

**DARTFORD  
STRATEGIC HOUSING MARKET  
ASSESSMENT (SHMA)**

**(Working Draft)**

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**Planning Policy**

**Regeneration Directorate**

**Dartford Borough Council**

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# 1. INTRODUCTION

- 1.1 A Dartford Housing Needs Study and Market Assessment was carried out in 2006 by independent consultants DCA ('the 2006 DCA Study' in short). The results of the study informed the housing preferred policy approaches in Dartford's Core Strategy Preferred Options, January 2008.
- 1.2 Revised government guidance on housing, PPS3<sup>1</sup>, was published on 29 November 2006. In relation to housing policy preparation, the guidance advises that planning authorities should assess housing need and demand through a 'Strategic Housing Market Assessment' (SHMA). This approach requires that authorities consider future housing requirements in the context of the housing market area. Government guidance on the preparation of SHMA's was published in March 2007.
- 1.3 Due to the timetabling and pre-existing arrangements in neighbouring authorities in preparation of their respective SHMA's, it has not been possible for Dartford to produce a SHMA with other authorities in the housing market area. The 2006 DCA study covers some of the requirements of a SHMA but there are a number of aspects which it does not address. Additional work is, therefore, needed building on the existing 2006 DCA Study to provide a fit for purpose SHMA, taking into account the wider strategic housing market.
- 1.4 This report supplements the DCA study covering those aspects of SHMA requirements not covered by the DCA Study and acts as an evidence base to support the Core Strategy Submission. It should, therefore, be read jointly with that Study. It takes a strategic approach in considering the connections between Dartford and the wider sub-regional area beyond the Borough's boundaries.
- 1.5 Key to this report is the need for comparability and consistency across the sub region to support a strategic overview. It does not include primary data, which has already been collected and analysed in detail as part of the 2006 DCA Study.

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<sup>1</sup> Communities and Local Government (2006) Planning Policy Statement 3 Housing, November 2006

- 1.6 For the purposes of this assessment, the research area is focused on the Dartford sub-region encompassing the three local authority areas of Dartford, London Borough of Bexley and Gravesham. A wider sub-regional reference area is also considered which additionally includes Medway and Sevenoaks. A justification for this is provided In Chapter 2.
- 1.7 In the absence of a formal sub-regional SHMA, this report follows Government guidance for the production of SHMAs<sup>2</sup> , It focuses on filling the gaps in the DCA Study. The report includes the Dartford/ Bexley/ Gravesham sub-region's current and future housing market analysis, whilst the DCA Study provides an analysis on general housing need and specific groups' housing needs. Appendix A outlines how the two papers jointly meet the Government's SHMA requirements in Dartford's context.

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<sup>2</sup> Communities and Local Government (2007) Strategic Housing Market Assessments: Practice Guidance. April 2007

## **2. EXECUTIVE SUMMARY**

### **The Current Housing Market**

- **Demographic trends**

- 2.1 The Dartford/ Bexley/ Gravesham Housing Market Area (“the HMA” in short) experienced overall population decline from 1981 to 1998. However, since then, the population has increased year on year.
- 2.2 Between 1981 and 2004, whilst Dartford’s population and household growth (increase of 7.7% and 24.1% respectively) were at similar rates to national levels, the HMA rates of growth were well below the national average (2.4% and 16.1% respectively).
- 2.3 The average HMA household size has been falling gradually over the past two decades from 2.8 to 2.4 persons per household.
- 2.4 Whilst natural population change has always been a positive factor contributing to the population growth, in-migration is a significant component of this increase, and this is particularly so for Dartford.
- 2.5 Dartford has had net inflows of migration for people in intermediate, that is, clerical, sales and service jobs and people in managerial and professional occupations, but a significant outflow of full time students, and a net outflow of those in small business and self employment.
- 2.6 The HMA population structure in 2007 is broadly similar to that for Kent and the South East average, but contains a slightly higher proportion of children (18.7%), the 16-29 (19.1%) and 30-44 (22.0%) age groups, but lower proportions of people of 45-64 (24.6%) and 65+ years (15.6%). Dartford’s population is even younger than the HMA average.

- **Household Characteristics & Composition**

- 2.7 Between 2001 and 2006, the composition of HMA households has changed with a significant increase in one-person and lone parent households and a decrease in couple households. In 2006 of the total HMA households 30% were one-person, 8% lone parents, 57% being households, and 5% households in multi-occupation. Dartford’s household structure change has been broadly similar to the HMA but with a slightly higher proportion of couple households, including those with children.

2.8 The HMA and Dartford have a higher than regional and national average proportion of households with children, 42.1% and 41.0% respectively. Demand from this group is likely to be for family sized accommodation consisting of two or more bedrooms.

- **Economic Drivers of Demand**

2.9 Whilst only 53% HMA residents work locally, 71% of the HMA workforce lives locally. London continues to have a strong influence on the local travel to work pattern.

2.10 The resident occupational structure in the HMA is similar to that for Kent. In 2007 the representation of employees in professional and managerial jobs in the HMA was significantly lower than national levels (38% compared to 43%) but with a higher proportion of employees in administrative skilled occupations (29% compared to 23%). The picture of qualification levels indicates the same message.

2.11 Dartford's economic performance has seen some improvement over recent years, and workplace earnings have increased at a faster pace than, and exceeded in 2006 and 2007, residents earnings. In the long term this has the potential to result in a higher proportion of HMA residents working in the area, with a consequent reduction in out-commuting. Improving the housing offer to match the demand of people who work in Dartford but live elsewhere (representing some 60% of Dartford's workforce in 2001) is an important issue for Dartford's future housing provision.

- **The Current Housing Stock: supply, tenure, type, size and condition**

2.12 In 2001 the HMA had a housing stock of 162,957 units, with the majority (76%) being in owner occupation, higher than the Kent and Medway average. It had a smaller private rented sector (7.1%) but a larger social rented sector (15.4%). Shared ownership stock accounted for only 0.6% of the total unshared accommodation.

2.13 Dartford had 35,240 housing units in 2001, 74.2% of which were owner occupied. 16.3% of Dartford's housing stock was social rented and 0.6% shared ownership. The private rented sector accounted for 8.1% of the total households, lower than the Kent and Medway average of 9.7%.

- 2.14 The Census shows that 80% of HMA stock were houses, below the Kent and Medway level but significantly higher than that of Greater London. 76.5% of Dartford's housing stock was houses, with 23.5% being flats. Dartford has a significantly higher level of terraced houses (35.2%) and a much smaller proportion (13.2%) of detached houses, as compared to the Kent and Medway average.
- 2.15 The HMA had lower levels of very large properties but higher levels of smaller properties compared to that of Kent and Medway and nationally. The sizes of Dartford's dwellings were even smaller.
- 2.16 The properties within the HMA and in Dartford were in a good condition relative to national figures in terms of sole use of bath/ shower and toilet and / or central heating.
- 2.17 Long term vacancy levels in the private sector have fallen significantly since 2005 in the HMA including Dartford. Whilst the HMA vacancy rate in the social rented stock has remained stable, Dartford's rate has significantly decreased.
- 2.18 There was new dwelling supply between 2001 and 2008, increasing the HMA housing stock on the 2001 level by 4.4% (7,156), and Dartford's housing stock by 9.4% (3,313).
- 2.19 Social landlords have played a significant role in delivering affordable housing in this area. Between 2001 and 2008, there were an additional 2,212 new affordable completions and acquisitions in the HMA, of which 678 units were in Dartford.
- 2.20 Average sales prices for the HMA, and for Dartford as well, have broadly followed the Kent trend of increase since 1996, below that for Sevenoaks and Outer London, but higher than the eastern district of Medway.
- 2.21 The average HMA house price was £219,632 in 2008, representing a 168% increase since 1999. Dartford's average sale price was £218,996 in 2008, a 175% increase on its 1999 price.
- 2.22 The level of price increase in Dartford's smaller and entrance level properties has been greater than that for medium or large sized properties. Among all housing types, the sharpest price increase in Dartford is for flats, which have seen the highest percentage rise of 242% from 1999 to 2008. This possibly reflects the fact that a large proportion of the flatted accommodation coming onto the market was

new build, with the price differential this entails, as well as the higher specification of the new build, as compared to the older stock.

- 2.23 Dartford has a similar stock turn over rate (8.2%) to the national average, but higher than that of the HMA average (7.1%). A much higher proportion of sales in Dartford (16%) come from new build than for the HMA as a whole (9%).
- 2.24 Over half of Dartford's annual average market housing supply (2,324 units) has been taken by in-migrants in the recent years.
- 2.25 Affordability ratios (lower quartile housing prices to lower quartile incomes) have nearly doubled over the last ten years (rising from 3.76 in 1997 to 7.79 in 2007), meaning that housing has become less affordable.

### **The Future Housing Market**

- 2.26 The strategy-led population and household projections indicate a significant differences in future growth across the HMA area, with Dartford providing an excess over trend-based needs.
- 2.27 The future population in the HMA is projected to rise by 55,714 people (14%) from 2006 to 2026. People over 65 years and children will have biggest proportional increase.
- 2.28 The future household projection in the HMA is 201,600 new households by 2026 (a 20% increase on the 2006 level), and the most significant proportional increase is projected to be in one-person households (by 47%).
- 2.29 Dartford's future population is projected to increase by 42% (37,600 people): the 25-44 age group will have the biggest numerical increase, and children and the elderly will have the biggest proportionate increases. The 85+ group in Dartford will see a significant 153% increase.
- 2.30 The strategy-led forecast (housing increase as defined by policy) for Dartford is 17,100 new households by 2026 (a 45% increase on 2006 base). One person (9,100) and couple (5,900) households<sup>3</sup> will form the major part of this growth.

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<sup>3</sup> Couple households include those with and without children

- 2.31 The average household size will continue to decrease in the HMA as a whole (from 2.39 in 2006 to 2.28 in 2026), although the rate of decrease will be lower in Dartford (from 2.34 in 2006 to 2.29 in 2026).
- 2.32 Natural change will be the main driver of population growth across the HMA area. In Dartford, both natural change and net migration will continue to be key drivers of population growth; the contribution of net migration is more significant than natural change in the next 10 years, although its significance is projected to decrease after 2016.
- 2.33 Economic recession has resulted in house price falls, although the reduction in Dartford has remained lower than the regional and national average.
- 2.34 The situation with regard to the need for affordable housing is unlikely to have changed significantly since the DCA Study was undertaken.
- 2.35 Future housing affordability in Dartford will continue to be difficult for single-earner households. Affordability for median joint-income households has already improved since the DCA Study (2006) but a lack of sufficient deposit and availability of mortgages will continue to be an issue, at least in the short-term.

### **Dartford Specific Household Groups Requirements**

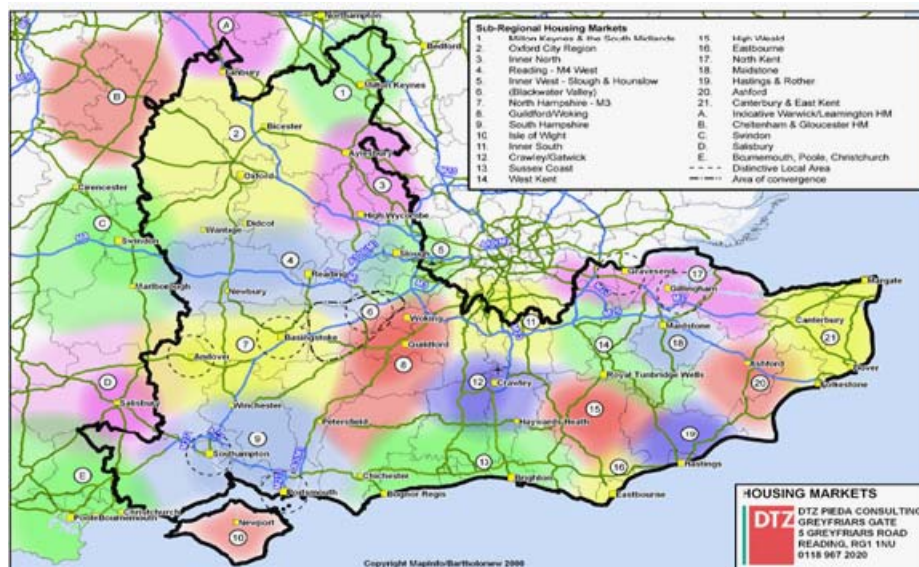
- 2.36 In the period to 2026, Dartford will experience an increasing number of households with children. Re-balancing towards family-type units is needed when taking into account the large number and proportion of small flatted units in the planning pipeline, the projected increase in family households, housing preferences and changing social and economic factors.
- 2.37 There will be a substantial increase in the proportion and number of elderly, particularly those over 85 years of age. Some of the need can be addressed through provision of Lifetime Homes. There will be additional need for supported homes and extra care homes.
- 2.38 Lifetime Homes in both the market as well as the social housing sector could help address the need of those with physical disabilities.

### 3. CONTEXT

#### North Kent Sub Region Housing Market Area

- 3.1 Research undertaken by DTZ Consulting<sup>4</sup> mapped the strategic pattern of housing markets in the South East region. This study identified sub-regional housing markets as areas in which a high proportion (around 70%) of household moves are made. The majority of the identified HMA areas cross a number of local authority boundaries and closely align with travel to work areas. The findings and recommendations of the study have been accepted by the Housing Board and are being used to inform the development of the Regional Housing Strategy and Regional Spatial Strategy.
- 3.2 The DTZ study identified Dartford as being one part of the North Kent sub-regional housing market (whose indicative boundary is shown as Area 17 in Figure 1 below). This HMA area is slightly wider than the four local authority areas (Swale, Medway, Gravesham, Dartford), extending out towards the northern tip of Sevenoaks and stretching into the London Borough of Bexley. There is also an overlapping area between the south boundary of the North Kent HMA and north boundaries of the West Kent and Maidstone HMA.

Figure 1: South East SHMA areas



(Source: DTZ Pedia Consulting, 2004)

<sup>4</sup> DTZ Pedia Consulting (2004) South East Sub-Regional Housing Markets Study

- 3.3 The DTZ Study describes the North Kent HMA as below (Part B Para 1.44):

*“The North Kent sub-regional housing market covers the local authority areas of Swale, Medway, Gravesham, Dartford, the northern tip of Sevenoaks and stretches into the London Borough of Bexley. Medway is the dominant centre of employment for the sub region, having the largest concentration of employment in Kent. The migration patterns reveal a distinct chain of household movement across this North Kent sub-regional area, with a particularly strong cluster of movement displayed between Bexley, Dartford, Gravesham and Medway. The inclusion of the northern part of Sevenoaks in the North Kent sub-region was felt appropriate as it has characteristics more akin to Dartford and Gravesham than to the rest of Sevenoaks.”*

- 3.4 The DTZ research also identified that, within North Kent HMA there are two separate housing markets, i.e. Dartford and Gravesham, and Medway and Swale, although over time these markets could become more integrated and it might make sense to encourage this integration (Part C Para 16). It also suggested that the successful development of a major centre of employment at Ebbsfleet would encourage this integration.
- 3.5 Although helpful in understanding market pressures, the DTZ work did not provide a practical basis for housing market assessments because it did not set precise boundaries for the assessments. Some districts, for example Sevenoaks, fall between two market areas and Bexley is in a different region. This, combined with the different LDF preparation timescales of each district, has resulted in the individual authorities within the North Kent sub region taking a pragmatic approach to the preparation of a housing market assessment.

### **The influence of London**

- 3.6 London has a significant influence on migration as a result of its employment base. Historically, the urbanisation and development of Dartford has been closely linked to London’s expansion and the accessibility to London jobs.
- 3.7 In 2001, almost 40% of Dartford residents travelled to London for work<sup>5</sup>. This is reflected in the housing market and Dartford’s local housing market tends to be less self contained and has been strongly influenced

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<sup>5</sup> ONS, 2001 Census data

by London's housing market. This is covered in more detail in the following section.

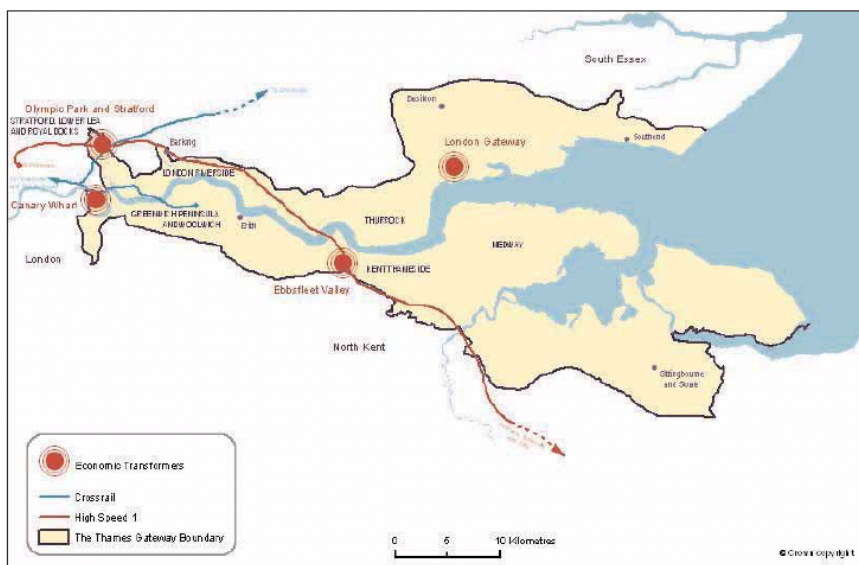
- 3.8 It would be very difficult to produce clearly delimited strategic housing market boundaries due to the multiplicity of employment centres, and the complexity of travel to work patterns.

### Thames Gateway Growth Area

- 3.9 The Thames Gateway is a strategically important economic location stretching from East London to the mouth of the River Thames. In 2003 the first dedicated funding programme was established to help accelerate regeneration in the Thames Gateway programme 1. The objectives of this programme are to support local businesses, attract investment, build infrastructure, and to strengthen and develop communities.

- 3.10 The Thames Gateway Delivery Plan, November 2007, set out a clear way forward for the next three years structured around three driving forces for positive change in the Gateway and Olympics sites by building a strong economy, improving the quality of life for local communities, and developing the Gateway as an eco-region.

Figure 2 Thames Gateway Spatial Transformer



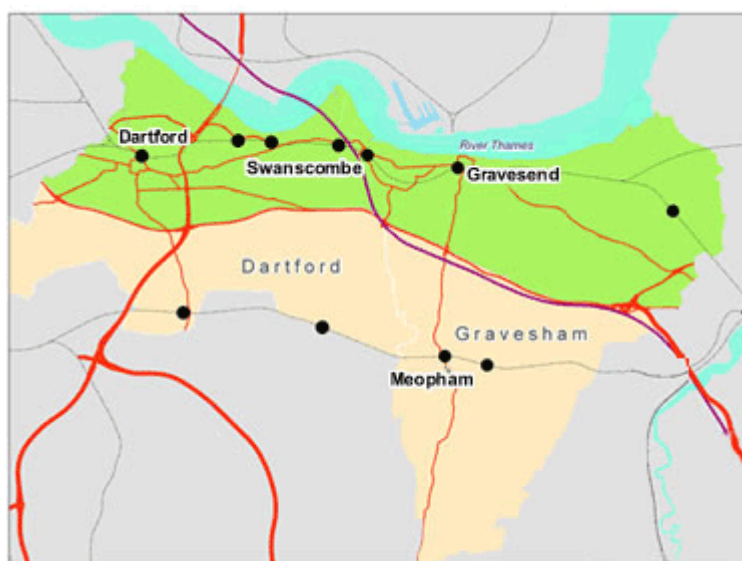
Source: CLG

- **Kent Thameside (Dartford and Gravesham)**

3.11 Kent Thameside comprises the urban areas of Dartford and Gravesham north of the A2. It is one of the sub-areas of the Thames Gateway, one of the Government's identified growth points. Ebbsfleet International and Domestic Station falls on the boundary between Dartford and Gravesham and has been identified as one of four 'transformational' economic hubs in the Thames Gateway. The concentration of new employment at the Ebbsfleet hub has the potential to draw workforce from within the sub region and from adjoining London Boroughs.

3.12 Significant housing growth is also proposed within the Kent Thameside area. The Kent Thameside Regeneration Partnership, the local private-public regeneration partnerships responsible for driving forward investment, has agreed in its Regeneration Framework a target of 30,000 new homes and 50,000 new jobs for the period 2001-2026. The Draft South East Plan (2006), set a target for 24,700 dwellings in the period 2006-2026, although Government's Proposed Changes to the South East Plan propose a higher figure.

3.13 The housing figure for Dartford in the emerging South East Plan is 15,700 between 2006 and 2026, increased to 17,340, in the Government proposed Changes. At the time of preparation of this report, the figure was not finalised. Given the large-scale opportunities in the urban Kent Thameside part of the Borough, the South East Plan identifies only minimal housing development in the rural southern part of the Borough.



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**Figure 3: The Kent Thameside** (area as shown green shadowed area in the map)  
(Source: Thames Gateway Kent Partnership website: [www.tgkp.org/?32](http://www.tgkp.org/?32))

- **East London Thames Gateway**

3.14 Dartford is also adjacent to the London Thames Gateway, an area of 10,000 hectares of land along the riverside of seven east London Boroughs: Barking and Dagenham, Bexley, Greenwich, Havering, Lewisham, Newham and Tower Hamlets.

3.15 The London Thames Gateway has been designated as a key future expansion of London, and aims for the continued economic growth of the Greater South East. The London Plan proposes that, over the next two decades, almost half of the capital's new homes will be built in these boroughs<sup>6</sup>.

### **Identifying Sub-regional Housing Market Areas for Dartford**

3.16 The Government Guidance<sup>7</sup> identifies sub-regional housing market areas as geographic areas defined by household demand and preferences for housing, which reflect the key functional linkages between places where people live and work.

3.17 The guidance also encourages local authorities to consider using a pragmatic approach that groups local authority administrative areas together as an approximation for functional sub-regional housing market areas.

3.18 Three sources of information can be used to identify sub-regional housing market areas, i.e. housing prices and rates of change in house price, household migration and search patterns, and contextual data such as travel to work areas and other functional areas such as retail or school catchment areas.

3.19 In terms of deciding which sources of information should be used to decide sub-regional housing market areas, the government guidance advises that none of the above three sources can in themselves reflect all aspects of household behaviour, and there is no one 'right' or 'wrong' set to use when identifying the sub-regional housing market areas. It however further recommends that house price analysis will be particularly important for areas with affordability or low demand issues,

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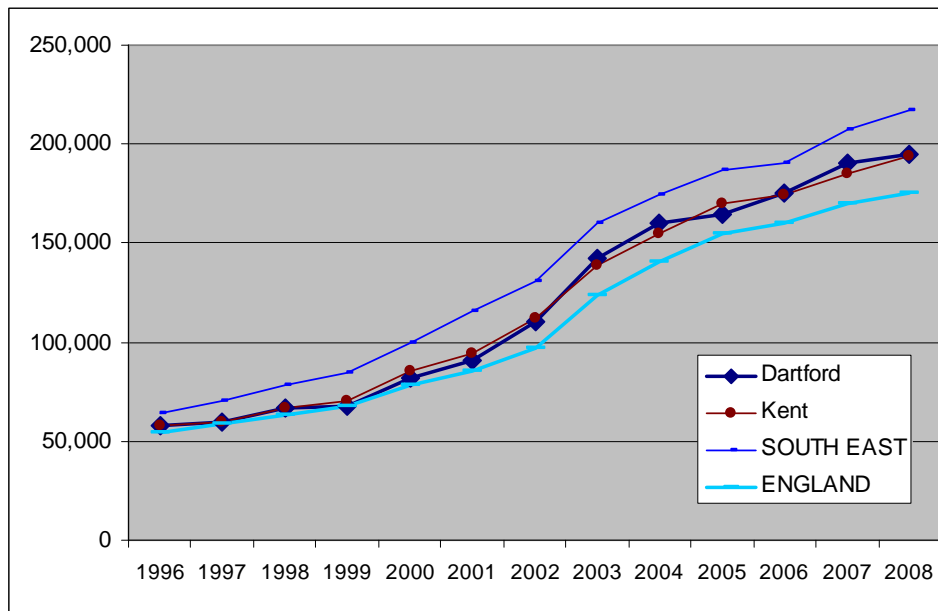
<sup>6</sup> <http://www.communities.gov.uk/thamesgateway/overview/london/>

<sup>7</sup> DCLG, 2007, Identifying Sub-regional Housing Market Areas Advice Note

migration data will be particularly important where there are relatively high or volatile rates of household movement, and contextual data are particularly useful for thinking through how housing market areas relate to economic prosperity and potential economic development. All these issues other than low demand are relevant in the Dartford context.

