

## The housing crisis in the West Midlands

The housing market in the West Midlands is characterised by its diversity – from ambitious cities and their urban surroundings, to historic market towns and small rural communities.

This report provides local data on the housing market in the West Midlands and highlights that:

- The average **house price is £197,600, but this varies hugely** within the region – from £330,000 in Stratford-on-Avon to £112,000 in Stoke-on-Trent.
- The average **private sector rent is over £600 a month**, but this also varies greatly across the region, from £450 to over £800.
- The **average house price is almost eight times the average salary**, rising to nearly 11 times salaries in areas such as the Malvern Hills and Wychavon.
- The average salary in the West Midlands is below the national average at £25,000, but the **income required for a mortgage is over £45,000**, pricing many people out of home ownership.
- **More than one in five Housing Benefit claimants are in work**, increasing to one in four in areas such as Coventry and Warwick.
- Not enough homes are being built to meet demand – the West Midlands already has a five-year **shortfall of over 45,000 homes, with more than 18,000 needed in Birmingham alone**.

## Solving the housing crisis

Housing associations are united by a single purpose – to ensure everyone in the country can live in a quality home that they can afford.

We meet shifting housing needs by building more affordable homes and market homes, homes to rent and buy, and by providing essential supported and specialist housing.

**Last year housing associations in the West Midlands built over 3,500 new homes, and started building almost 5,000 more.**

**More than half of new homes started were built without government investment** – that’s because we generate income that doesn’t go to shareholders, so we can reinvest all our profits in homes and communities.

We offer **£6 of private investment for every £1 of public money**.

Our homes are for everybody – from those most in need, to young people, families and first time buyers, to older and more vulnerable people who may need support. We’ll continue to deliver across the mix to meet changing housing needs.

