West Midlands Combined Authority

Housing & Land Delivery Board

Date	13 March 2024
Report title	West Midlands Housing Monitor
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Report has been considered by	February 21 February 2024 Housing and Land Delivery Steering Group

Recommendation(s) for action or decision:

Housing & Land Delivery Board is recommended to:

(1) Note the latest statistical housing trends in the West Midlands
(2) Note the relationship between Housing and broader inclusive growth themes
(3) Comment on relevant data, and sources WMCA should keep as part of a live monitor for informing future policy development.

1.0 Purpose

1.1 The West Midlands Combined Authority Housing Monitor is being developed as a curated live data series summarising key data from across housing stock and supply, housing affordability, housing needs, set within the relevant demographic economic and social context. This is initially for the 7 constituent authorities for most data, though will be extended to cover data for all non-constituent authorities. This monitor will function as a regular point of reference for key housing planning and regeneration policy development, summarising key patterns and trends on a wide range of topics relevant to housing across the region, with a summary paper published each quarter. The purpose of this paper is to invite comments on which data points to use and to help contextualise current workstreams and planning for future activity.

2.0 Background

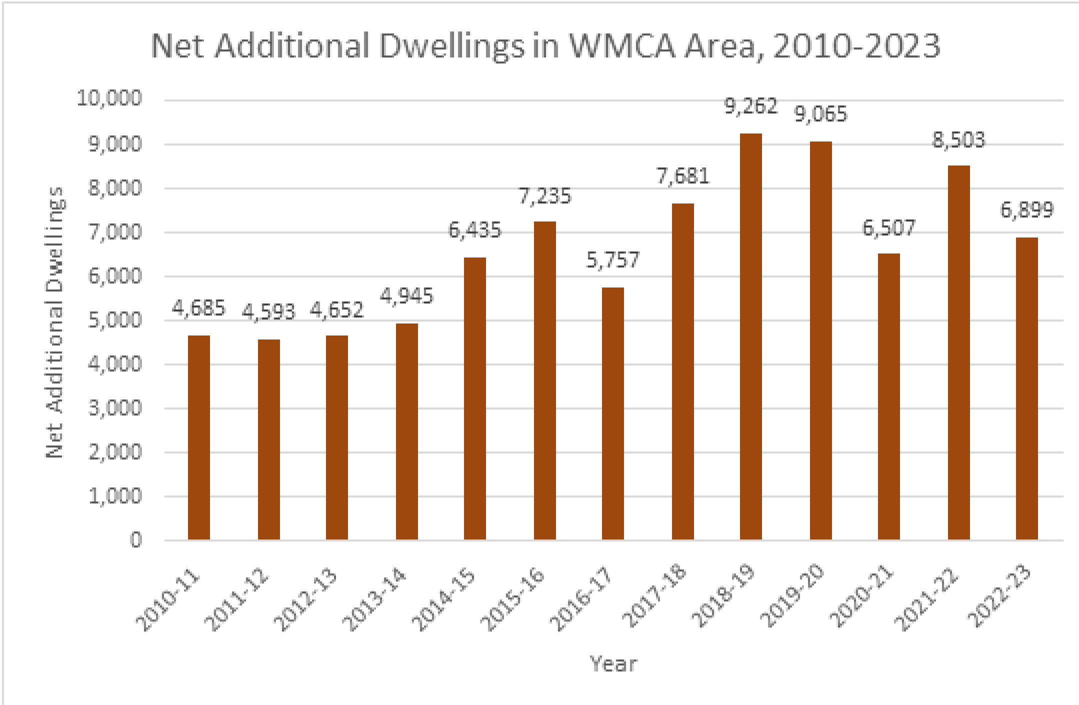
2.1 West Midlands Combined Authority holds a number of data dashboards informing operational and strategic workstreams across different directorates. This includes the WISE (West Midlands Insights on Society and Economy) data profiler and data correlator, the TfWM Data Insight dashboard, and the West Midlands Census Dashboard. The Combined Authority also publishes an annual State of the Region report covering updates against the WMCA Inclusive Growth fundamentals

2.2 A number of ongoing areas of policy development and funding pressures necessitate the development of regular data series as a standard point of reference for WMCA and local authority partners. These development of functional and place-based strategies linked to the Single Settlement with DLUCH, and development of a regional Affordable Homes Programme.

2.3 Upcoming negotiations with DLUCH and HMT in securing a funding settlement as part of the expected Comprehensive Spending Review may also be supported by a wider range of data in developing a Green Book case for deeper investment in the region.

