

# Better Homes

## Housing Strategy 2019 – 2024

Early consultation.

Evidence Base Summary

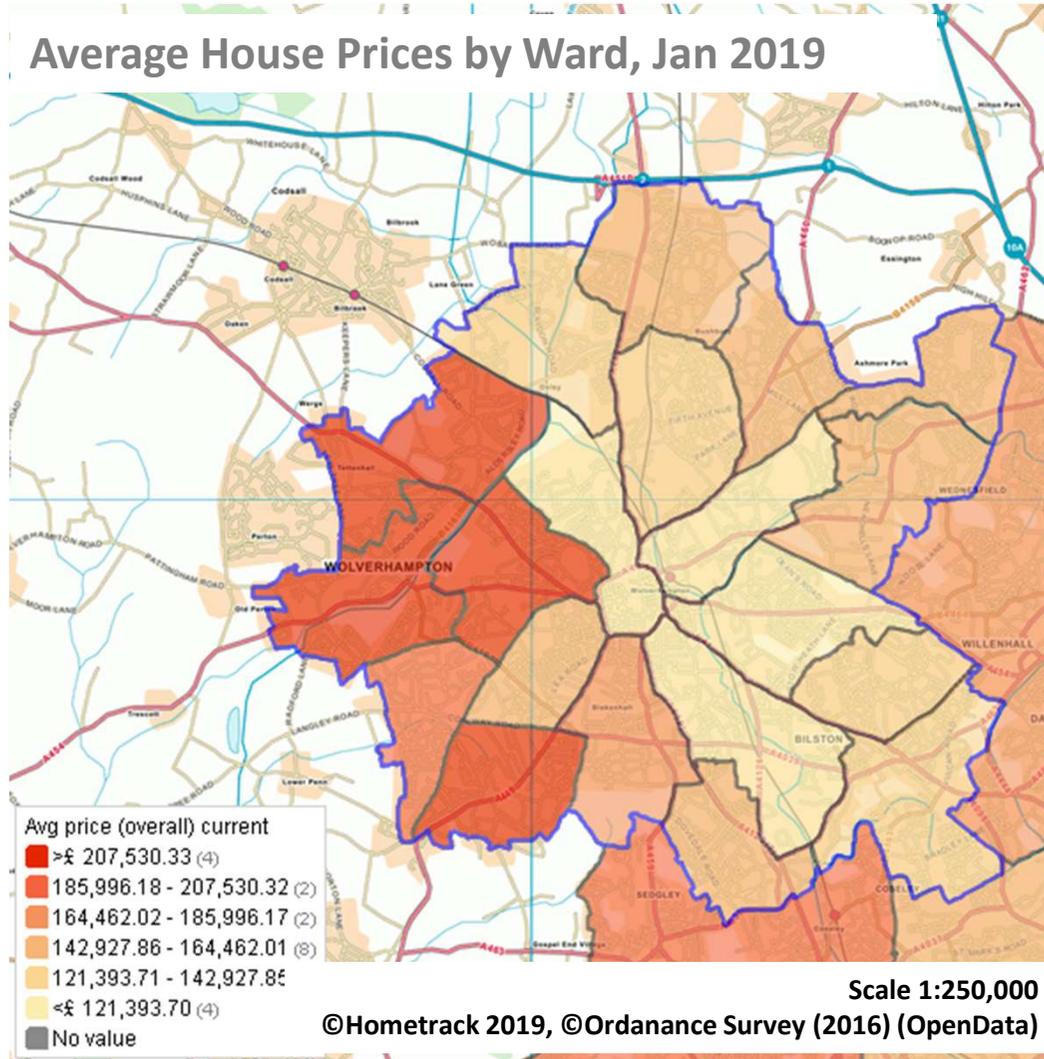
CITY OF  
WOLVERHAMPTON  
COUNCIL

Our mission:  
Working as one to  
serve our city

[wolverhampton.gov.uk](http://wolverhampton.gov.uk)

# 1. Local Housing Market

## House prices:



Average house price Jan 19  
£164,000 (£229,500 regionally)

Lower quartile house price  
£115, 200 (£140,000 regionally)

Average new build house price  
£190,900 (£284,700 regionally)

Affordability ratio – 6.4 (house price to incomes)

203 Help to Buy loans 2017 =  
68% of new build sales

	Ave Hse Price Jan 19	No. Sales 2018
Wolverhampton	£164,000	2,669
Dudley	£184,700	3,081
Sandwell	£159,200	3,213
Walsall	£182,000	4,299

# 1. Local Housing Market

## House prices:

- Average house prices present a mixed picture across the city, with particularly high house prices in the west of the city, with some neighbourhoods among the most expensive localities in the conurbation, but with prices on average being nearly half the price moving out East from the city centre into St Peter's, Heath Town and Ettingshall wards.
- For the city as a whole, average house prices are not keeping pace with the wider region and looking at the Black Country specifically are somewhat behind Walsall and Dudley but greater than Sandwell, which is somewhat of a long standing trend.
- Wolverhampton had the lowest number of sales in 2018 when compared to our Black Country neighbours but alongside Sandwell the greatest percentage of newbuild sales as a proportion of all sales (5%), with new build in the city commanding a newbuild premium at 18% above existing property house sales. (Wolverhampton=5%, Dudley= 1.8%, Sandwell= 5%, Walsall=3.7%)
- Despite lower house prices when compared to the region, affordability is still an issue with analysis indicating that at a city level for open market sale a minimum gross income of £35,742 (MQ) is required to afford an averagely priced house. (£26,229 at the lower quartile level) which is above the average income of £24,285 (2017).
- Moreover 2/3 of newbuild sales were supported by Help to Buy loans in 2017.

