

Rural East Anglia Partnership

Strategic Housing Market Assessment

Technical Appendix

January 2010 update to secondary data



Borough Council of
King's Lynn &
West Norfolk



0. Purpose and Executive Summary

Welcome to the 2009 update of the Rural East Anglia Strategic Housing Market Assessment. This document has been undertaken as a refresh of the secondary data from the original 2006 survey. Where an update was possible, it has been included below, using the same paragraph number and same chart number as was used in the original 2006 survey. Where no update is possible, the paragraph is omitted. Readers with hard copy documents may choose to cut and paste the new paragraphs over the old.

It has not been considered desirable or cost-effective to repeat the original primary population survey undertaken in 2006. This means that no update is possible to the overall housing needs data or to some of the other tables where input from primary data is required.

Market Conditions

The present market (summer 2009) is proving quite difficult to assess. It is certainly a very changed market place from when the fieldwork for the original survey was completed in summer 2006. At that time, the market was still rising strongly, although with serious and rising concerns about affordability and sustainability. The long-predicted market correction has now occurred, bringing about a very different marketplace, although prices to seem to have stabilised recently, and some indicators are even talking of recovery. The market difficulties have brought particularly severe problems for volume house builders, with many finding that sites which were viable at the time of the original fieldwork are no longer viable. It could turn out that we are seeing a decline in the appetite of large developers for volume building, with small volumes higher profits seeming to be preferred to high volumes with smaller profits on each. The effect this will have on delivery of affordable housing, certainly in terms of numbers, is not difficult to foresee. There are also forthcoming changes, such as the Community Infrastructure Levy, the effect of which will be difficult to foresee.

Shared ownership, or Homebuy to use its official name, continues to be popular in all the various forms that are available. Indeed, the main issue is neither lack of demand, which is ample, nor supply, which is adequate, but the availability of finance, with local brokers reporting that any shared ownership application is automatically regarded as a sub-prime loan with consequent increases in cost. Recent increases in flexibility, such as the possibility of purchasing 25% shares, couple with the fall in prices, make this a much more affordable option that it has been.

It is likely that talk of a recovery is presently still premature, however this may prove to be the turning point towards recovery. The biggest sustained threat to any recovery is unemployment, which remains high, and the perceived threat of unemployment among those still in work. It is also possible that development capacity, both in the public and private sector, may also prove a constraint on sector development. It is not hard to foresee that times ahead will continue to be challenging and that all concerned will have to work hard at keeping the market in balance.

Executive summary

In terms of deprivation, none of the three REAP authorities ranked even in the top third most deprived authorities. The population profile of REAP is skewed towards those over 45, with the Rural East Anglia area containing a significantly higher proportion of people over retirement age than England and the East of England region as a whole. This is particularly strong in North Norfolk, with 29.6% of its population over retirement age, and a further 25.2% of the population aged 45 to retirement age. However, it can also be seen that the REAP sub-region is much less ethnically diverse than both the East of England, and the national

picture, with 3.26% of residents in 2007 coming from a non-White ethnic background, compared to over 11% nationally and 8% regionally. At the same time, this represents a significant increase on the 2001 Census figures. Although an aging population, it seems the REAP inhabitant is also long-lived, with average male life expectancy of 78.6 years, and 82.9 years for females – both significantly above the levels in the original survey.

At the same time, earnings are well below both the national and regional average in all three REAP districts. Breckland lower quartile earnings have barely increased between 2006 and 2009, whilst North Norfolk saw a 33% rise for the same figure. Overall, King's Lynn saw the largest rise in mean earnings, stronger than was seen for the region overall. In terms of non-UK nationals registering for a National Insurance number, the data shows a sharp rise in registrations in Rural East Anglia, increasing at a much higher rate than nationally or for the East of England as a whole. In North Norfolk, the increase between 2003 and 2008 was 540%, although from a very small original base, with overall REAP registrations having risen from 1,200 to 3,360 over the same period.

REAP demonstrates a high proportion of dwellings in the lowest council tax bands, with 27% of dwellings in Band A compared with 25% in England and 14% in the East of England. Conversely, there is a much lower percentage of highly banded properties. King's Lynn and West Norfolk exhibits the highest percentage of Band A properties, at 33%, with North Norfolk having the mostly highly-banded properties. Between 2006 and 2009, vacancy rates fell across REAP to below 3%, although there were noticeable differences between the three authorities. Average house prices in Rural East Anglia are around 17% lower than the average for England & Wales and 5% below the East of England average.

However, until recently employment growth has been very strong in the REAP sub-region. Data shows that in Rural East Anglia, the number of jobs over the period 1995-2007 increased by around 28%, although this increase briefly touched 30% in 2005. This is noticeably higher than the figures for the region as a whole and for England, where jobs rose by 17-18%. However, this may have been starting from a lower base – as it is also noticeable that job density is lower, at around 0.73 jobs per person, compared with as high as 0.88 nationally. On this measure, there has been some decline in REAP, compared with continued growth nationally and regionally. The key employment sectors in Rural East Anglia are distribution, hotels & restaurants, public administration, education & health, and manufacturing. This is very different to the East of England as a whole, with many more employees in manufacturing and construction, and many fewer people in transport and communications, and finance, IT and other business activities.

On the unemployment side, rates remain comparable to the region and nation, with the REAP claimant count having largely followed the national and regional trends, with sharp falls from 1997 to 2001, stability from 2001-2006 and sharp rises thereafter. To some extent, these rises have been somewhat sharper in REAP than in the region and nation, although King's Lynn and West Norfolk appears to have suffered less than some, achieving in 2008 the lowest claimant count of the three authorities for the first time.

The Rural East Anglia sub-region shows a low level of skills and qualifications compared to the region and nation, with only 17.5% qualified to degree level compared to 28% nationally – however this is a large increase on the 16% in 2006. Congruently, the level of residents with no qualifications is high, and almost unchanged since 2006. Within the sub-region, North Norfolk residents are much more likely, and Breckland residents much less likely, to be well-qualified. At school level, King's Lynn and West Norfolk has the weakest pupil performance, North Norfolk the most consistent, and Breckland the highest percentage of pupils achieving five good passes, albeit still well below both the regional and national averages.

It is also noticeable that pay for those who work in REAP is lower than for those who live in REAP, indicating that a proportion of REAP residents commute out to better paid jobs; conversely those commuting inwards have lower paid jobs. Drilling down to district level, King's Lynn residents earn less than King's Lynn workers, indicating some quite highly paid jobs in the area, whereas in the other two area residents earn more than employees, particularly so in Breckland.

Over the next five years, the three districts collectively expect to build around 2,180 units of affordable housing, and relet nearly 8,000 existing units as they fall vacant.

A1. Introduction

No updates were possible to this chapter

A2. The socio-economic context

Rural East Anglia – key statistics

A2.3 The table below shows how the local authorities in the study ranked in the Indices of Deprivation 2007. The local authorities were ranked out of the 354 local authorities in England, where 1 was the most deprived area and 354 the least deprived.

Table A2.1 Indices of Deprivation	
Area	Overall rank
Breckland	213
King's Lynn & West Norfolk	137
North Norfolk	160

A2.4 Most of the local authorities in Rural East Anglia ranked fairly low in the list. This would suggest that the three housing market areas in Rural East Anglia are all relatively prosperous. Unfortunately, the 'rank by DEFRA' class used in the last survey could not be repeated, and has had to be omitted.