3.0 Housing supply and transactions

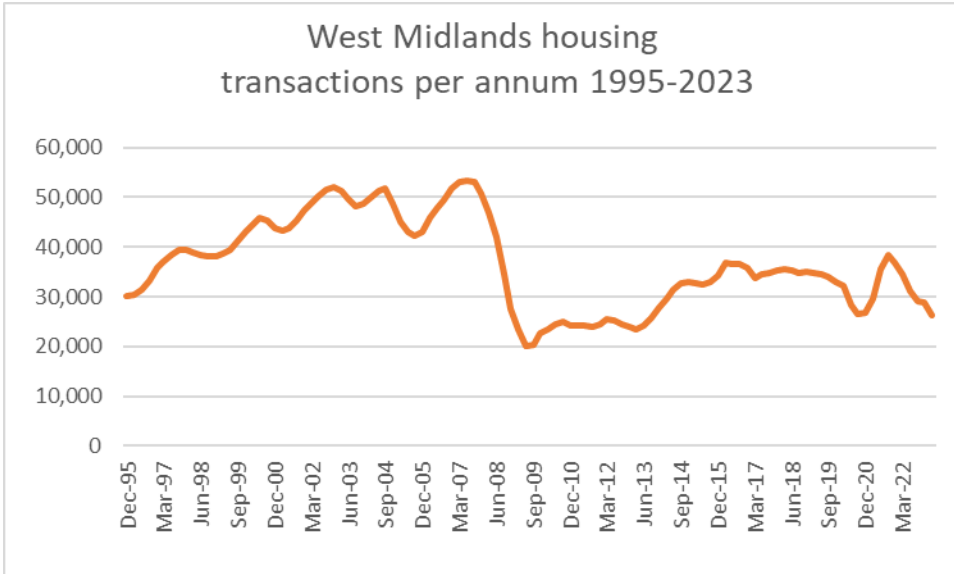
3.1 The number of net additional dwellings since 2010 in the West Midlands Combined Authority geography stands at 86,218.



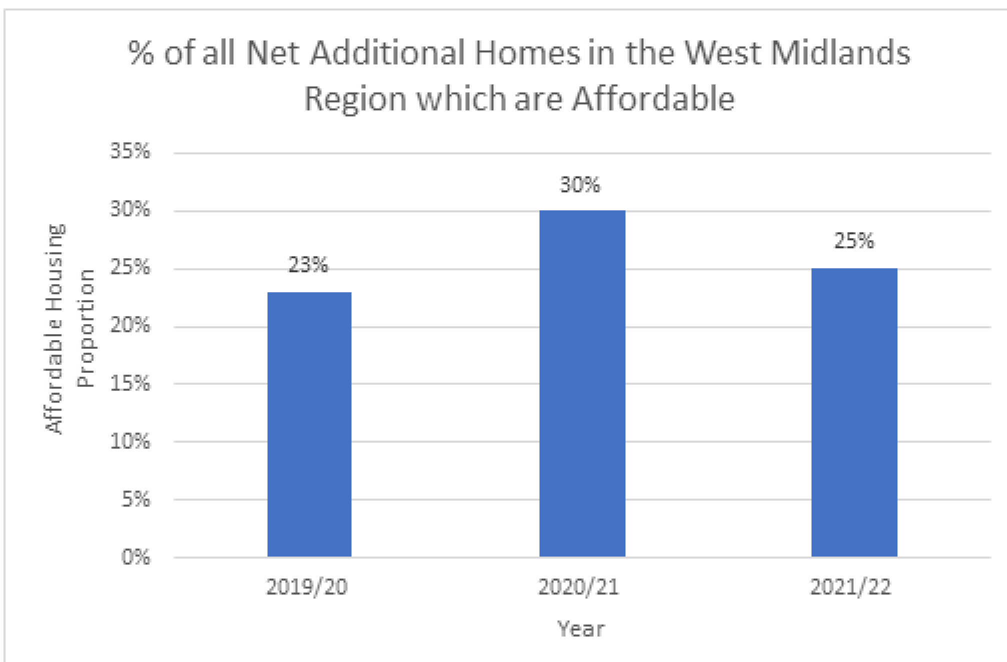
Source: DLUCH Live table 122

3.2 According to the Department for Levelling Up, Housing & Communities (DLUHC) data supply, 6,899 net additional dwellings were completed in 2022-23. New Homes Bonus datasets based on new council tax registrations shows both the top two spots nationally for private homes completed in local authority areas in 22/23 taken by Birmingham and Coventry respectively.

3.3 Overall housing transactions on existing and new housing stock in the region has not returned to the pre-financial crisis peak of 53,352 in the year up to June 2007. The latest count up in the year up to March 2023 showed 26,238 housing sales across the wider region. This should be understood alongside data on over- and under-occupancy, as well as the unusually high levels of non-dependent children living in a parental household. This has risen markedly in all constituency areas, with the lowest in Dudley at 25% and highest 29.9% in Birmingham.

