewhere by a forming or moving household. However, it is rare for housing markets to be in perfect balance such that all moves are internal to the market and static supply meets fixed demand. In the real world, populations change, increase or decrease; people move in and out of areas - not always in balance; some areas may be more or less popular and the 'fit' between people's needs and the housing available may be poor, homes may be too large or too small, or just too expensive. In addition to typical constraints limiting supply, such as the willingness of landowners to provide land and developers to provide housing, supply is additionally constrained in St Albans due to its Green Belt location.
- 6.2 These are the dynamics against which future housing needs are determined. All households have to fit around the housing available, but where projections indicate that numbers are set to grow, additional housing provision needs to be planned for on the basis of household type, size, age and income, all of which will shape their needs.

Confidence and certainty in determining the need for housing

- 6.3 We have been experiencing a unique coincidence of economic and financial problems, the outcome of which is still uncertain. Turnover and home moves have reduced dramatically, although property prices have now begun to revive, and there is growing evidence of the growth of two or even three generation households which would impact on housing needs. The consequences of the economic and financial situation for households, housing markets and housing projections are uncertain.
- 6.4 As a result, we can be confident that we have the evidence to demonstrate that household numbers and housing needs in the District will grow, but in current circumstances, we cannot be certain of the precise pattern of growth and its housing consequences. In particular it is important to recognise that a major determinant of the local housing offer will be decisions on planning policy and how this influences the local market response to changing needs.

Applying the 'St Albans City and District HMA and Housing Needs Toolkit'

- 6.5 This Assessment adopts a new approach to determining future needs. It moves away from static or scenario-based analyses by applying an interactive HMA and Housing Needs Toolkit developed by Housing Vision to identify the needs of new or additional households and enable them to be constantly modelled and monitored. The structure of the Toolkit is explained below, and guidance on its application is available through a detailed User Manual.
- 6.6 The key principles are as follows:
- The Toolkit applies commissioned household projections data and district-derived housing stock, incomes and housing costs data to identify the basic housing needs of households, i.e. the bedrooms required by size and composition of household; it does not assume the provision of 'spare' bedrooms. This is not to advocate the minimal provision of bedrooms and the provision of additional bedrooms can be modelled as preferred.
 - The Toolkit allows a housing shortfall or backlog against agreed planning targets to be included, and its reduction to be modelled over any policy period;
 - It estimates levels of under-occupation in older (65+) households and projects potential needs for specialised housing for all older and projected additional older households.

The structure of the Toolkit

- 6.7 The toolkit consists of 5 sections, each of which represents a stage in assessing the housing required to meet the chosen forecast of household growth and change as follows:
- **Household projections/forecasts:** for any two years, this identifies the number of households by type and age, and changes between the start and finish years chosen in terms of absolute and proportionate change. Applying Edge-commissioned household projections, the final table on the Households page identifies whether there is growth (red) or decline (green) in any household type and the outcome in terms of projected growth in households by type and age over the selected period.
 - **Housing costs and affordability:** this determines the cost of housing of different types, bedsizes and tenures, the income required to afford housing of different types and applies an affordability threshold to determine the proportion of households who are able to afford housing by tenure. The approach to determining affordability is detailed at para 3.32 above.

- **Housing needs** as detailed below, the future housing needs arising from new or additional households are determined by bed size with tenure derived by applying the affordability ratio described at paragraph 3.32 above. There is also the facility to assess the impact of a shortfall or backlog in the need for affordable housing and of previous under-supply in any tenure.
- **Housing needs by age:** separate consideration is given to the special housing needs of all and additional older households in the context of the extent of under-occupation.
- **Housing stock and supply:** this enables constant monitoring of the local housing stock and housing supply as the context for understanding future housing needs.

6.8 The toolkit is based on two types of data, fixed and variable.

- The fixed data consists of commissioned household projections and CACI incomes data although both the household projections and household incomes can be varied by +/- 100% using sliders within the Toolkit.
- The variable data can be input and changed by the user at any time and includes the start and finish years for projections, housing costs, housing supply; bedsize by household type, any affordable housing backlog and estimated levels of under-occupation in 65+ households.

6.9 The following sections explain the stages in assessing the housing needs of net additional households in St Albans City and District.

Components of household projections/forecasts

6.10 Household projections/forecasts take account of the effects of a number of factors:

- 'natural change': underpinned by the relationship between births and deaths, and which results in the formation of new households and the ending of existing ones;
- changes affecting existing households: for example relationship breakdown and movements through the life cycle; and finally
- in and out migration: and the relationship between them.

