HOME BUILDERS FEDERATION

South East

Housing crisis report

January 2012

Home Builders Federation
1st Floor Byron House, 7-9 St James's Street, London SW1A 1EE
Tel: 0207 960 1600 F: 0207 960 1601
Email: info@hbf.co.uk Website: www.hbf.co.uk Twitter: @HomeBuildersFed

England's Housing Crisis

- In 2010 England saw the lowest peacetime house building rate since 1923 – just 103,000 completions.

- Affordability has plummeted – in the last 40 years the average house price to salary ratio has almost doubled; the price of the average home purchased is now almost 5x the average annual salary of the buyer.

- First time buyers are at record lows. Eight out of ten first-time buyers require financial help from family or friends, and the average age of unassisted first-time buyers has soared.

- Close to a fifth of women and a third of men aged between 20 and 34 are still living at home.

- Social Housing Waiting Lists have almost doubled in the last 10 years to 1.83 million households; around 5 million people are waiting for a home.

- 50,000 families live in temporary accommodation and 250,000 families in social housing are in over-crowded accommodation.

- **Official projections show the need for an additional 232,000 homes in England per year just to meet growth in the number of households.[1]**

[1] DCLG Live Tables (Table 403: Household projections by region, England, 1971-2033)

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South East Housing Crisis

The South East is no exception to the housing crisis.

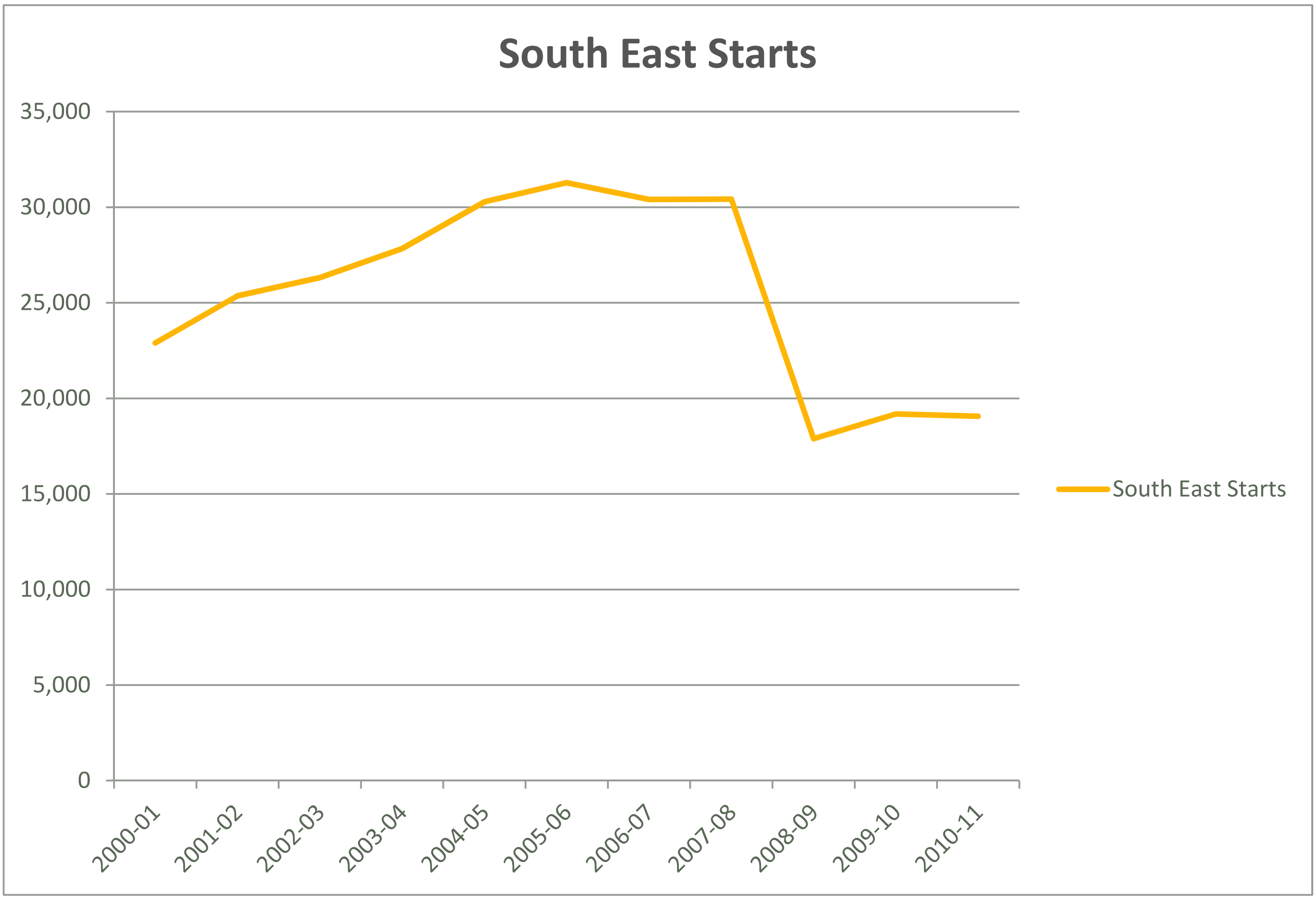
In the South East:

- House building has fallen by 37% since 2006/07; there were 30,410 housing starts in 2006/7 and just 19,060 in 2010/11.
- Planning permissions have collapsed over the last four years with total permissions granted across the whole region in 2010/11 - down by more than 42% since 2006/7.
- The government's own household projections calculate that between 2008 and 2033 the number of households in the South East will increase by 987,000 – almost 40,000 per annum.
- The social housing waiting lists in the region have increased by 73% over the last decade – 225,000 families are waiting for home.
- Over the last ten years the median house price has more than doubled from £112,000 to £229,000.
- First time buyers who needed to find around £12,000 for a deposit in 2000 now need to put down £46,000

House-Building in the South East

House-building in the South East has collapsed over the last three years with starts averaging 28,100 in the eight years up to 2007/8 but just 18,710 from 2008/9 – 2010/11.

South East	
Financial Year	No. of Starts
2000-01	22,900
2001-02	25,360
2002-03	26,320
2003-04	27,830
2004-05	30,280
2005-06	31,280
2006-07	30,410
2007-08	30,420
2008-09	17,890
2009-10	19,180
2010-11	19,060



