

A Strategic Housing Market Assessment for the C3 Housing Market Area of the West Midlands

Final Report



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1.0 Introduction

This Strategic Housing Market Assessment covers the West Midlands C3 sub-region, an area encompassing the seven districts of Dudley, Sandwell, Walsall, Wolverhampton, Cannock Chase, South Staffordshire and Telford and Wrekin.

1.1 The Purpose of the Assessment

Basically, this assessment is a technical exercise to determine the location and amount of market and affordable housing needed and for whom and in what timescale. The Assessment provides robust evidence on which local authorities and partner organisations can base planning and policy interventions that will help deliver better housing for those living in the C3 area. The Assessment has been carried out in full accordance with the official Government Guidance on Housing Market Assessments¹. As envisaged by this Guidance the SHMA will:

- Enable local authorities to think spatially about the nature and influence of the housing markets in respect of their local area and to enable regional bodies to develop long term strategic views of housing need and demand to inform regional spatial strategies and regional housing strategies;
- Provide evidence to inform policies aimed at providing the right mix of housing across the whole housing market – both market and affordable housing;
- Provide evidence to inform policies about the level of affordable housing required, including the need for different sizes of affordable homes;
- Support authorities in developing a strategic approach to housing through consideration of the housing need and demand in all housing sectors – owner occupied, private rented and affordable – by assessing the key drivers and relationships within the housing market; and
- Draw together the bulk of the evidence required for local authorities to appraise strategic housing options and to ensure the most appropriate and cost-effective use of public funds.

Carrying out an SHMA is a key requirement of Government's planning for housing policy, set out in Planning Policy Statement 3 which came out in 2006 and is concerned with understanding how housing markets operate. The Assessment forms an important part of the evidence base for Local Development Frameworks and policies responding to changing household requirements. A key difference from past housing needs studies is the

¹ CLG (August 2007) Strategic Housing Market Assessments – Practice Guidance

sub-regional basis reflecting the fact that housing market areas do not respect local authority boundaries.

The (draft) West Midlands RSS Phase 2 Revision containing target numbers for new dwellings per district was formally submitted to the Secretary of State on 21st December 2007, predating the completion of this report by a number of months. This SHMA and the housing needs assessment it includes will therefore not have a bearing on overall new build numbers. Instead, its primary function is to inform those parts of the housing policy framework which are yet to be determined, most notably the type and tenure of new builds and the requirement for affordable housing. Furthermore it is designed to be regularly updated so that developments can be monitored and policy adjusted to take account of changing circumstances.

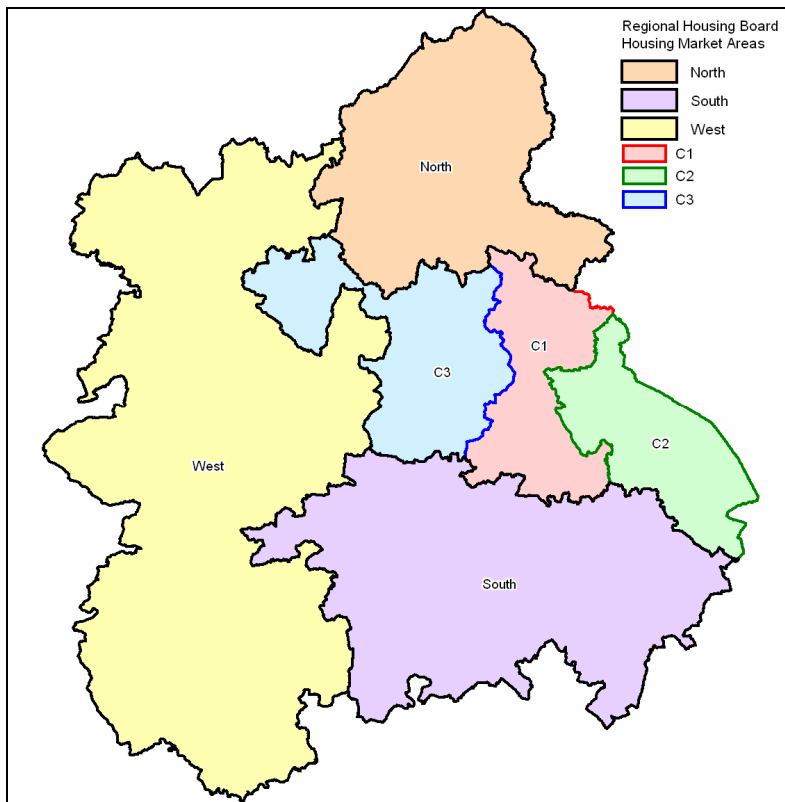
In conformance with the CLG Guidance members of the wider sub-regional housing market partnership were invited to provide input to the assessment. This stakeholder engagement took the form of two workshop and presentation events held in January and March 2008, attended by a wide range of people with a professional interest in housing issues in the C3 area. In addition several interviews with private sector developers were carried out and the findings have been integrated with the statistical analysis in this report.

1.2 Introducing the C3 sub-region

The West Midlands Regional Housing strategy (June 2005) divided the region into four parts – North, South, West and Central, for the purpose of conducting strategic housing market assessments and formulating housing policies. Due to its size, significance and complexity the central zone was subsequently divided into three sub-regions. Therefore overall there will be six SHMAs in the West Midlands covering wider housing market areas (Figure 1.1 overleaf).

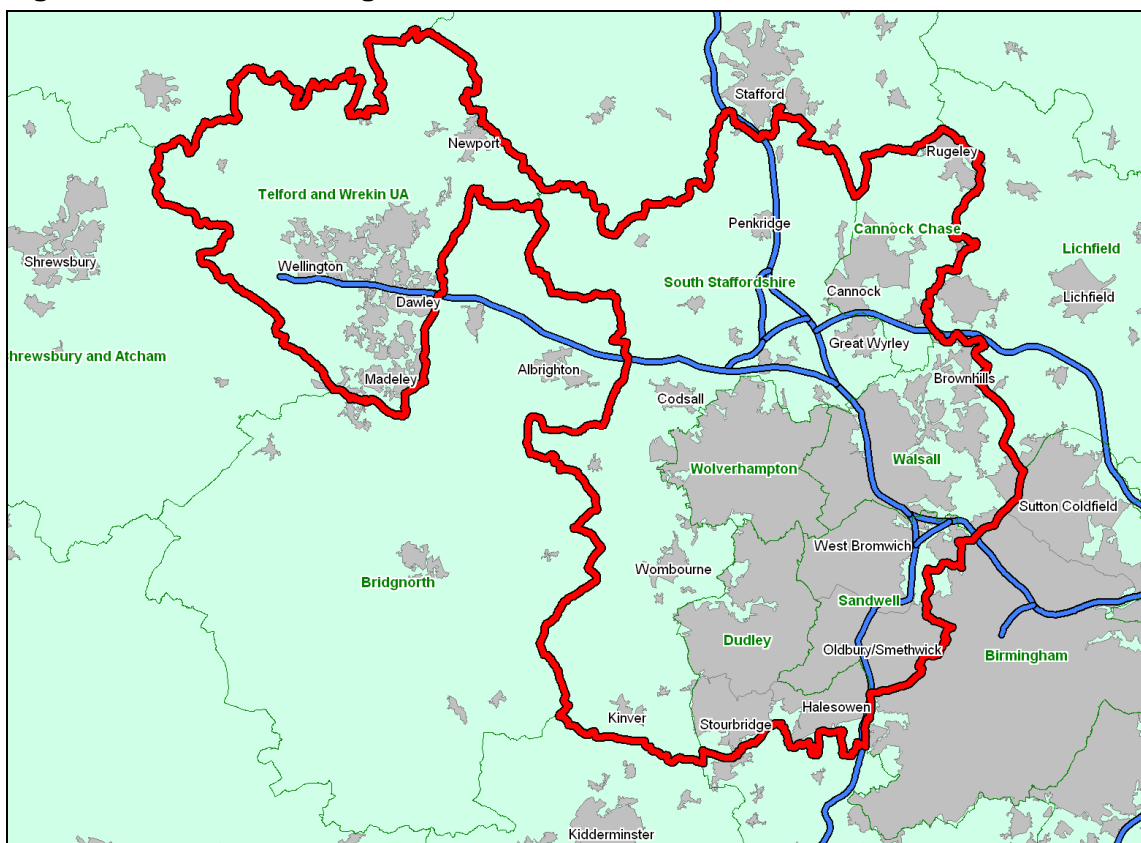
Directly to the northwest of Birmingham, the C3 sub-region lies at the heart of the West Midlands region. It takes in the Black Country consisting of the local authorities of Dudley, Sandwell, Walsall and Wolverhampton, and extends to the north and west of the Black Country to include the two Staffordshire districts of Cannock Chase and South Staffordshire. Spatially somewhat disjointed from the rest but with strong market linkages, Telford and Wrekin Unitary Authority forms the northwest extremity of the sub-region.

Figure 1.1 West Midlands sub-regional housing market areas



The Black Country forms the western half of the central West Midlands conurbation and is a polycentric urban area based on around 20 towns and smaller settlements. These mining and industrial centres have largely fused together over time to form a major urban agglomeration. The central areas of Wolverhampton, Walsall, West Bromwich and Brierley Hill are designated major strategic centres within the Black Country. Northwards is Cannock Chase which is an historic mining district containing the towns of Rugeley in the north and Hednesford and Cannock in the south. Westwards is South Staffordshire, a predominantly rural district in which Codsall (population 15,200), Wombourne (13,700) and Perton (12,000) are the three largest settlements. Telford was designated as a new town in 1968 and was rapidly developed over the succeeding decade, providing largely for overspill population from the west Midlands conurbation. The growth of the new town resulted in the merging of several existing settlements, most notably the towns of Wellington, Oakengates, Madeley and Dawley. Telford is surrounded by rural Wrekin, within which the market town of Newport (population circa 10,800) is the largest settlement.

Figure 1.2 The C3 Sub-region



1.3 The Existing Policy Context

1.3.1 The National Policy Framework

The Government's core objective for housing is '...to provide everyone with the opportunity of a decent, affordable home...from increasing the provision of affordable housing in areas of high demand, to addressing the problems of low demand and abandonment' (ODPM, 2005). It is increasingly recognised that housing policies themselves are only one factor in shaping the wider housing systems.

Sustainable Communities

In February 2003 the government launched the Sustainable Communities Plan under the title 'Sustainable Communities: Building for the Future' (ODPM, 2003). It set out a long-term programme for action aimed at addressing regional imbalances in the housing market. The plan is focused on the creation of mixed and sustainable communities, where housing meets the economic, social and environmental needs of the community. It put forward plans to increase the supply of housing in high house price and shortage areas, and to tackle problems of low demand and abandoned housing in parts of the North and Midlands. This policy has been augmented by the policy documents 'Sustainable

Communities: Homes For All' and 'Sustainable Communities: People, Places and Prosperity' (both January 2005), which set out action to revitalise neighbourhoods, strengthen local leadership, and increase regional prosperity to create places in which people want to live and work. Together, these documents form the next stage of a £38 billion long-term action programme to create 'sustainable communities - to deliver decent, affordable homes for all, in places in which people want to live and work' (ODPM). To support these initiatives national guidance has been issued on Lifetime Homes, Quality Design and Community Cohesion.

Housing supply

In 2004 the final report of the Barker Review of Housing Supply was released, setting out a range of policy recommendations for increasing housing supply and improving the functioning of the housing market. For example it was found that a greater number of empty public and private homes should be bought back into use; that greater access to existing social housing was required and that there should be enhanced provision of new affordable housing for rent or low cost home ownership through better links between local authorities, private house builders and Registered Social Landlords. These conclusions and appropriate policy responses were considered by the Government in its 'Response to Kate Barker's review of Housing Supply' (ODPM, Dec. 2005).

The Sustainable Communities Plan recognised the importance of increasing housing supply to keep pace with rising household numbers. To increase new build supply a number of major Growth Areas and smaller New Growth Points were announced under the policy. One of the New Growth Points is located within the C3 sub-region: Telford, where an extra 13,000 dwellings are to be constructed. Other New Growth Points in the West Midlands are Birmingham and Solihull (40,000 additional dwellings), Coventry (9,000), East Staffordshire (Burton-upon-Trent, 5,000) Shrewsbury and Atcham (3,500), Hereford (8,500) and Worcester (3,800).

Since the launch of the Sustainable Communities Plan and the release of the Barker Review affordability has deteriorated further due to steep year on year house price rises. As a consequence expanding the supply of housing have has been given a yet more prominent place within the overall government policy agenda. The Housing Green Paper released in July 2007 contained the target of 2 million new homes in England by 2016 and 3 million by 2020. To achieve this, national housing completions will need to rise from the 2006 level of 163,000 to around 240,000, an increase of nearly 50%. In addition the green paper contained proposals to provide more affordable homes to buy or rent, to provide well designed and greener homes that are well supported by the necessary infrastructure.

Following the release of the Housing Green Paper the Government put out an 'Eco-towns Prospectus' and welcomed bids for a limited number of environmentally friendly carbon neutral new build settlements each to be between 5,000 and 25,000 dwellings. Concurrent with this applications for a second round of New Growth Points were welcomed. Bids were submitted by interested local authorities in November 2007, including one from Sandwell MBC and Stafford adjacent to the C3 area. In March 2008 the Government short listed 15 Eco-town proposals, 2 of which lie in the West Midlands – Curborough (near Lichfield) and Long Marston (near Stratford upon Avon) – both outside the C3 Area.

Affordable Housing

The Housing Green Paper contains the commitment to deliver 70,000 additional affordable homes annually by 2010-11 of which 45,000 are to be social rented units. The Government also aims to provide at least 25,000 new shared ownership and shared equity homes a year. These targets and the funding to support them underline the priority that Ministers attach to helping the increasing numbers of households across all regions that are unable to access housing suitable to their needs. To fund these ambitions the Government has recently announced significant increases to the Regional Housing Pot 2008-11 following the completion of the Comprehensive Spending Review (CSR07). In total £10.28 billion will be provided over the coming three financial years to regions across England to fund the work streams affordable housing, local authority decent homes, private sector decent homes and regeneration.

Planning Reform

The Planning White Paper: Planning for a Sustainable Future published in May 2007 set out the Government's proposals for reform of the planning system, building on Kate Barker's recommendations for improving the speed, responsiveness and efficiency in land use planning, and taking forward Kate Barker's and Rod Eddington's proposals for reform of the planning system for major infrastructure. Following consultation a new Planning Bill was introduced into parliament in November 2007. The Bill proposes a new system of development consents for infrastructure deemed to be of national significance designed to simplify and speed up the consents process. Secondly, the Planning Bill includes proposals for a new Community Infrastructure Levy which it is hoped will help to harness the value of an increased range of planning permissions to generate additional infrastructure funding and thereby unlock housing growth.

Finally, a new Homes and Communities Agency is being established in 2008, bringing together the functions of English Partnerships, the Housing Corporation, and a range of work carried out by the DCLG, including delivery in the areas of decent homes, affordable housing, housing market renewal, housing growth and urban regeneration.

1.3.2 The Regional Policy Framework

The Draft Phase One Revision of the RSS, a sub-regional study for the Black Country, underwent an Examination in Public in January 2007. This phase of the Revision set out the spatial framework for development in the Black Country based on the four strategic centres of Wolverhampton, Walsall, West Bromwich and Merry Hill/Brierley Hill and the corridors between them. The final changes were issued by the Secretary of State in January 2008 and it now forms part of the revised RSS and the Development Plan for the Region. The specific revisions concerning the Black Country sub-region will form the framework for the Joint Core Strategy which is being prepared by the four Black Country Authorities, with the final amendments having been made to it in early 2008.

Following extensive consultation, the WMRSS Phase Two Revision Draft Submission was sent to the Secretary of State on the 21st of December 2007. Chapter 6, entitled 'Communities of the Future', sets out the amount and distribution of future new build housing across the region. Primarily the strategy seeks to maximise new housing development in the four Major Urban Areas (MUAs) which are Birmingham/Solihull, the Black Country, Coventry and the North Staffordshire conurbation (policy CF1). Key aspects of the policy include:

- The retention of the economically active population within the MUAs;
- Improvement to the housing stock through renovation and increased redevelopment;
- An increase in the scale and range of new housing development opportunities in appropriate locations;
- The provision of appropriate affordable housing in-line with policy CF7 and local and sub regional housing strategies;
- Significant action and investment, including where appropriate large scale redevelopment, should be targeted within those parts of the MUAs where the housing market is weak, which includes the Urban Living Pathfinder Area (including central Sandwell) and the Evolve area (The Black Country and Telford);
- Action to renew and redevelop neighbourhoods should also be focused in those areas where there is a risk of problems of decline spreading to adjoining housing areas, particularly in parts of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton;
- Both Market and Housing Renewal Areas should be reflected in local authority development plans, together with details of where initiatives to rehabilitate the existing housing stock will be concentrated and where clearance and redevelopment is expected.

Policy CF2 concerns housing beyond the MUAs, stating that development should be concentrated in and adjacent to towns which are capable of balanced and sustainable growth. These so-called Settlements of Significant Development include Telford, but not Cannock. Smaller scale areas for new housing development will also be accommodated within and adjacent to other urban areas, and market towns of the region. These settlements are to be identified in Local Development Documents. The policy states that development in villages should support the need to meet local housing requirements, particularly needs for affordable housing; and promote local regeneration or support the retention or creation of local services. Development is to be prioritised in villages which still have a range of services and within these; priority should be given to the reuse of previously developed land and the conversion of existing buildings.

In rural areas the RSS requires that future development supports sustainability through a Rural Renaissance and a focus on an Urban Renaissance including prevention of out migration from the Black Country MUA. In the rural areas outside the MUA's the focus is to meet local need and not to provide for out migration from the urban conurbation.

Policy CF3 of the WMRSS Phase Two Revision Draft Submission sets out the level and distribution of new housing development in the region. In doing so it is responding to the higher level of house building required by central government. The figures for the C3 sub-region are given in the following table, with gross annual new builds 2000-2006 included in the right hand column for the purpose of comparison.

Table 1.1 Housing Proposals 2006–2026 and Gross Completions 2000-2006

Area	RSS 2006-2026				Gross annual newbuilds 2000-2006
	Target housing growth (net)	Demolition assumptions	New builds (gross)	Annual average (gross)	
Black Country	61,200	25,806	87,006	4,350	2,078
Telford & Wrekin	26,500	202	26,702	1,335	590
Cannock Chase	5,800	588	6,388	319	389
South Staffordshire	3,500	242	3,742	187	230
Total C3 sub-region	97,000	26,838	123,838	6,192	3,287

WMRSS Phase Two Revision Draft (preferred option December 2007); DCLG live tables

The proposed 61,200 for the Black Country is a minimum target. Some 25,000 of the 26,500 net new dwellings in Telford and Wrekin are to be located in Telford. Compared to the actual levels of new build completions achieved annually between 2000 and 2006, the new targets constitute an uplift of 126% in Telford and Wrekin and an uplift of 109% in the Black Country. This contrasts with a reduction of 18% and 19% in Cannock Chase and South Staffordshire respectively.

The Draft Policy CF3 within RSS Phase Two Revision² states that in certain circumstances, the most sustainable form of housing development may be adjacent to the settlement but cross local authority boundaries. According to the RSS areas where local authorities will be required to consider the most appropriate locations for development before producing or revising LDDs include:

- The four Black Country local authority districts (LADs);
- Stafford and South Staffordshire in relation to Stafford town which has a target of 7,000 net new dwellings. Dependant upon the outcome of further local studies, some of the Stafford town allocation could be made, adjacent to the settlement, in South Staffordshire District.
- Cannock Chase, Lichfield and Stafford in relation to Rugeley. Lichfield has a net growth target of 8,000 dwellings and, dependant upon the outcome of further local studies, some of this allocation could be made in Tamworth and/or Rugeley in Cannock Chase District.

While the Draft RSS flags up these cross-boundary issues it does not express any preferred options, stating that these will be dependant upon the outcome of further local studies.

The Assembly recognises that the given level of new house building will require substantial investment from the private sector, including house builders and utility providers, as well as from the private sector in terms of transport and other supporting infrastructure. Furthermore, a necessary prerequisite to development will be the provision of infrastructure as far as possible at the same time as the housing development.

The Draft RSS Phase Two Revision recognises that there will be tension between the delivery of urban renaissance within the MUAs on the one hand and allowing greenfield development in order to achieve the desired uplift in completions on the other. New builds will have to be carefully phased to safeguard against undermining urban renaissance as well as to ensure that new infrastructure is provided to keep pace with growth.

Policy CF4 covers the phasing of new development. The basic thrust of the policy is to promote increased housing provision in the West Midlands conurbation (including the Black Country) between now and 2016 in order to accelerate the progress of urban renaissance. In the period thereafter (2016-2026) a slightly reduced rate of completions is anticipated in this part of the region. Outside the West Midlands conurbation it is

² West Midlands Regional Spatial Strategy, Phase Two Revision Draft, Preferred Option December 2007, West Midlands Regional Assembly

anticipated that completions will remain steady at around the 2005/06 level until 2016 before reducing slightly thereafter.

Following the formal submission of the Phase Two Revision Draft, the Regional Assembly received a letter from Baroness Andrews, Parliamentary Under-Secretary of State in the Department for Communities and Local Government. In her letter, the Minister expressed concern about the housing proposals put forward in the Draft Phase Two Revision, particularly in light of the Government's agenda to increase housing building across the country. In view of this, the Minister has asked the Government Office for the West Midlands to commission further work to look at options which could deliver higher housing numbers and this will be considered as part of the Examination in Public. Upon completion, the Government's study will be made available for consultation to allow consultees the time to consider the implications arising from the study when making their representations in the run up to the Examination in Public. At the time of writing, it was anticipated that the Government's study would be completed in October 2008 and the Phase Two Examination in Public would be held in 2009.

Regional Housing Strategy

The preparation, monitoring and review of the Regional Housing Strategy is currently the responsibility of the Regional Housing Executive (formerly known as the Regional Housing Board), which is an elected-member led group. The Business Council and Other Stakeholders with expertise in housing are also part of the RHE. The RHE is also responsible for advising ministers on the allocation of the Regional Housing Pot, the capital funds for both local housing authorities and the Housing Corporation in the Region. The RHE has recently developed the WM Housing Allocations Strategy for the 2008-2011 period. RHE works alongside the Regional Planning Body at West Midlands Regional Assembly on the revisions to the Regional Spatial Strategy.

The existing Regional Housing Strategy (RHS) sets out a framework for housing investment across the four Sub Regional Housing Market Areas for the 2005 – 2021 period. The RHS will need to be updated in line with the outcome of the RSS Phase 2 revision. However, due to the outcomes from the Sub-National Review (SNR), the RHS is likely, in future to be incorporated in to a Single Regional Strategy (SRS), along with Planning, Economic and Transport policy. While the new structures are to still to be finalised, SRS will be the responsibility of Advantage West Midlands, in co-operation with local government, the details of which are currently being discussed.

1.3.3 Local Housing Studies

At the local level, district or unitary authorities are responsible for preparing Local Development Frameworks (LDF). The LDF is a suite of documents which set out the

strategy and planning framework for the area over 10 – 15 years. This includes the local authorities' spatial policies relating to the development and use of land i.e. allocation of site for housing. LDFs must be in general conformity with the RSS. Where local authorities have a cross boundary approach to planning provision e.g. housing provision they are encouraged to produce Joint Core Strategies as part of their LDF. The Black Country authorities of Walsall, Wolverhampton, Dudley and Sandwell are one example of cross boundary working in order to deliver the spatial requirements of the Black Country Sub-Regional Strategy.

In accordance with PPS3, planning authorities should plan through their LDFs for mixed and balanced communities, which provide sufficient housing provision and ensure that the right mix of housing stock is provided in the right places. This will need to take into account the findings of local and strategic housing market assessments and plan for a mix of housing on the basis of the needs of different types of households that are likely to require housing over the plan period, as well as the type, tenure and size of development required.

The following table provides an overview of the most recent local housing needs surveys commissioned by the local authorities of the C3 sub-region.

Table 1.2 Recent local housing needs studies

LA	Title	Year	Carried out by
Cannock Chase	Strategic Housing Market Position Statement 2007	2007	Outside
Dudley	Housing Needs & Demand Study	2005	DCA
Sandwell	Housing Needs & Demand Study	2007	DCA
South Staffordshire	South Staffordshire Housing Market Assessment	2007	DCA
Telford & Wrekin	Telford & Wrekin Housing Market Assessment	2007	Nevin Leather
Walsall	Housing Needs and Demand Study Update 2007	2007	Fordham
Wolverhampton	Wolverhampton City Housing Needs Study	2007	DCA

Household surveys are an important source of input for all of these studies. The reports for Cannock Chase and Walsall listed above are updates of earlier Housing Needs Surveys (2003 and 2004 respectively), using more recently available secondary data.

The figures for annual unmet housing need given in these local assessments differ from the district figures arrived at in chapter 5 of this sub-regional assessment. The differences arise primarily because alternative methodologies were employed and, partly, in the case of Dudley because of the time elapsed since the completion of the local study. Each local authority district will decide for itself how differing figures are to be interpreted and applied when it comes to formulating local housing and development policies.

2.0 The Current Housing Market

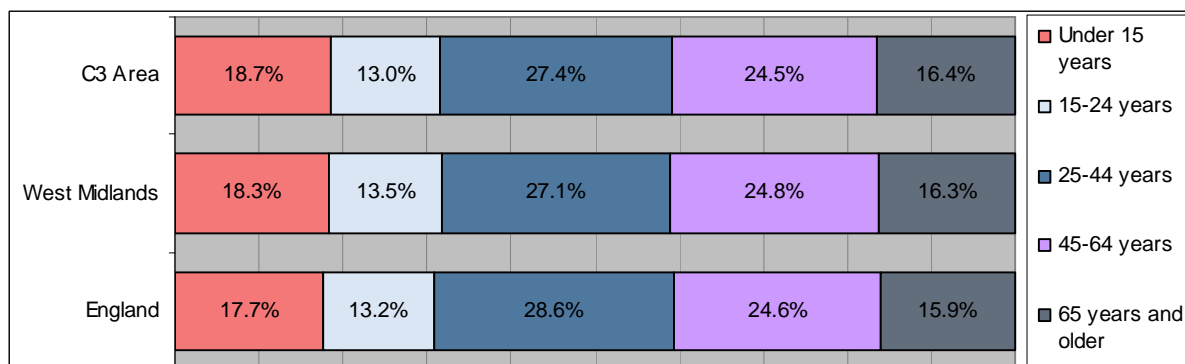
This chapter profiles the C3 area to support a good understanding of the key drivers underpinning the sub-regional housing market. Main findings concerning the current demographic and economic situation and recent trends are presented here. A more extensive set of supporting statistics is provided in the statistical appendix.

2.1 The demographic context

2.1.1 Population

The population of the C3 sub-region totalled approximately 1,446,000 in 2006, with the four Black Country LADs together accounting for three quarters of this number. When compared to the regional and national averages there are a higher proportion of children and people 65 years and older living in the C3 area, although the difference in age structure is not marked.

Figure 2.1 Age Structure



Mid-year population estimate 2006; ONS Crown Copyright Reserved

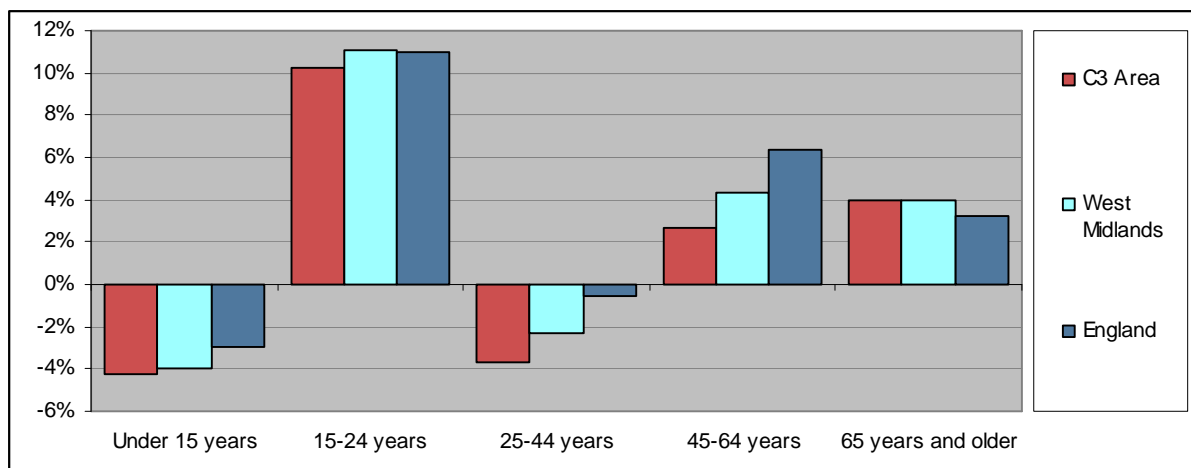
When comparing the age structures of the seven C3 LADs with each other the following points emerge:

- Walsall, Telford and Wrekin and Sandwell have the highest proportion of children;
- Wolverhampton has the highest proportion of 15-24 year olds;
- Cannock Chase, Sandwell and Telford and Wrekin have higher than average numbers of 25-44 year olds;
- South Staffordshire and Dudley have the highest proportion of residents in both the 45-64 and 65-plus age groups.

- The age structure in South Staffordshire has the widest variance against the C3 average, with 48% of the population in the LAD older than 44 years compared to 41% in the C3 as a whole.

The population of the C3 expanded by a modest 0.6% between 2001 and 2006, which was a significantly lower rate of growth than that of the West Midlands region as a whole (1.6%) and England (2.7%). As shown in the following graph the age group 15-24 year olds expanded the most in recent years, followed by the 65 years plus age group and the group 45-64 year olds. The number of children declined, as did the group 25-44 year olds. These changes in age structure mirrored to a large extent changes at the regional and national levels.