### Sources:

Map = Hometrack which uses Land Registry and survey data, 3 months to Jan 19

Average house prices = Hometrack which uses Land Registry and survey data, 3 months to Jan 19

Sales = Hometrack, Land registry for 2018

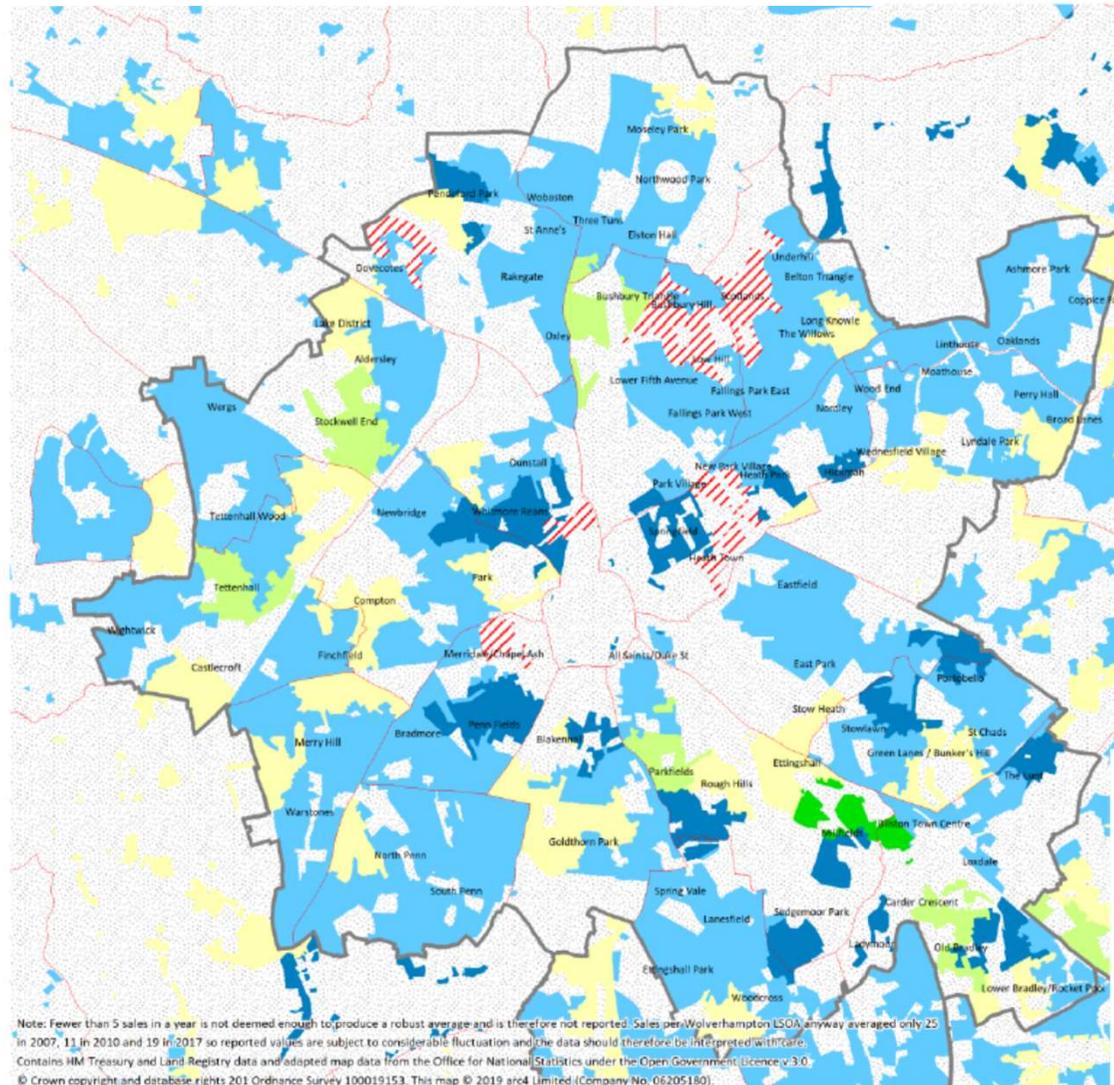
Affordability ration = National Housing Federation home truths using Annual Survey of Hours and Earnings for income and House price from ONS

Help to Buy loans = Gov.uk housing live tables.

# 2. Housing Market Performance

## House Prices:

Median Real-Term House Price Change 2007-17



2007 average house price  
= £122,000

2017 average house price  
= £145,000

2007 average house price  
in 2017 terms  
= £140,000

Represents a real time fall  
in average house prices

## 2. Housing Market Performance

### House Prices:

- Overall the City has experienced a fall in real term values as is indicated by the blue shading with 2007 average house prices less than 2017 average prices when adjusted to give us a real term 2017 comparison.
- Significantly neighbourhoods including Springfield, Penn Fields and Whitmore Reans experienced real-terms price falls to less than half the regional average house price during this period.
- However new build is stimulating the market with overall real term house price increases around areas that have had significant new build as illustrated by the green shaded areas. in particular parts of Bilston, around the former Good Years site and parts of Parkfields, with the new build premium helping to increase average house prices in these areas.