3.20 According to Dartford’s **housing price and affordability** data (see Figure 4 and Table 1 as below), Dartford’s housing price change has been following the national and regional trend in general. Housing price has been changing at the same level to the Kent average, above the England average but below the South East level. The same picture applies to housing affordability: although affordability has much worsened in Dartford, the change over the last ten years generally is in line with the national and regional trend. Houses in Dartford are slightly less affordable than the England average, but more affordable comparing to the South East and Kent average level. Low demand is not particularly significant for Dartford’s housing market.

**Figure 4 Dartford housing price change compared to England median**



(Source: DCLG – Median housing prices based on Land Registry data, 2008)

**Table 1 Dartford Ratio of lower quartile house price to lower quartile earnings**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Dartford</b>	3.76	3.82	4.07	4.76	4.98	5.92	6.99	8.11	7.90	7.21	7.79
Kent	4.21	4.23	4.45	4.88	5.34	6.27	6.89	8.04	8.3	8.5	8.74
South East	<b>4.32</b>	<b>4.50</b>	<b>4.79</b>	<b>5.36</b>	<b>5.83</b>	<b>6.90</b>	<b>7.48</b>	<b>8.09</b>	<b>8.62</b>	<b>8.58</b>	<b>8.89</b>
<b>England</b>	3.65	3.65	3.84	3.98	4.22	4.72	5.23	6.27	6.82	7.12	7.25

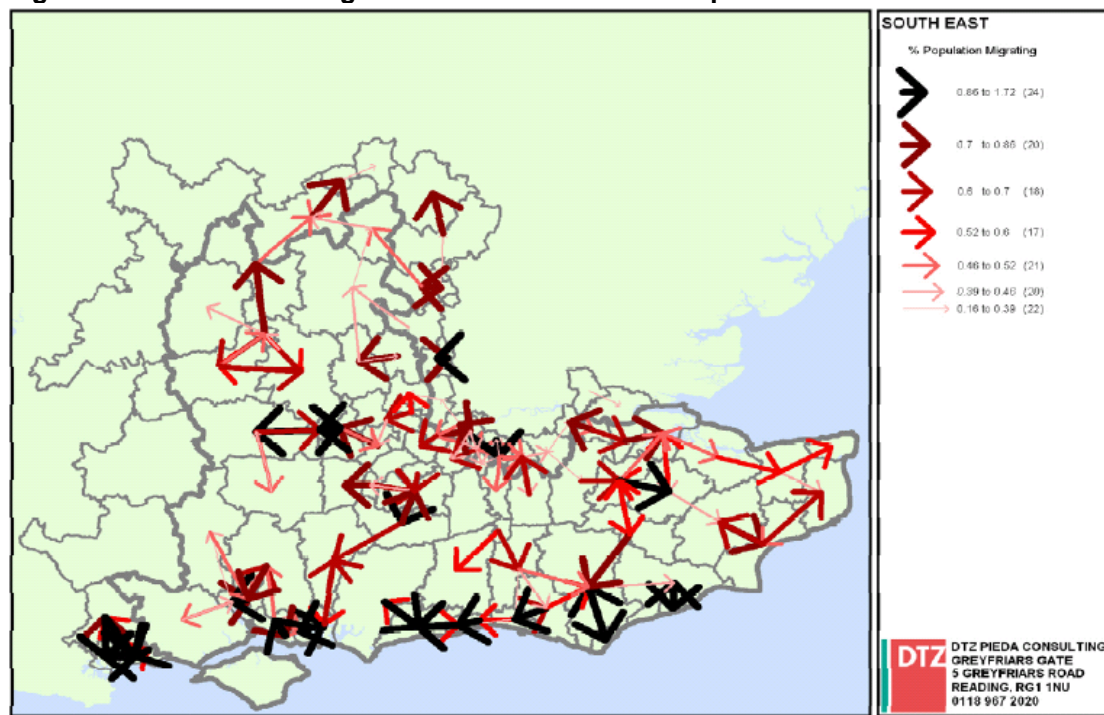
(Source: DCLG, 2008)

3.21 In terms of **household movement** rate, the 2006 DTZ study includes extensive information on household movements, providing a good starting point to understand Dartford's most relevant sub-regional context.

3.22 The DTZ study indicates that Dartford's household movement rate is relatively high, with more than half of the household movements going out of the borough. Whilst Dartford has strong levels of out-migration towards Bexley, Gravesham, Medway and Sevenoaks, the greatest level of in-migration is from households in Bexley, Sevenoaks and Gravesham. There is a particularly strong cluster of movement displayed between Bexley, Dartford, Gravesham and Medway.

3.23 An important point to note from the DTZ analysis is that, the cross district movement analysis shows that the housing market of Dartford has a stronger interrelationship with Bexley and Gravesham than with the rest of the North Kent sub-regional housing market areas (see Figure 5).

**Figure 5: Cross District Migration Flows Above 500 People**



(Source: DTZ Pedia Consulting, 2004)

- 3.24 The above DTZ broad brush analysis is supported by evidence by the DCA study<sup>8</sup> on Dartford Housing Needs and Market Assessment. Table 4-1 of the DCA Study shows that, Bexley and Gravesham were two biggest single districts where inward migrated households moved from. In detail, among the sample of households who had moved in the last 3 years, about 52% had previously lived within the Borough, and 48% moved from out of the Borough. From these in-migrated households, the majority had moved to Dartford from Bexley (31%), from other districts in Kent (28.8%), and elsewhere in London (21.7%). Among the Kent boroughs, the biggest source of inward migration was from Gravesham (9.0%), then Sevenoaks (6.4%), followed by Medway (4.4%). This means that overall 71.2% of the moving households either moved within Dartford or moved from Bexley or Gravesham.
- 3.25 The DCA study also surveyed households (both existing and concealed) who planned to move over the next 3 years (Table 4-3 of the DCA Study). The proposed locations for out-migrants were more diverse: the survey results show that Bexley (8%), Sevenoaks (7%), Gravesham (4%), and Medway (4%) were the four biggest single districts where the moving households in Dartford considered moving to. The existing households' location preference was different to that of the concealed households: the top two concentrated relocation districts for existing households were Bexley (8.1%) and Sevenoaks (8.1%); however for concealed households these were Medway (7.8%), and Bexley (6.1%).
- 3.26 Drawing the two studies together, Dartford household movement has the closest relationship to Bexley and Gravesham, but also relates to Sevenoaks and Medway.
- 3.27 **Travel to Work and other contextual analysis** may be the most important source in identifying Dartford's sub-regional market, as the strategy-led growth and regeneration has been the biggest driver in the local economy.. Ebbsfleet valley is planned to be a key 'economic transformer' leading to increased housing demand, possibly resulting in a revised housing market.
- 3.28 Historically and at present, the capital's influence on its surrounding areas including Dartford has been significant. According to the 2001

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<sup>8</sup> Dartford Borough Housing Needs Survey & Housing Market Assessment, Final Report, DCA, 2006

Census<sup>9</sup>, only 45% (19,000) of Dartford working residents both work and live in Dartford, and 59% (27,700) of Dartford's local jobs are taken by people living outside of the Borough.

3.29 Table 2 shows that around 55% of Dartford's working residents (23,200) travel to work outside of the Borough mainly towards London. The main travel to work movements appear to be with Gravesham and Bexley. Other than Dartford itself, the individual authority which receives the greatest number of Dartford workers is Bexley.

**Table 2 Workplace of Dartford working residents**

	Dartford working population	
	Number	%
	<b>42,230</b>	<b>100%</b>
<b>Area of Workplace</b>		
<b>London</b>	<b>16,666</b>	39%
<b>Inner London</b>	7,704	18%
City of London	1,579	4%
Westminster	1,731	4%
<b>Outer London</b>	8,962	21%
Bexley	5,002	12%
Bromley	1,460	3%
Greenwich	1,444	3%
<b>South East</b>	<b>24,545</b>	58%
Dartford	19,026	45%
Gravesham	1,859	4%
Sevenoaks	1,654	4%
Medway UA	624	1%
Tonbridge and Malling	304	1%
Maidstone	270	1%
Thurrock UA	257	1%

(Source: ONS [from Nomis], Crown Copyright Reserved)

3.30 The DTZ Study mapped the travel to work areas, and it is evident that commuter flows are greatest between Dartford, Bexley and Gravesham among the North Kent districts. Analysis on census data (as shown in Table 3) further established the inter movement among these three areas: Overall, 57% of residents both live and work within the three districts. 47,957 residents (representing 25% of the whole workforce) work in Bexley, 30,998 (16%) in Dartford, and 22,851 (12%) in Gravesham.

<sup>9</sup> Source: 2001 Census Special Workplace Statistics Table SWS 101

3.31 Nearly two thirds (63%) of the workforce in the three districts travel into London (including Bexley) to work. 16% of the whole workforce in the three districts travels to inner London, and 13% to outer London excluding Bexley.

3.32 Looking into the numbers of people travelling outside their residency districts, Bexley (5,002) and Gravesham (1,859) attract the highest number of Dartford residents commuting to work; Dartford (6,499) and Medway (2,041) have the highest number of Gravesham residents commuting to work; apart from inner London, Greenwich (9,501) and Dartford (5,473) have the highest number of Bexley residents commuting to work.

3.33 Besides travelling to work in the local area or into London, adjacent districts are common job destinations. These include Bromley, Greenwich, Croydon, Sevenoaks, Medway, Tonbridge and Malling, Maidstone, and Thurrock. However, these neighbouring districts altogether only take around 13% of the workforce travelling from Bexley/ Dartford/ Gravesham.

**Table 3 Workplace of the Bexley/ Dartford/ Gravesham working residents (LA areas)**

		Area of residence				% of the whole workforce
		Bexley	Dartford	Gravesham	HMA total	
		<b>103,539</b>	<b>42,230</b>	<b>43,955</b>	<b>189,724</b>	<b>100%</b>
<b>Area of workplace</b>						
<b>London</b>		<b>92,421</b>	<b>16,666</b>	<b>9,836</b>	<b>118,923</b>	<b>63%</b>
	<b>Inner London</b>	<b>16,951</b>	<b>7,704</b>	<b>5,724</b>	<b>30,379</b>	<b>16%</b>
	Camden	2,472	563	488	3,523	
	City of London	6,580	1,579	1,218	9,377	
	Islington	1,546	380	259	2,185	
	Lambeth	1,804	384	298	2,486	
	Lewisham	2,981	612	298	3,891	
	Southwark	4,660	974	628	6,262	
	Tower Hamlets	2,820	730	606	4,156	
	Westminster	7,692	1,731	1,313	10,736	
	<b>Outer London</b>	<b>58,922</b>	<b>8,962</b>	<b>4,112</b>	<b>71,996</b>	<b>38%</b>
	<b>Bexley</b>	<b>41,219</b>	<b>5,002</b>	<b>1,736</b>	<b>47,957</b>	<b>25%</b>
	Bromley	4,997	1,460	767	7,224	4%
	Greenwich	9,501	1,444	801	11,746	6%
<b>South East</b>		<b>9,312</b>	<b>24,545</b>	<b>32,948</b>	<b>66,805</b>	<b>35%</b>
	<b>Dartford</b>	<b>5,473</b>	<b>19,026</b>	<b>6,499</b>	<b>30,998</b>	<b>16%</b>
	<b>Gravesham</b>	<b>522</b>	<b>1,859</b>	<b>20,470</b>	<b>22,851</b>	<b>12%</b>
	Sevenoaks	1,114	1,654	1,012	3,780	2%
	Medway UA	317	624	2,041	2,982	2%
	Tonbridge and Malling	336	304	974	1,614	1%
	Maidstone	234	270	744	1,248	1%

	Thurrock UA	283	257	353	893	0.5%
	Bexley+ Dartford+ Gravesham	47,214	25,887	28,705	101,806	57%

(Source: ONS [from Nomis], Crown Copyright Reserved)

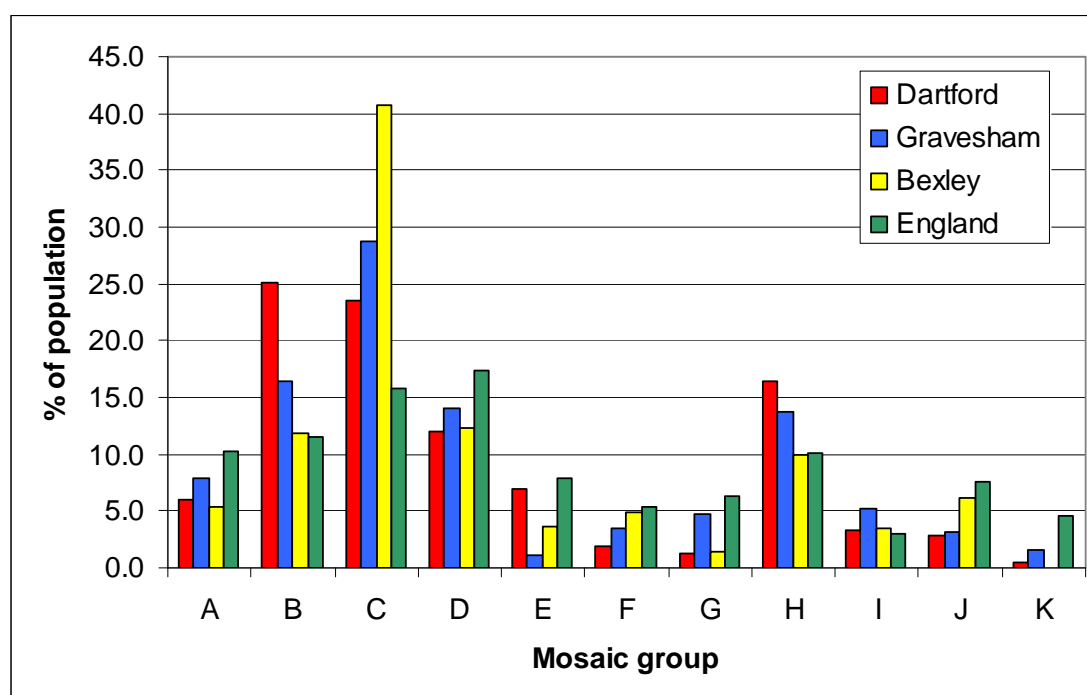
3.34 **Other contextual analysis** has also been carried out. Figure 6 is a chart showing how the population differs in terms of the proportion of the population each Mosaic group accounts for in each district. Mosaic Public Sector designed by Experian is a comprehensive analysis of citizens at postcode and household level. It provides deep insight into the socio-demographics, lifestyles, culture and behaviour of UK citizens. Using data from a wide range of public and private sources, Mosaic Public Sector has been linked to specific data sources from health, education, criminal justice and local and central government. This data has been combined to create 61 segments (known as Mosaic types) of the population based on their characteristics, behaviours and attitudes. The 61 Mosaic types have then been aggregated into 11 general groups referred to throughout this report as the Mosaic groups. This provides a picture of citizens which can indicate their requirements for public services.

3.35 Figure 6 shows that the broad household socio-demographics, lifestyle, culture and behaviour of Dartford, Bexley and Gravesham are similar. All 3 districts have a higher proportion of the three Mosaic Groups: Group C: Older families living in suburbia, and B: Younger families living in newer homes compared to England. The three districts also have a lower proportion of households when compared to the England average for the Mosaic groups: D: Close-knit, inner city and manufacturing town communities; E: Educated, young, single people living in areas of transient populations, F: People living in social housing with uncertain employment in deprived areas, G: Low income families living in estate based social housing, J: Independent older people with relatively active lifestyles and, K: People living in rural areas far from urbanisation.<sup>10</sup>

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<sup>10</sup> KCC Analysis and Information Team, Dec 2008, An introduction to Mosaic analysis for the borough of Dartford

**Figure 6 Mosaic profile for Dartford, Bexley and Gravesham**



Mosaic Group
A: Career professionals living in sought after locations
B: Younger families living in newer homes
C: Older families living in suburbia
D: Close-knit, inner city and manufacturing town communities
E: Educated, young, single people living in areas of transient populations
F: People living in social housing with uncertain employment in deprived areas
G: Low income families living in estate based social housing
H: Upwardly mobile families living in homes bought from social landlords
I: Older people living in social housing with high care needs
J: Independent older people with relatively active lifestyles
K: People living in rural areas far from urbanisation

(Data source: KCC Analysis and Information Team, Dec 2008)

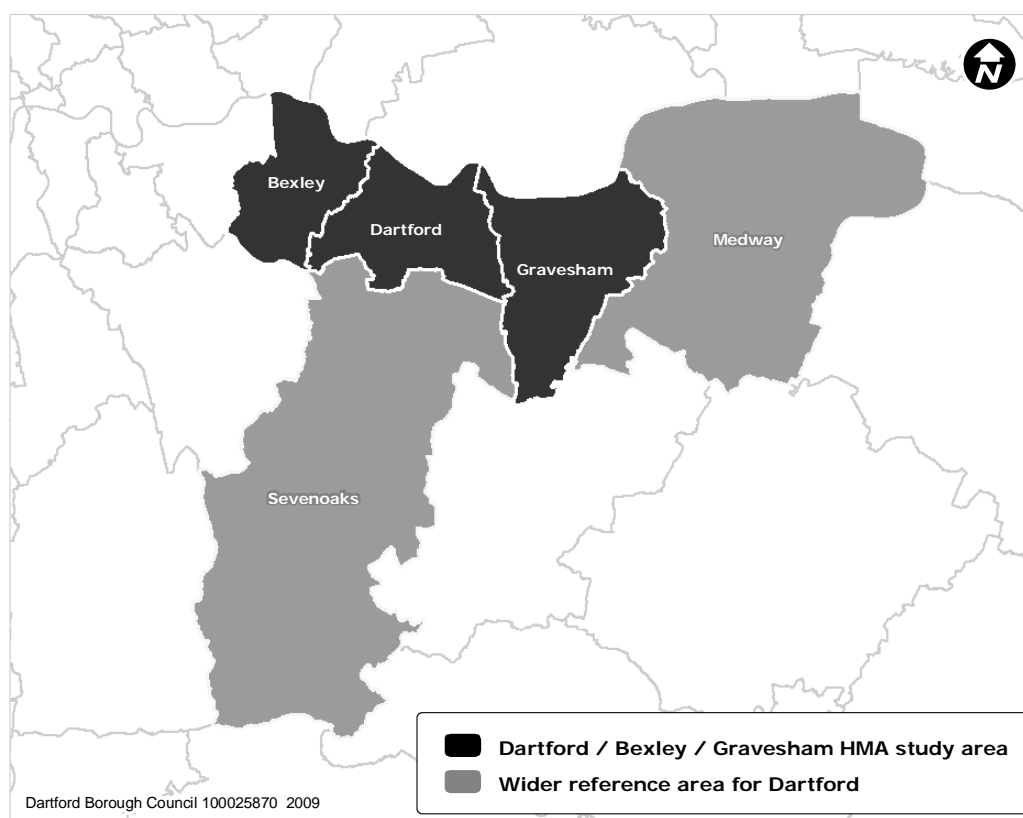
3.36 **In summary** Dartford has the greatest level of interrelationship in terms of its housing market with the two neighbouring districts of Bexley and Gravesham. There is a high degree of cross boundary movement both in terms of home moves and travel to work patterns between Dartford, Bexley and Gravesham. The three areas form one single sub-regional housing market other than being each self-contained. Dartford's housing market is more integrated with that of Bexley and Gravesham than with the rest of the North Kent areas.

3.37 A wider sub-regional reference area for Dartford's local housing market has been taken as including Medway and Sevenoaks: the former is significant as a potential location to move to by concealed Dartford households whilst the latter is viewed as a place to move to by Dartford's existing households who are intending to move.

3.38 Although Swale has been included in DTZ's recommended North Kent HMA, it does not seem to have significant interaction with Dartford's households' movement, nor travel to work pattern. The reference area of this report therefore excludes Swale.

3.39 Figure 7 shows the study area of this report.

**Figure 7 Dartford/ Bexley/ Gravesham HMA and wider reference area**



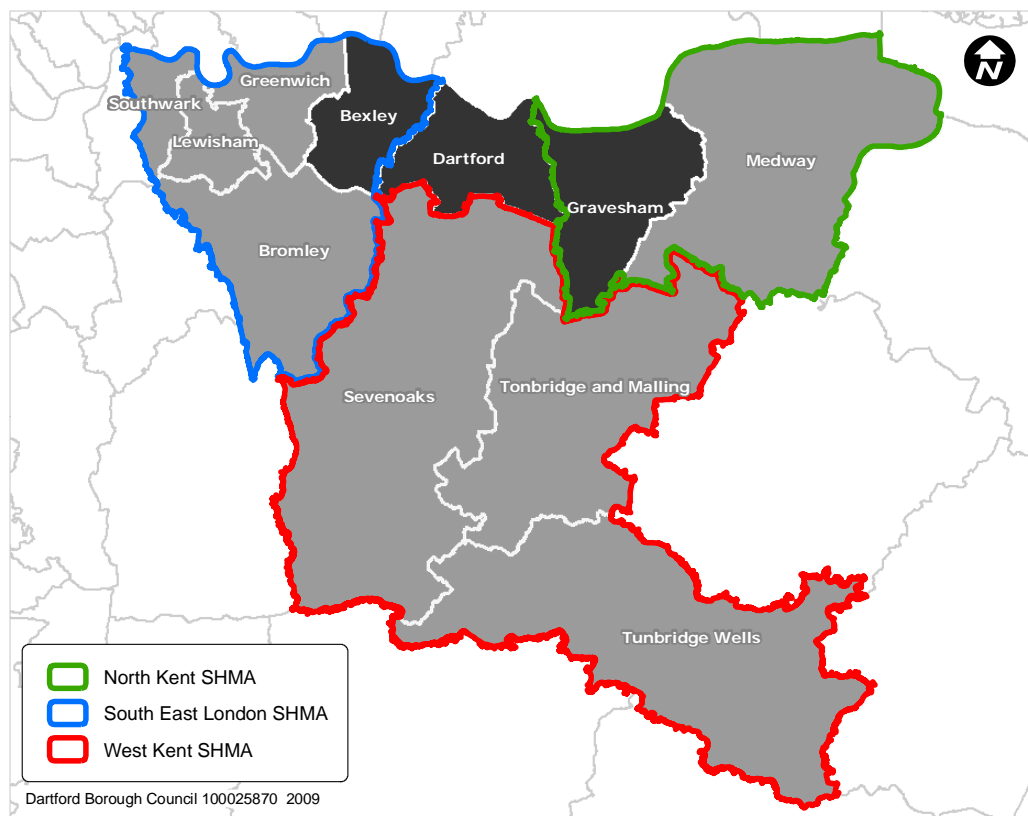
### **Co-ordinating the findings of individual Strategic Housing Market Assessments**

3.40 Drawing from the above analysis, ideally one SHMA should be commissioned to cover the Dartford/ Bexley/ Gravesham housing market so that the issues of this market can be considered as a whole.