6.11 The CLG methodology for estimating household projections takes account of these factors which are based on the following 17 household types:

1. One person male
2. One person female
3. Other households
4. Couple no children
5. Couple 1 child
6. Lone parent 1 child
7. Couple 2 children
8. Couple and 1 or more adults no children
9. Lone parent 2 children
10. Couple and 1 or more adults 1 child
11. Lone parent 1 or more adults 1 child
12. Couple 3+ children
13. Couple and 1 or more adults 2 children
14. Lone parent 3+ children
15. Lone parent 1 or more adults 2 children
16. Couple and 1 or more adults 3+ children
17. Lone parent 1 or more adults 3+ children

6.12 The differences in many of these household types are very minor, and to make the process more manageable, these have been combined into 7 which match their bedsize/person needs as set out in the following table. Where there are 2 or more children in a household, the bedroom requirement will be determined according to their age and sex. It is not possible to predict these with accuracy and therefore the minimum bedroom requirement has been assumed in all cases.

Table 6.1: derived household types and associated minimum bedsize

Derived household types	Household type	Bedsizes	Persons	Minimum Bedsize
One person	One person male	0/1	1	1
	One person female	0/1	1	
	Other households	0/1	1	
Couple no children	Couple no children	1	2	1
Couple/lone parent and 1 child	Couple 1 child	2	3	2
	Lone parent 1 child	2	2	
Couple/lone parent and 2 children/couple and 1 or more adults no children	Couple 2 children	2/3	4	2
	Couple and 1 or more adults no children	2/3	3/4	
	Lone parent 2 children	2/3	3/4	
Couple/lone parent and 1 or more adults and 1 child	Couple and 1 or more adults 1 child	3	4/5	3
	Lone parent and	3	3/4	

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Derived household types	Household type	Bedsizes	Persons	Minimum Bedsizes
	1 or more adults 1 child			
Couple/lone parent and 3+ children/ couple/lone parent and 1 or more adults and 2 children	Couple 3+ children	3/4	5/6	3
	Couple and 1 or more adults and 2 children	3/4	5/6	3
	Lone parent and 3+ children	3/4	4/5	
	Lone parent 1 or more adults 2 children	3/4	4/5	
Couple/lone parent and 1 or more adults 3+ children	Couple and 1 or more adults 3+ children	4/5	6/7	4
	Lone parent 1 or more adults 3+ children	4/5	5/6	

(Source: Housing Vision)

6.13 As a result of this exercise, the 7 derived household types applied in projecting housing needs are:

- One person
- Couple no children
- Couple/lone parent and 1 child
- Couple/lone parent and 2 children/couple and 1 or more adults no children
- Couple/lone parent and 1 or more adults and 1 child
- Couple/lone parent and 3+ children/ couple/lone parent and 1 or more adults and 2 children
- Couple/lone parent and 1 or more adults 3+ children

Housing costs and affordability

6.14 Using the approach described at para 3.32 above, the Toolkit assesses the affordability of a typical entry level property, the default setting is a 2 bed house which is especially relevant to meeting the typical needs of additional households, the majority of which are small, and can be considered an 'average' housing type. The cost of accessing this property for all tenures (local authority renting to new build home ownership and including Affordable Rent) is compared against the maximum housing budget available per household. The maximum budget affordable is based on the affordability threshold selected which is in turn determined in relation to the CACI PayCheck household incomes provided. Discussion of incomes and affordability data has been provided at para 4.26 above. The Toolkit calculates the household incomes required to access each tenure for an archetype 2

bed house and the absolute numbers and percentages of the households on the CACI profile that can afford each tenure. A column at the end of the housing costs inputs section of the Toolkit allows these costs to be changed so that they can reflect other bedsizes and property types as required, for example a 2 bed flat or a 5 bed house.

6.15 All tenures have been included in this Assessment in terms of a hierarchy of affordability. It is not possible to assess with any accuracy how many households on the CACI PayCheck Profile will be in receipt of sufficient Housing Benefit to be able to afford Affordable Rent but it does indicate the level of household income required to access an Affordable Rented product. Private rent has been separately identified as it now constitutes a major element of housing supply. In terms of its contribution to new housing required, this may be provided directly through small scale or institutional investor activity or by the tenure transfer of properties purchased in the home ownership sector. Please note that shared accommodation can be an entire house, flat or converted building or any of the following:

- bedsits;
- shared houses;
- households with a lodger;
- purpose-built HMOs;
- hostels;
- guesthouses - if rented out of season;
- bed and breakfasts providing accommodation for homeless people; and
- some types of self-contained flats converted from houses.