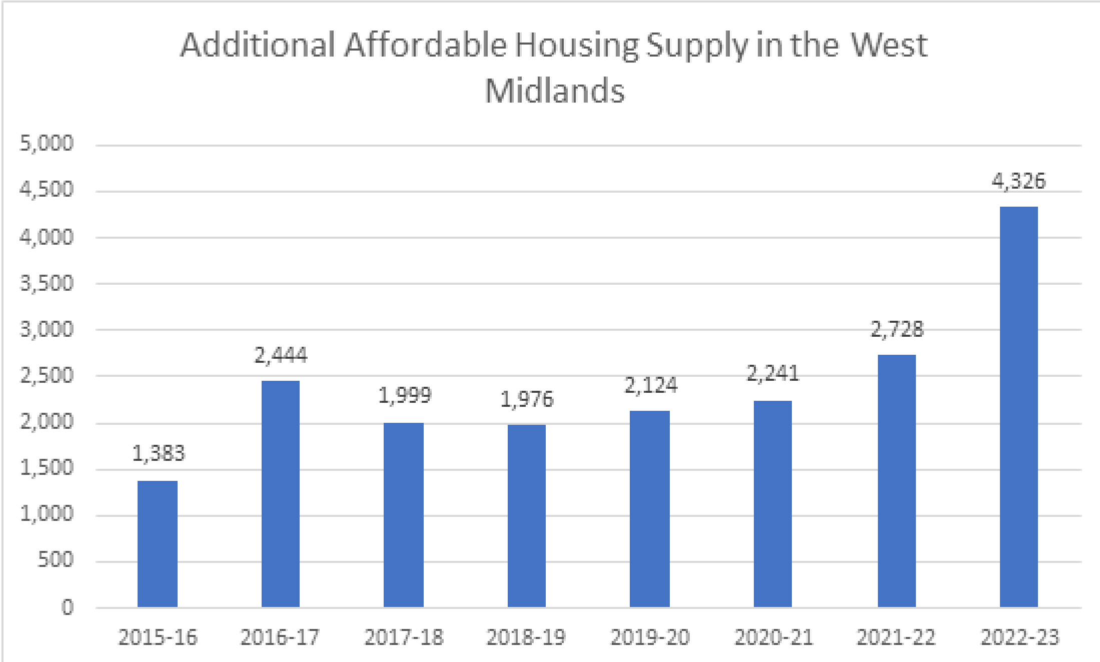


3.4 In the last three years, the proportion of net additional dwellings which are affordable units has held steady, in line with our grant funding requirement of 20% affordable. In our grant funded portfolio the average is over 30%.



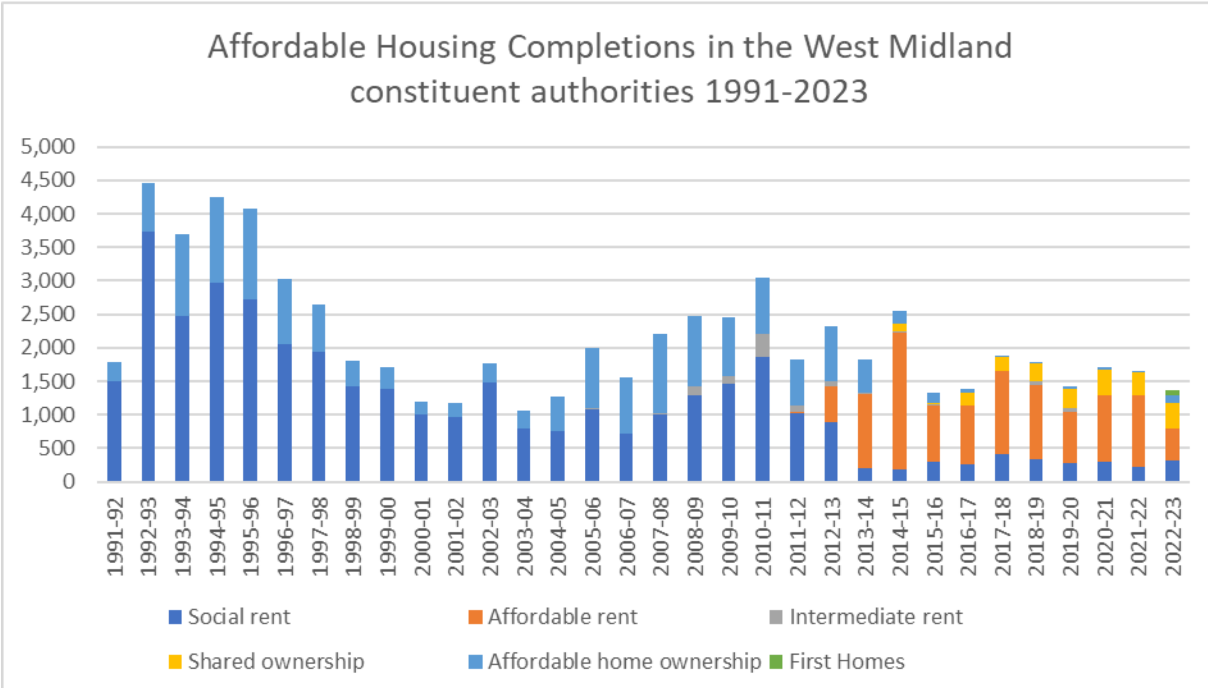
Source: DLUCH Live tables 120 and 1000 (via LG Inform)