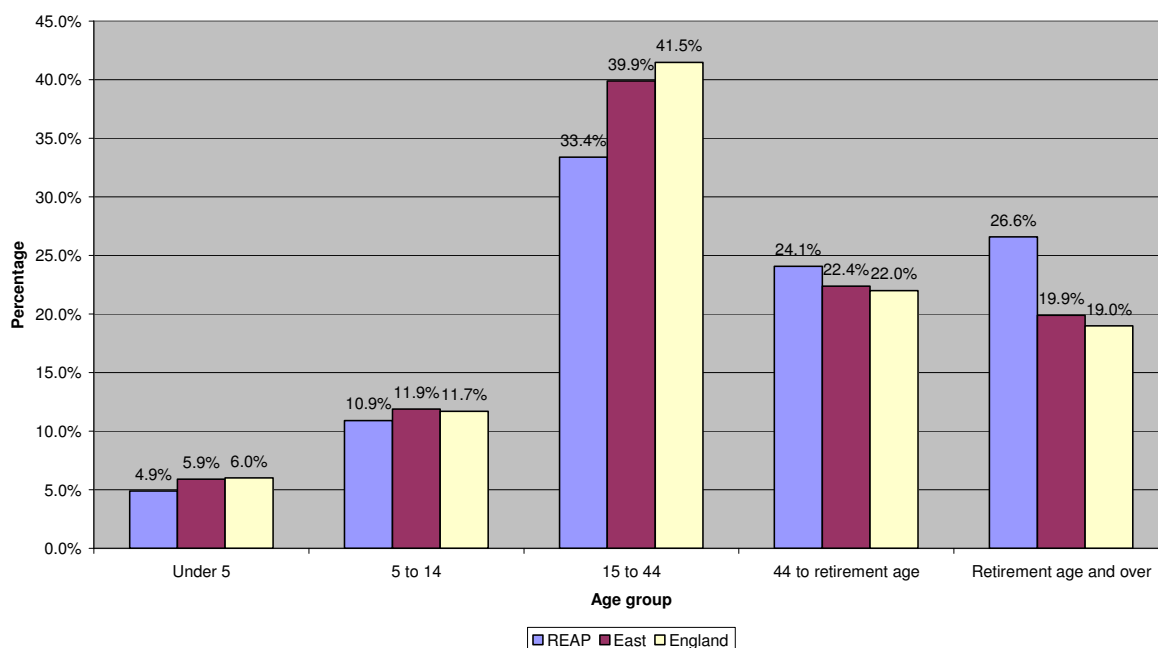
Population and household structure

A2.5 The age structure of the population has influences on migration trends, household formation and the types of housing required (e.g. for older persons). Additionally different ethnic groups often have different requirements and hence it is important to study the overall structure of the population.

A2.6 At the time of the Census in April 2001, the resident population of the Rural East Anglia area was 355,145 people, of which 49 per cent were male and 51 per cent were female. This compared with the resident population for the East of England region of 5,388,140 people, of whom 49 per cent were male and 51 per cent were female. The average age of the population in Rural East Anglia was 42.7 years, compared to an average for England & Wales of 38.7 years.

A2.7 According to the mid-2007 population estimates there were 374,200 people residing in Rural East Anglia, of whom 4.9 per cent were children under five and 26.6 per cent were of retirement age (65 and over for males or 60 and over for females). **The population profile is skewed towards those over 45, with the Rural East Anglia area containing a significantly higher proportion of people over retirement age than England and the East of England region as a whole.**

Figure A2.1 Mid 2007 estimates of population in age band



Source: ONS neighbourhood statistics – 2006

A2.8 North Norfolk has a very high proportion of the population in the older categories, with **29.6% of the North Norfolk population over retirement age and 25.2% of the population aged 45 to retirement age**. Breckland has an age profile more similar to that of the region as a whole.

Table 6.1: Mid 2007 estimates of population: percentage in age band						
Age Group	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England & Wales
Under 5	5.2%	5.3%	4.1%	4.9%	5.9%	6.0%
5 to 14	11.5%	11.1%	10.0%	10.9%	11.9%	11.7%
15 to 44	36.3%	34.0%	28.8%	33.4%	39.9%	41.5%
45 to retirement age	23.3%	23.8%	25.6%	24.1%	22.4%	22.0%
Retirement age & over	23.8%	25.9%	31.4%	26.6%	19.9%	19.0%

A2.9 The table below shows a broad ethnic group breakdown of the population in Rural East Anglia. **The table shows that 3.26% of residents in 2007 were from a non-White ethnic background, which represents a significant increase on the 2001 Census figures and reflects what has been seen on the ground. However, this figure is noticeably lower than both the regional figure and the average for England & Wales.** Unfortunately it was not possible to obtain a breakdown by DEFRA groups as done in the original survey. Unlike in the original survey, King's Lynn and West Norfolk had the largest BME population, having edged slightly ahead of Breckland Council. Both these authorities had a significantly higher BME population than North Norfolk.

A2.10 The largest ethnic group is now Asian/Asian British, with 0.96% of the population of Rural East Anglia recorded as belonging to this group; Mixed, which was the largest group in

the original study, has fallen to second with 0.91%, although this is still the largest group in Breckland.

A2.11 The results in this table differ from those presented in chapter 19 of the main report, which is based on the primary survey dataset because the dataset has been weighted to be representative of the population in 2006 and the Census data is from 2001.

Table A2.3 Ethnicity : percentage of resident population in each group, 2007						
Ethnic group	Breckland	King's Lynn & West Norfolk	North Norfolk	Rural East Anglia	East of England	England & Wales
White	96.54%	96.31%	97.52%	96.72%	91.63%	88.24%
Mixed	1.08%	0.91%	0.69%	0.91%	1.55%	1.70%
Asian or Asian British	0.85%	1.11%	0.89%	0.96%	3.59%	5.71%
Black or Black British	1.00%	0.84%	0.50%	0.80%	1.92%	2.83%
Chinese or Other Ethnic Group	0.54%	0.77%	0.40%	0.59%	1.32%	1.52%
All persons	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Norfolk Insight 2009

A2.12 The male and female life expectancies for Rural East Anglia during the period 2005-2007 were 78.6 and 82.9 years respectively, **noticeably improved over the figures from the original survey, and above the national averages.** The figure for females was also above the regional average, with the figure for males only fractionally behind.

Table A2.4 Life expectancy at birth (years), 2005-2007						
Sex	Breckland	King's Lynn & West Norfolk	North Norfolk	Rural East Anglia	East of England	England & Wales
Males	79.1	78.4	78.4	78.6	78.7	77.54
Females	82.6	82.1	84.3	82.9	82.6	81.74

Source: Norfolk Insight 2009

Local workplace earnings

A2.20 A range of secondary data sources provide useful evidence about local incomes. The main one is the Annual Survey of Hours and Earnings (ASHE) which provides information about earnings down to local authority level.

A2.21 The table below shows average full-time earnings and also quartile incomes. The data shows that the average full-time earned income in 2008 in Rural East Anglia was £23,822; this is **well below the regional and national figures.** The lower and upper quartiles indicate that there is a wide range of incomes in Rural East Anglia, with Breckland having a particularly low lower quartile, indicating many low-paying jobs, and North Norfolk having a very low upper quartile figure, indicating a shortage of high-paying jobs.

Comparing the table with the 2006 table, it is noticeable that **Breckland's lower quartile figure has barely increased**, whilst **North Norfolk's has seen a near 33% rise.** Both Breckland and North Norfolk have seen very small rises in median incomes, while King's Lynn's median figure has increased by a much larger amount. **King's Lynn has seen the largest rise in mean incomes**, with the other two districts rising only a small amount. Please note however that the 70th percentile has been used in place of the upper quartile, due to no statistically reliable upper quartile figure being available for North Norfolk, so this

row is not directly comparable with the 2006 survey. **Overall, earnings in the East of England have risen by only a small amount or fallen in the case of the lower quartile,** whereas all categories of earnings for England have risen by a more significant amount.

