

QUARTERLY ECONOMIC BULLETIN

An Economic Summary for Herefordshire

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Key Points for Herefordshire:

- Numbers of unemployed fell last quarter (page 3).
- Herefordshire's 65+ population is forecast to increase by 68.0% by 2026 (page 5).
- 12% of Hamlets and Isolated dwellings are very unlikely to receive broadband (ADSL) (page 6).
- Hereford city traders have increasingly reported trade as being below last year or poor in previous months (page 8).
- Use of railway stations in Herefordshire have seen a 53% increase between 2003 and 2006 (page 9).
- House prices in Herefordshire are increasingly less affordable than in the West Midlands or England (Page 10).
- House price estimates suggest Ledbury has the highest "entry level" prices (page 11).

Nationally:

- Part time female agricultural workers have, for the first time, seen an increase in pay over their male counterparts (page 4).

NEWS SOURCED FROM LOCAL PRESS

Job Creation

WiRE (Women in Rural Enterprises), a project offering free advice to business women in Herefordshire, has helped 35 new businesses start-up since the project's inception two years ago. Funded by Advantage West Midlands and the European Social Fund, advice is provided in the form of three core business start up sessions and a range of skills workshops.

The development of a fruit mill on the old site of Robertson's Ledbury preserves' jam factory has the potential to create 200 new jobs. The plant, which has been approved by councillors, will be Western Europe's first carbon neutral fruit mill and capable of processing 15,000 tonne's of fruit per week.

Since the February Quarterly Economic Bulletin, although no new grants have been awarded to Herefordshire projects, 29 new jobs have been created by previously completed projects that received funding from the Redundant Buildings Grant Scheme.

Development and Investment

The £210 million contract for the Edgar Street Grid (ESG) has been officially awarded to Stanhope at a commercial property show in Cannes. ESG have also opened an independent stakeholder forum for people to feed in their views and raise any concerns. The first of these quarterly events was held in April.

Premier Hygienic, a toilet manufacturing company, is expanding its operations by opening a new facility at the old RAF base at Shobdon.

Tyrells Crisps has been sold by owner Will Chase to private equity firm Langholm Capital for £30 million. Mr Chase will retain a significant stake in the business but will be focusing on the production of potato vodka instead.

Health and Social Care

Up to £6 million will be spent replacing the hatted wards Monnow and Leadon at the Hereford County

NEWS (CONT.)

Hospital. The development which will be carried out by next spring is in response to an increase in workload and bed occupancy. Funding for this has been facilitated by the success of the Macmillan Renton appeal.

Community and Volunteering Groups

Herefordshire has received £450,000 from the Youth Opportunity and Capital fund to be spent on increasing the number and range of things for young people to do in the county. The fund will be managed by a youth panel (ages 13-19), who will be supported by the council's youth involvement worker. In previous years the panel have awarded £300,000 to various projects including sporting events, film making, gardening, DJ workshops, healthy eating and trips away.

Agriculture and Environment

Holden Aluminium Technologies (HAT), an aluminium recycling company based in Bromyard, has been awarded a top international environmental standard (ISO 14001) for its implementation of effective environmental management systems. Richard Williams, managing director had this to say:

"As a company we are now increasingly more involved in helping to improve the environment, for example manufacturing component parts to build lightweight chassis cars which reduce CO₂ emissions."

Tightening of immigration laws and an unfavourable exchange rate may cause big problems for fruit growers in Herefordshire this season. The Seasonal Agricultural Workers Scheme (SAWS), which in the past has allowed workers from non-EU member states to pick fruit on Herefordshire farms on a seasonal basis, will this year be restricted to workers from Romania and Bulgaria (now EU members) and will see a cut in the number of allocations. Workers from EU member states are thought to be less likely to take up these low paid manual jobs in favour of more lucrative employment at home or in other industries. A currently poor exchange rate is likely to exacerbate the problem, which could lead to a predicted 25% gap in the sector and fruit going unpicked. This is naturally causing concern amongst growers in Herefordshire, some of whom lost part of last years crop to bad weather and a labour shortage.

Tourism and Culture

Plans to develop an international birds of prey centre near Eardisland have been approved by Herefordshire Council planning department. The new centre, which will be open to the public, will create a unique opportunity to attract tourism to the area and include a visitor centre, shop and cafeteria.

National News

Figures released in May show the number of people claiming key out of work benefits in the UK has fallen by 141,000 over the last year, as more people take up opportunities to work and provide greater security for themselves and their families.

At the same time, figures issued by the Office for National Statistics show employment continuing to rise, with 466,000 more people in work compared to a year ago. Although figures show a rise of 7200 in the numbers claiming Jobseekers Allowance for last month, the total has been more than halved since May 1997.

In comparison, Herefordshire has seen a decrease of nearly 100 claimants of Jobseekers Allowance between March and April 08. For more information about unemployment see page 3.

Transport

A report by the West Midlands Business Council (WMBC) has highlighted the importance of providing good cross border transport links for the continued development of the local economy. The report, submitted to the House of Commons Welsh Affairs Select Committee, calls for co-operation between the Welsh Assembly Government and English public agencies to improve transport links and public services across the border region. It goes on to say that shared financing should be used to fund infrastructure improvements such as key bypasses, more road bridges and a better rail network.

Development and Investment

A report by Ofcom the communications regulator, has found that 59% of residents in rural areas use broadband at home, higher than the figure for urban areas at 57%. This sees a reversal from four years ago when urban dwellers were twice as likely to use broadband. For more information on broadband coverage in Herefordshire see page 6.