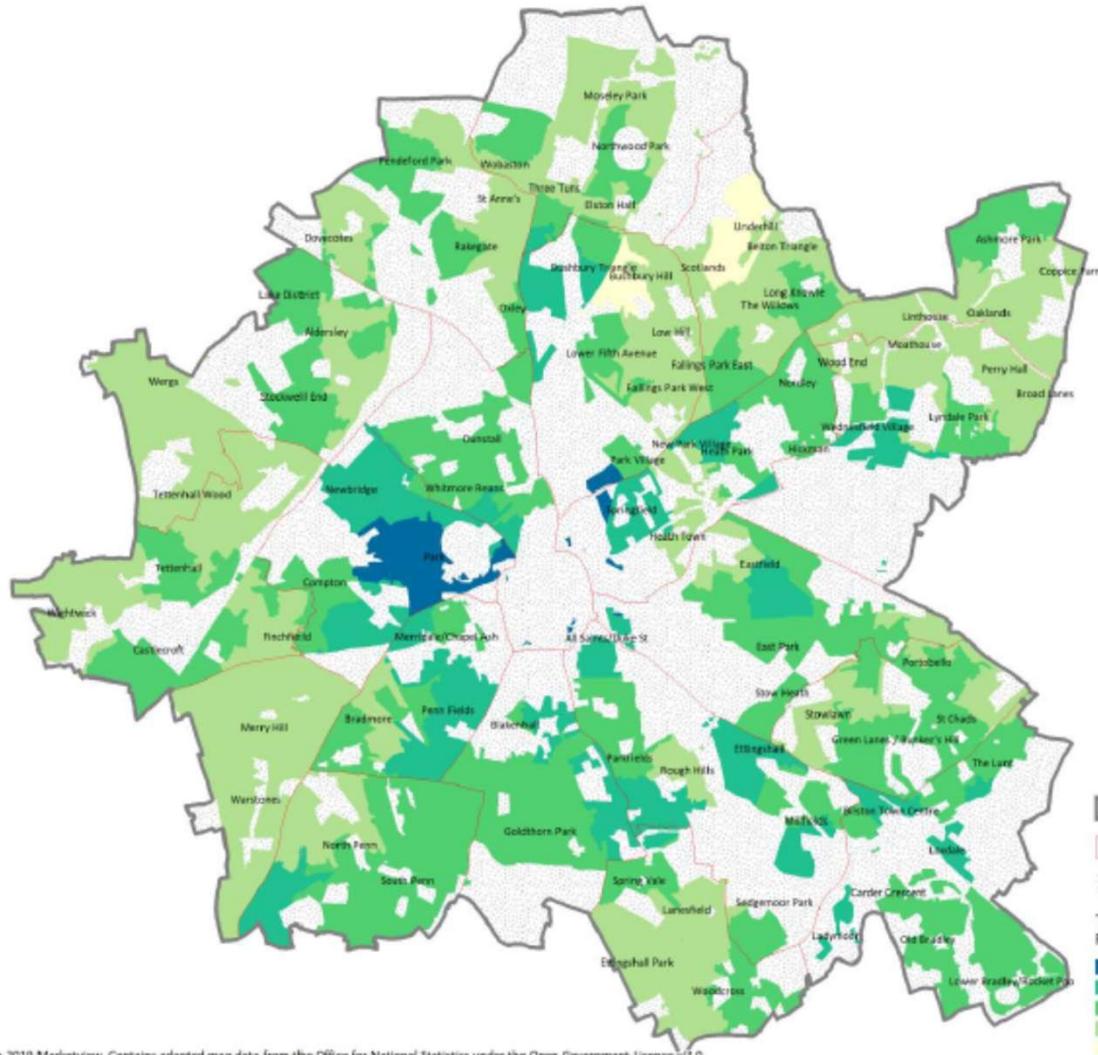
**Source:**

Arc4 evidence base

# 3. Private Rented Sector

## Private rented sector:

Total Private Rented Relets 2017



### Average weekly rent

Property Size	Jan 19	LHA
1 Bedroom	£97	£86.30
2 Bedroom	£126	£104.89
3 Bedroom	£147	£123.90
4 bedroom	£195	£151.50

# 3. Private Rented Sector

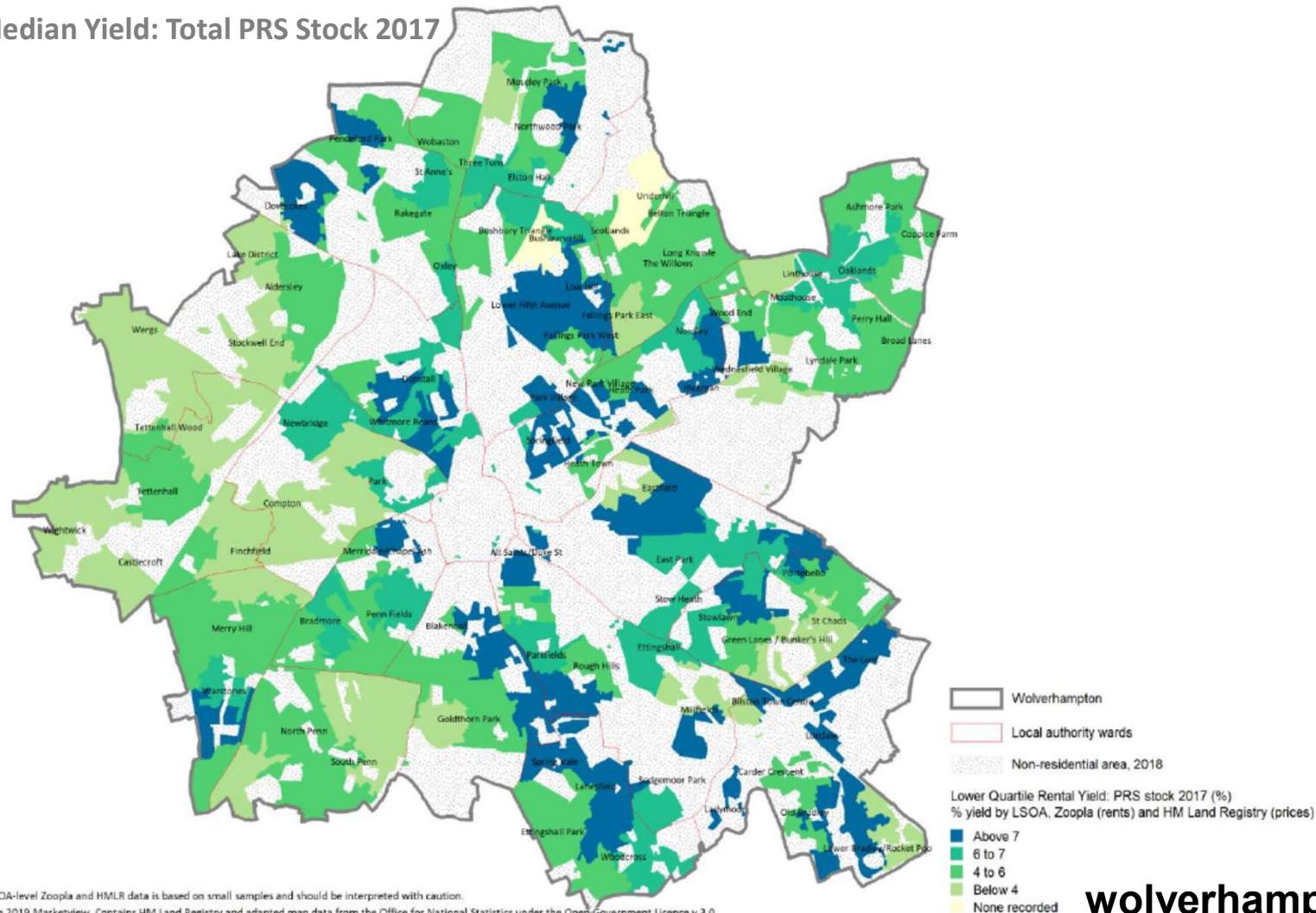
## Private rented sector:

