

West Midlands

Housing crisis report

October 2011

England's Housing Crisis

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

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

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

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

Social Housing Waiting Lists have almost doubled in the last 13 years to 1.75 million households; around 5 million people are waiting for a home.

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

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

West Midlands' Housing Crisis

The West Midlands is no exception to the housing crisis.

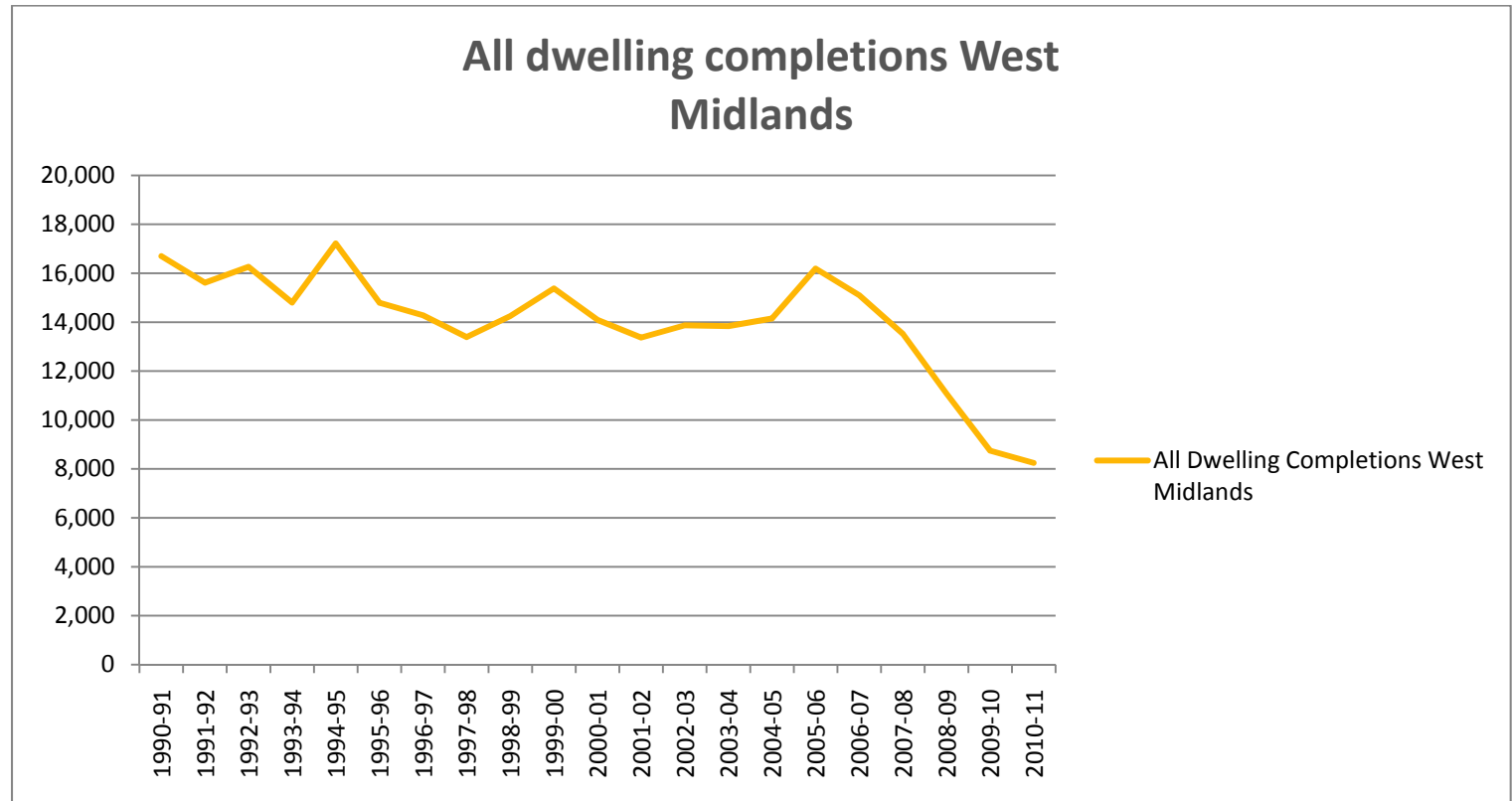
In the West Midlands Region:

- House building has fallen by more than 49% since 2005/06; there were 15,660 housing starts in 2005/6 and just 7,790 in 2010/11.
- Planning permissions have collapsed over the last five years with total permissions granted across the whole region in 2010/11 down by more than 40% since 2005/6.
- The government's own household projections calculate that between 2008 and 2033 the number of households in the West Midlands will increase by close to 460,000 – around 18,000 per annum.
- The social housing waiting lists in the region have increased by 64% over the last decade – 157,000 families are waiting for home.
- Over the last ten years the median house price has risen from £67,000 to £142,000, while the lower quartile house price has risen from £47,000 to £108,000.
- First time buyers who needed to find around £6,700 for a deposit in 2000 now need to put down almost £30,000.