Information for this news article has been sourced from local press, mainly the Hereford Times

UNEMPLOYMENT

This article shows levels and trends of unemployment in Herefordshire. The Office for National Statistics (ONS) supplies data on numbers and rates of unemployment (% of the working age population claiming unemployment benefits), the age of those who are unemployed and duration of their unemployment. The following is a summary of the key information from **April 2008**. All figures are unadjusted for seasonal variation unless otherwise stated.

In April:

1,471 people were claiming unemployment benefits in Herefordshire, a decrease of 46 claimants from the previous quarter, January 2008 (1,517), and lower than numbers seen a year ago in April 2007 (1,513). The unemployment rate was 1.4%, slightly lower than the previous quarter and April 2007 (both 1.5%) and lower than both the West Midlands region and England (See table opposite).

Over two thirds of claimants were male (72%).

The number of claimants in Hereford City decreased slightly over the year (636 claimants in April 08 compared to 646 in April 07).

Of the market towns, Leominster and Ross-on-Wye have the highest levels of unemployment (145 and 122 claimants respectively). Ross-on-Wye had 11 fewer claimants than this time last year. Bromyard has seen a decrease of 3 claimants over the year, to 57 people claiming unemployment benefits. Unemployment in Ledbury and Kington was low and has remained at similar levels over the last year (48 and 25 claimants respectively in April 2008).

Unemployment rates remain higher in the Hereford Constituency than in Leominster (1.7% compared to 1.1%).

Ward rates were highest in Central ward (3.2%), followed by Ross-on-Wye West (2.7%). St Martins & Hinton, Leominster North, St Nicholas, Belmont and Leominster South also had high rates, each with over 2% of their working age population claiming unemployment benefit.

The wards that have had consistently higher unemployment rates over the monitoring period (relative to Herefordshire's low unemployment overall) were Belmont, Central, Leominster North, Ross-on-Wye West and St Martins & Hinton. For more detail about where highest levels of unemployment are - see full article.

¹ Lower level 'super output areas' (SOAs) are areas with fixed geographical boundaries. There are 116 of these in Herefordshire, each with a population of about 1,500.

	April 2008			A year ago (April 2007)
	Total	Male	Female	
Herefordshire	1,471	1,056	415	1,513
	1.4%	1.9%	0.9%	1.5%
West Midlands	3.0%	4.2%	1.7%	3.3%
England	2.2%	3.1%	1.2%	2.5%

Source: Office for National Statistics Monthly Unemployment Claimant Counts, Herefordshire Council Research Team

Unemployment claimant figures and rates are now released at smaller geographical levels (SOA level¹ i.e. below ward level) which allow more detailed mapping of where clusters of unemployment are within Herefordshire.

The highest numbers of unemployment claimants occurred in Hereford City, Ross-on-Wye, Bromyard and in the areas (SOAs) around the centre of Leominster. The SOA in Ross-on-Wye (which includes the John Kyrle area) and the SOA 'Golden Post-Newton Farm' (in the South Wye area of Hereford City) have the highest numbers of unemployment claimants (50 and 48 respectively, accounting for 6.7% of all of Herefordshire's claimants in April 2008).

The highest proportion of unemployment claimants were those aged between 25 and 49 years who have been unemployed for less than 6 months (39.4%), similar to the last quarter (39.5%), January 2008 and up by 2% on the figure for this time last year, April 2007 (35.5%).

In April 2008, 31.4% of unemployment claimants were classed as 'youth unemployment' (those aged under 25 years), similar to the figure recorded for the same time last year April 2007 (29.8%).

'Click here for the full article' - please note this opens a new window (1.03 MB)

Any queries please contact the Herefordshire Council Research Team:

01432 260464 or researchteam@herefordshire.gov.uk

EARNINGS OF AGRICULTURAL WORKERS

Farming Statistics at DEFRA collect information on the earnings and hours of agricultural and horticultural workers by quarterly surveys every year. The latest results released in December 2007 for **England & Wales as a whole** contain annual estimates for the 12 months ending **September 2007**; this includes the four most recent quarterly surveys.

Method

A sample of holdings is surveyed and information collected nationally for workers aged 20 years and over. The number of workers in the sample for each type of worker is published along with a 95% confidence interval for the main results. For example, in 2007 the national average weekly earnings for male full-time workers were £352.33 with a confidence interval of \pm £13.62, so we can be 95% confident that the population average for all such workers in England and Wales lies between £338.71 to £365.95.

Trends

2007 data indicates a continuing trend of increased earnings for full time male agricultural workers compared to their female counterparts, with a statistically significant pay gap in the average weekly earnings and in the average hourly earnings. Analysis of trends are given for the average hourly and weekly earnings for the 12 months ending in September from 2004 to 2007.

Comparisons made between data from 2007 with the previous year yield no statistically significant changes in earnings or the number of hours worked. However, significant changes in the data are evident if comparisons are made over longer time scales with an **increase** in the average **hourly earnings** between 2003 and 2007 and in the average **weekly earnings** between 2003 and 2007.