- A comparison of Census 2001 to 2011 indicated that the PRS was the fastest growing tenure in the city (33% increase) and indications show that it has continued to grow since this time.
- Zoopla data reveals how widespread private renting has become in the city extending beyond traditional private renting areas and catering for a range of income groups.
- The table compares average weekly rents by property size to Local Housing Allowance rates in the city. Whilst rents will differ across the city, this does illustrate a shortfall across all property sizes for those in receipt of Housing Benefit/Universal Credit Housing Costs, extending affordability concerns from the owner occupation to the private rented sector.

# 4. Private Rented Sector Performance

## Private rented sector yields:

Median Yield: Total PRS Stock 2017



Note: LSOA-level Zoopla and HMLR data is based on small samples and should be interpreted with caution.  
© Zoopla 2019 Marketview. Contains HM Land Registry and adapted map data from the Office for National Statistics under the Open Government Licence v.3.0.  
© Crown copyright and database rights 2019 Ordnance Survey 100019153. This map © 2019 arc4 Limited (Company No. 06205180).

# 4. Private Rented Sector Performance

## Private rented sector yields:

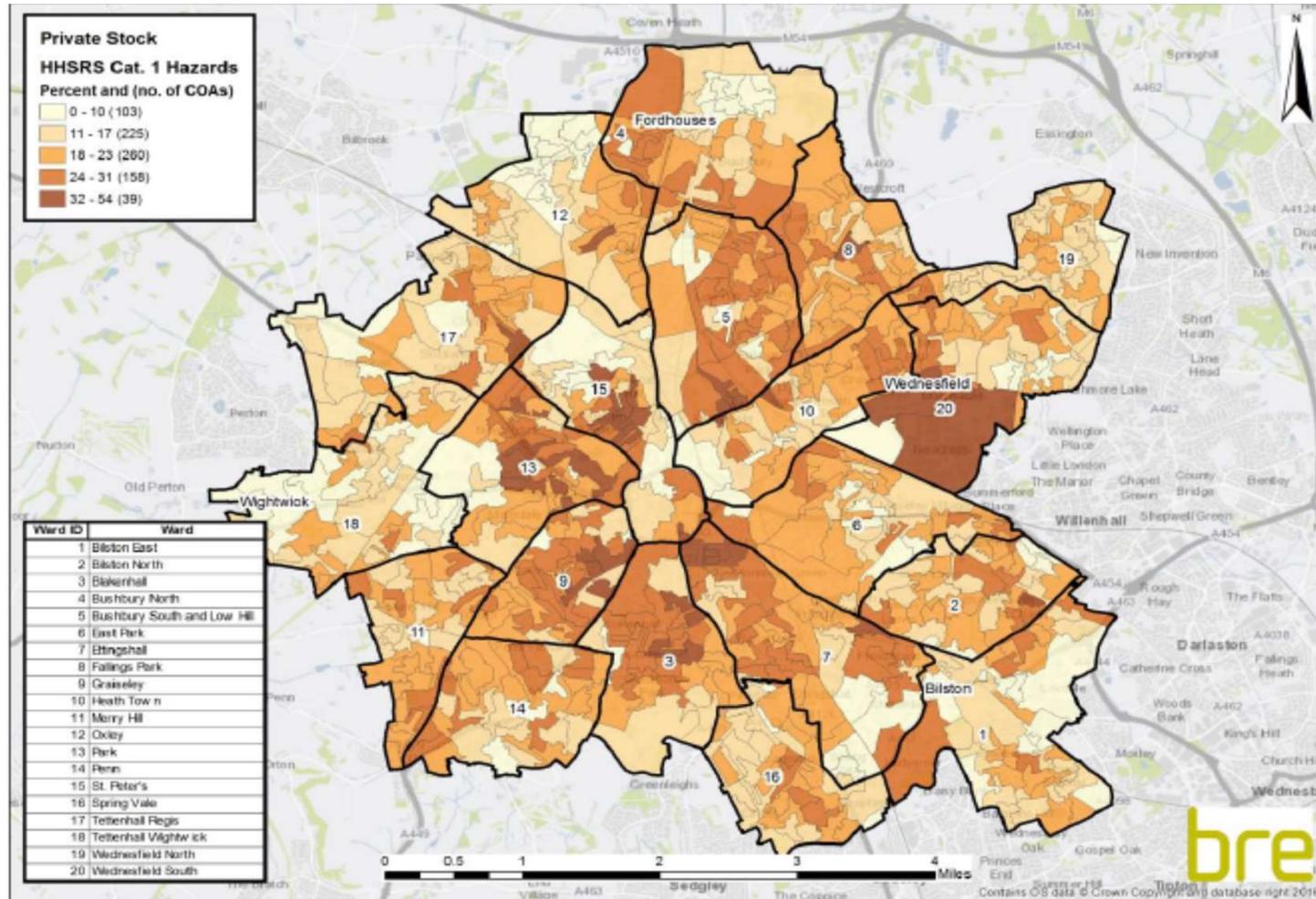
- This map illustrates the more lucrative areas for private landlords, with the darkest green areas showing the highest yield areas.
- There is a particularly high incidence of high yield in low value neighbourhoods including ex-RTB stock in council-built areas and areas of typical PRS stock with a high reliance housing benefit
- These dwellings are catering for a high level of need, with these households in previous years being housed in a larger social rented sector.
- This lower quartile rent to high yield private rented sector receives a substantial public subsidy through Housing Benefit to house increasingly vulnerable households, which moves us on to looking at condition within the private rented sector.