Figure 2.2 Population change by age group 2001-2006



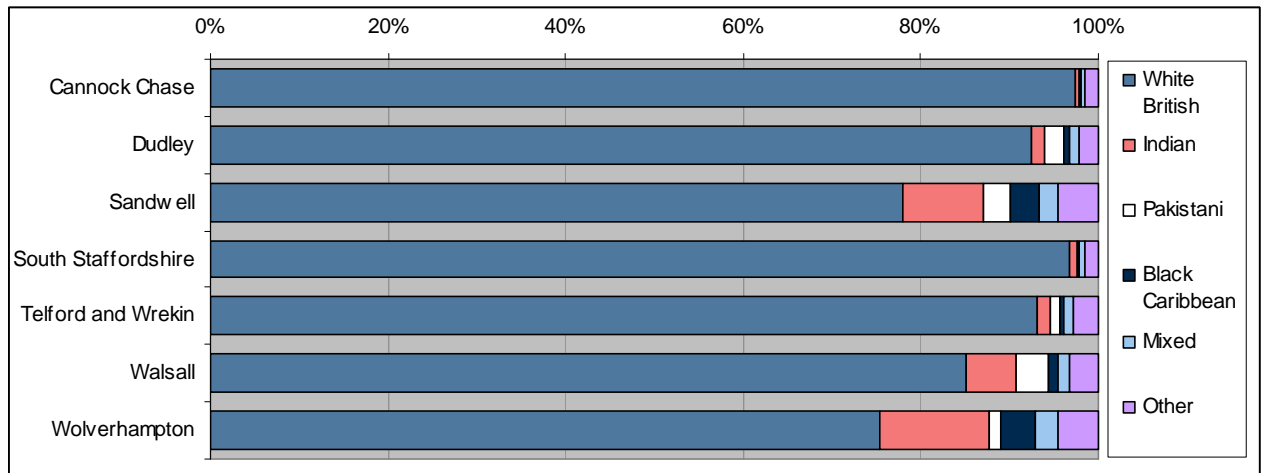
Census 2001 and mid-year population estimate 2006; ONS Crown Copyright Reserved

All districts experienced a reduction in the number of children, with the largest relative fall occurring in South Staffordshire followed by Wolverhampton. All districts experienced a rise in the number of 15-24 year olds and South Staffordshire led the way followed closely by Cannock Chase and Walsall. The population of 25-44 year olds declined in all LADs, again most sharply in South Staffordshire. Cannock Chase and Telford & Wrekin experienced the greatest relative increase in 45-64 year olds. These two districts also experienced considerable growth of the population group 65 years and older, alongside South Staffordshire which is clearly the district that has experienced the highest level of population dynamics since 2001.

At the time of the 2001 Census 86% of C3 residents were of 'White British' ethnicity, the same proportion recorded in the West Midlands and slightly lower than the national

average (87%). But there were significant differences between the LADs of the sub-region, as illustrated in figure 2.3.

Figure 2.3 Ethnicity



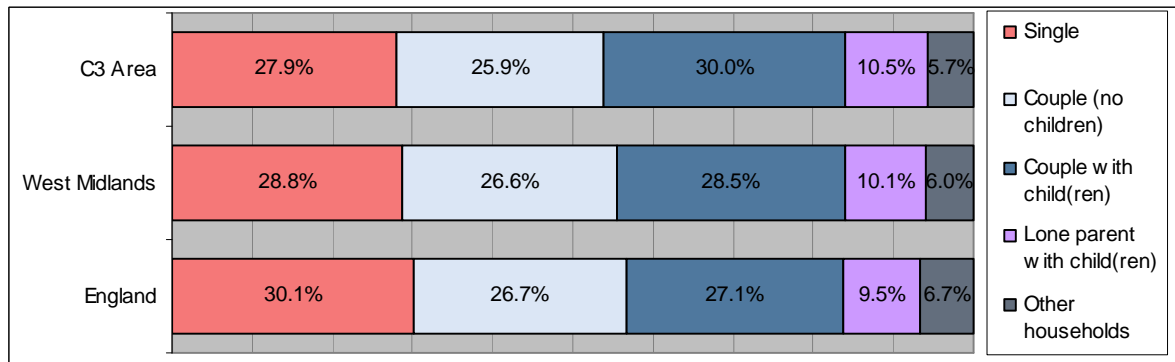
Census 2001; ONS Crown Copyright Reserved

Cannock Chase and South Staffordshire are the two districts with the highest proportion of White British residents, followed by Telford & Wrekin and Dudley. Wolverhampton, Sandwell and Walsall have the largest ethnic minority populations. Indian, Pakistani and Black Caribbean are the three most sizeable ethnic minority groups in the C3 area. In 2001 the seven LADs contained a little over 77,200 people of Indian ethnicity of which circa 29,200 in Wolverhampton, 25,900 in Sandwell and 13,800 in Walsall. In total there were about 28,600 Pakistanis of which 9,300 in Walsall, 8,300 in Sandwell and 6,200 in Dudley. Of the 24,600 people of Black Caribbean descent 9,400 were living in Sandwell and 9,100 in Wolverhampton.

2.1.2 Households

According to the 2001 Census results the average household size in the C3 sub-region was 2.47, slightly higher than the figure for the West Midlands region as a whole (2.45) and for England (2.40). This can be largely explained by the higher proportion of households with children in the C3 area (including single parent households): 40.5% compared to the regional average of 38.6% and the national average of 36.5%.

Figure 2.4 Household Composition

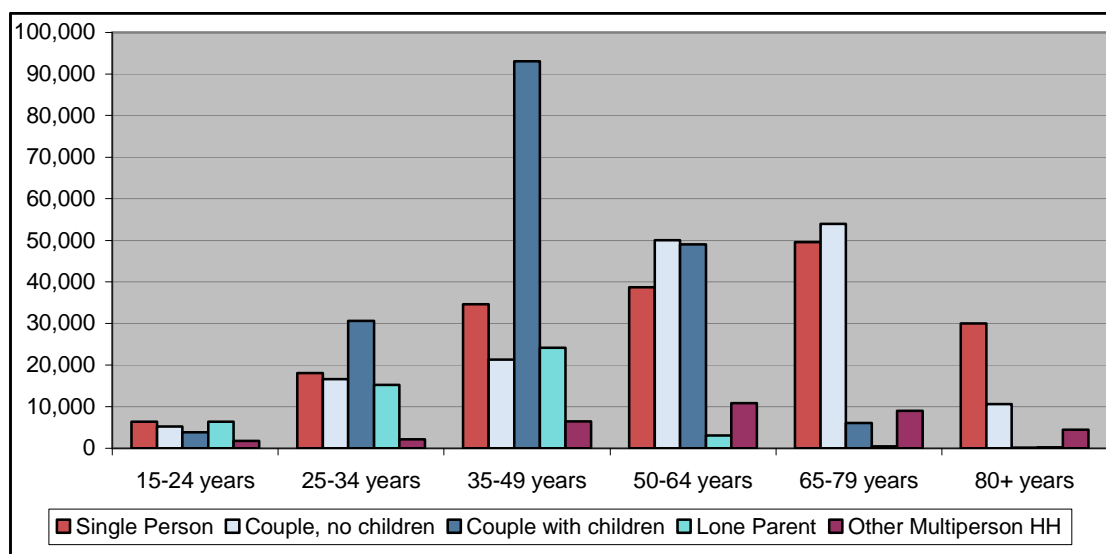


Census 2001; ONS Crown Copyright Reserved

The following points can be made with regard to the household composition of the seven LADs of the C3 sub-region:

- Wolverhampton and Sandwell have the highest proportion of single households (32% and 30% respectively);
- The proportion of childless couples is highest in South Staffordshire (32%) followed by Cannock Chase (29%) and Dudley (28%);
- South Staffordshire and Cannock Chase also have the highest proportion of ‘traditional families’ (couples with children, both 34%);
- The proportion of single parent households is highest in Sandwell and Wolverhampton (both 12%);
- The profiles of Telford & Wrekin and Walsall in terms of household composition vary little from the C3 average.

Figure 2.5 Households by age and type: C3 area (2006)



DCLG Sub Regional Household Projections, with couples with/without children modelled on Census 2001 data

The previous graph makes use of DCLG household projections data to show the relationship between age and household structure in the C3 area in 2006. Full figures for each LAD are given in the statistical appendix.

2.2 Migration and commuting

2.2.1 Household movements within and between districts

Data from the 2001 Census provides the latest detailed insight into migration patterns at district and ward level. In that year the four Black Country authorities suffered from substantial net migration deficits, while Telford and Wrekin and South Staffordshire gained population through migration. As shown in the following table there were strong migratory relationships between the C3 authorities. In addition there were important relationships beyond the sub-region, most notably between Cannock Chase and Lichfield, Sandwell and Birmingham, Walsall and Birmingham and between Telford and Shrewsbury.

Table 2.1 Headline migration figures 2001

District	% self-containment	Net migration	Most common origin of those entering	Most common destination of those leaving
Cannock Chase	63%	-20	Lichfield	Lichfield
Dudley	68%	-1,587	Sandwell	Sandwell
Sandwell	65%	-952	Birmingham	Dudley
South Staffordshire	43%	161	Wolverhampton	Wolverhampton
Telford & Wrekin	69%	987	Shrewsbury & Atcham	Shrewsbury & Atcham
Walsall	68%	-1,493	Birmingham	Birmingham
Wolverhampton	67%	-1,358	Walsall	South Staffordshire

Census 2001; % of self containment = internal migrants / (emigrants + immigrants)/2) + internal migrants

Two-thirds of those that moved in the C3 sub-region in 2001 did so within their own district and one third moved across local authority boundaries³. South Staffordshire is the least "self contained" in this regard, with the number of people moving within the district outnumbered by external migrants.

The C3 area has a number of reasonably contained local housing markets, which was a point made by members of the wider housing market partnership during stakeholder engagement. One market expert for example pointed to Cannock being a largely self contained market. This is also true of the Black Country, which contains a number of local markets. Developers have said that the catchment areas for new build projects in the Black Country tend to be quite small. Another point made by developers is that the C3 area is generally not very attractive for higher income households moving into the West

³ International migration is ignored here.

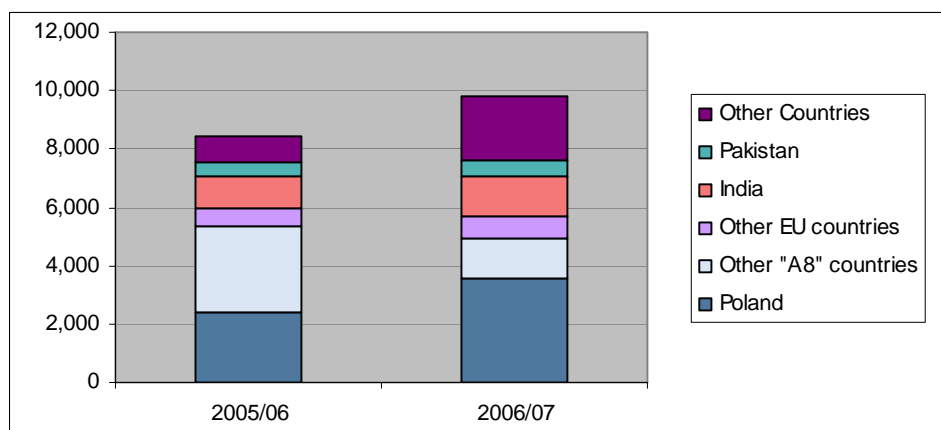
Midlands from elsewhere, with places like Solihull and Lichfield claiming the lion's share of this market.

A more detailed picture of inter-district migration relationships is provided in the statistical appendix.

2.2.2 International migration

National Insurance Number Registrations data sheds light on the number of foreign nationals moving into the sub-region to take up employment. There were 8,420 foreign worker registrations in 2005/06 and this rose to 9,840 in 2006/07. Over both years 56% of these migrants came from "A8" (EU accession) countries in Eastern Europe, of which more than half from Poland. The number of Poles and migrants from "other" countries increased from 2005/06 to 2006/07, while the number of workers originating from other (non-Polish) A8 countries declined.

Figure 2.6 Origin of foreign workers in the C3



DWP: National Insurance Number Registrations

A point stressed by housing professionals during stakeholder engagement was that the effect of migration is fragmented and varies greatly between sub-areas. Statistics point to new migrant impact being centred on the inner core areas of the Black Country. The largest share of international migrant workers registering in the C3 did so in Sandwell (30%) followed by Wolverhampton (28%), Telford and Wrekin (16%) and Walsall (15%). In particular parts of Sandwell and Wolverhampton are functioning as a reception area for international migrants, which has increased the pressure on the housing market in certain neighbourhoods. One stakeholder commented that social rented flats in Wolverhampton for which there was limited demand a few years ago have recently been occupied 'en-masse' by immigrants from Eastern Europe. In comparison new international worker migration is far less of an issue in 'the Shires'.

A recently released research report titled 'The economic impact of migrant workers in the West Midlands'⁴ provides insight into the motives and characteristics of the recent wave of migrant workers. Based on an analysis of secondary data sources and information from the West Midlands Migrant Worker Survey the report states that the migrant worker population is overwhelmingly composed of younger adults and in which males outnumber females. However, it goes on to note that about two-fifths of the migrants included in the Survey lived with other family members. "Some of these family members may be siblings, but others will be wives/husbands, children and parents, etc. While for some migrant workers the move to the UK is temporary, other will seek to establish themselves and start new lives in the UK ...so seeking more permanent housing and probably making greater demands on public services" (pp 143-144).

According to the report the West Midlands Migrant Worker Survey revealed that for a substantial proportion of migrant workers initial plans about length of stay in the UK had changed. "On balance, the tendency was for migrant workers in the sample to decide to stay longer than first anticipated. It is likely that such migrant workers will seek to improve their housing circumstances over time. South Asian communities exhibit a high rate of home ownership and it is likely that new migrants from these countries will also seek to enter owner-occupation, sometimes with the help of relatives already living in the UK" (p. 144).

The study drew on evidence from the Survey of English Housing indicating that owner-occupation rates were declining for all ethnic groups in recent years due to year on year house price inflation which was making house purchase unaffordable for people on lower incomes, and the growth of the 'buy-to-let' market has increased the supply of rented housing, which was further fuelling house price inflation. A research conclusion was that the increased number of migrant workers may lead to greater competition for rented accommodation and either increase rents or lead to an increase in the sharing of accommodation and an increased incidence of overcrowding.

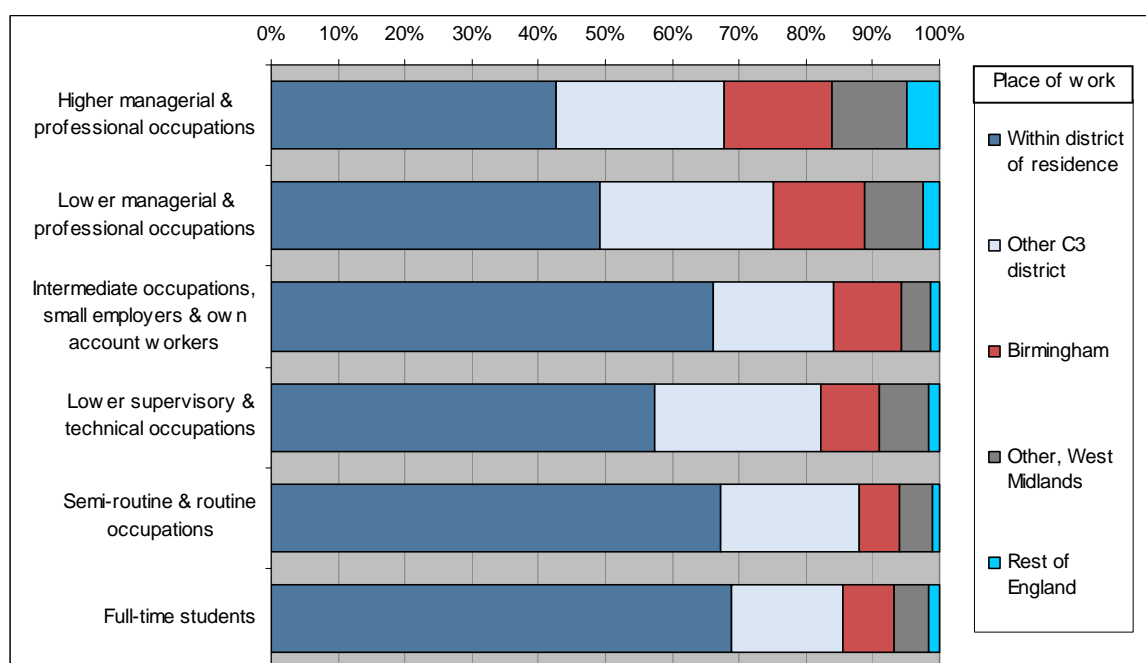
The study found that migrants who have been in the UK for some time may seek accommodation in the social rented sector and so increase the pressure of demand on such housing in areas where it is already insufficient to meet demand.

⁴ November 2007; this research was commissioned by the West Midlands Regional Observatory on behalf of Advantage West Midlands, the West Midlands Learning and Skills Council and was carried out by the Institute for Employment Research at the University of Warwick and BMG Research.

2.2.3 Travel to work patterns

Travel-to-work movements are important determinants of housing market dynamics. The 2001 Census revealed that 60% of residents in the C3 area travelled to a place of work within their own district and a further 22% travelled to work in one of the other C3 districts. The proportion of those working close to home was lowest for managerial and professional occupations and highest for intermediate occupations, semi-routine and routine occupations and full time students (although this last occupational class made up only 3% of the total). These figures reflect the fact that people on higher incomes can afford to travel further whilst people on lower incomes tend to work close to home.

Figure 2.7 Travel to work C3 residents



Census 2001; ONS Crown Copyright Reserved

Birmingham was by far the most common destination for those commuting to work outside the C3 area. Nearly 10% of all census respondents travelled to work in this city while 6.5% commuted to other districts in the West Midlands beyond the C3 area. 2% travelled to work outside the region although this share was 5% for higher managerial and professional occupations.

A closer examination of the travel to work patterns within the C3 area reveals significant differences between the seven districts. Telford and Wrekin stands out due to its high degree of self-containment, with 80% of travel to work journeys taking place within the Unitary Authority itself. Of the remaining 20% of travel to work journeys originating from Telford and Wrekin half were to Wolverhampton, Shrewsbury and Atcham and Bridgnorth.

At the other end of the scale South Staffordshire is the least self contained in terms of travel to work, with 77% of journeys being to destinations outside the district. Wolverhampton is the most common commuter destination for residents of South Staffordshire followed by Walsall, Dudley, Cannock Chase, Birmingham and Sandwell.

Travel to work patterns for the other C3 districts are summarised here:

- Cannock Chase: 50% 'self contained'; most common commuter destinations are to Lichfield, Walsall, Stafford, South Staffordshire and Birmingham;
- Sandwell 56% 'self contained'; by far the most common commuter destination is Birmingham (21% of all journeys) followed by Dudley and Walsall;
- Dudley: 61% 'self contained'; most common commuter destinations are Sandwell, Birmingham and Wolverhampton;
- Walsall 61% 'self contained'; most common commuter destinations are Birmingham (14%), Sandwell and Wolverhampton;
- Wolverhampton 64% 'self contained'; most common commuter destinations are Walsall, Sandwell, Dudley and Birmingham.

2.3 The economic context

2.3.1 Employment

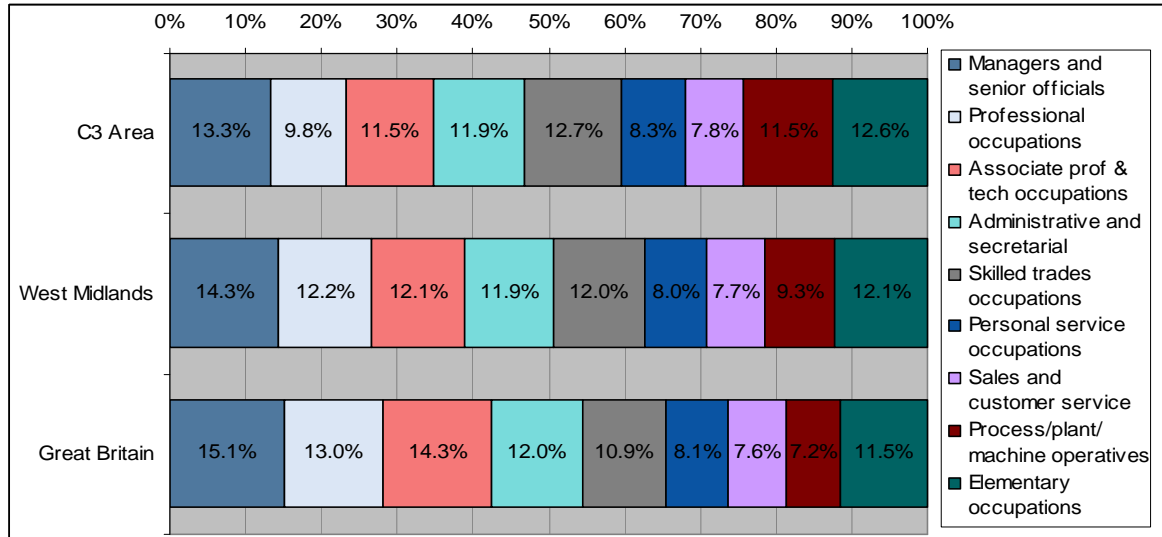
According to the most recent Annual Population Survey covering the financial year to March 2007 there were approximately 862,000 people of working age living in the C3 area, 75% of whom were economically active. This is 2 percentage points lower than in the West Midlands as a whole and more than 3 points lower than the Great Britain average. The economic activity rate was highest in Cannock Chase (nearly 82%) and lowest in Sandwell (70%).

At 71%, the average employment rate in the C3 area was several points lower than in the region and Great Britain as a whole. As with the economic activity rate, Sandwell had the lowest employment rate (65.5%) among the C3 districts and Cannock Chase the highest (79.5%). The South Staffordshire workforce contains a relatively high proportion of self employed people, higher than the regional and national averages. The other districts do not stand out in this respect.

Reflecting its industrial character, the labour force resident in the C3 area contains a higher than average share of people working in process plants or as machine operatives. Compared to the rest of the West Midlands region and Great Britain the C3 districts also have a higher than average number of skilled tradesmen and people carrying out elementary occupations. The sub-region has comparatively few people in professional

occupations, managers, senior officials and the so-called associate professional & technical occupations.

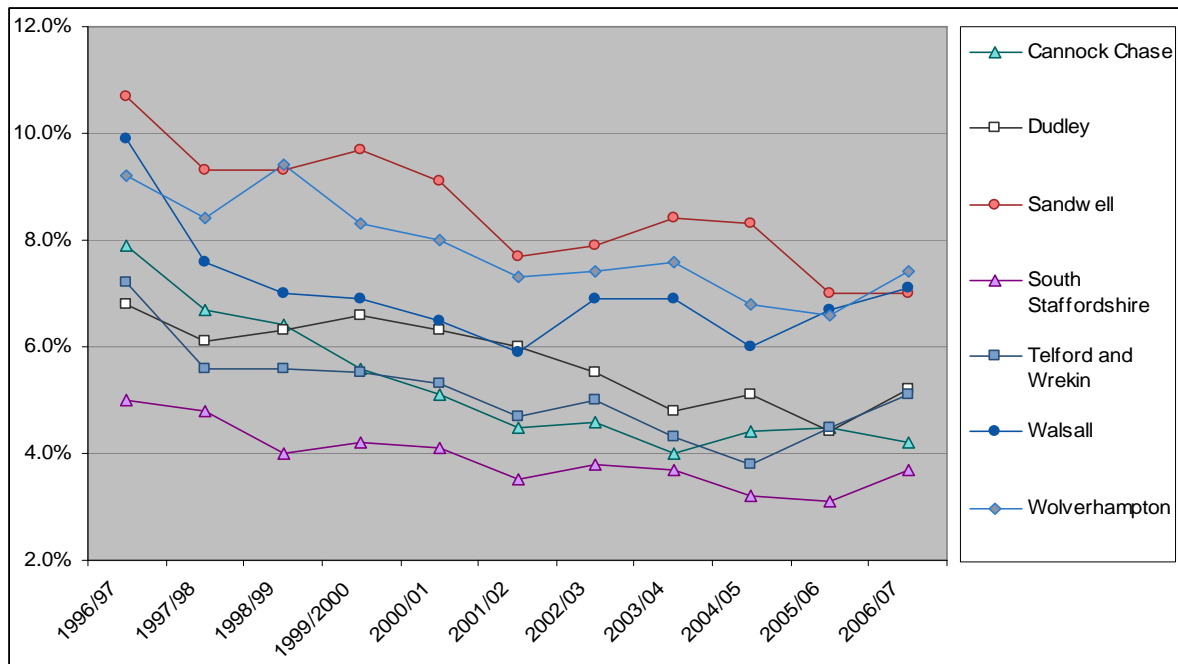
Figure 2.8 Employment by job description



Nomis/Annual population survey; ONS Crown Copyright Reserved; covers the period Apr 2006-Mar 2007

At 3.7%, South Staffordshire has the lowest rate of unemployment of the C3 LADs, followed by Cannock Chase, Telford and Wrekin and Dudley. The unemployment rate is significantly higher in Sandwell, Walsall and Wolverhampton, lying between 7.0 and 7.5%.

Figure 2.9 Unemployment rate 1996/97-2006/07



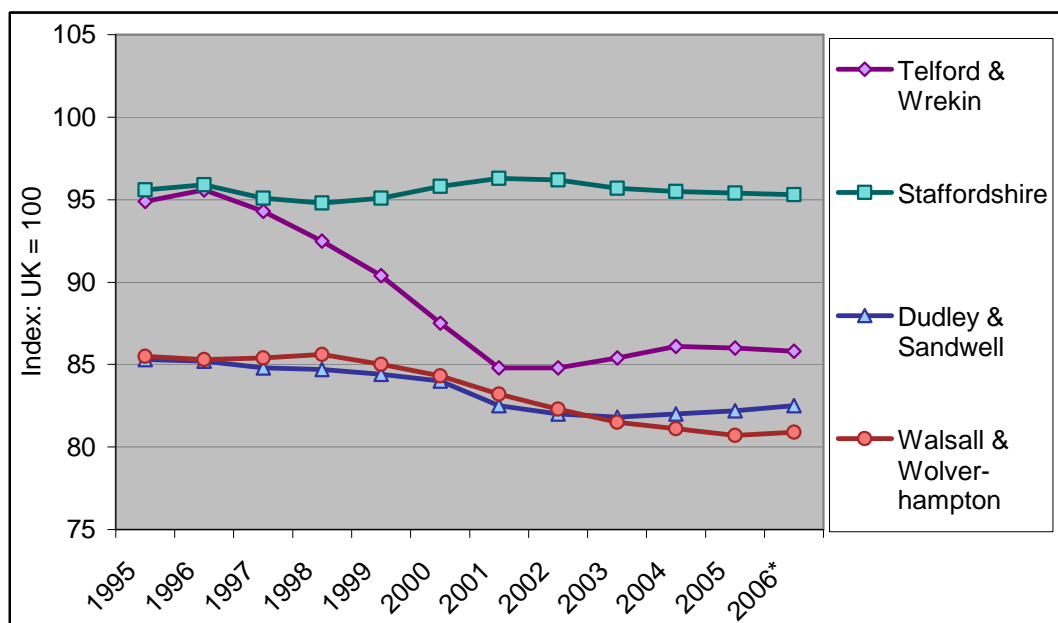
ONS: Model-based estimates of unemployment for local authorities

Unemployment in the C3 districts declined overall between 1996/97 and 2004/05. However since the completion of the 2004/05 financial year unemployment has risen slightly in Dudley, South Staffordshire, Telford and Wrekin, Walsall and Wolverhampton.

2.3.2 Incomes

According to recently released Regional and Sub Regional Gross Disposable Household Income data (GDHI) disposable incomes in the C3 area are significantly lower than the national (UK) average, and the sub-region has fallen further behind since 1995. These data are used to inform debate around the relative welfare of regions across the EU, and are available at the so-called NUTS2 sub-regional level rather than district level.

Figure 2.10 Sub Regional Gross Disposable Household Income 1995-2006



Office of National Statistics; * the 2006 figure is provisional

The graph clearly shows that disposable incomes in Staffordshire (only a part of which falls within the C3 housing market area) have maintained a fairly constant ratio with the UK level, while other parts of the C3 have become relatively worse off. Between 1996 and 2002 Telford and Wrekin experienced a sharp economic which, according to the Unitary Authority's own Economic Development Strategy (Feb. 2005), was a result of a number of closures and downsizings combined with a sharp fall in new inward investment.

Data on actual household incomes, of critical importance to any housing market study, is available from several sources. As recommended in the CLG Guidance, CACI PayCheck data has been used in this assessment covering the year 2006. Table 2.2 shows the

mean, median and lower quartile household incomes for C3 districts based on this source⁵.

Table 2.2 Mean, Median and Lower Quartile Household Incomes, C3 Districts

	Mean	Median	Lower Quartile
Cannock Chase	£32,126	£28,558	£18,527
Dudley	£31,349	£27,882	£18,062
Sandwell	£27,599	£24,663	£15,915
South Staffordshire	£35,642	£31,602	£20,609
Telford & Wrekin	£32,797	£29,162	£18,973
Walsall	£29,774	£26,534	£17,167
Wolverhampton	£28,824	£25,718	£16,626
C3 Average	£30,441	£27,111	£17,562

Source: CACI PayCheck 2006

National results from the Survey of English Housing (SEH) indicate that on average gross newly forming household incomes are 67% of those of all households. This has been used to model mean household incomes for newly forming households in C3 districts. Information from the SEH on the ratio of decile incomes to the mean for newly forming households has been used to model the relative incomes of one person households, and couples with and without children.