House-Building in the West Midlands

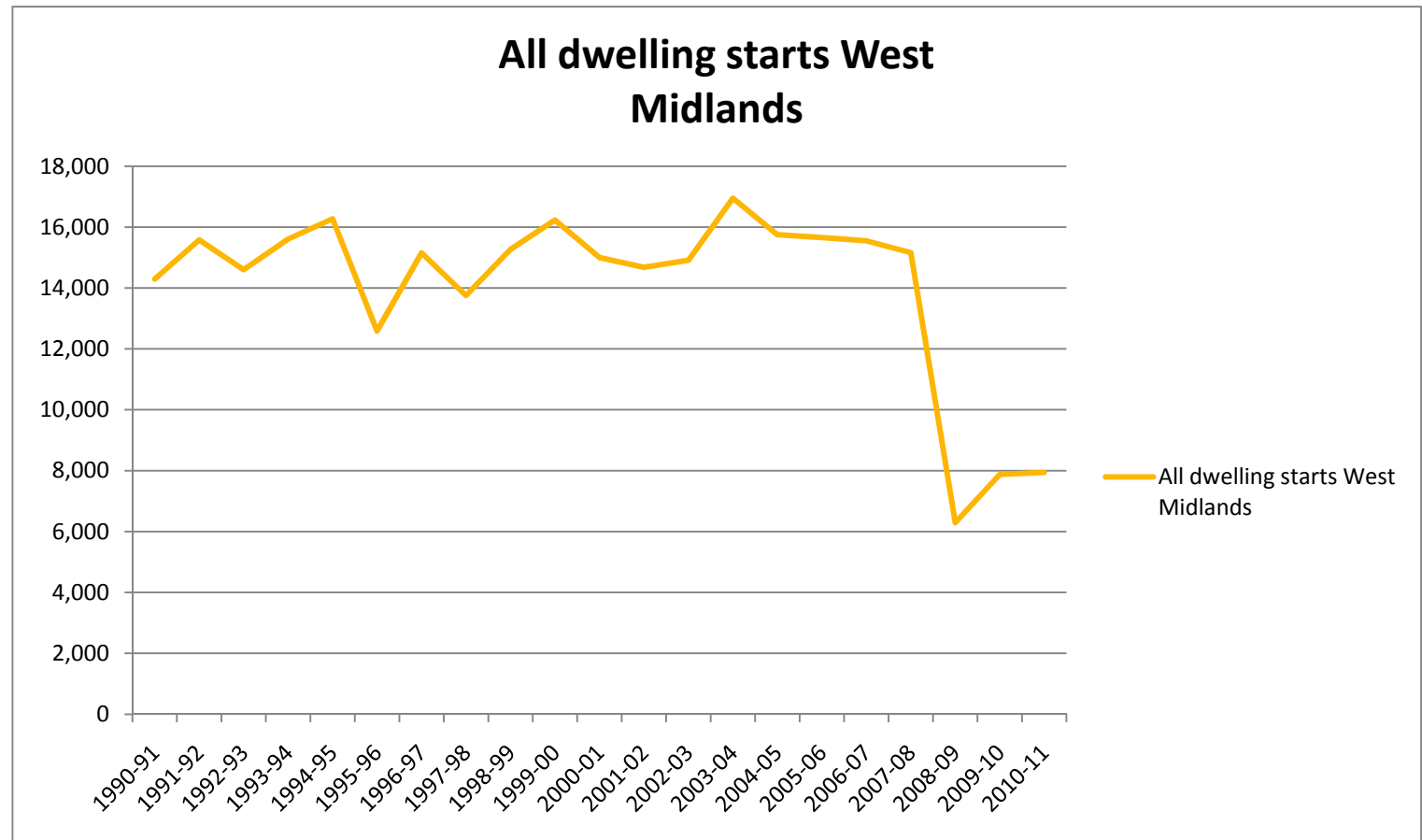
House-building in the West Midlands has collapsed over the last three years with completions averaging 14,822 in the eighteen years up to 2007/8 but just 9,360 from 2008/9 – 2010/11. Starts follow a similar trend, averaging 15,166 in the eighteen years up to 2007/8 but just 7,360 from 2008/9 – 2010/11.

All dwelling completions	
Financial Year	West Midlands
1990-91	16,700
1991-92	15,610
1992-93	16,260
1993-94	14,800
1994-95	17,220
1995-96	14,790
1996-97	14,280
1997-98	13,390
1998-99	14,250
1999-00	15,380
2000-01	14,090
2001-02	13,370
2002-03	13,870
2003-04	13,840
2004-05	14,150
2005-06	16,190
2006-07	15,100
2007-08	13,520
2008-09	11,080
2009-10	8,750
2010-11	8,250



House-Building in the West Midlands

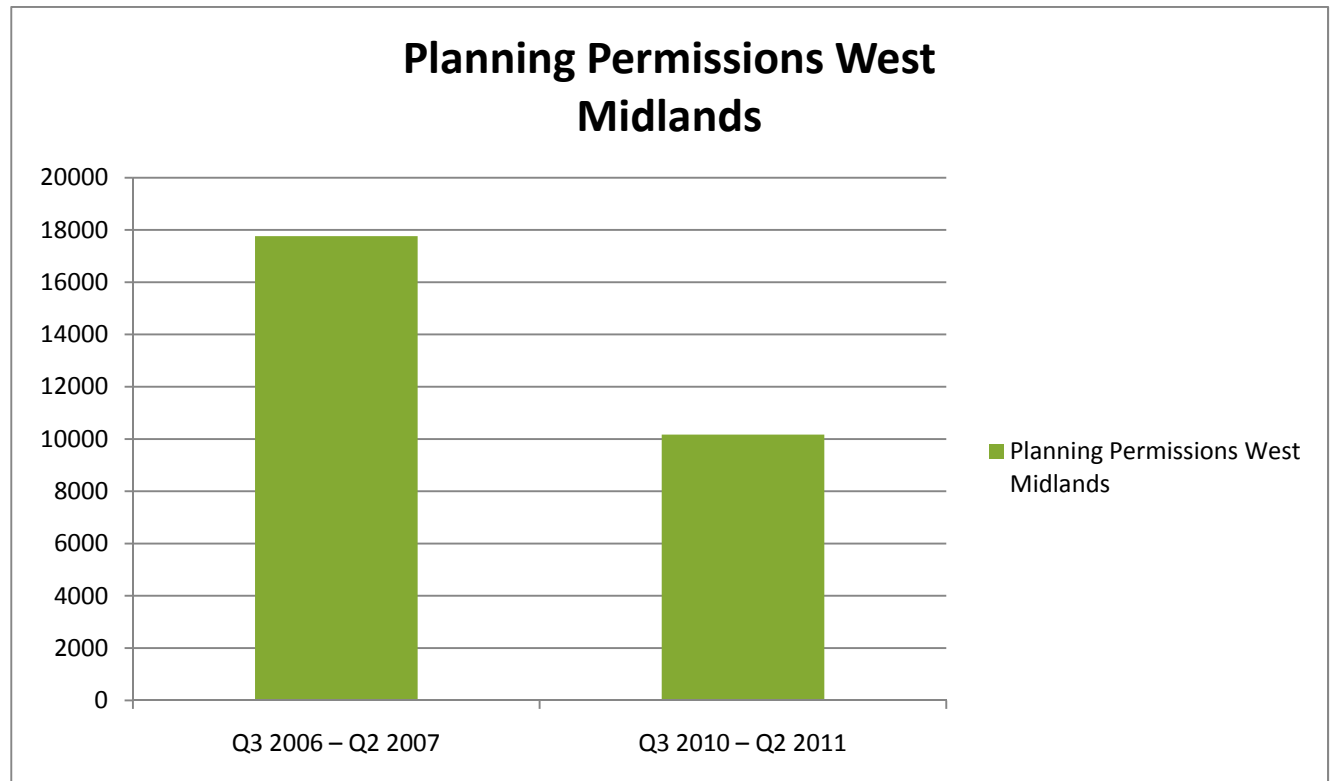
All dwelling starts	
Financial Year	West Midlands
1990-91	14,290
1991-92	15,580
1992-93	14,600
1993-94	15,610
1994-95	16,270
1995-96	12,590
1996-97	15,150
1997-98	13,750
1998-99	15,270
1999-00	16,230
2000-01	15,000
2001-02	14,680
2002-03	14,910
2003-04	16,950
2004-05	15,750
2005-06	15,660
2006-07	15,550
2007-08	15,160
2008-09	6,290
2009-10	8,000
2010-11	7,790