Table A2.8 Full-time earnings (ASHE 2008)						
Earnings category	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
25% earn less than	£14,745	£17,687	£16,122	£16,191	£17,794	£18,050
50% earn less than	£20,710	£22,951	£19,641	£21,263	£24,887	£25,514
70% earn less than	£26,000	£28,955	£24,337	£26,663	£32,558	£33,448
Mean income	£23,174	£25,363	£22,547	£23,822	£30,318	£32,157

Source: Annual survey of hours and earnings – 2008

Migrant Workers

A2.22 There is some data available to offer an insight into the trends of migrant workers in Rural East Anglia. The National Insurance Recording System records the number of National Insurance Number registrations by non-UK nationals in Rural East Anglia. This does not offer an indication of the current number of migrant workers in the area as it only records new migrant workers registering for a National Insurance Number, nor does it paint an accurate picture of the trends of non-UK nationals arriving in the area as it can often take several years for arrivals to register for a National Insurance Number.

A2.23 The table below shows the number of National Insurance Number Registrations by non-UK nationals by year from 2002/03. This gives an indication of the trend of migrant workers registering in the area. The data shows a **sharp rise in the number of non-UK nationals registering in Rural East Anglia, increasing at a much higher rate than nationally or for the East of England as a whole.** Please note that some of the older figures differ from those quoted in the original technical appendix, this is due to corrections in the data issued subsequent to original publication.

Table A2.9 National Insurance no registrations by non-UK nationals by year			
Period	Rural East Anglia	East of England	England
2002/03	1,200	25,970	309,970
2003/04	1,170	26,480	331,980
2004/05	2,250	34,620	388,030
2005/06	3,220	52,780	579,520
2006/07	3,090	52,730	607,950
2007/08	3,360	51,790	636,880
Total	14,290	244,370	2,854,330
Change	2,160	25,820	326,910
% change from 2002/3	180.0%	99.4%	105.6%

Source: National Insurance Recording System – 2009

A2.24 The table below shows that North Norfolk has had the highest increase in the number of non-UK nationals registering for a National Insurance Number, **rising by 543% from 70 in 2002/03 to 450 in 2007/08,** although this figure was slightly lower than in 2005/06. In spite of this, **North Norfolk has a significantly lower number** of National Insurance Number registrations by non-UK nationals than the rest of Rural East Anglia, with **Breckland**

and King's Lynn and West Norfolk both having 1,300-1,600 per year from the past three years.

Table A2.10 National Insurance no registrations by non-UK nationals by year						
Period	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
2002/03	670	460	70	1,200	25,970	309,970
2003/04	620	450	100	1,170	26,480	331,980
2004/05	880	1,180	190	2,250	34,620	388,030
2005/06	1,460	1,440	320	3,220	52,780	579,520
2006/07	1,310	1,270	510	3,090	52,730	607,950
2007/08	1,340	1,570	450	3,360	51,790	636,880
Total	6,280	6,370	1,640	14,290	244,370	2,854,330
Change	670	1,110	380	2,160	25,820	326,910
% change from 2002/03	100.0%	241.3%	542.9%	180.0%	99.4%	105.5%

Source: National Insurance Recording System – 2006

A3. The current stock of housing

Tenure

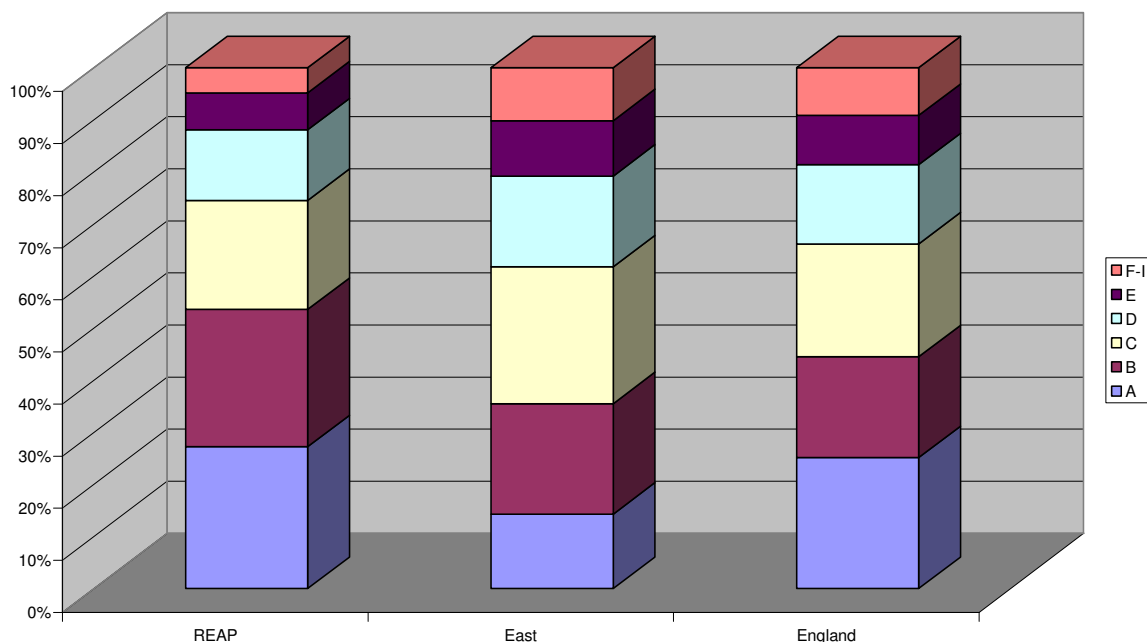
A3.2 Census data can provide detailed information about the tenure profile of households living in an area; however the data is now some years old. The table below presents the tenure profile recorded by the Audit Commission Housing Markets Data tool from 2007, compared to regional and national averages. Unfortunately it has not proved possible to repeat exactly the 2001 Census table with more up to date data. The table indicates that the private sector has a higher proportion of properties than the regional and national average in all three REAP authorities.

Table A3.1 Tenure 2007						
Tenure Category	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
Private sector	85.7%	86.0%	88.0%	86.5%	83.7%	83.5%
Council Housing Assoc/ RSL	0.0%	0.0%	0.0%	0.0%	7.9%	7.6%
	13.6%	13.0%	11.8%	12.9%	7.9%	8.6%

A3.3 Correspondingly, the social rented fraction is somewhat lower than either regional or national averages, although due to stock transfer having taken place in all three authorities, the council total is zero and the housing association total higher.

A3.9 A good indication of the quality and price structure of the housing stock is the distribution of dwellings by Council Tax Band. The figure below shows that **27.4% of properties in Rural East Anglia fell into the lowest Council Tax Band, this compares with 14.3% across the region and 25.2% in England.** The proportion of dwellings in the highest bands (E to G) is noticeably lower than either the East of England or the England average. Overall, 74.6% of all properties fall into bands A, B & C, compared to 61.8% in the East of England, and 66.2% for England.

Figure A3.4 Dwellings by Council Tax Band (2007)



Source: ONS Neighbourhood Statistics 2007

A3.10 King's Lynn & West Norfolk has a high proportion (33.5%) of dwellings in the lowest Council Tax Band, as well as few dwellings in the highest bands. Of the local authorities in Rural East Anglia, North Norfolk has the highest proportion of dwellings in the highest bands.