3.5 DLUHC's data supply shows that the number of additional affordable housing units in the West Midlands has held steady each year, with a marked increase in the year 2022-23.



Source: DLUCH Live table 1011

3.6 A longer view shows a noticeable falling of affordable completions in the years after 1997 with a greater emphasis of affordable housing funding focused on home ownership and shared ownership products. In the years after 2010 affordable rent (calculated as up to 80%) and shared ownership products become the main types of affordable housing supply with less emphasis on social housing.

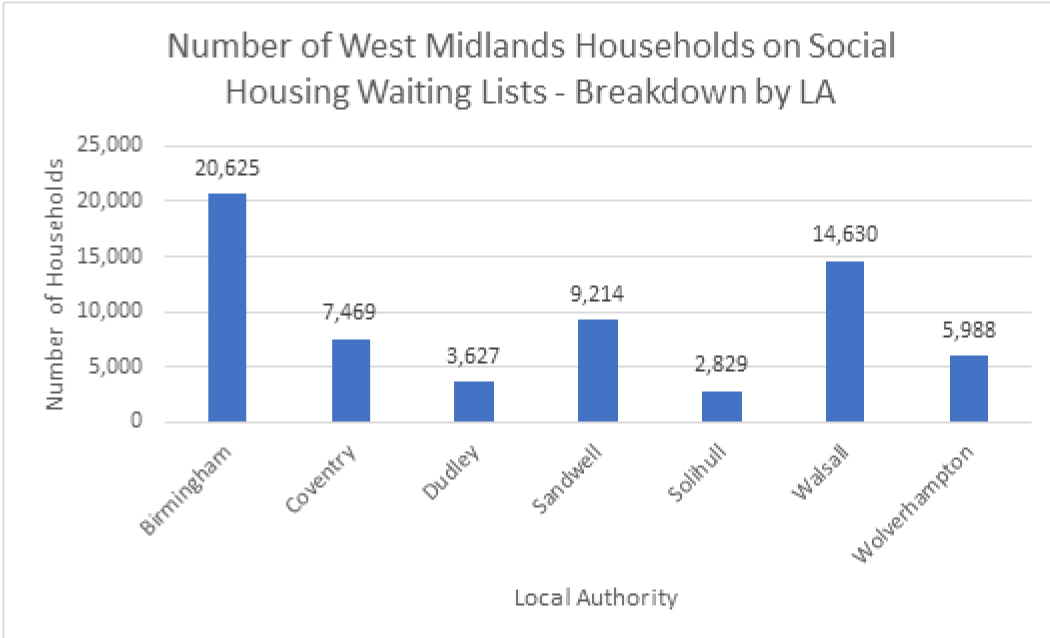


Source: DLUCH Live Table 1011

4.0 Housing need and affordability

4.1 As of 2022/23, there were 64,382 households on Local Authority social housing waiting lists in the WMCA geography, with Birmingham having the longest waiting list. These numbers amount to an estimated 184,000 individuals in households on the combined social housing waiting lists. Since the 2011 Localism Act, residency and other eligibility criteria have been introduced to allocations schemes in the region in order to 'demand manage' the housing options services. These result in periodic 'culls' of waiting list size meaning these figures represent a managed and controlled account of overall social housing demand.