Table 2.3 Mean Incomes of Newly Forming Households by Household Type

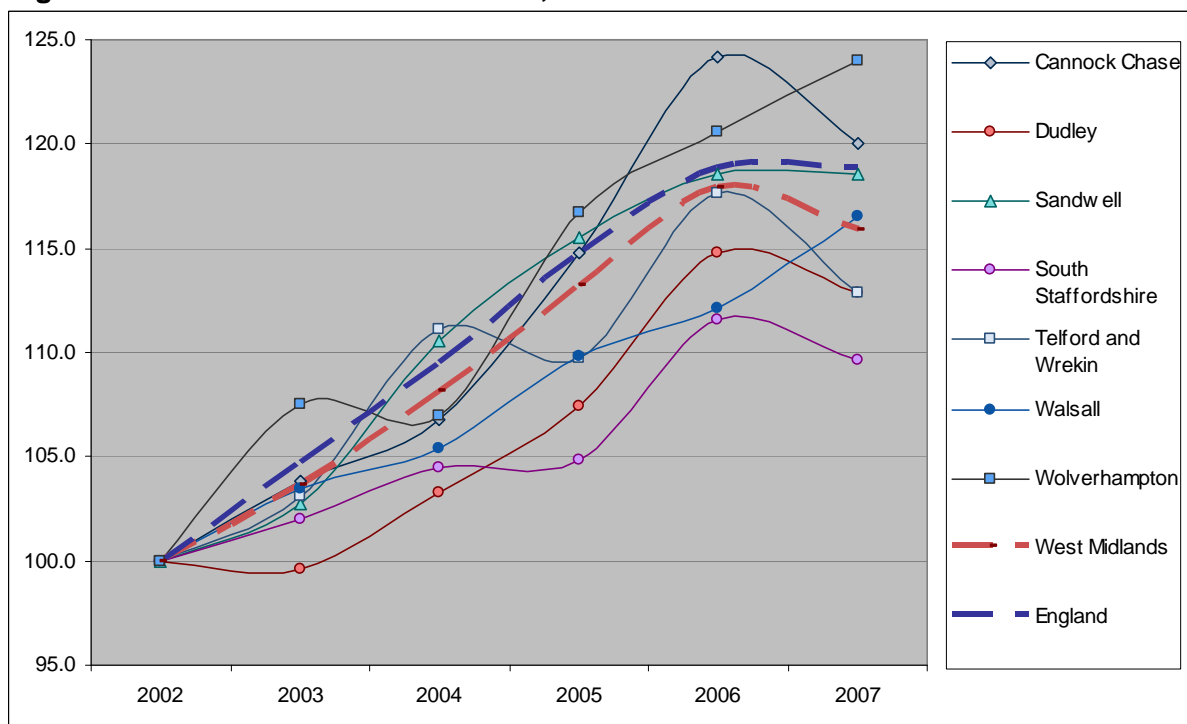
	Av hhold Income 2007*	All Newly Forming Households**	One-Person Household	Couple Household - No Children	Couple Household - With Children
Cannock Chase	£32,126	21,588	16,256	36,269	22,711
Dudley	£31,349	21,066	15,863	35,391	22,162
Sandwell	£27,599	18,547	13,966	31,159	19,511
South Staffordshire	£35,642	23,951	18,035	40,238	25,197
Telford & Wrekin	£32,797	22,040	16,596	37,027	23,186
Walsall	£29,774	20,008	15,066	33,614	21,049
Wolverhampton	£28,824	19,370	14,585	32,541	20,377
C3 Average	£30,441	20,457	15,404	34,367	21,520

Sources: * CACI PayCheck. ** multiplied by 0.672 as per SEH 2004-06

Error! Reference source not found. shows change in real annual incomes (at 2007 prices) for individuals living in C3 districts for the period 2002 – 2007, as compared with regional and national averages.

⁵ The Local Housing Needs and Demands Studies carried out by the individual districts have often made use of other sources, leading to differences when applied to the affordability calculations. The Cannock Chase 2007 position statement produced by Outside Research & Development used CACI 2006 data as we have done here. In the DCA studies carried out in Dudley, Sandwell, South Staffordshire and Wolverhampton local survey responses provided income banding information that was compared to secondary sources including Annual Survey of Hours and Earnings (ASHE) and CORE. The Nevin Leather study in Telford carried out a similar triangular exercise, using ASHE data to update 2003 survey results. In the Fordham report covering Walsall it is not clear how 2004 survey results were updated.

Figure 2.11 Real incomes 2002 – 2007, indexed on 2002



Source: Annual Survey of Hours and Earnings Residence Based Gross Annual Income. Base = 2007

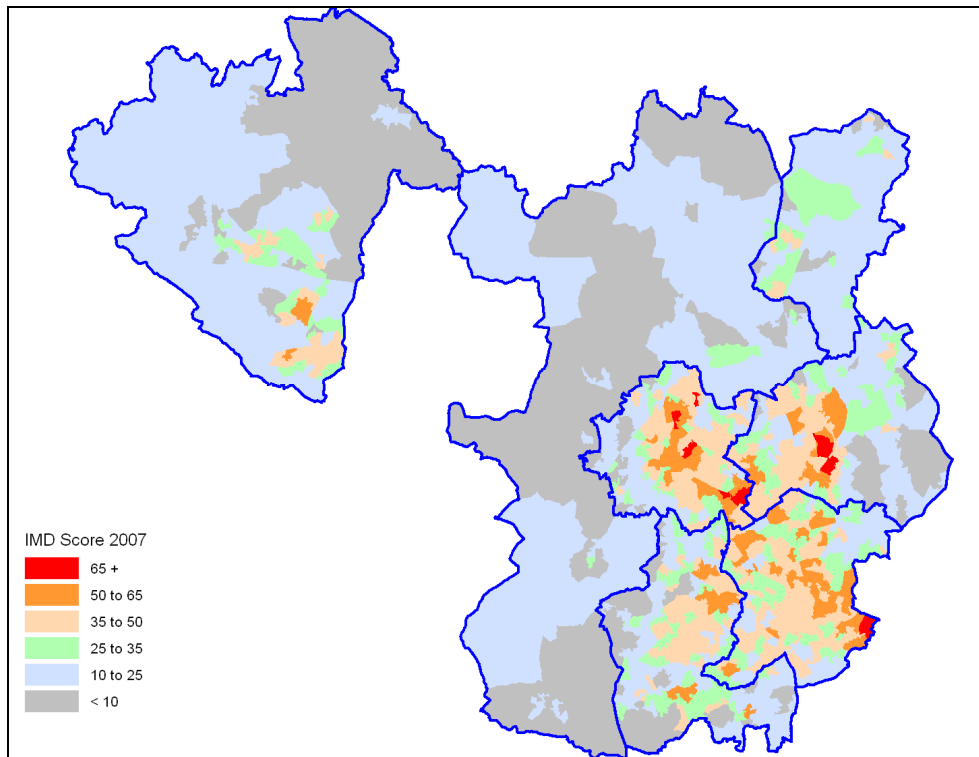
As this indicates, there was some degree of variation between the seven districts year on year, with Wolverhampton showing the greatest relative rise in real incomes over the five year period and South Staffordshire the smallest. This would indicate a narrowing of the income gap between these two districts. Overall, real incomes in the C3 area as a whole increased by 16.1% in the period, compared to average increases of 15.9% in the West Midlands and 18.8% for England.

2.4 Deprivation and homelessness

2.4.1 Deprivation

According to the latest Index of Multiple Deprivation scores the C3 area has an overrepresentation of deprived neighbourhoods when compared to the rest England. 35% of the neighbourhoods in the sub-region rank among the 20% most deprived nationally. At the other end of the scale just 11% of C3 neighbourhoods rank among the 20% least deprived nationally. The following map shows the variance in levels of deprivation across the C3 sub-region in 2007, plotting index score rather than rank.

Figure 2.12 Index of Multiple Deprivation 2007: raw scores

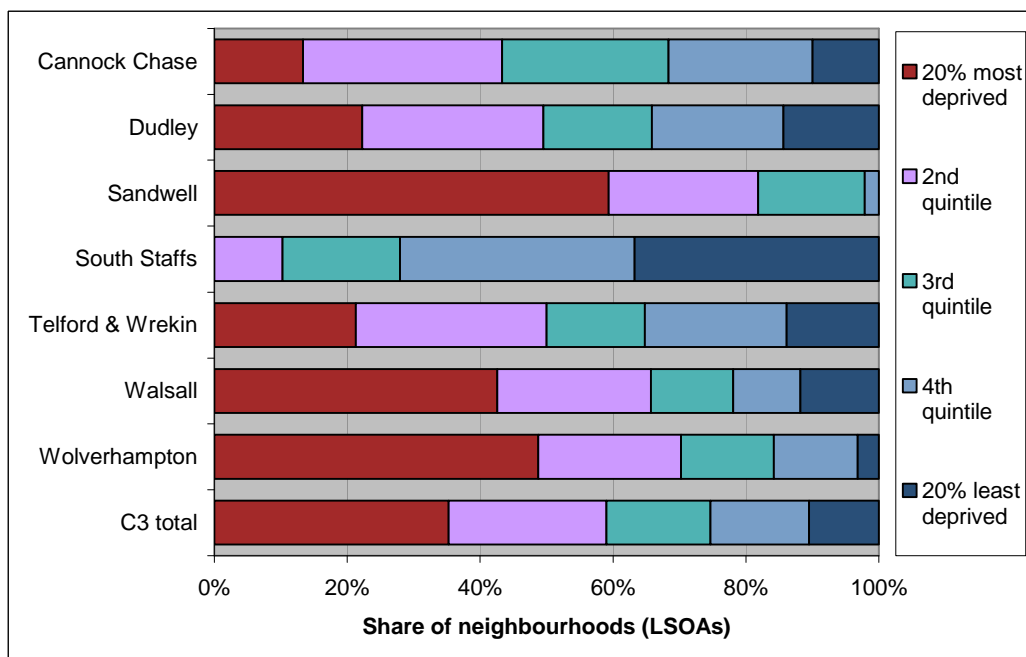


Index of Multiple Deprivation 2007

Figure 2.11 shows that the largest pockets of deprivation are found in Wolverhampton, Sandwell and Walsall. Walsall clearly has an east-west divide with areas of low deprivation such as Aldridge lying in the east. In Wolverhampton it is the western parts of the city that have the lowest deprivation scores.

The following graph (Figure 2.12) presents the distribution of neighbourhoods in each district across the national IMD quintiles. More than three quarters of the 336 C3 neighbourhoods ranking among the 20% most deprived nationally are located in Sandwell, Wolverhampton and Walsall.

Figure 2.13 Share of neighbourhoods per national IMD quintile



Index of Multiple Deprivation 2007

Sandwell is the least balanced LAD in terms of deprivation, with 59% of its neighbourhoods scoring in the 20% most deprived nationally and no neighbourhoods scoring in the 20% least deprived. The contrast with South Staffordshire is great, as this district has no neighbourhoods in the most deprived quintile while 72% of its neighbourhoods lie in the 4th and 5th quintiles. Cannock Chase, Dudley and Telford and Wrekin could be described as being more balanced in terms of containing both affluent and deprived neighbourhoods as well as areas between the two extremes.

The comparison of 2007 Index of Multiple Deprivation figures compared with 2004, reveals patterns of decline and improvement over the last few years.

Table 2.4 Change in IMD rank 2004-2007

Direction of change	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3 total
Significantly worsened	28%	20%	27%	20%	11%	19%	14%	20%
No significant change	40%	57%	66%	51%	55%	63%	76%	61%
Significantly improved	32%	23%	7%	29%	34%	18%	11%	19%

Index of Multiple Deprivation 2004 and 2007; those LSOAs that have changed ranking position by more than 5% in 2007 compared to 2004 are considered to have changed “significantly”.

During this period 19% of C3 neighbourhoods improved their national ranking position by 5% or more (became less deprived) while 20% declined in rank by 5% or more (became more deprived). Cannock Chase and Sandwell had the greatest proportion of neighbourhoods undergoing a significant deterioration during this period. Cannock also

had a higher than average proportion of neighbourhoods that experienced improvement in terms of deprivation, along with Telford and Wrekin and South Staffordshire.

84% of those neighbourhoods that showed significant improvement were nestled in the top 60% least deprived in 2007, while 63% of those showing significant deterioration ended in the 40% most deprived. This would indicate that there has been increasing polarisation within the sub-region, with a significant number of poorer areas becoming more deprived and losing ground on the rest.

2.4.2 Homelessness

In the 2006/07 year a total of 2,522 people were accepted as being homeless and in priority need in the C3 sub-region. This works out to be 1.7 per 1,000 inhabitants, a slightly higher rate than in the West Midlands (1.6) and England (1.4). Sandwell registered a particularly high number of people accepted as being homeless (863 or 3.0 per head) followed by Wolverhampton (569 or 2.4 per head). Ranging between 0.8 and 1.3 per 1,000 inhabitants, the rate of new homelessness acceptances were lowest in South Staffordshire, Cannock Chase, Walsall and Dudley.

Telford and Wrekin had the highest number of homeless in temporary accommodation in 2006/07 (138), while Dudley recorded the highest number of homeless at home awaiting accommodation (129).

Table 2.5 Homelessness in 2006/07

	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
Total number of decisions on homelessness	380	2,134	1,524	117	337	501	1,558	6,551
Accepted as being homeless and in priority need	92	372	863	92	275	259	569	2,522
% of decisions accepted	24%	17%	57%	79%	82%	52%	37%	38%
Homeless in temporary accommodation	1	65	59	21	138	55	47	386
Homeless at home awaiting accommodation	0	129	-	0	8	63	0	200

CLG Live Statistics (based on P1E returns)

The number of people accepted as being homeless in the C3 topped 3,000 in both 2003/04 and 2004/05. Therefore the 2,522 registered in 2006/07 represents a decline of around 18%. This is however significantly less than the decline registered in the West-Midlands (41%) and England (43%) over this period.

A further analysis of the homelessness statistics reveals that people of Black ethnic origin are significantly overrepresented. Between 5 and 6% of those accepted as being

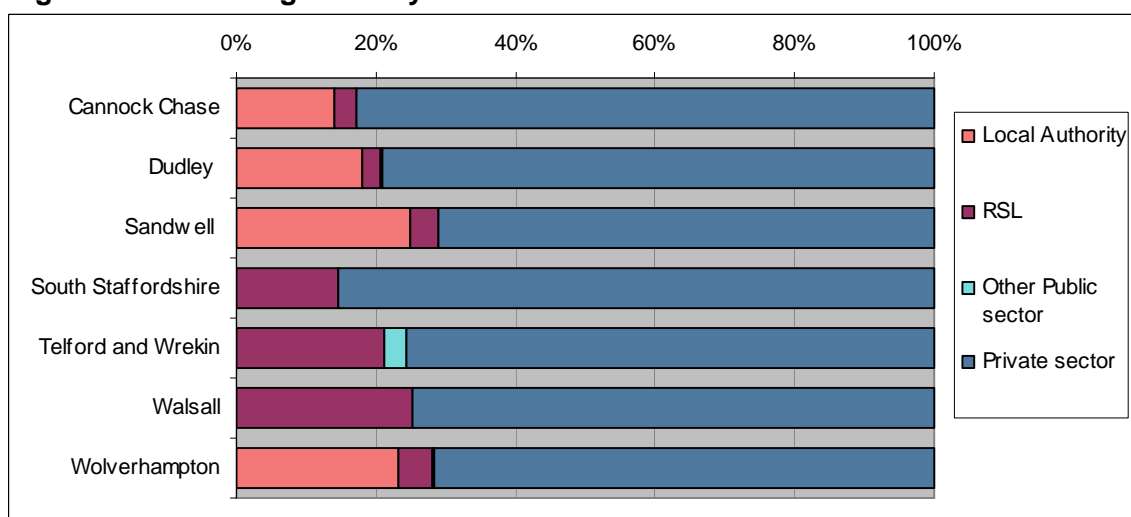
homeless between April 2002 and March 2007 were of Black-African or Black-Caribbean descent while this group make up only 2.1% of the total population of the C3 housing market area.

2.5 The housing stock

2.5.1 Current dwelling numbers and tenure

The C3 sub-region contained close to 620,700 dwellings at the start of the 2007/08 financial year, of which 24% in the social sector and 76% in the private sector. As shown in the following table the proportion of the stock was in the social sector was highest in Sandwell and Wolverhampton and lowest in South Staffordshire and Cannock Chase.

Figure 2.14 Housing stock by tenure 2007



HSSA 2007, position at 1st April 2007

The majority of the social sector stock is local authority owned in Cannock Chase, Dudley, Sandwell and Wolverhampton while in South Staffordshire, Telford and Wrekin and Walsall all social stock is owned by RSLs following large scale voluntary transfers. The 3% of the stock in Telford "other private sector" can be largely attributed to Ministry of Defence and University owned dwellings.

Consistent, reliable and up to date data concerning the size of the Private Rented Sector (PRS) in the C3 is currently unavailable. According to Census 2001 figures 4.8% of households were renting from a private landlord or letting agent, considerably less than in the West Midlands (6.4%) and England (8.8%). Within the C3 area Wolverhampton had the highest share of households renting from a PRS landlord (6.6%) followed by Telford and Wrekin (5.9%). Dudley had the lowest share (3.5%) and South Staffordshire the second lowest (4.1%).

The Census also showed an additional 3.6% of C3 households were renting from someone other than the local authority, a housing association, a private sector landlord or letting agent. This group includes those renting from an employer, family member, friend or living rent free. This is higher than the equivalent regional and national figures – 3.5% and 3.2% respectively.

The Census data are household rather than stock based, and do not take account of empty properties being renovated or awaiting tenants. According to the Survey of English Housing (SEH, as given in CLG Live Table 109) 7.7% of the West Midlands dwelling stock was "rented privately or with a job or business" in 2001, and this share rose to 8.7% by 2006. By inflating the C3 Census figure quoted above with the SEH regional level trend data, we arrive at a reasonable estimation of the current size of PRS dwelling stock in the C3 area: approximately 40,000 units or 6.5% of the total stock.

According to 2007 HSSA figures there are 3,840 Houses in Multiple Occupation (HMOs) in the sub-region of which 1,171 in Wolverhampton. This LAD plus Sandwell, Dudley and Telford and Wrekin account for 95% of all HMOs in the C3.

2.5.2 Empty dwellings and stock quality

A view made by stakeholders is that policy has tended to be largely preoccupied with new builds whilst there is much to be gained by effectively addressing problems and issues concerned with the existing stock. This includes dealing with aspects such as fuel poverty and energy efficiency, empty homes and the environmental standards of existing neighbourhoods. Moreover it was felt that many older estates are undesirable places although their housing stock is basically sound and that a consistent good quality neighbourhood environment would bring different tenures together and aid community cohesion.

The 2007 Housing Strategy Statistical Appendix (HSSA) indicates 21,263 empty dwellings in the C3 sub-region which is 3.4% of the total dwelling stock. A little over a third of all voids were empty for 6 months or more. Wolverhampton had the highest vacancy rate followed by Walsall and Sandwell while South Staffordshire and Cannock Chase had the lowest. The vacancy rate of local authority owned dwelling stock (1.4%) was considerably lower than for RSL stock (3.8%) and dwellings in the private sector (3.7%). The fact that some 1,576 RSL dwellings in Walsall are currently empty awaiting demolition should be taken into account when viewing these figures.

According to HSSA figures there were close to 27,000 unfit dwellings in the C3 sub-region at the end of the 2005/06 financial year – 4.4% of the housing stock. Of these about 1,000 were owned by RSLs, Local Authorities or other public sector institutions and 26,000 were private sector dwellings. Nearly 11,000 unfit dwellings were in Sandwell, which was more than twice as many as in any of the other six districts.

Table 2.6 Unfit dwellings

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Social/public sector	Number	1	168	105	0	300	8	411	993
	Share	0.0%	0.6%	0.3%	0.0%	1.9%	0.0%	1.3%	0.7%
Private sector	Number	715	4982	10906	871	1200	4364	3011	26049
	Share	2.2%	4.9%	12.5%	2.3%	2.4%	5.3%	4.1%	5.6%
Total	Number	716	5150	11011	871	1500	4372	3422	27042
	Share	1.8%	3.9%	8.9%	2.0%	2.2%	4.0%	3.3%	4.4%

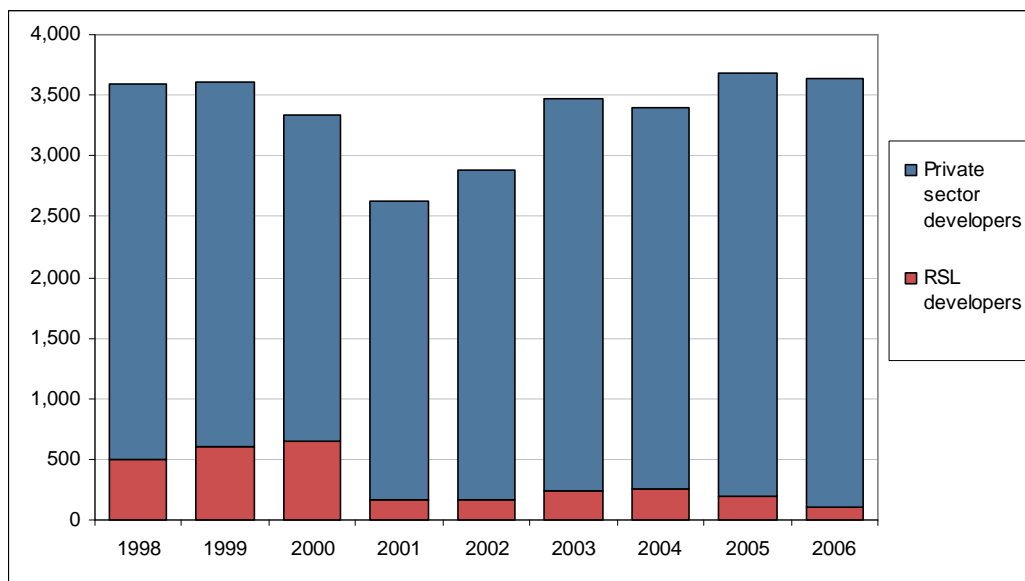
HSSA 2005/06

The figures indicate clearly the necessity to address the problem of private sector unfit dwellings in the Black Country and Sandwell in particular.

2.5.3 Recent changes

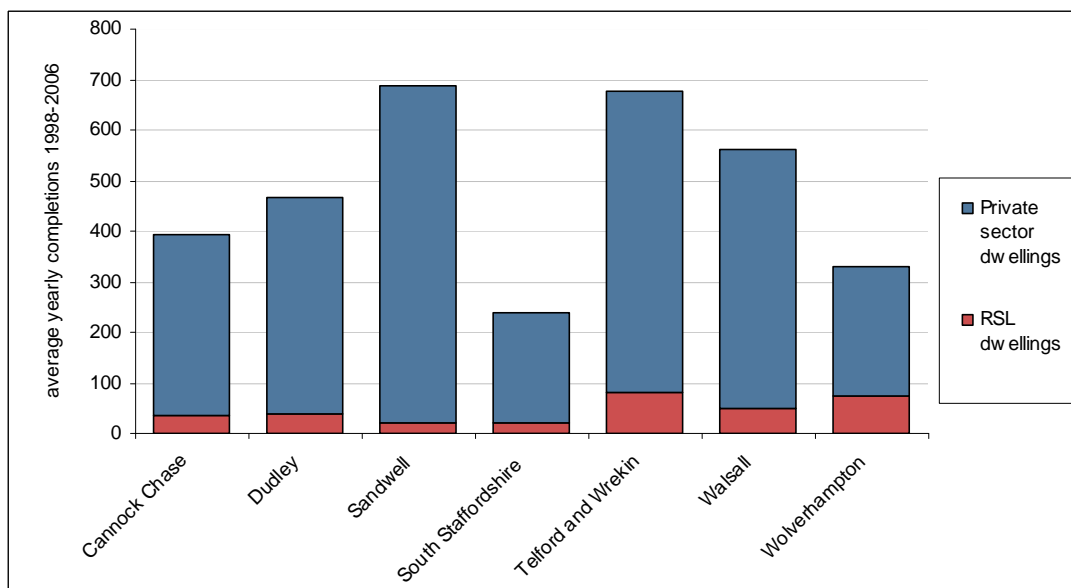
Excepting a slump between 2000 and 2002, recent completions in the C3 housing market area have maintained a relatively constant level of around 3,500 dwellings per year since 1998. Of the 30,207 homes built in the sub-region between 1998 and 2006, 90.4% of them were developed by the private sector, 9.5% by Registered Social Landlords and just 0.1% by local authorities (35 dwellings in Sandwell).

Figure 2.15 New build completions 1998-2006 C3 Area



DCLG live tables

Figure 2.16 New build completions per year 1998-2006 by district

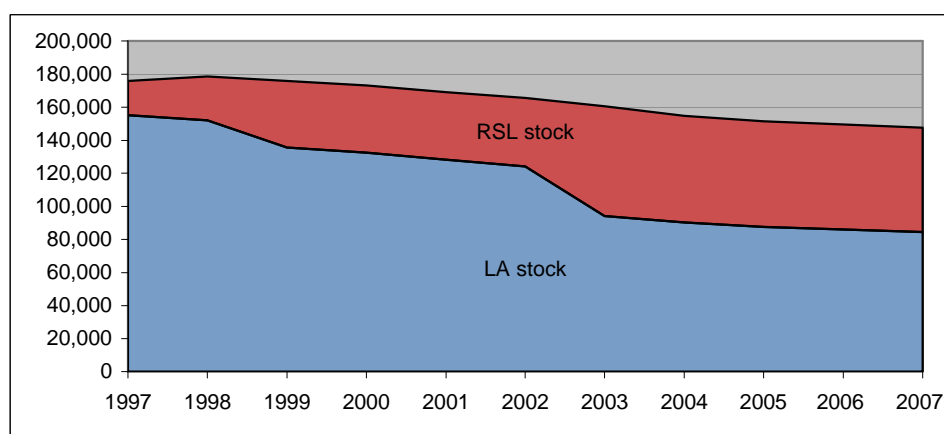


DCLG live tables

Together, Sandwell and Telford and Wrekin have accounted for more than 40% of new homes built in the C3 Area since 1998. The share of new dwellings developed by RSLs was highest in Wolverhampton (23%) and Telford and Wrekin (12%), and lowest in Sandwell (3%), with the other districts registering an 8 or 9% share.

As in other parts of England Right to Buy sales and stock transfers have had a large impact on tenure patterns in the C3 area over the past 10 years. The number of dwellings rented out by local authorities in the sub-region has fallen from a little over 155,000 in 1997 to 84,397 in 2007. This has been compensated to some extent by a rise in RSL owned dwellings but overall the social rented sector has contracted.

Figure 2.17 Social rented dwelling stock in the C3 area 1997-2007



CLG Live Statistics (Table 116) and HSSA 2007 Returns

The demolition of social sector stock has also been a significant contributing factor to the trend shown above. According to figures Regional Housing Land Potential Study (WMRA October 2007), on average 1,017 dwellings have been demolished annually in the Black Country in recent years, of which around 450 in Sandwell and 300 in Dudley. Although data giving tenure breakdown is not available, indications are that the majority of this activity concerns social sector units, particularly flats. Outside the Black Country the level of demolitions is far lower – just 70 per annum in the 3 other districts combined.

2.6 The social sector

2.6.1 Waiting lists

According to HSSA figures there were close to 37,000 households registered on Council waiting lists in the C3 area in 2007, with the figures range from being 2.4% of all households in South Staffordshire to more than 11% of households in Sandwell.

Table 2.7 Households on the waiting list as of 1st April 2007

District	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Total number registered	1,835	5,145	13,191	1,052	4,541	4,881	6,029	36,674
% of all households	4.7%	3.9%	11.1%	2.4%	6.8%	4.5%	6.0%	6.0%
With "reasonable preference"	1,835	3,849	1,344	712	468	2,569	5,600	16,377
% of all households	4.7%	2.9%	1.1%	1.6%	0.7%	2.4%	5.6%	2.7%
Requiring 1 bedroom	48%	60%	53%	33%	na	59%	62%	56%
Requiring 2 bedrooms	31%	30%	29%	50%	na	22%	22%	28%
Requiring 3 bedrooms	15%	9%	16%	16%	na	10%	13%	14%
Requiring 4+ bedrooms	6%	2%	1%	1%	na	9%	3%	3%

HSSA 2007

Households belonging to the "reasonable preference" categories include people who are homeless, occupying unsanitary or overcrowded housing or need to move on medical or welfare grounds⁶. Again, the waiting list data vary widely, from nearly all households on the waiting list in Wolverhampton to just a small fraction in Telford and Wrekin.

Inconsistency in the approach taken to determining this figure is more likely to explain the extent of this variance than actual differences in the housing situation of households on the ground.

Many young single people on the waiting list (making up a significant proportion of those requiring 1 bedroom) sign on while still living at home. According to council staff working with these registrations this is frequently a speculative action, as many of these people are not in high need and ultimately opt for alternative solutions such as sharing with others

⁶ As set out in s. 167 of the Housing Act 1996.

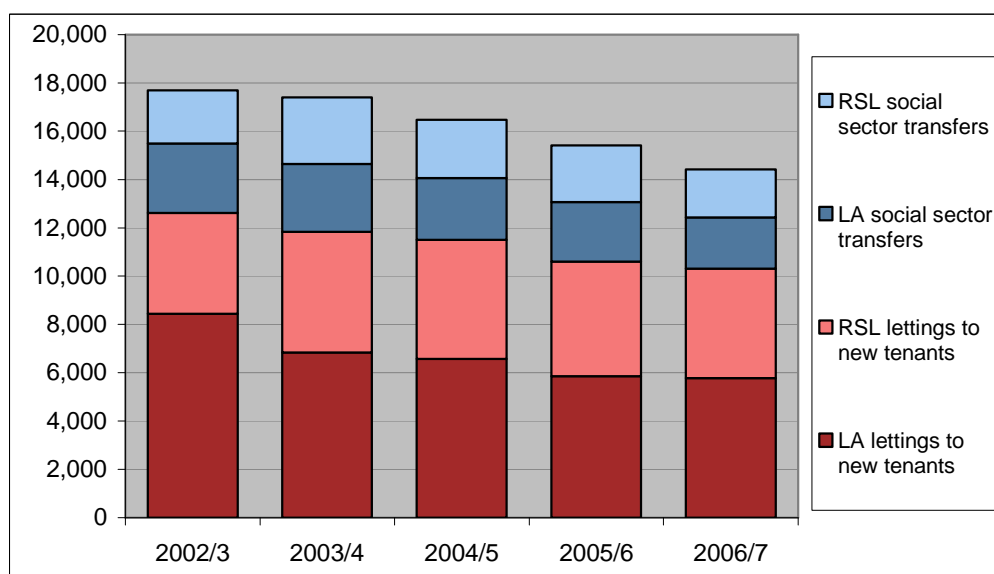
(renting a room in an HMO) or remaining at home. The numbers above are most probably distorted by this group, as raw waiting list figures do not distinguish according to the seriousness of need and those who have since found an alternative housing solution often remain on the list. It also needs to be recognised that the housing requirements of young single people are different from one-person households resulting from family breakdown who need to be able to accommodate children when they come over and stay. The data does not allow these types of distinction to be made.

2.6.2 Lettings

In 2006/07 there were close to 14,400 new social sector lettings in the C3 area. This number includes both general needs tenancies and supported housing. 70% of the lettings were to new tenants entering the social sector and 30% were lettings to tenants transferring within the sector. The level of 'churn' in the sub-region's social sector (the proportion of lettings to stock) was 9.6% in 2006/07, down slightly from an average of 10.7% recorded in 2002/03, 2003/04 and 2004/05. But there was a degree of variation within the C3, with Wolverhampton recording the highest degree of churn (on average nearly 12% per year 2002/03-2006/07) and South Staffordshire the least (8.4%).