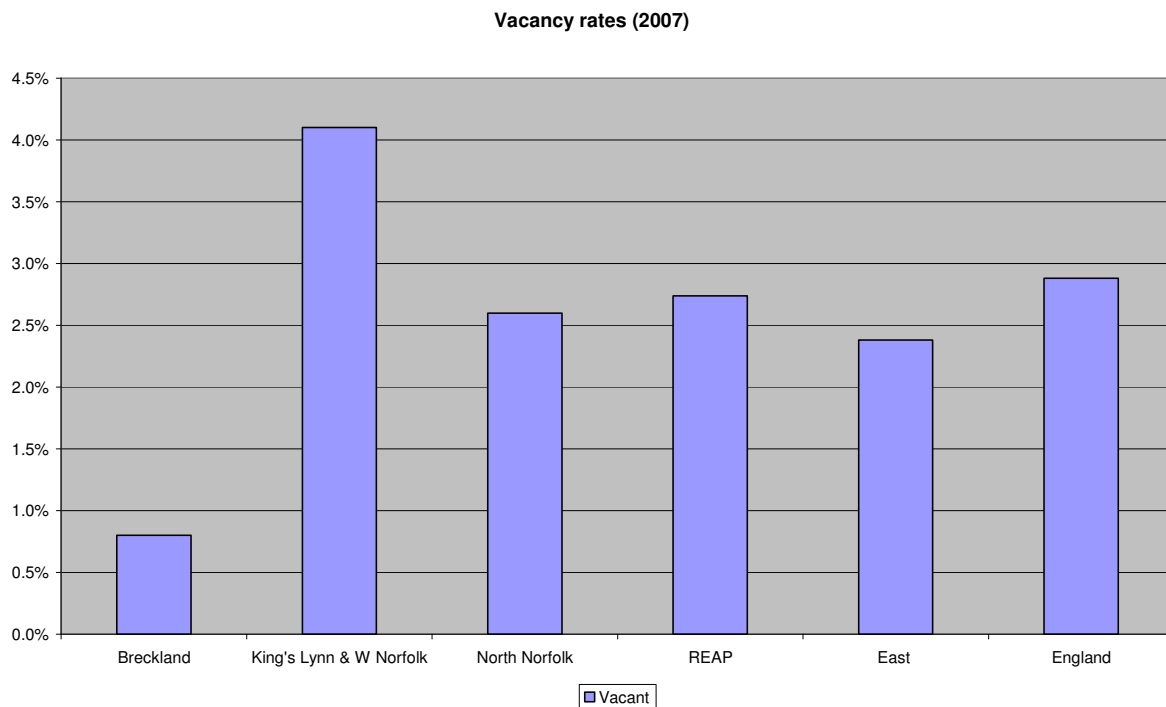
Table A3.2 Dwellings by Council Tax Band (2001)

	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
Band A	14,240	22,478	10,814	47,532	349,781	5,608,566
Band B	15,854	16,083	13,706	45,643	517,383	4,314,757
Band C	12,682	12,721	10,889	36,292	641,731	4,825,402
Band D	6,652	8,399	8,405	23,456	426,478	3,393,630
Band E	3,637	4,289	4,414	12,340	259,065	2,112,189
Band F-H	2,032	3,193	3,111	8,336	248,446	2,034,712
Total	55,097	67,163	51,339	173,599	2,442,884	22,289,256

Vacancy, Occupancy and Overcrowding

A3.15 According to the 2001 Census, 3.3% of all household spaces in Rural East Anglia were vacant, compared with a vacancy rate of 2.7% (excluding second homes) in the East of England region and 3.3% for England.

A3.16 By 2008, the overall REAP figure had fallen to below 3%, although there were significant disparities between the three authorities. However, REAP's vacancy rate was still higher than that for the East of England, and on a par with the rate for England as a whole.



A4. Property price information

Introduction

A4.1 This chapter sets out information from the Land Registry on house prices in Rural East Anglia and the surrounding area.

National, regional and local picture

A4.2 Information from the Land Registry shows that between the 1st quarter of 2001 and the 1st quarter of 2009 average property prices in England and Wales rose by 69.9%. For Rural East Anglia the increase was 71.3%

A4.3 The table below shows average prices in the 1st quarter of 2009 for each of England & Wales, the East of England and Rural East Anglia. **The table shows that average prices in Rural East Anglia are around 17% lower than the average for England & Wales and 5% below the East of England average.**

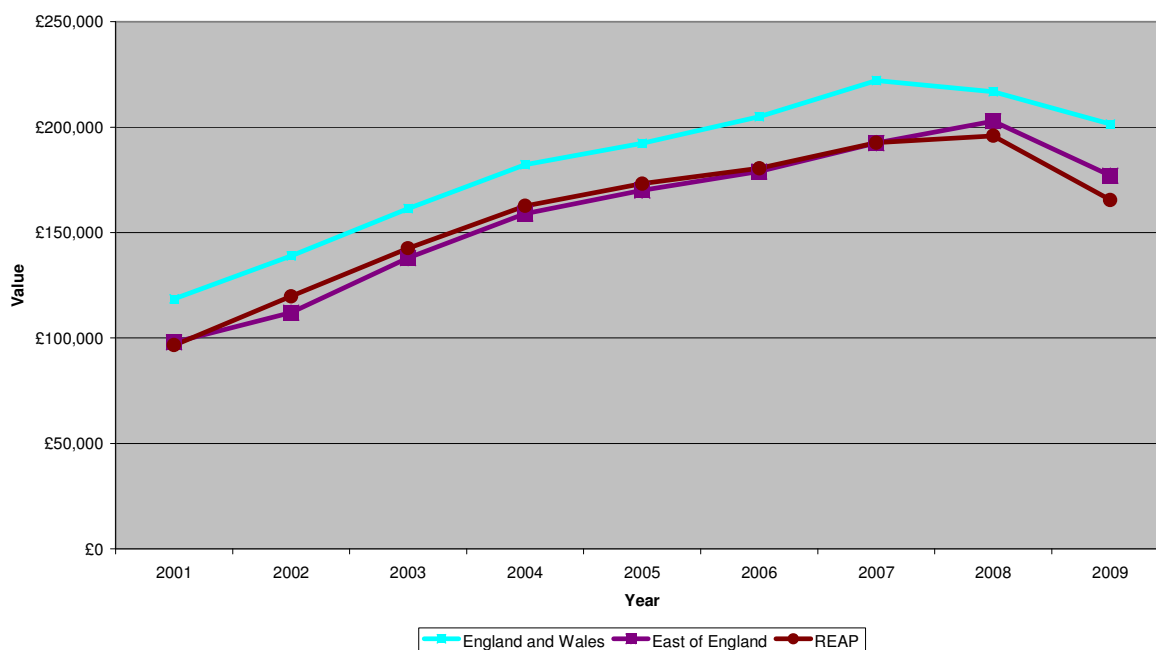
Table A4.1 Land Registry average prices (1st quarter 2009)

Area	Average price	As % of E&W
England and Wales	£198,939	100.0%
East of England	£177,039	88.9%
Rural East Anglia	£165,473	83.2%
Breckland	£161,284	81.1%
King's Lynn & W Norfolk	£160,076	80.5%
North Norfolk	£175,416	88.2%

Source: Land Registry 2001-9.

NB E&W average calculated by weighted mean of all English regions plus Wales

Figure A4.1 Land Registry Price Changes 2001-9 (1st quarters)



Source: Land Registry 2001-9.

Table A4.2 Land Registry price changes 2003 - 2009 (1st quarters)

Area	2003	2004	2005	2006	2007	2008	2009
Breckland	£136,481	£155,348	£165,237	£174,074	£185,745	£190,869	£161,284
King's Lynn & W Norfolk	£136,391	£157,844	£169,020	£172,619	£184,327	£188,546	£160,076
North Norfolk	£154,900	£174,895	£185,357	£194,649	£207,918	£208,829	£175,416

Source: Land Registry 2001-9.

A4.4 The table below shows average property prices for the REAP for each dwelling type (from Land Registry data). Unfortunately the volume of sales information is no longer broken down below county level, so the percentage of sales information cannot be repeated from the 2006 survey.

Table A4.3 Land Registry average prices and sales (2nd quarter 2006)		
Dwelling Type	Rural East Anglia Average price	East of England Average price
Detached	£209,466	£242,416
Semi-detached	£150,978	£159,279
Terraced	£127,211	£135,163
Flat/maisonette	£115,007	£123,422
All dwellings	£165,473	£177,039

Source: Land Registry 2001-9.

A4.5 This paragraph cannot be updated as the data is no longer available.