Planning Permissions

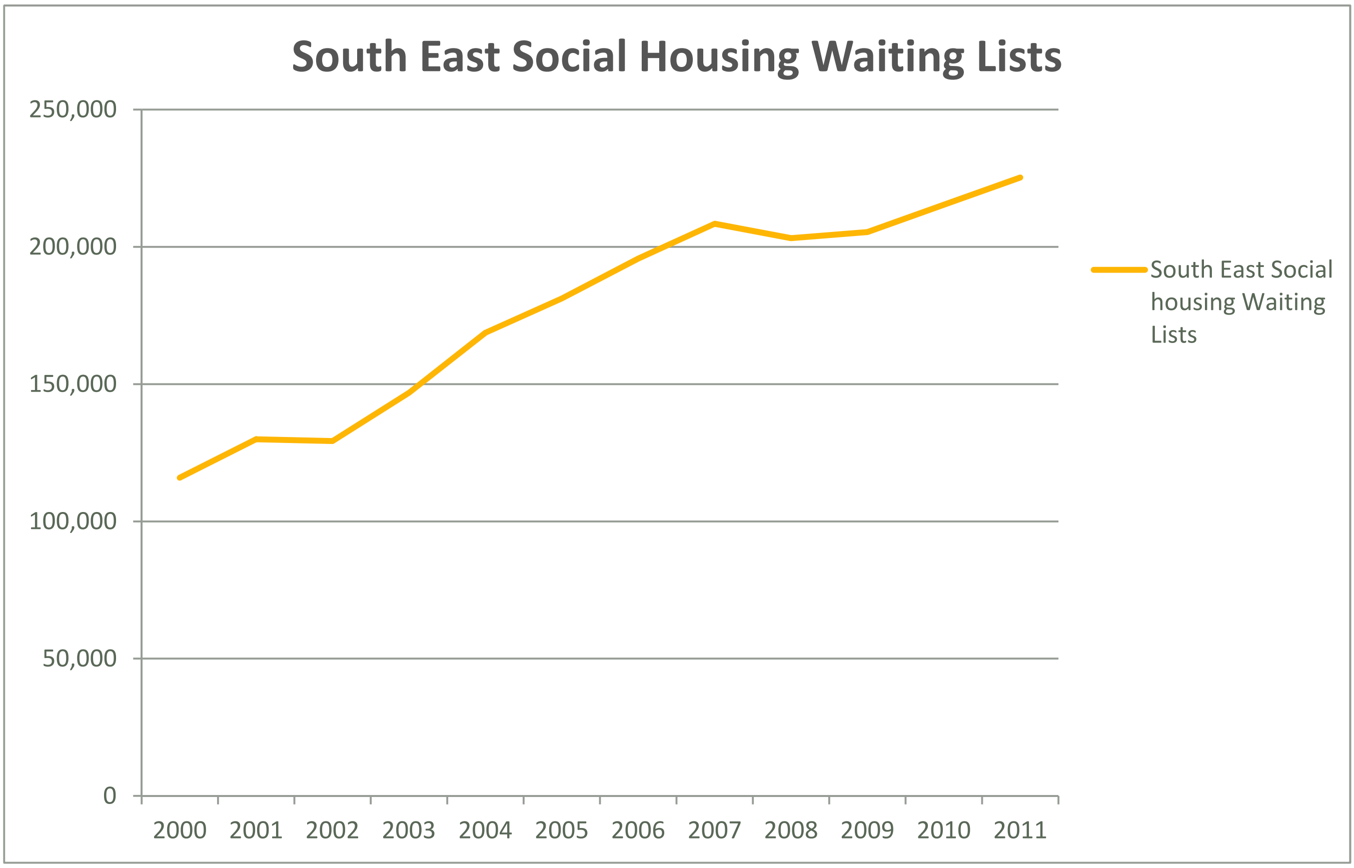
The number of granted planning permissions is the best indicator of future housing growth. In the South East planning permissions have fallen by 47% over the last year compared with 2006/7.

Planning Permissions	
Year	**South East**
Q4 2006 - Q3 2007	**33,624**
Q4 2010 - Q3 2011	**17,683**

Social Housing Waiting List

This is the number of families on local authority lists in the region waiting for access to social housing; there are over 225,000 households on the waiting lists, close to 100,000 more families than a decade ago.

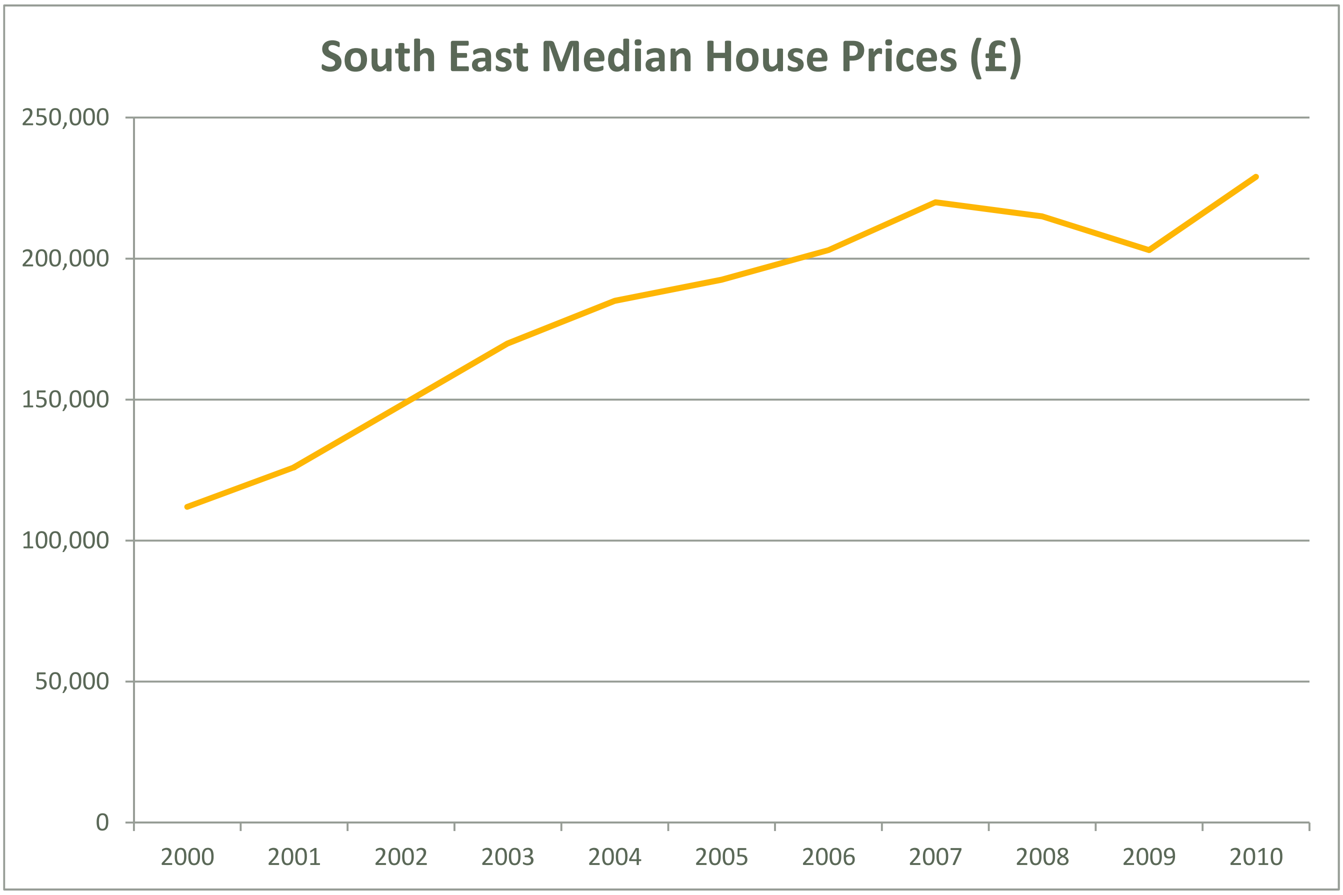
Social Housing Waiting List	
Year	West Midlands
2000	129,924
2001	129,234
2002	146,880
2003	168,725
2004	181,196
2005	195,700
2006	208,419
2007	203,161
2008	205,371
2009	215,373
2010	225,250



South East House Prices

Median house prices in the region have more than doubled since 2000 and are now around £229,000.