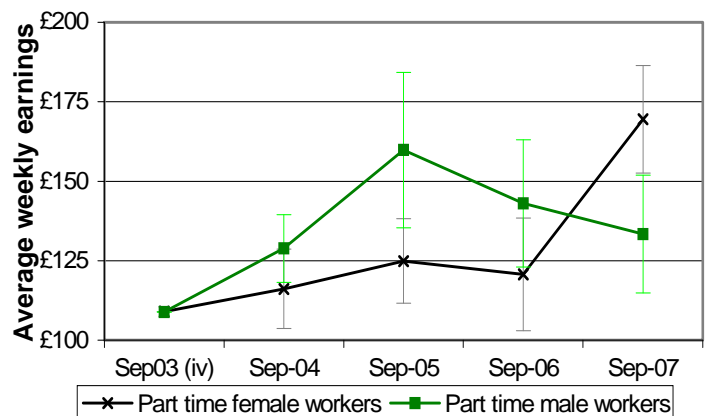
Table 1 Average earnings for male full time workers in England & Wales for the 12 months ending Sept. 2007

	2004	2005	2006	2007
Ave. weekly earnings	£331.26 \pm 12.46	£357.64 \pm 13.62	£340.60 \pm 22.05	£352.33 \pm 13.62
Ave weekly hours worked	46.2 \pm 1.22	48.4 \pm 1.42	46.1 \pm 2.42	47.0 \pm 1.43
Ave. hourly earnings	£7.16 \pm 0.17	£7.40 \pm 0.17	£7.39 \pm 0.21	£7.50 \pm 0.16
Number in sample	311	299	248	279

Source: Statistical Notice from DEFRA 6th December 2007.

Part time female workers have seen a sharp rise in their average weekly earnings, up to £169.50, which sees them earning significantly more than male part time workers (£133.38). As the confidence intervals do not overlap it suggests that these figures reflect real change. This rise is due to an increase in both the number of hours worked and an increase in the rate of pay.

Chart 1 Average weekly earnings for part time agricultural workers



Source: Statistical Notice from DEFRA 6th December 2007.

Definitions:

- Average Weekly Earnings include cash earnings, contributions to council tax, holiday pay, sick pay, bonuses and an appropriate value of payments in kind.
- Average Weekly Hours Worked includes all hours worked, paid holidays and paid sick leave. Unpaid leave is not included.
- Annual data are derived using survey data for the current and previous 3 quarters. The data have been weighted to remove any bias due to sampling or response rates. Seasonal weights have been applied for casual workers to account for the increased number of workers during the harvest period.

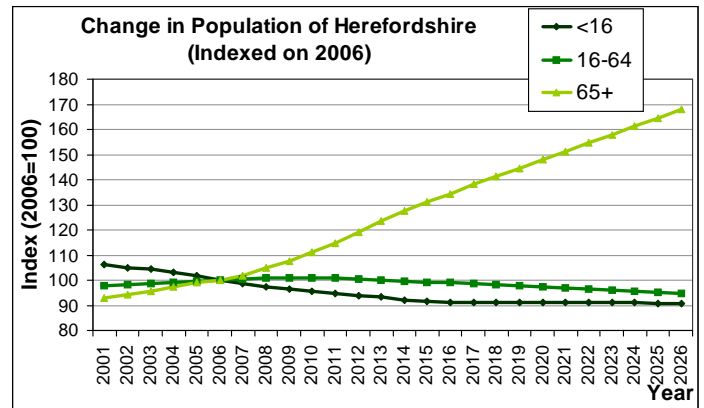
2006-BASED HEREFORDSHIRE POPULATION FORECASTS

Herefordshire Council's Research Team produces projections and forecasts of the future resident population of the county of Herefordshire. Figures based on the Office for National Statistics' (ONS) 2006 mid-year estimates were published in April 2008, replacing the 2005-based forecasts published in July 2007. This is the first time it has been possible to forecast beyond 2011. This article summarises the 'principal forecast' and its implications for the **population of Herefordshire up to 2026**.

Introduction

Future trends in fertility, mortality and migration for the 2006-based national population projection, with appropriate local adjustments, form the basis for the principal population **projection**.

This is then converted into a more realistic **forecast** by taking account of housing supply expected under the adopted Unitary Development Plan and the current preferred option of the Regional Spatial Strategy-which would see 16,600 net new dwellings built between 2006 & 2026.



Change in Total Population

Between 1991 and 2006 Herefordshire's population grew at around double the national rate of growth (9.8% compared to 5.5%), although the county's rate of growth has slowed down to only 1.7% in the last five years.

The **forecast population of Herefordshire in 2026 is 193,600**: a growth of 8.9% from 2006. The change over this twenty year period equates to an average annual growth of 0.4%, which is lower than observed over the last fifteen years (0.7% per annum) but very slightly higher than in the last five years (0.3% per annum). This is half the average annual rate of growth *projected* for England and Wales (0.8%), (i.e. without taking housing provision into account).

Changes in Age Groups

The number of under 16s in Herefordshire is forecast to continue to fall until 2016, although at a slightly lower rate than in recent years. Numbers are then expected to stabilise at around 29,000 (9.4% below 2006 levels).

The number of people aged 16 to 64 will continue to increase very slightly until 2011, but will then begin to fall steadily as the post-war 'baby-boomers' move into retirement age. There are forecast to be 5.4% fewer by 2026 than in 2006.

The number of people aged 65+ is forecast to continue to increase, but more rapidly than in recent years and is expected to be 68.0% higher in 2026 than in 2006. In particular, the number of people aged 85+ is expected to more than double, from 4,800 to 10,200 in 2026.