A4.6 The table below provides the equivalent information for the three local authority areas. It indicates that for all types of accommodation North Norfolk is the most expensive area other than for flats/maisonettes, with King's Lynn & West Norfolk cheapest for detached properties and flats/maisonettes, and Breckland cheapest for semi-detached and terraced properties.

Table A4.5 Land Registry average prices and sales (2nd quarter 2006)			
Dwelling Type	Breckland average price	King's Lynn & W Norfolk average price	North Norfolk average price
Detached	£199,207	£190,918	£238,273
Semi-detached	£143,235	£152,762	£156,938
Terraced	£114,357	£132,465	£134,812
Flat/maisonette	£134,180	£104,204	£106,638
All dwellings	£161,284	£161,284	£175,416

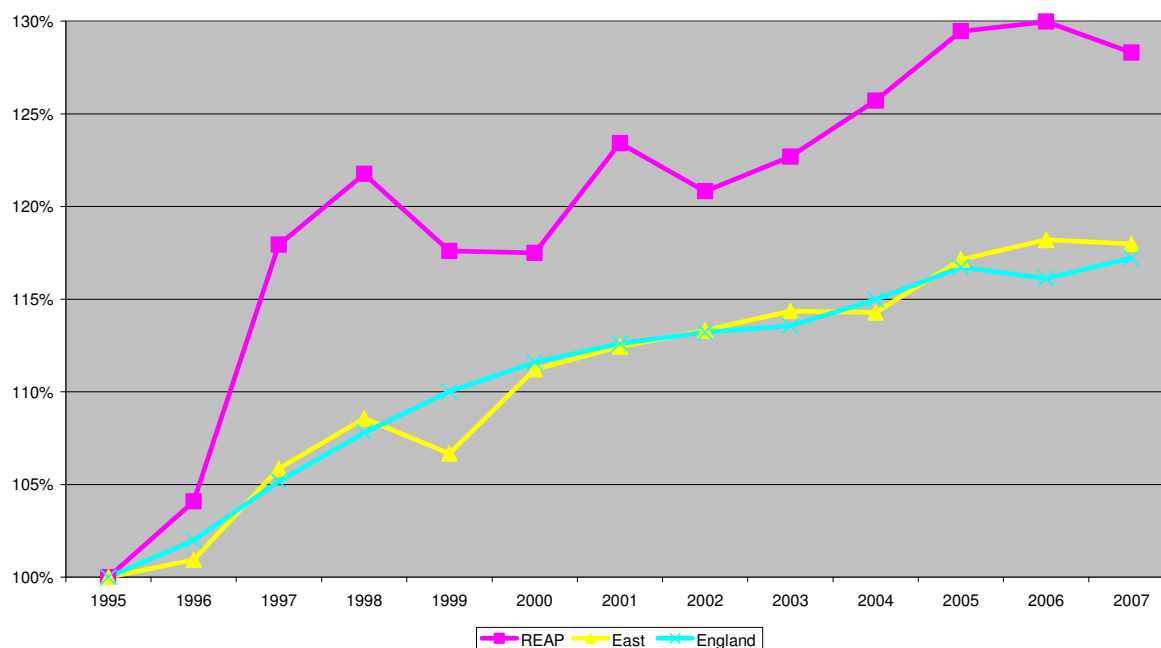
Source: Land Registry 2001-9.

A5. Past and current drivers of demand for housing

Employment

A5.3 Measured by the most recent Annual Business Inquiry (ABI) there were 123,300 employee jobs in Rural East Anglia in 2007. The figure below shows the trend in employee jobs from 1995 to 2007. **The data shows that in Rural East Anglia the number of jobs over the twelve year period increased by around 28%, although this increase briefly touched 30% in 2005. This is noticeably higher than the figures for the region as a whole and for England, where jobs rose by 17-18%.**

Figure A5.2 Indexed employment growth 1995 to 2007



Source: ONS NOMIS website

Table A5.1 Employment change 1995-2007

Area	Employment 1995	Employment 2007	Absolute change	% change
Breckland	29,867	41,500	11,633	38.95%
King's Lynn & W Norfolk	41,361	50,200	8,839	21.37%
North Norfolk	24,865	31,600	6,735	27.09%
Rural East Anglia	96,093	123,300	27,207	28.31%
East of England	2,015,230	2,377,600	362,370	17.98%
England	19,625,234	23,004,900	3,379,666	17.22%

Source: ONS NOMIS website

A5.4 Another measure in terms of the number of jobs is 'job density'. This is a measure of the number of jobs per person of working age. NOMIS data shows that there are 0.73 jobs per working age person in Rural East Anglia. This is slightly below the job density ratio of 0.84 for the East of England and 0.88 for England. **The job density data relates to 2007, and shows a slight decline since 2004 in REAP, whereas both the East of England and England have increased.**

A5.5 The table below shows a breakdown of the types of employment in Rural East Anglia, the East of England and England as a whole. The table shows that the most important sectors within the Rural East Anglia economy are distribution, hotels & restaurants (**28.0%, a small increase on the original survey**), public administration, education & health (**27.1%, also a small increase**) and manufacturing (**16.8%, a very small fall**).

A5.6 The data shows that Rural East Anglia has a different employment profile to the region as a whole, with a **much higher proportion of employees in the manufacturing and construction**, with **many fewer people in transport and communications, and finance, IT and other business activities.**

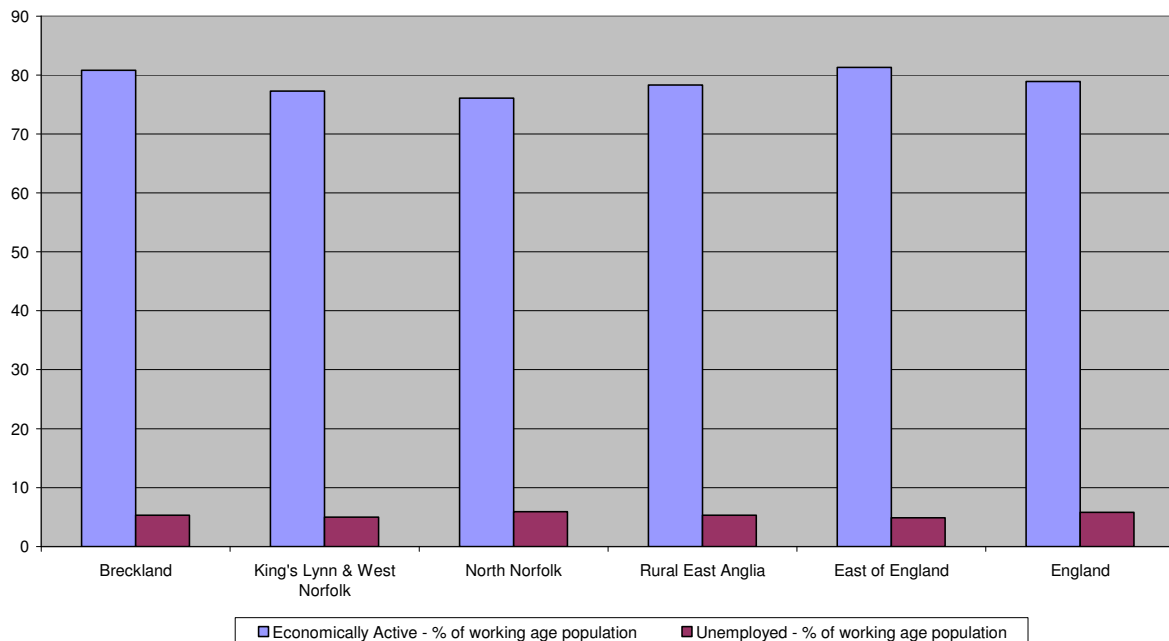
Table A5.2 Employment types by broad sector (2007)						
Employment category	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
Manufacturing	18.7%	14.5%	13.4%	16.8%	10.7%	10.6%
Construction	5.8%	5.9%	5.2%	6.0%	5.5%	4.8%
Distribution, hotels & restaurants	23.9%	25.1%	31.4%	28.0%	24.7%	23.5%
Transport and communications	5.7%	3.7%	3.4%	4.6%	6.1%	6.0%
Finance, IT & other business activities	14.9%	11.0%	10.8%	13.0%	20.7%	22.3%
Public administration, education & health	21.1%	28.9%	25.6%	27.1%	25.5%	26.3%
Other services	4.3%	4.3%	5.1%	4.8%	4.8%	5.2%

Source: ONS NOMIS website

Unemployment rates

A5.7 An important and related feature is the unemployment level in the area. The overall unemployment rates vary by less than 1% across the districts, sub-region, region and nationally. Similarly, there is little difference across the economic activity rates, although North Norfolk is noticeably slightly lower, which is likely to be due to the number of early retirees in the area.