Median House Prices (£)	
Year	West Midlands
2000	112,000
2001	126,000
2002	148,000
2003	169,950
2004	185,000
2005	192,500
2006	203,000
2007	220,000
2008	215,000
2009	203,000
2010	229,000



Household Projections

Between 2008 and 2033 the government has estimated that the number of households in the South East will increase by close to one million – almost 40,000 households per year. The largest increases are predicted in Milton Keynes where 39,000 new households will be formed by 2033, while Southampton and Portsmouth will see a rise of 28,000 and 25,000 families respectively.

Local Authority	Household Projected Growth (2008-2033)	Household Projections p.a.
South East	**987000**	**39480**
Adur	7000	280
Arun	23000	920
Ashford	18000	720
Aylesbury Vale	18000	720
Basingstoke & Deane	22000	880
Canterbury	20000	800
Cherwell	17000	680
Chichester	16000	640
Chiltern	7000	280
Crawley	13000	520
Dartford	14000	560
Dover	11000	440
East Hampshire	10000	400
Eastbourne	17000	680
Eastleigh	14000	560
Elmbridge	14000	560
Epsom and Ewell	10000	400
Fareham	10000	400
Gosport	11000	440
Gravesham	11000	440
Guildford	11000	440
Hart	10000	400
Hastings	9000	360
Havant	8000	320
Horsham	17000	680
Lewes	13000	520
Maidstone	18000	720
Mid Sussex	14000	560
Mole Valley	10000	400
New Forest	21000	840
Oxford	7000	280
Reigate and Banstead	21000	840
Rother	14000	560
Runnymede	9000	360
Rushmoor	7000	280
Sevenoaks	12000	480
Shepway	14000	560
South Bucks	9000	360
South Oxfordshire	11000	440
Spelthorne	10000	400
Surrey Heath	8000	320
Swale	18000	720
Tandridge	10000	400
Test Valley	12000	480
Thanet	16000	640
Tonbridge & Malling	15000	600
Tunbridge Wells	12000	480
Vale of White Horse	10000	400
Waverley	11000	440
Wealden	17000	680
West Oxfordshire	13000	520
Winchester	13000	520
Woking	10000	400
Worthing	15000	600
Wycombe	13000	520
Bracknell Forest UA	14000	560
Brighton & Hove UA	23000	920
Isle of Wight UA	20000	800
Medway UA	22000	880
Milton Keynes UA	39000	1560
Portsmouth UA	25000	1000
Reading UA	15000	600
Slough UA	15000	600
Southampton UA	28000	1120
West Berkshire UA	19000	760
Windsor and Maidenhead UA	19000	760
Wokingham UA	23000	920

Household projections are not an exact science but they are the only means by which Government can attempt to predict household growth over the coming years. It must be noted that these predictions have in the past been both too high and too low but are, over the long term, fairly reliable. The figures do not simply relate to increased population but also to increased life expectancy and social changes.

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Economic Growth

House building is vital to local and national economies, bringing local employment and local economic growth. The government's incentive for local authorities, the New Homes Bonus, will also ensure economic investment for each house built.

Employment Calculator

1. Every home built means the creation of 1.5 full-time 'direct' jobs
   Labour Needs of Extra Housing Input Professor Michael Ball -
   http://tinyurl.com/6k9xgj6

2. Building 39,480 homes per year (to Government household projection levels) creates 59,220 direct jobs in the region. That would mean **30,630 new jobs as a result of increased construction**.

3. The HBF estimates that at least twice that employment is created in the supply chain – **more than 60,000 extra jobs**

4. If the number of homes built was increased to meet projected need the number of jobs created in housing supply in the South East would be around 90,000

New Homes Bonus

The New Homes Bonus is central government match funding the council tax from each new house for 6 years. This is based on annual net additions so includes bringing empty homes back into use as well as construction. Across the South East, if enough homes were built to meet the projected need the local authorities (and, where relevant, their county councils) would share around £340million between them every year (from year 6) - £134million more than they will currently receive.

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South East Housing Crisis League Tables

Under the Coalition Government local authorities have been given more power to shape their areas and tackle planning and development. Across the South East the sixty-seven local authorities are reacting differently to the region's housing crisis; some with relative success are pro-actively enabling house-building, others are struggling to do so in the midst of upheaval of the planning system.

Below are a series of tables which rank local authorities on various housing crisis indicators.

Table 1 reflects the level of housing starts in each local authority over the last five years and compares the difference between house building in 2006/7 and in 2010/11.

Table 2 examines the level of house building in each local authority area in comparison with the projected growth of households in that area.

Table 3 examines the levels of social housing need in each local authority area and how it has changed over the last decade.

Tables 4 & 5 examine median house prices and the house price to salary ratio in each local authority and compare them to the regional and national average.

Tables 6 & 7 examine lower quartile house prices – those most often purchased by first time buyers - and the house price to salary ratio in each local authority and compare them to the regional and national average.

Table 8 shows how much New Homes Bonus money each local authority in the South East is currently receiving and what they could potentially earn if they allowed construction of homes to match household projections.

Table 9 reveals the extent of potential job creation from increased housing construction in the region

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Table 1: Housing Starts, comparison between 2006/7 and 2010/11

Table 1
Across the South East as a whole house building starts are down 37/38% in the five years between 2006/7 and 2010/11.
Just 14 Local Authorities (out of 67) have maintained or increased house-building over that period, the rest have seen house-building fall. 23 local authorities (excluding those with insufficient data) have suffered house-building falls of 50% or more with Slough, Brighton & Hove and Crawley experiencing collapses of 80% or more.