Planning Permissions

The number of granted planning permissions is one of the best indicators of future housing growth. In the West Midlands planning permissions have fallen by more than 40% over the last year compared with 2006/7.

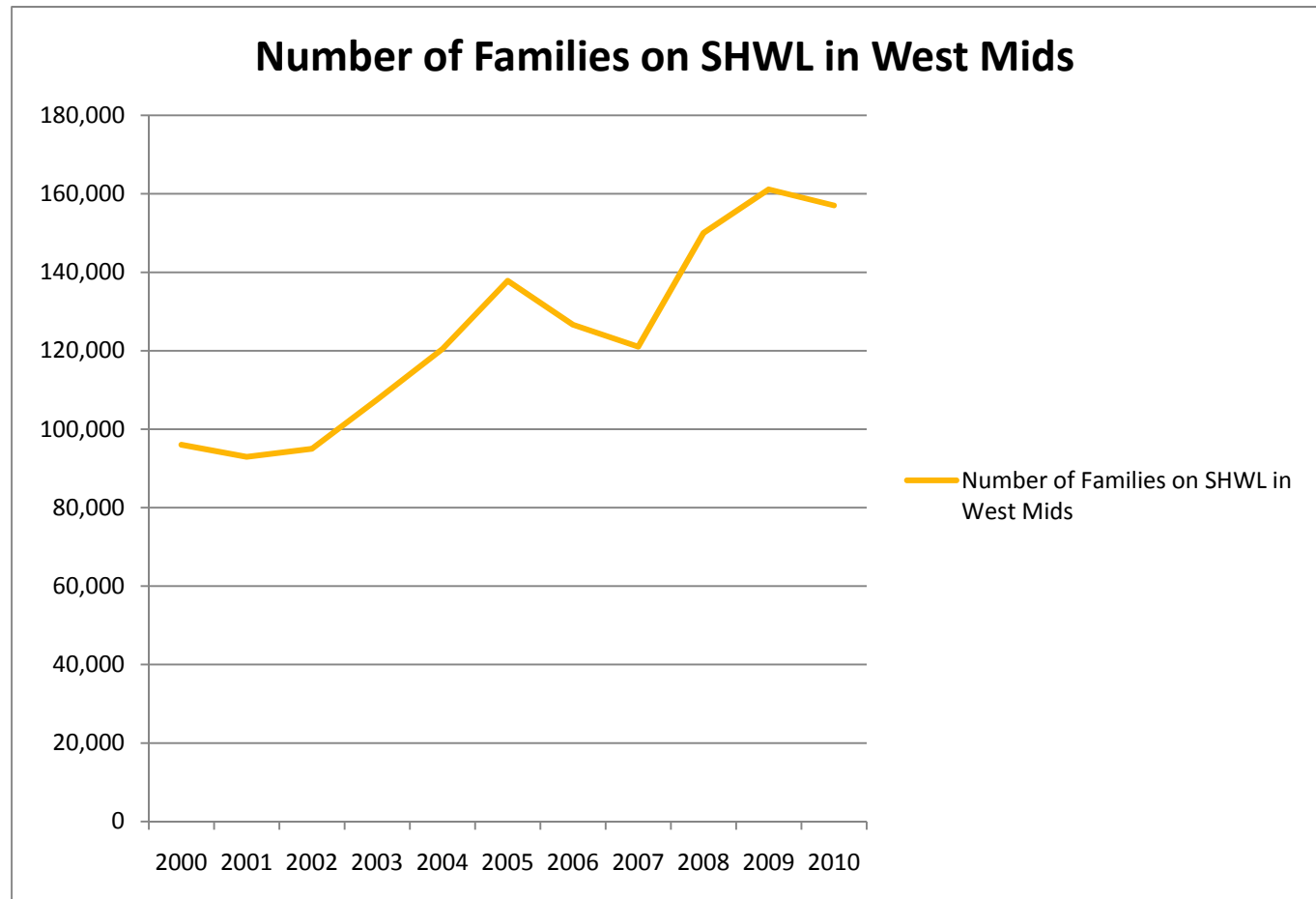
Planning Permissions	
Year	West Midlands
Q3 2006 – Q2 2007	17,762
Q3 2010 – Q2 2011	10,168



Social Housing Waiting List

This is the number of families on local authority lists in the region waiting for access to social housing; there are over 157,000 households on the waiting lists, 60,000 more families than a decade ago.