6.16 The Toolkit identifies the household income levels required to access each tenure at September 2013 and the proportion of households that can afford them. The following table lists the outcome and provides a hierarchy of affordability from those who can only afford social rented housing to the cumulative percentages who can afford other options.

Table 6.2: affordability by sector, proportion of households who can afford each sector, St Albans City and District, September 2013

Sector	Proportion of households
Social rent only	56.82%
Affordable Rent	8.27%
Shared equity/ownership	3.75%
Private rent	15.24%
Owner occupier	15.91%

(Source: Housing Vision, St Albans City and District HMA and Housing Needs Toolkit)

Key findings:

The implication of this assessment is that there is:

- an affordable housing requirement (social rent only) of 56.8%;
- an intermediate housing requirement (shared equity/ownership and Affordable Rent) of 12.2%; and
- a market sector requirement (owner occupier and private rent) of 31.2%.

Determining the need for housing

- 6.17 Before estimating the housing likely to be needed over the period 2011-2031, a number of factors need to be considered and assumptions made concerning bedsize, backlog and matching surpluses against deficits of housing required.

Additional bedrooms

- 6.18 The Toolkit identifies the needs of additional households by number of bedrooms but it is not possible to determine this with precision for households with children as their needs will be determined by the age and sex of the individual children. No assumptions have been applied in modelling concerning the provision of a spare bedroom which is additional to that required to meet a household's need. This is likely to be decided by providers for market housing but, as Housing Benefit is now only available for the number of bedrooms required, the provision of extra bedrooms is not an option in the social sector for claimants.

Housing shortfall or backlog

- 6.19 The Toolkit can also take account of any backlog or surplus of housing completions in any sector.

Matching deficits and surpluses of housing required

- 6.20 The final stage is to identify whether there is a deficit or surplus of housing of different bedsizes and tenures. Shared units are the most problematic as they can be of very variable type, ranging from bedsits to hostels. As a result, where a need for shared units has been identified, these have been added to the need for 1 bed housing. Where surpluses of shared housing have been identified, these have not been offset against the future need for housing. Where surpluses are identified for larger sized dwellings, they can be offset against shortages of lower sized properties as follows:

- Surpluses of 1 bed units can be set against the need for shared units;
- Surpluses of 2 bed units can be set against the need for 1 bed units;
- Surpluses of 3 bed units can be set against the need for 2 bed units;

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- Surpluses of 4 bed units can be set against the need for 3 bed units.
- Surpluses of shared units have not been set against any need as their variable pattern including purpose-built to sub-divided accommodation makes generalisation difficult.

Gross housing needs by tenure and bedsize

6.21 The following table identifies gross housing needs by tenure and bedsize for the period 2011-2031 which have not been adjusted to take account of the impact of older households not downsizing.

Table 6.3: projected gross housing needs for St Albans City and District 2011-2031, November 2013

Tenure	Sector	Shared	1 bed	2 bed	3 bed	4+ bed	Total No.	Total %
Affordable	Social Rent	500	2,416	1,324	1,712	486	6,437	56.82
	Affordable Rent	73	352	193	249	71	937	8.27
Intermediate	Shared Ownership	33	159	87	113	32	425	3.75
Market	Private Rent	134	648	355	459	130	1,727	15.24
	Owner Occupier	140	676	371	479	136	1,802	15.91
Total no.	All sectors	880	4,252	2,329	3,012	855	11,329	100.0
Total %	All sectors	7.77	37.53	20.56	26.59	7.55	100.0	

(Source: Housing Vision, St Albans City and District HMA and Housing Needs Toolkit)

Key findings:

- There is a gross (unadjusted) need for 11,329 **additional** homes in the St Albans City and District area between 2011 and 2031, equivalent to 566 homes per annum.
- There is a growth of 38% in the need for 1 bed housing; 21% growth in the need for 2 bed; 27% for 3 bed housing and a 8% growth in the need for 4 bed housing. Please note that these projections are based on the application of a minimum bedsize requirement. In view of restrictions imposed on eligibility for Housing Benefit, it is likely that the need for 1 bed affordable housing will be limited to this bedsize but in the market sector, there is likely to be a preference by consumers and providers for an additional bedroom which, in terms of the greater flexibility achieved, should be encouraged.

Gross housing needs by age and bedsize

6.22 The Housing Needs Toolkit also enables needs to be expressed by age band and this identifies that most additional needs will arise from households aged 65+ as identified in the following tables for the period

2011-2031. **Please note:** that the proportions in the final column are in relation to the overall need for homes, and whilst they sum to 100%, that constituent proportions can be positive or negative where there is a decline in needs.