Age	Mid-year estimates		2006-based forecasts	
	2001	2006	2011	2026
Under 16	34,000	32,000	30,300	29,000
16 to 64	107,200	109,500	110,600	103,600
65 and over	33,700	36,300	41,600	61,000
Total population	175,800	177,800	182,400	193,600

Source: ONS (Crown copyright) & Herefordshire Council's Research Team

Notable differences in how the national and local populations are expected to change from 2006 to 2026, are:

- No long-term change is forecast in the number of under 5s in Herefordshire, compared with a 15.4% rise nationally.
- Numbers of 5 to 14s in Herefordshire are forecast to fall by 11.9%, whilst a rise of similar magnitude is forecast for England & Wales (12.9%).
- Falls of larger than 20% in the numbers of 35 to 44 and 45 to 54 year olds in Herefordshire, compared to small increases nationally.
- More rapid growth in all older age groups (65 to 74 onwards) in Herefordshire than nationally.

Further Information

More detailed explanation of the reasons behind the forecast changes, along with consideration of sensitivity of the principal forecast under differing assumptions, can be found in the report '2006-based Herefordshire population forecasts: overview of results' (see link below or www.herefordshire.gov.uk/research - where the full set of forecasts can also be accessed).

'Click here for the full article' - please note this opens a new window (170 kb)

Any queries please contact the Herefordshire Council Research Team: 01432 260464 or researchteam@herefordshire.gov.uk

BROADBAND ACCESS IN HEREFORDSHIRE

Given the increasing importance of the internet in our everyday lives, access to broadband is likely to be a major constraint on business development and social mobility in rural areas. Broadband services can be delivered via various connection types namely wireless, cable and ADSL. The latter ADSL, short for Asymmetric Digital Subscriber Line, utilises existing copper telephone lines and is therefore the most readily available form in Herefordshire. It is for this reason that our research has focused on this and not other forms. ADSL connectivity is operated through exchanges, the vast majority of which are owned and managed by BT wholesale. The data presented here is sourced from BT's online ADSL checker and www.samknows.com/broadband.

The data collection returned the following values for the expected service by individual post code.

- Service 'Very unlikely'
- Line rate up to 0.512 Mbps
- Line rate up to 1 Mbps
- Line rate up to 2 Mbps

Mbps (Megabits per second) is a unit of data transfer rate and in this case denotes the speed of broadband available. Data showing the location of exchanges in Herefordshire was also collected and whether they are ADSL or SDSL (Symmetric Digital Subscriber Line) enabled. This data was then mapped for Herefordshire (see map opposite). SDSL data was only used to map exchange locations and not service coverage.

It should be noted that this data only describes the potential for a broadband service according to what infrastructure is in place and not the actual service that individuals will experience on a daily basis. Also post codes cover a wider geographical area than that by which you receive broadband i.e. via a telephone line and will inevitably lead to some errors in the service coverage returned. Also the data does not take into account the routing of the broadband connection as the postcode checker assumes that a specific postcode will be connected to the nearest exchange, whereas in reality it may be routed to one further away.

Rural/Urban classification

Table 1 summarises the data for Herefordshire and is broken down by the rural/urban classification groups; Hamlet & Isolated Dwellings, Village, Town and Fringe and Urban >10k. The first three groups are rural settlements and the last is urban. Overall 57% of Herefordshire postcode areas¹ have the potential for broadband up to 2 Mbps. The proportion with up to 1 Mbps was also high (29%) and the proportion with low line rate potential (less than 0.512 Mbps) was low (14%).

Out of the four rural/urban classification groups the Hamlet & Isolated Dwellings group has the highest proportion of postcode areas that are either very unlikely to receive a broadband service (12%) or receive a service up to 0.512 Mbps (17%). The Village group also has a high proportion of postcodes with less than 0.512 Mbps potential (14%). For the higher bandwidth (up to 2 Mbps) potential it is the Town and Fringe and Urban >10k that have the highest proportions (79% and 68% respectively). Town and fringe is classified as rural but includes areas on the edge of market towns many of which have exchanges, which may explain the high proportion that have up to 2 Mbps. This demonstrates there is a difference in the potential for urban and rural populations to receive a broadband service and that the more isolated settlements are likely to be disadvantaged.

Table 1: Percent of postcode areas by broadband speed and rural/urban classification groups.