However the three districts fall into two different Regions (South East England and Greater London). Bexley has been working with the other South East London boroughs (Bromley, Greenwich, Lewisham and Southwark) to produce a South East London SHMA, and at the time this report was compiled it was difficult for Dartford to align the study to fit in with Gravesham's plan preparation timetables.

3.41 The practicality means that, the most appropriate solution for Dartford is to follow Government guidance for the production of SHMAs on the Dartford/ Bexley/ Gravesham housing market area but focusing on filling in Dartford's evidence gap of the 2006 DCA study. This report will also take into account the relevant studies produced for Medway and Sevenoaks; the wider sub-regional reference areas that have impact on Dartford's housing market.

**Figure 8 Commissioned SHMAs adjacent to Dartford**

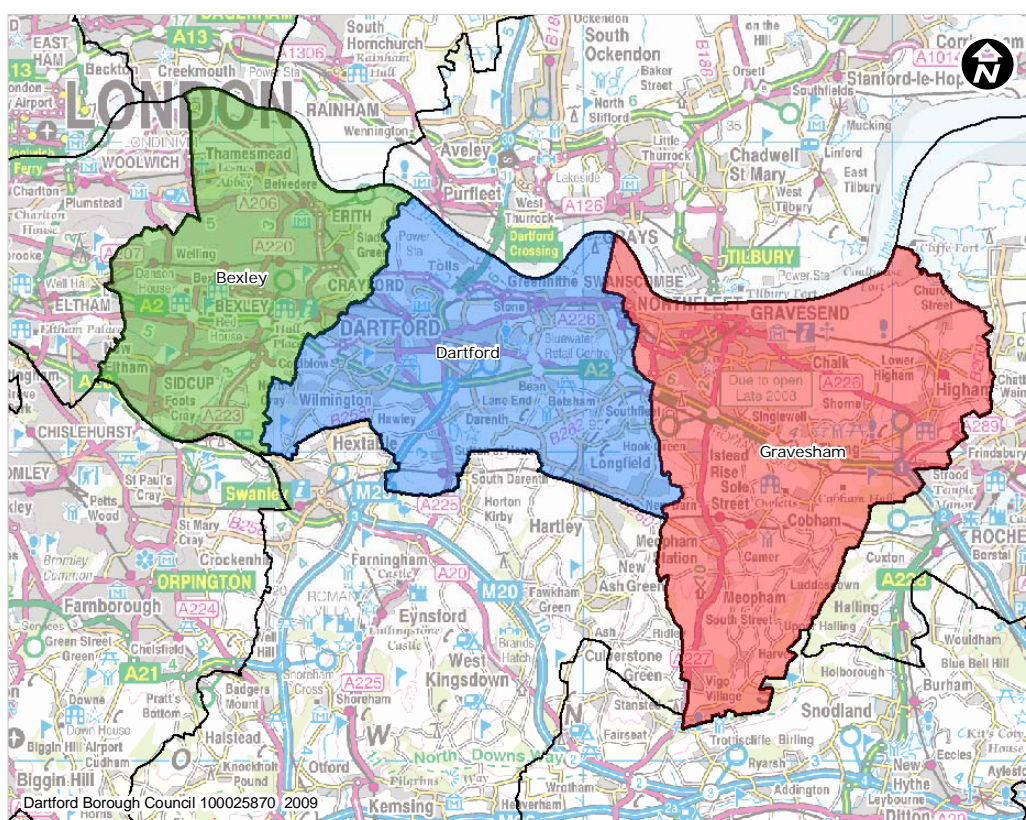


## 4. THE CURRENT HOUSING MARKET

### Background

- 4.1 Bexley, Dartford and Gravesham are local government districts in south east London and north-west Kent. This area has borders with the River Thames to the north; the city of Medway to the east; the borough of Sevenoaks, Tonbridge and Malling, and London Borough of Bromley (to the south); and the London boroughs of Greenwich to the west. Although Bexley and Dartford are separated by the administrative boundary of London /Kent County Council, they are very strongly linked in terms of the housing market area as shown in Chapter 2.

Figure 9 Dartford/ Bexley/ Gravesham HMA study area



### Population

- 4.2 Table 4 shows past trends in the overall population and number of households in Dartford, Bexley and Gravesham, drawing on ONS and DCLG data. The late 1980s saw some continuous population loss up to 1991 and again in the mid 1990s but to a lesser degree for the HMA as

a whole. Since 1998 the population has started to increase year on year.

4.3 The trends of population increase for the three areas vary at different degrees. Dartford's population has been in steady increase since 1990. Between 1981 to 2004, the rate of population increase for Dartford (7.7%) is well above the HMA average (2.4%).

**Table 4 Population and Household in HMA and Dartford, 1981 – 2007**

<b>HMA Total</b>					
Year	Mid-year Population	Change on previous year	Mid-year Households	Change on previous year	Ave Household Size
1981	394,203		143,000		2.8
1982	394,218	0.0%	144,000	0.7%	2.7
1983	393,515	-0.2%	144,000	0.0%	2.7
1984	393,530	0.0%	145,000	0.7%	2.7
1985	392,785	-0.2%	147,000	1.4%	2.7
1986	393,328	0.1%	148,000	0.7%	2.7
1987	392,551	-0.2%	149,000	0.7%	2.6
1988	390,358	-0.6%	149,000	0.0%	2.6
1989	388,693	-0.4%	151,000	1.3%	2.6
1990	388,700	0.0%	151,000	0.0%	2.6
1991	391,483	0.7%	154,000	2.0%	2.5
1992	392,607	0.3%	155,000	0.6%	2.5
1993	393,363	0.2%	156,000	0.6%	2.5
1994	394,594	0.3%	158,000	1.3%	2.5
1995	394,605	0.0%	159,000	0.6%	2.5
1996	393,695	-0.2%	159,000	0.0%	2.5
1997	392,726	-0.2%	160,000	0.6%	2.5
1998	394,853	0.5%	158,000	-1.3%	2.5
1999	397,078	0.6%	161,000	1.9%	2.5
2000	399,386	0.6%	162,000	0.6%	2.5
2001	400,504	0.3%	163,000	0.6%	2.5
2002	400,527	0.0%	165,000	1.2%	2.4
2003	401,944	0.4%	166,000	0.6%	2.4
2004	403,483	0.4%	166,000	0.0%	2.4
2005	406,641	0.8%	Na	Na	Na
2006	408,973	0.6%	Na	Na	Na
2007	410,441	0.4%	Na	Na	Na
1981-2004 Change	9,280	2.4%	23,000	16.1%	-0.4
<b>Dartford</b>					
Year	Mid-year Population	Change on previous year	Mid-year Households	Change on previous year	Ave Household Size

1981	81,274		29,000		2.8
1982	81,172	-0.1%	29,000	0.0%	2.8
1983	80,489	-0.8%	29,000	0.0%	2.8
1984	80,272	-0.3%	29,000	0.0%	2.8
1985	80,270	0.0%	30,000	3.4%	2.7
1986	79,777	-0.6%	30,000	0.0%	2.7
1987	79,902	0.2%	30,000	0.0%	2.7
1988	79,327	-0.7%	30,000	0.0%	2.6
1989	79,456	0.2%	31,000	3.3%	2.6
1990	79,585	0.2%	31,000	0.0%	2.6
1991	80,141	0.7%	32,000	3.2%	2.5
1992	81,005	1.1%	32,000	0.0%	2.5
1993	81,682	0.8%	33,000	3.1%	2.5
1994	82,443	0.9%	33,000	0.0%	2.5
1995	82,632	0.2%	34,000	3.0%	2.4
1996	82,981	0.4%	34,000	0.0%	2.4
1997	83,712	0.9%	34,000	0.0%	2.5
1998	84,619	1.1%	34,000	0.0%	2.5
1999	85,045	0.5%	35,000	2.9%	2.4
2000	85,509	0.5%	35,000	0.0%	2.4
2001	85,956	0.5%	35,000	0.0%	2.5
2002	86,206	0.3%	36,000	2.9%	2.4
2003	86,633	0.5%	36,000	0.0%	2.4
2004	87,559	1.1%	36,000	0.0%	2.4
2005	88,781	1.4%	Na	Na	Na
2006	89,932	1.3%	Na	Na	Na
2007	90,617	0.8%	Na	Na	Na
1981-2004 Change	6,285	7.7%	7,000	24.1%	-0.4

(Data Sources: ONS mid-year population estimates, DCLG household estimates. NA Data not yet available. Household figures have been separately rounded to the nearest hundred and therefore may not sum. Percentages have been calculated using unrounded numbers)

- 4.4 The HMA average household size has fallen from 2.8 persons in 1981 to 2.4 persons in 2004. Although the population has only increased by 9,280 people from 1981 to 2004, there are 23,000 more households in the same period. With the exception of 1998, the number of households has risen more or less continuously since 1981, reflecting the increasing propensity to live in smaller household units among other things.
- 4.5 Table 5 shows the breakdown of population change in the Housing Market Area, showing the contribution of natural change (births less deaths) over the period from 1991 to 2005. It is clear that natural population change is a major positive component of population growth.

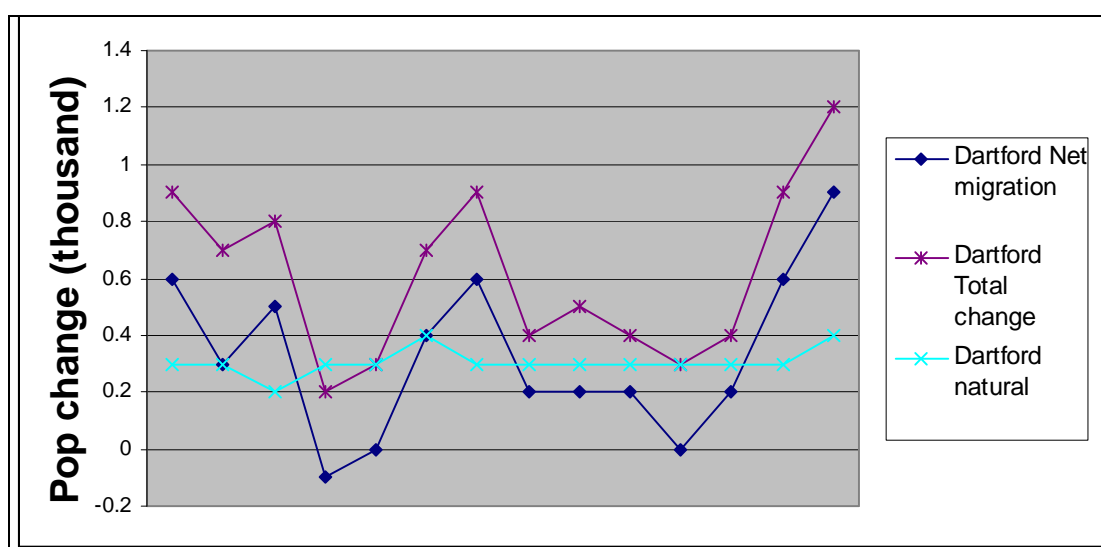
- 4.6 The figure of net migration for the HMA area is not available as the ONS data cannot differentiate internal movement among the three local authorities areas; hence there is a likelihood of double counting.
- 4.7 Table 5 and Figure 10 show the breakdown of population change in Dartford, with the respective contribution of natural change (births less deaths) and net migration over the same period. In Dartford, the trend of steady population growth is strong, and the contribution from net in migration has been significant.

**Table 5 Components of population change (thousand) - 1991 – 2005**

Year	Bexley, Dartford and Gravesham total			Dartford		
	Net Natural change	Net Migration	Total change	Net Natural change	Net Migration	Total change
1991-1992	1.7	N/A	N/A	0.3	0.6	0.9
1992-1993	1.4	N/A	N/A	0.3	0.3	0.7
1993-1994	1.5	N/A	N/A	0.2	0.5	0.8
1994-1995	1.4	N/A	N/A	0.3	-0.1	0.2
1995-1996	1.1	N/A	N/A	0.3	0.0	0.3
1996-1997	1.4	N/A	N/A	0.4	0.4	0.7
1997-1998	1.2	N/A	N/A	0.3	0.6	0.9
1998-1999	1.1	N/A	N/A	0.3	0.2	0.4
1999-2000	1.1	N/A	N/A	0.3	0.2	0.5
2000-2001	1.2	N/A	N/A	0.3	0.2	0.4
2001-2002	0.9	N/A	N/A	0.3	0.0	0.3
2002-2003	0.9	N/A	N/A	0.3	0.2	0.4
2003-2004	1.2	N/A	N/A	0.3	0.6	0.9
2004-2005	1.5	N/A	N/A	0.4	0.9	1.2

(Source: Office for National Statistics (ONS) © crown copyright.)

Figure 10 Dartford population component change (1992 - 2005)



(Data source: ONS)

4.8 Table 6 shows Dartford's migration by occupational type for people of working age (16 – 74). This shows that there are relatively high net inflows of intermediate population and managerial and professional groups, and a small net inflow of those who are in lower supervisory and technical occupations.

4.9 Out migration is highest from full time students, reflecting the fact that Dartford does not have higher education institutions. There is a net outflow of small employers and people on self employment, and a small out flow of those who have never worked or those who are long-term unemployed.

Table 6 Migration by occupational type - Dartford during the period of 2000 - 2001

	Did not move or moved within LA	Moved in from within UK	Moved out to within UK	Net UK moves	Net UK moves as % of non-movers/movers within LA
Higher managerial and professional	3998	371	364	7	0.18
Lower managerial and professional	11208	933	877	56	0.50
Intermediate	6965	592	457	135	1.94
Small employers and own account workers	4155	193	257	-64	-1.54
Lower supervisory and technical	5127	270	255	15	0.29
Semi-routine	7160	368	325	43	0.60
Routine	5076	247	233	14	0.28
Never worked and long-term unemployed	1416	71	80	-9	-0.64

Full-time students	2714	227	369	-142	-5.23
Other not classified	10161	143	237	-94	-0.93
Total	57980	3415	3454	-39	-0.07

(Source: 2001 Census, ONS, Crown Copyright 2004 ©)

*(Note: data excluded "no usual address one year ago". Inflow is not an exact count of people moving into an area as it does not include people who had no usual address one year ago who did not live within the area. Outflow is not a count of all people moving out of the area as it does not include people who have moved outside the UK.)*

4.10 Table 7 shows the age breakdown of the population of the HMA area in 2007. The HMA has a younger population compared to Kent including Medway and the South East average. It has a higher proportion of children (18.7%), 16-30 (19.1%) and 30-44 (22.0%), but lower proportions of people of 45-64 (24.6%) and older people (15.6%). Conversely, compared to the Greater London area, the HMA has a significantly higher proportion of people over 45 and the elderly 65+, a slightly higher population of children under 15, but a much lower proportion of young people (16-29 and 30-44 age band).

4.11 Dartford's population is even younger than the HMA average, having higher proportions of children (18.8%), the 15-29 age group (19.6%), and the age group of 30-44 (23.3%), but smaller proportions of mid age (45-65) (24.0%) and the elderly (65+) (14.3%).

4.12 Table 7 also shows the population structure change for the period 2003 to 2007. The HMA area has a fall in the proportion of children under 15, a rise in the 15 to 29 age band, a fall in the proportion of 30 to 44 year olds, and an increase in the 45 to 64 age and 65+ bands. Overall the population profile of Dartford, Bexley and Gravesham has been broadly the same as Kent, and they share similar trends of change over the past 6 years.

4.13 Over the same period, Dartford has seen a well above average population increase (4.6%). It has a larger increase in the 15 to 29 (11.3%), 45 to 64 (10.2%), and 65+ (4%) age bands, compared to the HMA overall change. Dartford has maintained its level in the 0-14 and 30-44 age bands, which has declined in the HMA overall.

**Table 7 Population age breakdown**

Year	2003*		2007**		change	
	<b>HMA</b>					
0-14	77,900	19.4%	76,700	18.7%	-1,200	<b>-1.54%</b>
15-29	72,200	18.0%	78,300	19.1%	6,100	<b>8.45%</b>
30-44	93,900	23.4%	90,300	22.0%	-3,600	<b>-3.83%</b>

45-64	95,300	23.7%	101,000	24.6%	5,700	<b>5.98%</b>
65+	62,600	15.6%	63,900	15.6%	1,300	<b>2.08%</b>
<b>All ages</b>	<b>401,900</b>	<b>100.0%</b>	<b>410,400</b>	<b>100.0%</b>	<b>8,500</b>	<b>2.11%</b>
<b>Dartford</b>						
0-14	17,000	19.6%	17,000	18.8%	0	<b>0.00%</b>
15-29	16,000	18.5%	17,800	19.6%	1,800	<b>11.25%</b>
30-44	21,100	24.4%	21,100	23.3%	0	<b>0.00%</b>
45-64	19,700	22.7%	21,700	24.0%	2,000	<b>10.15%</b>
65+	12,500	14.4%	13,000	14.3%	500	<b>4.00%</b>
<b>All ages</b>	<b>86,600</b>	<b>100.0%</b>	<b>90,600</b>	<b>100.0%</b>	<b>4,000</b>	<b>4.62%</b>
<b>Kent and Medway</b>						
0-14	305,900	19.1%	301,200	18.3%	-4,700	<b>-1.54%</b>
15-29	278,000	17.4%	299,800	18.2%	21,800	<b>7.84%</b>
30-44	351,100	21.9%	342,600	20.8%	-8,500	<b>-2.42%</b>
45-64	401,100	25.1%	427,200	25.9%	26,100	<b>6.51%</b>
65+	264,700	16.5%	276,100	16.8%	11,400	<b>4.31%</b>
<b>All ages</b>	<b>1,600,600</b>	<b>100.0%</b>	<b>1,646,900</b>	<b>100.0%</b>	<b>46,300</b>	<b>2.89%</b>
<b>South East</b>						
0-14	1,483,900	18.3%	1,475,700	17.8%	-8,200	<b>-0.55%</b>
15-29	1,456,800	18.0%	1,550,700	18.7%	93,900	<b>6.45%</b>
30-44	1,828,800	22.6%	1,786,300	21.5%	-42,500	<b>-2.32%</b>
45-64	1,989,600	24.6%	2,119,600	25.5%	130,000	<b>6.53%</b>
65+	1,327,800	16.4%	1,376,300	16.6%	48,500	<b>3.65%</b>
<b>All ages</b>	<b>8,087,000</b>	<b>100.0%</b>	<b>8,308,700</b>	<b>100.0%</b>	<b>221,700</b>	<b>2.74%</b>
<b>Greater London</b>						
0-14	1,356,000	18.4%	1,371,200	18.1%	15,200	<b>1.12%</b>
15-29	1,683,000	22.9%	1,716,300	22.7%	33,300	<b>1.98%</b>
30-44	1,961,500	26.6%	2,020,700	26.7%	59,200	<b>3.02%</b>
45-64	1,471,600	20.0%	1,566,500	20.7%	94,900	<b>6.45%</b>
65+	892,100	12.1%	882,200	11.7%	-9,900	<b>-1.11%</b>
<b>All ages</b>	<b>7,364,100</b>	<b>100.0%</b>	<b>7,556,900</b>	<b>100.0%</b>	<b>192,800</b>	<b>2.62%</b>

(Source: \*2001 Census from ONS © crown copyright, \*\*2007 Mid Year Estimates published in 2008 by KCC Analysis and Information Team and GLA Demography Unit. All figures have been separately rounded to the nearest hundred and therefore may not sum. Percentages have been calculated using unrounded numbers)

## Households

4.14 As shown in Table 4 above, there are approximately 166,000 households in Bexley, Dartford and Gravesham (2004 estimation), and an increase of around 23,000, or 16.1 per cent, since 1981. Dartford has around 36,000 households in 2004, an increase of 24.1% (7,000) comparing to its 1981 level.

4.15 Table 8 shows the changing composition of households in 2001 together with the projected composition in 2006. During this period, one-person

households in the HMA increase substantially both in absolute terms and as a proportion of the overall population. The number of lone parent households has also increased significantly. The number of married couples has significantly decreased, but there is an increase in the number of cohabiting couples. The numbers of multi-person households are stable. The composition of HMA households in 2006 is generally in line with the South East as a whole with a slight higher proportion of cohabiting couples and lone parent, and slightly lower proportion of multi-occupation households. However, it differs to London with a much higher proportion of couples; but a smaller proportion of lone parents, and significant smaller proportions of one-person and multi occupation households.

4.16 In the same period, Dartford's cohabiting couple and lone parents households have had the biggest proportional increase (by 2.4% and 2.1% respectively), followed by one person household (by 1.2%). The total number of couple households remains stable: although the number of married couple decreases, this is compensated by the big increase in cohabiting couple households. In 2006, the proportion of couple households in Dartford (60%) is higher than the HMA average (58%) and the South East and London levels.

**Table 8 Household composition 2001 and 2006**

HH type	HMA					Dartford					Proportion of households in SE 2006p (%)	Proportion of households in London 2006p (%)
	Number of households (thousand)		Proportion of households in HMA (%)			Number of households (thousand)		Proportion of households (%)				
	2001 e	2006 p	2001 e	2006 p	% change	2001 e	2006 p	2001 e	2006 p	% Change		
Married Couple	82	79	50	47	-3.6	17	17	49	46	-2.6	47	33
Cohabiting Couple	16	18	10	11	0.8	4	5	11	14	2.1	10	10
Lone Parent	11	13	7	8	0.9	2	3	6	8	2.4	6	10
HMO	9	9	6	5	-0.2	2	2	6	5	-0.3	6	11
One Person	46	51	28	30	2.0	10	11	29	30	1.2	30	36
All HH	163	169	100	100		35	37	100	100		100	100

(Source: CLG household projections, 2004 based revised household projection updated in 1 Feb 2008. Columns may not add to 100% due to rounding.)

4.17 The 2001 Census revealed that around 42.1% of total households in HMA, and 41.0% in Dartford, have children, higher than the national and regional average (see Table 9 as below). Demand from this group is

likely to be for family sized accommodation consisting of two or more bedrooms.

**Table 9 Households with children (2001)**

	<b>Dartford</b>	<b>HMA</b>	<b>London</b>	<b>South East</b>	<b>England</b>
Couple with children	30.4%	30.7%	22.8%	28.2%	27.1%
Lone parents	9.0%	9.2%	11.1%	7.9%	9.5%
Other household with children	1.6%	2.2%	3.6%	1.9%	2.2%
<b>Total</b>	<b>41.0%</b>	<b>42.1%</b>	<b>37.6%</b>	<b>38.0%</b>	<b>38.8%</b>

(Data source: ONS 2001 Census. Columns may not add to 100% due to rounding)

### **Economic profiles**

4.18 Table 10 shows that 143,713 people work in the HMA areas, and nearly the whole HMA workforce live in London or South East Region. 71% (101,805) of the HMA workforce live within the HMA areas, with 33% (47,216) living in Bexley, 20% (28,702) in Gravesham, and 18% (25,887) in Dartford.

4.19 The three HMA areas also draw in employees from surrounding districts. Bexley has the greatest numbers of commuters from Dartford, Greenwich, Bromley, Sevenoaks, and Medway. Dartford has commuters from Gravesham, Bexley, Medway, Sevenoaks, and Greenwich. Gravesham has commuters from Medway and Dartford. The commuter flows are generally a trend of east to west movement, although Dartford seems to attract a high number of commuters from the west as well.

4.20 The work flow pattern into the HMA areas (Table 10) has some implications for the housing offer in this wide area: improvement in the housing offer, combined with improved local facilities and increasing commuting costs, could help retain those working but not currently living in the HMA (around 30% of the local workforce) to move to the HMA area.