Table 6.4: projected gross housing needs by age and bedsize for St Albans City and District, 2011-2031, November 2013

Age	Shared	1 bed	2 bed	3 bed	4+ bed	Total No.	% of total
15-24	-53	-161	-63	188	14	-76	-0.67%
25-34	322	-1,174	245	166	39	-403	-3.56%
35-44	106	-481	239	312	239	416	3.67%
45-54	-171	-131	1,336	112	422	1,568	13.84%
55-59	-32	384	421	817	-7	1,583	13.97%
60-64	-81	480	11	456	74	940	8.30%
65-74	21	1,651	64	756	34	2,525	22.29%
75-84	827	1,219	51	163	0	2,261	19.96%
85+	-59	2,465	26	43	39	2,514	22.19%
Totals	880	4,252	2,329	3,012	855	11,329	100.00%

(Source: Housing Vision, St Albans City and District HMA and Housing Needs Toolkit)

Key findings:

- St Albans is showing a growth in all except the 15-34 age groups which are showing a slight decline (-4%). Almost all the additional need for housing will arise from households aged 65+ (64%).
- 6.23 That most of the additional need for housing will arise from the above households has major implications for meeting future housing needs in St Albans City and District. The majority of these, 5,476, are 65+ households that require 1 or 2 bed properties; with a further 1,106 under 65; a sub-total of 6,582 (58%) out of a total of 11,329.
- 6.24 Most of the growth in the 65+ age group is the result of more older people living longer who are already resident in the area. Most of these households will already be housed, typically in family-sized accommodation. More robust data determining the extent to which this is the case will be available when 2011 Census data is released, but Census data on under-occupation provides some indication of the extent to which older households live in family housing. In St Albans City and District, 56% of households aged 65+ were under-occupying in 2001. This implies that they are currently living in family housing, a proportion which will apply to those for whom additional - and smaller - housing is projected to be required. If additional older households do not downsize to smaller homes, replacement family housing will be required to maintain existing levels of supply.

- 6.25 The number of older households able and/or willing to downsize is not known with certainty, but on the basis of studies of under-occupation and housing need, it is estimated that this does not currently exceed 10%. Applying estimates of under-occupation, as much as 50% (90% of 56%) of the need or housing for older people may need to be provided as family or other housing to replace supply 'blocked' by older people who do not downsize. Whilst the proportion willing to downsize may change, the estimate that 90% of underoccupying older households will not downsize has been applied in modelling the area's future housing need with the effect that replacement 3 bed housing will be required to compensate for the loss of supply. With regard to calculating replacement 3 bed housing, we have taken the 65+ 1 bedroom requirement and calculated the proportion of households underoccupying and unwilling to downsize. We have added this figure proportionately to the 15-64 3 bed need.
- 6.26 After taking into account of local levels of underoccupation and potential downsizing, the majority of the future gross need will be for 3 bed properties; 6,020 out of a total of 11,724.

The projected net need for housing in St Albans City and District, 2011-2031

- 6.27 The projected gross housing needed by bedsize and tenure for the period 2011-2031 has been adjusted to take account of:
- the likelihood of older people downsizing - and the associated need for 'replacement' family housing;
 - any need for shared housing by age band - which has been added to the need for 1 bed housing; and
 - any surplus of shared housing by age band - which has not been offset against the need for any other size of housing. This explains why the net need for housing over the 20 years from 2011 is 395 higher than the gross need.

Table 6.5: projected net housing needs for St Albans City and District, 2011-2031, November 2013

Tenure	Sector	Shared	1 bed	2 bed	3 bed	4+ bed	Total No.	Total %
Affordable	Social Rent	0	1,432	1,324	3,420	486	6,662	56.82
	Affordable Rent	0	208	193	498	71	970	8.27
Intermediate	Shared Ownership	0	95	87	226	32	440	3.75
Market	Private Rent	0	384	355	918	130	1,787	15.24
	Owner Occupier	0	401	371	958	136	1,865	15.91
Total no.	All sectors	0	2,520	2,329	6,020	855	11,724	100.0
Total %	All sectors		21.49	19.87	51.34	7.30	100.00	

(Source: Housing Vision, St Albans City and District HMA and Housing Needs Toolkit)

Key findings:

- There is a net need for 11,724 additional homes in the St Albans and District area between 2011 and 2031, an annual average of 586 homes.
- There is a projected large growth (51%) in the need for 3 bed housing; 21% growth in the need for 1 bed; 20% growth in the need for 2 bed housing and a 7% increase in the need for 4 bed housing.