Local Authority	Total Households on Housing Waiting List
Birmingham	20,625
Coventry	7,469
Dudley	3,627
Sandwell	9,214
Solihull	2,829
Walsall	14,630
Wolverhampton	5,988
Total	64,382



Source: DLUCH Local Authority Housing Statistics 22/23 - Allocations

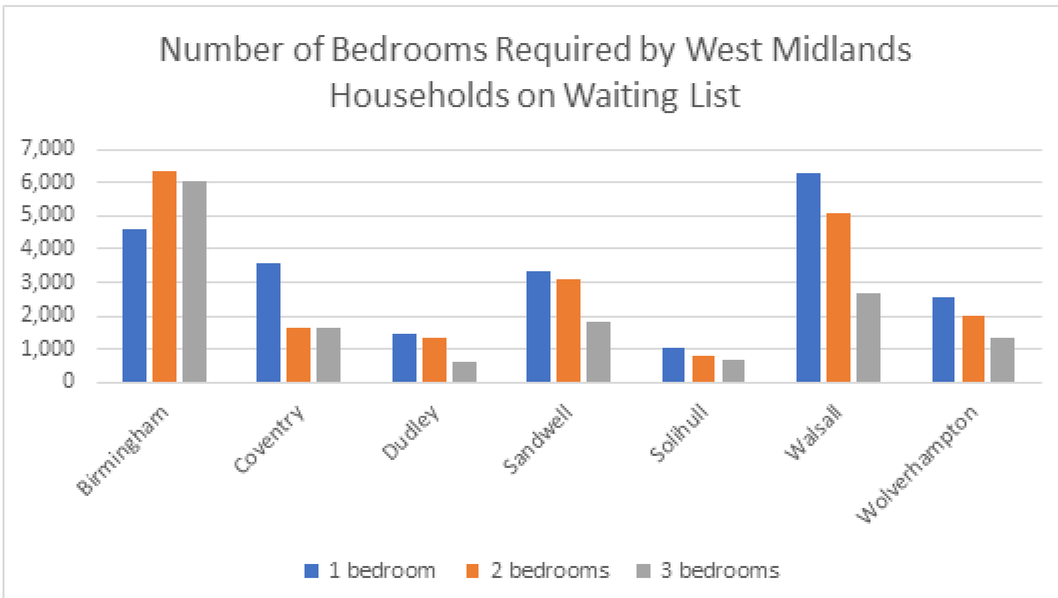
4.2 Bed mix demand on waiting lists vary with the highest proportion of 3+ bed family sized homes found in Birmingham (29%) and the highest of 1 bed demand in Walsall (43%). Bed demand can be read in conjunction with our tenure breakdown of under- and over-occupancy statistics to gain a dynamic view of potential flows through stock.

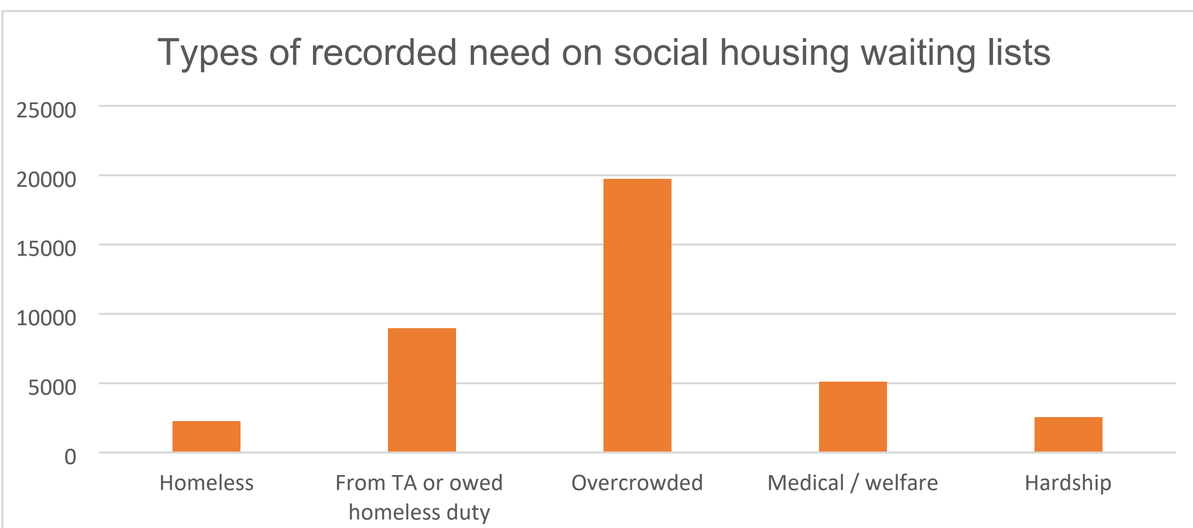
4.3 The breakdown of recorded need shows overcrowding is the most common type showing on local authority waiting lists with 19,716 households, followed by homeless duty owed households (8957), plus homeless households without duty accepted by their local authority (2269), and medical and welfare cases (5094). Of the 8957 waiting list households in temporary accommodation or owed a duty, 5254 were in Birmingham. As a proportion of reasonable preference categories overcrowding accounted for 54%, while the combined duty and no duty homeless accounted for 25%.