**Table 10 Origins of HMA workforce**

		Workforce in the HMA area				
		Bexley	Dartford	Gravesham	HMA	HMA %
		67,540	46,641	29,532	143,713	100%
<b>Origin of residence</b>						
South East		13,111	35,157	27,655	75,923	53%
	<b>Gravesham</b>	<b>1,734</b>	<b>6,501</b>	<b>20,467</b>	<b>28,702</b>	<b>20%</b>
	<b>Dartford</b>	<b>5,001</b>	<b>19,028</b>	<b>1,858</b>	<b>25,887</b>	<b>18%</b>
	Medway UA	1,461	3,417	2,938	7,816	5%
	Sevenoaks	2,099	3,126	653	5,878	4%
	Tonbridge and Malling	571	712	451	1,734	1%
	Maidstone	516	653	405	1,574	1%
	Swale	286	438	284	1,008	1%
London		52,978	9,667	1,226	63,871	44%
	<b>Bexley</b>	<b>41,216</b>	<b>5,472</b>	<b>528</b>	<b>47,216</b>	<b>33%</b>
	Greenwich	5,049	1,335	139	6,523	5%
	Bromley	3,197	1,051	185	4,433	3%
	Lewisham	1,171	445	60	1,676	1%
<b>HMA area (Bexley+ Dartford+ Gravesham)</b>		<b>47,951</b>	<b>31,001</b>	<b>22,853</b>	<b>101,805</b>	<b>71%</b>
<b>London and South East</b>		<b>66,089</b>	<b>44,824</b>	<b>28,881</b>	<b>139,794</b>	<b>97%</b>

(Source: 2001 Census, ONS Crown Copyright Reserved [from Nomis])

4.21 About 81% of the working age population was economically active (Table 11), the same proportion to the Kent average but higher than London. The proportion of people employed is higher than for Kent and London, but the proportion of self employed is lower than the two wider regions. The unemployment rate in the HMA area in 2007 is slightly higher than the Kent and London average.

4.22 The male activity rate (85%) is significantly higher than the female rate (76%) but both are similar to that of Kent but above that for London.

**Table 11 Economically active population - Jan to Dec 2007**

All people of working age population (16-59/64)	HMA persons	HMA %	Kent %	London %
<b>All people</b>	204,200	81.0	81.0	75.0
Economically active <sup>†</sup>	190,800	75.0	76.3	69.8
Employees <sup>†</sup>	166,500	66.0	64.5	58.5
Self employed <sup>†</sup>	23,400	9.0	11.1	10.9
Model-based unemployed <sup>§</sup>	13,300	7.0	5.8	6.9
Economically inactive	48,700	19.0	19.0	25.0
<b>Male</b>	110,700	85.0	84.8	82.0
Economically active <sup>†</sup>	102,600	79.0	79.6	76.6

Employees <sup>†</sup>	82,800	64.0	62.7	60.7
Self employed <sup>†</sup>	19,400	15.0	16.6	15.4
Unemployed <sup>§</sup>	8,000	7.0	6.1	6.7
Economically inactive - male	19,100	15.0	15.2	18.0
<b>Female</b>	93,500	76.0	76.9	67.6
Economically active <sup>†</sup>	88,200	72.0	72.8	62.7
Employees <sup>†</sup>	83,700	68.0	66.4	56.2
Self employed <sup>†</sup>	!	!	5.3	6.1
Unemployed <sup>§</sup>	!	!	5.4	7.2
Economically inactive - female	29,500	24.0	23.1	32.4

(Source: NOMIS, derived from ONS annual population survey)

† numbers are for those aged 16 and over, % are for those of working age (16-59/64)

! Estimate and confidence interval not available since the group sample size is zero or disclosive (0-2).

4.23 Table 12 shows employment by occupation in 2007. The HMA area has a slightly lower representation than Kent in professional and managerial jobs (38% compared to 41%), and this figure is below the national average (43%) and is much lower than that of London (53%). The HMA area has a much higher proportion of employees in administrative, skilled occupations (29%) than that for Kent (25%), London (20%), and national average (23%). It has similar proportion (18%) of employees in elementary occupations to Kent and national average (19%), and a higher level than that of London (13%).

**Table 12 Employment by occupation Oct 2006-Sep 2007**

Standard Occupational classification	HMA number	HMA %	Kent %	SE %	London %	England %
<b>SOC groups 1-3</b>	<b>74,500</b>	<b>38</b>	<b>41</b>	<b>47</b>	<b>53</b>	<b>43</b>
1: managers and senior officials	26,000	13	15	17.5	18.0	15.7
2: professional occupations	21,300	11	13.2	14.4	16.7	13.1
3: associate prof & tech occupations	27,200	14	13.1	15.0	18.3	14.4
<b>SOC groups 4-5</b>	<b>56,800</b>	<b>29</b>	<b>25</b>	<b>23</b>	<b>20</b>	<b>23</b>
4: administrative and secretarial occupations	30,000	15	12.7	12.5	12.2	11.9
5: skilled trades occupations	26,800	14	12.2	10.3	7.9	10.8
<b>SOC groups 6-7</b>	<b>29,200</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>13</b>	<b>15</b>
6: personal service occupations	11,600	6	7.7	7.7	6.7	7.8
7: sales and customer service occupations	17,600	9	7.3	7.1	6.5	7.6
<b>SOC groups 8-9</b>	<b>36,700</b>	<b>18</b>	<b>19</b>	<b>15</b>	<b>13</b>	<b>19</b>
8: process, plant and machine operatives	12,400	6	6.1	5.2	4.3	7.1
9: elementary occupations	24,300	12	12.4	10.2	8.9	11.4

(Source: NOMIS, derived from ONS annual population survey. Numbers and % are for those of age 16+. % of all in employment)

(NOTE: data from the period Apr 05 - Mar 06 to Jan 07 - Dec 07 has been reweighted in line with the latest ONS estimates.)

4.24 Table 13 shows that 21% of the working age population are educated to degree level or higher (NVQ4+), a smaller proportion than Kent and London and below national average. 14% of the working age population have no qualifications, a higher proportion than Kent, London and the national level, on average. .

**Table 13 Qualification Jan 2007-Dec 2007**

	HMA number	HMA %	Kent %	South East %	London %	England %
% with no qualifications	34,600	14	12	9.6	12.8	12.9
% with NVQ1+	194,300	77	80	82.3	72.7	78.1
% with NVQ2+	144,300	57	64	68.2	63.2	64.1
% with NVQ3+	92,000	36	45	49.6	50.7	46.0
% with NVQ4+	52,200	21	26	30.8	37.4	28.3
% with other qualifications	24,000	9	8	8.1	14.5	9.0

(Source: NOMIS, derived from ONS annual population survey. Notes: NVQ1 is equivalent to fewer than 5 GCSEs at grades A-C; NVQ2 is equivalent to 5 or more GCSEs at grades A-C; NVQ3 is equivalent to 2 or more A Levels; NVQ4 is equivalent to HND or Degree level. Numbers and % are for those of working age. Percentages are of the total working age population)

## Earnings and incomes

4.25 The previous section highlighted some of the characteristics of the Dartford/ Bexley/ Gravesham labour force. From a housing market perspective this is important because of the effect it has on earnings and incomes, and consequently on the nature of demand for housing (especially the affordable housing requirement).

4.26 Table 14 shows earnings for full time-employees who live in the HMA in 2007, drawn from the Annual Survey of Hours and Earnings. The median gross weekly pay for full-time employees living in Bexley was £546 per week, in Dartford £526 per week, and in Gravesham £473 per week. Whilst all three levels are lower than the London average, Bexley and Dartford are above the Kent average. Among the three sub-areas, Bexley has the biggest earning gap between male and female workers well above the London average, and Gravesham with the smallest gap far below the Kent average.

**Table 14 Earnings - residence based 2007**

<i>Weekly pay - gross</i>	<b>Median gross earnings (£)</b>				
	<b>Bexley</b>	<b>Dartford</b>	<b>Gravesham</b>	<b>Kent</b>	<b>London</b>
Male Full Time Workers	606.9	561.0	497.9	542.1	596.0
Female Full Time Workers	457.7	470.3	431.4	418.6	506.0
<b>Full Time Workers</b>	<b>546.2</b>	<b>526.1</b>	<b>472.5</b>	<b>492.9</b>	<b>553.3</b>
Male/ Female earning gap	149.2	90.7	66.5	123.5	90.0

(Source: NOMIS, derived from ONS annual survey of hours and earnings. Note: the table shows the earnings in pounds for employees who are on adult rates of pay and whose pay was not affected by absence; Median earnings in pounds for full-time employees living in the area.)

4.27 Table 15 shows that Dartford's economic performance rank has seen some improvement over the recent years, with increased earnings, increased GVA per head, proportion of people working in knowledge industry, and improved workforce skill level. Whilst the total employment rate seems to have decreased (except in 2008 possibly affected by the recession), there is a big increase in the total number of employees. Detailed analysis on Dartford's local economy and employment change is included in the Economy and Employment Technical Paper.

4.28 Particularly relevant to the housing market are earnings. Over the period 2002 to 2008, Dartford's workplace earning has increased by 32%, while resident's earnings have only increased by 18%, and the gap has been decreasing. In 2006 and 2007 resident's earnings were exceeded by workplace earnings. The reversed position of these two suggests that Dartford has recently created some highly paid jobs. Should this trend continue, it could result in change in travel to work patterns, i.e. local population commuting out of the area (such as London) for higher paid work. Hence, improving housing offers to match the demand of people who work (or are going to work) in Dartford but live elsewhere (this represents some 60% of Dartford's workforce in 2001) will become an important issue for Dartford's future housing provision.

**Table 15 Dartford economic performance indicator change**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Unemployment Rate	1.6	1.8	1.8	1.9	2.0	1.6	2.2
Median Full-time Weekly Pay (gross) (Workplace)	416.0	408.5	420.3	441.7	543.2	535.1	550.6
Median Full-time Weekly Pay (gross) (Residence)	466.5	424.2	479.5	470.1	507.7	526.1	550.9

	2001	2002	2003	2004	2005	2006	2007
Employment Rate	83.3	79.5	75.3	76.8	77.6	79.3	77.2
Total Employees	44,110	46,789	47,796	46,055	50,924	48,555	51,603
Stock of VAT Registered Businesses	2,195	2,270	2,370	2,430	2,515	2,610	2,710
% Employees in the Knowledge Economy	7.5	9.0	7.8	9.3	9.3	10.1	16.1
% Working Age Population with NVQ4+	14.3	20.7	16.1	15.3	20.7	23.0	23.1
	2000	2001	2002	2003	2004	2005	2006
GVA per head	14,711	16,001	17,560	19,508	19,414	20,789	21,494
	1997	1998	1999	2000	2001	2002	2003
3 Year Business Survival Rates	71.0	64.0	65.0	71.0	66.7	63.8	64.8

(Source: KCC Analysis and Information Team, updated 2009)

### The current housing stock

4.29 The housing stock in Bexley/ Dartford/ Gravesham comprises a lower proportion of houses than for Kent, but higher than for London (Table 16). In 2001, nearly one fifth of the stock was flatted accommodation, a much higher proportion than for Kent (12.7%), but significantly lower than that of London (47.5%). It also has lower levels of households in shared accommodation than both London and Kent and Medway.

4.30 Within the HMA it is also relevant to consider the distribution of this stock. Dartford has a higher average proportion of houses (81.8% compared to the HMA average of 79.9%), with higher proportions of terraced and detached houses but lower levels of semi-detached houses. It also has slightly lower levels of flats compared to the HMA average.

4.31 The vast majority of households (99.8%) in the HMA live in unshared accommodation. The proportion of household in shared accommodation in the HMA area (0.2%) is smaller than that of the Kent and Medway (0.4%) and the London figure (0.9%). In Dartford, only 43 households live in shared accommodation<sup>11</sup>, which makes up only 0.1% of total households. This reflects the fact that the HMA area and Dartford have no universities hence the small population of students.

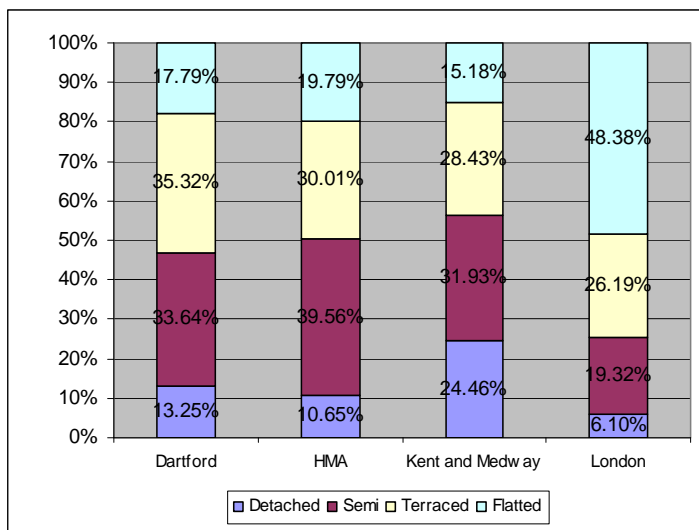
<sup>11</sup> A household's accommodation (household space) is defined as being in a shared dwelling if not all the rooms (including bathroom and toilet, if any) are behind a door that only that household can use and there is at least one other such household space at the same address with which it can be combined to form the shared dwelling.

**Table 16 Property type profile in 2001**

Property type	Dartford		HMA		Kent and Medway	London
In unshared accommodation	35,985	99.9%	166,638	99.8%	99.6%	99.1%
- Houses and bungalows	29,478	81.8%	133,396	79.9%	83.9%	51.1%
Detached	4,750	13.2%	17,707	10.6%	24.2%	6.0%
Semi	12,063	33.5%	65,782	39.4%	31.6%	19.1%
Terraced	12,665	35.2%	49,907	29.9%	28.1%	25.9%
- Flat, maisonette or apartment	6,378	17.7%	32,904	19.7%	15.0%	47.9%
- Caravan/mobile/temporary structure	129	0.4%	338	0.2%	0.6%	0.1%
In shared accommodation	43	0.1%	256	0.2%	0.4%	0.9%
ALL HOUSEHOLDS	36,028	100.0%	166,894	100.0%	100.0%	100.0%

(Data Source: ONS dataset UV56, 2001 estimation updated Nov 2004)

**Figure 11 Unshared property types in 2001 estimation<sup>12</sup>**



(Data source: ONS 2001 Census)

4.32 The 2001 census data also shows that there are 2,682 people living in communal establishments, of which 1,226 (46%) live in Dartford. These include specific groups such as homeless households and elderly persons in need of long term medical care.

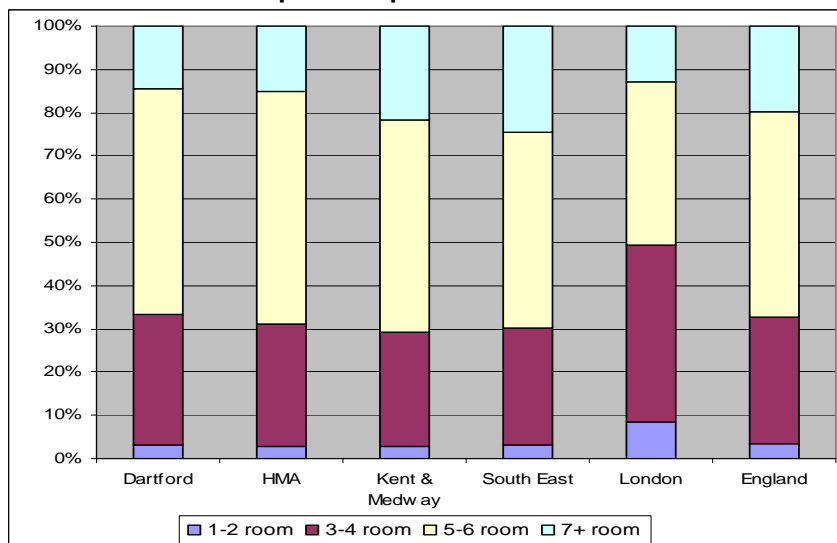
<sup>12</sup> Including unshared accommodations but excluding caravans or other temporary homes. Data source: ONS 2004, UV54.

4.33 The 2001 Census does not record the number of bedrooms a property has, but the total number of rooms in a property. The count of the number of rooms in a household's accommodation does not include bathrooms, toilets, halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms and studies are counted.

4.34 Figure 7 shows that, compared to Kent and Medway and nationally, the HMA as a whole has lower levels of very large properties (those with over seven rooms), with Dartford having the lowest proportion among the HMA areas. Noticeably, Dartford also has a higher proportion of smaller properties (those with 4 and less rooms) than the HMA average.

4.35 The 2006 Housing Needs Survey and Housing Markets Assessment found that one and two bedroom properties accounted for about 38% of the housing stock, 46% of homes in the borough had 3 bedrooms, and 4 and 5 bedroom properties made for the remaining 15%.

**Figure 12 Number of rooms per occupied household<sup>13</sup>**



(Data Source: 2001 Census data UV57, ONS)

<sup>13</sup> The data source includes all occupied household spaces by how many rooms there are in the accommodation. The count of the number of rooms in a household's accommodation does not include bathrooms, toilets, halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms and studies are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between a number of households, for example a shared kitchen, are not counted. The count is not available for unoccupied household spaces. The population of this table is all occupied household spaces.

## Tenure

4.36 Owner occupation is the dominant tenure in the HMA. Around 76% of households own or are buying their own home, this represents a larger share than the Kent average (74%) and considerably larger than London (57%) (Table 15). Shared ownership in the HMA area is the same as that of Kent (0.6%) but is lower than London (1%). Conversely, nearly 25,000 households lived in social rented properties in 2001, representing nearly 15% of households – slightly higher than Kent and Medway average, but significantly lower than the London average of 26%.

4.37 Levels of private renting in the HMA area (7.1%) are lower than for both Kent (9.7%) and London (15.5%). Table 17 shows tenure profile.

4.38 As for Dartford, there are higher than HMA average levels of social rented (16.3%) and private rented (8.1%) households, making up nearly a quarter of its households. The proportion of owner occupied households is lower than the HMA average, however there are higher levels of owners with a mortgage or loan.

**Table 17 Tenure profile in 2001**

Tenure of household	Dartford		HMA area		Kent & Medway	London
Owner occupation	26,163	74.2%	124,135	76.2%	74.0%	56.5%
Owns outright	9609	27.3%	49581	30.4%	31.4%	22.1%
Owns with a mortgage or loan	16325	46.3%	73567	45.1%	41.9%	33.5%
Shared ownership	229	0.6%	987	0.6%	0.7%	1.0%
Social rented	5,748	16.3%	25,123	15.4%	14.5%	26.2%
Private rented	2,843	8.1%	11,509	7.1%	9.7%	15.5%
Other	486	1.4%	2,190	1.3%	1.9%	1.8%
ALL HOUSEHOLDS	35,240	100.0%	162,957	100.0%	100.0%	100.0%

(Source: ONS 2001 estimated, updated in 2004)

## Conditions

4.39 According to the 2001 Census, 6.80% of all households in the HMA area do not have central heating. This is slightly higher than that of the South East average (6.10%), but lower than that of London (7.80%) and England (8.50 %) averages. There is only 0.3% household without sole use of bath/shower and a toilet and/or central heating, which is lower than the South East and national average.

4.40 In Dartford, the proportion of households without central heating (6.10%) is smaller than the HMA average of 6.80%.

**Table 18 Property Condition – Households central heating and/or Bath / Shower and Toilet**

Total Occupied Household	Dartford	HMA	London	South East	England
With central heating	93.90%	93.20%	92.20%	93.90%	91.50%
With central heating and sole use of bath / shower and toilet	93.60%	93.00%	91.50%	93.60%	91.10%
With central heating but without sole use of bath / shower and toilet	0.20%	0.20%	0.70%	0.30%	0.30%
Without central heating	6.10%	6.80%	7.80%	6.10%	8.50%
No central heating but with sole use of bath / shower and toilet	6.10%	6.80%	7.40%	6.00%	8.40%
No central heating or sole use of bath / shower and toilet	0.10%	0.00%	0.40%	0.10%	0.20%
No sole use of bath/shower and toilet and/or central heating	0.30%	0.30%	1.10%	0.50%	0.50%

(Source: 2001 Census, ONS)

4.41 The 2006 Dartford Housing Needs Survey revealed that 93.7% of all households in Dartford had some form of central heating and 91.6% of all households had either full or partial double glazing<sup>14</sup>. The survey also asked if households felt their current accommodation was adequate for their needs. 88.6% felt that their home was adequate and 11.4% felt that their accommodation was inadequate<sup>15</sup>. Of those who felt that their home was inadequate some 60.9% felt that their accommodation was too small and 37.8% felt that their accommodation needed repairs / improvement<sup>16</sup>.

### Vacant dwellings

4.42 Levels of vacant dwellings are a key indicator of the strength of the housing market. Table 19 shows the number of vacant dwellings in the HMA area by broad tenure group. The overall vacancy rate has fallen since 2005.

<sup>14</sup> Dartford Housing Needs Survey, DCA 2006, Table 5-6

<sup>15</sup> Dartford Housing Needs Survey, DCA 2006, para 5.3.1

<sup>16</sup> Dartford Housing Needs Survey, DCA 2006, Table 5-8

4.43 Vacancies in the social rented stock have increased slightly from 0.18% in 2002 to 0.2% by 2006. Private sector vacancies have fluctuated to a greater degree and have been significantly higher than levels in the social rented sector. More recently, since 2004, private sector vacancies have been falling. Long term vacancies in the private sector have fallen (apart from 2003) year on year. Decreasing vacancies in private sector housing has indicated an increased housing demand in the HMA area.

4.44 In Dartford, the overall vacancy rate has fallen since 2005, and private sector vacancies have been significantly higher than levels in the social rented sector. Vacancies in the social rented stock have fallen significantly on a yearly basis (except in 2005), and in 2006 social rented sector vacancy rate was 0.09%, well below the HMA average level of 0.20%. Dartford's private sector vacancies have been constantly higher than that for the HMA average (2.69% in 2006 comparing to the HMA level of 1.98%), and its long term vacancies in the private sector have fallen year on year.

**Table 19 HMA and Dartford vacant dwellings 2002-2006**

Year ending April	Proportion of dwellings vacant (%)					Total vacancy rate	Proportion of Private Sector properties vacant for more than 6 months (%)
	public sector			Private sector	Total vacancy rate		
	LA	RSL	Total				
<b><i>HMA</i></b>							
2002	0.09	0.09	0.18	2.06	2.24	55	
2003	0.07	0.12	0.19	2.18	2.37	60	
2004	0.06	0.13	0.19	2.27	2.46	54	
2005	0.07	0.10	0.18	2.14	2.31	37	
2006	0.08	0.12	0.20	1.98	2.18	40	
<b><i>Dartford</i></b>							
2002	0.15	0.04	0.19	2.67	2.85	56	
2003	0.10	0.04	0.14	2.83	2.97	49	
2004	0.08	0.03	0.10	2.84	2.94	46	
2005	0.12	0.04	0.16	2.51	2.67	47	
2006	0.06	0.03	0.09	2.69	2.77	47	

(Source: CLG – HSSA 2002 – 2006 (Section A))

## New dwelling supply

4.45 Table 20 shows levels of new dwelling provision in the HMA and in Dartford between 1999 and 2008. The period shows an annual average completions of 952 new homes, with 796 (80%) of these private sector completions and 190 (20%) housing association completions. There is no local authority housing completion during this period.

4.46 The table also shows an average annual provision of new houses of 426 for Dartford with majority 356 of them being private sector completion and 69 (16%) being housing association completions. Nearly half of the total HMA completions are built in Dartford. The number of new completions in Dartford (3,830 new units) over this 9-year period represents a significant 10.9% increase to its household number (35,000 in 1999). The proportion of housing association completions has increased gradually since 2002.