Figure A5.3 Economic Activity Rate and Unemployment (2007)



Source: NOMIS website – 2007

A5.8 It is of interest to see how unemployment rates have changed over time. One means of studying this is to look at the number of people claiming unemployment benefits. The figure below shows how the claimant rate (as a proportion of working age population) has changed over the period since 1997, with figures used being either March or April each year.

A5.9 The current claimant count in Rural East Anglia is 5.4% of the working age population compared with 4.9% in the East of England region and 5.7% nationally. Understandably these figures are considerably higher than the original survey due to recent economic circumstances, with the REAP figure having moved ahead of the East of England figure for the first time in some years.

A5.10 However the REAP claimant count has to a large extent followed the national and regional trends, with sharp falls from 1997 to 2001, stability from 2001-2006 and sharp rises thereafter – albeit these rises have been somewhat sharper in REAP than in the region and nation.

Figure A5.4 Claimant Rate 1997 to 2008



Source: NOMIS website – 2007

A5.11 Breckland has generally had the lowest claimant count over the study period, although this has recently sharply increased relative to the other authorities. North Norfolk has had the highest claimant count for Norfolk and West Norfolk.

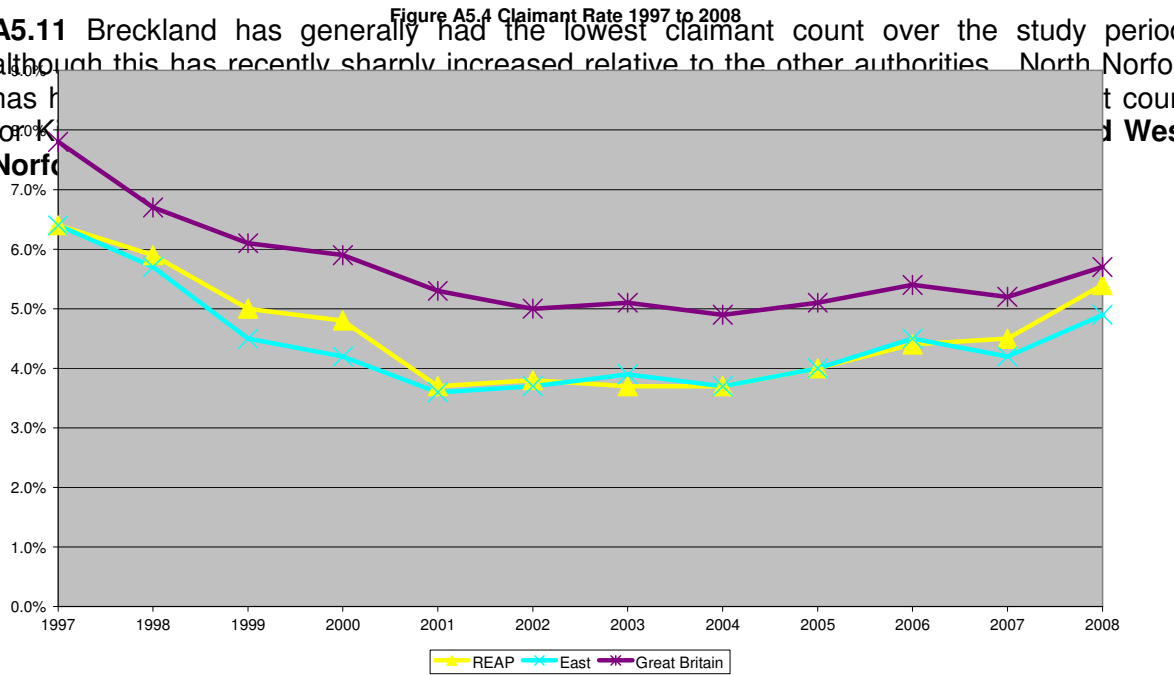


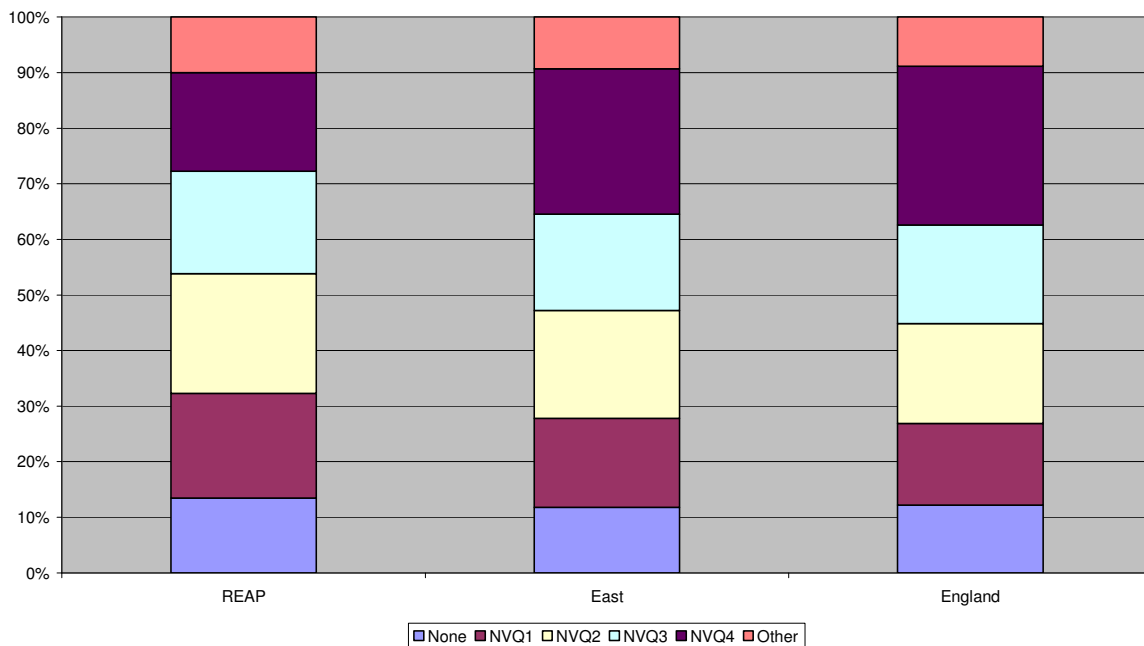
Table A5.3 Claimant rate 1997 to 2008												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Breckland	6.0%	6.0%	4.8%	4.5%	3.7%	3.4%	3.3%	3.4%	3.4%	3.8%	4.2%	5.3%
King's Lynn & W Norfolk	6.1%	6.2%	5.3%	5.1%	3.7%	4.2%	4.2%	3.9%	4.2%	4.7%	4.6%	5.0%
North Norfolk	7.0%	5.4%	5.0%	4.7%	3.7%	3.7%	3.6%	3.9%	4.3%	4.6%	4.6%	5.9%
Rural East Anglia	6.4%	5.9%	5.0%	4.8%	3.7%	3.8%	3.7%	3.7%	4.0%	4.4%	4.5%	5.4%
East of England	6.4%	5.7%	4.5%	4.2%	3.6%	3.7%	3.9%	3.7%	4.0%	4.5%	4.2%	4.9%
Great Britain	7.8%	6.7%	6.1%	5.9%	5.3%	5.0%	5.1%	4.9%	5.1%	5.4%	5.2%	5.7%

Source: NOMIS website – 2007

Skills and educational attainment

A5.12 An important factor in the ability of any economy to grow is the level of skill of the workforce. The figure below shows the skills of Rural East Anglia workforce compared with other areas. The Rural East Anglia workforce has a lower level of skills attainment than the regional and national level with around 17.5% qualified to NVQ4+ (degree level). **Although this is significantly higher than the 16% from the last survey, it still lags well behind the 26% for the East of England, and the 28% national figure.** Around 13.5% of the workforce possesses no qualifications, a figure well above the regional and national equivalents, and only a small drop from the 14% in the original survey. Overall, Rural East Anglia's residents are significantly less qualified than those elsewhere in the East of England, and England overall.