Sensitivity: NOT PROTECTIVELY MARKED

# 5. Private Sector Condition

## HHSRS Category 1 Hazards:

Percentage of private sector dwellings with the presence of a HHSRS category 1 hazard



# 5. Private Sector Condition

## HHSRS Category 1 Hazards:

This map, which shows the distribution of category 1 hazards, as defined by the Housing Health and Safety Rating System (HHSRS).

Hazards are most highly concentrated to the immediate west of the town centre in the wards of Park, Graiseley and Blakenhall; all of which have a significant PRS and as per the previous slide also correlate with those areas with lower quartile rents, meaning those on lower incomes are likely to be accessing some of the poorest quality of stock in the city.

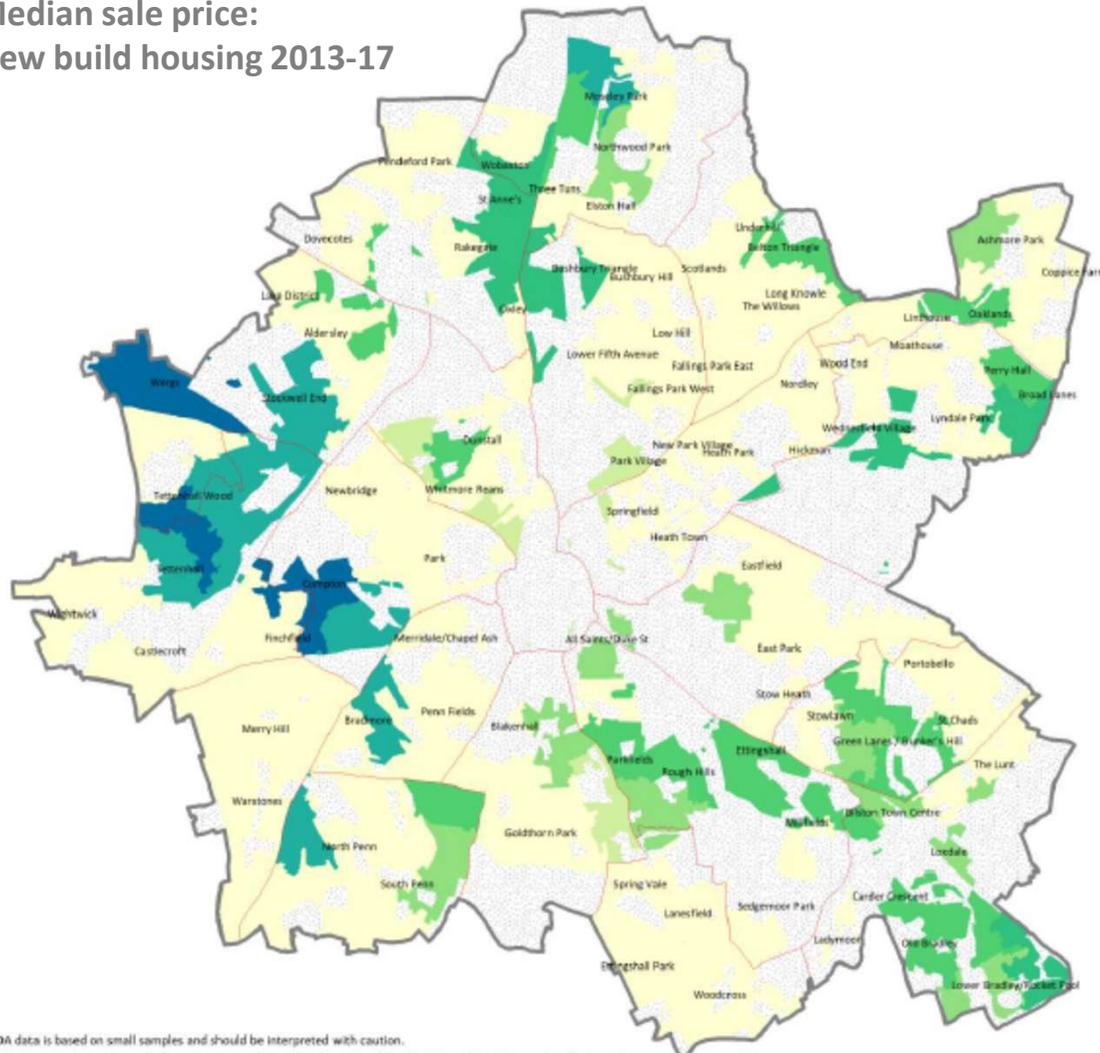
The Council's Private Sector Housing Team are addressing housing conditions by;

- Having a proactive environmental health for housing service.
- Through HMO licensing.
- Through the promotion of Rent with Confidence which provides a property and landlord rating system.
- The Council will also be publishing a Private Housing Strategy and an Empty Homes Strategy this year.