6.28 **Please note:** that these projections are based on the application of a minimum bedsize requirement. In view of restrictions imposed on eligibility for Housing Benefit, it is likely that the need for 1 bed affordable housing will be limited to this bedsize. But in the market sector, there is likely to be a preference by consumers and providers for an additional bedroom which, in terms of the greater flexibility achieved, should be encouraged. The 1 bed need for housing also includes the designated, sheltered and extra-care housing for older people detailed at 6.13 below, some of which could also be offset against the need for 2 bed housing.

The housing needs of older households

6.29 In view of the significance of the projected growth in older households, the Toolkit enables projections to be made of the numbers of pensioner households requiring designated, sheltered or extra-care housing. Following extensive research undertaken by Housing Vision, these have been calculated using the following methodology:

- Stage 1: Needs Groups established within the wider older person's population;
- Stage 2: Need adjusted according to local conditions;

- Stage 3: housing options linked to Needs Groups;
- Stage 4: estimate of the proportion within each Needs Group that in any one year is likely to want to make use of these different options; and
- Stage 5: the need for housing translated into the number of units of service required.

6.30 The need for 3 types of specialised housing has been determined:

- Designated: housing, such as private sector retirement apartments, which includes the following features:
 - fully adapted accommodation;
 - integrated alarm with staff response when required;
 - facilitation of mutual support; and
 - opportunities for social activities.
- Sheltered or Supported: as Designated Housing above but providing personal support to residents as required;
- Extra Care: housing which crosses the boundary between high-level support needs and high-level care needs, with a larger proportion in the latter category. Calculations of the need for this type of accommodation have been applied to the 75+ population.

6.31 The following table summarises the specialised housing required for older people between 2011 and 2031 and the number of under-occupying pensioner households. Please note that this table is a subset of the overall housing needs above. Whilst providers may decide to provide larger accommodation, all of this housing meets a minimum 1 bed requirement.

Table 6.6: projected specialised housing needs of older households for St Albans City and District, 2011-2031

65+ Households	65+ totals	Designated	Sheltered	Extra Care	Specialised Total	Under-occupying (56.0%)
2011	14,603	919	438	803	2,160	8,184
2031	21,903	1,378	657	1,205	3,240	12,275
Increase	7,300	459	219	402	1,080	4,091

(Source: Housing Vision, St Albans City and District HMA and Housing Needs Toolkit)

- Based on an estimated current need for 2,160 specialised units of accommodation in the St Albans and District, there is a projected need for 1,080 additional units to be provided between 2011 and 2031 including 402 Extra Care housing units from a current need of 803.

- Hertfordshire County Council (HCC) identify a total of 852 residential care and residential with nursing care places at 2013 which compares closely with the estimated need for 803 Extra Care places identified above. They have also produced projections of the need for residential and flexi-care to 2030 but these are not directly comparable with Housing Vision projections as they identify the future need for HCC-funded places only.

Housing stock

- 6.32 This final section of the Toolkit deals with the housing stock and supply and is intended for monitoring purposes only. This page identifies the profile of the housing stock from 2011 Census data by bedsize and tenure and enables this to be continuously updated through stock gains through completions and/or conversions and losses through conversions to other uses or demolitions.
- 6.33 Supply information provides a context for understanding the type of housing becoming available for all households, including additional households. The annual supply of housing can be modelled by applying a turnover rate, which will vary over time according to supply: demand issues; financial and economic considerations. Due to uncertainty over these factors, it is not possible to project stock turnover with precision but set out below is a list of possible approaches for determining turnover rates:
- For the home ownership sector: turnover is based on the number of properties recorded as sold by the Land Registry in the previous 12 months as a proportion of all owner occupied homes.
 - For the Shared Ownership/equity sector: the home ownership turnover rate has been applied, or recognising the relatively low levels of staircasing to full ownership, a slightly lower rate can be applied.
 - For the private rented sector: the turnover rate is based on estimates in the English Housing Survey 2011-12 and data collected on the profile of the private rented sector.
 - For the social rented sector: turnover is based on the number of properties advertised annualised as a proportion of all stock.

7. Conclusions and Recommendations

Introduction

- 7.1 This section identifies the key issues facing the housing market in St Albans City and District and the responses appropriate to meeting them.