Figure A5.5 Educational Attainment (2008)



Source: NOMIS website – 2008

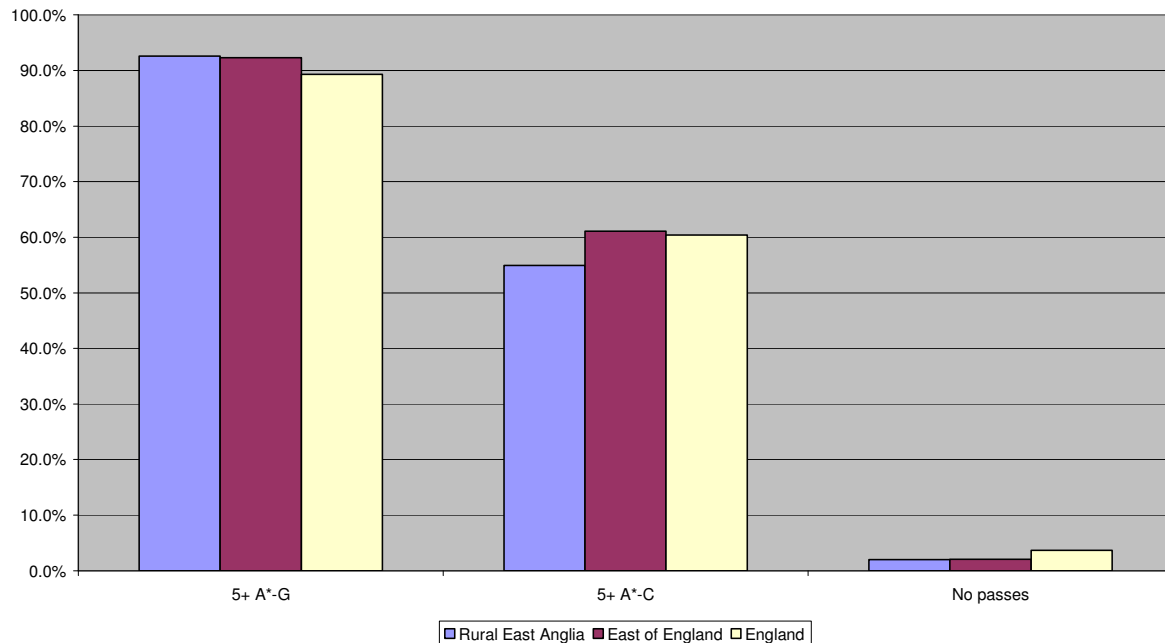
A5.13 However, this hides some relative disparities within the three districts. North Norfolk has a much lower proportion of the population achieving no qualifications, comparable to the national average, and a higher proportion of the population achieving NVQ4+ (degree level) qualifications – although still noticeably below the national average. Breckland demonstrates low levels of highly qualified people, with barely a quarter of its population having levels 3, 4 or higher qualifications, although quite a large number of people have level 1 or 2 certificates. Overall, these figures are still below the regional and national averages, indicating that Rural East Anglia is relatively poorly qualified.

Table A5.4 Educational attainment (2008)						
	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
No qualifications	13.6%	14.3%	11.9%	13.5%	11.8%	12.3%
Level 1	20.9%	14.6%	22.1%	18.8%	16.0%	14.2%
Level 2	27.7%	19.2%	16.6%	21.6%	19.4%	18.1%
Level 3	14.6%	21.9%	18.5%	18.4%	17.3%	17.8%
Level 4+	12.4%	18.6%	23.9%	17.8%	26.1%	28.7%
Other	10.8%	11.4%	7.0%	10.0%	9.3%	8.9%
Total	100.0%	100.0%	100.0%	100.1%	99.9%	100.0%

Source: NOMIS website – 2008

A5.14 The figure below reveals that Rural East Anglia has a mixed performance for secondary education when compared with other areas. The proportion of pupils achieving no passes is lower than nationally and the proportion achieving five passes at any level is higher; however fewer pupils achieve five good passes, seen as the key measure of educational attainment.

Figure A5.6 Educational Achievement of pupils (2007)



Source: ONS Neighbourhood Statistics 2009

A5.15 The data also shows that King's Lynn and West Norfolk has the weakest pupil performance, North Norfolk the most consistent, and Breckland the highest

percentage of pupils achieving five good passes, albeit still well below both the regional and national averages.

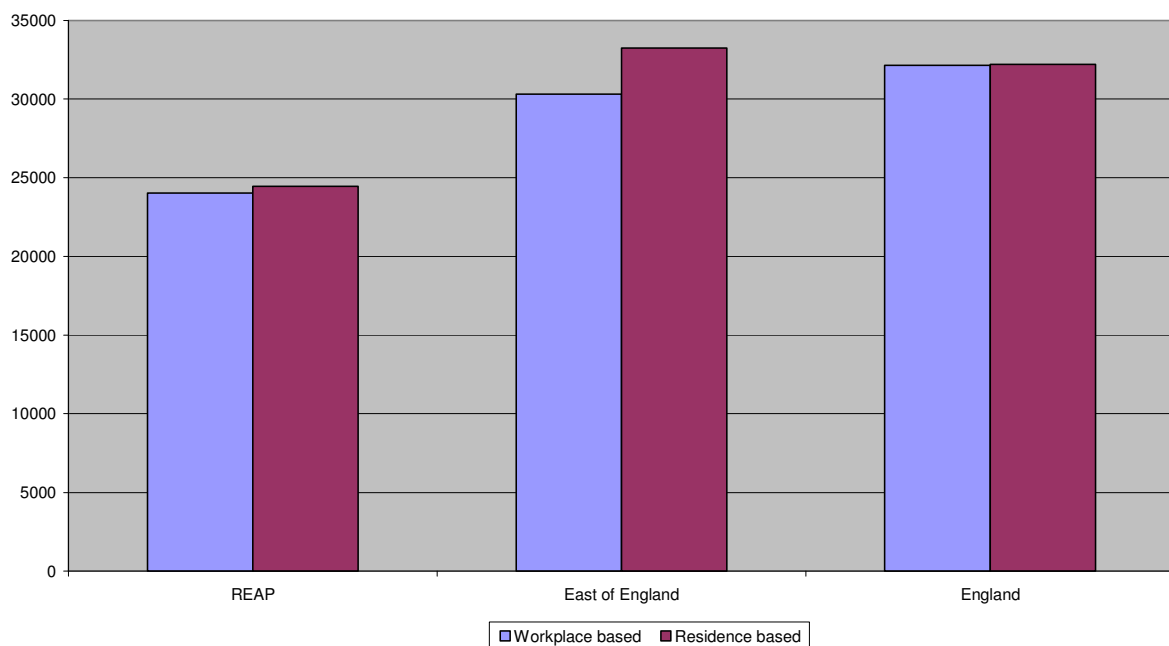
Table A5.5 Educational attainment (2007)						
	Breckland	King's Lynn & W Norfolk	North Norfolk	Rural East Anglia	East of England	England
5+ A*-G	92.8%	91.5%	93.6%	92.6%	92.3%	89.3%
5+ A*-C	57.0%	51.4%	53.4%	54.9%	61.1%	60.4%
No passes	2.0%	2.3%	1.5%	2.0%	2.1%	3.7%

Source: ONS Neighbourhood Statistics 2009

Pay levels

A5.16 Income is a crucial determinant in whether or not households are able to access the private sector housing market (whether to buy or rent). The figure below provides information on gross annual pay in Rural East Anglia, the East of England and England. The figures are shown on both a workplace and residence based approach. Rural East Anglia exhibits a different relationship between workplace and resident annual pay rates than the country as a whole but has a relationship similar to that found in the East of England region, albeit with a significantly lower differential. It can be inferred that this is due to large numbers of residents in the southern part of the region commuting to higher paid roles in London.