# 6. New Build Delivery

## New Build Sales:

Median sale price:  
New build housing 2013-17



City housing target of 13,411 homes 2006 – 2026

608 completion recorded during 2017/18 increasing completion total to 5,451 units

This leaves a balance of 7,960 over years

Required completions now at 995 per year

Note: LSOA data is based on small samples and should be interpreted with caution.  
Contains HM Land Registry data and adapted census and map data from the Office for National Statistics under the Open Government Licence v.3.0.  
© Crown copyright and database rights 2019 Ordnance Survey 100019153. This map © 2019 arc4 Limited (Company No. 06205180).

# 6. New Build Delivery

## New Build Sales:

- With 5,451 units completed out of a City housing target of 13,411 homes between 2006-26, we need the completion of 995 homes per year for the next 8 years to meet this requirement
- The map shows the spread and average house price achieved for new build development in the city between 2013 and 2017 with sites that have come forward spread out across the city,

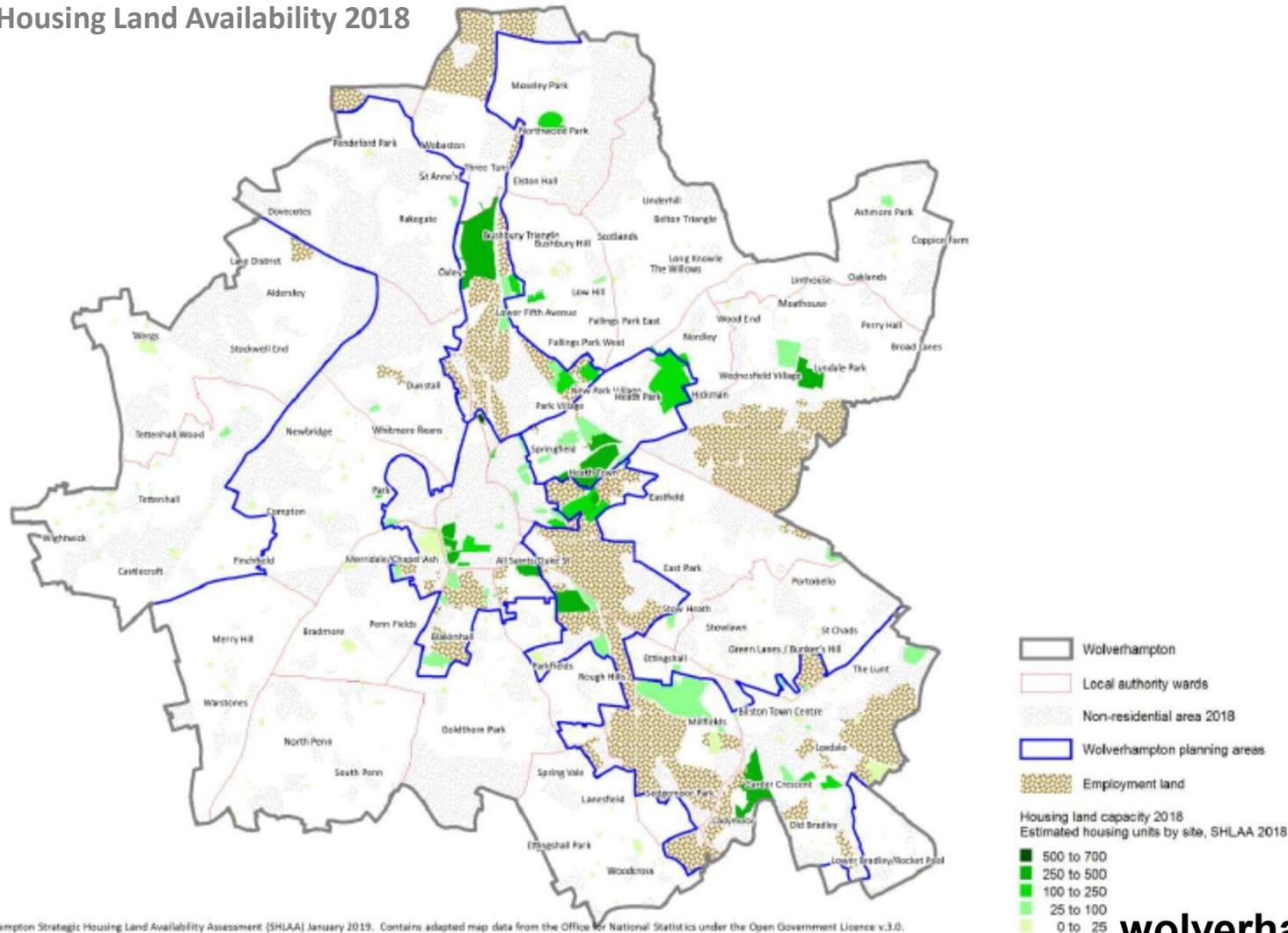
**Sources:**

Arc 4 new build map – Land Registry  
Completion figures,, Planning.