Issues, problems and opportunities

Need, demand and demographic change

- 7.2 St Albans is a high demand location in which meeting housing need is projected to require the provision of an additional 11,724 homes between 2011 and 2031, an annual average of 586 homes. Whilst some homes may be provided from building conversions and bringing dwellings back into use, most will need to be provided as new completions.
- 7.3 Taking account of the projected large increase in the older people; low levels of 'downsizing' and the resultant need to provide 'replacement' family housing, large growth is projected in the need for 3 bed housing which constitutes 51% of total need. There is a projected 21% growth in the need for 1 bed dwellings; 20% growth in the need for 2 bed housing and a 7% increase in the need for 4 bed housing.

Constraints on new build housing

- 7.4 Since the late 1980's development in the district has in large part, been opportunity-led. This will not continue in to the future. The Council has major policy decisions to make in the future in relation to the Strategic Local Plan, and for this reason, the SHMA also included two dwelling constrained scenarios/forecasts. Historical development opportunities in non-Green Belt locations, such as hospital sites which have been developed in St Albans no longer exist.

Constraints on the provision of affordable housing

- 7.5 The council undertook a Development Economics Study in 2010 which assessed the viability of affordable housing provision in the district and was used as the basis to develop emerging policy contained in the draft SLP. The emerging policy seeks to secure a viable 40% affordable housing rate from all new development. The Study can be accessed at:
http://www.stalbans.gov.uk/Images/St%20Albans%20Development%20Economics%20Study_tcm15-14287.pdf.

The St Albans City and District Housing Market Area

- 7.6 St Albans is centred on an internal 'Core' housing market characterised by high property prices relative to the surrounding area. There are strong links, through home moves and migration, with adjacent local authorities and more peripheral London boroughs, and an imperative now is to consult with adjacent local authorities to identify shared or mutually relevant policy priorities and potential responses.

Migration levels

- 7.7 International migration and migration to the UK are key drivers in the St Albans housing market and must be monitored closely from official data. Whilst little control can be exercised over the outcome of these trends, 'local connections' criteria can be applied to affordable housing of all types to ensure that new supply meets the needs of local residents.

A polarised housing market

- 7.8 It is common to find problems of affordability in almost all locations but this is much more severe in St Albans City and District, especially for those in receipt of lower quartile earnings. There is a great deal of evidence of a polarisation of incomes in St Albans City and District, and in the context of limited supply in the social and private rented sectors, problems of access to affordable housing are especially likely to impact on families with children.

The housing 'offer'

- 7.9 All housing systems and housing markets are the product of their history and as a result, each is distinct in its own right. Whilst the area has a good housing offer overall, choice within each tenure is less balanced, the social and private sectors providing more choice for smaller households with families having greater choice in the home ownership sector. Whilst the need for smaller housing is very likely to increase, families with children are clearly at a disadvantage in the affordable sector, and consideration needs to be given to encouraging family supply in the private and social rented sectors.

The impact of recent international migration on the housing market

- 7.10 In common with locations throughout the country, St Albans City and District has experienced significant levels of migration from EU Accession countries in central and eastern Europe, and especially from Poland. The impact on the housing market is unclear, as is the profile of recent migrant communities. It is likely that the strongest demand, from predominantly single people and couples, would be on smaller homes in the private rented sector, a requirement which it is better

equipped to meet. But as migrants settle, form stable relationships and build or re-build families, the profile of demand is likely to change towards family housing, which is likely to increase demand for housing which is limited in the social and private rented sectors.

The growth in the older population

7.11 A major challenge facing the housing market arises from the large projected increase in the size of the older population and in the number of older households which have a number of related implications:

1. Most older households already live in the area in family housing but, as health and mobility are impaired with age, many older people will find that their homes and/or their location are increasingly unsuitable. This creates the dilemma for many older people of either staying put and being supported in their existing homes - which is the principle informing health and social care - or moving to a more suitable or a more suitably located dwelling, including downsizing.
2. The decision to stay or move will be determined by a combination of personal choice and the viability and practicality of providing home-based care and support. However, if older households do not move and downsize, a growing number of older households will under-occupy existing housing and this will have the effect of 'home blocking' family housing. In such a situation, replacement family housing will be required to ensure that the current supply of this type is maintained.
3. If housing more suitable to meeting the needs of older households is provided, it will have to be of the right type and quality in the right locations, for example providing 2 bedroomed bungalows in villages. This may create a dilemma in terms of acceptability to communities and there is also a need to market test the acceptability of such options in St Albans City and District by consultation with elected members, town and parish councils, representative and lobbying bodies for older people and with affordable and market sector providers.
4. There will also be a requirement for an expansion in housing which provides support and/or care including designated, sheltered and extra-care housing, the detail of which has been provided in the previous chapter.