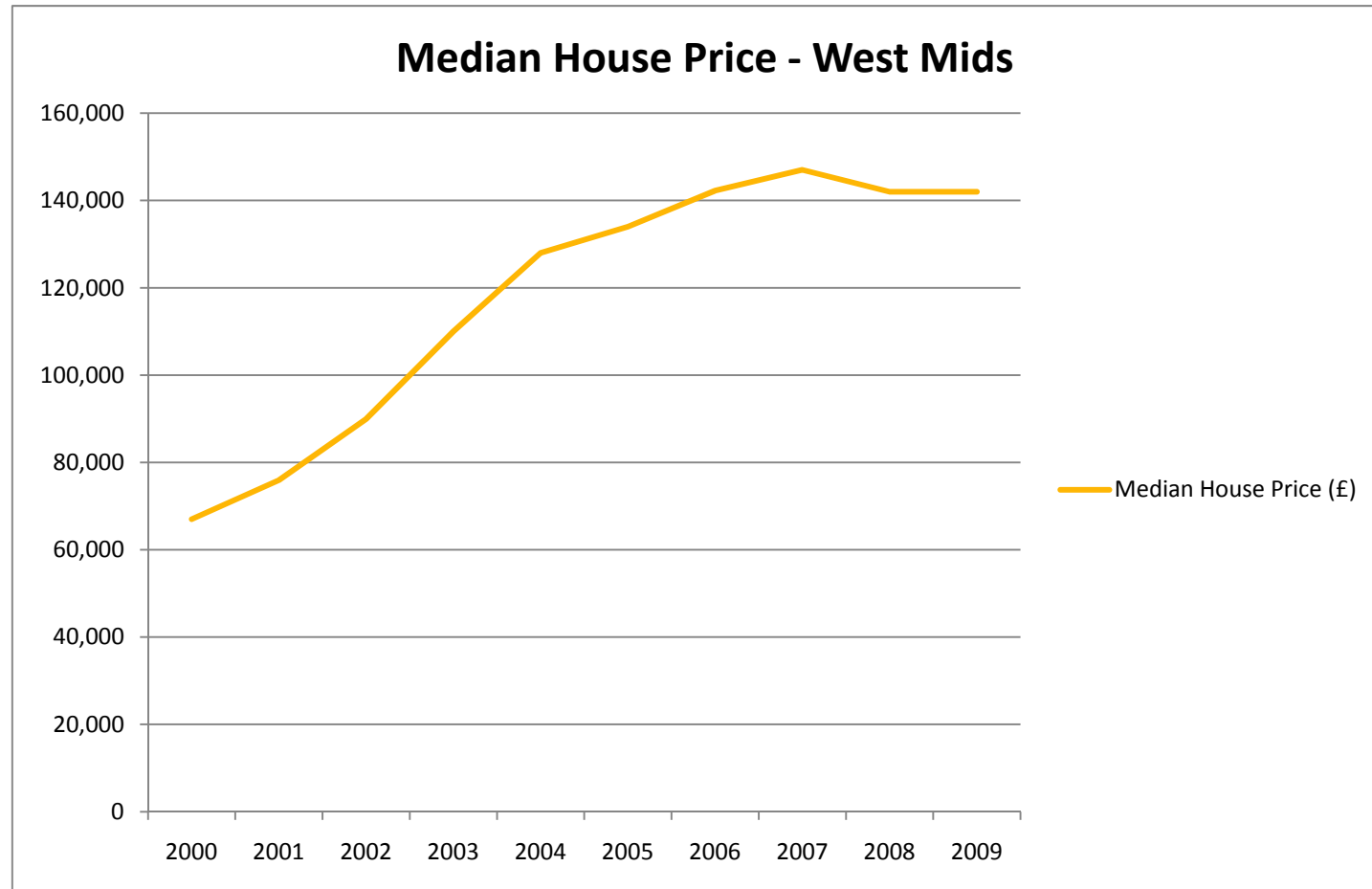
Social Housing Waiting List	
Year	West Midlands
2000	96,037
2001	92,975
2002	95,020
2003	107,536
2004	120,431
2005	137,820
2006	126,629
2007	121,053
2008	150,011
2009	161,138
2010	157,052



West Midlands House Prices

Median house prices in the region have more than doubled since 2000 and are now around £142,000. Meanwhile average earnings in the West Midlands only rose by 23% over the same period.

Median House Prices (£)	
Year	West Midlands
2000	67,000
2001	75,950
2002	89,950
2003	110,000
2004	128,000
2005	134,000
2006	142,250
2007	147,000
2008	142,000
2009	142,000



Household Projections

Between 2008 and 2033 the government has estimated that the number of households in the West Midlands will increase by more than 460,000 – over 18,000 households per year. The largest increases are predicted in Birmingham where 99,000 new households will be formed by 2033, while Coventry will see a rise of 30,000 families.

Local Authority	Household Projected Growth (2008-2033)	Household Projections p.a.
Birmingham	99000	3960
Bromsgrove	9000	360
Cannock Chase	7000	280
Coventry	30000	1200
Dudley	16000	640
East Staffordshire	12000	480
Herefordshire, County of UA	18000	720
Lichfield	11000	440
Malvern Hills	7000	280
Newcastle-under-Lyme	8000	320
North Warwickshire	5000	200
Nuneaton and Bedworth	10000	400
Redditch	5000	200
Rugby	13000	520
Sandwell	22000	880

Local Authority	Household Projected Growth (2008-2033)	Household Projections p.a.
Shropshire UA	29000	1160
Solihull	16000	640
South Staffordshire	5000	200
Stafford	12000	480
Staffordshire Moorlands	7000	280
Stoke-on-Trent UA	13000	520
Stratford-on-Avon	17000	680
Tamworth	5000	200
Telford and Wrekin UA	12000	480
Walsall	12000	480
Warwick	21000	840
Wolverhampton	14000	560
Worcester	7000	280
Wychavon	11000	440
Wyre Forest	8000	320