4.4 The latest temporary accommodation figures show a combined 6,164 households within the constituent authorities living in temporary accommodation, of which 4549 households (74%) living in Birmingham. Of latest published figures 16,403 households were owed a homeless duty among the constituent authorities, with the highest figures shown by Birmingham (5955) and Wolverhampton (3068) and lowest Solihull (974) and Walsall (700). Dudley and Wolverhampton figures from 23/24 on TA and 22/23 on homeless duties owed are not available.

4.5 An upcoming study by Habinteg and the Centre for Accessible Housing, commissioned by the Accessibility team will help to provide a better understanding of demand for different types of specialist and supported housing.

How many bedrooms do West Midlands households on social housing waiting lists require?			
Local Authority	**1 Bedroom**	**2 Bedrooms**	**3+ Bedrooms**
Birmingham	4,631	6,371	6,030
Coventry	3,572	1,676	1,629
Dudley	1,477	1,330	595
Sandwell	3,359	3,098	1,841
Solihull	1,037	820	680
Walsall	6,304	5,105	2,681
Wolverhampton	2,565	2,020	1,338

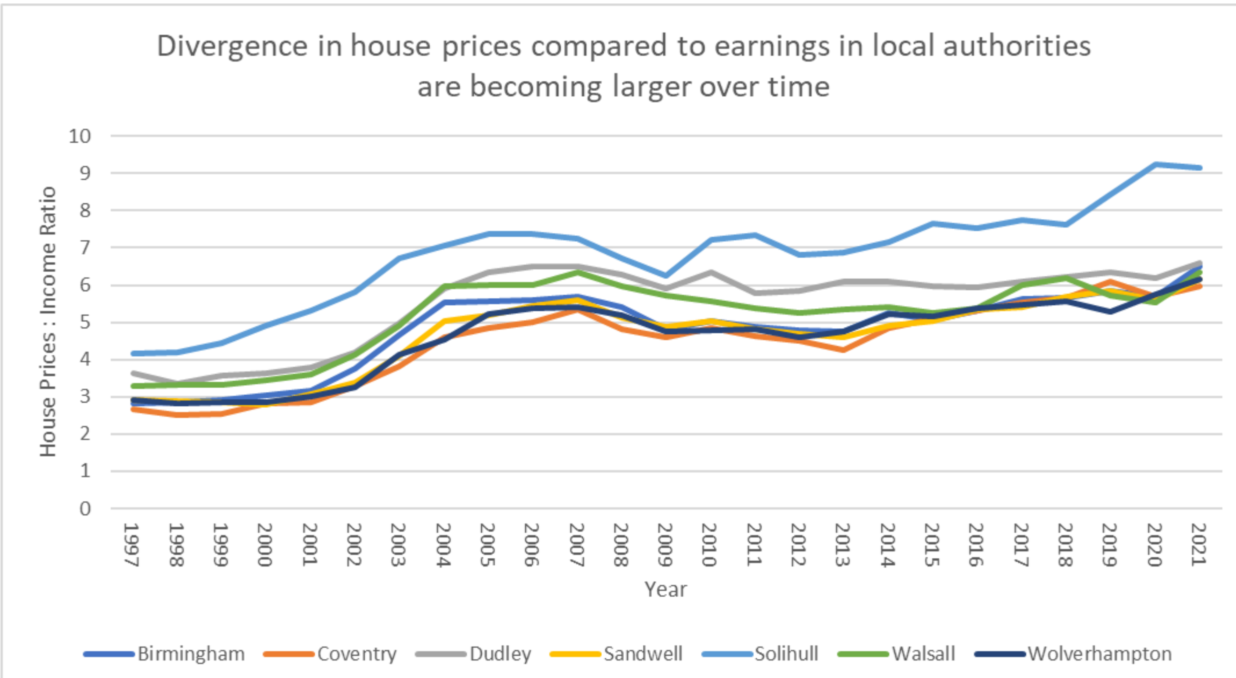




Source: DLUCH Local Authority Housing Statistics 22/23 – Allocations

4.6 The proportion of incomes from private renters going on private rents in the wider West Midlands region was 28.7%. This compared to an England wide average of 26.1%, and EU average of 19.1% and OECD average of 14.8%.

4.7 The house price to earnings ratio has more than doubled in every constituent authority over the past 25 years. In Birmingham this risen from x2.8 in 1997 to x6.8 by 2021. In Solihull from x4.1 to x9.1 in 2021, the highest in the region. Nationwide now estimate it takes an average of over 9 years to save towards a 20% deposit without parental support in the West Midlands.