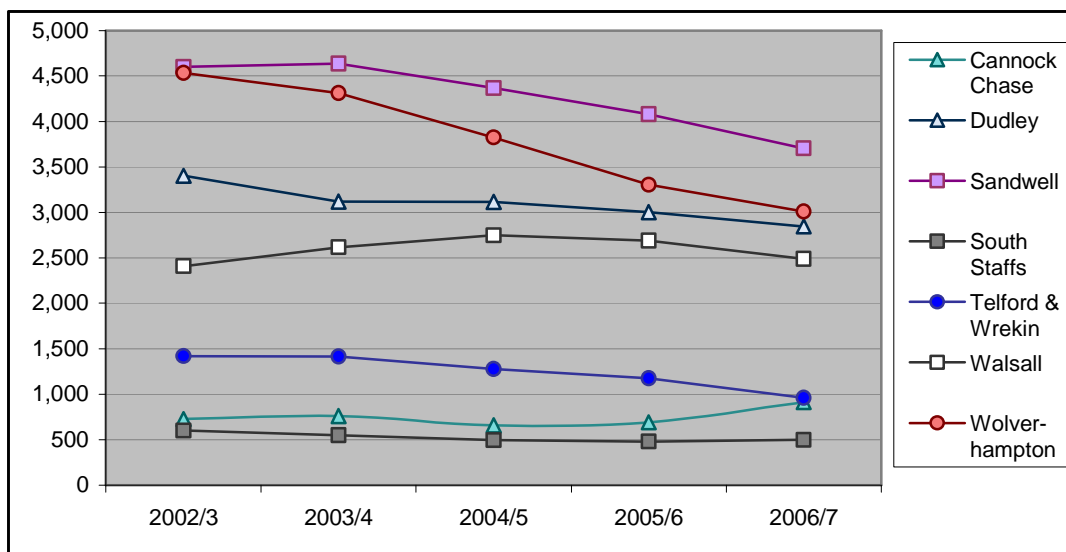
The following graph shows the number of social sector lettings in the C3 area declining by 19% between 2002/03 and 2006/07, a pattern consistent with the overall reduction of the social sector stock as shown in figure 2.6 above. The number of lettings to new tenants entering the social sector fell from around 12,600 to 10,300 per annum while the number of lettings to tenants transferring within the social sector fell from about 5,100 to 4,100.

Figure 2.18 Social sector lettings 2002/03-2006/03: C3 total



CORE data (RSL lettings), HSSA (LA lettings)

Figure 2.19 Social sector lettings 2002/03-2006/07 by district



CORE data and HSSA

Proportionately, the largest falls in social sector lettings were recorded in Wolverhampton, Telford & Wrekin and Sandwell. Cannock Chase bucked the trend as did Walsall to lesser extent, as shown in the figure 2.18.

An analysis of CORE data sheds additional light on dynamics within the social sector⁷. CORE recorded 8,270 lettings in the 2006/07 financial year in the C3 sub-region, of which 74% general needs lettings and 26% supported housing lettings. The share of supported housing lettings ranged from just 14% in Walsall to between 42% and 45% in Wolverhampton, Sandwell and Cannock Chase.

According to CORE 33% of those taking up a general needs letting were transfers within the social sector and 37% were previously housed with family or friends. 12% of new tenancies went to those previously in the Private Rented Sector and 5% of lettings were to ex-owner-occupiers. The remaining 13% were previously housed in a diversity of situations including various forms of temporary accommodation, hostels, women's refuges, mobile homes, hospital, prison etc. Again, there is significant variation at district level, as shown in the following table.

⁷ CORE stands for Continuous Recording System. It provides blanket coverage of RSL lettings but only began to record Local Authority lettings in 2004 on a voluntary basis. For this reason CORE data does not cover all social sector lettings, which is why the numbers of lettings shown in figures 2.20 and 2.21 do not equate to all social sector lettings in the sub-region.

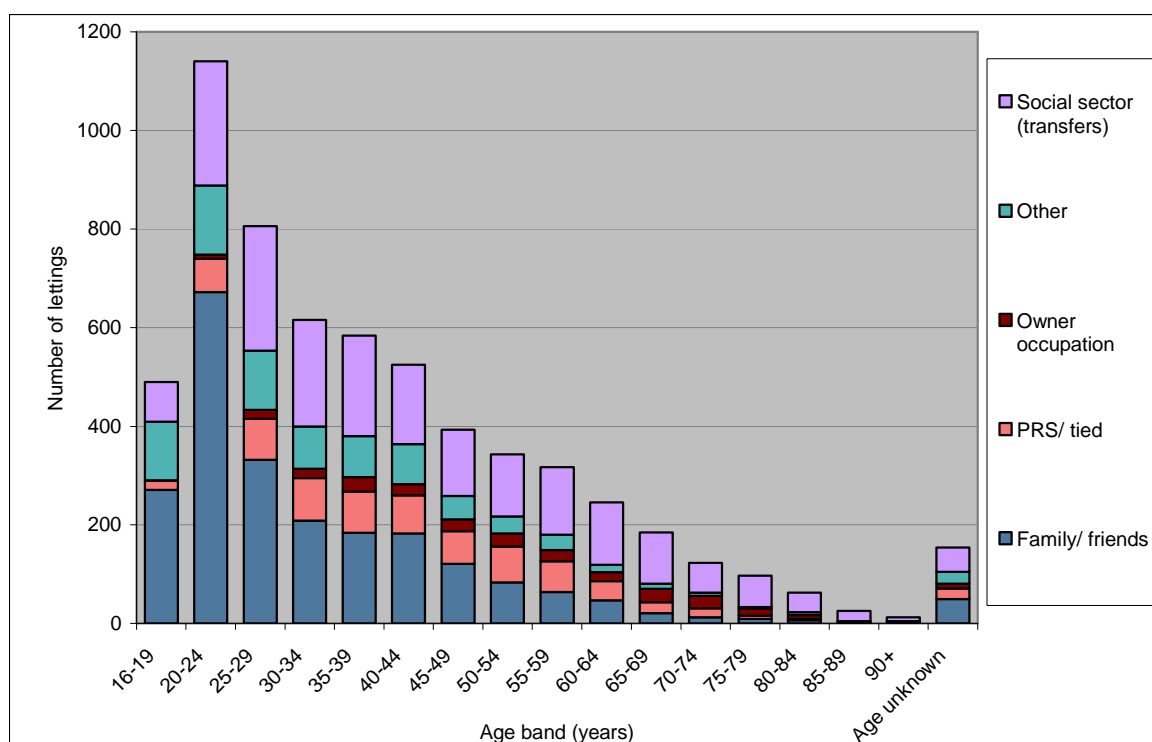
Table 2.8 General Needs Lettings by previous tenure

Previous tenure	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Social sector tenancy	39%	35%	36%	24%	29%	36%	24%	33%
PRS tenancy	8%	11%	5%	7%	13%	14%	16%	12%
Owner-occupation	4%	6%	4%	9%	4%	3%	5%	5%
Staying with family/friends	37%	39%	35%	45%	31%	37%	33%	37%
Other	11%	10%	20%	14%	23%	11%	22%	13%

CORE data

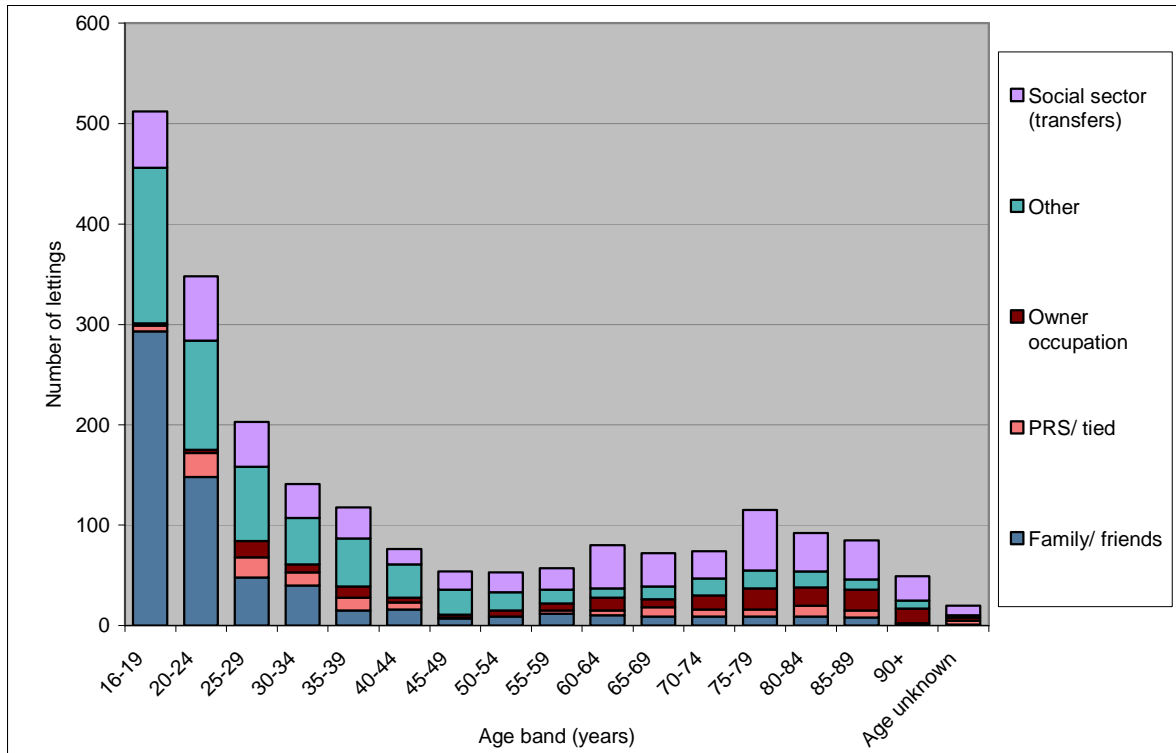
The two graphs below show social sector lettings by age band and previous tenure for general needs and supported housing lettings in 2006/07. Close to a third of general needs lettings go to people aged in their twenties, and nearly 60% go to tenants younger than 40. Supported housing clearly provides an important service to younger people, particularly in the age band 16-19 years. Although much smaller in scale, supported housing also caters for the older age group. The majority of these older tenants are transferring from within the social sector although there are also a number who are moving out of owner-occupation.

Figure 2.20 General needs lettings by age band and previous tenure (C3)



CORE data

Figure 2.21 Supported housing lettings by age band and previous tenure (C3)



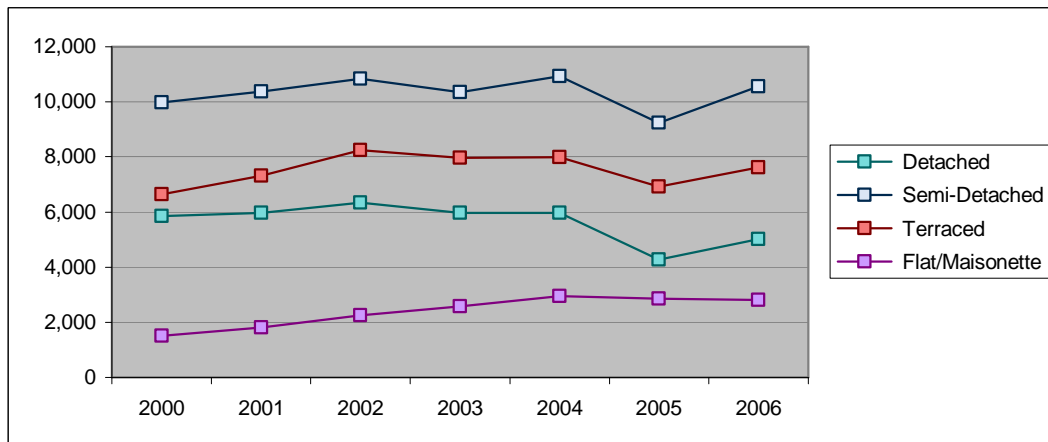
CORE data

2.7 The open market

2.7.1 Sales and prices

House sales data from the Land Registry show a light fluctuation in market activity in the C3 area between 2000 and 2006.

Figure 2.22 Number of sales in the C3 Area 2000-2006 by dwelling type



Land Registry

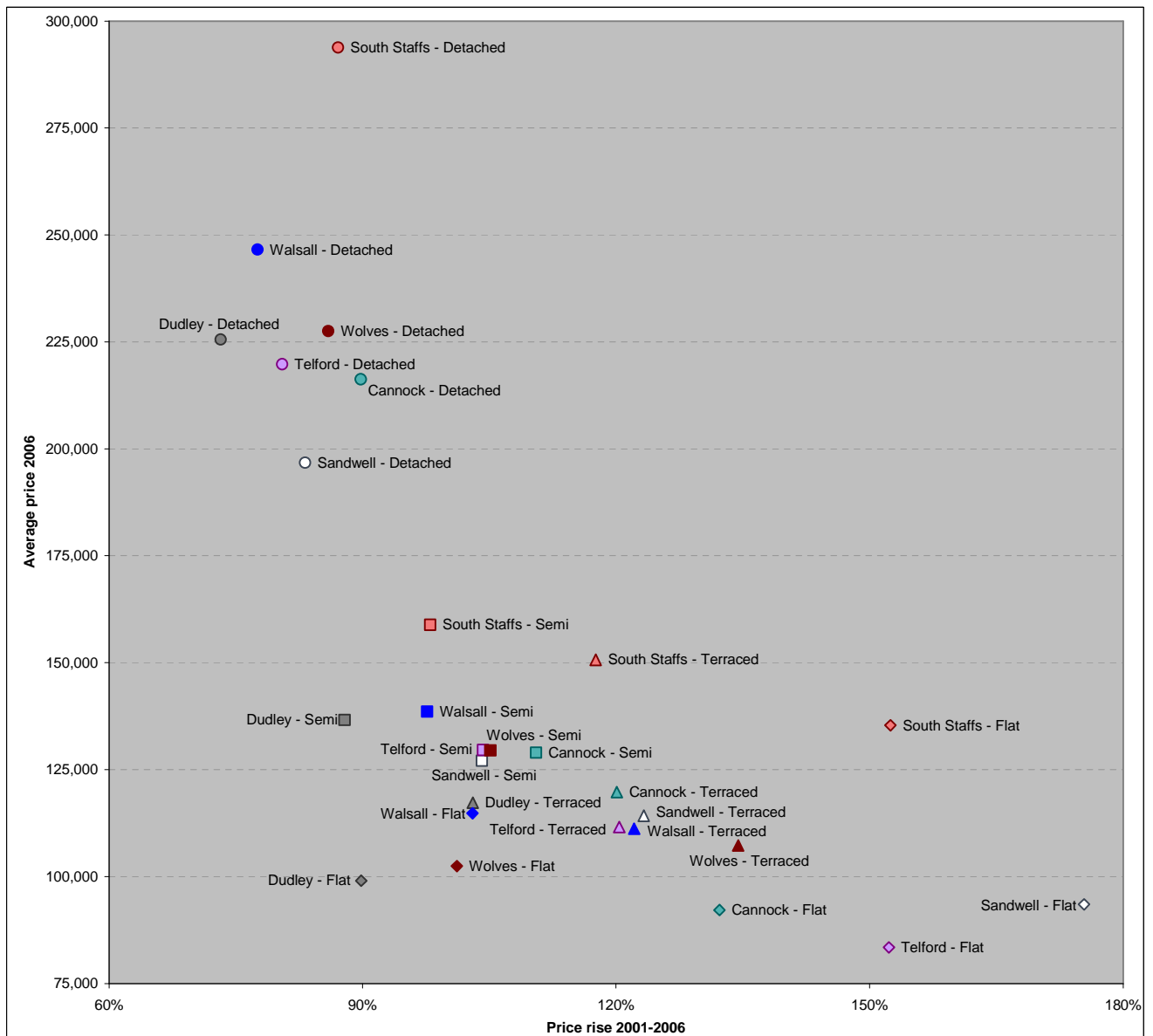
The total number of sales per annum rose above 26,800 in 2002, 2003 and 2004 before dipping in 2005 due in part to higher interest rates and market uncertainty in that year, before recovering somewhat in 2006 to above the 25,000 mark.

22% of the dwellings sold between 2000 and 2006 were detached, 40% semi-detached, 29% terraced and 9% were flats or maisonettes. The number of detached houses sold fell quite sharply in 2005 while sales of flats/maisonettes increased steadily over the period covered.

House prices in England increased rapidly between 2000 and 2006 and this is mirrored in the C3 sub-region where the average price rose by 90% during this period. When examining price rises by dwelling type the price of flats and maisonettes rose the most (120%) followed closely by terrace houses (119%), while the average price of detached houses increased at a significantly lower rate (81%).

House price inflation between 2000 and 2006 was highest in Sandwell and this can perhaps be attributed to the high proportion of flats and terraced houses sold in the borough. The average price of flats in Sandwell rose by 175% during this 6 year period. Dudley recorded the lowest level of house price inflation and sales of semi-detached dwellings predominated in this district. South Staffordshire recorded the highest proportion of sales of detached dwellings. It is clear that this district constitutes the top segment of the sub-regional market as average prices in South Staffordshire are consistently higher than in the other districts for every dwelling type.

Figure 2.23 Average house prices 2006 and house price inflation 2000-2006



Land Registry

When taken together the increase in higher sales volumes and the higher price inflation of terraced dwellings and flats indicates increasing demand for these types of dwellings between 2001 and 2006. Anecdotal evidence suggests that buy-to-let investor activity may have been one of the drivers of this demand as most of the new investor activity was concentrated in the lower market segment. There is however no robust quantitative data covering investor activity at the sub-regional level with which this view can be tested. Figure 2.23 shows the changes in prices at small area level within the C3 area. As demand has outstripped supply so prices have risen across the C3 area, eventually even

washing into low value areas. Figure 2.24 shows very few areas with average prices under £100,000 by 2006 (grey). Even much of the Black Country is £100-125K (blue).

Figure 2.24 Changes in median house prices 2002-06

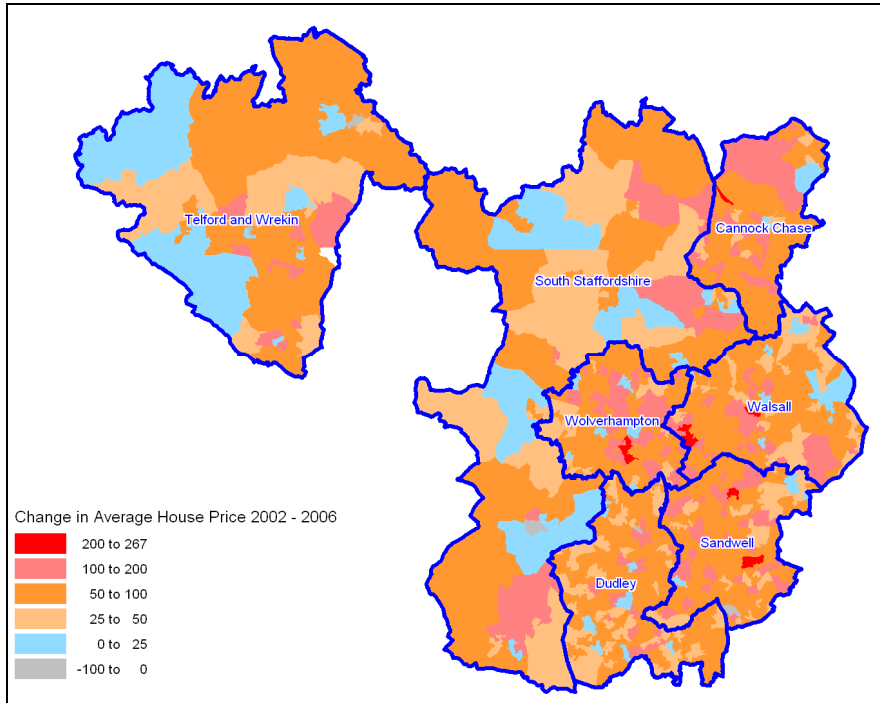
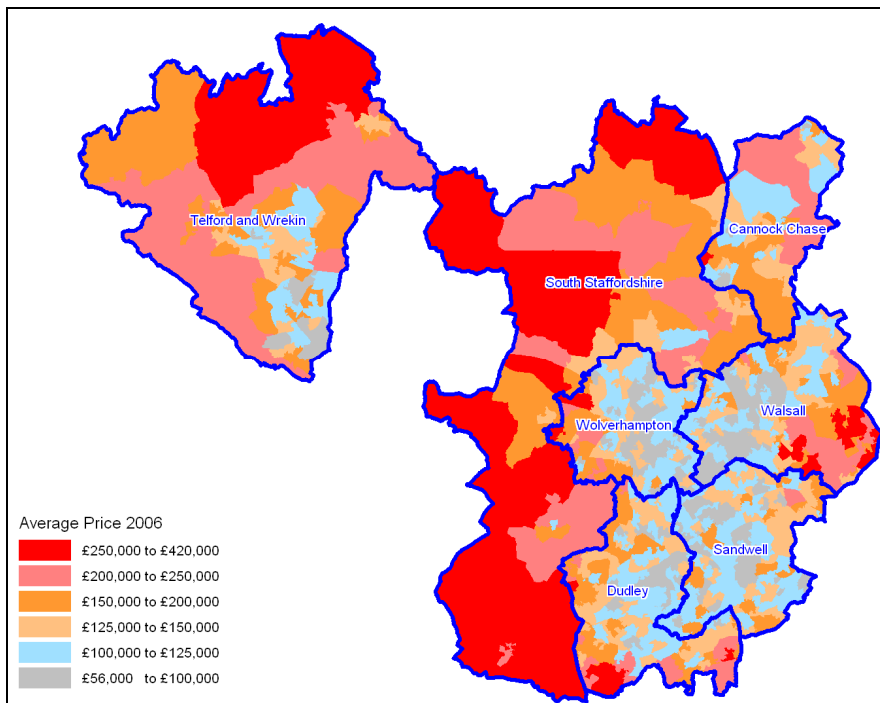
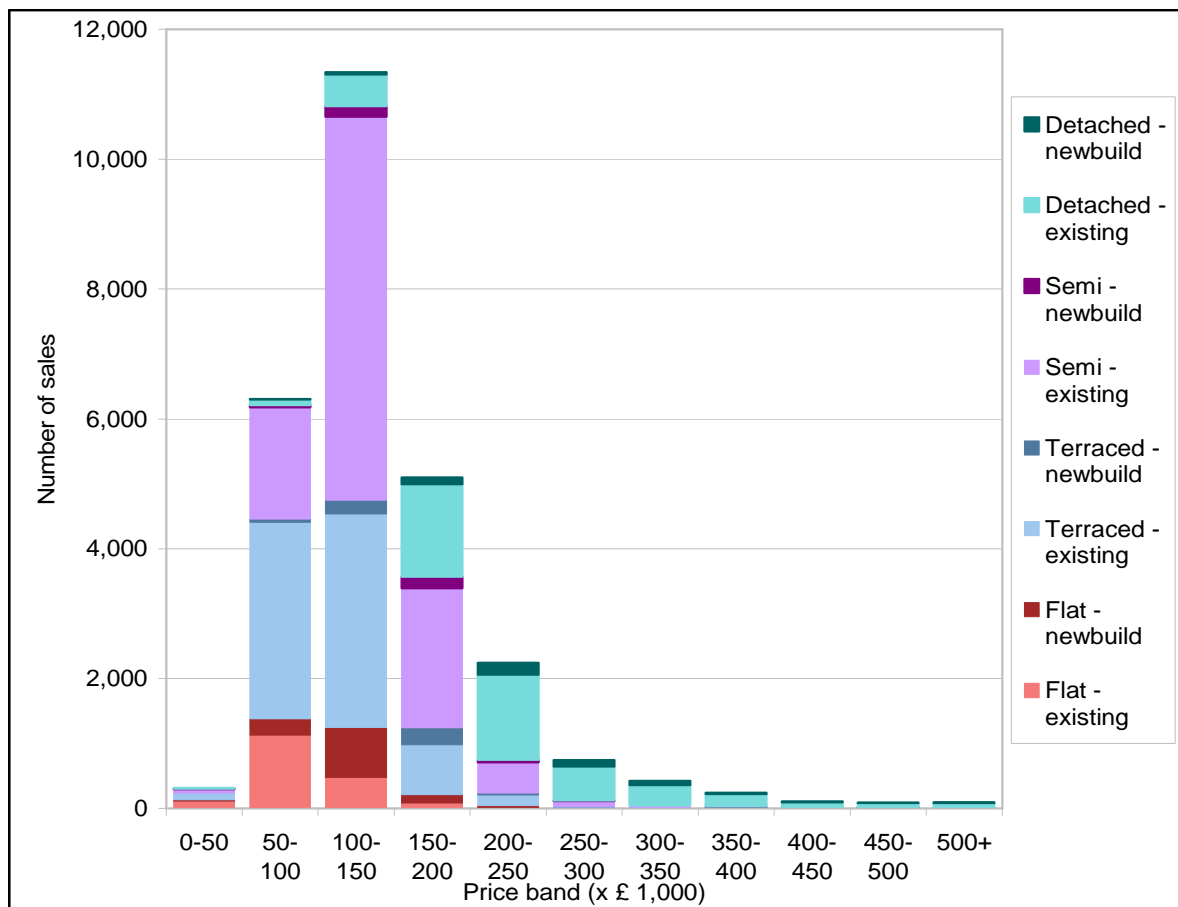


Figure 2.25 Mean house prices in C3 area 2006



10% of the circa 27,000 houses sold in the C3 area in 2006 were new builds. The new build share for flats was 40%, significantly higher than detached houses (10%), terraced houses (7%). There were relatively few new semi-detached detached houses built (4%). A closer analysis of the data reveals the size of the new build premium for each dwelling type. The average sales price of new build flats in the C3 areas was 30% higher than for existing flats. For terraced houses the difference in average price between new and existing dwellings was 36%, for semis 18% and detached houses 10%. The following graph shows the price band distribution of sales by type distinguishing new builds from existing dwellings.

Figure 2.26 Sales of new and existing dwellings 2006 by type and price band



Land Registry (Price Paid data)

42% of sales were recorded in the price band between £ 100,000 and £ 150,000 and only 6% of sales were higher than £ 250,000. 62% of the flats sold for more than £ 100,000 were new builds compared to just 18% of cheaper ones. Of the circa 1,200 new build flats sold, more than 750 of them were concentrated in the price band between £ 100,000 and £ 150,000 and more than a third of them were located in Sandwell.

South Staffordshire plays a prominent role in the higher segment of the sub-regional housing market. Of the 97 dwellings sold for £ 400,000 or more in 2006 more than a third were located in this district compared to just 7% of dwellings in all price bands.

2.7.2 The Private Rented Sector

Up to date and accurate data on the private rented sector is not readily available. Nationally, the sector has been expanding in recent years, largely due to a flood of interest from smaller investors making use of new buy-to-let mortgage products.⁸ Research undertaken for evolve found that in the Black Country and Telford more than 6,500 extra private rented properties entered the market between 2001-05, raising the PRS share of the stock by around 28%. The growth in the number of those renting privately can also be linked to the decline in social sector rental stock. C3 stakeholders stressed that the severe affordability problem meant that households were being constrained by price into the PRS. Concerns expressed by private sector landlords at the stakeholder event included increases to the regulatory burden placed on them and reduced Housing Benefit allowances.

According to the annual sample of PRS rent levels conducted by DCLG as part of the Survey of English Housing the average monthly rent in the West Midlands rose from £ 316 in 1999/00 and 2000/01 combined to £ 409 in 2005/06 and 2006/07 combined. This represents a rise of 30%, just one third the rate of inflation experienced in the buyers market over this same 6 year period. The limited sample size does not lend itself to an analysis at the sub-regional level.

For the purpose of this assessment a bespoke dataset of 504 dwellings offered for rent in the C3 area was compiled. Attention was paid to ensuring a representative cross section of dwellings across the sub-region. The lower quartile, median and upper quartile values for each dwelling type contained in the sample are given in the following table. 3 bed flats and 1 bed houses have been omitted due to limited sample size.

Table 2.9 Monthly private sector rents in the C3 sub-region

Dwelling type	Sample size	Lower quartile	Median	Upper quartile
1 bed in share house (HMOs)	13	£225	£285	£360
1 bed flats	73	£375	£396	£425
2 bed flats	112	£450	£480	£550
2 bed house	107	£465	£495	£525
3+ bed house	189	£525	£578	£650

ECOTEC dataset; the sample dates from December 2007

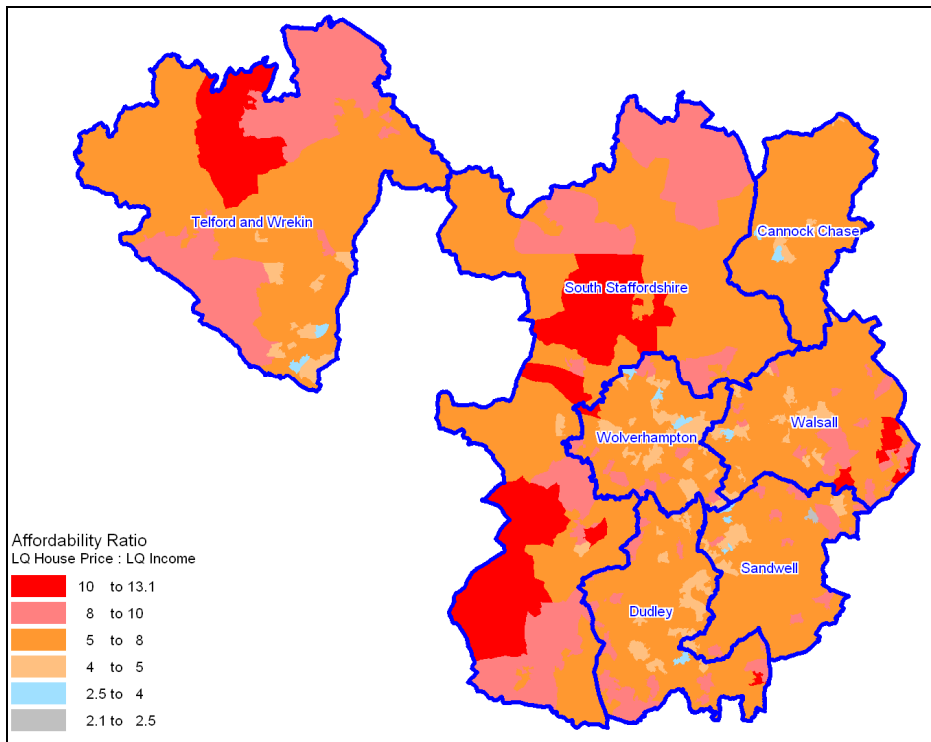
⁸ See for example the report 'Rapid evidence assessment of the research literature on the buy-to-let housing market sector', ECOTEC/National Housing and Planning Advice Unit, February 2008.