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

Economic Growth

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

Employment Calculator

1. Every home built means the creation of 1.5 full-time 'direct' jobs

Labour Needs of Extra Housing Input Professor Michael Ball - <http://tinyurl.com/6k9xgi6>

2. Building 18,440 homes per year (to Government household projection levels) creates 27,660 direct jobs in the region. That would mean **16,023 new jobs as a result of increased construction.**
3. The HBF estimates that at least twice that employment is created in the supply chain – **more than 30,000 extra jobs**
4. If the number of homes built was increased to meet projected need the number of jobs created in housing supply in the West Midlands would be over **45,000**

New Homes Bonus

The New Homes Bonus is central government match funding the council tax from each new house for 6 years. This is based on annual net additions so includes bringing empty homes back into use as well as construction. Across the West Midlands, if enough homes were built to meet the projected need the local authorities would share around £160million between them every year (from year 6) - £50million more than they will receive at current net addition rates.

West Midlands Housing Crisis League Tables

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

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

Table 1 reflects the level of housing starts in each local authority over the last five years and compares the difference between house building in 2005/6 and in 2010/11.

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

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

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

Tables 6 & 7 examine lower quartile house prices and the lower quartile house price to salary ratio in each local authority and compare them to the regional and national average. Lower quartile houses are those most likely to be bought by first-time buyers.

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

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

Table 1: Housing Starts, comparison between 2005/6 and 2010/11

Rank	Housing Starts	2005/6	2006/7	2007/8	2008/9	2009/10	2010/2011	difference between 2005/6 & 2010/11	% difference between 2005/6 & 2010/11
1	Telford & Wrekin Council	290	270	610	310	480	620	330	114
2	Malvern Hills District Council	100	140	180	130	n/a	180	80	80
3	Wychavon District Council	170	190	210	130	80	210	40	24
4	Newcastle-under-Lyme Council	220	150	270	120	220	210	-10	-5
5	Lichfield District Council	300	470	330	40	120	280	-20	-7
6	Sandwell Metropolitan Borough Council	830	1,280	820	210	540	750	-80	-10
7	North Warwickshire Borough Council	80	n/a	n/a	60	n/a	70	-10	-13
8	Coventry City Council	930	1,190	820	210	330	610	-320	-34
9	Nuneaton & Bedworth	370	n/a	410	60	240	240	-130	-35
10	Walsall Metropolitan Borough Council	730	900	1,000	380	n/a	450	-280	-38
11	Dudley Metropolitan Borough	n/a	770	790	310	580	450	-320	-42
12	Herefordshire County Council	620	560	460	340	n/a	*n/a	-280	-45
13	Birmingham City Council	2,010	2,130	2,150	1,250	830	990	-1,020	-51
14	East Staffordshire Borough Council	420	n/a	n/a	n/a	200	*n/a	-220	-52
15	South Staffordshire	190	330	320	120	170	90	-100	-53
16	Wolverhampton Metropolitan Borough	520	550	610	160	200	240	-280	-54
17	Worcester City Council	380	240	350	140	n/a	170	-210	-55
18	Shropshire County Council (UA)	990	970	1,280	n/a	n/a	360	-630	-64
19	Bromsgrove District Council	230	n/a	190	80	70	80	-150	-65
20	Solihull Metropolitan Borough Council	870	400	540	180	160	280	-590	-68
21	Stoke-on-Trent City Council	670	780	n/a	n/a	340	200	-470	-70
22	Staffordshire Moorlands District	250	180	150	70	80	70	-180	-72
23	Wyre Forest District Council	220	120	360	60	n/a	*n/a	-160	-73
24	Stafford Borough Council	320	430	280	90	80	*n/a	-240	-75
25	Cannock Chase District Council	450	410	300	100	230	110	-340	-76
26	Stratford-on-Avon District Council	510	360	330	110	120	120	-390	-76
27	Redditch Borough Council	410	250	110	80	130	90	-320	-78
28	Rugby Borough Council	960	690	450	370	260	150	-810	-84
29	Warwick District Council	390	440	510	130	110	30	-360	-92
30	Tamworth Borough Council	n/a	n/a	n/a	n/a	130	60	n/a	n/a
	WEST MIDLANDS	15,660	15,550	15,160	6,290	8,000	7,110	-7,870	-50
	Including nearest housing starts as per CLG Live Tables						7,790		

*Where figures are unavailable the nearest year is used

Table 1

In the West Midlands as a whole house building starts are down 50% between 2005/6 and 2010/11.

Only 3 local authorities have had increased house-building in their areas since 2005/6, the 27 others have seen development collapse.

These increases alone do not mean that these three local authorities are necessarily now building a sufficient number of houses.

Over the last 6 years the lowest 9 local authorities (with sufficient statistics) have experienced a drop of 70% or more in house-building.

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

Rank	Housing Starts	Housing Starts 2010/2011	Annual Household Projections	% annual household projections currently being started
1	Telford & Wrekin Council	620	480	129
2	Walsall Metropolitan Borough Council	450	480	94
3	Sandwell Metropolitan Borough Council	750	880	85
4	Dudley Metropolitan Borough	450	640	70
5	Newcastle-under-Lyme Council	210	320	66
6	Malvern Hills District Council	180	280	64
7	Lichfield District Council	280	440	64
8	Worcester City Council	170	280	61
9	Nuneaton & Bedworth	240	400	60
10	Coventry City Council	610	1200	51
11	Wychavon District Council	210	440	48
12	Herefordshire County Council	340*	720	47
13	South Staffordshire	90	200	45
14	Redditch Borough Council	90	200	45
15	Solihull Metropolitan Borough Council	280	640	44
16	Wolverhampton Metropolitan Borough	240*	560	43
17	East Staffordshire Borough Council	200	480	42
18	Cannock Chase District Council	110	280	39
19	Stoke-on-Trent City Council	200	520	38
20	North Warwickshire Borough Council	70	200	35
21	Shropshire County Council (UA)	360	1160	31
22	Tamworth Borough Council	60	200	30
23	Rugby Borough Council	150	520	29
24	Birmingham City Council	990	3960	25
25	Staffordshire Moorlands District	70	280	25
26	Bromsgrove District Council	80	360	22
27	Wyre Forest District Council	60*	320	19
28	Stratford-on-Avon District Council	120	680	18
29	Stafford Borough Council	80*	480	17
30	Warwick District Council	30	840	4
	WEST MIDLANDS	7,790	18440	42

*Where figures are unavailable the nearest year is used

Table 2

Just one local authority is enabling house building to meet household projections – Telford..