Source: ONS and Annual Survey of Hours and Earnings

5.0 Housing Conditions

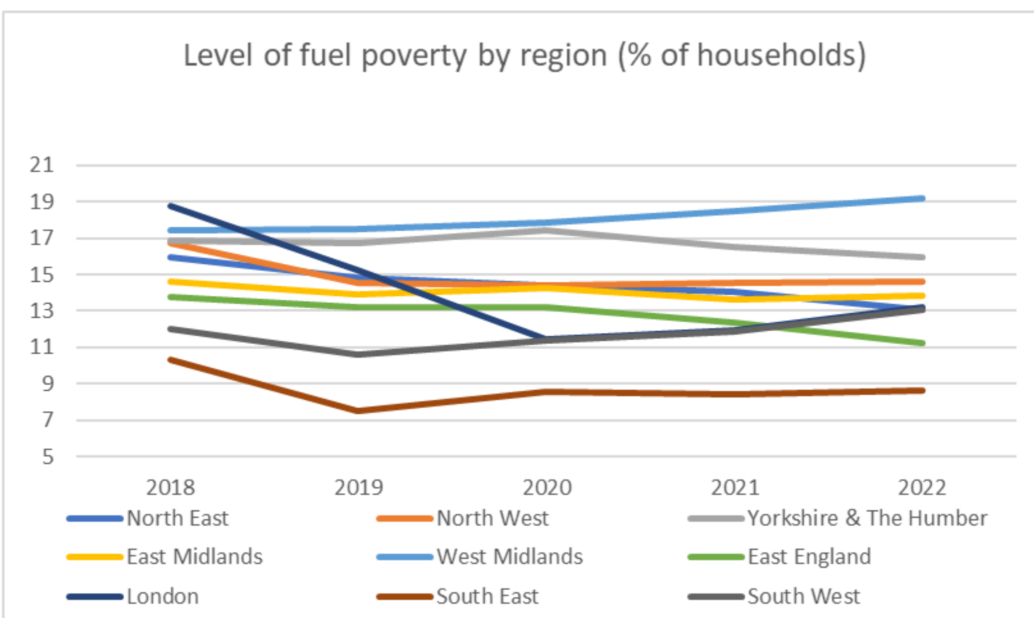
5.1 Where DLUCH data available on housing decency has patchy, the English Housing Survey has last year published its first experimental dataset on housing decency in the West Midlands.

5.2 These datasets show an estimated 199,532 homes as non-decent across the seven constituent authority areas. Birmingham shows marginally the highest proportions of non-decent homes across social private rented and home owner tenures.

		Number non-Decent				% non-Decent			
Local Authority	Total dwellings	Owner occ	PRS	Social	Total	Owner occ	PRS	Social	Total non-decent
Birmingham	431,412	47,170	18,322	16,033	81,525	19.7	21.5	15.0	18.9
Coventry	138,850	16,463	5,935	3,563	25,961	19.2	21.0	14.3	18.7
Dudley	136,010	15,312	2,966	3,484	21,762	16.4	18.6	12.9	16.0
Sandwell	129,577	12,916	4,178	4,660	21,754	17.9	19.6	12.9	16.8
Solihull	90,301	9,891	1,510	1,584	12,985	14.5	16.6	12.0	14.4
Walsall	133,582	10,824	3,288	3,398	17,510	16.1	17.8	12.2	15.2
Wolverhampton	108,230	9,806	4,499	3,730	18,035	17.6	19.1	12.9	16.7
WMCA constituents	1,167,962	122,382	40,698	36,452	199,532	17	19	13	17
England		2,629,074	815,941	497,772	1,313,713	16.4	23.3	12.0	17.2

Source: English Housing Survey experimental dataset (June 2023) - Non-decent dwellings

5.3 The LILEE model (Low Income Low Energy Efficiency) is now accepted as the BEIS official measure of fuel poverty in BEIS' Annual Fuel Poverty statistics. A household is judged to be fuel-poor if it occupies a dwelling with an energy efficiency rating of band D or below and would have a disposable income after housing costs and energy needs below the poverty line (60% of median equivalised income). Income excludes disability benefits. By this the wider West Midlands region records the highest levels of fuel poverty anywhere in England with 19.2% of households experiencing fuel poverty in 2022.



6.0 Under-occupancy and Over-occupancy

6.1 Under and over-occupancy as given by the bedroom standard, as based as recorded in the 2021 Census count shows over 75,000 households overcrowded across all tenures, including over 15,000 households shown as severely overcrowded living in homes 2 or more bedrooms short of their need.

6.2 719,452 households (63.5% of the total) are shown as under-occupying by this standard. Solihull has the highest proportion of under-occupying households at 75.8%.