Figure A5.7 Annual Gross Pay (2008)



Source: Annual Survey of Hours and Earnings, 2008

A5.17 The fact that workplace pay in Rural East Anglia is slightly lower than the residence pay carries two messages:

- Those who live in the area are relatively wealthy and significant numbers commute to work outside the area in relatively highly paid jobs
- Those who commute into the area have incomes that are relatively lower than those of area residents, and presumably commute into jobs that are relatively lower paid.

A5.18 The table below shows the variation between the pay of residents and employees of an area for the three individual authorities. **It indicates King's Lynn residents earn less than their workplace counterparts, indicating some quite highly paid jobs in the area, whereas in the other two area residents earn more than employees. This is particularly pronounced in Breckland, with a £1,300 gap, however this is significantly lower than the £1,740 from the previous survey.**

Table A5.6 Annual gross pay (2005)		
Area	Workplace based	Residence based
Breckland	£23,174	£24,401
King's Lynn & W Norfolk	£25,363	£25,092
North Norfolk	£22,547	£23,654
REAP	£24,022	£24,459
East of England	£30,318	£33,243
England	£32,157	£32,203

Source: Annual Survey of Hours and Earnings, 2008

B1. Data collection

No updates were possible to this chapter.

C1. Affordability calculations

Appropriate price level for the affordability test

C1.2 The analysis of property price and rent data presented in chapter 8 of the SHMA showed entry-level for different locations in each of the four size categories.

C1.3 However, in order to decide what price level is the most appropriate to use for assessing whether or not a household is able to access the housing market, it is necessary to consider two aspects:

- The appropriate measure of price (e.g. minimum or average prices/costs)
- How to deal with a situation where significant price variations have been identified within the housing market area

C1.4 On the first point, we use the entry-level prices collected in the estate agents survey, since these have been designed to represent the 'entry level' into the housing market. For consistency we will also use entry-level private rental costs as part of the affordability test.

C1.5 Given the distinct sub-areas of the housing market area it seems sensible to use the prices for individual areas when determining affordability. Hence households are tested against the prices for the part of the housing market area in which they currently live. These prices are presented in the table below.

Table C1.1 Entry-level prices in Rural East Anglia					
	Social rent £ weekly	Intermediate £ weekly	Min private rent £ weekly	Min price sale £ weekly	Min price sale £price
Breckland					
1 bed	£55	£68	£81	£99	£73,950
2 bed	£65	£81	£98	£133	£99,995
3 bed	£72	£94	£115	£166	£124,950
King's Lynn & West Norfolk					
1 bed	£56	£67	£81	£100	£74,950
2 bed	£65	£82	£98	£123	£92,000
3 bed	£72	£96	£121	£153	£114,995
North Norfolk					
1 bed	£54	£70	£90	£87	£65,000
2 bed	£64	£89	£114	£146	£109,500
3 bed	£68	£108	£150	£186	£139,950
Western Coastal					
1 bed	£54	£65	£75	£113	£85,500
2 bed	£64	£82	£99	£146	£109,500
3 bed	£68	£98	£127	£187	£139,995

Note Outgoings for purchase options assume variable rate 25 yr repayment mortgage. With interest only payments outgoings would reduce by approx 20% though benefits of ownership would be lost as the property would not be owned outright at the end of the mortgage term. Data for this table comes from a survey of website prices (Rightmove) carried out in 2009.

C2. Household financial capacity

No updates were possible to this chapter.

C3. Unsuitable housing

No updates were possible to this chapter.

C4. Supporting data for needs estimates

Step 1.3 Homeless Households

C4.4 The Housing Needs Assessment is a 'snapshot' survey that assesses housing need at a particular point in time. There will, in addition to the existing households in need, be some homeless households who were in need at the time of the survey and should also be included within any assessment of backlog need. To assess these numbers we have used information contained in the Council's P1(E) Homeless returns.

C4.5 The main source of information used is Section E6: Homeless households accommodated by your authority at the end of the quarter. The important point about this information is the note underneath. "This should be a 'snapshot' of the numbers in accommodation on the last day of the quarter, not the numbers taking up accommodation during the quarter." This is important given the snapshot nature of the survey. Data compiled from September 2009 P1 (E) returns is shown in the table below.

**Table C4.1 Homeless households accommodated by authority at March 2009
(Section E6, P1(E) form)**

Category	Quarter ending 31/3/2009
<u>Bed & Breakfast</u>	<u>1</u>
<u>Other nightly paid</u>	<u>9</u>
<u>Hostel</u>	<u>3</u>
Private sector accommodation leased by authority	6
Private sector accommodation leased by RSLs	11
Directly with a private sector landlord	6
Within Council's own stock	7
RSL stock on assured shorthold tenancies	34
Other	2
Total	79

Source: Individual council's March 2009 P1(E) forms

C4.6 Not all of the categories in the above table are added to our assessment of existing and potential households in need. This is because, in theory, they will be part of our sample for the Housing Market Assessment. For example, households housed in private sector accommodation should already be included as part of the housing need – such household addresses should appear on the Council Tax file from which the sample was drawn. After considering the various categories, we have decided there are three which should be included as part of the homeless element. These have been underlined in the table above. **Therefore, of the 79 homeless households in temporary accommodation, 13 will be counted as homeless for the purpose of the Housing Market Assessment.**

Step 2.3 Committed supply of new units

C4.7 This step uses information from the 2006 HSSA returns about the number of planned and proposed affordable units for the period 2006-2008 as a guide to new provision. The table below shows the information contained on the HSSA form on planned affordable housing provision in rural East Anglia over the next two years.

Table C4.2 Planned provision of affordable housing			
	2008/9	2009/10	Average
<i>LA dwellings</i>	0	0	0
<i>RSL rented dwellings</i>	332	370	351
Social Rented subtotal	332	370	351
<i>RSL shared ownership dwellings</i>	71	98	85
<i>Affordable 'other' private sector dwellings</i>	0	0	0
Intermediate subtotal	71	98	85
Total affordable housing	403	468	436

Source: Individual Council's 2008 HSSA forms

C4.8 These figures are then annualised and multiplied by five to make an estimate of the likely supply over the next five years (see step 2.7 for rationale behind a five year period). **The annual figure of 436 equates to 2,180 units of affordable housing over a five year period.**

Step 4.1 – annual supply of social re-lets (net)

(ii) RSL stock

C4.17 The table below shows an estimate of the supply of lettings from RSL stock (excluding RSL to RSL transfers) over the past 2 years, using HSSA and CORE data:

Table C4.6 Analysis of past housing supply – (RSL sector)

	2006/7	2007/8	Average
HSSA data	1454	1598	1526
CORE data	1694	1640	1667
Average	1574	1619	1597

Source: individual council's CORE and HSSA returns

C4.18 The average for the two-year period from both sources together is 1,597 per annum.

C5. Balanced Housing Model

No updates were possible to this chapter

D1. Policy Context for Rural Areas

No updates were possible to this chapter

E1. Notes of Stakeholder Meetings

No updates were possible to this chapter