4.47 The table also shows an average annual provision of new affordable housing (including acquisitions as well as completions) of around 273 units for the HMA areas, of which 75 units are in Dartford.

**Table 20 HMA and Dartford new dwelling completions, and new affordable housing completion/ acquisitions**

	Dwellings completed*				Total	New Affordable Housing Completion/ Acquisition **
	Private		RSL			
<b><i>HMA</i></b>						
1999-2000	490	79%	130	21%	620	122
2000-2001	655	83%	134	17%	789	125
2001-2002	413	91%	43	9%	456	143
2002-2003	759	87%	115	13%	874	305
2003-2004	1379	87%	206	13%	1585	293
2004-2005	857	77%	258	23%	1115	254
2005-2006	601	77%	182	23%	783	187
2006-2007	678	76%	218	24%	896	284
2007-2008	1024	71%	423	29%	1447	746***
<b>9-year completion</b>	<b>6856</b>	<b>80%</b>	<b>1709</b>	<b>20%</b>	<b>8565</b>	<b>2459</b>
<b>Yearly average</b>	<b>762</b>	<b>80%</b>	<b>190</b>	<b>20%</b>	<b>952</b>	<b>273</b>
<b><i>Dartford</i></b>						
1999-2000	221	77%	67	23%	288	0
2000-2001	213	93%	16	7%	229	0
2001-2002	185	97%	5	3%	190	23

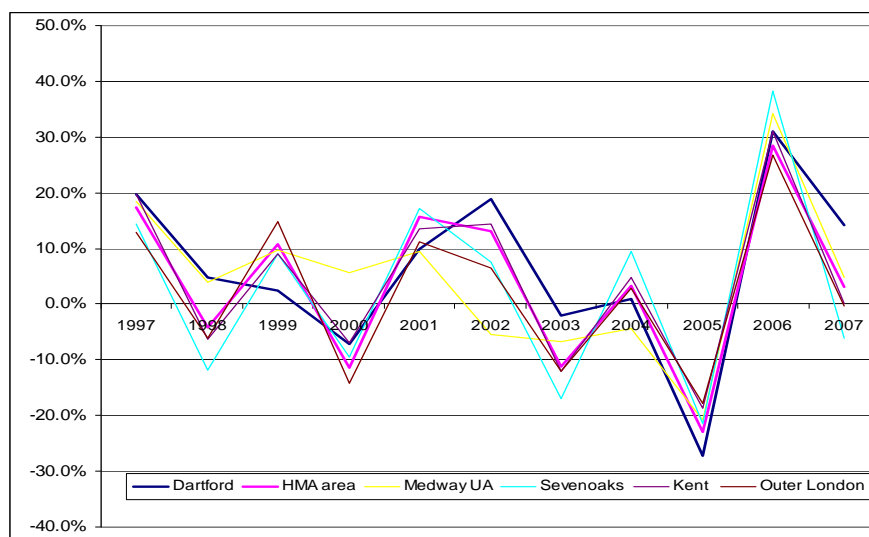
2002-2003	378	87%	55	13%	433	72
2003-2004	558	87%	82	13%	640	198
2004-2005	328	86%	52	14%	380	84
2005-2006	299	82%	67	18%	366	41
2006-2007	325	82%	72	18%	397	80
2007-2008	699	77%	208	23%	907	180***
<b>9-year completion</b>	<b>3206</b>	<b>84%</b>	<b>624</b>	<b>16%</b>	<b>3830</b>	<b>678</b>
<b>Yearly average</b>	<b>356</b>	<b>84%</b>	<b>69</b>	<b>16%</b>	<b>426</b>	<b>75</b>

(Source: \* CLG Housebuilding: permanent dwellings started and completed, by tenure and district, updated 01/10/2008, and annual HSSA returns part N. CLG house building figures are based on returns from National House Building Council (NHBC). \*\* HSSA returns as LA reported figures) [\*\*\*Note: the affordable housing data from 1999-2007 being additional new completion/ acquisitions, 2007-2008 as planned]

## Property sales and market price

4.48 Changes in average property sales in the HMA area has been broadly the same to Kent and the wider reference area (Figure 13). The housing market has been very active since 2005 and the number of transactions has surged to a historic high.

**Figure 13 Property sales change**



(Data source: Land Registry)

4.49 For the existing owner occupied housing stock (representing 74% of total households in 2001, excluding shared ownership), annual turn over rate for Dartford over the period of 1996-2007 achieved an average 8.2%, slightly higher than that of Kent (7.9%) and the national average (8.1%) but well above the HMA average of 7.1% (see Table 21).

**Table 21 Owner occupied existing stock average annual turn over rate**

	Owner occupied exc. shared ownership*	Average annual sale (1996-2007)**	Existing stock annual turn over rate (%)
Dartford	25,934	2,129	8.2
HMA area	123,148	8,719	7.1
Medway UA	74,324	5,859	7.9
Sevenoaks	33,509	2,157	6.4
Kent	399,178	31,492	7.9
London	1,675,690	157,734	9.4
England	13,920,429	1,121,274	8.1

(Source: \* ONS census UV63; \*\* Land Registry data)

4.50 Available housing supply encompasses new dwellings coming onto the market along with existing stock. Table 22 shows that for the five-year period 2003 to 2008, the HMA area has an annual average supply of 8,974 market properties, with 91% from existing housing stock sale. Dartford has an annual average supply of 2,324 market housing, with 84% of which are from existing stock turnover.

4.51 These figures show that Dartford market is quite similar to the UK average in terms of stock turnover. However, a much higher proportion of housing sales in Dartford come from new build than for the HMA as a whole. This was particularly marked in 2007/8.

4.52 The Dartford supply figures make more sense when compared to demand for housing. The 2006 Dartford Housing Needs Survey revealed that for the period 2006-2009 demand for owner occupied accommodation for market housing for existing moving households in Dartford is 2,193 units, and demand for concealed households is 776<sup>17</sup>,. This represents an annual demand of 990 owner occupied market housing from existing Dartford residents over 2006-2009. This indicates that a significant proportion of housing supply has been/is to be taken by in-migrants.

**Table 22 HMA and Dartford annual market housing supply 2003-2008**

	HMA annual market housing Supply			Dartford annual market housing Supply		
	Actual annual sale*	of which: new build market housing**		Actual annual sale*	of which: new build market housing**	
2003/04	9148	1379	13%	2,417	558	19%

<sup>17</sup> Dartford Housing Needs Survey, DCA 2006, Para 8.2.1 and 8.3.1

2004/05	9,456	857	8%	2,442	328	12%
2005/06	7,282	601	8%	1,776	299	14%
2006/07	9,347	678	7%	2,328	325	12%
2007/08	9,636	1024	10%	2,658	699	21%
<b>2003-2008 annual average</b>	<b>8,974</b>	<b>908</b>	<b>9%</b>	<b>2,324</b>	<b>442</b>	<b>16%</b>

(Data Source: \* Land Registry, \*\* DCLG)

4.53 The mean average sale price for properties in the HMA continues to follow, and be slightly below, that of Kent with a strong upward trend since 2000 (Figure 14). The average price for Dartford has followed generally the same trend as the HMA average.

4.54 The average sale price of a residential property in the HMA was around £219,632 in the first quarter of 2008, slightly lower than Kent (£233,703) and the England average (£221,480). This represents a 168% increase to that of 10 years ago (1999). Dartford's mean average sale price was also slightly lower at £218,996 with a 10-year price increase of 175%. This is the biggest increase rate among the three sub areas, and higher than the national average increase of 147%.

4.55 Figure 14 shows the HMA housing price change compared to the wider reference area. The price gaps between the HMA area and Sevenoaks and Medway reference areas have been significantly widened over the past ten years, with Sevenoaks reaching the higher end (above outer London average), and Medway staying consistently lower.

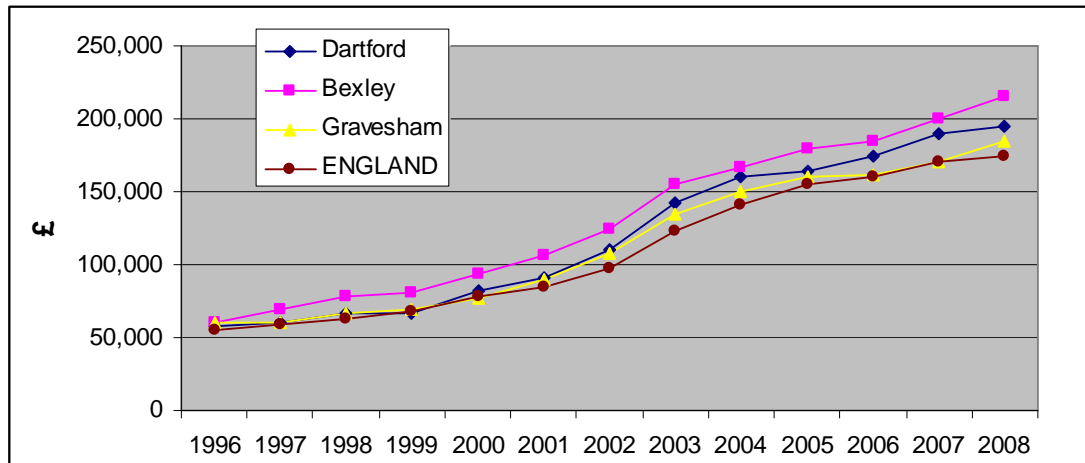
**Figure 14 Average sale price for all residential property sales 1996-2008\***



(Data Source: HMLR. \* Mean house prices based on Land Registry data, Quarter 1. 2008 data are for Quarter 1 only and are provisional)

4.56 Figure 15 shows the trend of median average housing price change within the HMR. All three districts have had annual housing price increases since 1998 sharing a very similar trend of change. The housing price in Bexley has been constantly the highest, and Gravesham the lowest (apart from in the late 1990s). Dartford's housing price has been moving in between its two neighbouring districts.

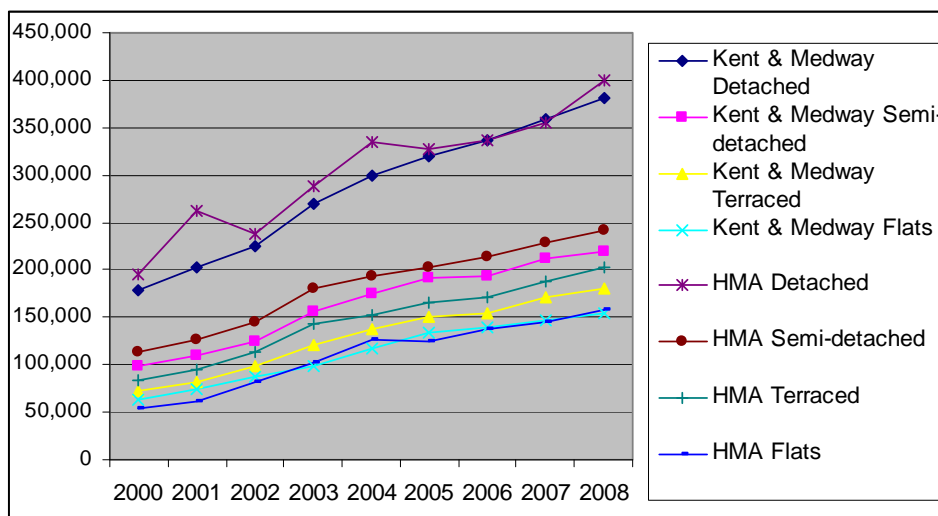
**Figure 15 Bexley Dartford Gravesham median housing price change**



(Data Source: HMLR. Median house prices based on Land Registry data, Quarter 1. 2008 data are for Quarter 1 only and are provisional)

4.57 Average price for houses (detached, semi and terraced) in the HMA are generally higher than those of Kent and Medway average (Figure 16). In 2000, although flatted properties in the HMA were at a lower average price than those of Kent and Medway, they have been catching up and occasionally exceeding the Kent and Medway average.

**Figure 16 Mean prices per property type - HMA comparing to Kent and Medway**

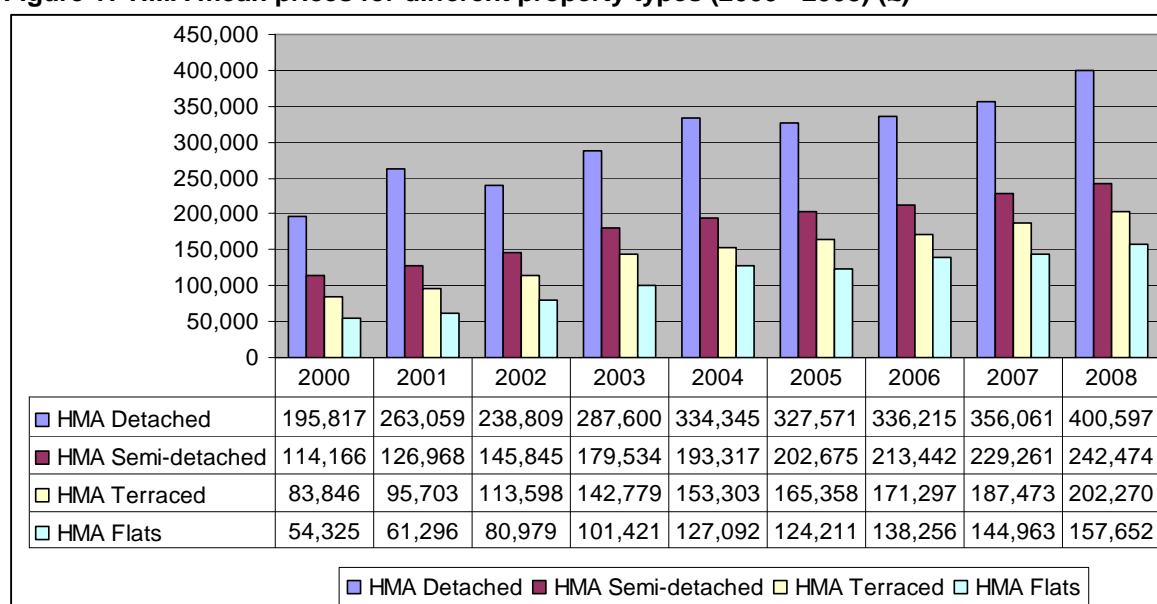


(Data Source: Land Registry, data obtained from DCLG, 2000 – 2008 Q1)

4.58 Figure 17 and 18 show the mean price changes for different types of properties for the HMA and Dartford. Dartford's detached house prices nearly doubled, semi-detached prices increased by 112% and terraced properties prices increased by 147%. Comparing to the HMA average, the prices for semi-detached and terraced houses in Dartford in 2008 have stayed in the same range as the HMA average. Dartford's detached house prices were higher than those of the HMA average, although the gap has been narrowed, and in 2007 and 2008 falling below the HMA average. Conversely, prices for flatted units in Dartford has increased significantly (a 242% increase over the last eight years), and has remained well above the HMA average since 2003 (see Table 18). One possible explanation for this could be that in recent years, flat sales in Dartford have been dominated by the proportionally large volume of new build flatted development. Not only do new build properties tend to have higher sales values but it is also possible that these new flats were built to higher specifications, being aimed at a wider market.

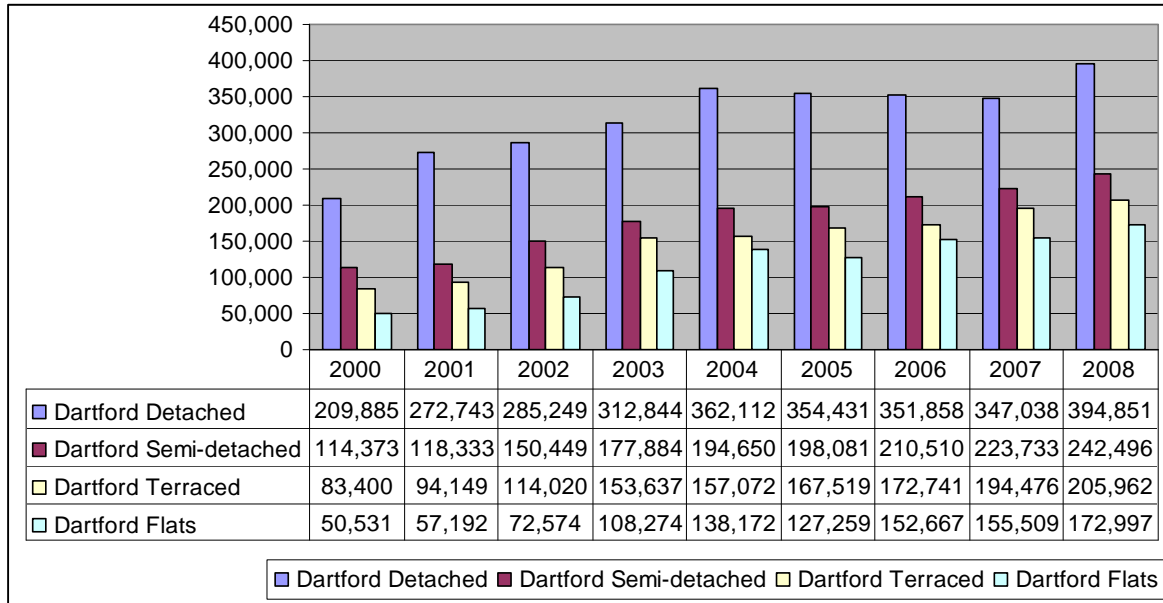
4.59 It is clear that over recent years, the level of price increase in smaller and entrance level properties has been greater than that for medium or large sized properties. This has big implications for first time buyers.

**Figure 17 HMA mean prices for different property types (2000 - 2008) (£)**



(Data Source: Land Registry, data obtained from DCLG)

**Figure 18 Dartford mean prices for different property types (2000 - 2008) (£)**



(Data Source: Land Registry, data obtained from DCLG)

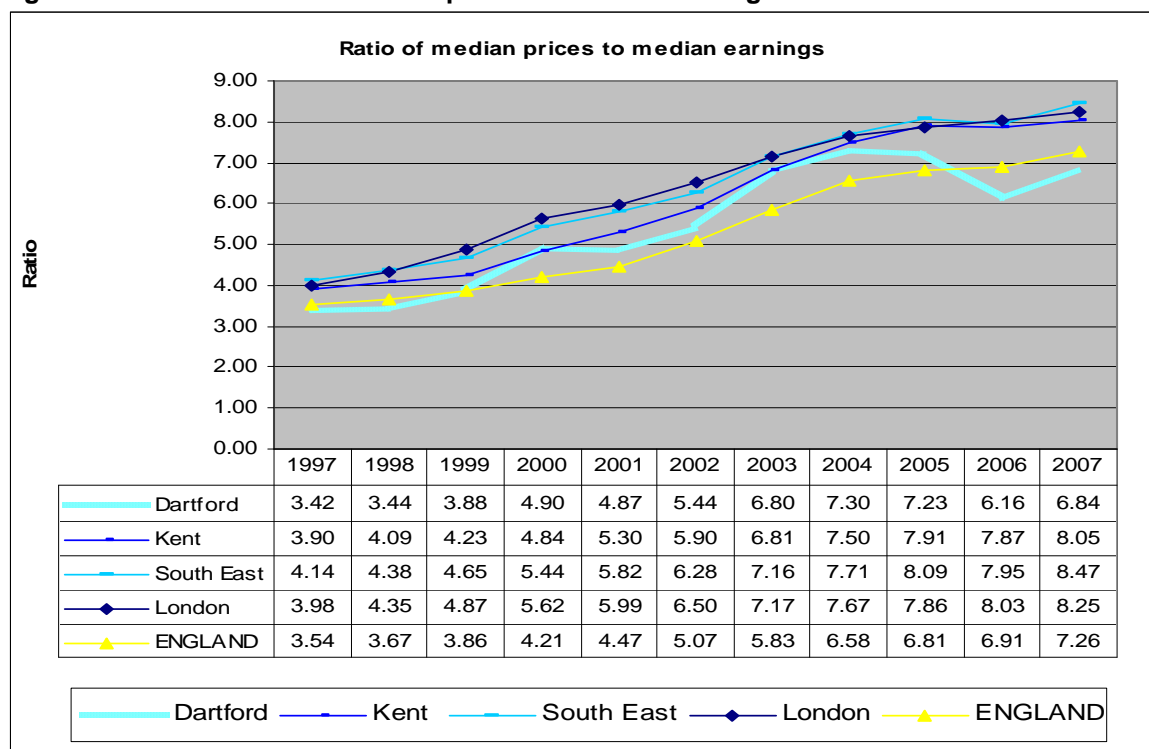
## Affordability

4.60 Since the late 1990s, in line with the national housing market, housing prices have risen and affordability worsened throughout the HMA as it has in much of the wider region (Kent and London). The lower quartile affordability ratios in Dartford have nearly doubled over the last ten years.

4.61 As shown in Figure 19, although housing has become less affordable in general comparing to 10 years ago, Dartford's median house prices are relatively more affordable for median earners compared to the London, Kent and South East average. In 2006/ 2007 Dartford's median house prices were more affordable than the national average. This is likely to be a result of the big increase in local workplace wages (see Table 15 and Para 4.28).

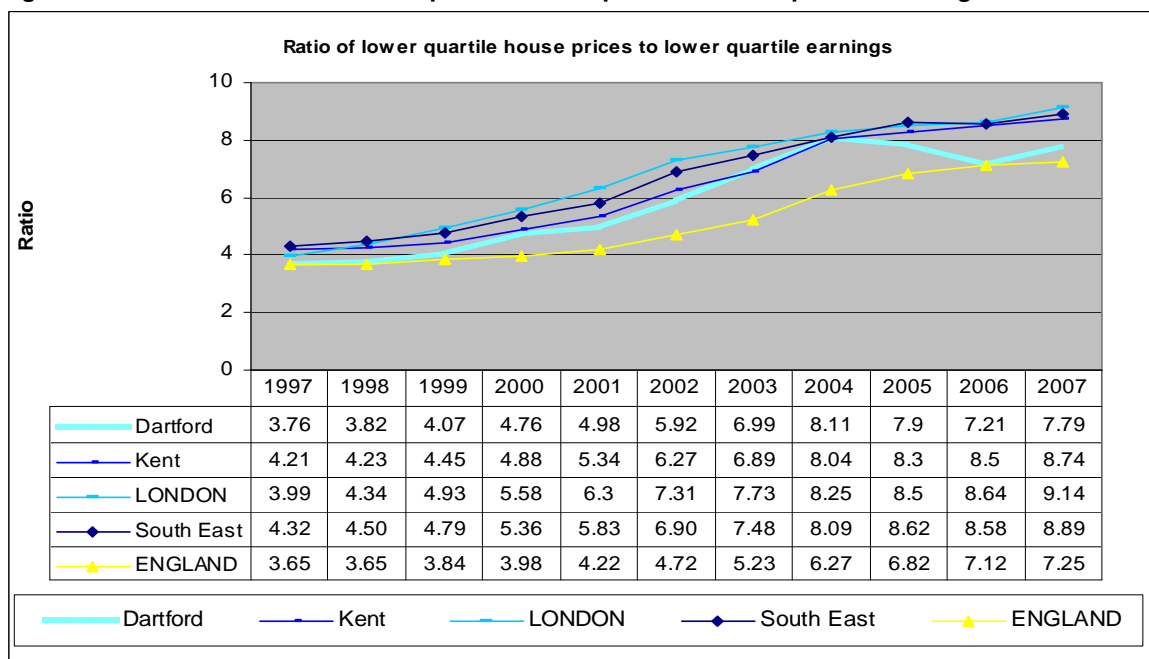
4.62 However, as evident in Figure 20, lower-quartile house prices in Dartford are less affordable than the national average, although the gap seems to have narrowed down during 2006/2007. Table 23 also shows that there has been a larger annual price increase in lower quartile house compared to that of the Kent, South East and national averages.