The housing needs calculation set out in chapter 4 provides an overview of lower quartile PRS prices in each district as well as the share of newly forming households who are able to afford to rent privately.

2.7.3 Affordability

The headlong increase in prices has made housing in the open market increasingly unaffordable for many, including people on the lowest incomes and first time buyers. The ratio of low incomes to low prices – a crude measure of access to basic housing has more than doubled across the C3, forcing affordability up the agenda. The red areas in Figure 2.26 show LQ prices more than 10 times LQ incomes. This extreme position affects the more rural parts of South Staffordshire, parts of the Wrekin and also suburban Walsall. Areas with an affordability ratio below 4:1 are extremely scarce, with a few isolated pockets in all districts except for South Staffordshire.

Figure 2.27 Affordability ratios in C3 area 2006



Developers have commented that the new build market for first time buyers in the sub-region has largely dried up over the past 2 or 3 years as affordability problems have become acute. Although home builders are looking to develop new products for the lower end of the market building costs tend to mean that (un-subsidised) new builds are still too expensive for those on a low income.

2.7.4 The Credit Crunch

In the second half of 2007 it became apparent that the economy in England and the housing market in particular were beginning to feel the effects of a global credit crisis, most clearly manifested in the liquidity problems of Northern Rock which hit the headlines in September of that year. This so-called "credit crunch" is a sudden reduction in the availability of loans which increases the cost of borrowing from banks. Largely due to irresponsible sub-prime lending and the dispersion of these bad debts through the financial system a number of banks in England and abroad have been confronted with large write-downs on the value of debts.

To counteract the effects of the global credit crunch on mortgage markets the Bank of England's monetary policy committee has responded by cutting interest rates, however these cuts are yet to be passed on to mortgage customers because the banking system's losses has prevented it from doing so. The effects on the housing market are starting to emerge, which have something of the nature of a negative spiral, including:

- More repossessions as overstretched home-owners whose mortgages are up for renewal are confronted by higher interest payments;
- Lower sales volumes and a lengthening of the average time taken to sell;
- Downward pressure on house prices;
- Less investor interest in the housing market;
- Lower demand for new builds which results in developers putting plans on hold.

The interviews and discussions carried out with stakeholders in the first quarter of 2008 confirmed that the effects of the credit crunch reported by the national media were also being felt in the C3 area. Developers reported that house sales have dried up quite dramatically since the autumn of 2007, with the market for new build flats in particular being saturated. One stakeholder pointed out that Right To Buy sales have led to many debt-related problems, with some households mortgaging themselves "to the hilt", and that some overstretched recent first-time-buyers are not able to afford unplanned maintenance on their property. Although no quantitative data was forthcoming concerning the level of repossessions in the sub region these issues could have significant fall-out in the short to medium term.

An analysis of provisional Land Registry house price figures covering the first three months of 2008 confirms that house price falls are indeed taking place in the C3 area. Although house prices in the sub-region in the first quarter of 2008 were higher than a year earlier, there had been a sharp fall (-4.5%) since the last quarter of 2007. Terraced houses

and detached houses experienced the largest falls according to the figures presented in the following table.

Table 2.10 House prices and sales by dwelling type January - March 2008 (C3)

Local Authority	<i>Flat/ Maisonette</i>	<i>Terraced houses</i>	<i>Semi-detached</i>	<i>Detached</i>	<i>All dwellings</i>
Ave. price (£)	108,857	117,999	137,568	238,750	145,698
Quarter change	1.3%	-4.9%	-2.6%	-6.2%	-4.5%
Annual change	5.4%	2.0%	2.3%	2.7%	2.1%
Sales	464	1,208	1,393	665	3,730
% of sales	12%	32%	37%	18%	100%

Source: Land Registry (provisional data available on the website "news.bbc.co.uk")

Given the extremely high house price to income ratio and the problems of affordability associated with this, declining house prices are not necessarily a bad thing for all concerned. However the credit crunch has meant 100% mortgages are no longer available and even 95% mortgages are difficult to secure, with buyers now required to put down a larger deposit than was the case prior to the credit crunch taking hold.

There is also a danger that the problems of the housing market might spread to the wider economy, resulting in less spending power and increasing unemployment. Although consumer confidence in the economy has been shaken⁹, a broad economic scenario has not (yet) set in.

The market and the economy are clearly going through a period of instability and close monitoring will need to be carried out to track the effects of these changes. Questions to be considered include:

- What is the combined effect of lower house prices and reduced credit availability on affordability?
- How many households are having their homes repossessed in the C3 area?
- How is the private rented sector going to change now that the market has slowed down - will PRS landlords look to dispose of their portfolios?

⁹ For example the Nationwide Building Society Consumer Confidence index dropped by seven points in April 2008 to stand at 70, its lowest level since it was first launched in May 2004 and 20% below April 2007's figure.

3.0 Future Prospects

3.1 Demographic trajectory

3.1.1 2004-based Sub national projections

When recent trends are used to project future migration patterns, the C3 area is expected to suffer from a net population loss to other districts in England in coming years. On an annual basis the number of people leaving the sub-region for other parts of the country is expected to be about 1,800 higher than the number of people migrating in between now and 2014. In contrast international migration is expected to deliver a positive balance of circa 1,100 people per year over the same period. The net migration flow is therefore expected to be minus 700.

The following table presents migration projections for each district, based on the average for the years 2006, 2009 and 2014.

Table 3.1 Projected annual migration (persons)

District	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Inflow: intra-national	3,400	7,900	9,700	4,800	5,900	7,200	7,200
Outflow: intra-national	3,100	8,000	10,500	4,300	5,400	8,000	8,600
Intra-national balance	300	-100	-800	500	500	-800	-1,400
Inflow: international	300	1,500	1,400	300	1,200	1,000	1,900
Outflow: international	300	1,300	1,000	500	1,100	1,000	1,300
International balance	0	200	400	-200	100	0	600
Total balance	300	100	-400	300	600	-800	-800

ONS Sub-national Population Projections (revised 2004-based)

Telford and Wrekin, South Staffordshire and Cannock Chase are expected to attract residents from other districts while Wolverhampton, Sandwell and Walsall will see significant outward migration to other parts of England if past trends were to continue. The figures also make clear the role played by Sandwell and Wolverhampton as points of entry for international migrants, with both these districts having a significant positive balance in respect of this component of migration.

The 2004-based household projections take account of expected rates of household formation as well as migration to estimate the trajectory of future household change. According to these projections the number of households in the C3 area is set to increase over the coming 20 years due to a declining average household size, although the rate of growth is expected to be slower rate than in the region as a whole and England. Overall the number of households in the sub-region is projected to grow by around 75,000

households between 2006 and 2026, on average about 3,750 annually. This is a growth rate of 12.5%, or 0.6% per year¹⁰.

Table 3.2 Household projections 2006-2026

	2006	2011	2016	2021	2026	Change 2006-2026	
Cannock Chase	38,794	40,340	41,832	43,110	44,019	5,225	13%
Dudley	127,813	131,213	135,246	138,959	141,930	14,117	11%
Sandwell	119,161	122,925	127,394	131,794	135,842	16,681	14%
South Staffs	43,013	43,931	44,858	45,596	46,009	2,996	7%
Telford & Wrekin	68,245	72,852	77,258	81,145	84,289	16,044	24%
Walsall	103,301	105,051	107,270	109,328	111,011	7,710	7%
Wolverhampton	101,297	104,446	107,750	110,818	113,523	12,226	12%
C3 sub-region	601,624	620,758	641,608	660,750	676,623	74,999	12%

DCLG 2004 based Sub Regional Household Projections¹¹

The number of households in Telford & Wrekin is expected to grow at twice the rate of the C3 as a whole, while Walsall and South Staffordshire are projected to have the lowest rate of household growth, around 7% over the 20 year period.

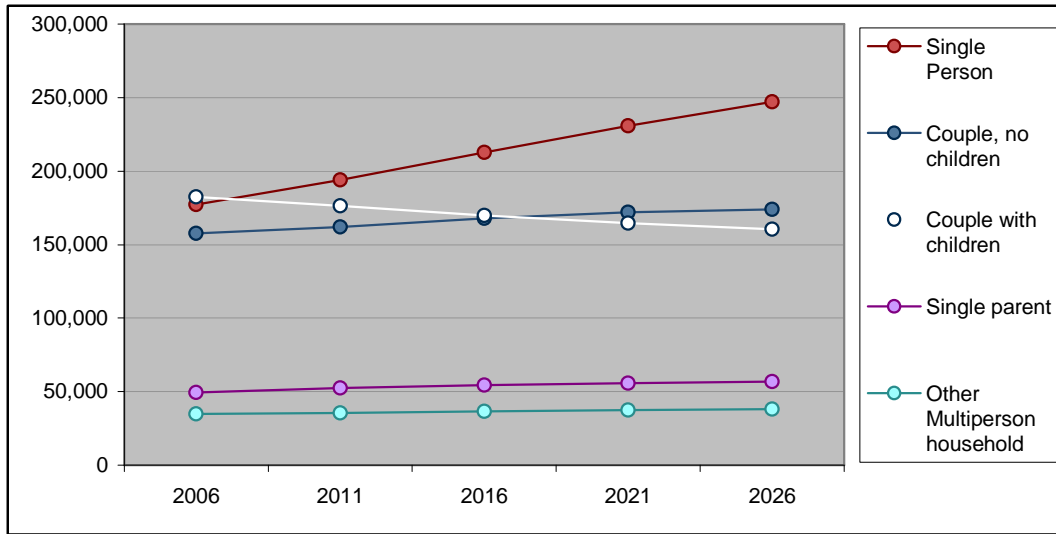
Most of the household growth in the C3 sub-region between 2006 and 2026 is expected to come from single person households, which are projected to increase by around 70,000 (40%). The number of couples without children is set to rise by about 16,400 (10%), while single parent households will increase by some 7,500 (15%). The number of "other multi-person households" will rise by 3,200 (9%) while the numbers of traditional families (couples with children) is projected to decrease by more than 22,000 between 2006 and 2026 (minus 12%)¹².

¹⁰ These figures include concealed households which according to the projections make up 0.81% of all households across the C3 in 2006 (5,055 households) declining to 0.71% in 2026 (4,818 households).

¹¹ The sub regional household projections are not 'National Statistics', being an indication of the likely increase in households given the continuation of recent demographic trends. The household projections are not an assessment of housing need and they do not take account of future policies. The sub regional household projections are less robust than those at the regional level, particularly for those areas with relatively small numbers of households and this should be taken into account in using the figures.

¹² The DCLG household projections fail to distinguish couples with children from couples without children (opting instead to distinguish between married and unmarried couples). In order to arrive at the figures presented here it was necessary to carry out additional modelling of the data. This was done using Census 2001 data which provided the percentage split of couples with children and couples without children by age band. These figures were applied to future years, it being assumed that these percentages will not change over time. The resulting output showing an expected increase in the number of couples without children and a reduction in the number of couples with children can be ascribed to the effects of a growing number of older couples, as the share of couples without children rises quickly in the 50+ age cohorts.

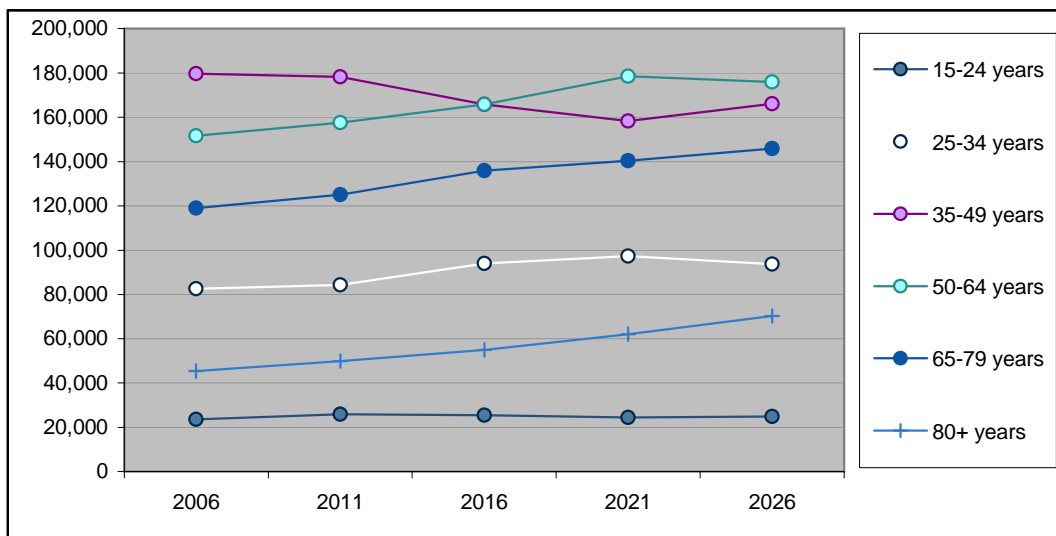
Figure 3.1 Household projections by household type: C3 sub-region 2006-2026



DCLG 2004 based Sub Regional Household Projections (additional modelling Census 2001)

The average age of households is expected to increase markedly in the C3 area. An analysis based on the age of the so-called "Family Reference Person" reveals that the numbers of households in the 65-79 year age group will increase by close to 27,000 (23%) between 2006 and 2026, and the age group 50-64 years is expected to grow by a little over 24,000 households (16%), peaking in 2021. The oldest age group, those aged 80 years and over, is also projected to increase by around 25,000. In percentage terms this is the most dramatic increase – some 55%. This will clearly have important policy consequences in terms of suitable housing for older people with and without support.

Figure 3.2 Household projections by age: C3 sub-region 2006-2026



DCLG 2004 based Sub Regional Household Projections

The number of households in the youngest age bands (< 35 years) is projected to increase slightly in number, while the middle age group, those aged between 35 and 49 years, is expected to decline by more than 21,000 households between 2006 and 2021. Complete figures for each LAD and cross tables (age-household type) are included in the statistical appendix.

3.1.2 HDAM 2004-based Household Projections with an Ethnic Group Dimension

ECOTEC were recently commissioned by the Black Country local authorities to produce household projections with an ethnic group component.¹³ The population component of the projection was 'controlled' to ONS 2004-based sub-national projections. The HDAM population projection was, in effect, used to reapportion the ONS figures and derive an ethnic group component, which was then used to take forward the housing component of the model. Household projections were produced for two scenarios: (1) where BME household sizes remained constant over the whole period, and (2) where BME household sizes gradual converged towards the White British 'norm'.

This approach has been indicatively rolled out to include Cannock Chase, South Staffordshire, and Telford and Wrekin. The results of this, in terms of overall household growth expected for the period 2006 – 2026 are shown in the following table. It concerns the results for scenario two.

Table 3.3 DCLG and HDAM Household Projection Comparison, 2006-2026

District		2006	2026	HH change 06-26	ave/yr
Cannock Chase	DCLG	38,700	43,900	5,200	260
	HDAM	39,250	43,950	4,700	235
Dudley	DCLG	127,300	141,200	13,900	695
	HDAM	129,050	141,750	12,700	635
Sandwell	DCLG	118,300	134,900	16,600	830
	HDAM	120,450	131,800	11,350	568
South Staffordshire	DCLG	42,900	45,900	3,000	150
	HDAM	43,250	45,750	2,500	125
Telford and Wrekin	DCLG	68,000	84,000	16,000	800
	HDAM	68,850	83,500	14,650	733
Walsall	DCLG	102,700	110,300	7,600	380
	HDAM	103,850	109,450	5,600	280
Wolverhampton	DCLG	100,500	112,700	12,200	610
	HDAM	102,700	111,200	8,500	425
C3 total	DCLG	598,400	672,900	74,500	3,725
	HDAM	607,400	667,400	60,000	3,000

Source: DCLG / HDAM (ECOTEC)

¹³ ECOTEC (2007) Population and Household Forecasts for Black Country Districts with an Ethnic Group Dimension

HDAM generally predicts a slower rate of growth in household numbers, albeit from a higher base. HDAM predicts lower household growth in areas with large, well established BME communities. The impact of the ethnic group dimension of the model is most pronounced in Wolverhampton and Sandwell.

3.2 New build capacity

Future household growth will need to be facilitated by an expansion in housing supply. According to developers operating in the C3 housing market area, land availability is the most important bottleneck to achieving the RSS target new build numbers.

An integral part of the RSS planning process is to look at the actual land capacity across the Region to ascertain whether or not there are sufficient existing sites to accommodate growth. To this end the WMRA carried out a Housing Land Potential Study in 2007, requiring all LADs in the Region to fill in survey forms giving the current position. The primary results for the C3 sub-region are given in the following table.

Table 3.4 Housing land capacity 2006-2026

	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Commitments at April 06	1,717	4,157	7,929	1,427	6,107	6,022	5,375	32,734
Traditional capacity 06-16	2,526	6,324	11,632	1,675	6,089	3,506	3,836	35,588
Non-traditional capacity 06-16	0	0	0	600	2,945	477	0	4,022
Total capacity 06-16	4,243	10,481	19,561	3,702	15,141	10,005	9,211	72,344
Traditional capacity 16-26	1,604	11,705	12,983	840	1,520	9,138	8,321	46,111
Non-traditional capacity 16-26	0	0	0	0	17,368	0	0	17,368
Total capacity 16-26	1,604	11,705	12,983	840	18,888	9,138	8,321	63,479
Total capacity 06-26 (gross)	5,847	22,186	32,544	4,542	34,029	19,143	17,532	135,823
Gross average annual capacity 06-26	292	1,109	1,627	227	1,701	957	877	6,791
Redevelopment of housing sites 06-26	479	5,923	9,030	463	467	2,800	2,587	21,749
Net capacity 06-26	5,368	16,263	23,514	4,079	33,562	16,343	14,945	114,074
Net average annual capacity 06-26	268	813	1,176	204	1,678	817	747	5,704

Source: *Regional Housing Land Potential Study, WMRA October 2007*

There are enough sites available in the C3 area to accommodate 135,800 gross new builds between 2006 and 2026, on average nearly 6,800 annually. A little more than half of this capacity is projected to be used in the period to 2016. 16% of the capacity in the sub-region concerns the redevelopment of housing sites, with a demolition and replacement ratio of 1:1 being assumed. When these demolitions are netted off the increase in housing stock which can be supported by available sites between 2006 and 2026 is close to 114,000, an average stock growth of 5,700 annually.

Telford and Wrekin has the highest land availability to support growth, including several sizeable sites owned by English Partnerships, the majority of which are projected to come

on line after 2016. Sizeable plans include the Lawley Sustainable Urban Extension, Millennium Village and Lightford. During stakeholder engagement one developer expressed the opinion there is a danger of oversupply in Telford as plans may not attract as many households from elsewhere as some anticipate and thus the market would not support the RSS targets for this Borough.

The English Partnership sites mentioned in the Housing Land Potential Study are considered to be 'non traditional' or 'additional' capacity. Two other C3 districts indicated sites belonging to this category, these being South Staffordshire which has 3 sites on White Land identified in the Local Plan with a combined capacity of 600 dwellings and Walsall with 477 additional dwellings on two sites likely to come forward.

Sandwell and Dudley have the second and third highest gross new build capacity but these districts also have the highest proportion of demolition and replacement rates (around 27%) which significantly lowers their expected levels of net stock growth. Telford and Wrekin has the lowest redevelopment percentage (1.4%).

99% of capacity in the Black Country concerns previously developed land. This share is compared to 91% in Cannock Chase¹⁴, 78% in Telford and Wrekin and 76% in South Staffordshire, with the remaining sites being Greenfield ones. In both Walsall and South Staffordshire development of Green Belt sites was projected.

The Regional Housing Land Potential Study also furnished information on average development densities for each district. Densities on those sites under construction or with full planning permission ranged from 18 dwellings per hectare in Telford and Wrekin to 64 in Wolverhampton. Densities in development plans and draft development plans were generally lower in the most cases.

Table 3.5 Average development densities (dwellings per hectare)

	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3 crude ave.
Sites U/c + with P.P	53	40	49	30	18	43	64	42
Outline P.P.	40	40	60	25-30	18	40	54	40
Development Plans	35	40	42	N/A	30	33	50	38
Permissions since April 2006	45	N/A	60	35	25	54	N/A	44
Draft Development Plans	34	75	50	30-35	37	N/A	45	46
Redevelopment of housing sites	40	35	49	30	30	40	55	40
Reuse of empty land (B1, B2, B8)	62	40-45	67	42	N/A	41	67	54

Source: *Regional Housing Land Potential Study, WMRA October 2007*

¹⁴ These percentages are taken from the Housing Land Potential Study (2007) carried out by the regional authority. Cannock Chase Council have stated during this SHMA research that the correct percentage figure for this district is actually 60% rather than 91%.

These figures provide clues on the expected nature of development in the various districts. Densities lower than 30 dwellings per hectare indicate sub-urban development where detached and semi-detached housing on larger plots could be expected to predominate. Densities above 50 dwellings per hectare indicate more compact urban form – smaller plot sizes and a higher share of flatted development.

The study indicates that there is potential additional capacity available through increasing densities – close to 7,700 extra dwellings could be accommodated in the C3 area between 2006 and 2026, over and above the above the figures quoted above. The majority of this additional capacity (4,800 dwellings) is available on sites in Telford and Wrekin.

During stakeholder engagement developers pointed to the cost of remediation of brownfield sites being a big impediment to raising new build numbers. They also expressed concerns about "bureaucratic planning procedures" and warned against "unrealistic expectations" with regard to the levels of planning gain that could be achieved. It was felt that this was making it increasingly difficult to deliver new builds, and was likely to negate any targets the Government and region are setting.

3.3 Economic trajectory

3.3.1 The potential impact of regional policy

The West Midlands Economic Strategy aims to maintain and enhance the region's attractiveness as a location in which people and businesses choose to invest, work, learn, visit and live. It aims to do this by making the West Midlands:¹⁵

- a more prosperous region, but recognising that economic growth must support overall improvements in the quality of life and wellbeing of all the region's residents;
- a more cosmopolitan and inclusive region, making full use of the skills and talents of our people and ensuring equality of opportunity, across the region, in relation to the wealth and prosperity generated through continued economic growth; and
- a more sustainable region, correctly valuing our natural, historic and cultural assets, seeking to minimise our use of the planet's resources and preparing for a low-carbon future.

Success will mean developing a vibrant business base, spread across the region's towns, cities and rural areas – providing opportunity that ensures all citizens in the region have the chance to participate in economic success. It will mean the West Midlands continuing

¹⁵ AWM / WMRA (2007) Connecting to success: West Midlands Economic Strategy

to enhance its national and international reputation for the quality and diversity of its people and places.

Birmingham, and its surrounding urban area, is a key driver of the West Midlands economy with a concentration of economically significant assets (such as universities, an internationally recognised financial and business services sector, and internationally recognised business tourism attractions). It therefore plays an important role in shaping the perception of the region as a gateway for visitors, investors, business and potential new residents. The strategy recognises a need to support the ongoing development of Birmingham to ensure that it remains economically competitive.

3.3.2 Economic sector forecasts

According to figures made available by the West Midlands Regional Observatory Gross Value Added (GVA) in the West Midlands is expected to increase by between 2 and 3% per annum between 2008 and 2020¹⁶. The outlook varies for each economic sector however, as shown in the following table.

Table 3.6 Employment share by industrial sector and regional forecast to 2020

Economic sector	Agriculture	Manu- facturing	Con- struction	Transport, distribution & telecom.	Education, health & social work	Retail & hospitality	Public admin. & defence	Banking, business & computer services
<i>Share of employees 2006</i>								
Cannock Chase	0%	15%	9%	15%	19%	21%	2%	18%
Dudley	0%	16%	6%	12%	21%	17%	5%	23%
Sandwell	0%	22%	6%	17%	18%	12%	4%	20%
South Staffs	2%	8%	8%	19%	22%	17%	5%	19%
Telford & Wrekin	1%	20%	3%	12%	21%	15%	7%	23%
Walsall	0%	21%	4%	13%	20%	14%	3%	25%
Wolverhampton	0%	12%	12%	12%	27%	14%	6%	16%
C3 total	0%	17%	7%	14%	21%	15%	5%	21%
<i>Employment forecasts for the West Midlands Region (index: 2005 = 100)</i>								
2005	100	100	100	100	100	100	100	100
2010	82	90	102	102	106	100	100	102
2015	69	85	104	101	110	104	100	104
2020	59	81	110	102	114	107	100	107

Sources: Annual Business Inquiry (ONS Crown Copyright Reserved), West Midlands Observatory and Cambridge Econometrics Regional Economy Environment Input Output Model (REEIO); the original 41 industrial sectors have been reworked into the 8 larger clusters above by ECOTEC.

In terms of employment, the agricultural and manufacturing sectors are expected to decline whilst the greatest growth is expected in the fields of education, health & social

¹⁶ The West Midlands Regional Observatory figures come from the Cambridge Econometrics Regional Economy Environment Input Output Model (REEIO); at the time of writing only regional level forecasts were available but the observatory is developing sub-regional and district level forecasts which are due to be available in August 2008.

work. The decline in manufacturing must be considered to be a threat to the economic future of the C3 sub-region, particularly in Sandwell, Walsall and Telford and Wrekin as more than 20% of jobs are currently concentrated in this sector.

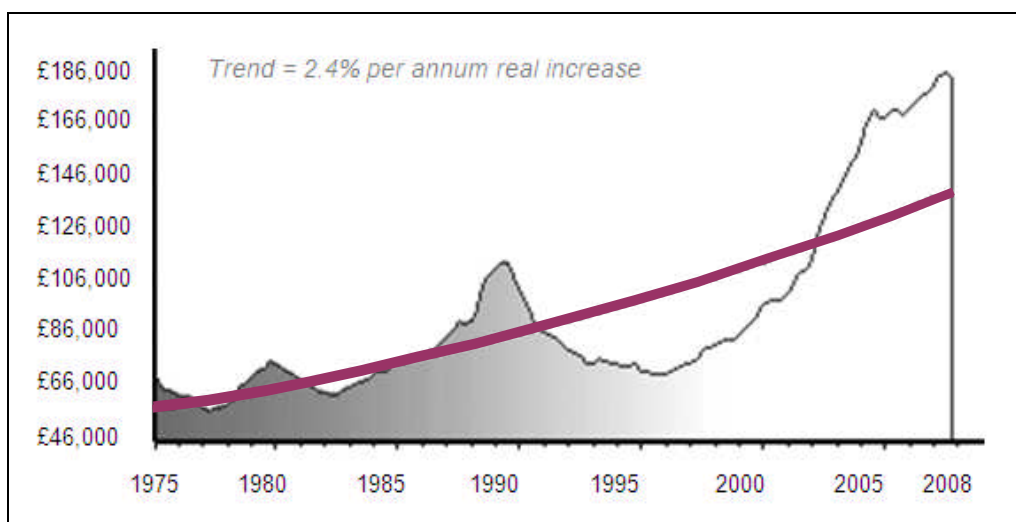
The forecasts would indicate that opportunities may lie in the construction, retail, hospitality, and business service sectors.

3.4 Future house prices

3.4.1 The long term trend

The SHMA guidance recognises that 'predicting future house prices in an inherently uncertain process'.¹⁷ Nationally, the long-term trend is for there to be a 2.4% annual real house price increase. Strong house price growth coupled with low inflation has meant that real house price growth since 2001 has outstripped anything experienced into the preceding two decades. As highlighted in the previous section C3 area prices rose by 90% over the five year period to 2006.

Figure 3.3 Real house prices, UK: 1975 - 2008¹⁸



Source: Nationwide Building Society. Base = Q4 2007

3.4.2 The effect of macro-economic policies

Housing markets are sensitive to macro-economic factors, especially changes in the base lending interest rate. The Bank of England manipulates the interest rate as a mechanism to achieve its two main purposes: to maintain the stability of the financial system and to

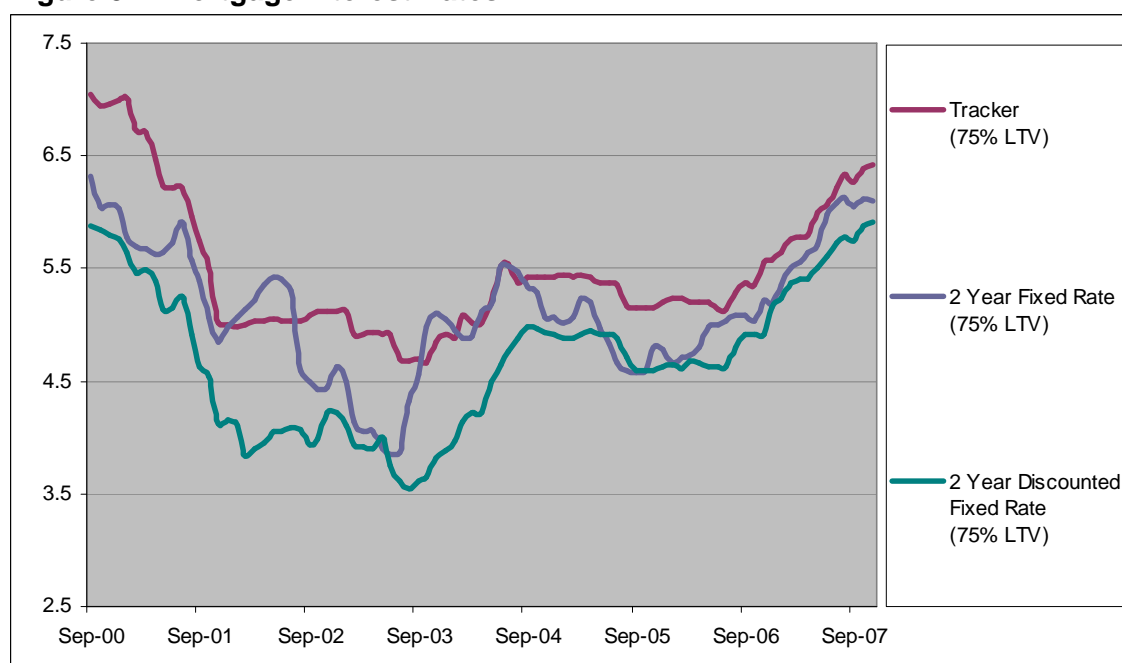
¹⁷ CLG (August 2007) Strategic Housing Market Assessments – Practice Guidance

¹⁸ Base = 2007, Q4.

promote monetary stability. Higher interest rates reduce the demand for housing markets by making it more expensive to borrow whereas lower interest rates boost the prices of property assets, as the cost of mortgages becomes more affordable and people are prepared to pay higher prices for housing.