In Wyre Forest, Stafford and Stratford-on-Avon fewer than 1 in 5 of the houses needed for future families and generations are being built, while in Warwick just 4% are being constructed.

Given their size, the positions in Birmingham – just 1 in 4 of houses needed being built; Rugby – fewer than 1 in 3; and Coventry only meeting half of its projected need – are of particular concern.

These shortfalls in supply are storing up problems for the future, exacerbating the West Midlands' housing crisis and causing further social and economic problems in the future.

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

Rank	Rank in terms of number of families on the SHWL 2010	Social Housing Waiting List	2000	2010	Difference between 2000 & 2011	% difference between 2000 & 2010
1	5	South Staffordshire	3,207	1,738	-1,469	-46
2	25	Sandwell	14,090	8,887	-5,203	-37
3	8	Tamworth	2,475	1,935	-540	-22
4	7	Newcastle-under-Lyme	2,008	1,894	-114	-6
5	16	Wyre Forest	3,434	4,015	581	17
6	30	Birmingham	14,077	17,749	3,672	26
7	10	Redditch	1,631	2,204	573	35
8	28	Walsall	8,933	12,327	3,394	38
9	3	Lichfield	1,128	1,621	493	44
10	22	Dudley	4,358	6,294	1,936	44
11	20	Herefordshire UA	3,389	5,064	1,675	49
12	21	Stoke-on-Trent UA	3,583	5,779	2,196	61
13	2	Rugby	981	1,595	614	63
14	4	North Warwickshire	1,045	1,702	657	63
15	13	Bromsgrove	1,709	3,079	1,370	80
16	29	Coventry	8,458	15,794	7,336	87
17	24	Shropshire UA	4,213	8,047	3,834	91
18	17	Wychavon	2,029	4,033	2,004	99
19	23	Wolverhampton	3,353	7,194	3,841	115
20	6	Cannock Chase	825	1,782	957	116
21	14	Stafford	1,470	3,212	1,742	119
22	15	Warwick	1,612	3,754	2,142	133
23	9	Nuneaton and Bedworth	829	2,094	1,265	153
24	18	Worcester	1,342	4,125	2,783	207
25	1	Staffordshire Moorlands	444	1,423	979	220
26	19	Stratford-on-Avon	1,286	4,227	2,941	229
27	12	Malvern Hills	636	2,309	1,673	263
28	11	East Staffordshire	520	2,208	1,688	325
29	26	Telford and Wrekin UA	1,931	9,222	7,291	378
30	27	Solihull	1,041	11,745	10,704	1028
		WEST MIDLANDS	96,037	157,052	61,015	64

Table 3

Since 2000 the number of families on the social housing waiting lists in the West Midlands has risen 63% to 157,052.

Only 4 local authorities have reduced the size of their waiting lists in the ten year period and many have seen huge rises.

12 Local Authorities have seen their social housing waiting lists more than double while Solihull has seen an increase of more than 1000%.

The increased need for social and affordable housing is the symptom of a deeper lack of housing supply in general.

Tables 4 & 5: Median House Prices

Rank	Median House Prices	2000(£)	2010(£)
1	Stoke-on-Trent UA	37,500	86,923
2	Wolverhampton	52,000	110,000
3	Sandwell	50,000	112,000
4	Coventry	55,000	123,000
5	Newcastle-under-Lyme	53,000	124,000
6	Walsall	57,950	124,000
7	Cannock Chase	57,000	125,000
8	Nuneaton and Bedworth	59,500	125,000
9	Birmingham	59,250	130,000
10	Dudley	60,475	133,500
11	Tamworth	67,000	136,000
12	Staffordshire Moorlands	59,950	139,950
13	Telford and Wrekin UA	59,900	139,999
14	East Staffordshire	60,000	140,000
15	North Warwickshire	69,950	149,995
16	Redditch	77,995	150,000
17	Wyre Forest	69,000	150,000
18	Worcester	75,950	158,000
19	Stafford	70,000	160,000
20	Rugby	75,000	160,000
21	Shropshire UA	76,000	172,500
22	South Staffordshire	82,000	180,000
23	Lichfield	84,995	188,975
24	Herefordshire UA	84,000	190,000
25	Wychavon	102,000	202,000
26	Bromsgrove	111,000	205,000
27	Warwick	107,500	210,000
28	Malvern Hills	100,000	212,500
29	Solihull	110,000	213,000
30	Stratford-on-Avon	124,000	235,000

Table 4 key

Below West Midlands median house prices
Below National median house prices
Above National median house prices

Table 4 shows median house prices in each of the 30 local authorities and gives a comparison with prices in 2000. The median house price across the West Midlands is £147,000 while the median house price across England is £185,000. 8 local authorities have median house prices above the national.

Table 5 examines the ratio between median house price and median earnings in local authority areas across the region.

This ratio is 7.01 nationwide and 5.94 across the West Midlands. One third of West Midlands' local authorities have a house price to earnings ratio above the national average.

Affordability is particularly low in Stratford-on-Avon, Bromsgrove, Malvern Hills and Herefordshire where house prices are more than 9x average earnings.