# 7. New Build Delivery

## Land Availability:

Housing Land Availability 2018



Sensitivity: NOT PROTECTIVELY MARKED

# 7. New Build Delivery

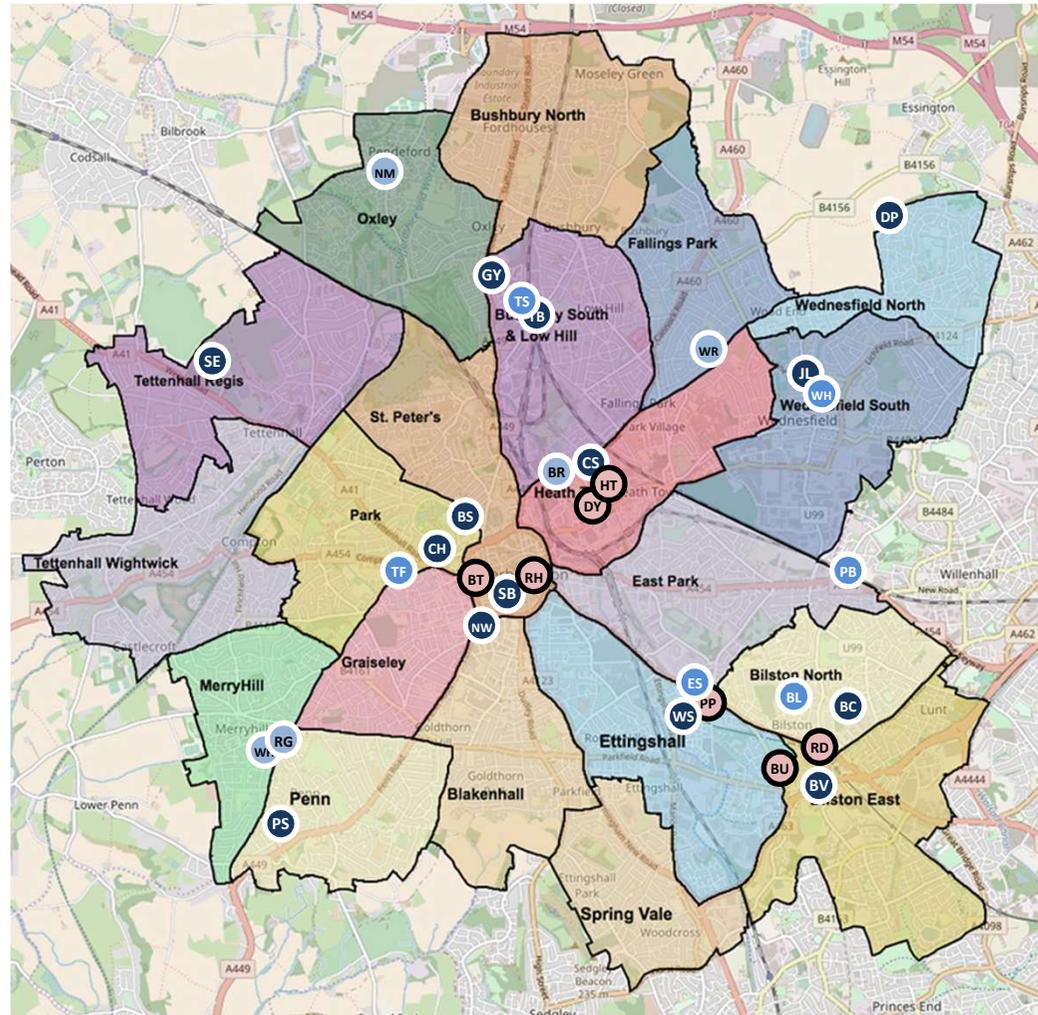
## Land Availability:

Existing plans and other sites can provide approximately 9,000 homes, broadly sufficient to deliver the remaining target but there is no room for manoeuvre due to issues of land remediation and viability which constrain around 46% of total supply, with potential mitigation coming from the LEP and WMCA funding streams.

# 8. New Build Delivery

## Housing Development Pipeline:

	Development Sites	Developer	# Units
ON SITE	BV Bilston Urban Village	Kier	78
	GY Fmr Goodyear	Persimmon & Barratt	636
	SB Fmr Sunbeam	QED	150
	WS Ward St	Persimmon & WHG	600
	PS Fmr Penn Fields School	Tatton Hall Homes	37
	CS Fmr Chubb Site	Accord	112
	JL Fmr Jennie Lee	Taylor Wimpey	220
	SE Stockwell End	McCarthy & Stone	22
	CH Coniston House	Blackacres	40
	BS Birch - Fmr Carillion offices	Birch Street Ltd	33
	BC Bilston College	Standen Developments	64
	TB Tapworks Broome Road	Bouygues	100
	DP Danesmore primary School	WV Living	52
	NW Former Nippon Works	FHD	49
	NEXT 6 MONTHS	TS Tapworks Showell Road	Bouygues/CWC
TF Tower & Fort Works		Bouygues/CWC	77
PB Portobello		Accord	40
ES Ettingshall School		WV Living	34
BL Bilston Leisure Centre		WV Living	40
WH Fmr Wednesfield High School playing Fields		WV Living	268
6-12 MONTHS (expected)		BR Burton Crescent	CWC
	RG Land at Reedham Garden	CWC	23
	NM Nelson Mandela House	WV Living	20
	WH Warstones House	WV Living	15
	WR Woden Resource centre	WV Living	20
	RH Royal Hospital - Bus Garage	HE to procure	156
6-12 MONTHS (potential)	PP Polypipe	Persimmon	50
	BT BT House, Church Street	Private Landowner (On Market)	100
	RD Land at Railway Drive	Private Landowner	56
	HT Heath Town (HRA)	CWC	50
	DY Heath Town (Duke of York)	WV Living	65
	BU Bilston Urban Village	Countryside	400