Higher house prices enable existing homeowners to re-mortgage in order to finance home improvements or to use equity to move up the property ladder. Low interest rates also promote growth in the general economy by lowering the cost of investment and therefore encouraging business expansion and employment opportunities, creating confidence in the housing market. Since 2006 the Bank of England base rate interest rate has risen from 4.5% to 4.75% in August 2006, 5% in November 2006, 5.25% in January 2007 and again to 5.5% in May 2007. By July 2007 the rate had risen to 5.75%, before being cut to 5.5% in December. As shown, the rates for mortgages rose steadily during 2006 in line with Bank of England base rates. This, as well as increased anxiety over the future of the economy generally, has led to a slowdown in the housing market.

Figure 3.4 Mortgage Interest Rates¹⁹

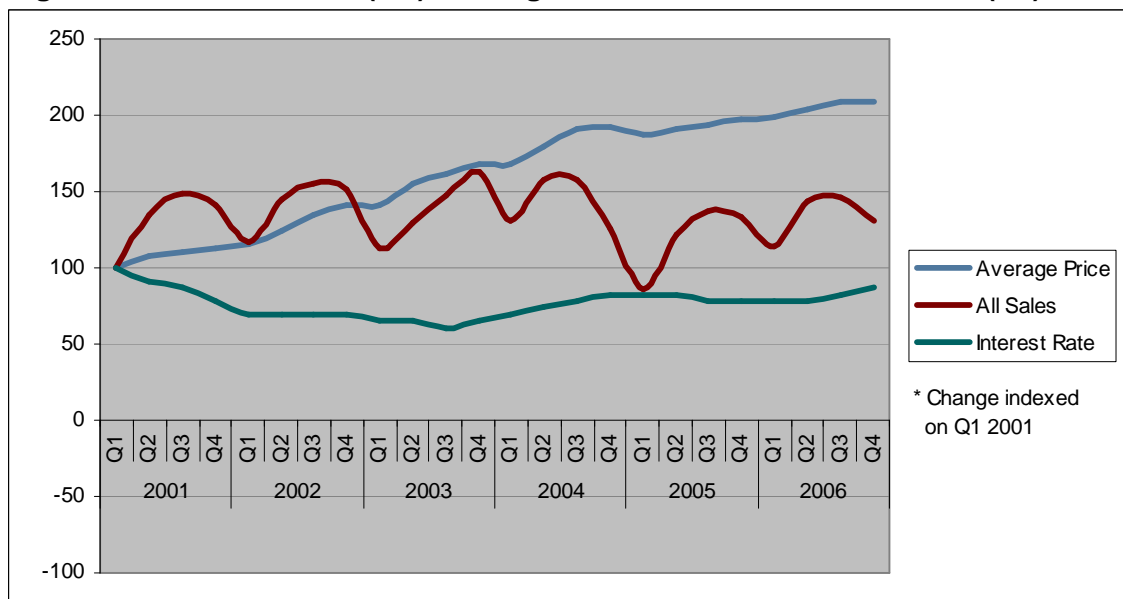


Source: Bank of England, 2007

Most market analysts are now pricing in a cut from 5.5% to 5.25% on 8 February as a near certainty with a small chance of a half-point cut. They also point to a 60% chance of a further 25-basis point cut to 5% in March.²⁰

¹⁹ All mortgages rates are end month weighted average interest rates. All mortgage rates shown are for banks and building societies. 75% LTV = 75% Loan to Value.

Figure 3.5 Interest Rates (UK), Average House Prices and Total Sales (C3)



Sources: Bank of England, 2007. HM Land Registry Price Paid

3.4.3 Predictions about the future direction of the housing market

As already discussed, predicting the future direction of the housing market is fraught with difficulty. Current house price forecasts for 2008 vary significantly. Some analysts expect an average increase of 3% (Savills, Knight Frank) such that house prices would, taking into account inflation, remain more-or-less static. Many are predicting that house prices will remain static (RICS, Nationwide, Halifax) – in effect a slight fall against inflation. Others are predicting significant house price falls in 2008 and 2009, for example -5% (Deloitte, Capital Economics), -10% (Institute of Economic Affairs) and -15% (London School of Economics).

3.4.4 The potential impact of higher rates of new build

Recent economic modelling undertaken for the National Housing and Planning Advice Unit (NHPAU)²¹ has considered the potential impact of increased housing supply on affordability at a regional level. The model consists of three interrelated modules: (1) demographics; (2) housing; and (3) the labour market. The three equations are determined by very similar variables and can be considered as a reduced form labour market model. The model is complex, but, in practice, most of the non-housing market variables are extrapolated according to simple trends over the future and have little if any

²⁰ Source: Cantor Index

²¹ NHPAU (2007) Developing a Target Range for the Supply of New Homes

effect on the model properties. But this does imply that if the trends changed – for example, if industrial structure began to favour the North – then housing demand would also change geographically.

In terms of the housing market influences, expectations of capital gains clearly play a central role. In the wage equation, higher expected capital gains reduce wage claims. This can be considered as a form of user cost effect. This improves the ability of firms to hire workers more cheaply. However, the level of relative house prices has a positive effect on earnings since higher house prices reduce the real wage. In the employment equation expected capital gains increase employment (although the coefficient is insignificantly different from zero), whereas the level of relative house prices reduces employment. This suggests that higher land and housing costs in any area limit the location of firms and jobs in that region.

The analysis looks at the likely impact of: (a) existing RPG plans; (b) current RSS plans; and (c) the government's national target to deliver 240,000 additional homes per annum by 2016. The impact of these differing supply scenarios on lower quartile house price to income ratios is shown in the table below.

Table 3.7 Projected Impact of Supply Scenarios on Market Affordability

		Average Annual Net Provision to 2016	Lower Quartile House Price to Income Ratio - Point Estimates		
			2007	2016	2026
West Midlands	RPG	14,902	6.7	7.5	9.8
	RSS	16,167	6.7	7.3	9.2
	HMG	19,654	6.7	7.1	8.7
England	RPG	150,305	7.1	8.4	10.9
	RSS	201,068	7.1	8.0	10.0
	HMG	221,035	7.1	7.9	9.5

Source: NHPAU, 2007

3.4.5 Scenarios

The core assumption for the long-term house price projection is a 2.4% real increase in house prices (at 2007 prices), which is based on the national long-term trend over more than 3 decades²². Figure 3.6 overleaf shows actual house prices across the C3 sub-region for the period 2000 – 2007, comparing this to the long-term trend. As this illustrates, prices in the C3 area have risen sharply from below the long-term trend line, passing through this line in early 2004 and ending 2007 some 20% above it.

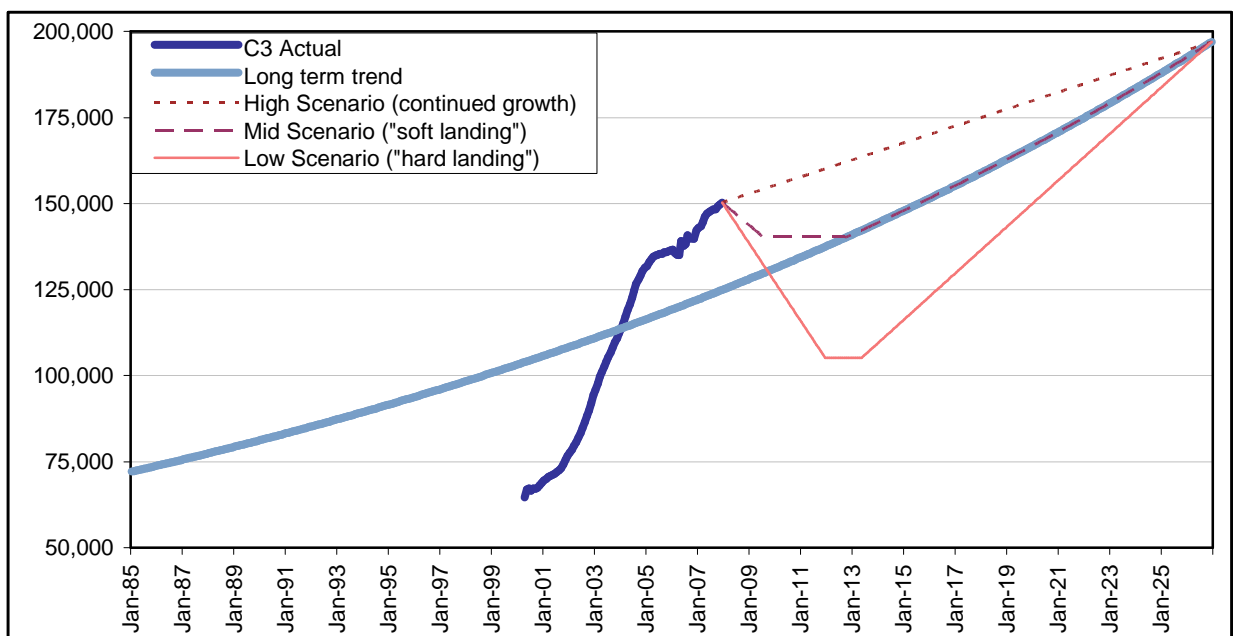
Section 3.4.3 reviewed the varying predictions currently being made by economists and market commentators about the direction of the market during 2008. For the purposes of

²² Nationwide Building Society figures

testing the sensitivity of affordability rates to price changes, we are concentrating on three scenarios:

- **High scenario – continued growth:** under this scenario house prices are projected to continue to rise in real terms, albeit at a reduced rate than in the recent past. Price rises are projected forward from this point leading to an intersection with the projected long term trend line in 2026. In the short term this scenario represents real price rises of around 1.6% per annum, declining to 1.3% per annum in the longer term.
- **Mid scenario – "soft landing":** house prices are projected to fall back slightly in 2008 and the first part of 2009, before stabilising at mid-2006 price levels (a fall of 6.6% from December 2007 to July 2009). The scenario then anticipates a period of price stagnation until late 2012 when the long-term trend line is intersected with. From this point forward the scenario follows this trend line – assuming a continued increase of real prices of 2.4% per annum.
- **Low scenario – "hard landing":** this scenario factors in a sharp and prolonged fall in real house prices in the short and medium terms to a level well below the long-term trend line. This mirrors past market behaviour when prices have crashed following rapid rises (the last crash in England was in the early 1990s). Having fallen by 30% between 2008 and 2011, real house prices under this scenario are then projected to stabilize briefly before climbing back to intersect with the long term trend in 2026.

Figure 3.6 Actual house prices 2000-2007 and house price scenarios 2008-2026



Sources: HM Land Registry Price Paid; Nationwide Building Society. Base = Q4 2007; Modelling ECOTEC

The future development of house prices is of course notoriously hard to predict, with a large number of variables making accurate forecasting close to impossible. For this reason

we have let all our scenarios converge on the long-term trend line by 2026. The three scenarios are useful in providing an indication of the area within which house prices are likely to move, particularly in the next 5 or 6 years.

4.0 Housing Need and Demand

Calculating housing need is the most technical part of any Strategic Housing Market Assessment. The approach taken here broadly follows the Strategic Housing Market Assessments Practice Guidance (CLG August 2007). The basic formula for calculating this is as follows:

$$\begin{array}{r} \text{Reduction of Backlog Need} \\ \text{Plus} \\ \text{Newly Arising Need} \\ \text{Minus} \\ \text{Supply of Affordable Housing} \\ \text{Equals} \\ \text{Net Annual Housing Need} \end{array}$$

According to the definition given in PPS3 housing need is 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. Further to this PPS3 Annex B states that 'Affordable housing includes social rented and intermediate housing provided to specified eligible households whose needs are not met by the market'. Affordable housing should:

- meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices; and
- include provisions for the home to be retained for future eligible households; or if these restrictions are lifted, for any subsidy to be recycled for alternative affordable housing provision.

The SHMA Practice Guidance sets out how to assess whether a household can afford home ownership or market renting. It states that a household can be considered able to afford to buy a home if it costs 3.5 times the gross household income for a single earner household or 2.9 times the gross household income for dual-income households. Regarding private renting a household can be considered able to afford market house renting in cases where the rent payable was up to 25% of their gross household income. The 'Rent Payable' figure is defined as the entire rent due, even if it is partially or entirely met by Housing Benefit. Clearly, the relationship between local house prices and incomes is central to determining if a household is in need.

The guidance states that secondary data should be used where possible to arrive at robust output. The method used to calculate housing need in the C3 sub-region is set out below.

It could be termed a "hybrid approach" in that it combines both primary (survey) data and secondary data sources. Determined by the availability of data sources, the base year for this calculation is 2006.

4.1 Current housing need

This part of the calculation seeks to measure those households currently living in the C3 area who lack their own housing or live in unsuitable housing and cannot afford to meet their housing need in the market. This group includes homeless, concealed and overcrowded households and those living in unsuitable or technically deficient accommodation who do not have the resources to remedy the housing problems they face.

Accurately assessing current housing need is made difficult by the lack of good secondary data sources providing robust local evidence and covering its various facets. Council waiting list data for example is deficient as many households who qualify as being in need are not registered, while many who are registered may, through change of circumstance etc, no longer be in housing need. Data from the Census and the Survey of English Housing is either out of date, or will only provide generalised output for larger geographies and thus failing to do justice to sub-regional and local variation.

Following careful consideration of the available evidence the choice has been made to use output from the housing needs surveys commissioned from each of the 7 C3 authorities. It was felt that these surveys capture the various component parts of current housing need better than any combination of secondary sources.

To arrive at comparable figures for total current housing need it was necessary to rework the numbers provided in some of the local HNS reports. The figures given in the following table include homeless households and those households in need that are (inappropriately) housed in the social sector, but exclude households who have the means to remedy their situation in the open market as well as those cases where an "in situ" solution is considered feasible.

The methodology assumes that existing households in need who currently occupy social sector dwellings will have their needs met through transfers within the social stock. According to the Guidance this is to be done by adding these households to the supply side of the calculation (step 3). However, we feel that the calculation is easier to follow if these households are subtracted from the demand side of the calculation in stage 1 – in effect "netted off" from the total number of households in need. In this way we arrive at a final figure for current (backlog) need for those outside the social sector.

Table 4.1 Current housing need (gross)

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
A	Total current housing need	1,883	6,227	8,282	1,365	4,669	3,658	8,357	34,442
B	Of which current occupiers of affordable housing	1,284	3,327	4,527	523	2,243	1,809	4,560	18,273
C	Backlog need (A-B)	599	2,899	3,755	842	2,426	1,849	3,797	16,168

The total figure for backlog need in the C3 area is estimated to be around 16,000 households. An evaluation of the resultant figures shows that current need is relatively low in Cannock Chase, being 1.5% of all households in the LAD, followed by Walsall (1.8%) and South Staffordshire (2.0%). At the upper end of the scale are Wolverhampton (3.8%) and Telford and Wrekin (3.6%). In step 5 below the output from step 1 will be divided by 5 to provide the annual rate of backlog reduction.

There are two limitations with this approach that should be noted. Firstly, as stated in chapter one, the underlying housing needs surveys were conducted at different times. Secondly, because they were carried out by different consultants a variety of methodologies were applied to gathering and interpreting the survey results.

4.2 Future need

Future need has two components: newly forming households in need and existing households falling into need. These are dealt with here in turn.

4.2.1 Newly forming households

The first step of the calculation is to determine the number of new households likely to form each year, distinguished by household type. This is done using the latest DCLG household projections, the latest available being those with 2004 as the base year. These projections are available for each local authority showing the number of households by type and by 5 year age band.

The Guidance states unequivocally that gross household formation must be measured, this being the total number of newly forming households as opposed to net household growth which takes into account household dissolution. The method employed here to calculate gross newly forming households is consistent with the approach used in the SHMA for the West Midlands South sub-region. This involves tracking the development of each cohort at 5 year intervals to see whether it has grown. An increase in the size of the

cohort is then ascribed to households newly forming. The numbers are then divided by 5 to arrive at an annual figure²³.

A problem encountered with the DCLG household forecasts is that they do not distinguish couples with children from couples without children. Given the obvious implications for particular housing requirements (number of bedrooms, house with a garden etc) it is necessary to disaggregate couples into these two groups. This was done using Census 2001 data which allowed couples to be split according to age cohort.

The model produced unique figures on newly forming households for each district and each block of 5 years. The total of newly forming households projected in the C3 in the period 2006 – 2010 is 11,964 per annum. This is expected to rise slightly in the period to follow, averaging 12,360 per annum between 2011 and 2026. The breakdown by household type 2006-2010 is:

- Single person households: 24%;
- Couples without children 16%;
- Couples with children: 40%;
- Single parents: 20%.

4.2.2 Income distribution of newly forming households

The next step requires newly forming households to be matched with their income profiles. Borrowing from the approach taken for the WM South SHMA, this is done using SEH data which shows that newly forming households earn around 67% of all households. This factor is applied to the average district incomes given by the CACI dataset. The SEH data also provides data on the average income and income distribution (in deciles) for each type of newly forming household. By applying this distribution to the CACI data, we arrive at an approximation of the income profile of newly forming households in the C3 area by district and by type.

4.2.3 Market entry level prices

The housing need calculation requires the minimum price at which home buyers and renters are able to access the market to be ascertained. To allow a match to be made with the specific requirements of the various household types it is necessary to determine

²³ For example according to the projections data there were 277 single parent households aged between 20 and 24 in Cannock Chase in 2006. By 2011 there are projected to be 373 single parent households aged between 25 and 29 in the district. This means there would be 96 households of this type forming during the 5 years 2006-2011, or 19 per year. Newly forming households in age cohorts older than 39 years have been excluded as it is assumed that middle aged and older households will have already found suitable accommodation and if not will be measured as existing households falling into need. This is consistent with the approach taken in the WM South SHMA.

market entry prices by dwelling type and number of bedrooms. As stated above, market entry level is equated to the lower quartile price.

The prices for home buyers are based on 2006 Land Registry “Price Paid” data. Because this dataset does not provide information on bedroom numbers it has been necessary to model this on the relationship between bedroom number and price distilled from current Rightmove housing offer.

The figures for the private rented sector are based on the bespoke dataset referred to in chapter 2. These prices have been deflated to the price level as it was in 2006 on the basis of regional price trends given by the SEH. The resulting 2006 market entry price levels for each district are presented in the following table.

Table 4.2 Market entry price levels by dwelling type and bedrooms (2006)

Dwelling type	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Buyers							
1 bed flats	£65,500	£69,000	£62,500	£78,000	£66,000	£73,500	£66,000
2 bed flats	£84,500	£85,000	£89,000	£105,000	£71,000	£99,000	£88,500
2 bed houses	£94,000	£87,000	£87,000	£100,000	£85,000	£83,500	£79,500
3 bed houses	£110,000	£108,500	£100,000	£125,000	£103,500	£95,000	£95,000
Renters							
1 bed flats	£337	£353	£350	£386	£397	£328	£357
2 bed flats	£405	£424	£421	£463	£476	£393	£428
2 bed houses	£416	£436	£433	£477	£490	£404	£441
3 bed houses	£470	£493	£489	£538	£553	£457	£498

4.2.4 Households unable to enter the market

Each household type is matched with a suitable minimum dwelling requirement in ahead of the subsequent affordability test. Single person households are matched with one bedroom flats, couples without children are matched with two bed flats, single parents are matched with 2 bed houses and couples with children are matched with 3 bed houses. By matching the income levels of newly forming households with the market entry prices of the appropriate dwelling type and applying the affordability criteria outlined above (borrowing factors 3.5 and 2.9, and renting factor 25% of gross monthly income) we arrive at the number of households who are unable to enter the market.

According to the results of the calculation 7,570 of the 11,964 annual newly forming households in the C3 area (63%) will not be able to afford entry into the market. Approximately 1,645 newly forming households are expected to be able to gain entry into the PRS but will not be able to afford to become owner-occupiers. The majority of newly forming childless couples will be able to afford market housing, but very few single parent

households will be able to. Detailed figures for each LAD and each household type are given in the next table.

Table 4.3 Newly forming households in need

HH type		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Single person	Newly forming HH	168	559	674	114	383	402	611	2,912
	% w ho cant buy	67%	70%	71%	70%	67%	74%	71%	70%
	% w ho cant rent	62%	65%	69%	63%	67%	64%	68%	66%
	Cant buy but can rent	8	28	13	8	0	40	18	116
	Cant buy or rent	104	364	465	72	257	257	416	1,934
Couples no children	Newly forming HH	159	428	385	101	246	287	283	1,890
	% w ho cant buy	39%	41%	52%	46%	21%	54%	49%	44%
	% w ho cant rent	13%	16%	20%	14%	18%	15%	19%	17%
	Cant buy but can rent	41	107	123	32	7	112	85	508
	Cant buy or rent	21	69	77	14	44	43	54	322
Couples with children	Newly forming HH	344	1,048	993	275	564	778	765	4,768
	% w ho cant buy	84%	84%	85%	84%	82%	82%	83%	83%
	% w ho cant rent	59%	62%	67%	60%	64%	61%	65%	63%
	Cant buy but can rent	86	230	179	66	102	163	138	964
	Cant buy or rent	203	650	666	165	361	475	497	3,017
Single parent	Newly forming HH	118	366	620	68	299	379	542	2,393
	% w ho cant buy	99%	98%	99%	99%	97%	99%	98%	98%
	% w ho cant rent	94%	95%	97%	94%	96%	95%	97%	96%
	Cant buy but can rent	6	11	12	3	3	15	5	56
	Cant buy or rent	111	348	602	64	287	360	525	2,298
All households	Newly forming HH	790	2,402	2,673	558	1,493	1,846	2,201	11,964
	% w ho cant buy	74%	75%	80%	76%	71%	79%	79%	77%
	% w ho cant rent	56%	60%	68%	56%	64%	61%	68%	63%
	Cant buy but can rent	142	376	328	110	112	331	246	1,645
	Cant buy or rent	439	1,430	1,809	315	950	1,135	1,492	7,570

4.2.5 Existing households falling into need

There are a number of possible approaches to estimating this component of newly arising need. The Guidance suggests looking at recent trends and using housing register, LA/RSL data and tenants surveys. An approach we have tested involves considering all movements from the private sector (PRS and owner-occupiers) to the social sector as indicative of an existing household falling into need. By applying national figures from the SEH to the household profile of the C3 districts a total figure of 3,200 was arrived at for the sub-region. A limitation of this approach is that it only measures those households who have been successful in gaining entry into the social sector. There may be a significant number of households that fall to secure a social rented dwelling and therefore have to accept an unsuitable alternative. It is also a broad brush approach that may fail to adequately pick up on possible local variation.

Another method is to use output from the local housing needs studies to estimate the number of existing households falling into need. This source, which is more firmly based on locally gathered (survey) evidence, resulted in a higher figure for the C3 area as a whole: 4,659. Given the current market situation - the "credit crunch", falling house prices and anecdotal evidence that many recent first time buyers are over-committed financially – we have opted here for the higher figure.

The headline district figures showing the 2 components of newly arising need are given in the following table. Newly arising need in the C3 sub-region is expected to be a little over 12,200 households annually between 2006 and 2010.

Table 4.4 Newly arising need

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
D	Gross new hh formation per annum 2006-2010	790	2,402	2,673	558	1,493	1,846	2,201	11,964
E	Share newly forming HH unable to afford market housing	56%	60%	68%	56%	64%	61%	68%	63%
F	Newly forming HH unable to afford market housing (DxE)	439	1,430	1,809	315	950	1,135	1,492	7,570
G	Existing households falling into need	284	1,055	1,017	434	270	1,017	582	4,659
H	Total newly arising need (F+G)	723	2,485	2,826	749	1,220	2,152	2,074	12,229

4.3 Affordable housing supply

Stage 3 concerns the supply of affordable housing. The Guidance states that this consists of several components, the most important of which is annual re-lets to new tenants entering social housing. The figures are given in the following table.

Table 4.5 Supply

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
I	Annual supply of social sector re-lets	508	2,195	2,749	371	795	1,717	2,213	10,547

The re-lets figures are based on two sources: Housing Strategy Statistical Appendix (HSSA) and CORE data. HSSA provides the figures for LA re-lets to new tenants, meaning tenants moving in from outside the social sector rather than tenants transferring from other social sector dwellings. CORE provides the figures for RSL re-lets to new tenants per district. New LA and RSL lettings are added together to arrive at total new re-lets per (financial) year. Based on an analysis of re-letting trend over the past 5 years

average figures over a number of years have been adopted for some districts, while latest figures have been used for others (for example Wolverhampton where there has been a strong downward trend in the number of social sector re-lets).

Other components of supply given in the Guidance are empties, demolition and new build pipeline. The fact that less than 3% of the social housing stock in each C3 district is empty is the reason for excluding this factor from the calculation – this void level is considered necessary to facilitate market churn and maintenance work. Concerning demolition and new build, we feel it is better to treat these after the bottom line needs figures have been presented, in order to avoid possible confusion over the results.

4.4 Completing the calculation

To complete the calculation it is first necessary to convert the net current need calculated in stage 1 into an annual quota of backlog reduction. It is assumed that backlog will be reduced over a period of 5 years – this being the most commonly applied rate and the one suggested in the Guidance, although a longer period may also be considered. Finally, net annual housing need is calculated by adding the annual quota to the total newly arising need (stage 2) and subtracting the re-let supply of affordable housing stock shown in the subsection above.

Table 4.6 Bringing the evidence together

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
C	Backlog need	599	2,899	3,755	842	2,426	1,849	3,797	16,168
J	Annual quota of backlog reduction (C÷5)	120	580	751	168	485	370	759	3,234
H	Total newly arising housing need	723	2,485	2,826	749	1,220	2,152	2,074	12,229
I	Annual supply of social sector re-lets	508	2,195	2,749	371	795	1,717	2,213	10,547
K	Net annual housing need (J+H-I)	335	869	829	547	910	805	621	4,916

Total need in the C3 for the period 2006-2011 is estimated to be 15,463 annually (J+H), which can be broken down into three components:

- Reduction of backlog need: 3,234 (21% of the total);
 - Newly forming households in need: 7,570 (49%)
 - Existing households falling into need: 4,659 (30%)
- } *newly arising need*

Given a re-let supply of 10,547 social sector dwellings per annum, unmet housing need in the C3 housing market area during the 5 period 2006-2010 is expected to be approximately 4,900 dwellings per year. All districts have a shortfall of affordable housing supply ranging from 335 in Cannock Chase to 910 in Telford and Wrekin.

It is important to note that new build pipeline and demolitions have been excluded from the housing needs calculation to this point. HSSA provides figures covering new build affordable housing provision 2003/04 – 2006/07 (outturn), 2007/08 (committed plans) and 2008/09 (proposals), furnishing information on the current tempo of affordable housing provision in the sub-region. Averaging the figures from all districts across all three categories shows the level of annual provision of new social rented dwellings in the C3 area to be close to 460. To this can be added about 320 intermediate sector dwellings, bringing the total to 780. This is clearly a long way short of the number required to cover the shortfall calculated above.

When one factors in demolitions the shortfall is greater still. As mentioned in chapter 2 there have been around 1,000 demolitions per year in the C3 recently, more than 95% of them in the Black Country, and the majority of these concern social sector dwellings (although exact figures are not available). For this reason, as well as RTB sales, the social housing stock has dwindled year on year, reducing the number of dwellings available for re-let and exacerbating the shortage of affordable housing supply. The housing needs calculation makes clear that this shrinkage needs to be reversed if the situation of households in need is to be significantly improved.

4.5 Need in relation to total housing requirement

The total amount of housing required in the sub-region is directly related to projected household growth, and has been the subject of extensive work during the RSS Revision process. As stated in chapter one the RSS Draft submission called for 97,000 net additional dwellings in the C3 area between 2006 and 2026, equating to 4,850 per annum. This is in fact fractionally lower than the level of additional affordable housing required in the sub-region to meet need.

The conclusion for tenure split is clear – the amount of affordable housing to be delivered on sites needs to be maximised. 100% affordable housing is not practicable given the level of subsidy involved and the need to obtain finance from the private sector, not only to contribute towards affordable housing but also to pay for necessary infrastructure. Therefore a careful balance needs to be struck between affordable housing supply on the one hand and private sector project viability on the other. The overall aim must be to achieve the greatest number of affordable new builds, and unrealistically burdening the

private sector would be counter productive to this. This balance will be a matter for negotiation per development site.

4.6 Housing need in terms of dwelling size

Specifying the size of dwellings required to meet need is an important output to be used to inform housing and development policies. To do this the bedroom requirements of households in need have to be measured and then matched against the availability of social stock (re-lets) to arrive at an indication of shortfall or surplus of affordable dwellings of various sizes.

First step is to establish what the household profile is of each of the three components of need – backlog, newly forming and existing households falling into need. Different sources were utilised to do this. The household profile of backlog need was based on Council Waiting List data supplied by each district. The composition of newly forming households was provided by the so-called ‘cohort method’ (see 4.2 above) while the breakdown of existing households falling into need was based on an analysis of CORE data – those households moving from owner-occupation or the PRS to the social sector were used as a proxy for this group. The combined results of this step are given below.

Table 4.7 Backlog and newly arising need by household type

Households	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Single person	262	1,126	1,271	323	596	891	1,078	5,545
Couples no children	78	280	337	171	151	263	230	1,509
Couples with children	309	990	993	245	509	718	722	4,485
Single parent	194	669	977	178	449	651	805	3,923
Total	843	3,065	3,578	918	1,705	2,522	2,834	15,463

The second step involves determining the various dwelling requirements of these households in terms of house type and bedroom size. For single people and childless couples the match used for the affordability calculation is applied – one and two bedroom flats respectively. This is not to say that these household types would be inappropriately housed were they to be offered a house rather than a flat, rather a flat is considered to be the minimum dwelling required.

Households with children are matched in a slightly different way than in the affordability calculation. 80% of couples with children are matched with a three bed house and the remaining 20% with a 4+ bed house. 58% of single parents are matched with a 2 bed house, 27% with a three bed house and 15% with a 4+ bed house. These parameters are

based on CORE data on actual household sizes of new tenants entering the social sector in the sub-region.

The third step is to break down re-let supply by dwelling type and bedroom size. This is also done using CORE data covering general needs lettings to new tenants entering the social sector. Lettings to tenants transferring within the social sector were excluded as these lettings show a different pattern with regard to bedroom size. The following table contains the re-let data broken down by dwelling/bedroom type²⁴.