Social Housing					
Local Authority	2 or more bedrooms greater than need	1 bedroom greater than need	Rooms equal need	1 bedroom less than need	2 or more bedrooms less than need
Birmingham	9180	20968	54812	11830	2710
Coventry	1824	4675	13550	2369	348
Dudley	2716	7270	14446	1412	177
Sandwell	3701	9642	18237	2528	502
Solihull	1017	2620	7841	968	86
Walsall	2684	7715	14087	1886	204
Wolverhampton	2543	6863	14808	2021	248

Private Renting					
Local Authority	2 or more bedrooms greater than need	1 bedroom greater than need	Rooms equal need	1 bedroom less than need	2 or more bedrooms less than need
Birmingham	13004	29667	44591	8045	1992
Coventry	5664	11906	13157	2136	543
Dudley	2802	7514	7993	940	128
Sandwell	3459	8709	10021	2226	584
Solihull	2016	4759	4365	406	58
Walsall	2910	7089	7116	1165	224
Wolverhampton	3267	7045	8268	1521	297

Homeowners					
Local Authority	2 or more bedrooms greater than need	1 bedroom greater than need	Rooms equal need	1 bedroom less than need	2 or more bedrooms less than need
Birmingham	95011	76398	40200	10547	4500
Coventry	35713	28502	11371	1944	436
Dudley	44266	33388	12184	1468	368
Sandwell	27990	25720	13130	2800	993
Solihull	37149	20300	7071	708	121
Walsall	31433	23635	9732	1761	585
Wolverhampton	26075	20643	9569	1578	391

7.0 Future considerations

7.1 The monitor will be uploaded as publicly access on Power BI to support policy development at the WMCA and for use by local authority and residents across the region. Other datasets we are exploring include core and accepted homelessness, rough sleeping counts, PTAL ratings and proximity to transport, proximity to key amenities, Greenspace deprivation index, and many others.

7.2 Delivery Steering Group members are invited to comment on which data would be of most value to maintain and publish in future iterations; whether health outcomes data should be foregrounded in the development of this monitor; and whether any particular planning outcomes should be regularly updated into the monitor to support the development of a regional housing needs and supply study.

8.0 Equalities Implications

Health Inequalities

8.1 People’s health is determined by their social circumstances and decision makers in housing, property and regeneration have an influence on these conditions.

8.2 At present, people living in our most deprived wards die seven years younger than people in the least deprived wards. They also spend a greater portion of their shorter lives in poor health. These differences in health are entirely avoidable and preventable. Failure to address them represents a waste of human talent and potential, limiting our region’s growth and prospects.

8.3 Addressing these inequalities and disparities in health require a consideration of the built environment in which people live and work, the opportunities available to them such as access to nutritious food and active green spaces, and the ability for people to make an informed choice.

8.4 Future consideration will be given to data that can support to inform how housing impacts health outcomes.

9.0 Financial Implications

9.1 The report notes that the West Midlands Combined Authority Housing Monitor is being developed to provide summaries of "key data from across housing stock and supply, housing affordability, housing needs, set within the relevant demographic economic and social context." Also, it is intended that this data will be used to help inform policy decision making for housing planning and regeneration.

9.2 The report notes that members of Housing & Land Delivery Board are being asked to provide comments on which data points to use and to help contextualise the data that is being used for the purposes noted above.

9.3 It will be important to understand the basis for the data drawn upon, particularly if used to drive policy changes, to ensure data sets used for comparisons are being compared to similar data sets. The basis of the data used for policy discussions and / or changes should be made clear to those who are being asked to make decisions based on that data.

9.4 The data collection, analysis and presentation will be undertaken from existing resources. Any further financial implications will be brought to a future H&LDB meeting.

9.5 There may be costs associated with the activities that follow on from the presentation and discussions on the data, and any costs associated with this will be dealt with in the individual projects at the appropriate time.

10.0 Legal Implications

10.1 There are no immediate legal implications from this paper.

11.0 Inclusive Growth Implications

11.1 The report considers a range of housing metrics which have an impact across the eight West Midlands Inclusive Growth fundamentals. In particular the supply and availability of appropriate housing contributes to *affordable and safe places*; the disproportionate impact this has on vulnerable households has an *equality* dimension, and the differences in waiting list across the WMCA area has a *connected communities* angle as there are implications on people's access to opportunities for work, education and leisure, which, in turn, impacts on *inclusive economy*, *education and learning*, and *health and wellbeing*. The Housing Monitor sets out an important evidence base by which we can understand the housing sector better, and therefore the report makes an important contribution to the analysis of the challenges and opportunities facing the region in a way which can encourage a more deliberate and socially purposeful approach to growth.

12.0 Geographical Area of Report's Implications

12.1 The report covers the WMCA area, with a number of datasets offering wider regional geographies covering the non-constituent members.