# 8. New Build Delivery

## Housing Development Pipeline:

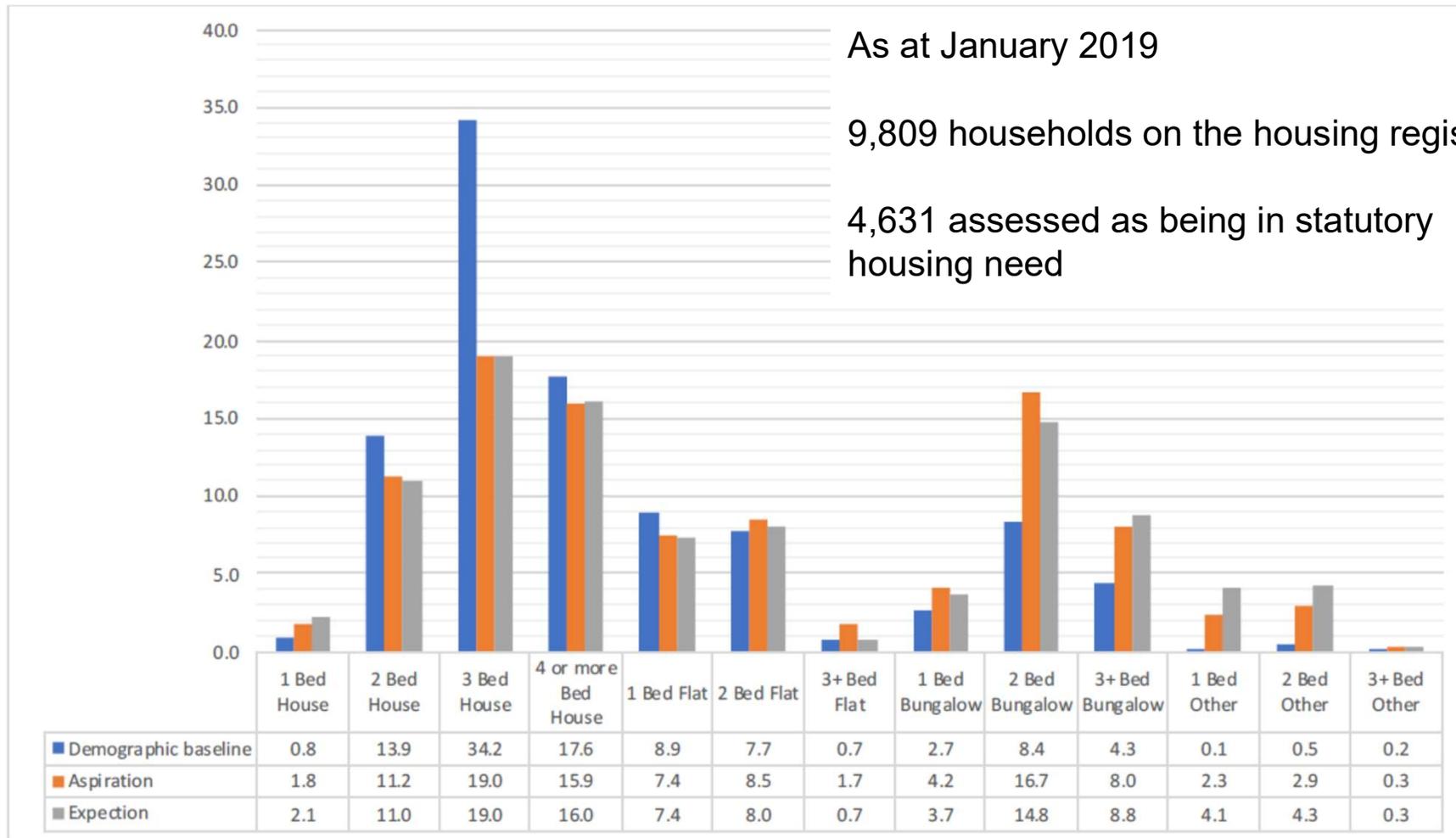
- This map illustrates planned development in the city including expected and potential delivery to July 2019.
- The sites being developed are linked to the readiness of the site to be developed, for example the land quality, as well as having a developer lined up to bring the site forward.
- Concentrations of development are expected in and around the city centre, moving up the Stafford road as well as to south east out toward Bilston.
- There are significant developments continuing at the former Goodyears site (GY) with over 600 units underway from Persimmon and Barratt, with Persimmon also bringing forward another significant site at Ward St (WS) alongside Walsall Housing Group of another 600 units.
- This map also demonstrates how the Council, through WV Living and Housing Revenue Account development are becoming a key delivery vehicle for increasing the quantum of new housing in the city, being responsible for delivery of all the schemes highlighted in the medium and light blue sections of the table with an estimated 795 units of housing to be delivered over the next 12 months in addition to the 52 units already being delivered at Danesmore Pastures (DP) in Ashmore Park.
- The sites being developed by the Council are all affordable units.
- Of the 397 units being developed by WV Living over the next 12 months, 101 units, just over 25% are affordable units (for affordable rent or shared ownership).

**Source:**

Planning, July 2018

# 9. Future Housing Requirements to Meet Needs

Summary of required dwelling types under baseline demographic, aspiration and expectation



Source: CLG 2014-based household projections and arc4 household survey data applied to household projection

## 9. Future Housing Requirements to Meet Needs

- Analysis has been undertaken on the relationship between household projections, demographic trends and dwelling stock data for the city to estimate future dwelling requirements. This indicates:
- As denoted by the blue, the majority of market housing need will be for larger family housing so:
  - A third should be 3-bedroom (32.4%)
  - Followed by a fifth being 4 or more-bedroom (17.6%) properties
  - With the remaining requirement being by 1 and 2-bedroom homes (14.7%).
  - By dwelling type, analysis suggests a broad split of 66.5% houses, 17.3% flats, 15.4% bungalows (or level-access accommodation), and 0.8% other (for instance self/custom build and specialist accommodation).
- It is important the Council plans for, and responds to, the need for supported and specialist housing.
- When applied to affordable housing requirements this profile changes to :
  - Nearly 2/3s One bedroom (60.9% )
  - Nearly a quarter Two bedrooms (22.4%)
  - With a smaller requirement for larger housing of Three bedrooms 8.4%
  - Four bedrooms 5.9% and Five or more bedrooms 2.3%

Taking residents aspirations into account (highlighted in red), this has the affect of skewing need towards the aspirations of older households (who are fastest growing cohort) with a greater requirement for bungalows.