Table 1: Housing Starts, comparison between 2006/7 and 2010/11

Rank	Housing Starts	2006/7	2007/8	2008/9	2009/10	2010/2011	difference between 2005/6 & 2010/11	% difference between 2005/6 & 2010/11
1	Wealden	300	240	250	420	720	420	140
2	Eastbourne	70	380	110	60	140	70	100
3	Aylesbury Vale	630	570	440	730	920	290	46
4	Winchester	480	n/a	1,320	1,510	650	170	35
5	Epsom and Ewell	200	190	70	280	270	70	35
6	Test Valley	320	260	230	380	370	50	16
7	Arun	410	560	290	390	460	50	12
8	Adur	90	90	60	70	100	10	11
9	Mid Sussex	480	590	180	230	520	40	8
10	Runnymede	250	420	230	120	260	10	4
11	Ashford	350	340	130	410	360	10	3
12	Canterbury	410	510	210	280	420	10	2
13	Woking	270	700	130	110	270	0	0
14	Lewes	230	230	90	180	230	0	0
15	Elmbridge	n/a*	330	320	210	300	-30	-9
16	Bracknell Forest UA	310	410	370	450	280	-30	-10
17	Surrey Heath	210	170	30	40	180	-30	-14
18	South Oxfordshire	400	220	140	140	340	-60	-15
19	Reading UA	610	650	450	400	490	-120	-20
20	Gravesham	190	350	150	310	150	-40	-21
21	Dover	90	280	100	100	70	-20	-22
22	Guildford	220	180	170	190	170	-50	-23
23	Chichester	430	530	390	260	330	-100	-23
24	East Hampshire	370	570	290	210	270	-100	-27
25	Medway UA	700	n/a	520	500	500	-200	-29
26	Hart	240	50	10	90	170	-70	-29
27	Spelthorne	240	200	170	250	170	-70	-29
28	Basingstoke & Deane	940	1,540	1,050	880	660	-280	-30
29	Worthing	160	250	110	70	110	-50	-31
30	Eastleigh	470	460	380	310	310	-160	-34
31	Shepway	200	330	200	160	130	-70	-35
32	Maidstone	1,000	1,390	730	380	640	-360	-36
33	Wycombe	500	510	420	480	320	-180	-36
34	Portsmouth UA	690	580	600	160	430	-260	-38
35	South Bucks	260	450	70	40	160	-100	-38
36	Milton Keynes UA	2,450	1,710	1,110	1,130	1,410	-1040	-42
37	Chiltern	210	80	70	50	120	-90	-43
38	New Forest	330	350	170	260	180	-150	-45
39	Southampton UA**	930	740	900	610	500	-430	-46
40	Vale of White Horse	430	460	360	..	230	-200	-47
41	Isle Of Wight UA	740	740	370	300	370	-370	-50
42	Swale	1,010	n/a	330	550	500	-510	-50

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43	Wokingham UA	540	350	190	210	260	-280	-52
44	Fareham	530	390	240	200	250	-280	-53
45	Reigate & Banstead	660	910	320	360	310	-350	-53
46	Horsham	290	340	150	170	130	-160	-55
47	Gosport	310	160	40	100	130	-180	-58
48	West Oxfordshire	760	410	240	100	310	-450	-59
49	Tunbridge Wells	270	230	40	300	110	-160	-59
50	Tandridge	370	290	190	150	150	-220	-59
51	Rother	260	270	60	90	n/a*	-170	-65
52	Mole Valley	270	160	50	70	90	-180	-67
53	Hastings	180	100	30	10	60	-120	-67
54	Havant	300	240	110	130	90	-210	-70
55	Dartford	580	550	150	350	170	-410	-71
56	Oxford	720	500	330	250	210	-510	-71
57	Windsor & Maidenhead UA	610	360	210	140	170	-440	-72
58	Waverley	180	210	70	160	50	-130	-72
59	West Berkshire UA	840	590	200	130	210	-630	-75
60	Cherwell	450	380	210	180	100	-350	-78
61	Slough UA	540	440	260	240	110	-430	-80
62	Brighton & Hove UA	370	660	130	60	50	-320	-86
63	Crawley	1,060	520	70	300	100	-960	-91
64	Rushmoor	180	320	..	n/a	n/a	n/a	n/a
65	Sevenoaks	150	160	70	n/a	n/a	n/a	n/a
66	Thanet	n/a	n/a	n/a	n/a	n/a	n/a	n/a
67	Tonbridge & Malling	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	South East	**29,240**	**30,420**	**17,890**	**19,180**	**18,240**	**-11000**	**-38**
	Using nearest housing stats as per CLG Live Tables	**30,410**				**19,060**	**-11350**	**-37**

Where figures are unavailable the nearest year is used

Table 2: Housing Starts, comparison with projected housing need 2008-2033

Table 2
While the statistics demonstrating how house-building levels have changed over the last 5 years are interesting, the vital figures reveal how close the local authorities are to meeting their projected housing need – and therefore tackling the housing crisis. Across the South East only 46% of homes are being built to meet household projections.

Just three local authorities are exceeding their current projected housing need while 64 are failing to get to the necessary house-building levels. Incredibly, 16 councils out of 67 are presiding over housing construction of less than a quarter of that needed including Brighton where just one in twenty homes is being started.

Table 2: Housing Starts, comparison with projected housing need 2008-2033

Rank	Housing Starts	Housing Starts 2010/2011	Annual Household Projections	% annual household projections currently being started
1	Aylesbury Vale	920	720	128
2	Winchester	650	520	125
3	Wealden	720	680	106
4	Mid Sussex	520	560	93
5	Milton Keynes UA	1,410	1,560	90
6	Maidstone	640	720	89
7	Reading UA	490	600	82
8	South Oxfordshire	340	440	77
9	Test Valley	370	480	77
10	Basingstoke and Deane	660	880	75
11	Oxford	210	280	75
12	Runnymede	260	360	72
13	Swale	500	720	69
14	Epsom and Ewell	270	400	68
15	Woking	270	400	68
16	East Hampshire	270	400	68
17	Fareham	250	400	63
18	Wycombe	320	520	62
19	West Oxfordshire	310	520	60
20	Vale of White Horse	230	400	58
21	Medway UA	500	880	57
22	Surrey Heath	180	320	56
23	Eastleigh	310	560	55
24	Elmbridge	300	560	54
25	Canterbury	420	800	53
26	Chichester	330	640	52
27	Arun	460	920	50
28	Ashford	360	720	50
29	Bracknell Forest UA	280	560	50
30	Isle Of Wight UA	370	800	46
31	Southampton UA**	500	1,120	45
32	South Bucks	160	360	44
33	Lewes	230	520	44
34	Portsmouth UA	430	1,000	43
35	Chiltern	120	280	43
36	Hart	170	400	43
37	Spelthorne	170	400	43
38	Guildford	170	440	39

39	Tandridge	150	400	38
40	Reigate & Banstead	310	840	37
41	Adur	100	280	36
42	Gravesham	150	440	34
43	Dartford	170	560	30
44	Gosport	130	440	30
45	Wokingham UA	260	920	28
46	Havant	90	320	28
47	West Berkshire UA	210	760	28
48	Shepway	130	560	23
49	Tunbridge Wells	110	480	23
50	Mole Valley	90	400	23
51	Windsor & Maidenhead UA	170	760	22
52	New Forest	180	840	21
53	Eastbourne	140	680	21
54	Crawley	100	520	19
55	Horsham	130	680	19
56	Worthing	110	600	18
57	Slough UA	110	600	18
58	Hastings	60	360	17
59	Rother*	90*	560	16
60	Dover	70	440	16
61	Cherwell	100	680	15
62	Waverley	50	440	11
63	Brighton & Hove UA	50	920	5
64	Rushmoor	n/a	280	n/a
65	Sevenoaks	n/a	480	n/a
66	Thanet	n/a	640	n/a
67	Tonbridge & Malling	n/a	600	n/a
	South East	**18,240**	**39,480**	**46**

Where figures are unavailable the nearest year is used

Table 3: Social Housing Waiting List (Changes over the last ten years)

Table 3

In the ten years since 2001 the number of families on social housing waiting lists across the South East has increased by 73%. The increased need for social and affordable housing is the symptom of a deeper lack of housing supply in general.

Only 12 local authorities out of 67 have decreased the size of their waiting lists over the last decade, 25 more have seen increases between 4% and 96% while 30 have presided over an explosion of their waiting lists up of more than 100%.
Epsom & Ewell, West Berkshire UA and Runnymede have seen the largest rises of 348%, 379% and 485% respectively.