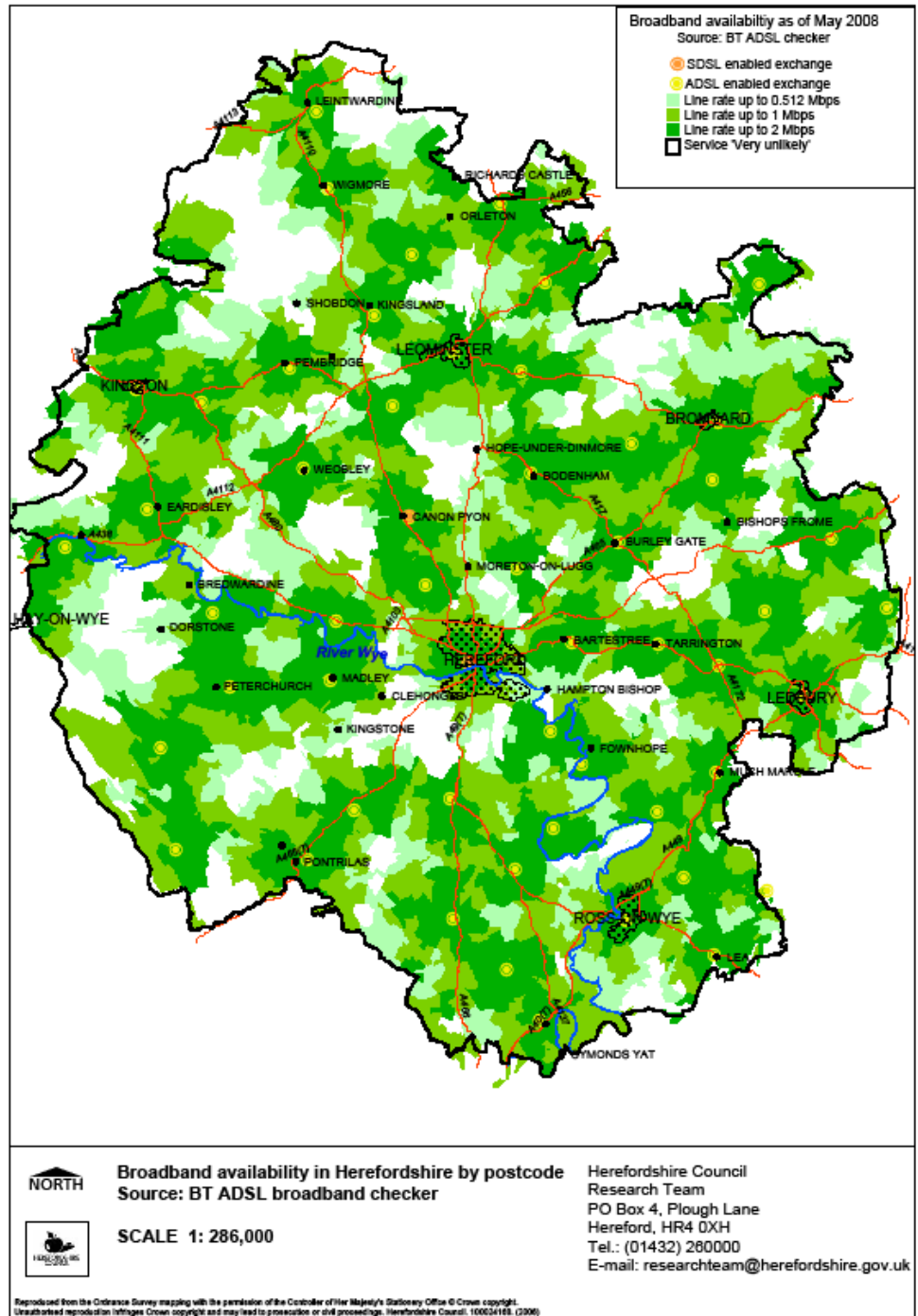
Broadband speed (Mbps)	Very Unlikely	up to 0.512	up to 1	up to 2
	%	%	%	%
Hamlet & Isolated Dwellings	12	17	31	40
Village	3	11	27	59
Town and Fringe	0	3	18	79
Urban >10K	0	1	31	68
TOTAL	5	9	29	57

Source: BT ADSL broadband checker

BROADBAND ACCESS (CONT.)

Map 1: Broadband distribution by postcode area and exchange location as of May 2008

Source: BT ADSL checker and www.samknows.com/broadband



Broadband distribution

From the map it is clear that there are some areas of Herefordshire that are likely to receive a very limited service if any at all i.e. a service is 'Very unlikely'. When considering the location of exchanges it is obvious that those areas likely to receive a poor service are those further from exchanges. Areas of particular note are: an area north west of Shobdon and Kingsland; an

area south west of Hereford city; an area north west of Bromyard; and an area west of Dorstone. Caution should however be used when interpreting this data because, as mentioned previously, differences in the routing between data collected and the infrastructure used, may distort these areas.

HEREFORD CITY TRADING STATISTICS

The Hereford City Partnership have been collecting views about the current trading position from traders within Hereford City on a monthly basis, since July 2006. This information shows whether traders feel that trading has got better, worse or stayed the same compared to the same periods year on year.

Thanks also go to Hereford City traders who provide this information voluntarily.

Traders from the following streets/locations have contributed to this analysis:

- Eign Gate
- St Peter's Square
- St Owens Street
- Commercial Street
- Commercial Road
- Union Walk
- Widemarsh Street
- High Town
- King Street
- Broad Street
- Bridge Street
- Church Street
- Unit Capuchin Yard
- The Buttermarket
- Maylords Orchard

Each month, traders are asked to consider their current trading position and give it a score compared to the same period last year. The scores are:

1. Trade is poor
2. Trade is below this time last year
3. Trade is the same
4. Trade is above this time last year
5. Trade is excellent

The summaries below show the percentage of traders reporting each of the scores above as a proportion of all of those reporting back that month. For ease of analysis, scores 1 and 2 have been grouped to form a category **'Trade is below this time last year or poor'** and scores 4 and 5 have been grouped to show when **'Trade is above this time last year or excellent'**. Over the reporting period, the average number of responses per month was 77, but range from 27 to 116 responses for different months.

Trade is 'below this time last year' or 'poor'

Proportions of traders reporting trade being below that of the same period the previous year or poor have fluctuated since reporting started in July 06 up until February 08. Peaks were experienced in July 06, October 06 and both January and February 07, with around 60% of traders in this category (between 50 and 76 individual traders).