**If you share our sense of purpose, let’s work together to end the housing crisis.**

### Contact

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# Home Truths 2016/17

The housing market in the West Midlands



West Midlands	Average (mean) house prices in 2016 <sup>1</sup>	Mean monthly private sector rents in 2015/16 <sup>2</sup>	Mean annual earnings in 2015 <sup>3</sup>	Ratio of house prices to incomes <sup>4</sup>	Income required for 80% mortgage 2016 (80% at 3.5x) <sup>5</sup>	Percent of Housing Benefit claimants in employment <sup>6</sup>	Unemployment rate 2015/16 <sup>7</sup>	Five year shortfall 2011-2015 <sup>8</sup>	Long term empty homes <sup>9</sup>	Second homes <sup>10</sup>	Total housing association affordable homes 2016 <sup>11</sup>
<b>England</b>	<b>£282,011</b>	<b>£820</b>	<b>£27,680</b>	<b>10.2</b>	<b>£64,460</b>	<b>24%</b>	<b>5.1%</b>	<b>510,620</b>	<b>203,596</b>	<b>245,324</b>	<b>2,667,406</b>
<b>West Midlands</b>	<b>£197,571</b>	<b>£607</b>	<b>£25,355</b>	<b>7.8</b>	<b>£45,159</b>	<b>21%</b>	<b>5.7%</b>	<b>45,235</b>	<b>21,775</b>	<b>11,611</b>	<b>270,500</b>
Herefordshire	£234,271	£597	£23,135	10.1	£53,548	25%	3.3%	2,029	419	678	11,789
Stoke-on-Trent	£112,476	£450	£22,308	5.0	£25,709	17%	6.4%	767	1,421	472	8,029
Telford and Wrekin	£164,079	£569	£23,894	6.9	£37,504	23%	4.7%	n/a	467	184	13,744
Shropshire	£218,684	£579	£25,709	8.5	£49,985	17%	3.3%	1,654	1,526	1,475	14,431
Staffordshire	£191,878	£567	£25,922	7.4	£43,858	19%	4.0%	4,153	3,486	1,315	45,401
Cannock Chase	£158,222	£517	£25,303	6.3	£36,165	18%	4.1%	615	285	79	2,009
East Staffordshire	£188,444	£559	£23,655	8.0	£43,073	25%	3.5%	1,102	584	204	6,736
Lichfield	£249,396	£680	£32,947	7.6	£57,005	18%	2.7%	619	262	74	5,923
Newcastle-under-Lyme	£154,632	£519	£22,396	6.9	£35,344	16%	4.2%	63	559	394	10,603
South Staffordshire	£224,556	£654	£26,957	8.3	£51,327	18%	3.6%	257	353	114	6,734
Stafford	£207,307	£569	£26,946	7.7	£47,384	18%	3.4%	525	589	258	7,909
Staffordshire Moorlands	£171,656	£502	£24,513	7.0	£39,236	17%	2.9%	258	684	177	3,712
Tamworth	£169,981	£606	£24,908	6.8	£38,853	18%	2.8%	714	170	15	1,775
Warwickshire	£254,299	£724	£28,995	8.8	£58,125	24%	2.4%	4,753	2,265	1,538	18,286
North Warwickshire	£194,864	£598	£25,298	7.7	£44,540	22%	3.4%	333	249	59	1,265
Nuneaton and Bedworth	£159,695	£536	£24,742	6.5	£36,502	20%	5.5%	1,004	579	49	2,842
Rugby	£218,784	£661	£28,964	7.6	£50,008	27%	3.2%	778	328	173	3,009
Stratford-on-Avon	£329,925	£836	£31,153	10.6	£75,411	26%	2.0%	573	612	647	7,710
Warwick	£306,902	£802	£32,230	9.5	£70,149	25%	2.6%	2,065	497	610	3,460
West Midlands	£177,910	£601	£24,679	7.2	£40,665	21%	8.4%	33,808	10,113	4,456	123,811
Birmingham	£180,326	£675	£24,357	7.4	£41,217	22%	9.6%	18,412	3,886	2,178	46,887
Coventry	£167,506	£571	£25,584	6.5	£38,287	25%	5.9%	5,932	1,080	1,146	25,349
Dudley	£164,648	£530	£25,454	6.5	£37,634	18%	6.8%	1,164	1,204	367	5,487
Sandwell	£134,267	£519	£23,020	5.8	£30,690	18%	7.7%	4,889	1,163	17	7,676
Solihull	£286,723	£781	£30,675	9.3	£65,537	23%	4.6%	1,397	114	116	3,406
Walsall	£158,017	£524	£22,121	7.1	£36,118	19%	7.5%	1,070	1,148	237	28,527
Wolverhampton	£147,359	£513	£23,015	6.4	£33,682	17%	10.0%	944	1,518	395	6,479
Worcestershire	£233,849	£630	£25,683	9.1	£53,451	22%	3.3%	n/a	2,078	1,493	35,009
Bromsgrove	£275,483	£699	£30,488	9.0	£62,968	23%	3.8%	482	363	53	4,631
Malvern Hills	£264,228	£661	£24,352	10.9	£60,395	20%	3.9%	305	415	396	4,994
Redditch	£191,541	£594	£22,620	8.5	£43,781	21%	5.2%	282	257	29	2,185
Worcester	£200,766	£603	£26,338	7.6	£45,889	24%	4.1%	391	371	230	7,847
Wychavon	£267,944	£697	£25,334	10.6	£61,244	23%	2.9%	n/a	403	409	8,350
Wyre Forest	£186,377	£547	£24,066	7.7	£42,600	21%	4.2%	n/a	269	376	7,002

1. Office for National Statistics (ONS), small area statistics

2. Valuation Office Agency

3. ONS, Annual Survey of Hours and Earnings

4. ONS, small area statistics and Annual Survey of Hours and Earnings

5. ONS, small area statistics and National Housing Federation own analysis

6. Department for Work and Pensions, Stat Xplore

7. ONS, NOMIS model based estimates

8. Town and Country Planning Association household projections; Department for Communities and Local Government (DCLG) table 253 and Federation own analysis

9. DCLG table 615

10. DCLG Council Tax base

11. Homes and Communities Agency Statistical Data Return 2016