Larger areas with huge increases include Brighton which has 7,548 more families (an increase of 228%) and Southampton which has 11,110 more families (an increase of 216%) waiting for social housing.

Table 3: Social Housing Waiting List (Changes over the last ten years)

Rank	Social Housing Waiting List	2001	2011	Difference between 2001 & 2011	% difference between 2001 & 2011
1	Milton Keynes UA	3,173	0	-3,173	-100
2	Portsmouth UA	4,838	2,597	-2,241	-46
3	Spelthorne	2,571	1,546	-1,025	-40
4	Rushmoor	3,514	2,390	-1,124	-32
5	South Bucks	1,115	822	-293	-26
6	Elmbridge	1,839	1,497	-342	-19
7	Ashford	1,691	1,449	-242	-14
8	Windsor and Maidenhead UA	2,375	2,168	-207	-9
9	Worthing	1,939	1,868	-71	-4
10	Sevenoaks	1,534	1,485	-49	-3
11	South Oxfordshire	2,244	2,194	-50	-2
12	Eastbourne	2,596	2,573	-23	-1
13	Horsham	1,154	1,197	43	4
14	Dover	1,998	2,283	285	14
15	Basingstoke & Deane	4,652	5,454	802	17
16	Hastings	1,921	2,267	346	18
17	Vale of White Horse	2,292	2,730	438	19
18	Mole Valley	1,211	1,489	278	23
19	Havant	3,735	4,629	894	24
20	Woking	1,672	2,087	415	25
21	Crawley	2,046	2,618	572	28
22	Rother	1,383	1,793	410	30
23	Oxford	3,378	4,602	1,224	36
24	Medway UA	7,624	10,391	2,767	36
25	Cherwell	2,676	3,750	1,074	40
26	Wokingham UA	1,851	2,608	757	41
27	Shepway	2,144	3,038	894	42
28	Swale	2,215	3,386	1,171	53
29	Adur	1,060	1,657	597	56
30	Canterbury	2,185	3,519	1,334	61
31	Tonbridge & Malling	1,168	1,921	753	64
32	Fareham	1,152	1,898	746	65
33	Guildford	1,806	3,041	1,235	68
34	West Oxfordshire	1,234	2,107	873	71
35	Reading UA	4,348	7,852	3,504	81
36	Test Valley	1,440	2,619	1,179	82

37	Maidstone	1,756	3,442	1,686	96
38	Tandridge	816	1,663	847	104
39	Dartford	1,794	3,782	1,988	111
40	Wealden	939	1,994	1,055	112
41	Waverley	1,201	2,606	1,405	117
42	Thanet	2,356	5,123	2,767	117
43	Winchester	1,236	2,738	1,502	122
44	Mid Sussex	1,407	3,165	1,758	125
45	Chichester	2,187	4,982	2,795	128
46	Tunbridge Wells	1,028	2,347	1,319	128
47	Surrey Heath	529	1,244	715	135
48	Reigate & Banstead	1,136	2,758	1,622	143
49	Hart	816	2,019	1,203	147
50	Gravesham	1,173	2,936	1,763	150
51	Gosport	1,204	3,018	1,814	151
52	Lewes	872	2,227	1,355	155
53	East Hampshire	1,789	4,650	2,861	160
54	Bracknell Forest UA	1,331	3,478	2,147	161
55	Slough UA	2,225	6,138	3,913	176
56	Chiltern	698	1,981	1,283	184
57	Southampton UA	5,148	16,258	11,110	216
58	Isle of Wight UA	1,451	4,684	3,233	223
59	New Forest	1,615	5,294	3,679	228
60	Brighton and Hove UA	3,304	10,852	7,548	228
61	Wycombe	1,096	3,924	2,828	258
62	Eastleigh	1,481	5,737	4,256	287
63	Arun	852	3,653	2,801	329
64	Aylesbury Vale	842	3,769	2,927	348
65	Epsom and Ewell	427	1,915	1,488	348
66	West Berkshire UA	1,014	4,852	3,838	379
67	Runnymede	427	2,496	2,069	485
	SOUTH EAST	129,924	225,250	95,326	73

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Email: info@hbf.co.uk Website: www.hbf.co.uk Twitter: @HomeBuildersFed

Tables 4 & 5: Median House Prices

Table 4 *shows median house prices in each of the 67 local authorities and gives a comparison with prices in 2000. The median house price across the South East is £229,000 while the median house price across England is £185,000. 53 South Eastern local authorities have median house prices above the national while 36 have median house prices above the regional.*

Table 5 *examines the ratio between median house prices and median earnings in each local authority area in the South East – a key indicator of affordability.*
The ratio is 7.01 nationally and 8.23 across the region – i.e. house prices are 8.23 x income in the South East.

37of 67 local authorities have a house price to earnings ratio above the regional average (53 are above the national average).

Table 4: Median House prices

Rank	Median House Prices	2000(£)	2010(£)
1	Gosport	69,000	145,000
2	Hastings	62,000	146,000
3	Portsmouth UA	73,000	150,000
4	Medway UA	70,000	152,000
5	Swale	76,500	159,000
6	Thanet	66,000	160,000
7	Southampton UA	79,950	164,500
8	Dover	68,500	165,000
9	Isle of Wight UA	76,000	177,500
10	Gravesham	84,000	178,000
11	Shepway	76,500	180,000
12	Eastbourne	82,000	184,000
13	Crawley	98,000	184,025
14	Milton Keynes UA	82,000	185,000
15	Dartford	89,000	187,000
16	Slough UA	95,500	190,000
17	Havant	89,995	190,000
18	Ashford	100,000	192,500
19	Reading UA	113,500	195,000
20	Eastleigh	100,000	200,000
21	Worthing	87,950	200,000
22	Fareham	107,950	205,000
23	Rushmoor	107,000	205,000
24	Canterbury	89,500	205,000
25	Maidstone	107,000	205,000
26	Adur	95,000	207,000
27	Basingstoke & Deane	120,000	210,000
28	Cherwell	107,000	210,000
29	Arun	94,000	210,500
30	Rother	95,000	222,000
31	Lewes	100,000	225,000
32	Aylesbury Vale	114,000	230,000
33	West Oxfordshire	129,995	233,000
34	Bracknell Forest UA	124,000	235,000
35	Test Valley	124,000	240,000
36	Tonbridge and Malling	124,000	240,000
37	Brighton & Hove UA	97,973	243,000
38	West Berkshire UA	134,500	245,000