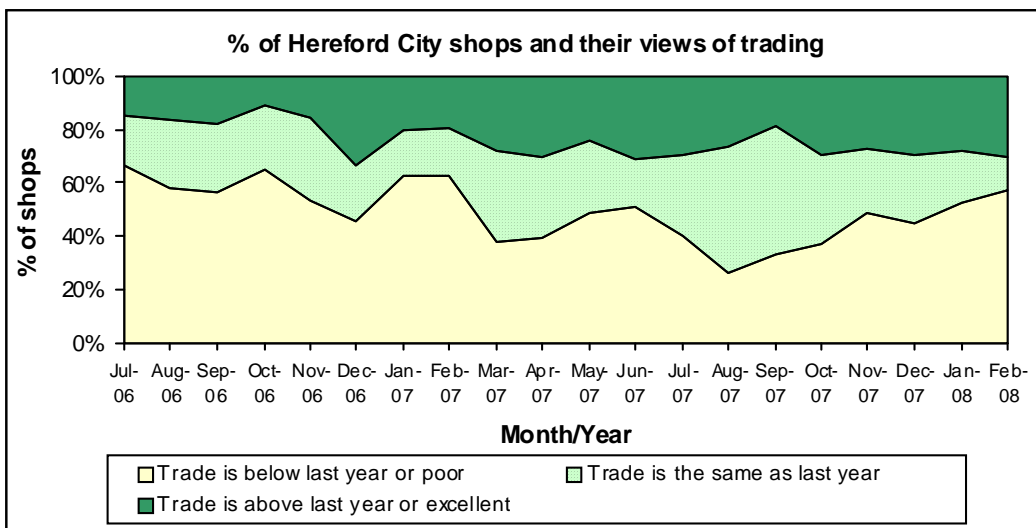
The overall trend was decreasing until August 07, reaching an all time low with only 26% (7 out of 27 traders) reporting trade in this category. Unfortunately since then, there has been a noticeable increase in proportions reporting poor trading experiences. As of February 2008, 58% of traders reported trading being poor or below that of last year (23 out of 40 traders).

Trade is 'above this time last year' or 'excellent'

The proportion of traders reporting trade to be above this time the previous year or excellent has been more stable over the monitoring period than

those reporting poor trading. Recent figures show some of the highest proportions reporting trade above this time last year or excellent, 30% in February 2008 (12 out of 40 traders).

Previously, the most noticeable peak was in December 2006, which saw 33% of traders in this category (35 out of 107 traders).



RAILWAY STATION USAGE

The Office of Rail Regulation (ORR) has published station usage statistics for the period 2003-2006, based on tickets sales for each station. The data gives total numbers of entries (journeys starting at the station) and exits (all journeys terminating at the station). These are also sub-categorised by ticket type i.e. reduced tickets, standard tickets and season tickets. It should be noted that for season tickets the number of entries and exits are equal. Stations within Herefordshire are Hereford, Leominster, Colwall and Ledbury.

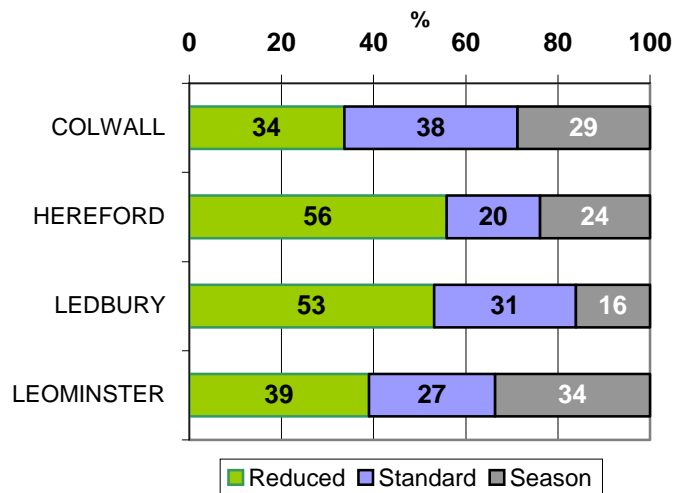
To give an idea of overall station usage the total number of entries plus the total number of exits was calculated (table 1). From this it is clear that out of all Herefordshire stations, Hereford is by far the most used station followed by Leominster, Ledbury and then Colwall. All stations in Herefordshire have experienced a growth in station usage between the years 2003-2004 and 2005-2006, with Leominster showing the greatest increase (84%). Hereford also experienced a large growth (33%), whilst Colwall and Ledbury only showed a very small growth, 2% and 1% respectively. These stations did actually experience a greater growth over the last year but a decrease in use for the previous year. UK stations over this period showed an increase of 7%.

Ticket Type

When looking at all stations in Herefordshire, for the year 2005-2006, it is reduced tickets that are used most often (52%), followed by season tickets (25%) and then standard tickets (23%). This is high compared to all UK stations where reduced tickets only account for 35% of all tickets. The proportion of season tickets is, however, greater at 41% and standard tickets around the same as in Herefordshire (24%).

When looking at individual stations within Herefordshire, it is Hereford station that has the greatest use of reduced tickets (56%), followed

Chart 1: Percentage of entries and exits by ticket type



Source: Office of Rail Regulation station usage statistics

by Ledbury (53%). Colwall has the greatest use of standard tickets (38%) followed by Ledbury (31%). Leominster has the greatest proportion of season ticket users (34%).

When looking at the difference between the number of entries and exits, it is only Hereford that has a greater number of entries than exits; all other stations have a greater number of exits. Colwall has the greatest difference in percentage terms with at 6% percentage point difference between the two. This is a result of a much greater number of standard ticket exits (22%) compared with the standard ticket entries (15%).