Interventions

Increasing supply

- 7.12 Families on low incomes requiring 3 bed homes or larger are at a disadvantage in the housing market and it is essential that affordable housing supply is increased.

Providing housing suitable for older households

- 7.13 Housing will need to be provided to meet the housing needs of older households; to meet their growing support and care needs and to encourage downsizing. This is a priority for the area and will require the construction of substantial numbers of suitable homes. New housing should ideally be mixed tenure so that all older people have more opportunities to meet their housing needs. Mixing the tenures on a site also enables cross-subsidy to provide social rented homes. Consideration should therefore be given to mixed tenure retirement communities providing housing capable of meeting the widest range of support and care need.
- 7.14 Good standard, accessible two bedroom accommodation offers a sustainable housing solution as it provides housing options for people across a broad age range and demand will not be an issue as the older population decreases in the long term.

Working with the private rented sector

- 7.15 There are positive and negative sides to the expansion of the private rented sector. It has increased the supply of affordable rented housing but it may also have had the impact of reducing the supply of financially accessible homes for first time buyers. However, the private rented sector has and will continue to have a major role in the supply of housing and especially affordable housing. Following the Localism Act, this has been formalised by allowing local authorities to discharge their homelessness duty into accommodation in the private sector. Close co-operation with landlords is essential in securing and steering the pattern of supply and the existing landlord forum could form the basis for developing a more strategic approach to investment by client group and location. This is particularly necessary for families with children and for younger single people for whom there is a need to develop suitable shared accommodation options; to monitor supply and to re-assess attitudes towards tenants in receipt of Housing Benefit. The alternative might be an increase in poorly managed, poor condition, houses in multiple occupation.

Measures to increase supply from the existing stock

7.16 Empty homes are an obvious place to start in increasing supply from the existing stock and St Albans has an Empty Homes officer and a newly-completed Empty Homes Strategy to 2015. However, with the projected growth in the older population, underoccupation is almost certain to increase. Whilst incentives to older people to downsize have been described in relation to the 'Growth in the older population' above, specific measures can be taken in the social housing sector to incentivise such moves which have the corollary effect of reducing overcrowding. It may be appropriate to develop with registered providers a flexible under-occupation policy which provides a personalised approach to reviewing housing issues and possible responses, and which includes the options of both staying in existing or moving to another home. Further market testing would be required to 'fine tune' an 'under-occupation' policy. Options might include:

- making use of in-house data and information to identify households who may benefit from advice, guidance and support (both over crowded and under-occupying households); and
- developing a comprehensive home-mover package that provides advice and information, practical support and financial assistance in relation to moving and replacement costs of new carpets and curtains and the cost of minor improvements to the new home. A cash payment to move to a home with fewer bedrooms tends to have a lesser priority for movers.

The requirement for further research and intelligence

7.17 The following priorities have been identified:

1. assessing the impact of housing and welfare reforms

7.18 It is essential that detailed analysis and continual monitoring is undertaken of the current and proposed changes.

2. monitoring the performance of the private rented sector

7.19 Further analysis is required of the performance of this sub-sector of the housing market, in particular:

- the extent to which this sector is self-contained in terms of sales or whether homes are moving in and out of the sector; and
- the extent to which second and holiday homes become permanent homes, either for their existing owners or at sale.

3. monitoring the role of new completions in the housing market

- 7.20 In order to understand the role of new housing in relation to inward migration, further analysis is required of the role of new completions in housing either local residents or people moving to the district, especially through Council Tax data.

4. monitoring and review

- 7.21 Whilst housing strategy and planning policy officers will already be monitoring a number of indicators, it is essential to:
- research the extent of downsizing, the types of housing which older people are buying - both existing and new residents - and the housing which will encourage downsizing;
 - research the profile of the shared housing sector. There are projected surpluses of 395 shared housing units in the period 2011 to 2031 which, in view of uncertainty over their profile, have not been offset against the future need for housing. Further research of their profile might enable an assessment to be undertaken of the impact of reductions on the future need for housing.
 - research the current and future housing needs of minority ethnic communities, include recent migrants from central and eastern Europe, and their impact on the housing market; and
 - begin to monitor changes in the number of households using, for example, Council Tax data and/or housing completions.