Rank	Median House Price to Earnings	2000	2010
1	Stoke-on-Trent UA	2.32	3.63
2	Wolverhampton	2.87	4.45
3	Coventry	2.82	4.57
4	Birmingham	3.11	4.79
5	Sandwell	2.77	4.95
6	Cannock Chase	2.97	5.18
7	Walsall	3.45	5.42
8	Nuneaton and Bedworth	3.70	5.43
9	Rugby	3.52	5.57
10	East Staffordshire	3.39	5.60
11	North Warwickshire	3.91	5.67
12	Newcastle-under-Lyme	3.21	5.92
13	Redditch	4.25	5.98
14	Dudley	3.61	6.09
15	Telford and Wrekin UA	3.41	6.11
16	Tamworth	3.62	6.23
17	Stafford	3.88	6.25
18	Staffordshire Moorlands	3.40	6.33
19	Worcester	4.12	6.37
20	Wyre Forest	4.05	6.88
21	South Staffordshire	4.56	7.10
22	Shropshire UA	4.49	7.45
23	Solihull	5.18	7.81
24	Lichfield	4.94	7.86
25	Warwick	5.72	8.28
26	Wychavon	5.49	8.57
27	Stratford-on-Avon	6.18	9.05
28	Bromsgrove	5.85	9.05
29	Malvern Hills	5.78	9.67
30	Herefordshire UA	5.29	9.82

Table 5 Key

Below West Midlands median house price to salary ratio
Below National median house price to salary ratio
Above National median house price to salary ratio

Tables 6 & 7: Lower Quartile House Prices

Rank	Lower Quartile House Prices	2000 (£)	2010 (£)
1	Stoke-on-Trent UA	26,000	63,925
2	Wolverhampton	37,500	84,125
3	Sandwell	37,994	90,000
4	Walsall	40,000	90,000
5	Newcastle-under-Lyme	36,500	92,500
6	Coventry	40,000	96,500
7	Nuneaton and Bedworth	41,669	97,375
8	Cannock Chase	45,500	100,000
9	Birmingham	43,000	100,000
10	East Staffordshire	42,050	105,000
11	Staffordshire Moorlands	43,000	105,000
12	Dudley	47,000	105,000
13	Telford and Wrekin UA	42,750	107,500
14	Tamworth	53,996	108,750
15	North Warwickshire	52,000	110,000
16	Rugby	55,000	115,000
17	Wyre Forest	54,000	115,000
18	Redditch	55,950	119,250
19	Stafford	53,000	123,000
20	Worcester	60,000	128,000
21	Shropshire UA	56,963	130,000
22	Lichfield	60,000	138,825
23	South Staffordshire	59,950	142,000
24	Herefordshire, County of UA	60,000	145,000
25	Bromsgrove	75,000	147,500
26	Wychavon	71,000	151,000
27	Solihull	77,050	154,950
28	Warwick	81,000	157,500
29	Malvern Hills	72,250	160,000
30	Stratford-on-Avon	86,000	170,000

Table 6 key

Below West Midlands Lower Quartile house prices
Below National Lower Quartile house prices
Above National Lower Quartile house prices

Table 6 shows lower quartile house prices in each of the 30 local authorities and gives a comparison with prices in 2000.

Lower quartile priced houses are those most often purchased by first time buyers. Across the West Midlands the average lower quartile house price is £108,000 while across England this is £125,000.

11 local authorities in the West Midlands have lower quartile house prices above the national average.

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

This ratio is 6.69 nationwide and 6.05 across the West Midlands.

More than one third of West Midlands' local authorities have a house price to earnings ratio above the national average.

Affordability is particularly low in Stratford-on-Avon, Bromsgrove, Malvern Hills and Herefordshire where house prices are more than 9x average earnings.

Rank	Lower Quartile House Price to Earnings	2000	2010
1	Stoke-on-Trent UA	2.15	3.74
2	Wolverhampton	2.92	4.82
3	Coventry	2.85	4.99
4	Cannock Chase	3.48	5.27
5	Sandwell	2.73	5.30
6	Birmingham	3.07	5.31
7	Nuneaton and Bedworth	3.31	5.57
8	Walsall	3.33	5.67
9	Newcastle-under-Lyme	2.89	5.75
10	Rugby	3.82	5.79
11	East Staffordshire	3.09	5.80
12	North Warwickshire	3.78	6.02
13	Tamworth	3.80	6.20
14	Staffordshire Moorlands	3.42	6.36
15	Telford and Wrekin UA	3.56	6.40
16	Stafford	4.07	6.44
17	Dudley	3.64	6.49
18	Redditch	4.29	6.66
19	Worcester	4.88	6.92
20	Wyre Forest	4.12	7.24
21	Lichfield	5.01	7.41
22	Shropshire UA	4.47	7.80
23	South Staffordshire	4.28	8.20
24	Warwick	5.70	8.39
25	Solihull	5.52	8.49
26	Wychavon	5.23	8.71
27	Bromsgrove	5.52	8.95
28	Herefordshire, County of UA	5.09	9.28
29	Malvern Hills	5.64	9.67
30	Stratford-on-Avon	6.08	9.84

Table 7 Key

Below West Midlands Lower Quartile price to earnings ratio
Below National Lower Quartile price to earnings ratio
Above National Lower Quartile price to earnings ratio