Table 1: Percentage change for all entries and exits for the period 2003 to 2006

	2003-2004	2004-2005	2005-2006	% change
	All Entries & Exits	All Entries & Exits	All Entries & Exits	2003-2006
COLWALL	43,788	40,574	44,596	1.8%
HEREFORD	602,219	732,320	800,448	32.9%
LEDBURY	133,968	130,403	135,033	0.8%
LEOMINSTER	103,901	143,300	190,930	83.8%
ALL HRFD'S STATIONS	883,876	1,046,598	1,171,007	32.5%
BIRMINGHAM NEW STREET	14,220,536	16,243,912	17,303,169	21.7%
ALL WEST MIDLANDS STATIONS	Not available	52,713,141	56,751,813	7.7%*
ALL UK STATIONS	1,503,090,358	1,562,255,575	1,601,494,732	6.5%

* figure is % change 2004-2006

Source: Office of Rail Regulation station usage statistics

PROPERTY PRICES

HM Land Registry collects data on house prices from all house sales in England and Wales which forms the basis of the data below. The most recent data for house prices is **quarter 4 in 2007** and for the House Price Index, **March 2008**.

This data is published as a series of 'Live Tables', including various measures of property price – the mean, the median and the lower quartile. The median and lower quartile figures are shown in the table below for Herefordshire, the West Midlands and England & Wales.

In the 4th quarter of 2007, the median price of a property in Herefordshire was **£190,000**. In comparison, the median property prices for England & Wales and the West Midlands were £179,950 and £149,950 respectively.

The overall median house price is higher in Herefordshire compared to nationally. This is caused by the high volume of sales of detached properties in Herefordshire as compared to England and Wales, which has the effect of inflating Herefordshire's average price.

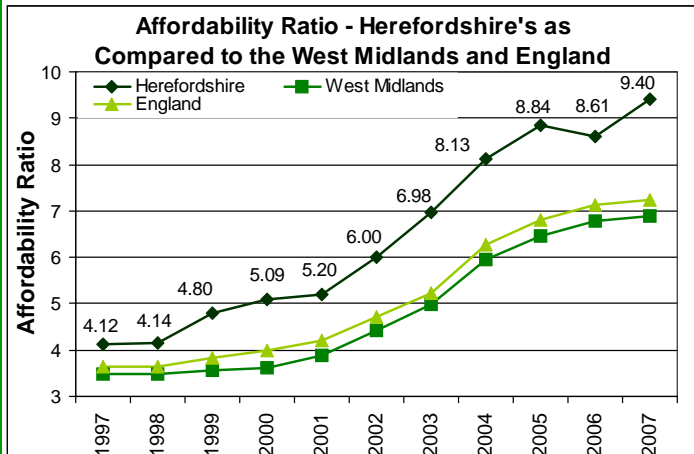
Year of 4th Quarter	Median property prices			Lower quartile property prices		
	England & Wales	West Midlands	Herefordshire	England & Wales	West Midlands	Herefordshire
2000	£82,500	£69,500	£89,950	£53,500	£48,500	£65,000
2006	£170,000	£145,750	£184,000	£124,950	£113,000	£141,000
2007	£179,950	£149,950	£190,000	£127,995	£116,000	£144,000

Source: HM Land Registry

Affordability

The preferred measure for house price affordability is the ratio of lower quartile house price to lower quartile earnings (see chart below). For 2007, the ratio for Herefordshire was 9.40, that is, for those on lower quartile earnings a house at the bottom end of the market would cost them 9.40 times their annual earnings. In 2007 Herefordshire had the worst affordability ratio out of the West Midlands Authorities (unitaries, counties and metropolitan boroughs) and neighbouring counties.

Over the previous 10 years, Herefordshire's affordability ratio has been consistently higher than regionally and nationally and has, for the most part, been increasing at a greater rate.



Source: Department for communities & Local Government

House Price Index

The Land Registry releases a House Price Index (HPI), calculated by selecting properties that have changed hands more than once since April 2000, so the index is based on genuine price increases for particular properties.

The table below gives the index values in March 2008 and current annual rate of increase in house prices for Herefordshire, the West Midlands and England & Wales.

	HPI			Annual change (%)		
	Eng & Wales	West Mids	Hfds	Eng & Wales	West Mids	Hfds
Mar-07	216.8	220.2	221.5	8.7%	6.3%	9.1%
Mar-08	224.7	224.4	232.4	3.6%	1.9%	4.9%

Source: HM Land Registry

Other House Price Information

According to figures published by the Department for Communities & Local Government this month, the number of *new-build starts* has declined in England and Wales between 2006/07 and 2007/08 by 10% and remained the same for *new-build completions*. The West Midlands region experienced respective drops of 7% and 10%.

'Click here for the full article' - please note this opens a new window (40 kb)

Any queries please contact the Herefordshire Council Research Team:

01432 260464 or researchteam@herefordshire.gov.uk

ESTATE AGENTS SURVEY

Herefordshire Council undertakes an annual survey of local estate and lettings agents. It provides information on minimum (Entry Level) prices and monthly rental levels by property size. Supplementary information is provided about areas of high and low demand for purchasing property in Herefordshire. *Comparisons with previous years are only available for Hereford City.*

Method

A total of 28 offices of estate and lettings agents were visited in January 2008. In total, 20 responses were received, of which 10 were from Hereford City (out of 13), 3 were from Ledbury (out of 5), 4 were from Leominster (out of 5) and 3 were from Ross-on-Wye (out of 5).