Figure 19 Dartford Ratio of median prices to median earnings<sup>18</sup>



(Data Source: DCLG)

Figure 20 Dartford Ratio of lower quartile house price to lower quartile earnings<sup>19</sup>



(Data Source: DCLG)

<sup>18</sup> The statistics used are workplace based full-time individual earnings. Data source: DCLG, Live Table 577 Ratio of median house price to median earnings by district, from 1997-6

<sup>19</sup> The statistics used are workplace based full-time individual earnings. Data source: DCLG, Live Table 576 Ratio of lower quartile house price to lower quartile earnings by district, from 1997-6

**Table 23 Dartford housing prices changes**

	Dartford			Kent		
	Mean (£)	Median (£)	lower quartile (£)	Mean (£)	Median (£)	Lower quartile (£)
2000	102,904	81,750	65,000	108,661	85,000	65,000
2001	114,640	91,000	75,000	120,473	94,000	75,000
2002	134,858	110,500	95,000	136,414	112,500	90,000
2003	169,299	141,995	119,995	164,929	139,000	112,000
2004	186,538	159,750	128,000	184,003	155,000	129,950
2005	179,492	164,500	135,000	199,530	170,000	135,000
2006	195,179	174,995	144,000	206,092	174,000	142,950
2007	205,512	190,000	160,000	222,904	185,000	153,000
Average annual growth rate %	<b>10.7</b>	<b>13.1</b>	<b>14.0</b>	<b>10.9</b>	<b>12.0</b>	<b>13.2</b>
	South East			England		
	Mean (£)	Median (£)	lower quartile (£)	Mean (£)	Median (£)	Lower quartile (£)
2000	131,435	100,000	77,000	106,518	78,000	54,000
2001	146,140	116,000	88,000	114,192	85,000	59,950
2002	161,891	131,000	109,000	125,546	97,000	70,000
2003	193,108	159,950	127,000	149,063	123,500	85,000
2004	209,690	174,000	140,000	169,108	141,000	105,000
2005	226,116	187,000	147,500	186,777	155,000	115,000
2006	233,367	190,491	155,000	195,695	160,000	122,000
2007	253,845	207,000	165,000	213,240	170,000	127,000
Average annual growth rate %	<b>10.0</b>	<b>11.1</b>	<b>11.7</b>	<b>10.5</b>	<b>12.0</b>	<b>13.2</b>

(Data Source: DCLG)

## Summary of key points

### Demographic trends

- The HMA had an overall population decline since 1981 however, since 1998, the population has started to increase year on year.
- The average HMA household size has been falling gradually over the past two decades from 2.8 to 2.4 persons per household.
- Whilst natural population change has always been a positive factor contributing to the population growth, in migration is a significant component of this increase, and this is particularly so for Dartford.
- Dartford has had net inflows of migration in intermediate (e.g. clerical, sales and service jobs) and people in managerial and professional occupations, but a significant outflow of full time

students, and a net outflow of those in small business and self employment.

### **Household Characteristics & Composition**

- The HMA and Dartford's population structure in 2007 are similar to that for Kent and the South East average, having slightly higher proportions of children and young people but lower levels of middle aged and older people.
- Between 2001 and 2006, the composition of HMA households has changed with a significant increase in one-person and overall decrease of couple households. Dartford's household structure change has mirrored the HMA pattern but with a slightly higher proportion of couple households and smaller HMO households.
- The HMA and Dartford had a higher than regional and national average proportion of households with children in 2001.

### **Economic Drivers of Demand**

- 71% of the HMA workforce lives locally. London continues to have a strong influence on the local travel to work pattern.
- The resident occupational structure in the HMA saw lower representation of employees in professional and managerial jobs but a higher proportion of employees in administrative skilled occupations. The picture of qualification indicates the same message.
- Dartford's workplace earning has increased in a faster pace than, and exceeded in 2006 and 2007, residents earning. Improving housing offers to match the demand of people who work in Dartford but live elsewhere is an important issue for Dartford's future housing provision.

### **The Current Housing Stock: supply, tenure, type, size and condition**

- In 2001 the HMA had a housing stock of 162,957 units, and Dartford had 35,240 units. The housing stock was dominant by owner occupation. Both HMA and Dartford's housing stock contained a

smaller private rented sector but bigger social rented sector, compared to the Kent and Medway average.

- The Census shows that 80% of HMA stock were houses, below the Kent and Medway level but significantly higher than that of Greater London.
- Dartford has a significantly higher level of terraced houses but much lower levels of detached houses, compared to the Kent and Medway average.
- The dwellings in HMA and in Dartford were of smaller sizes, although they appeared to be in good conditions.
- Vacancy rates have fallen since 2005 with a strong trend in falling vacancies in long term private sector.
- There has been a significant increased new dwelling supply during 2001 to 2008 cross the HMA and particularly in Dartford.
- Social landlords have played a significant role in delivery affordable housing in this area.

### **Market Stock Prices and supply**

- Average sales prices for the HMA, and for Dartford as well, have broadly followed the Kent trend of increase since 1996, below those for Sevenoaks and Outer London, but higher than the eastern district Medway.
- In the period of 1999 to 2008, the average HMA house price increased by 168%, and Dartford's price increased by 175%.
- Among all housing types, the sharpest price increase in Dartford is for flats (by 242% on 1999 price). This reflects the large proportion of new completions in Dartford being flatted development and some being of high specifications.
- Dartford annual stock turn over rate is similar to the national average, and higher than that of the HMA average. A much higher proportion of sales in Dartford (16%) come from new build than for the HMA as a whole (9%).

- Over half of Dartford's annual average market housing supply (2,324 units) has been/ or will be taken by in-migrants and this trend is very likely to continue.
- The level of price increase in Dartford's smaller and entrance level properties has been greater than that for medium or large sized properties.
- Affordability ratios (lower quartile housing prices to lower quartile incomes) have nearly doubled over the last ten years in Dartford (rising from 3.76 in 1997 to 7.79 in 2007).

## 5. THE FUTURE HOUSING MARKET

### Demographic drivers

5.1 The population of the Dartford/ Bexley/ Gravesham area is expected to grow, driven by natural population growth and migration.

- **Population and household formation**

5.2 The trend based projections are based on the assumption of future levels of births, deaths and migration maintaining previously observed levels mainly over the previous five years. These projections show the level of housing that would need to be provided if the district was to provide no more or less housing than that required to meet internally generated growth as well as providing for in-migration at recent levels.

5.3 The latest population projections indicate that the number of residents in the three areas is expected to increase (see Table 24). The projections show a likely rise in population in the three districts of some 56,400 people between 2006 and 2026. Over this period, Dartford will experience a 21% population increase, a similar rate to that of Sevenoaks, but significantly higher than the HMA increase rate of 14% and also above the Kent and Medway average of 17%.

5.4 Table 24 also shows the DCLG latest trend based household projections<sup>20</sup> which exclude assessment of housing need or take account of future policies. These are an indication of the likely increase in households given the continuation of recent demographic trends. The DCLG household projections indicate a likely rise of some 32,000 households in total between 2006 and 2026 for the HMA. Compared to the 2006 level, the projected Dartford household growth is 22% representing an additional 8,000 households, which is slightly higher than the HMA average increase rate of 19% and Sevenoaks (17%), but lower than the Kent and Medway average of 25%.

5.5 The difference between the extent of population and household increase rates indicates the changing household sizes, population composition and household formations which will be discussed later.

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<sup>20</sup> CLG revised 2004-based household projections (March 2008 release). The figures for 2006 onwards are revised 2004-based projections.

**Table 24 Trend-based population and household projection**

	Persons *					2006-26 change	
	2006	2011	2016	2021	2026	Number	%
Dartford	89,900	94,900	99,900	104,600	108,900	19,000	21
<b>HMA total</b>	<b>408,900</b>	<b>326,900</b>	<b>336,300</b>	<b>346,500</b>	<b>465,300</b>	<b>56,400</b>	<b>14</b>
Sevenoaks	113,700	119,600	125,300	130,900	136,100	22,400	20
Kent and Medway	1,634,600	1,702,200	1,773,900	1,847,800	1,918,200	283,600	17
	Household **					2006-26 change	
	2006	2011	2016	2021	2026	Number	%
Dartford	37,000	39,000	42,000	44,000	45,000	8,000	22
<b>HMA total</b>	<b>169,000</b>	<b>176,000</b>	<b>186,000</b>	<b>194,000</b>	<b>201,000</b>	<b>32,000</b>	<b>19</b>
Sevenoaks	46,000	48,000	50,000	52,000	54,000	8,000	17
Kent and Medway	686,000	728,000	774,000	819,000	858,000	172,000	25

(Source: \*ONS, subnational population projection, published on 12 June 2008, based on the 2006 mid-year population estimates.

\*\* DCLG Household estimates and projections, by district, 1981- 2026)

5.6 One limitation of the ONS/DCLG trend-based population/ household projections is that they do not take full account of policy led growth; in particular, housing targets that exceed previous rates of population growth. This is especially relevant for the HMA, being part of the Thames Gateway growth area. Dartford, in particular, has been identified for a high level of housing growth, relative to its current population size. As evident in the previous chapter, in recent years a significant proportion of Dartford's market supply has been taken up by demand from outside of the Borough and this is likely to continue or even exceed the past trend.

5.7 Strategy-based forecasts for Dartford, Gravesham and Bexley have been carried out by Kent County Council (KCC) and the Greater London Authority (GLA)<sup>21</sup>, and the figures are presented in Table 25. The KCC forecast uses the Chelmer model, and the GLA one is based on GLA's own forecast model<sup>22</sup>.

<sup>21</sup> The Dartford and Gravesham forecasts are the latest KCC forecast release, based on 2006 Mid Year Population Estimates and from then onwards the housing provision as set out in the draft South East Plan (as at 17 July 2008). The Bexley forecast is the latest available CLA released Post London Plan Low projection, based on the increase in homes as seen annually since mid-2001 from data collected at borough level by the London Development Database up to 2007 and the London Housing Capacity Study /boroughs from 2007 to 2027.

<sup>22</sup> Further information about methodology and assumptions can be obtained from KCC Analysis and Information Team and GLA Data Management & Analysis.

5.8 Although there are differences in methodology, both forecasts are strategy-led, i.e. 'if the x number of housing allocations are achieved, given that the present demographic and migratory assumptions continue, the population is forecast to be y by year z'.

**Table 25 Strategy-based population and household projection**

	Persons					2006-26 change	
	2006	2011	2016	2021	2026	Number	%
Dartford	89,900	100,000	108,900	118,000	127,600	37,700	42
<b>HMA total</b>	<b>402,900</b>	<b>414,800</b>	<b>427,700</b>	<b>442,400</b>	<b>458,700</b>	<b>55,800</b>	<b>14</b>
Sevenoaks	113,700	114,200	114,900	115,500	116,600	2,900	3
<b>Kent and Medway</b>	<b>1,886,300</b>	<b>1,945,200</b>	<b>1,988,700</b>	<b>2,036,100</b>	<b>2,091,100</b>	<b>204,800</b>	<b>11</b>
	Household					2006-26 change	
	2006	2011	2016	2021	2026	Number	%
Dartford	37,800	42,100	46,300	50,600	54,900	17,100	45
<b>HMA total</b>	<b>168,300</b>	<b>176,200</b>	<b>184,700</b>	<b>193,200</b>	<b>201,600</b>	<b>33,300</b>	<b>20</b>
Sevenoaks	47,000	47,800	48,600	49,500	50,300	3,300	7
<b>Kent and Medway</b>	<b>788,300</b>	<b>826,600</b>	<b>864,900</b>	<b>903,200</b>	<b>941,500</b>	<b>153,200</b>	<b>19</b>

(Data source: Dartford, Gravesham, Kent, Medway, Sevenoaks data from KCC Analysis and Information Team, projection based on 2006 Mid Year Population Estimates and from then onwards the housing provision as set out in the draft South East Plan (as at 17 July 2008). Bexley data from GLA Data Management & Analysis '2007 Round of Demographic Projections - PLP Low', projection based on 2001 census data)

5.9 Comparison between the trend-based and strategy-led projections shows that, for the HMA as a whole, growth numbers and rates are broadly the same for both sets of projections. The strategy-led projections show a rise in population and households in the three districts of some 55,800 people (14% increase) and 32,000 (20% increase) respectively between 2006 and 2026, similar to the trend-led projection of 56,400 people and 33,300 new households. This suggests that the HMA housing supply will meet its internal growth needs and will not provide any surplus over and above meeting recent trend-based migration needs.

5.10 However, the two set of projections show a significant difference in where future growth will be within the HMA area, i.e. Dartford would be providing an excess over trend-based needs. It will experience a 42% population increase (compared to the trend based 21%), nearly four times the HMA average (14%) and significantly higher than the Kent and Medway average of 11%. Its household numbers will increase by 45%

(compared to the trend based 22%), significantly higher than the HMA average (20%) and the Kent and Medway average (19%).

## Migration

- 5.11 The strategy-led housing distribution means a significant net in-migration flow into Dartford. However, based on past trends, much of the migration will take place within the HMA, with the greatest flow being from Bexley to Dartford. This projected migration increase links to the future employment growth forecasts (to be discussed later in this chapter).
- 5.12 At a more detailed level, Table 26 below show the components of projected strategy-led population change for Dartford and the HMA as a whole over the period up to 2026. There are a number of limitations on data that need to be noted<sup>23</sup>.
- 5.13 Bearing in mind the difference in methodology and data source, Table 26 shows that growth in the net natural population increase and net migration are the main drivers of population growth in Dartford and the HMA. These two factors contribute to Dartford's growth to a greater extent than to the HMA as a whole.
- 5.14 In particular, the projected natural population increase in Dartford is significant, reflecting the projected increase in child population (see next section). Dartford's significant net migration growth evens out the migration loss in the rest of the HMA area. The natural population increase becomes an increasing component of population change from 2016 onwards, whilst the significance of net migration decreases.

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<sup>23</sup> The migration component of the KCC and GLA models works in different ways. Dartford and Gravesham's projections are obtained from KCC. KCC net migration figures are derived by net internal migration figures plus the international migration figures. The migrant age/ sex profile for internal migrants is derived from the 2001 Census Special Migration Statistics and expressed as a proportion of the total number of in-migrants and out-migrants by 5-year age and gender, and the proportions are held constant through all forecast periods but the net migration figure is scaled to the population totals. International migrants are modelled differently: the international in-migrant data is derived from the 2001 Census Special Migration Statistics but the out-migrant data is adjusted using the ONS 2006-based projections of international net migration. Bexley's standard output of projected population by GLA does not differentiate the internal and international migrants, and the projection is based on 2001 census population data. Further details can be obtained from KCC Analysis and Information Team and GLA Data Management & Analysis.

**Table 26 Components of projected population change – HMA and Dartford**

Year	Population	Net natural change (birth minus death)		Net Migration (net internal plus net international migration)	
		number	%	number	%
<b>HMA</b>					
2011	414,821	6,026	1.5	7,244	1.7
2016	427,663	7,282	1.7	5,010	1.2
2021	442,371	7,856	1.8	5,293	1.2
2026	458,707	8,015	1.7	6,363	1.4
<b>Dartford</b>					
2011	100,000	2,800	2.8	7,200	7.2
2016	108,900	3,800	3.5	5,100	4.7
2021	118,000	4,400	3.7	4,700	4.0
2026	127,600	4,800	3.8	4,800	3.8

(Data source: Dartford and Gravesham figures from KCC Analysis and Information Team, projection based on 2006 Mid Year Population Estimates and from then onwards the housing provision as set out in the draft South East Plan (as at 17 July 2008). Bexley data from GLA Data Management & Analysis '2007 Round of Demographic Projections - PLP Low', projection based on 2001 census data)

### Future population composition and household structure

5.15 The strategy-led projected population composition for the HMA is presented in Table 27 below. Compared to 2006, the HMA population profile in 2026 will have a significantly higher proportion of elderly persons (65+), and a slightly higher proportion of children (0-15) but smaller proportions of young and intermediate aged people (16-24, and 25-44), and a stable mid-aged group (45-65).

5.16 The growth in the proportion of children reflects the increasing number of families suggesting that a higher proportion of family houses would be needed (see Chapter 6 for further discussion). The growth of the older age group reflects the common pattern of reduction in births from the 1970s and longer mortality rates. In particular, the 'older' retired group (85+) has the highest percentage growth relative to all other groups in the whole area. This age group is much more likely to have care and support needs (see Chapter 6 for further discussion).

**Table 27 Projected composition of the population - HMA**

	0- 14/15 <sup>24</sup>	15/16-24 <sup>25</sup>	25-44	45-64	65+	Total	85+
2006	77,130	47,802	118,946	97,429	61,685	402,993	7,625

<sup>24</sup> This age band includes Bexley 0-14, Dartford and Gravesham 0-15

<sup>25</sup> This age band includes Bexley 15-24, Dartford and Gravesham 16 - 24

2011	77,895	50,104	119,166	103,011	64,545	414,721	8,866
2016	81,667	48,221	122,296	105,738	69,841	427,763	10,323
2021	86,719	46,362	127,449	108,808	72,933	442,271	11,703
2026	90,040	48,993	130,511	110,732	78,431	458,707	13,120
<b>Change No.</b>	<b>12,910</b>	<b>1,191</b>	<b>11,565</b>	<b>13,303</b>	<b>16,746</b>	<b>55,714</b>	<b>5,495</b>
<b>Change %</b>	<b>+17</b>	<b>+2</b>	<b>+10</b>	<b>+14</b>	<b>+27</b>	<b>+14</b>	<b>+72</b>
<b>Proportion in 2006</b>	<b>19.1</b>	<b>11.9</b>	<b>29.5</b>	<b>24.2</b>	<b>15.3</b>	<b>100.0</b>	<b>1.9</b>
<b>Proportion in 2026</b>	<b>19.6</b>	<b>10.7</b>	<b>28.5</b>	<b>24.1</b>	<b>17.1</b>	<b>100.0</b>	<b>2.9</b>

(Data source: KCC Analysis and Information Team, GLA Data Management & Analysis, 2008. Dartford and Gravesham figures have been separately rounded to the nearest hundred and therefore may not sum. Percentages have been calculated using unrounded numbers)

5.17 Table 28 shows that during 2006 to 2026 Dartford would have population growth across all age groups. The biggest proportional increases are children (0-15) (increase by 51%), and the retired and older population (65+) (increase by 50%), followed by some 42% increase in the 25-44 age group.

5.18 The biggest numerical increase for Dartford is in the 25-44 age group (11,400 making nearly one third of the overall increase), the main economically active group and the group that normally comprises both newly forming and young family households. This is to be expected, given the significant net migration into the district, with many newly forming households expected to in-migrate from within the HMA, in particular Bexley.

5.19 A more detailed discussion on Dartford's housing requirement for specific household groups such as families and older people is contained in Chapter 6.

**Table 28 Projected composition of the population – Dartford**

	<b>0-15</b>	<b>16-24</b>	<b>25-44</b>	<b>45-64</b>	<b>65+</b>	<b>Total</b>	<b>85+</b>
2006	18,200	10,200	27,600	21,000	12,900	89,900	1,500
2011	19,900	12,700	29,400	23,800	14,100	99,900	2,000
2016	22,200	13,000	32,000	25,700	16,000	108,900	2,600
2021	25,000	12,600	35,800	27,100	17,400	117,900	3,200
2026	27,400	13,700	39,000	28,000	19,400	127,500	3,800
<b>Change 2006-2026</b>	<b>9,200</b>	<b>3,500</b>	<b>11,400</b>	<b>7,000</b>	<b>6,500</b>	<b>37,600</b>	<b>2,300</b>
<b>Change %</b>	<b>+51</b>	<b>+34</b>	<b>+41</b>	<b>+33</b>	<b>+50</b>	<b>+42</b>	<b>+153</b>
<b>Proportion in 2006</b>	<b>20.2</b>	<b>11.3</b>	<b>30.7</b>	<b>23.4</b>	<b>14.3</b>	<b>100.0</b>	<b>1.7</b>
<b>Proportion in 2026</b>	<b>21.5</b>	<b>10.7</b>	<b>30.6</b>	<b>22.0</b>	<b>15.2</b>	<b>100.0</b>	<b>3.0</b>

(Data source: KCC Analysis and Information Team, 2008. All figures have been separately rounded to the nearest hundred and therefore may not sum. Percentages have been calculated using unrounded numbers)

5.20 Household structure projections are also obtained from KCC and GLA (see Table 29). It should be made clear that the way the population organises itself into households is subject to variability; hence such housing type projections are sensitive to not only the future policy but also market change.

5.21 Across the HMA, it is forecast that the most significant increase is in one-person households (23,675 households making up 71% of the overall household increase). This will result in the HMA household structure in 2026 consisting of 50% couple households (including those with children), 37% one-person, 8% lone parent, and 5% households in multi-occupation. The average household size is forecast to decrease from 2.39 in 2006 to 2.28 in 2026.

5.22 Dartford will have household growth across all groups. There will be a big numerical increase in one-person (9,100) and couple (5,900) households. It will also have a large proportional increase of lone parents (54%) and HMO households (33%). Dartford's household structure in 2026 is forecast to have 51% couple households (including those with children), 37% one-person, 8% of lone parents, and 4% of households in multi-occupation. The average household size in Dartford is forecast to reduce; however to a lesser extent than the HMA average. This will result in Dartford's average household size changing from below the HMA average in 2006 (2.34 compared to 2.39) to above-average in 2026 (2.29 comparing to 2.28).