Table 4.8 Bedroom distribution of social sector lettings to new tenants

Dwelling type/size	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
1 bed (flat/house)	32%	44%	56%	32%	36%	36%	55%	47%
2+ bed flat	10%	26%	18%	33%	31%	37%	18%	24%
2 bed house	38%	13%	13%	24%	12%	9%	17%	15%
3 bed house	20%	16%	12%	11%	19%	17%	8%	14%
4+ bed house	1%	1%	0%	0%	1%	1%	1%	1%
1 bed (flat/house)	161	967	1,541	119	286	617	1,228	4,918
2+ bed flat	50	569	507	123	250	642	395	2,535
2 bed house	192	284	366	88	98	163	382	1,572
3 bed house	99	361	323	41	153	285	187	1,451
4+ bed house	6	14	11	0	8	11	21	71
All lettings	508	2,195	2,749	371	795	1,717	2,213	10,547

The final step in the calculation is to subtract the supply side from the demand side to show shortfall or surplus by dwelling size. The results are presented in the following table, with a negative number indicating a shortfall in available stock.

²⁴ All one bedroom dwelling – flats, houses and bungalows – have been grouped together, because these are all suitable to single person households only. Bungalows with 2, 3 and 4+ bedrooms have been included under houses.

Table 4.9 Need and affordable supply by dwelling size

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
1 & 2 bed flat	Total need	340	1,406	1,607	494	747	1,153	1,308	7,055
	Available supply	210	1,536	2,048	242	536	1,258	1,623	7,453
	Supply - need	-129	130	441	-253	-211	105	316	399
	Supply ÷ need	62%	109%	127%	49%	72%	109%	124%	106%
	Shortfall/surplus	SHORTFALL	BALANCED	SURPLUS	SHORTFALL	SHORTFALL	BALANCED	SURPLUS	BALANCED
2 bed house	Total need	114	391	571	104	262	381	470	2,294
	Available supply	192	284	366	88	98	163	382	1,572
	Supply - need	78	-107	-205	-16	-164	-218	-89	-722
	Supply ÷ need	169%	73%	64%	84%	37%	43%	81%	69%
	Shortfall/surplus	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
3 bed house	Total need	299	972	1,057	244	528	749	793	4,643
	Available supply	99	361	323	41	153	285	187	1,451
	Supply - need	-200	-611	-734	-203	-375	-464	-606	-3,192
	Supply ÷ need	33%	37%	31%	17%	29%	38%	24%	31%
	Shortfall/surplus	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
4+ bed house	Total need	90	296	342	75	168	239	262	1,471
	Available supply	6	14	11	0	8	11	21	71
	Shortfall/surplus	-84	-281	-331	-75	-160	-228	-242	-1,400
	Supply ÷ need	7%	5%	3%	0%	5%	5%	8%	5%
	Shortfall/surplus	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
All dwelling types	Total need	843	3,065	3,578	918	1,705	2,522	2,834	15,463
	Available supply	508	2,195	2,749	371	795	1,717	2,213	10,547
	Supply - need	-335	-869	-829	-547	-910	-805	-621	-4,916
	Supply ÷ need	60%	72%	77%	40%	47%	68%	78%	68%
	Shortfall/surplus	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL

The need for and supply of one and two bedroom flats are broadly in balance across the C3 sub-region as a whole, although the picture at district level is a varied one, with Cannock Chase, South Staffordshire and Telford and Wrekin displaying shortfalls and Sandwell and Wolverhampton showing an oversupply of this dwelling type²⁵. There are shortfalls of two bed houses in all districts with the exception of Cannock Chase. There is a shortage of three bed and larger houses in all districts.

Justification for grouping one and two bed flats together is that often two bed flats are let to single person households if there is enough supply available. This is the case in Walsall for example where there is ample supply of two bed flats. These are primarily being taken up by single person households, resulting in low demand for one bed flats.

²⁵ One bed houses have been added to one bed flats, as these dwelling types are both matched exclusively to single person households.

The specification for 2 bed flat is made in order to differentiate from the single parent demand for 2 bed houses. This is not to say that a 2 bed house is not an appropriate dwelling for small childless households. If there is sufficient supply of 2 bed houses to meet the needs of single parent households, any surplus will be available to single people and couples, as is the case in Cannock Chase where all one and two bed dwellings could be treated together.

Concerning new supply of smaller units, it is an open policy consideration as to whether flats or houses are provided. For example, given the popularity and suitability of bungalows to a wide range of household types (including older households), the provision of these units might be promoted ahead of flats, covering all 1 and 2 bed needs. Alternatively, the more compact urban form achieved in flatted development may lead to the promotion of this dwelling type in higher density urban areas.

For some districts the figures indicate that the absolute size of the annual shortfall is highest for smaller dwellings and lowest for larger dwellings. However supply as a percentage of demand is lowest for 3 and 4+ bed dwellings in all districts, due to the fact that the level of 'churn' is much lower for these larger dwelling types. Less than 100 4+ bed houses become available each year for re-let for the whole C3 area.

In effect this means that households in need requiring larger dwellings have a smaller chance of acquiring a suitable home than households requiring smaller dwellings, and will therefore generally face longer waiting times before their needs are met. This is an important policy conclusion, especially given that this group consists of households with children. Although single person households are more numerous, the housing need they face is generally less acute due to the high number of re-lets of smaller dwellings combined with the fact that they tend to have more options at their disposal, including staying with parents and moving in with others to form multi-person households in houses of multiple occupation.

In recognition of this point and the unlikelihood of raising the level of new build completions sufficiently to meet all identified need, prioritising the provision of new dwellings to address the most acute need is a sensible policy response. This would involve targeting new build activity to boost the supply of those dwelling types with the lowest supply to need ratios. In this way the longest waiting times would be reduced. This approach is set out in the two following tables, showing the additional supply required annually to ensure that a minimum of 50% of need is met for each dwelling type, and alternatively, the additional supply required to ensure that 75% of need is met.

Table 4.10 Prioritising additional affordable housing supply to meet 50% of need

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Number of units required	1 & 2 bed flats	0	0	0	6	0	0	0
	2 bed houses	0	0	0	0	33	28	0
	3 bed houses	51	125	205	81	111	90	209
	4+ bed houses	39	133	160	38	76	109	110
	Total	90	258	365	124	220	226	320
Share	1 & 2 bed flats	0%	0%	0%	4%	0%	0%	0%
	2 bed houses	0%	0%	0%	0%	15%	12%	0%
	3 bed houses	57%	48%	56%	65%	50%	40%	65%
	4+ bed houses	43%	52%	44%	30%	35%	48%	35%

Table 4.11 Prioritising additional affordable housing supply to meet 75% of need

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Number of units required	1 & 2 bed flats	44	0	0	129	24	0	0
	2 bed houses	0	10	62	0	99	123	0
	3 bed houses	126	368	469	142	243	277	408
	4+ bed houses	61	207	246	56	118	168	176
	Total	231	584	777	327	483	568	584
Share	1 & 2 bed flats	19%	0%	0%	39%	5%	0%	0%
	2 bed houses	0%	2%	8%	0%	20%	22%	0%
	3 bed houses	54%	63%	60%	43%	50%	49%	70%
	4+ bed houses	27%	35%	32%	17%	24%	30%	30%

4.7 Intermediate housing

PPS3 Annex B defines intermediate affordable housing as housing at prices and rents above those of social rent but below market price or rents, and which meet the criteria set out for affordable housing noted in 4.0 above. These can include shared equity (e.g. Homebuy) and other low cost homes for sale and intermediate rent. The DCLG good practice guidance 'Delivering Affordable Housing' (November 2006), which was released to complement PPS3, elaborates that the types of housing between market and social rented housing include:

- Intermediate rented homes are provided at rent levels above those of social rented but below private rented. The Government offers these to some key workers who do not wish to buy.
- Discounted sale homes have a simple discount for the purchaser on its market price, so the purchaser buys the whole home at a reduced rate.
- Shared equity is where more than one party has an interest in the value of the home e.g. an equity loan arrangement or a shared ownership lease. There may be a charge on the loan, and restrictions on price, access and resale.

- Shared ownership is a form of shared equity under which the purchaser buys an initial share in a home from a housing provider, who retains the remainder and may charge a rent. The purchaser may buy additional shares ('staircasing'), and this payment should be 'recycled' for more affordable housing. In most cases, a purchaser may buy the final share ('staircase out') and own the whole home, though this may be restricted in some rural areas.

'Delivering Affordable Housing' goes on to state that homes of any of these types should only be considered intermediate affordable housing if they meet the criteria in the definition. If they do not, even if offered at less than market price, they should be considered 'low cost market housing', outside the definition of affordable housing. For example, a shared ownership home is likely to be affordable if access is restricted to households from a target group at a price they can afford. The purchaser may staircase out, but there should be secure arrangements for subsidy to be recycled to provide more affordable homes or buy back the home if needed.

The SHMA Practice Guidance states on page 57 that 'A household can be considered able to afford intermediate affordable housing when rental payments (on the landlord's share) and mortgage payments (on the part they own) constitute up to 25% of gross household income.' Whether any service charges payable should be included in the housing costs that must be covered by the maximum figure of 25% of gross income is a debatable point.

A common approach to analysing the intermediate market is to start with lower quartile prices, calculating the shared ownership cost and thus income required to purchase this product. However this method fails to adequately recognise the fact that in practice most shared ownership dwellings are new builds which have a significantly higher open market value than lower quartile prices of existing stock.

An assessment of the potential size of the intermediate market needs to consider actual products being offered. Here are a few examples of shared ownership products being marketed in the C3 sub-region in April 2008, all of which are new builds:

- 2-bed apartment "Beacon Wood", Bloxwich Road Walsall; £25,875 for 25% share of ownership: shares from 25-75% available.
- 2-bed apartment "Kingfisher House", Kingfisher Way, Tipton; £50,000 for 50% share of ownership.
- 2-bed semi-detached houses "Allen Close", Cannock; £67,500 for a 50% share of ownership (service charge not included).

- 3-bed houses "St Peters Walk", Wednesfield Road, Heath Town, Wolverhampton; Plots 61-69 available on a 25% shared ownership for £41,250 based on the full market value of £165,000 with a monthly rent of £206.25.
- 3-bed town house "Ross", Rowley Regis; £86,975 for a 50% share of ownership.
- 3-bed town house "The Willows", Salters Lane, Newport; £ 91,500 for a 50% share of ownership; monthly rental of £282.98 based on a full market value of £183,000.
- 4 bedroom, 3 storey house "Tenby", Stafford Road, Darlaston, Wednesbury; £94,500 for a 50% share; rent £236.25pcm plus service charge to be advised; based on a full market value in region of £189,000.

The intermediate affordability model uses the actual offer as the point of departure. It calculates the actual costs of shared ownership of 1 bed flats, 2 bed flats, 2 bed houses and 3 bed houses for 25%, 50% and 75% equity splits. These products are then matched to corresponding household types to find out the proportion of households able to afford them. Finally, this is then compared to the proportion able to afford in the open market. The analysis is made at the sub-regional level.

Table 4.12 The costs of shared ownership

Product	Sold equity	Annual mortg. re-payments	Annual rent on unsold share	Combined annual cost	Gross income required
<i>1 bed new build flat</i>		<i>market value</i>		<i>£71,000</i>	
25% share	£17,750	£1,319	£1,598	£2,917	£11,666
50% share	£35,500	£2,638	£1,065	£3,703	£14,813
75% share	£53,250	£3,957	£533	£4,490	£17,959
<i>2 bed new build flat</i>		<i>market value</i>		<i>£92,000</i>	
25% share	£23,000	£1,709	£2,070	£3,779	£15,117
50% share	£46,000	£3,419	£1,380	£4,799	£19,194
75% share	£69,000	£5,128	£690	£5,818	£23,271
<i>2 bed new build house</i>		<i>market value</i>		<i>£124,000</i>	
25% share	£31,000	£2,304	£2,790	£5,094	£20,375
50% share	£62,000	£4,608	£1,860	£6,468	£25,870
75% share	£93,000	£6,911	£930	£7,841	£31,365
<i>3 bed new build house</i>		<i>market value</i>		<i>£158,000</i>	
25% share	£39,500	£2,935	£3,555	£6,490	£25,962
50% share	£79,000	£5,871	£2,370	£8,241	£32,964
75% share	£118,500	£8,806	£1,185	£9,991	£39,965

The model rests on a number of calculations and underlying assumptions. Firstly, new build intermediate prices have been determined with reference to the current intermediate offer (sourced from Rightmove) as well as Land Registry new build sales. 2008 prices have been deflated by 9% to arrive at mid-2006 level prices. Annual mortgage repayments are based on a 95% mortgage at 6% interest over an amortisation period of 25 years. Annual rent payments have been calculated at 3% of unsold equity. The affordability criterion used to determine the gross income required is that the household income must

be at least 4 times the combined annual cost of the product, meaning that a maximum of 25% of household income will be spent. The cost of the 5% down payment on the purchased share and any additional transaction costs have not been factored into the calculation. These combined extra costs are likely to range between £ 1,500 and £10,000 depending on the scenario²⁶. It is assumed that all households have funds available to cover this.

The next step is to match the 'gross income required' figures with income profiles of newly forming households to determine the proportion of households able to afford intermediate housing. This proportion is then compared to the share able to access open market housing which was determined in the housing needs calculation. If the percentage able to afford new build shared ownership housing is higher than the percentage able to afford lower quartile open market housing (existing stock) then it can be concluded that some of those in housing need can be catered for by shared ownership products. If on the other hand, the percentage able to afford shared ownership housing is lower than the percentage able to afford lower quartile open market housing then it can be concluded that no households in housing need will be able to access shared ownership products.

The comparison is given in the following table. This is based on current shared-ownership products and example tranches.

Table 4.13 Comparing shared-ownership with regular market entry

Household & product	Share of ownership	% able to afford shared ownership	% able to enter the regular market: PRS	% able to buy in the regular market
Single person buying 1 bed flat	25% share	54%	34%	30%
	50% share	38%	34%	30%
	75% share	32%	34%	30%
Couple without children buying 2 bed flat	25% share	92%	83%	56%
	50% share	85%	83%	56%
	75% share	77%	83%	56%
Single parent household buying 2 bed	25% share	5%	4%	2%
	50% share	2%	4%	2%
	75% share	1%	4%	2%
Couple with children buying 3 bed house	25% share	33%	37%	17%
	50% share	18%	37%	17%
	75% share	13%	37%	17%

The results show that the potential size of the current intermediate market is greatest for single person households buying a small property and a small equity stake. As the property gets larger and the equity stake gets larger, the impact of the intermediate sector

²⁶ Transaction costs are assumed to range between 1% and 2% of the total purchase price.

is weakened as it is no longer cheaper than renting or purchasing at the lower quartile price. In its current form therefore shared ownership schemes are limited in the extent to which they address housing need.

As inferred above, a reason for this is that current shared-ownership products are new build dwellings for which a premium must be paid. If these dwellings come up for re-sale in the future (assuming they are not "staircased" out) then the price of subsequent sales may be more affordable to first time buyers, at a level below lower quartile market prices. Furthermore, if house prices were to continue to fall (as they have done since late 2007) then shared-ownership may become a more attractive proposition to a greater number of households.

Although in the main not being offered below market entry prices, shared ownership does allow a number of households with modest incomes who are not in need to get a toehold on the property ladder by offering them an alternative to private renting and in some cases low cost market housing. It therefore increases choice for this group, which could be considered to be a positive policy outcome in its own right.

The above analysis prompts the question "at what level would shared-ownership family housing need to be priced in order to make a significant contribution to meeting housing need?" To answer this, the point of departure is the incomes of newly forming households. If we define "significant" to be 50% of newly forming couples with children (13% more than can afford private renting), the corresponding annual gross income is £18,040 (2006). Calculations using the same financial terms as above reveals that a 3 bed house would have to be offered for close to £110,000 for a 25% share to be affordable, to be affordable at 25% shared ownership, £ 87,000 at 50% and £ 71,000 at 75%.

Providers of shared ownership products would need to check against development costs and available subsidy to determine the viability of offering dwellings at the prices stated above. This information, together with the analysis above and any additional local considerations can then be used to inform local intermediate housing strategies. In the light of the above analysis shared ownership family housing will possibly need to be viewed more as a low cost market solution addressing housing demand rather than as one which addresses housing need. However these products would become more affordable if house prices were to fall generally.

An important reason for the promotion of shared ownership products is that they may make a contribution to the balancing of housing markets in terms of tenure, particularly by introducing a form of owner-occupation into areas with a weak market dominated by social

sector housing. Policy makers are also inclined to promote home ownership generally due to the contribution it is felt this makes to the sustainable communities agenda. Accordingly, local housing policies usually include a preferred “tenure split” to inform new build development, giving the percentage of affordable housing to be offered as shared-ownership, and the percentage to be offered in the social rented sector. The current tenure splits given in the most recent housing studies of the seven C3 districts are given here:

- Cannock Chase: 75% social rent, 25% intermediate tenures;
- Dudley: 50% social rent, 50% intermediate;
- Sandwell: 50% social rent, 50% intermediate;
- South Staffordshire: 50% social rent, 50% intermediate;
- Telford and Wrekin: 51% social rent, 49% intermediate (based on annual shortfall of 380 social rented units and 365 intermediate housing units);
- Walsall: 95% social rent, 5% intermediate (based on annual net need of 279 social rented units and 26 intermediate units);
- Wolverhampton: not specified, although it is stated that there is a need to deliver an increased level of intermediate housing of all types than has been the case in recent years.

These conclusions stem primarily from local survey evidence. This sub-regional assessment has not uncovered any evidence indicating that an alternative tenure-split might be more appropriate. It is however important that intermediate products conform to the official definition of affordable housing as given above. The tenure split for any scheme will need to take account of local conditions, incomes, demand and the whole agenda around providing a variety of tenures as an alternative to creating mono-tenure estates.

4.8 The type of market housing required

Delivering balanced and mixed communities is a central tenet of the government's sustainable communities strategy. To achieve this, entrenched patterns of deprivation affecting neighbourhoods will have to be overcome and counteracted.

Newly forming households able to afford market housing were quantified as a bi-product of the housing needs calculation set out above. Approximately 4,400 (37%) of the almost 12,000 annual newly forming households in the C3 are able to afford a house in the market. Of these about 1,650 can afford to rent but can not afford to buy and 2,750 are in a position to choose between renting and buying. A breakdown by district and household type is given here.

Table 4.14 Newly forming households able to afford in the market

Households	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
<i>Can afford to rent only</i>								
Single person	8	28	13	8	0	40	18	116
Couples no children	41	107	123	32	7	112	85	508
Couples with children	86	230	179	66	102	163	138	964
Single parent	6	11	12	3	3	15	5	56
<i>Can afford to buy and rent</i>								
Single person	56	168	195	34	126	104	177	861
Couples no children	97	253	185	55	194	132	145	1,060
Couples with children	55	168	149	44	102	140	130	788
Single parent	1	7	6	1	9	4	11	39
Total	351	972	864	243	543	711	709	4,393

New build housing is not necessarily the answer for this group. Given the income profile of newly forming households and the fact that a premium is paid for new build dwellings, the majority are likely to end up in the existing stock. The information presented here is therefore of limited value in determining the development mix on new build sites, and a wider market view is necessary.

Creating a "flows" model in order to anticipate possible bottlenecks in the supply of market housing requires accurate data on the types of dwellings vacated by dissolving households as well as the profile of households moving from one dwelling to another within the market sector. Due to a lack of robust secondary data at the sub-regional level covering these aspects, any attempt to approximate this would not be sound.

This assessment therefore takes an alternative approach. A balanced housing market is considered here to be one in which there is a broadly even distribution of dwellings for sale and for rent across price bands, reflecting the overall income distribution of the sub-region and offering a sufficient degree of choice to all households.

The following table compares sales volumes by price band for each district with the C3 price band distribution, showing the variance from the average. The analysis concerns sales in 2006.

Table 4.15 Sales by price band: variance to sub-regional distribution

Type	Price band (x £ 1,000)	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Flats	< 100	10%	-6%	47%	-71%	-22%	-12%	5%
		OVERSUPPLY	BALANCED	OVERSUPPLY	UNDERSUPPLY	UNDERSUPPLY	UNDERSUPPLY	BALANCED
	100 - 150	-21%	-17%	51%	-45%	-84%	45%	7%
		UNDERSUPPLY	UNDERSUPPLY	OVERSUPPLY	UNDERSUPPLY	UNDERSUPPLY	OVERSUPPLY	BALANCED
	150+	-79%	-31%	-67%	208%	-86%	145%	-10%
		UNDERSUPPLY	UNDERSUPPLY	UNDERSUPPLY	OVERSUPPLY	UNDERSUPPLY	OVERSUPPLY	BALANCED
Houses	< 150	-2%	-3%	10%	-45%	5%	-3%	11%
		BALANCED	BALANCED	OVERSUPPLY	UNDERSUPPLY	BALANCED	BALANCED	OVERSUPPLY
	150 - 200	6%	14%	-16%	43%	7%	-16%	-9%
		BALANCED	OVERSUPPLY	UNDERSUPPLY	OVERSUPPLY	BALANCED	UNDERSUPPLY	BALANCED
	200 - 250	38%	11%	-33%	73%	15%	8%	-45%
		OVERSUPPLY	OVERSUPPLY	UNDERSUPPLY	OVERSUPPLY	OVERSUPPLY	BALANCED	UNDERSUPPLY
	250+	-33%	-8%	-72%	255%	11%	21%	-23%
		UNDERSUPPLY	BALANCED	UNDERSUPPLY	OVERSUPPLY	OVERSUPPLY	OVERSUPPLY	UNDERSUPPLY

These figures can be used as a guide to inform market sector development. In Cannock Chase for example, additional provision of more expensive apartments and houses would complement the existing stock and make the greatest contribution to balancing the local housing market. In Sandwell there is greatest need for houses and flats above £ 150,000 while the opposite is true in South Staffordshire where cheaper dwellings are under-represented at present.

Because prices will invariably change, the price banding approach would require updating at regular intervals which may not fit easily with policy cycles. An alternative approach is therefore to look at the distribution of the private sector housing stock in terms of bedroom size, highlighting relative shortfalls and surpluses when comparing to the sub-regional average. This is done in the following table. The percentage figures refer to the difference between the share of stock in the LAD and the sub-region. If this difference is greater than 10%, then the dwelling type is over-represented and thus a low priority for new build. If the difference is less than -10% then the dwelling type is under-represented and therefore a high priority when it comes to programming new supply.

Table 4.16 Prioritising supply in the market sector

		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton
Owner-occupation	House	11%	7%	-10%	19%	4%	-3%	-10%
		LOW PRIORITY	MEDIUM PR.	MEDIUM PR.	LOW PRIORITY	MEDIUM PR.	MEDIUM PR.	HIGH PRIORITY
	Flat	-6%	5%	9%	-35%	-26%	-4%	22%
		MEDIUM PR.	MEDIUM PR.	MEDIUM PR.	HIGH PRIORITY	HIGH PRIORITY	MEDIUM PR.	LOW PRIORITY
	1 or 2 bedrooms	24%	10%	-3%	11%	3%	-14%	-11%
		LOW PRIORITY	LOW PRIORITY	MEDIUM PR.	LOW PRIORITY	MEDIUM PR.	HIGH PRIORITY	HIGH PRIORITY
	3 or 4 bedrooms	5%	9%	2%	-3%	-13%	1%	-7%
		MEDIUM PR.	MEDIUM PR.	MEDIUM PR.	MEDIUM PR.	HIGH PRIORITY	MEDIUM PR.	MEDIUM PR.
5+ bedrooms	17%	-1%	-47%	91%	49%	-6%	-14%	
	LOW PRIORITY	MEDIUM PR.	HIGH PRIORITY	LOW PRIORITY	LOW PRIORITY	MEDIUM PR.	HIGH PRIORITY	
Private rented	House	-18%	-20%	12%	-12%	25%	-6%	14%
		HIGH PRIORITY	HIGH PRIORITY	LOW PRIORITY	HIGH PRIORITY	LOW PRIORITY	MEDIUM PR.	LOW PRIORITY
	Flat	-11%	-14%	14%	-44%	-20%	-5%	43%
		HIGH PRIORITY	HIGH PRIORITY	LOW PRIORITY	HIGH PRIORITY	HIGH PRIORITY	MEDIUM PR.	LOW PRIORITY
	1 or 2 bedrooms	-6%	-10%	8%	-28%	1%	-11%	28%
		MEDIUM PR.	HIGH PRIORITY	MEDIUM PR.	HIGH PRIORITY	MEDIUM PR.	HIGH PRIORITY	LOW PRIORITY
	3 or 4 bedrooms	-26%	-24%	21%	-26%	8%	1%	20%
		HIGH PRIORITY	HIGH PRIORITY	LOW PRIORITY	HIGH PRIORITY	MEDIUM PR.	MEDIUM PR.	LOW PRIORITY
	5+ bedrooms	-20%	-30%	-21%	48%	71%	-22%	26%
		HIGH PRIORITY	HIGH PRIORITY	HIGH PRIORITY	LOW PRIORITY	LOW PRIORITY	HIGH PRIORITY	LOW PRIORITY

Due to data limitations it is not possible to cross-tabulate dwelling type and bedroom size. A further limitation is that the analysis makes use of census data and therefore no account is taken of stock changes in the years following 2001.

Furthermore the approach taken here does not take account of temporary imbalances caused by sudden market shifts. As explained earlier in the report, the market for new build apartments in the C3 area has collapsed, with a surplus of apartments currently being offered manifested in the form of long sales times and downward price pressure. To a large extent this situation was set up by speculative investor activity which drove prices up to levels unaffordable to end user households. Once this bubble has burst and the market has repaired itself, demand for smaller dwellings will most likely return, albeit at lower prices than those recorded during the market peak in 2007.

Stakeholder interviews with developers revealed that the top end of the market is also difficult at present; with large 4 and 5 bed new build houses not selling well. The most active part of the market currently concerns 2 and 3 bed houses, be they terraced or semi-detached. Developers, investors and local authorities alike will need to recognise these market cycles whilst ensuring the long term picture is not lost from view.

As indicated in chapter 3, the interrelated phenomena of an aging population and declining average household size are fundamental to this future perspective. The development of

suitable products which are attractive to the smaller and older households is further covered in the following chapter.

4.9 Housing Need 2011 - 2025

The housing needs calculation detailed above covers the period 2006-2010. To project the results forward over a period of 20 years to 2025 requires a number of assumptions to be made. A crucial question is whether the additional supply required in the period 2006-2010 will in fact be delivered. If so, the backlog component of need would be eliminated for the period following 2010, and the additions to the affordable stock would result in a higher future supply of re-lets to newly forming households, assuming the rate of churn remains constant. In addition, the various future market scenarios (detailed in section 3.4) also need to be factored in, adding complexity to the forecast and necessitating the calculation of several alternatives.

The basis for the calculation is the long term household projections, which show the annual number of newly forming households for the 5 year periods 2011-2015, 2016-2020 and 2021-2025. For the purpose of the calculation it is assumed that the number of existing households in need will remain constant. Affordability is then worked out under the three price scenarios using the method employed in the main housing needs calculation. Possible changes in interest rates and the terms of credit availability are not factored into the scenarios. It is assumed that the credit conditions prevailing in 2006 will again be available in the longer term. The calculation also rests on the continuation of long term trends regarding income development. Any short term fluctuations in income levels, unemployment rates, interest rates and credit availability stemming from or influenced by the credit crisis which is currently unfolding, will assumed to have stabilised by 2011.

In addition to the three price scenarios, two variants are introduced concerning growth of the affordable housing stock. Under variant (A) the number of affordable dwellings is assumed to remain constant in the future, which means that backlog need will not be reduced and the number of dwellings available for re-let annually also remains stable. Under variant (B) the full affordable housing targets for the period 2006-2010 are met, resulting in the elimination of backlog need as well as a larger number of annual re-lets due to the growth of dwelling stock. The results of the calculation are presented here, rounded to the nearest 100 in order not to give a false impression of precision.

Table 4.17 Future scenarios - annual need and supply

		2011-2015	2016-2020	2021-2025
<i>A) Assuming no growth in affordable supply</i>				
High price scenario	Need	15,900	15,600	15,200
	Re-let supply	10,500	10,500	10,500
	Balance	-5,400	-5,100	-4,700
Mid price scenario	Need	14,300	14,600	14,800
	Re-let supply	10,500	10,500	10,500
	Balance	-3,800	-4,100	-4,300
Low price scenario	Need	11,100	13,100	14,500
	Re-let supply	10,500	10,500	10,500
	Balance	-600	-2,600	-4,000
<i>B) Assuming high growth in affordable supply</i>				
High price scenario	Need	12,700	12,300	11,900
	Re-let supply	12,300	12,300	12,300
	Balance	-400	0	400
Mid price scenario	Need	11,100	11,400	11,600
	Re-let supply	12,300	12,300	12,300
	Balance	1,200	900	700
Low price scenario	Need	7,800	9,900	11,300
	Re-let supply	12,300	12,300	12,300
	Balance	4,500	2,400	1,000

Variant (A) shows a limited reduction in the annual shortfall of affordable housing supply in the longer term. This reduction is due to improved affordability resulting from the lowering of house price to income ratios, which is greatest under the low and mid price scenarios. There is far greater balance between need and supply under Variant (B) due to the large boost in the number of affordable dwellings available for re-let. In fact the combination of high growth in affordable supply and the easing of house prices results in a surplus under the mid and low price scenarios. The reason behind the narrowing of the difference between the high and low scenarios in the long term is the convergence of the price scenarios with the trend line, as shown in figure 3.6.

The likelihood of eliminating backlog and boosting supply as assumed under Variant (B) is in reality extremely improbable and an outcome closer to Variant (A) is far more likely.

An important message to take from the modelling is that any net addition to affordable housing stock in the short term will have a sustained positive effect on the balance between supply and need in the long term. The modelling exercise also makes clear that the effect of changing household formation rates on future affordability is negligible compared to changes in house prices and the magnitude of re-let supply. Although not factored into the calculation, changes in economic and financial circumstances which impact on incomes and credit availability will in reality have a significant bearing on the number of households in need in the future. Monitoring and updating the housing need

calculation to gauge the effect of significant changes as they take place is therefore vital to ensuring the assessment accurately reflects developments on the ground.