South ranged from 9% to 18% below those for Hereford City North

Mean "entry level" property prices in Hereford City have not changed significantly over the past year for most property sizes – if anything, agents have estimated slight falls for most property types.

Entry-Level House Prices

The average (mean) of the estimates was calculated for each location and dwelling size as shown in the table. The Ledbury area was estimated to have the highest average "entry level" property prices in the county, whereas Hereford City South had the lowest. The estimates for Hereford city

Entry-Level House Prices	One bed property	Two bed flat	Two bed house	Three bed property	Four bed property
Ledbury surrounds	£120,000	£127,500	£156,700	£176,700	£241,700
Ledbury	£115,000	£116,700	£150,000	£173,300	£238,300
Ross-on-Wye surrounds	£88,300	£108,700	£150,000	£186,700	£235,000
Leominster surrounds	£105,000	£116,700	£141,300	£167,500	£217,500
Hereford City (North)	£95,000	£113,600	£132,100	£145,400	£179,300
Rural Herefordshire	£93,800	£105,000	£127,500	£151,000	£194,000
Leominster	£85,000	£102,500	£121,900	£142,500	£188,800
Ross-on-Wye	£80,000	£98,300	£121,700	£155,000	£205,000
Hereford City (South)	£77,900	£97,900	£118,600	£127,900	£162,900

Minimum Monthly Rental Levels

The average (mean) of the estimates was calculated for each location and dwelling size. Ledbury came out as the most expensive area for rentals and Leominster came out as the least expensive.

Rental estimates show a much smaller gap between the North and South of Hereford City than for property prices, with the South of Hereford having between 2% and 8% below those for North Hereford. The widest gap being for one-bed properties.

In contrast to property prices, estimates for rental figures in Hereford City have shown some increase (between 3% and 8%) over the past year.

Minimum Monthly Rental Levels	Bedsit	One bed property	Two bed property	Three bed property	Four bed property
Ledbury	£350	£358	£508	£608	£750
Ross-on-Wye surrounds	£200	£363	£475	£600	£700
Ledbury surrounds	£350	£350	£475	£575	£700
Hereford City (North)	£240	£378	£473	£574	£681
Ross-on-Wye	£200	£333	£448	£550	£663
Hereford City (South)	£235	£348	£452	£539	£636
Rural Herefordshire	£200	£340	£445	£536	£625
Leominster surrounds	£200	£342	£456	£519	£600
Leominster	£200	£293	£431	£475	£538

Areas of High Demand

Areas considered to be in most demand by prospective purchasers were as follows: for the Hereford agents-the north of the city; for the Ledbury agents-Ledbury town; for the Leominster agents-Leominster (with the exception of certain areas) and Kingsland; for Ross-on-Wye agents-villages to the south and west of Ross.

Further Information

Additional information, including the range of prices and rental levels for each size / type of property and areas highlighted as being in high and low demand, can be found in the full report (see link below or www.herefordshire.gov.uk/research under the Housing Need section).

'Click here for the full article' - please note this opens a new window (283 kb)

Any queries please contact the Herefordshire Council Research Team:

01432 260464 or researchteam@herefordshire.gov.uk

RECENTLY PUBLISHED RESEARCH

National Research

Women Entrepreneurs Survey

Research was conducted online by YouGov between 30th April and 7th May. YouGov interviewed a sample of 1,026 UK women who have started their own business. Results have not been weighted. YouGov is a member of the British Polling Council.

Women are voting with their feet and setting up their own businesses to get more flexibility between work and family life. The biggest motivation for going it alone – 70% of those polled – was to be able to work more flexibly, with three quarters (75%) saying work/family life balance is better when you run your own business, rather than being an employee.

Women entrepreneurs are overwhelmingly positive about the benefits of being self-employed, with nine in ten (86%) happy to set up their own business all over again.

Additional findings from the survey include:

- More than three quarters (78%) gained greater independence from setting up their own business, two thirds (66%) increased confidence, and 60% said it gave them greater self-worth.
- Other reasons for women starting their own business are: to be their own boss (65%); to be able to work from home (61%); to get more job satisfaction (53%); and to achieve a better work-life balance (52%).

Female entrepreneurship in the United Kingdom is increasing. There are now more than one million self-employed women – a 17 percent rise since 2000. But the gap between female and male entrepreneurship remains stubbornly wide. Despite women making up half of the UK population, they only constitute 27% of the self-employed.

For more information visit:

http://www.cabinetoffice.gov.uk/newsroom/news_releases/2008/080512_own_boss.aspx

Local Research

Housing Needs Studies continue across the county. After a survey and analysis is completed, a report is issued to the parish or town council and circulated to other interested parties both within and outside Herefordshire Council. A report for **Kingstone & Thruxton Group Parish** was published during the last quarter, which showed a need for affordable housing. **Dilwyn parish** is currently being surveyed.

All housing needs survey reports can be accessed from www.herefordshire.gov.uk/research or can be obtained by telephoning the Research Team on 01432 260464.

Forthcoming Articles:

- Industry focus

Forthcoming HIRN events:

Herefordshire Information & Research Network

- Population Trends (17th & 25th June)
- Uses and Abuses of Statistics (29th July)

For more information about HIRN visit www.herefordshirepartnership.com/hirn or contact us using the details below.

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