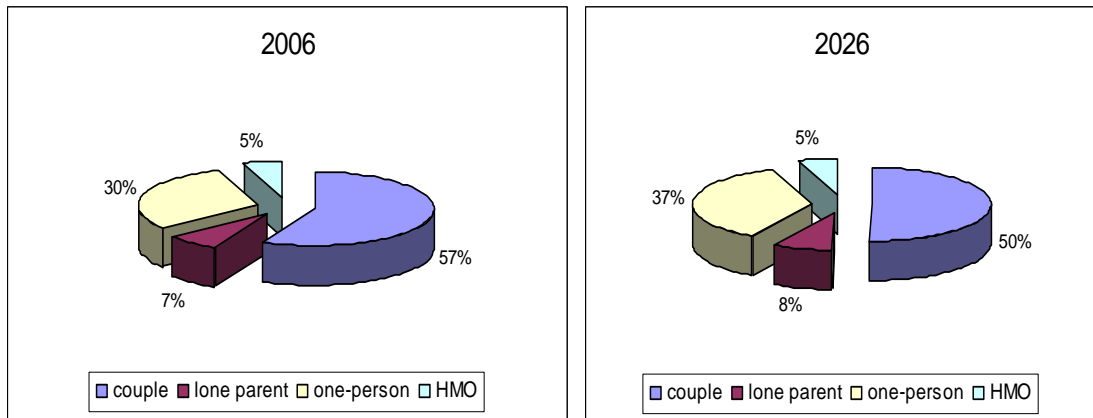
**Table 29 Projected household types – HMA and Dartford**

		2006	2011	2016	2021	2026	Change	Change %
<b>Couple households</b>	<b>Dartford</b>	22,100	23,500	24,900	26,400	28,000	5,900	27
	<b>HMA</b>	96,506	97,353	98,447	99,856	101,375	4,869	5
<b>Lone Parents</b>	<b>Dartford</b>	2,800	3,100	3,400	3,800	4,300	1,500	54
	<b>HMA</b>	12,595	13,593	14,406	15,094	16,007	3,412	27
<b>Houses in Multiple Occupation (HMO)</b>	<b>Dartford</b>	1,800	2,000	2,100	2,300	2,400	600	33
	<b>HMA</b>	9,104	9,436	9,746	10,192	10,421	1,317	14
<b>One-person household</b>	<b>Dartford</b>	11,200	13,400	15,800	18,100	20,300	9,100	81
	<b>HMA</b>	50,188	55,752	62,005	67,987	73,863	23,675	47
<b>Total Households</b>	<b>Dartford</b>	37,800	42,100	46,300	50,600	54,900	17,100	45
	<b>HMA</b>	168,292	176,235	184,703	193,228	201,566	33,274	20

<b>Average Household Size</b>	<b>Dartford</b>	2.34	2.34	2.31	2.29	2.29		
	<b>HMA</b>	2.39	2.35	2.32	2.29	2.28		

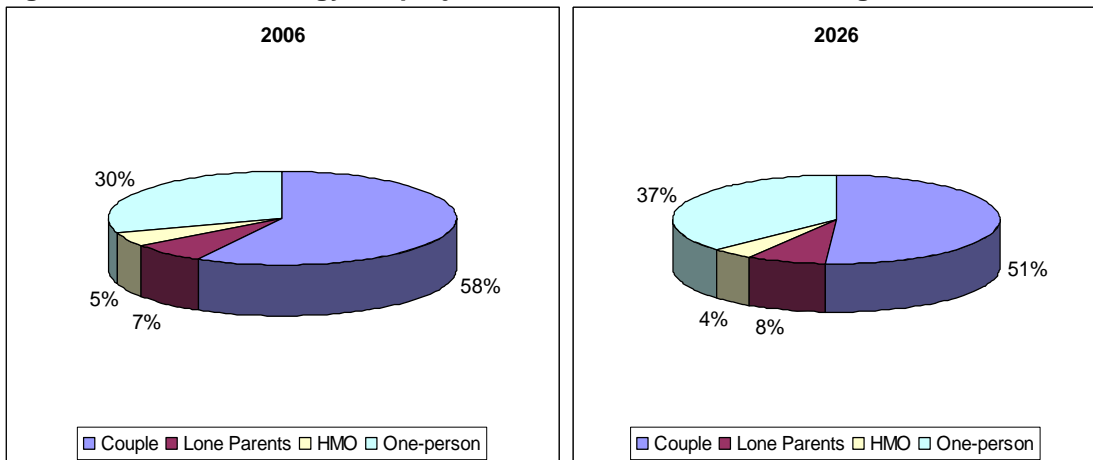
(Data source: KCC Analysis and Information Team, GLA Data Management & Analysis, 2008. All figures have been separately rounded to the nearest hundred and therefore may not sum. Percentages have been calculated using unrounded numbers)

**Figure 21 HMA Strategy-led projected household structure change 2006 – 2026**



(Data source: KCC Analysis and Information Team, GLA Data Management & Analysis, 2008.)

**Figure 22 Dartford Strategy-led projected household structure change 2006 – 2026**



(Data source: KCC Research and Information)

## Economic drivers

5.23 Demographic changes within an area create a demand for different levels and types of housing provision. However the economic development of an area can be of equal importance in driving change in housing markets, especially due to the effect on migration. This section looks at the economic drivers and initiatives that may have an impact on the local housing market. It is acknowledged that the local market is

affected by the national policy and future macroeconomic conditions, changes of which are very hard to predict.

5.24 Historically the HMA area was an underperforming sub region. As discussed in the previous chapter, this sub-regional housing market area has had fewer management or professional occupations, and the average residents' wage is below the Greater London average. Further employment indicators are presented in Dartford's Economy and Employment Technical Paper.

5.25 The relatively low cost of housing and proximity to London of this sub-regional housing market area has consequently created a strong dependence on out commuting.

5.26 The local economic profile of the three areas is set to change due to a range of initiatives. The strategies for these areas are employment-led growth and regeneration.

- For the Dartford/ Ebbsfleet/ Gravesham area, the South East Plan (May 2009)<sup>26</sup> provides for large-scale economic development and, if successful, could result in reduced out-commuting. The South East Plan aims for diversification of the economy of Kent Thames Gateway towards higher value uses in order to reduce dependence on London jobs, rebalance the structure of local employment, and enhance education attainment levels. 26,340 new homes are proposed in the urban Dartford and Gravesham area together with more than 20,000 jobs in Ebbsfleet up to 2026 and beyond.
- In Bexley, strategic employment locations have been recognised in the London Plan<sup>27</sup>. Belvedere is designated as an 'Opportunity Area' for an additional 5,000 jobs to be created by 2016, possibly as many as 20,000 by 2016; Thames Road and Footscray's potential to develop into a business park has been recognised. Bexley has also adopted its medium term economic and employment development strategy<sup>28</sup> aiming to embed higher-value goods and service development.

5.27 In terms of the planned employment uses:

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<sup>26</sup> The South East Plan, South East England Partnership Board, May 2009. Policy KTG2, KTG3, and Para 19.11.

<sup>27</sup> Chapter 5D.2 Opportunity Areas in South East London, The London Plan – consolidated with alternations since 2004, GLA, [www.london.gov.uk/thelondonplan/policies/5d-02.jsp](http://www.london.gov.uk/thelondonplan/policies/5d-02.jsp)

<sup>28</sup> Knowing Bexley, Economic and Employment Development Strategy 2005-2010, London Borough of Bexley

- Kent Thameside has been proposed for the expansion of existing economic functions (manufacturing and distribution, and the presence of ports and power generation) and for the introduction of new office and service functions on a large scale. This is planned to be delivered through: upgrading the skills of existing residents as well as attracting skilled migrants; improving economic activity rates; encouraging business formation; encouraging higher value activity; and reducing over reliance on jobs outside the sub-region (South East Plan para 19.7).
- Bexley Riverside is designated as an 'Opportunity Area' in South East London, to create 4,900 jobs from 2001- 2026. It has clusters of specialised industrial uses, including waste related operations, manufacture of building products and warehousing. It is also proposed to have inter-modal freight transfer facilities to meet London's logistics requirements.

5.28 The strategy-led regeneration has already seen positive outcomes. For example, development of the first major projects in the Kent Thames Gateway at Bluewater and Crossways was encouraged by completion of the M25 and this has greatly increased employment in Dartford. As a result, Dartford's economic performance over the past 10 years has been improving, catching up with the South East and national average level, and exceeding the performance of the HMA as a whole (see Appendix A for additional economic indicators).

5.29 The issue of skills and training has also been highlighted in the strategies in the Kent Thameside Sub Regional Strategy, the London Plan, and Bexley's medium term Economic and Employment Development Strategy. Raising skills levels and aspirations can help existing residents to access new job opportunities and provide a ready pool of labour to attract new employers and increased earnings. This is reflected in housing demand and results in demand for a better housing offer.

### **Connectivity**

5.30 A major stimulus to the planned growth is improved connectivity, which is generally viewed not only as a key driver for employment but the local housing market as well. The recent opening of the new Ebbsfleet International Station and the operation of Fastrack has significantly

improved public transport access for Dartford and Gravesend residents to major local employment and retail centres, and the Continent. The Ebbsfleet domestic station on the Channel Tunnel Rail Link is scheduled to open from 2009, which will make the area just 17 minutes travel time from central London with increased rail capacity and reduced travel times. The planned Crossrail train service will improve Bexley-London connectivity, and there is a long term option for the extension of the Crossrail service to Ebbsfleet/Gravesham. The improvement to public transport services will help achieve a step-change in the physical environment of employment and residential areas.

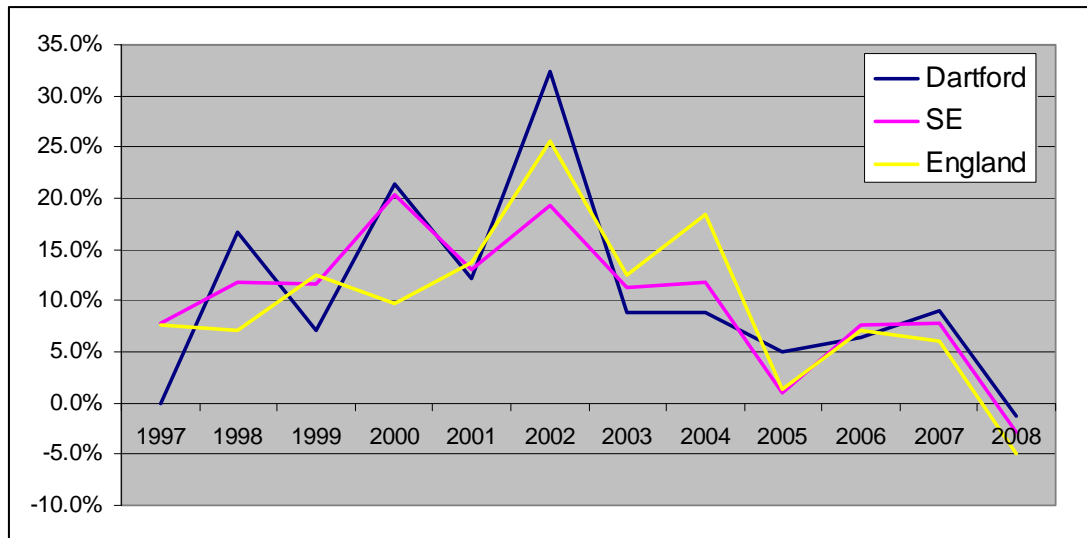
### **The impact of the Credit Crunch and Economic Recession**

- 5.31 As this SHMA is being compiled, a global 'credit crunch' is seriously affecting the availability of access to mortgage finance. This is resulting in difficulty in entering the housing market for those with little or no deposit. Reduced house prices may result in negative equity for those with little or no deposit making it difficult for them to move. For households who have lost employment there is the risk of mortgage default.
- 5.32 Whilst it is difficult to predict future movements in the economy, it is likely that unemployment will continue to rise. There are more than 1.7 million job losses predicted in the next two years, with London and the South East being worst hit by the downturn<sup>29</sup>. This will affect the HMA market, considering the high proportion of working age population working in the capital. Some local job cuts have also been announced recently.
- 5.33 The national average housing price has seen a continued fall and the Bank of England has cut the base interest rate dramatically to help the slowing economy (see Figure 23 and 24).

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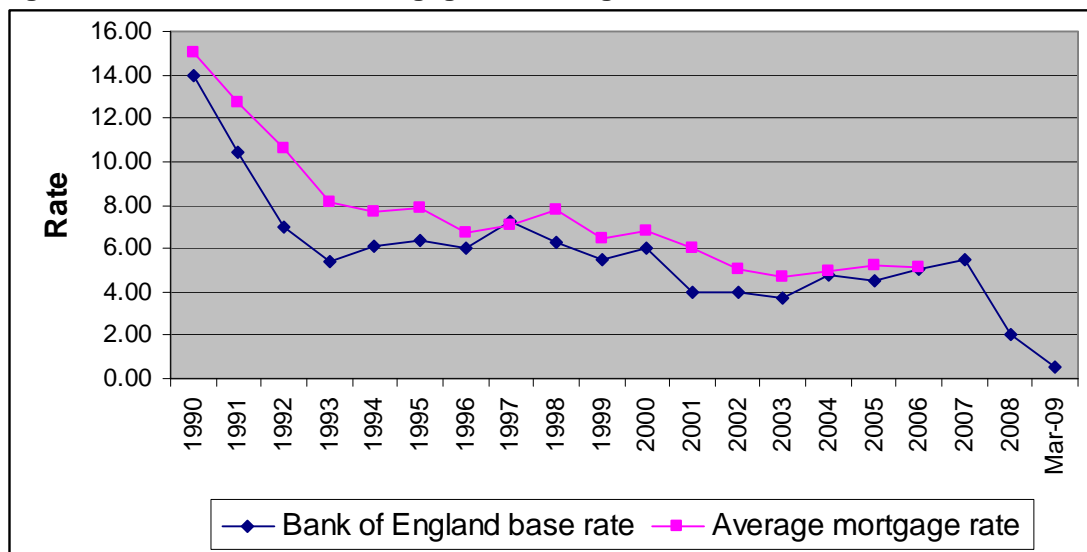
<sup>29</sup> Local Government Association, 2008, From recession to recovery: the local dimension, [www.lga.gov.uk](http://www.lga.gov.uk)

**Figure 23 Dartford median housing price year-on-year change comparing to South East and national average 1996- 2008 Q3**



(Source: DCLG Live Table 582. The "median" property price is determined by ranking all property prices in ascending order. The median is the mid-point of this ranking with 50 per cent of prices below the median and 50 per cent above.)

**Figure 24 UK base rate and mortgage rate change**



(Source data: DCLG, Live Table 555. Base rates shown are rates in the last day of each year except the latest figure in March 2009. Mortgage rates shown are those charged and offered by the largest societies and average for the year.)

5.34 The future housing market links to the macroeconomic climate and is difficult to predict. It is widely accepted that housing market situations will vary significantly in different locations. According to Land Registry the national average median house price in the third quarter in 2008 was down 4.9% compared to that of a year ago, with the South East down 2.9%, whilst in the same period, Dartford's median housing price was

down only 1.3%. This relatively low price decrease in Dartford may result in housing recovery faster than in other areas.

5.35 Nevertheless, these uncertainties will have an impact on the immediate future of the local housing market, and the delivery of new homes in the short and medium term is likely to be reduced. Locally, several major housing developments have slowed down or been postponed.

5.36 As far as the growth area and the first round of new growth points are concerned, one recent publication by the Housing Corporation<sup>30</sup> suggests that the housing investment and economic potential is “arguably the greatest, largely due to their strategic location”. It also suggests that the key challenges facing growth areas are: getting the balance, timing and mix right between housing and employment growth; enabling timely infrastructure provision, in advance of population and employment growth’ and addressing concentrations of deprivation, ensuring existing residents also benefit from the government’s growth plans.

### **Future housing affordability for Dartford**

5.37 The recent trend of housing affordability in Dartford has very much followed the national trend (see Figure 20 in Chapter 4), with the lower quartile housing price to income ratio increasing from 3.76 in 1997 to 7.79 in 2007.

5.38 A Housing Need Assessment was carried out for Dartford in 2006<sup>31</sup>. The following affordable housing need was identified :

- The overall annual shortfall of affordable housing need is 356 units (after deducting for re-lets of the existing affordable supply).
- There is a significant undersupply of shared ownership accommodation. The total scale of intermediate housing preference by existing and concealed households is 254 homes per year, which is over 70% of total annual needs.

5.39 The remainder of this section considers the extent to which the current economic climate and changes in the housing market will impact on the need for affordable housing.

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<sup>30</sup> Housing Corporation Centre for Research and Market Intelligence, November 2008, Housing and Economic Development: Moving Forward together, <http://www.housingcorp.gov.uk/server/show/ConWebDoc.15719/changeNav/440>

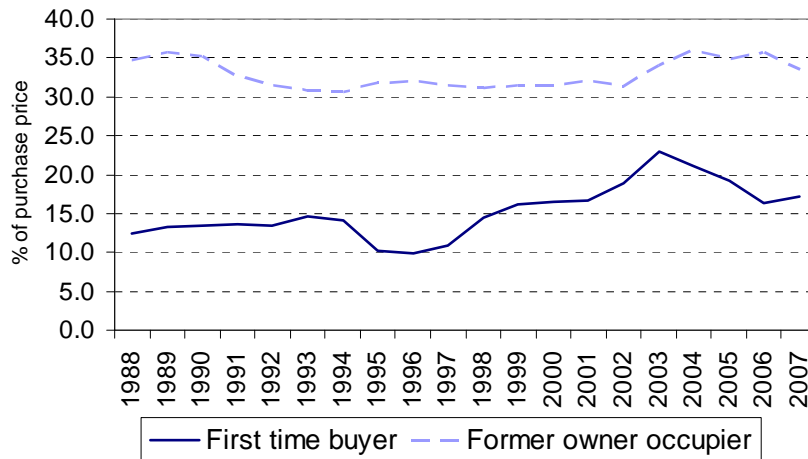
<sup>31</sup> Dartford Borough Housing Needs Survey and Housing Market Assessment, DCA, 2006

- 5.40 The impact of the recession on the affordability of housing is difficult to predict. Even if house prices are falling, the ability to access housing could worsen if the ability to obtain mortgage decreases, or if the unemployment rate rises. When the economy picks up, even if there is a moderate increase in house prices, the creation of higher value jobs and increased average earnings may counteract the effect and still result in improved affordability levels. Affordability will be determined by changes in income and house prices relative to each other.
- 5.41 The ability to access the market housing is ultimately decided by income levels and the availability of credit, in terms of both the overall amount of mortgages available, as well as the conditions at which they are made available, such as minimum deposits and interest rates.
- 5.42 Table 30 - 33 below calculate the equity or deposit requirement for average dwellings in Dartford, based on the conservative income multiples of 3 times a single income or 2.5 times a joint income. These provide different ready reconciliation scenarios of household incomes and dwelling price changes for Dartford and are intended to cover a ten to fifteen year period. A range of scenarios of housing price increase or decrease on 2007 prices (+/- 10%, +/- 30%, +/- 50%, and - 70%) are tested against changing incomes (+/- 10%, +/- 30%, + 50%). The increase rates have been derived in the light of Dartford's historical trends: house price increases of 199% from 1996 to 2007 (these are unlikely to be replicated with much lower growth rates predicted in the future), and full time worker weekly gross income increase of 47% for lower quartile earners and 58% for median earners during 1998 to 2008. The decrease rates are assumptions as to what might happen in the worst case housing price and earnings scenarios in the current recession.
- 5.43 Tables 30 -33 below show the equity that would be required under different scenarios if the income multipliers are applied to calculate the level of mortgage that can be accessed by a household. The lower quartile income to lower quartile house price scenarios (Table 30 and 31) represent the possible equity or deposit requirements for lower income / first time buyers, whilst the median income to median house price scenarios (Table 32 and 33) give a picture of how house price/

income changes would affect affordability for those on average incomes.<sup>32</sup>

5.44 It is acknowledged that many households higher up the housing ladder have significant equity, and thus the tables are most applicable to first-time-buyers (as indicated in Figure 25). This exercise does not take into account the cost of obtaining mortgages (i.e. administration fees etc.). It does, however, check all scenarios against the recent 10% and 25% minimum deposit requirement. At the time of writing, most banks and building societies were requiring new customers to provide 25% deposit (with some as high as 40%), or at least 10% deposit but at a higher mortgage rate and administration fee.

**Figure 25 Deposit as a percent of purchase price, by type of buyer, UK**



(Source: DCLG Live Table 540. Data up to and including 2002 is from 5% sample. Data from 2003 is based on a significantly enhanced sample size. Data from September 2005 is collected via the Regulated Mortgage Survey. 2005 data is based on combined data from the Survey of Mortgage Lenders and the Regulated Mortgage Survey. The ratio of deposit to price have been calculated on a case-by-case basis and then averaged. Last update Oct 2008.)

5.45 Figure 25 also shows that, in the UK, first time buyers' average deposit in recent years is proportionately much higher than ten years ago. In 2007 the average first time buyers put down about 17% of the purchase price, while in 1997 they only provided 10% of the purchase price. As housing inflation in the past decade has been significantly higher than income inflation, first time buyers nowadays need to save longer and


<sup>32</sup> The median and lower quartile incomes are based on the 2007 Annual Survey of Hours and Earnings, and base line median and lower quartile housing prices are 2007 Land Registry house sale price data (see Appendix B for details).


harder as compared to ten years ago. The direct result of the higher deposit requirements (25%) is the sharp decrease in the number of qualifying first time buyers leading to stagnant housing transactions.

**Table 30 Equity or deposit requirement based on income multiplier: Lower income to lower quartile housing price – Dartford single earning household**

lower quartile wages	Income multiplier: 3	Lower quartile housing price										
		2007 160,000	10% 176,000	20% 192,000	30% 208,000	50% 240,000	-10% 144,000	-20% 128,000	-30% 112,000	-50% 80,000	-70% 48,000	
19,297	57,892	102,108	118,108	134,108	150,108	182,108	86,108	70,108	54,108	22,108	===	
-10%	17,367	52,102	107,898	123,898	139,898	155,898	187,898	91,898	75,898	59,898	27,898	===
-30%	13,508	40,524	119,476	135,476	151,476	167,476	199,476	103,476	87,476	71,476	39,476	7,476
10%	21,227	63,681	96,319	112,319	128,319	144,319	176,319	80,319	64,319	48,319	16,319	===
30%	27,595	82,785	77,215	93,215	109,215	125,215	157,215	61,215	45,215	29,215	===	===
50%	28,946	86,837	73,163	89,163	105,163	121,163	153,163	57,163	41,163	25,163	===	===

=== "No equity needed" on the basis of income multiplier. Lender's requirement will prevail.

 affordable with 10% deposit

 affordable with 25% deposit

5.46 Table 30 shows that, given the house price drop by 30% on 2007 level, the affordability situation for lower quartile income single-earners would be improved. However, this improvement is insufficient to place these households in a position where they can afford their own homes, in the absence of income increases by at least 50% and availability of 25% deposit. As these households are unlikely to have substantial deposits and the multiplier on their earnings will be insufficient for them to gain access to the housing market. In order for the situation to change, there would need to be a combination of a sharp decrease in house prices (for instance by at least 50%), together with a significant income increase (by 30%). It is highly unlikely that this combination of factors will arise, as a more buoyant economy will result in both income increases as well as house price rises.

**Table 31 Equity or deposit requirement based on income multiplier: Lower income to lower quartile housing price Dartford 2-earner household**

lower quartile wages	Income multiplier: 2.5	Lower quartile housing price										
		2007 160,000	10% 176,000	20% 192,000	30% 208,000	50% 240,000	-10% 144,000	-20% 128,000	-30% 112,000	-50% 80,000	-70% 48,000	
38,594	96,486	63,514	79,514	95,514	111,514	143,514	47,514	31,514	15,514	===	===	
-10%	34,735	86,837	73,163	89,163	105,163	121,163	153,163	57,163	41,163	25,163	===	===
-30%	27,016	67,540	92,460	108,460	124,460	140,460	172,460	76,460	60,460	44,460	12,460	===
10%	42,454	106,135	53,865	69,865	85,865	101,865	133,865	37,865	21,865	5,865	===	===
30%	55,190	137,975	22,025	38,025	54,025	70,025	102,025	6,025	===	===	===	===
50%	57,892	144,729	15,271	31,271	47,271	63,271	95,271	===	===	===	===	===

=== "No equity needed" on the basis of income multiplier. Lender's requirement will prevail

affordable with 10% deposit

affordable with 25% deposit

5.47 Table 31 shows that affordability for lower income 2-earner households could improve either through an increase in wage levels of 30% or more, even if this is combined with a house price increase; or a reduction in house price of 20% or more, on its own. Whilst the house price reductions since 2007 will have brought household in this category within reach of owner-occupation, the main barrier to market housing for these households in the short to medium term will be the lack of credit availability and the significant deposits they will have to find in the more likely scenarios.

**Table 32 Equity or deposit requirement based on income multiplier: Median income to median housing price - Dartford single earner household**

Income multiplier:	3	Median housing price										
		2007	10%	20%	30%	50%	-10%	-20%	-30%	-50%	-70%	
Median wages annual		195,000	214,500	234,000	253,500	292,500	175,500	156,000	136,500	97,500	58,500	
27,685	83,054	111,946	131,446	150,946	170,446	209,446	92,446	72,946	53,446	14,446	===	
-10%	24,916	74,749	120,251	139,751	159,251	178,751	100,751	81,251	61,751	22,751	===	
-30%	19,379	58,138	136,862	156,362	175,862	195,362	117,362	97,862	78,362	39,362	362	
10%	30,453	91,360	103,640	123,140	142,640	162,140	201,140	84,140	64,640	45,140	6,140	===
30%	39,589	118,768	76,232	95,732	115,232	134,732	173,732	56,732	37,232	17,732	===	===
50%	41,527	124,582	70,418	89,918	109,418	128,918	167,918	50,918	31,418	11,918	===	===

=== "No equity needed" on the basis of income multiplier. Lender's requirement will prevail.

affordable with 10% deposit

affordable with 25% deposit

5.48 Table 32 above shows that affordability for median single-income households is only likely to result in entry to the housing market in the less likely scenarios of a combination of a significant reduction in house price together with a significant increase in incomes; or a decrease of 50% or more in house prices on its own. Although median single-earner households are in a slightly better position as compared to lower quartile single-earner households, the scenarios under which they could afford market housing are relatively unlikely to occur.