APPENDIX 1: DATA SOURCES FOR MONITORING AND UPDATING

Key Influences and Drivers: social and demographic patterns and trends

Nomis is an invaluable source of population and labour market data using the Wizard or Advanced queries at:

<https://www.nomisweb.co.uk/>

Household projections (Update when re-issued)

The most recent projections are 2011-based and are available at:

<https://www.gov.uk/government/statistical-data-sets/detailed-data-for-modelling-and-analytical-purposes>

Population projections by age group (Update when re-issued)

The most recent projections are 2011-based and are available at:

<http://www.ons.gov.uk/ons/rel/snpp/sub-national-population-projections/Interim-2011-based/stb-2011-based-snpp.html>

Components of population change (Update when re-issued)

The most recent were issued in February 2013 and are available at:

<http://www.ons.gov.uk/ons/rel/pop-estimate/population-estimates-for-england-and-wales/mid-2002-to-mid-2010-revised--national-/sty-components-of-population-change.html>

Internal migration (Update annually)

The National Health Service Central Register (NHSCR) compiles and maintains a computerised record of NHS patients registered with an NHS general practitioner (GP) in England, Wales or the Isle of Man. Analysis of this data enables identification of annual moves between local authority areas by age group. Data is available at:

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Migration+within+the+UK>

International migration (Update annually)

The collation of National Insurance Number Allocations to Adult Overseas Nationals entering the UK (NiNO) provides an invaluable source of data on international migration. Numbers are only recorded for individual countries for 10 or more migrant workers, and therefore the total is more than the sum of the entries. Data can be accessed at:

<https://www.gov.uk/government/publications/national-insurance-number-allocations-to-adult-overseas-nationals-entering-the-uk>

Household income (Update annually)

CACI provides PayCheck Profiles of gross total household incomes by £5k income bands (CACI stands for Californian Analysis Centre Incorporated, an international company which trades as the Data Depot in Britain) This costs around £400 per commission, a breakdown for almost any defined area. See:

<http://www.caci.co.uk/>

The DWP's Annual Survey of Hours and Earnings (ASHE – the successor to the New Earnings Survey) is an invaluable source of data on income from earnings at local authority and higher levels, it is available through Nomis or at:

<http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/2012-provisional-results/index.html>

The Supply of Housing

The supply of new housing (Update annually)

The first relevant source is internal monitoring data and typically presented in Annual Monitoring Reports. Data by property type or other criteria will need to be provided by the Planning team. Please note: whilst this is not a requirement for the purposes of annual monitoring, it is essential that the property type and bed size of new homes is recorded to enable more detailed monitoring of trends in the housing market.

The affordable housing sector (Update annually)

The annual Statistical Data Return (SDR) compiled by the Homes and Communities Agency provides property breakdowns for all housing associations and is available annually through the RSR webpage at:

<http://www.homesandcommunities.co.uk/news/statistical-data-return>

The CORE (COntinuous REcording of Lettings and Sales) provides annual reports by local authority area of new lettings, re-lets, affordable sales and costs under 'Analyse CORE data/Housing provider reports/Annual data submission'. More detailed and bespoke tables can be created at 'Analyse CORE data/Interactive reports/Advanced analysis'

<https://core.communities.gov.uk/>

The Demand for Housing

The affordable housing sector (Update annually)

Social housing demand data can be updated from CORE and Choose Your Home commissioned data. Recommended indicators of social housing demand are:

- total lettings and annual turnover;
- total applicants (waiting list and transfer): by household type and size
- applicant: stock and applicant: lettings ratios
- property type and bed size requested: by household type;
- location requested: by household type, property type and bed size;
- total offers: by household type; property type and bed size;
- total lettings: by household type; property type and bed size;
- refusal rate: by household type; property type and bed size, and,
- difficult to let and void rates.

The market sector (Update annually)

The most reliable source of prices achieved has been the Land Registry which records all residential sales (new build and re-sale) by price, date of sale, type of property, new-build/re-sale, free or leasehold, address, postcode, location, local authority and county. As data is constructed from the notification of completed sales, there is an inevitable time lag of at least one month until their appearance in Land Registry data sets. These are summarised at:

<http://www.landregistry.gov.uk/market-trend-data/public-data/price-paid-data>

One criticism of published Land Registry data is that it is not seasonally nor mix adjusted, but its monthly Property Price Index of average prices at national, regional, county and London borough level claims to meet both these criticisms.

The next most obvious sources are advertisements on the internet and interviews with estate agents. However, care must be taken not to assume that the asking price is the price achieved at sale. Useful sites for both sales and private rental data are:

<http://www.zoopla.co.uk/>

and:

<http://www.rightmove.co.uk/>