Table 5: Median house Price to Earnings

Rank	Median House Price to Earnings	2000	2010
1	Portsmouth UA	3.70	5.31
2	Medway UA	3.66	5.69
3	Rushmoor	4.83	5.74
4	Southampton UA	3.88	6.11
5	Crawley	4.57	6.17
6	Gosport	4.06	6.20
7	Dover	3.63	6.20
8	Slough UA	4.12	6.27
9	Swale	4.29	6.31
10	Reading UA	5.12	6.41
11	Gravesham	4.28	6.43
12	Dartford	4.90	6.47
13	Milton Keynes UA	4.00	6.78
14	Hastings	3.71	6.80
15	Bracknell Forest UA	4.68	7.10
16	Eastbourne	4.80	7.13
17	Basingstoke & Deane	5.75	7.36
18	Shepway	4.51	7.58
19	Runnymede	6.26	7.72
20	West Berkshire UA	6.05	7.79
21	Eastleigh	5.51	7.82
22	Isle of Wight UA	3.88	7.82
23	Havant	5.11	7.83
24	Wokingham UA	6.90	7.85
25	Ashford	5.42	7.86
26	Maidstone	5.53	7.99
27	Cherwell	4.82	8.05
28	Canterbury	5.29	8.09
29	Aylesbury Vale	5.57	8.20
30	Spelthorne	5.30	8.21
31	Vale of White Horse	5.69	8.25
32	Thanet	3.88	8.31
33	Worthing	4.80	8.43
34	Fareham	5.50	8.45
35	Wycombe	5.87	8.49
36	Hart	5.89	8.55
37	Tonbridge & Malling	6.21	8.69
38	West Oxfordshire	6.38	8.85

Home Builders Federation
1st Floor Byron House, 7-9 St James's Street, London SW1A 1EE
Tel: 0207 960 1600 F: 0207 960 1601
Email: info@hbf.co.uk Website: www.hbf.co.uk Twitter: @HomeBuildersFed

39	New Forest	120,000	245,000
40	Spelthorne	137,500	245,000
41	Wealden	115,995	247,000
42	Mid Sussex	128,000	249,999
43	Tunbridge Wells	124,725	250,000
44	Vale of White Horse	129,950	250,000
45	Wycombe	136,000	256,000
46	Oxford	140,000	260,000
47	Horsham	137,950	260,000
48	Woking	144,625	263,000
49	Runnymede	148,500	265,000
50	Chichester	130,000	265,000
51	Sevenoaks	143,250	270,000
52	Wokingham UA	159,950	273,000
53	East Hampshire	132,975	275,000
54	Hart	159,500	275,000
55	Surrey Heath	155,000	277,040
56	South Oxfordshire	140,000	285,000
57	Reigate and Banstead	144,250	285,000
58	Winchester	154,000	295,000
59	Tandridge	150,000	302,000
60	Guildford	156,000	305,000
61	Epsom and Ewell	162,950	316,000
62	Windsor & Maidenhead UA	180,000	323,000
63	Waverley	163,750	325,000
64	Mole Valley	179,950	347,000
65	Chiltern	195,000	360,000
66	Elmbridge	205,000	395,000
67	South Bucks	200,000	415,000

39	Sevenoaks	7.22	9.15
40	Lewes	5.02	9.18
41	Oxford	6.81	9.23
42	Test Valley	6.49	9.24
43	Mid Sussex	6.84	9.27
44	Surrey Heath	6.07	9.41
45	Mole Valley	8.43	9.45
46	Reigate & Banstead	6.21	9.52
47	Brighton & Hove UA	5.35	9.60
48	Woking	5.92	9.61
49	Adur	4.55	9.81
50	Tunbridge Wells	6.48	9.92
51	New Forest	6.10	10.05
52	Horsham	7.12	10.08
53	Windsor & Maidenhead UA	7.80	10.17
54	Winchester	7.56	10.20
55	Arun	5.69	10.20
56	Wealden	6.47	10.21
57	Guildford	7.02	10.43
58	Chichester	7.51	10.45
59	Rother	6.46	10.56
60	Epsom and Ewell	8.65	10.57
61	East Hampshire	6.46	11.02
62	South Oxfordshire	6.62	11.42
63	Tandridge	8.10	11.62
64	Chiltern	10.62	12.84
65	Elmbridge	9.00	12.86
66	Waverley	8.62	13.13
67	South Bucks	9.32	14.22

Table 4 key
Below National median house prices
Below South East median house prices
Above National median house prices

Table 5 Key
Below National median house price to salary ratio
Below South East median house price to salary ratio
Above National median house price to salary ratio

Tables 6 & 7: Lower Quartile House Prices

Table 6 *shows lower quartile house prices in each of the 67 South East local authorities and gives a comparison with prices in 2000.*

Lower quartile priced houses are those most often purchased by first time buyers.

Across the South East the average lower quartile house price is £167,500 while across England this is £125,000. 60 local authorities in the South East have lower quartile house prices above the national average, a further 37 are above the higher regional average.

Table 7 *examines the ratio between lower quartile house price and lower quartile earnings in local authority areas across the region.*

This ratio is 6.69 nationwide and 8.51 across the South East.

94% of South East's local authorities have a house price to earnings ratio above the national average. 24 out of the 67 have ratios of more than 10.

Affordability is particularly low in Waverley and South Bucks where house prices are more than 12x average earnings

Table 6: Lower Quartile House Prices

Rank	Lower Quartile House Prices	2000(£)	2010(£)
1	Hastings	40,000	112,000
2	Gosport	56,000	120,000
3	Thanet	49,000	120,000
4	Medway UA	54,000	120,500
5	Swale	56,995	122,500
6	Portsmouth UA	59,000	124,000
7	Dover	50,000	124,995
8	Isle of Wight UA	56,000	130,500
9	Southampton UA	59,995	131,000
10	Shepway	57,000	138,000
11	Eastbourne	59,500	140,000
12	Gravesham	64,500	140,000
13	Milton Keynes UA	59,996	142,500
14	Havant	67,500	145,000
15	Ashford	72,375	150,000
16	Worthing	60,000	150,000
17	Slough UA	75,500	150,347
18	Dartford	65,000	155,000
19	Crawley	78,500	155,000
20	Rother	63,375	157,875
21	Maidstone	79,000	159,984
22	Eastleigh	81,500	160,000
23	Canterbury	70,500	160,275
24	Basingstoke and Deane	90,000	162,000
25	Arun	68,000	162,000
26	Cherwell	81,063	162,125
27	Reading UA	94,000	164,950
28	Fareham	82,500	165,000
29	Rushmoor	85,000	165,000

Table 7: Lower Quartile House Price to Earnings

Rank	Lower Quartile House Price to Earnings	2000	2010
1	Portsmouth UA	4.00	5.88
2	Dover	3.47	6.42
3	Medway UA	3.98	6.66
4	Southampton UA	4.09	6.67
5	Hastings	3.46	6.71
6	Swale	4.31	6.88
7	Slough UA	4.34	6.98
8	Dartford	4.65	7.02
9	Gravesham	4.47	7.18
10	Milton Keynes UA	4.16	7.19
11	Rushmoor	5.25	7.24
12	Reading UA	5.66	7.33
13	Gosport	4.39	7.34
14	Crawley	4.75	7.57
15	Basingstoke and Deane	6.02	7.83
16	Shepway	4.43	7.89
17	Aylesbury Vale	5.37	8.02
18	Cherwell	5.38	8.04
19	Isle of Wight UA	4.52	8.10
20	Eastbourne	4.72	8.26
21	Havant	4.91	8.26
22	Thanet	4.29	8.27
23	Bracknell Forest UA	5.73	8.29
24	Maidstone	5.80	8.47
25	Eastleigh	5.81	8.55
26	Vale of White Horse	5.90	8.73
27	Worthing	4.91	8.73
28	Ashford	5.26	8.76
29	Spelthorne	5.87	8.86