**Table 33 Equity or deposit requirement based on income multiplier: Median income to median housing price - Dartford: 2-earner household**

Median wages annual	Income multiplier: 2.5	Median housing price									
		2007	10%	20%	30%	50%	-10%	-20%	-30%	-50%	-70%
		195,000	214,500	234,000	253,500	292,500	175,500	156,000	136,500	97,500	58,500
55,370	138,424	56,576	76,076	95,576	115,076	154,076	37,076	17,576	===	===	===
-10%	49,833	124,582	70,418	89,918	109,418	128,918	167,918	50,918	31,418	11,918	===
-30%	38,759	96,897	98,103	117,603	137,103	156,603	195,603	78,603	59,103	39,603	603
10%	60,907	152,266	42,734	62,234	81,734	101,234	140,234	23,234	3,734	===	===
30%	79,179	197,946	===	16,554	36,054	55,554	94,554	===	===	===	===
50%	83,054	207,636	===	6,864	26,364	45,864	84,864	===	===	===	===

=== "No equity needed" on the basis of income multiplier. Lender's requirement will prevail.

affordable with 10% deposit

affordable with 25% deposit

5.49 Dual-income median earners are again in a better affordability position than lower quartile earners. It is likely that many in this group are already in a position to enter the housing market, providing they have an adequate deposit and are able to get a mortgage. There is a range of scenarios in which their situation will further improve. Even with income decreases, the affordability of this group will improve given a decrease in house prices of 20% or more over 2007 levels. Again, the main obstacle for 2-earner median households to home purchase will be a lack of deposit and mortgage availability.

5.50 The latest Land Registry housing sale price shows that as in 2008 Q4 the median average house price for Dartford is £184,498, representing a 5.4% decrease on 2007 annual median price; the lower quartile average house price in 2008 Q4 is £147,875, a 11.1% fall over 2007 annual lower quartile price<sup>33</sup>. The housing price fall means affordability may have slightly improved compared to that of a year ago; however this is far from sufficient to change the situation unless house price continues to drop and credit availability is improved. It is hard to predict to how the market is to change, although the latest surveys reported an increase in house prices in May 2009 and interest on properties was up again<sup>34</sup>.

5.51 In terms of the change since the Housing Needs Survey 2006, the tables show that the situation is unlikely to have improved for households who were in the worst situation with regard to access to market housing.

<sup>33</sup> CLG, Live Table: Housing market: lower quartile house prices based on Land Registry data by district; Housing market: median house prices based on Land Registry data by district.

<sup>34</sup> <http://news.bbc.co.uk/1/hi/business/8090028.stm>

These households are most likely to require social-rented housing and this situation is likely to continue.

5.52 For some other households previously reliant on intermediate affordable housing, particularly the dual-income median earning households, there is a good prospect that the recent economic changes may have brought home ownership within their reach. However, the potential for this will ultimately be determined by the availability of a sufficient deposit and mortgage availability. The DCA Study revealed that in 2006 only 13.1% the concealed households had savings above £15,000, the minimum 10% deposit needed to purchase lower quartile housing<sup>35</sup>. In reality, only a small minority of those who were identified as requiring intermediate housing in the study, are likely to be able to buy in the short term. Their most appropriate housing solution is still likely to be intermediate housing in the short term, whilst they save to increase their equity in shared ownership housing or buy outright.

5.53 In summary, the situation with regard to the need for affordable housing is unlikely to have changed significantly since the DCA Study was undertaken. Housing is now slightly more affordable for joint-income households. However, in the short term, they may have difficulty accessing the private market because of insufficient equity or inability to access a mortgage. In the medium term, if house prices take some time to return to 2007 prices and there is an improvement in mortgage availability with reduced deposit requirements, there may be a decreasing need for affordable housing provision. This could be counter-acted by increased unemployment and mortgage defaults. The emerging situation will need to be assessed through regular reviews of the Strategic Housing Market Assessment.

## Summary of key points

- Both the trend-led and strategy-led projections show that during 2006 to 2026 the total population and household number for the HMA area will increase by similar rates. However the strategy-led projections indicate a significant difference in where future growth will be within the HMA area i.e. Dartford would be providing an excess over trend-based needs.

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<sup>35</sup>See the 2006 DCA Study Table 2-16.

- The population of Dartford is projected to rise by 42% (37,600 people): the 25-44 age group will have the biggest numerical increase, whilst children and the 65+ age group will have the biggest proportionate increases, apart from the 'very old' population (85+) which will increase sharply by 153% from a low base.
- The planned future housing provision in the HMA means 201,600 additional households by 2026 (a 20% increase on the 2006 level), in line with the trend-based household projection of 201,000.
- Dartford will have 17,100 new households by 2026 (a 45% increase on the 2006 base), significantly higher than the trend-based projection. There will be a big numerical increase in one-person (9,100) and couple (5,900) households.
- The average household size will continue to decrease in the HMA as a whole (from 2.39 in 2006 to 2.28 in 2026), although the rate of decrease will be low in Dartford (from 2.34 in 2006 to 2.29 in 2026).
- Natural change is the main driver of population growth across the HMA area. In Dartford, both natural change and net migration are key drivers of population growth.
- An improved quality of housing offer and housing growth is needed to support the transformation of the economy as proposed by the Government.
- Economic recession has resulted in house price falls, although the reduction in Dartford has remained at a lower proportion than the regional and national average.
- Future housing affordability in Dartford will continue to be difficult for single-earner households.
- Affordability for median joint-income households has already slightly improved since the DCA Study (2006) but a lack of sufficient deposit and availability of mortgages will continue to be an issue, at least in the short-term.
- The situation with regard to the need for affordable housing is unlikely to have changed significantly since the DCA Study was undertaken.

## **6. DARTFORD SPECIFIC HOUSEHOLD GROUPS REQUIREMENTS**

- 6.1 The Government's Practice Guidance on SHMA's advises that, where there may be concerns about the housing requirements of specific groups or there is good reason to believe that their needs significantly differ to the general population, SHMAs should ensure that they have appropriate evidence and undertake additional analysis where they do not. The guidance, however, does not set out a step by step approach and suggests that each housing market partnership will need to select the analyses most suited to their research questions.
- 6.2 Given that this SHMA is a supplement to the Dartford 2006 Housing Need Assessment, this chapter highlights and updates the future requirements of three specific groups within the Housing Market Area context: families and young people; older people; and households with special needs. The assessment of other specific groups (Black and Minority Ethnic groups and hard to reach groups, key workers, and those requiring low cost market housing or intermediate affordable housing) are presented in the Dartford's 2006 Housing Need Assessment.

### **Families and young people**

- 6.3 PPS3 (para 69) recognises the importance of providing housing for families, in the context of creating mixed communities.
- 6.4 The future household forecast (see Chapter 5) does not provide information about the number of households with children other than the projected growth rates of couples (with or without children) and lone parents households. The SHMA Practice Guidance suggests applying Census data to the projections in order to estimate future numbers of households with children.
- 6.5 The 2001 Census provides household type data as shown in Table 34. In Dartford there are higher proportions of households with children and households with two or more dependent children, than in the South East and England as a whole.

**Table 34 proportion of households with child(ren) and larger families in 2001**

	<b>Dartford</b>	<b>South East</b>	<b>England</b>
% HH with dependent children	30.2%	28.2%	28.3%
% HH 2 or more dependent children	17.8%	16.5%	16.0%
% HH with dependent and non-dependent children	40.1%	37.0%	37.6%

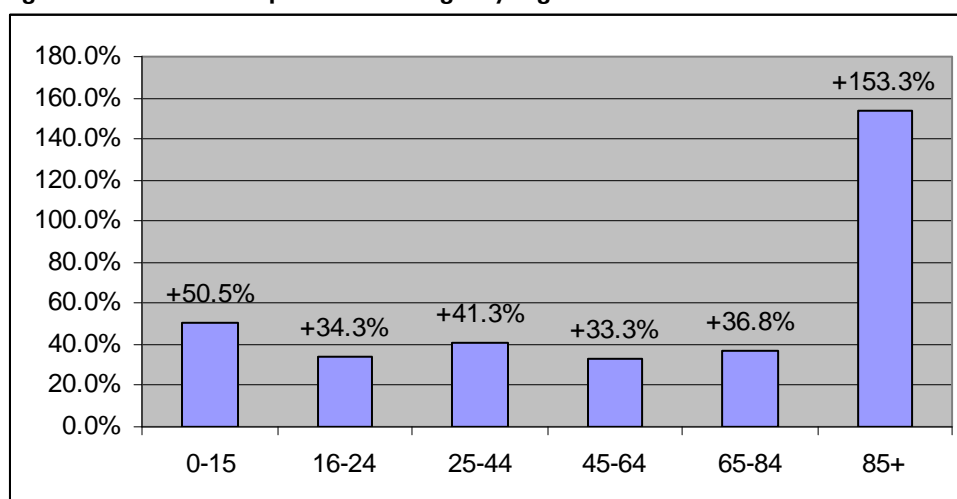
(Source: ONS, 2001 Census, updated 2004, UV65)

6.6 The 2001 Census shows that nearly one third of Dartford's households were families with dependent children, of which 18% were large family households with two or more children.

6.7 The proportion of family households was 40% when including households with adult children, indicating the fact that adult children now live for longer in their parents home.

6.8 Inferences can be made from population projections referred to earlier (Table 29 and Para 5.22) and repeated here for convenience. This shows the highest proportional growth (with the exception of 85+ age group, which is numerically small) will be in the groups of children (below 15 years of age) and the 25-44 age group, which is the key child-bearing group. This suggests that the proportion of households with children may increase over the 2001 figure in the future.

**Figure 26 Dartford Population Change by Age 2006 - 2026**



(KCC Analysis and Information Team, Nov 2008)

## **Housing demand and aspirations for family-sized homes**

- 6.9 The Dartford's 2006 Housing Need Survey and Housing Market Assessment found that in the period 2006-2008 the majority 77% (5,875 units) of the market housing demand was in the form of houses (detached, semi, terraced and bungalows) rather than flats<sup>36</sup>. The preference for houses is higher when taking account of concealed households housing aspirations ('preference' rather than 'need'). Whilst only 8% of the concealed households needed 3+ bed units, given the choice, 27% would prefer to move to a 3+ bedroom properties<sup>37</sup>.
- 6.10 A significant proportion of households are choosing to live in a home with a larger number of bedrooms than strictly required for the size of their household. The 2006 Housing Need Survey and Housing Market Assessment revealed that about 34.6% of total households were under-occupying (i.e. having more than one 'spare' bedroom above their requirements), mainly in the owner occupied sector<sup>38</sup>.
- 6.11 Responses to the 2006 Housing Need Survey and Housing Market Assessment demonstrate that where the size of a house exceeds household's strict size requirements, it is not identified as a problem, implying that it is a matter of choice. Of those households that considered their housing did not meet their needs, having a house that was too small (39.7%) was ten times as common as a house that was too big (3.8%)<sup>39</sup>.
- 6.12 Changing work patterns and lifestyles need to be taken into account as well, such as those self-employed and working at or from home. According to a national workplace survey<sup>40</sup> in 2000, about 20% of employees work from home occasionally. Employees in London and the South East were most likely to work from home at least occasionally (28% and 24% respectively). Of those employees not currently working from home, around a third said they would like to. The increasing trend of working from home suggests that some allowance in the size of the future housing stock will be needed in response to this. Although the household projections to 2026 show a significant increase of single-

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<sup>36</sup> Dartford Borough Housing Need Survey and Housing Market Assessment, 2006, Para 8.4 and Table 8-14

<sup>37</sup> Dartford Borough Housing Need Survey and Housing Market Assessment, 2006, Para 8.3.4 and Table 8-9

<sup>38</sup> Dartford Borough Housing Need Survey and Housing Market Assessment, 2006, Table 5-5

<sup>39</sup> Dartford Borough Housing Need Survey and Housing Market Assessment, 2006, Table 5-8

<sup>40</sup> Department for Education and Employment (DFEE) Research Report by Work-Life Balance 2000. <http://www.dcsf.gov.uk/research/data/uploadfiles/RR249.PDF>

person households (additional 9,100), not all single-person households will choose to live in small units. Many single-person households will be pensioner households. However, as evident in the 2006 Housing Need Survey and Housing Market Assessment, older people prefer to continue to live in the area they know and within their current homes, often a larger size than they strictly require, for as long as possible. Others will need specialist housing with varying levels of care provided.

6.13 The Dartford's 2006 Housing Need Assessment <sup>41</sup> identified a shortfall of demand over supply for smaller units of accommodation of 705 flats over the three year period from 2006 in order to meet the local need (existing and concealed households)<sup>42</sup>. Between 2006 and 2008, there were 1,034 new homes completed in Dartford. Of these 661 (64%) were flats, and 373 (36%) were houses<sup>43</sup>. This large new supply of flats, together with faster than average turnover of the flatted stock (see para 6.14 below) is likely to have addressed the immediate shortfall and brought the housing market broadly into balance in respect of the ratio between flats and houses.

6.14 As of 2008, there were 9,568 units that had unimplemented planning permissions. Of these, about 60-75% (5,741 to 7,189) were flats and 25-40% were houses (2,379 – 3,827)<sup>44</sup>. This high proportion of flats in the future housing supply will have a significant impact on the overall housing stock, shifting the balance towards a greater proportion of flats. This is coupled with the fact that flats account for double the share of house sales as compared to their share of the housing stock and have a higher stock turn over rate<sup>45</sup>. They form a greater proportion of housing on the market at any one time. There is a risk that, in Dartford's circumstances where new housing will form a substantial part of the overall housing stock by 2026, continuation of this trend of high levels of small flats (1 and 2 beds) within the new housing supply, will have a disproportionate effect on Dartford's housing stock. As a result, an imbalanced housing supply will be created, with a deficit of family-sized homes and a stock that is less adaptive to household preferences and demands in the longer term.

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<sup>41</sup> Dartford Borough Housing Need Survey and Housing Market Assessment

<sup>42</sup> Dartford Borough Housing Need Survey and Housing Market Assessment, 2006, Table 8-8

<sup>43</sup> Dartford Borough Council planning monitoring. Only include large sites with 25 and more homes.

<sup>44</sup> Dartford Borough Council planning pipeline as in 2008. Assumptions have been made about the proportion of flats and houses within outline planning permissions. Data subject to monitoring and update.

<sup>45</sup> The 2006 Housing Need Survey and Housing Market Assessment Table 1-1.

6.15 These issues need to be taken into consideration when determining the mix of sizes in future planning applications for residential development.

**Future requirements of older people and households with special needs**

6.16 Chapter 5 (Table 28) shows that 17.3% (6,500) of the increased population between 2006 and 2026 is forecast to be in the older age (65+) group, of which one third (2,300 out of 6,500 people) being very old (85+). This represents a 50% increase on the 2006 elderly population. Indeed the proportional increase in the 85+ age group in Dartford (153%) is over twice that of the HMA average (72%).

6.17 The future household forecast does not provide information about the number of pensioner households. However, data from the 2001 Census is shown below.

**Table 35 Proportion of pensioner household in 2001**

	Dartford		HMA		South East	
	Pensioner household	:of which one-person pensioner household	Pensioner household	:of which one-person pensioner household	Pensioner household	:of which one-person pensioner household
Number	8,869	4,183	45,311	22,764	952,746	473,161
Proportion to total household	25.2%	11.9%	27.8%	14.0%	29.0%	14.4%

(Source: ONS, 2001 estimation, UV66, as updated in 2004, data only available on owner-occupied household)

6.18 In 2001 the proportion of pensioners in Dartford was lower than in both the HMA as a whole and in the South East. However, the 2001 pensioner household profile is likely to be outdated, as in the period to 2026, the aged population is projected to increase its proportion substantially within the total population and given the significant overall projected increase in population, there will be a large numerical rise in the elderly population (see Figure 26). This will lead to a big proportional increase in pensioner households as well.

6.19 This indicates a need to provide accommodation which addresses the long term needs of these households. Lifetime Homes are one way of providing for an ageing population in a flexible way. These homes can be adapted to changing needs as members of a household age or infirmity progresses. At the same time, they can accommodate the needs of families, particularly with young children, so are well-suited to Dartford’s emerging population profile. There is a need for this form of

flexible housing in both the social housing as well as market housing sector. The 2006 DCA Study also forecast a significant shortfall in the amount of planned extra care accommodation against forecast demand<sup>46</sup>.

6.20 The issue of an aging population is inextricably linked to disability. The 2006 Dartford Housing Need Survey and Housing Market Assessment found that 55.5% of those people who have a disability are aged 60 plus<sup>47</sup>. The increase in this group will have major implications for support services, suitably adapted housing, and extra care housing.

6.21 The DCA Study found that, whilst most households with a physically disabled person lived in owner-occupied house, the majority of adaptations took place within the social housing sector and only a small proportion of owner occupied properties have been adapted. This suggests that the housing stock is not meeting the needs of many disabled people. It also identified that most adaptation provided or needed such as bathroom adaptations, ground floor toilets, wheelchair accessibility and level access to properties feature in Lifetime Homes Standards.

## Summary of Key Points

- In the period to 2026, Dartford will experience an increasing number of households with children.
- Household preferences and changing social and economic factors suggest a demand for family-sized homes which exceeds the strict size needs of households.
- If built out, the large number and proportion of flatted units in unimplemented planning permissions as of 2008, will create a significant shift in Dartford's housing stock towards smaller units.
- Future planning permissions need to take these factors into account, so as to avoid creating a future housing stock which is over-dominated by small units and unable to adapt to household preferences and demands

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<sup>46</sup> Dartford Housing Need Survey and Housing Market Assessment (2006) DCA, Para 10.7

<sup>47</sup> Dartford Housing Need Survey and Housing Market Assessment (2006) DCA. Para 1.2.6. Also see Chapter 10 for Supported and Adapted Housing.

- There will be an increasing proportion and number of elderly, including those over 85 years of age. Some of the need can be addressed through provision of Lifetime Homes. There will be additional need for supported homes and extra care homes.
- The existing housing stock does not appear to be meeting the needs of the majority of those with physical disabilities. Lifetime Homes in both the market as well as the social housing sector could address this need.

## 7. CONCLUSIONS

- 7.1 The HMA has experienced positive population and household growth, and the trend of growth is projected to continue in the long term.
- 7.2 The population profile of the HMA is younger than that of the South East. This is reflected in household structure, which has a higher proportion of households with children but a lower proportion of pensioner households as compared to the Region. One-person households have increased in recent years, and this trend will continue.
- 7.3 The current housing stock in the HMA is in good condition, dominated by owner occupied tenure, well above the national average. The HMA has a similar proportion of flats compared to the South East average, significantly higher levels of terraced and semi detached houses, but a substantially lower proportion of detached houses. This is reflected in property size, with the HMA having significantly smaller proportions of large properties with 7+ rooms but much higher level of properties with 3-6 rooms, as compared to the South East.
- 7.4 Both natural population growth and immigration are key drivers of population growth. In particular migration is a significant component of Dartford's recent population growth.
- 7.5 Taken on average, households are projected to increase in number but reduce in size. However, this average masks a projected increase in the number of children coupled with the trend for increasing wages in Dartford. This suggests that there will be a demand for larger homes. Planning for the future mix in housing size, needs to take these trends into account, together with consideration of the current housing profile and the unimplemented planning permissions.
- 7.6 Although Dartford's local wages have increased recently, the level of increase has been well below that of housing inflation and housing affordability has worsened during 1997 - 2007. Whilst the recent housing price fall since 2008 has slightly improved affordability, the situation is unlikely to have changed significantly since the DCA Study was undertaken. Affordability is, and will continue to be, a major issue for the future housing market area. Credit availability is a key concern for short and medium term affordability.

- 7.7 There is a need for an improved housing offer to match the increased quality of jobs being created in Dartford, and in the long term to support the transformation of the economy.
- 7.8 Whilst current economic uncertainty provides a risk to the deliverability of homes identified in the policy-led projections and in the South East Plan targets, the below average price decreases in Dartford suggest the area is well placed to benefit once the economy recovers.

## 8. Monitoring and Update

- 8.1 The Government SHMA Practice Guidance (2007) outlines how the findings of strategic market assessment should be monitored and updated on a regular basis.
- 8.2 PPS3 expects regular monitoring to take place on trends and activities in housing market areas. Monitoring of the SHMA findings will be linked to the Annual Monitoring Report.
- 8.3 The following key housing market indicators will be regularly updated:-
- Key housing market drivers:
    - Mid-year population and household estimates
    - Income and earning surveys
  - Housing demand and need
    - Market housing turnover
    - New build completions
    - Affordable housing completion and acquisition
    - Priority homeless households in the waiting list
    - Local Housing Register
    - Vacancy rate
    - Housing prices
    - Housing affordability ratio

## Appendix A: SHMA requirements

	Required Core Outputs	Where evidence is presented
1	Estimates of current dwellings in terms of size, type, condition, tenure	The 2006 DCA study provides primary data analysis on Dartford's housing stock and this report provides an update based on secondary data.
2	Analysis of past and current housing market trends, including balance between supply and demand in different housing sectors and price/affordability. Description of key drivers underpinning the housing market	Largely provided in this report. The 2006 DCA study provides primary data analysis on Dartford's local housing market demand and supply, and price/ affordability.
3	Estimate of total future number of households, broken down by age and type where possible	This report updates the 2006 DCA study on Dartford's data in the wider HMA context.
4	Estimate of current number of households in housing need	Covered in the 2006 DCA Study, for Dartford only, based on primary data (the 2006 Housing Need Survey). This report updates the Study by considering factors which may change affordability now and in the future.
5	Estimate of future households that will require affordable housing	As above.
6	Estimate of future households requiring market housing	As above.
7	Estimate of the size of affordable housing required	As above.
8	Estimate of household groups who have particular housing requirements eg families, older people, key workers, black and minority ethnic groups, disabled people, young people, etc.	Dartford only. This report partially updated the 2006 DCA Study on families, young people, and old people households. The other groups are covered sufficiently in the DCA Study.

## Appendix B Dartford housing prices and incomes data sources

- **Housing prices**

	Dartford
lower quartile housing price (2007 average)	160,000
median housing prices (2007 average)	195,000

2007 lower quartile housing prices data. Source: CLG, Table 587 Housing market: lower quartile house prices based on Land Registry data, by district

2007 median housing prices data. Source: CLG, Table 586 Housing market: median house prices based on Land Registry data, by district

- **Annual survey of hours and earnings - workplace analysis**

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Date	2007
Sex	Full Time Workers
Pay	Weekly pay - gross
Confidence	Standard error as a percentage of the figure

Area	Median		Lower Quartile (25 percentile)	
	number	conf %	number	conf %
Dartford	532.4	7.7	371.1	5.8

Results for 2003 and earlier exclude supplementary surveys. In 2006 there were a number of methodological changes made. For further details goto <http://www.nomisweb.co.uk/articles/341.aspx>.

The "lower quartile" is determined by ranking all property prices/ income in ascending order, and includes the lowest 25 per cent of prices/ income are below the lower quartile. The "lower quartile" properties exclude sales at less than market price (eg Right To Buy), sales below £1,000 and sales above £20m. This gives good indication on the price of 'entry-level' properties.

The "median" is determined by ranking all property prices/ incomes in ascending order, and is the mid-point of this ranking with 50 per cent of prices/ incomes below the median and 50 per cent above. This gives a good indication of the average housing price of a district.