Table 8: Economic Growth through House Building

Rank	NHB	Current New Homes Bonus (£)		Potential New Homes Bonus (£)		* Difference (£)	% Difference
		Yr 1	Yr 6	Yr 1	Yr 6		
1	Stoke-on-Trent UA	1,105,641	6,633,846	748,280	4,489,680	-2,144,166	-32
2	Walsall	911,506	5,469,036	690,720	4,144,320	-1,324,716	-24
3	Malvern Hills	512,202	3,073,212	402,920	2,417,520	-655,692	-21
4	Worcester	507,885	3,047,310	402,920	2,417,520	-629,790	-21
5	South Staffordshire	315,349	1,892,094	287,800	1,726,800	-165,294	-9
6	Shropshire UA	1,791,669	10,750,014	1,669,240	10,015,440	-734,574	-7
7	Solihull	925,418	5,552,508	920,960	5,525,760	-26,748	0
8	Telford and Wrekin UA	615,027	3,690,162	690,720	4,144,320	454,158	12
9	Coventry	1,372,696	8,236,176	1,726,800	10,360,800	2,124,624	26
10	Rugby	543,705	3,262,230	748,280	4,489,680	1,227,450	38
11	Newcastle-under-Lyme	329,901	1,979,406	460,480	2,762,880	783,474	40
12	Redditch	205,329	1,231,974	287,800	1,726,800	494,826	40
13	Wychavon	451,595	2,709,570	633,160	3,798,960	1,089,390	40
14	Wyre Forest	323,025	1,938,150	460,480	2,762,880	824,730	43
15	East Staffordshire	476,541	2,859,246	690,720	4,144,320	1,285,074	45
16	Tamworth	195,094	1,170,564	287,800	1,726,800	556,236	48
17	Staffordshire Moorlands	261,299	1,567,794	402,920	2,417,520	849,726	54
18	Dudley	545,784	3,274,704	920,960	5,525,760	2,251,056	69
19	Herefordshire County UA	590,720	3,544,320	1,036,080	6,216,480	2,672,160	75
20	Birmingham	3,202,265	19,213,590	5,698,440	34,190,640	14,977,050	78
21	Wolverhampton	443,760	2,662,560	805,840	4,835,040	2,172,480	82
22	Lichfield	325,904	1,955,424	633,160	3,798,960	1,843,536	94
23	Sandwell	634,536	3,807,216	1,266,320	7,597,920	3,790,704	100
24	Cannock Chase	191,576	1,149,456	402,920	2,417,520	1,268,064	110
25	Stafford	277,770	1,666,620	690,720	4,144,320	2,477,700	149
26	North Warwickshire	113,859	683,154	287,800	1,726,800	1,043,646	153
27	Nuneaton and Bedworth	209,486	1,256,916	575,600	3,453,600	2,196,684	175
28	Warwick	365,562	2,193,372	1,208,760	7,252,560	5,059,188	231
29	Bromsgrove	156,235	937,410	518,040	3,108,240	2,170,830	232
30	Stratford-on-Avon	272,172	1,633,032	978,520	5,871,120	4,238,088	260

* If net additions match household projections

Table 8

Throughout the West Midlands local authorities are, at current net addition rates, due to receive almost £110million in New Homes Bonus annually from year 6.

If the local authorities enabled house building to reach the levels necessary to meet household projections in their areas they would see that funding increased by £50million. Where local authorities are exceeding the household projection numbers they would lose money if they reduced current net addition rates.

Other local authorities, particularly Stratford-on-Avon, Bromsgrove and Warwick would see a huge increase in funding – by more than 200% - if they met household projections.

Birmingham and Warwick would particularly benefit to the tune of £15 million and £5million respectively.

Table 9: Job Creation through House Building

Rank	Housing Starts	2010/2011	Annual Household Projections	Current direct jobs from house building	Potential direct jobs through meeting household projections	Extra jobs created
1	Telford & Wrekin Council	620	480	930	720	-210
2	Walsall Metropolitan Borough Council	450	480	675	720	45
3	Malvern Hills District Council	180	280	270	420	150
4	Worcester City Council	170	280	255	420	165
5	Redditch Borough Council	90	200	135	300	165
6	South Staffordshire	90	200	135	300	165
7	Newcastle-under-Lyme Council	210	320	315	480	165
8	Sandwell Metropolitan Borough Council	750	880	1125	1320	195
9	North Warwickshire Borough Council	70	200	105	300	195
10	Tamworth Borough Council	60	200	90	300	210
11	Nuneaton & Bedworth	240	400	360	600	240
12	Lichfield District Council	280	440	420	660	240
13	Cannock Chase District Council	110	280	165	420	255
14	Dudley Metropolitan Borough	450	640	675	960	285
15	Staffordshire Moorlands District	70	280	105	420	315
16	Wyre Forest District Council	60	320	90	480	390
17	Wychavon District Council	170	440	255	660	405
18	Bromsgrove District Council	80	360	120	540	420
19	East Staffordshire Borough Council	200	480	300	720	420
20	Wolverhampton Metropolitan Borough	240	560	360	840	480
21	Stoke-on-Trent City Council	200	520	300	780	480
22	Solihull Metropolitan Borough Council	280	640	420	960	540
23	Rugby Borough Council	150	520	225	780	555
24	Herefordshire County Council (UA)	340	720	510	1080	570
25	Stafford Borough Council	80	480	120	720	600
26	Stratford-on-Avon District Council	120	680	180	1020	840
27	Coventry City Council	610	1200	915	1800	885
28	Shropshire County Council (UA)	360	1160	540	1740	1200
29	Warwick District Council	30	840	45	1260	1215
30	Birmingham City Council	990	3960	1485	5940	4455
	West Midlands			11625	27660	16035

Table 9

Increasing house building to meet projected household growth in the West Midlands would create over 16,000 extra local direct jobs and more than 30,000 in the supply chain.

Birmingham would be the biggest beneficiary with 4,455 new jobs created simply by building homes to house future generations. Warwick, Coventry, Shropshire and Stratford-on-Avon would all also see large numbers of local jobs created.

West Midlands Housing Crisis

The West Midlands, like the country as whole, is in the midst of a housing crisis. Housing supply has collapsed alongside affordability whilst the number of families waiting for social housing has soared. There are areas that are being proactive in responding to this crisis, notably Telford & Wrekin who are enabling the construction of the homes they desperately need (not least as they have a huge social housing waiting list).

Despite a few brighter spots the overall picture is not good; there is an increasingly serious housing shortfall and housing accessibility problem emerging that needs to be addressed before it creates lasting social and economic damage. It is critical for future generations that local authorities and local communities take a long-term view of housing in their areas and make efforts to allow construction of the homes the region needs. Areas like Warwick, Stratford-on-Avon, Solihull, Bromsgrove and Stafford are at particular risk of neglecting housing growth at the expense of their communities and the local economy but altogether 28 out of 30 local authorities are **failing to build the homes they need**.

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

About HBF

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

Contact us

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





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