30	Aylesbury Vale	81,500	165,500
31	Adur	77,000	170,750
32	Test Valley	89,000	179,000
33	New Forest	85,000	179,725
34	West Oxfordshire	99,950	179,950
35	Lewes	72,000	180,000
36	Wealden	82,950	181,000
37	Brighton and Hove UA	69,995	182,475
38	Bracknell Forest UA	99,950	185,000
39	Tonbridge and Malling	87,000	185,000
40	Tunbridge Wells	85,805	185,000
41	Sevenoaks	96,500	189,000
42	West Berkshire UA	104,950	189,988
43	Vale of White Horse	99,000	195,000
44	Mid Sussex	95,000	196,000
45	Spelthorne	103,000	200,000
46	Horsham	99,950	201,000
47	East Hampshire	91,000	201,500
48	Wycombe	98,000	201,663
49	Chichester	93,725	202,500
50	Reigate and Banstead	104,693	206,125
51	Runnymede	115,000	210,000
52	Woking	109,000	210,000
53	South Oxfordshire	99,950	212,000
54	Hart	119,500	213,100
55	Surrey Heath	119,000	214,375
56	Winchester	112,000	215,000
57	Oxford	115,000	215,000
58	Wokingham UA	125,000	220,000
59	Guildford	115,000	224,950
60	Tandridge	110,000	229,975
61	Waverley	117,500	235,000
62	Epsom and Ewell	121,500	240,000
63	Mole Valley	124,000	240,000
64	Chiltern	129,950	245,750
65	Windsor and Maidenhead UA	134,000	246,875
66	South Bucks	135,000	265,000
67	Elmbridge	140,000	265,000

30	West Berkshire UA	6.41	9.13
31	Canterbury	5.59	9.26
32	West Oxfordshire	6.72	9.30
33	Rother	5.54	9.39
34	Runnymede	6.30	9.40
35	Tonbridge and Malling	5.58	9.49
36	Fareham	5.56	9.62
37	Brighton and Hove UA	5.14	9.63
38	Test Valley	6.28	9.66
39	Hart	6.59	9.67
40	Reigate and Banstead	6.06	9.79
41	Mid Sussex	6.91	9.86
42	Wycombe	5.61	9.89
43	Mole Valley	7.94	10.01
44	Guildford	7.60	10.04
45	Lewes	4.88	10.07
46	Arun	5.94	10.07
47	Wokingham UA	7.50	10.10
48	Adur	5.16	10.13
49	Oxford	7.42	10.24
50	New Forest	6.45	10.33
51	Tunbridge Wells	6.30	10.36
52	Windsor and Maidenhead UA	8.49	10.53
53	Sevenoaks	6.73	10.55
54	Chichester	7.02	10.88
55	Wealden	6.15	10.94
56	Surrey Heath	6.90	11.03
57	Epsom and Ewell	8.48	11.07
58	Woking	6.58	11.09
59	Horsham	7.03	11.38
60	Chiltern	9.54	11.51
61	East Hampshire	6.21	11.54
62	South Oxfordshire	6.42	11.68
63	Winchester	7.80	11.70
64	Tandridge	7.69	11.80
65	Elmbridge	8.64	11.87
66	Waverley	8.19	12.14
67	South Bucks	8.70	12.33

Table 6 key
Below National Lower Quartile house prices
Below South East Lower Quartile house prices
Above National Lower Quartile house prices

Table 7 Key
Below National Lower Quartile price to earnings ratio
Below South East Lower Quartile price to earnings ratio
Above National Lower Quartile price to earnings ratio

Table 8: Economic Growth through House Building

Table 8
Throughout the South East local authorities are, at current net addition rates, due to receive almost £205million in New Homes Bonus annually from year 6. If the local authorities enabled house building to reach the levels necessary to meet household projections in their areas they would see that funding increased by £135million annually.

Where local authorities are exceeding the household projection numbers they would lose money if they reduced current net addition rates.

Other local authorities, particularly Hart, Gosport, Chiltern, Surrey Heath and Adur would see a huge increase in funding - if they met household projections. Portsmouth and Southampton would benefit in particular, by £6.6million and £4.9million each year respectively.

Table 8: Economic Growth through House Building

Rank	NHB	Current New Homes Bonus (£)		Potential New Homes Bonus (£)		Difference[2] (£)	% Difference
		Yr 1	Yr 6	Yr 1	Yr 6		
1	Oxford	591200	3547200	402920	2417520	-1129680	-32
2	Basingstoke & Deane	1656222	9937332	1266320	7597920	-2339412	-24
3	Milton Keynes UA	2513998	15083988	2244840	13469040	-1614948	-11
4	Rushmoor	448876	2693256	402920	2417520	-275736	-10
5	Maidstone	1115395	6692370	1036080	6216480	-475890	-7
6	Runnymede	537629	3225774	518040	3108240	-117534	-4
7	Vale of White Horse	564494	3386964	575600	3453600	66636	2
8	Aylesbury Vale	1013051	6078306	1036080	6216480	138174	2
9	Tonbridge & Malling	810441	4862646	863400	5180400	317754	7
10	Swale	936293	5617758	1036080	6216480	598722	11
11	South Bucks	432725	2596350	518040	3108240	511890	20
12	Winchester	619025	3714150	748280	4489680	775530	21
13	Medway UA	1040716	6244296	1266320	7597920	1353624	22
14	Wycombe	605591	3633546	748280	4489680	856134	24
15	Bracknell Forest UA	646849	3881094	805840	4835040	953946	25
16	Crawley	596636	3579816	748280	4489680	909864	25
17	Ashford	776379	4658274	1036080	6216480	1558206	33
18	Test Valley	512202	3073212	690720	4144320	1071108	35
19	Reading UA	639334	3836004	863400	5180400	1344396	35
20	Elmbridge	565774	3394644	805840	4835040	1440396	42
21	Thanet	635975	3815850	920960	5525760	1709910	45
22	Eastleigh	554420	3326520	805840	4835040	1508520	45
23	Woking	387950	2327700	575600	3453600	1125900	48
24	Wealden	652926	3917556	978520	5871120	1953564	50
25	East Hampshire	382833	2296998	575600	3453600	1156602	50
26	Waverley	389069	2334414	633160	3798960	1464546	63
27	Rother	481179	2887074	805840	4835040	1947966	67
28	Dover	367641	2205846	633160	3798960	1593114	72
29	Shepway	465348	2792088	805840	4835040	2042952	73
30	West Oxfordshire	427928	2567568	748280	4489680	1922112	75
31	Windsor & Maidenhead UA	617745	3706470	1093640	6561840	2855370	77
32	Cherwell	548982	3293892	978520	5871120	2577228	78
33	Mid Sussex	449996	2699976	805840	4835040	2135064	79
34	Slough UA	453994	2723964	863400	5180400	2456436	90
35	Chichester	478620	2871720	920960	5525760	2654040	92

[2] *If net additions match household projections*

36	South Oxfordshire	324624	1947744	633160	3798960	1851216	95
37	Sevenoaks	352929	2117574	690720	4144320	2026746	96
38	Tandridge	292801	1756806	575600	3453600	1696794	97
39	Spelthorne	287844	1727064	575600	3453600	1726536	100
40	Southampton UA	793010	4758060	1611680	9670080	4912020	103
41	Fareham	283206	1699236	575600	3453600	1754364	103
42	Horsham	473504	2841024	978520	5871120	3030096	107
43	Arun	636135	3816810	1323880	7943280	4126470	108
44	Canterbury	550741	3304446	1151200	6907200	3602754	109
45	Hastings	243388	1460328	518040	3108240	1647912	113
46	Tunbridge Wells	323665	1941990	690720	4144320	2202330	113
47	Brighton & Hove UA	595997	3575982	1323880	7943280	4367298	122
48	Wokingham UA	580965	3485790	1323880	7943280	4457490	128
49	Reigate and Banstead	511403	3068418	1208760	7252560	4184142	136
50	New Forest	510284	3061704	1208760	7252560	4190856	137
51	Isle of Wight UA	484537	2907222	1151200	6907200	3999978	138
52	Gravesham	259380	1556280	633160	3798960	2242680	144
53	Worthing	341415	2048490	863400	5180400	3131910	153
54	Dartford	298878	1793268	805840	4835040	3041772	170
55	West Berkshire UA	401862	2411172	1093640	6561840	4150668	172
56	Lewes	264176	1585056	748280	4489680	2904624	183
57	Havant	155596	933576	460480	2762880	1829304	196
58	Mole Valley	174945	1049670	575600	3453600	2403930	229
59	Guildford	171906	1031436	633160	3798960	2767524	268
60	Eastbourne	234113	1404678	978520	5871120	4466442	318
61	Epsom and Ewell	134807	808842	575600	3453600	2644758	327
62	Portsmouth UA	333899	2003394	1439000	8634000	6630606	331
63	Adur	78038	468228	402920	2417520	1949292	416
64	Surrey Heath	86673	520038	460480	2762880	2242842	431
65	Chiltern	36940	221640	402920	2417520	2195880	991
66	Gosport	0	0	633160	3798960	3798960	n/a
67	Hart	0	0	575600	3453600	3453600	n/a
	South East	**34135097**	**204810582**	**56581480**	**339488880**	**134678298**	**66**

Table 9: Job Creation through House Building

Table 9

Increasing house building to meet projected household growth in the South East would create over 30,000 extra local direct jobs and more than 50,000 in the supply chain.

Brighton would be the biggest beneficiary with 1,305 new jobs created simply by building homes to house future generations. New Forest, Wokingham, Southampton and Windsor & Maidenhead would all also see large numbers of local jobs created.

Table 9: Job Creation through House Building

Rank	Local Authority	Housing Starts 2010/11	Direct jobs from starts	Potential direct jobs from household projections	Extra direct jobs created
1	Aylesbury Vale	920	1,380	1080	-300
2	Winchester	650	975	780	-195
3	Wealden	720	1,080	1020	-60
4	Mid Sussex	520	780	840	60
5	Oxford	210	315	420	105
6	Maidstone	640	960	1080	120
7	Runnymede	260	390	540	150
8	South Oxfordshire	340	510	660	150
9	Test Valley	370	555	720	165
10	Reading UA	490	735	900	165
11	Woking	270	405	600	195
12	East Hampshire	270	405	600	195
13	Epsom and Ewell	270	405	600	195
14	Surrey Heath	180	270	480	210
15	Milton Keynes UA	1,410	2,115	2340	225
16	Fareham	250	375	600	225
17	Chiltern	120	180	420	240
18	Vale of White Horse	230	345	600	255
19	Adur	100	150	420	270
20	South Bucks	160	240	540	300
21	Wycombe	320	480	780	300
22	West Oxfordshire	310	465	780	315
23	Basingstoke and Deane	660	990	1320	330
24	Swale	500	750	1080	330
25	Spelthorne	170	255	600	345
26	Havant	90	135	480	345
27	Hart	170	255	600	345
28	Eastleigh	310	465	840	375
29	Tandridge	150	225	600	375
30	Elmbridge	300	450	840	390
31	Guildford	170	255	660	405
32	Bracknell Forest UA	280	420	840	420
33	Gravesham	150	225	660	435
34	Lewes	230	345	780	435
35	Hastings	60	90	540	450
36	Chichester	330	495	960	465
37	Mole Valley	90	135	600	465
38	Gosport	130	195	660	465
39	Ashford	360	540	1080	540
40	Dover	70	105	660	555

41	Tunbridge Wells	110	165	720	555
42	Medway UA	500	750	1320	570
43	Canterbury	420	630	1200	570
44	Waverley	50	75	660	585
45	Dartford	170	255	840	585
46	Crawley	100	150	780	630
47	Shepway	130	195	840	645
48	Isle of Wight UA	370	555	1200	645
49	Arun	460	690	1380	690
50	Rother	90	135	840	705
51	Slough UA	110	165	900	735
52	Worthing	110	165	900	735
53	Reigate and Banstead	310	465	1260	795
54	Eastbourne	140	210	1020	810
55	Horsham	130	195	1020	825
56	West Berkshire UA	210	315	1140	825
57	Portsmouth UA	430	645	1500	855
58	Cherwell	100	150	1020	870
59	Windsor and Maidenhead UA	170	255	1140	885
60	Southampton UA	500	750	1680	930
61	Wokingham UA	260	390	1380	990
62	New Forest	180	270	1260	990
63	Brighton and Hove UA	50	75	1380	1305
64	Rushmoor	n/a	n/a	420	n/a
65	Tonbridge and Malling	n/a	n/a	900	n/a
66	Thanet	n/a	n/a	960	n/a
67	Sevenoaks	n/a	n/a	720	n/a
	South East		**27,495**	**58,980**	**31,485**

South East Housing Crisis

The South East, like the country as whole, is in the midst of a housing crisis. Housing supply has collapsed alongside affordability whilst the number of families waiting for social housing has soared. There are areas that are being proactive in responding to this crisis, notably Winchester, Wealden and Aylesbury Vale who are enabling the construction of the homes they desperately need (albeit in areas where affordability is low and need high).

Despite a few brighter spots the overall picture is not good; there is an increasingly serious housing shortfall and housing accessibility problem emerging that needs to be addressed before it creates lasting social and economic damage. It is critical for future generations that local authorities and local communities take a long-term view of housing in their areas and make efforts to allow construction of the homes the region needs. Areas like Brighton & Hove and West Berkshire are at particular risk of neglecting housing growth at the expense of their communities and the local economy but altogether 64 out of 67 local authorities are failing to build the homes they need.

Building new homes is vital to economic growth across the region both in terms of central government investment through the New Homes Bonus and increasing local employment but it is also crucial to the creation and maintenance of sustainable communities.

Home Builders Federation
1st Floor Byron House, 7-9 St James's Street, London SW1A 1EE
Tel: 0207 960 1600 F: 0207 960 1601
Email: info@hbf.co.uk Website: www.hbf.co.uk Twitter: @HomeBuildersFed

About HBF

The Home Builders Federation (HBF) is the representative body of the home building industry in England and Wales. The HBF's members account for around 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multi-national, household names through regionally based businesses to small local companies.

Contact us
Home Builders Federation Ltd
1st Floor Byron House
7-9 St James's Street
London SW1A 1EE
Tel: 020 7960 1620
Fax: 020 7960 1601
Email: info@hbf.co.uk
Website: www.hbf.co.uk

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"The voice of the home building industry"