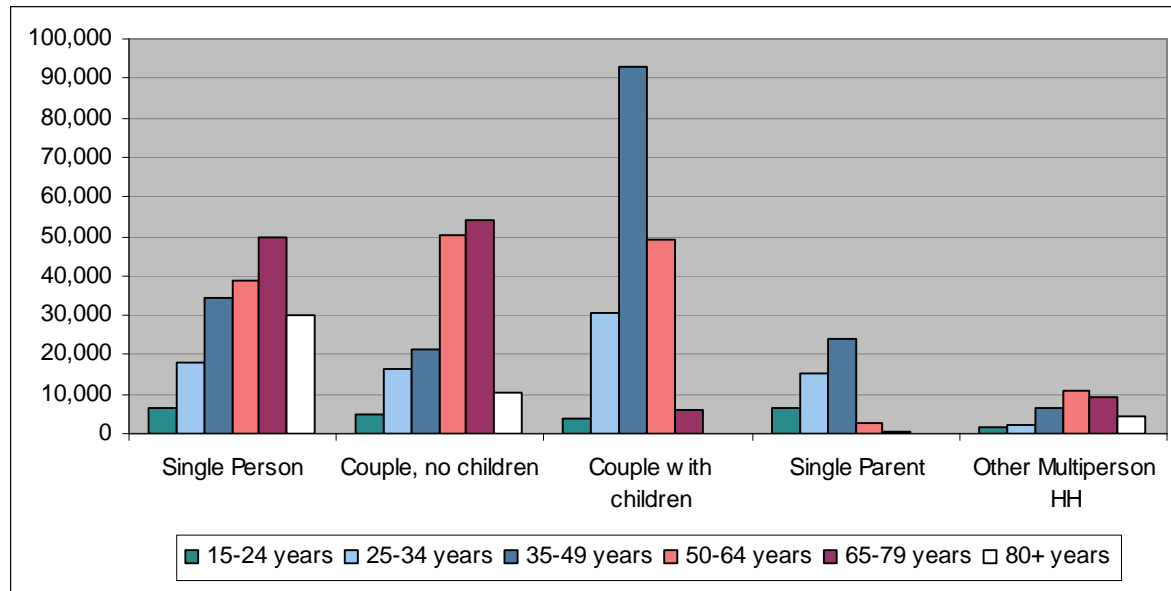
5.0 Housing requirements of specific groups

5.1 Families and Older People

PPS3 stresses the importance of providing housing for families, especially those with children. However, official CLG household projections do not include projected growth rates of couples and single parents with or without children. The SHMA Practice Guidance suggests applying Census data to the CLG projections in order to estimate future numbers of couples with children and single parents. This is the approach we have taken here, albeit with an additional refinement to take account of lower fertility rates amongst an ageing population. This estimate has formed a key input to the overall calculation of future housing need and demand.

Figure 5.1 shows the detailed estimate, by age-cohort, for 2006. As this indicates, couples with children and single parent households are best represented amongst the 35-49 age group. Couples with children are also fairly well represented amongst the 50-64 age group. The age profile of single parent households tends to be skewed more towards the 25-34 age-cohort.

Figure 5.1 Households by type and age of reference person: C3 area 2006

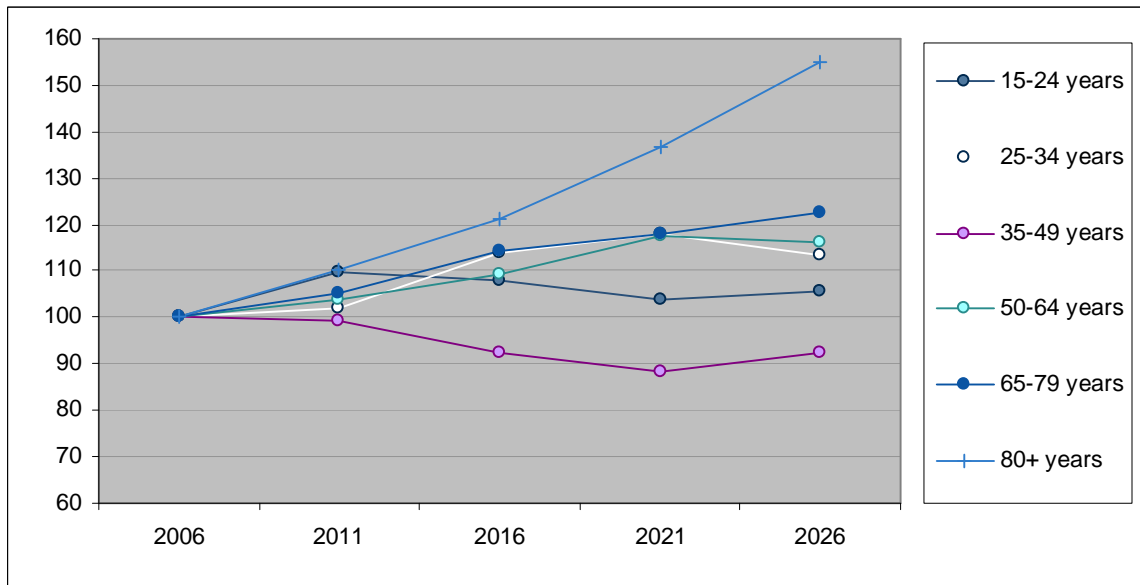


DCLG Sub Regional Household Projections, with couples with/without children modelled using Census 2001 data

Figure 5.3 shows household projections by age of household reference person for the period 2006-2026, indexed on 2006. As this shows, increases are expected across all age-cohorts except the 35-49 group, which is expected to fall by around 13,500 (-7%) over the period of the projection. Growth will be most significant amongst the 80+ age-cohort, with

this group growing by nearly 25,000 (55%), and the 65-79 age-cohort, with this group growing by over 24,000 (23%). Less marked will be growth in the 50-64 (16%), 25-34 (13%) and 15-24 groups (6%).

Figure 5.2 Households by age of reference person 2006-2026: C3



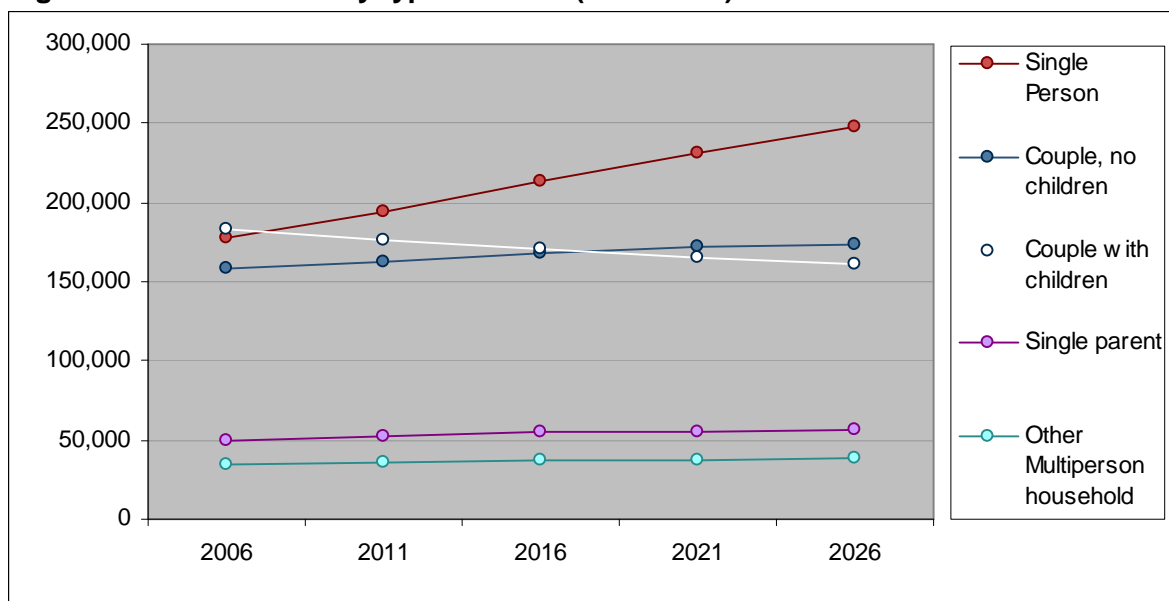
DCLG Sub Regional Household Projections; index 2006 = 100.

The implications of this exercise, in terms of families, are that:

- The number of married or cohabiting couples without children is likely to rise by as much as 16,500 (10%) over the period 2006-2026;
- The number of married or cohabiting couples with children is likely to fall by around 22,000 (-12%) over the same period; and
- The number of single parents will grow significantly, by around 7,500 (15%).

Figure 5.3 shows the overall impact on the household projection. Clearly, the long-term implications of an ageing population, and a declining number of households with a household reference person aged 35-49, are a falling number of couples with children. Given the generally lower incomes of single parent households, growth amongst this group is also of particular significance.

Figure 5.3 Households by type: C3 area (2006-2026)



DCLG Sub Regional Household Projections, with couples with/without children modelled using Census 2001 data

As well as recognising the need to provide family housing, PPS3 also recognises that housing specifically for older people is fundamental to achieving a good mix of housing. Figure 5.2 shows the strength of growth expected amongst the 65-79 and 80+ age-cohorts. A major driver of the increasing number of single person households and couples without children in the C3 area will be the growing older population. This has a number of implications which need to be given consideration, to begin planning an effective response to the long-term trend of an ageing population:

- There is a national trend towards older people preferring to remain living independently into later life. This will put increasing pressure on demand for home-help services and demand for resources such as Disability Living Allowance;
- This said, the scale of growth in the older population will mean increasing demand for specialist accommodation for older people. This group will generally have higher expectations than the current cohort of older people; and
- Under-occupation, on the part of older social renters and owner occupiers, will become an increasingly pertinent issue. Provision of attractive housing specifically with the older population in mind, in order to 'free up' under-occupied housing, will be key to meeting future housing need and demand. New market products may be needed to enable older homeowners, many with limited equity, to downsize to the homes and support they need.

These findings are backed up by district level Housing Needs and Demands studies. In Dudley for example the local study found that there was a combined requirement for

sheltered accommodation from older people living in the Borough (326 households) and those who may in-migrate to be beside their family (786 households) of 1,112 units, of which 524 in the affordable sector and 588 in the private sector. The local studies in Sandwell, South Staffordshire and Wolverhampton all pointed out that demand for supported housing from existing households is primarily for sheltered housing in the social housing sector and independent accommodation with external support, and that resources should focus on the provision of home based support services and adaptations for older people living at home in both social rented and owner occupied housing, in addition to providing more older persons accommodation in general. These reports note that although a high proportion of older people may have their own resources to meet their accommodation and care needs and provision should not be exclusively in the social rented housing sector, others will need financial support to enable them to access housing support services.

The Wolverhampton study went on to point out that the need to develop at higher densities will reduce the future supply of bungalows and existing stock will turnover less frequently due to demographic change. As a result the demand for flats for older households, both sheltered and non-sheltered, was likely to increase in the future. It is important to ensure that developments of flats over two storeys have lift access to remain a viable housing form as people age and become less mobile, the report concluded.

Extra Care accommodation is housing which offers self-contained accommodation together with communal facilities and where care and support services are available on site. According to the local studies the ageing population in the coming period, particularly the rise in the number of people older than 80, will increase the need for this type of unit.

Finally, there is a strong awareness among C3 stakeholders of the importance of housing issues associated with older people. It was recognised that these issues are multi-tenure ones. In particular the need for extra care provision across C3 area was stressed, although it was also pointed out that many 70+ households did not require care and did not want to move from their current homes. Some stakeholders felt that purpose built 'villages' for older people would be better able to provide support than mixed communities.

Under-occupancy was also recognised to be a big issue – as a high number of large dwellings, more suited to families, being occupied by one and two person older households. It was felt that insufficient alternatives were being offered (such as care homes), and new equity release products might also offer part of the solution to this problem. Some felt there was a general lack of awareness about available services such as adaptations, Disabled Facilities Grants (DFG's) and equity release financial products.

New build houses intended for older households looking to downsize are being offered by some developers and this should be stimulated as much as possible. New designs pitched at older affluent households should be trialled to see if downsizing can be encouraged. For example there may be a market for small blocks of two and three bed apartments with a high quality finish (e.g. luxury kitchen and bathroom, large balcony) and good common services (including help on tap and carer options), especially if these are located in desirable areas and near shops and high quality public green space. Innovation is required to anticipate demographic trends and stimulate new consumer preferences.

5.2 Black and Minority Ethnic Communities

As indicated in the statistical analysis in chapter 2, Black and Minority Ethnic (BME) communities make up a significant proportion of households in the C3 sub-region, particularly in Sandwell and Wolverhampton which contains large numbers of people of Indian, Pakistani and Black Caribbean descent. Gauging the specific housing requirements of BME households is an important requirement of this assessment.

ECOTEC's Housing Demand Assessment Model (HDAM) differs from official forecasting models in that it allows an ethnic group component included within population and household forecasts. The ethnic composition of the Black Country in particular suggests that the future dynamics of housing demand may not be simply as predicted by government projections. Therefore, the four Black Country authorities recently commissioned ECOTEC to undertake work to look at the implications of the ONS population projections for future housing demand, taking account of the ethnic group composition of each of the four districts.²⁷ The same model has been rolled out - indicatively - for South Staffordshire, Cannock and Telford and Wrekin as part of this assessment.

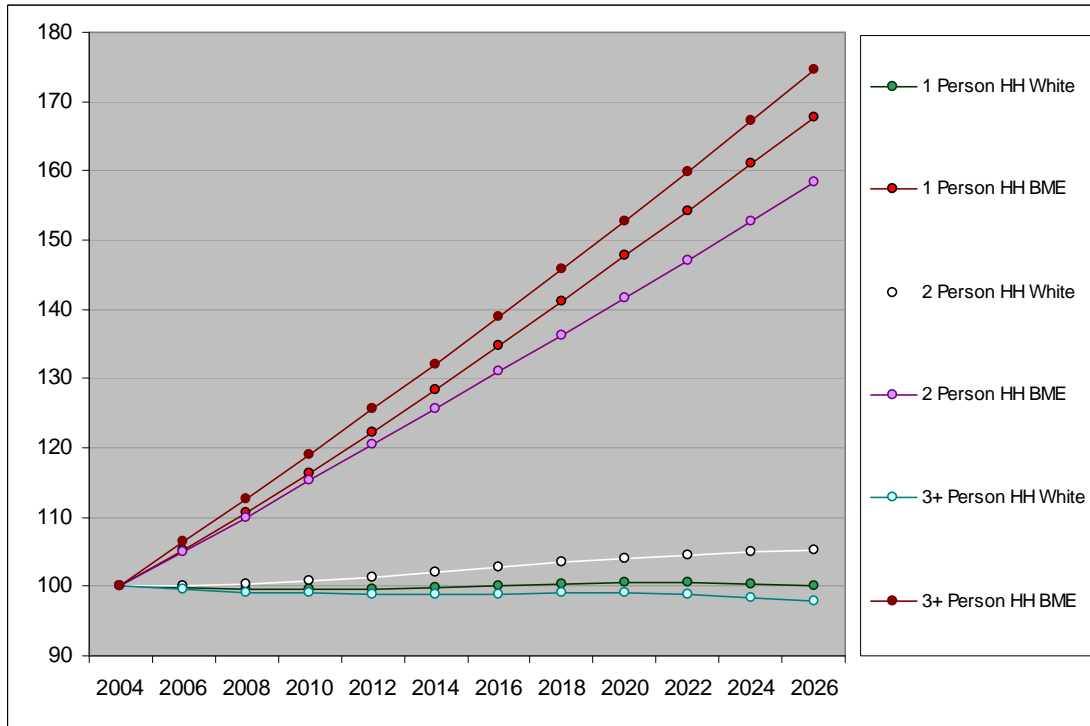
The main input to the SHMA in terms of predicted future population and household growth has to be taken from the official ONS and CLG projections. However, the results and implications of the alternative HDAM projections are discussed here.

As Figure 5.4 (overleaf) shows household growth across the area will be driven overwhelmingly by the BME population. Smaller household formations can be expected for all ethnic groups in the future, and this assumption is included within HDAM. However, even accounting for this factor the HDAM projections suggest that there will be a larger number of families and larger households in the future than suggested by the CLG projections. The

²⁷ ECOTEC (2007) Population and Household Forecasts for Black Country Districts with an Ethnic Group Dimension, Report to Wolverhampton City Council

ethnic composition of the Black Country is such that the impact will be most pronounced in this part of the sub-region.

Figure 5.4 HDAM household projection 2006-2026: C3



Source: HDAM (ECOTEC); Index 2006 = 100

Across the four Black Country districts, ONS 2004-based sub-national projections suggest that the period 2004 – 2026 will see the total population grow by around 16,500. HDAM suggests that the BME population will grow from 16% to 22% of the population. The population of Dudley is expected to increase by 6,200 to reach 310,900. The BME population is expected to account for 11% of the population of Dudley in 2026 compared to 7% in 2004. The population of Sandwell is expected to increase by 11,100 to reach 297,200. The BME population is expected to account for 29% of the population of Sandwell in 2026 compared to 21% in 2004. The population of Walsall is expected to fall by 3,800 to reach 249,400²⁸. The BME population is expected to account for 19% of the population of Walsall in 2026 compared to 14% in 2004. The population of Wolverhampton is expected to increase by 2,800 to reach 241,800. The BME population is expected to account for 32% of the population in 2026 compared to 24% in 2004.

²⁸ ONS provided a revised set of sub-national population projections in September 2007 which showed a static rather than falling population in Walsall over the coming 20 years.

The White population is expected to decline in all areas, with Black and Minority Ethnic populations accounting for all additional population growth. South Asian groups – particularly Pakistani and Bangladeshi / other Asian - will drive this population growth, with more modest increases expected amongst the generally longer established Indian communities.

HDAM predicts that the population growth will translate into formation of an additional 30,000 (scenario one) – 40,000 (scenario two)²⁹ households over the period 2004 - 2026. This compares to the ONS 2004-based forecast of 55,000 households. This disparity is due to the larger household sizes predicted by HDAM, as a result of the ethnic group component of the model. Under both scenarios, in all areas apart from Dudley a subcomponent of household change will be a declining number of households headed by White ethnic groups. Moreover, Pakistani and Bangladeshi / other Asian headed households are expected to drive household growth, with Indian groups becoming less prevalent over time.

By the end of the forecast period HDAM predicts that:

- BME households will make up between 9% (11,900 – 12,250 households) of all households in Dudley compared to 5% (6,150 households) in 2004;
- BME households will make up 25% (32,600 – 33,400 households) of all households in Sandwell compared to 17% (20,000 households) in 2004;
- BME households will make up 16% (16,750 – 17,150 households) of all households in Walsall compared to 10% (10,700 households) in 2004; and
- BME households will make up 29% (31,800 – 32,600 households) of all households in Wolverhampton compared to 20% (19,850 households) in 2004.

Although, as per the ONS projections, HDAM does predict an increasing number of single person households in all areas, the model suggests that one person households will account for between just 14% - 18% of all household growth across the Black Country between 2004 and 2026. Growth in two person households is predicted to be potentially most influential – accounting for 40% - 45% of household growth. Overall, households containing three or more persons are expected to account for 40% - 42% of total household growth across the Black Country.

Due to the substantially lower share of BME population in Cannock Chase, South Staffordshire and Telford and Wrekin, the impact of ethnicity on household change in

²⁹ Scenario one is based on constant household sizes. Scenario two (the 'preferred' scenario) assumes that BME household sizes will gradually converge towards the White British 'norm'.

these districts is expected to be far less marked. Rolling out the HDAM model for the non-Black Country districts resulted in the following figures:

- Cannock Chase: the number of BME households is expected to rise from around 425 in 2006 (1.1%) to circa 700 (1.5%) in 2026;
- South Staffordshire: the number of BME households is expected to rise from around 700 in 2006 (1.6%) to close to 1,100 (2.3%) in 2026;
- Telford and Wrekin: the number of BME households is expected to rise from about 2,850 in 2006 (4.2%) to circa lose to 5,300 (6.3%) in 2026.

Additional insight into BME housing issues was provided by stakeholders during the workshop event. Professionals in the field highlighted overcrowding and poor house conditions experienced by many BME households in need. Also the movement of BME households out of Birmingham into Eastern flank of the Black Country was felt to be an important trend during recent years. It was pointed out that Sharia compliant financial products had facilitated the move into home ownership for some members of the Pakistani and Bangladeshi communities. The popularity of dwellings with a large floor space which meet the cultural needs of BME households was also highlighted, and house builders relayed that special designs for BME households were being developed, including homes with six bedrooms. It was emphasised that this type of product required a special marketing approach.

5.3 Gypsies and travellers

Comprehensive information is not yet available from Gypsy and Traveller Accommodation Assessments (GTAAs) for the whole C3 area. However, West Midlands Regional Assembly issued an interim Regional Statement on Gypsy and Traveller Policy early in 2007³⁰.

The Caravan Count is the only consistent time-series information available on Gypsies & Travellers, and only those living in caravans. It is widely accepted as underestimating the number of Gypsy & Traveller caravans because caravans on unauthorised sites, and to a lesser extent on private sites, may be omitted in areas where local authorities do not keep good records or pro-actively search for sites on Count Day. Despite these weaknesses, the Counts provide the main source of information on which to draw prior to the completion of GTAAs. Any analysis based on the Counts is likely to under- rather than over-state need and requirements.³¹

³⁰ WMRA (January 2007) Interim Regional Statement on Gypsy and Traveller Policy

³¹ Ibid

Across the region, the Counts in January and July 2006 indicated 1,580 and 1,526 caravans. Of these 80% were on authorised sites and around 45% were on Social Rented (LA or RSL) sites. The proportion of types of sites (Social Rented, Private, Authorised and Unauthorised) is very similar in the Region to the English average. Although marginal in terms of the overall scale of housing need and demand, the C3 area does provide nearly a quarter of all authorised sites in the Region and more than one in ten unauthorised sites.

Table 5.1 Caravan Count C3 Area January 2006

	Caravan Count January 2006			
	Authorised sites		Unauthorised developments	
	Number	% of Region	Number	% of Region
Dudley	39	3%	3	1%
Sandwell	15	1%	0	0%
Wolverhampton	40	3%	7	3%
Walsall	19	1%	8	3%
Cannock Chase	36	3%	0	0%
South Staffordshire	78	6%	11	4%
Telford & Wrekin	69	5%	0	0%
C3 Total	296	23%	29	12%
Region	1,298	100%	245	100%

Source: WMRA (January 2007) Interim Regional Statement on Gypsy and Traveller Policy

Additional research on the housing requirements of gypsies and travellers will be done as part of Phase Three of the RSS Revision. This is now considered to be a separate policy area to the mainstream housing market. Information will be made available on the WMRA website as it becomes available.

6.0 Analysis of Local Housing Market Areas

6.1 Defining local housing market areas

The identification of functional local housing market areas within the C3 sub-region is an important component of the SHMA, given the complexity of the area and the existence of linkages and relationships across local authority boundaries. In 2006 ECOTEC carried out work on the identification of housing markets within the West Midlands region. Based on travel to work data and augmented by additional work a picture of overlapping markets was produced centred on employment areas. It was felt that this SHMA required local housing market areas that were discrete and capable of aggregation to the overall C3 sub-region.

This subsequent exercise was based on an essentially pragmatic approach that in some respects differs between Black Country and Telford areas and the other two C3 districts.

South Staffordshire

In the case of South Staffs the absence of significant employment centres potentially required a different approach (the backstop to no local housing market areas centred on South Staffs would have been a district profile, which will be done in any case). The district is significant in being a large area adjacent to Dudley, Wolverhampton and part of Walsall. We judged that the five sub-markets identified in the district's latest housing needs study provided a reasonable basis for the SHMA.

Cannock Chase

For Cannock Chase, the ECOTEC 2006 study had found a clear divide between Cannock itself and Rugeley to the north, reflecting the topographical divide of the Chase itself. This does not seem to be contradicted by the authority's own analysis, via HNS for example. So this provided two local housing market areas.

Telford & Wrekin

Telford & Wrekin's latest and previous market assessments have identified a total of eight sub-areas. Whilst appropriate at district level, this appeared to be too fine-grained for a SHMA based on the C3 area. Using previous work for Black Country and Telford (discussed below) we therefore identified three local housing market areas for this district.

Black Country

For the three districts outside of Black Country we have therefore sub-divided each of them into 10 local housing market areas. None of these straddle district boundaries. In the case of the Black Country itself it has been necessary to partially ignore the district

boundaries in identifying local housing market areas. This reflects the complex, polycentric nature of the Black Country.

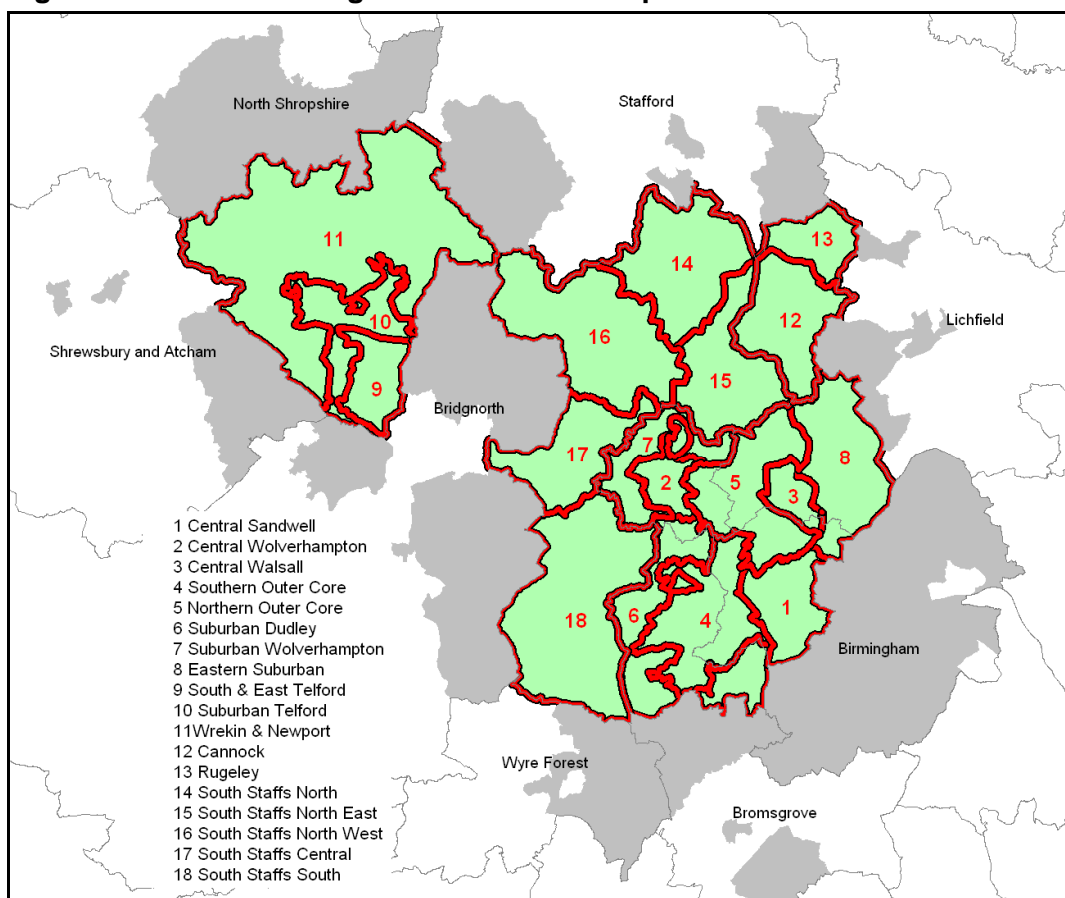
Here the work drew on previous work for the evolve partnership. This had identified groupings of adjacent individual neighbourhoods into neighbourhood clusters (CSR Partnership 2006d). These captured areas with similar characteristics to allow an assessment to be reached around form, function, market performance and trajectory.

The distinctiveness of the approach was to use neighbourhood as the basic building block. Neighbourhoods are distinct from wards, the basic unit of local government districts and the democratic hub. There were 88 wards in 2001 and they are politically framed with wards of roughly equal size within each district. Neighbourhoods relate in the main to defined residential areas and large retail and industrial and major green space areas are generally excluded. Whilst some of the neighbourhoods are tiny they nevertheless all reflect 'place' rather than administrative areas. Whilst every neighbourhood is different, in some places only parochial sentiment marks them out from essentially similar adjacent neighbourhoods. Neighbourhoods are real places, but at the level of 346 neighbourhoods, there is a 'not seeing the wood for the trees' issue. And with neighbourhood as a place being the basic building block it is possible to develop more 'organic' groupings of neighbourhoods based more on markets. These reveal the functioning anatomy of a conurbation more reliably than wards or even district boundaries, important though these are.

The work identified patterns of housing age, type and tenure, together with prices and socio-economic characteristics. It also reflected migration patterns in several important ways. Firstly, within/between neighbourhoods – this reveals the more obvious divides in the Black Country based (approximately) on self-containment. (In fact, the analysis revealed a pattern of extremely localised move.) Secondly, analysis of longer-range moves enabled us to isolate (smaller) neighbourhood 'reception' areas for Black Country inflow: principally, and for different reasons, Whitmore Reans and Bearwood. Furthermore, the work also highlighted the effective sphere of influence of Birmingham in two-way migration terms. The work 'bent the stick' towards identifying contiguous areas rather than blotches and to reflect real places. Unexpectedly, it found that the geographies of the 21 pre-1966 Black Country districts still powerfully resonate, equating strongly with many of the emerging clusters as defined by data alone. And this was been undeniably useful in naming the clusters – such as Coseley, Darlaston, Bilston and Tipton.

Guided by this pragmatic approach a total of 18 local housing markets within the C3 sub-region have been identified. The areas, plotted on the following map, have a good degree of self-containment and commonality in terms of the overall residential offer.

Figure 6.1 Local Housing Market Areas and sphere of influence



Adjacent areas with a strong migratory relationship with the C3 sub-region are shaded grey. The grey zone represents the origin and destination of a third of all inward and outward household movements to and from the C3.

6.2 LHMA Fact Sheets

The following section contains 18 "fact sheets", one for each of the C3's 18 Local Housing Market Areas. These provide key housing market information at a glance. The first part of the fact sheets provide headline demographic statistics – population, ethnic split, breakdown into household types, average income and index of multiple deprivation figures.

A map is included showing the boundaries of the LHMA (red line) and adjacent areas which have the strongest migratory relationship with the LHMA (pink area). The area shown represents one-third of all inward and outward movements to and from the LHMA.

The second part of the fact sheet profiles the tenure of households and the types of dwellings occupied according to 2001 Census figures. Market entry (lower quartile) price

levels for both owner-occupation and private renting are then displayed as well as price band data from sales in 2006 which have been graphed.


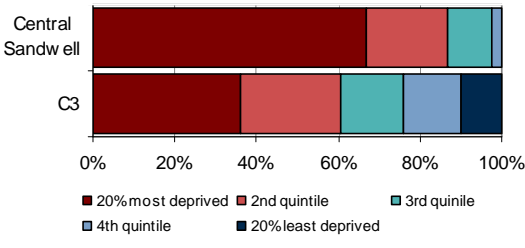
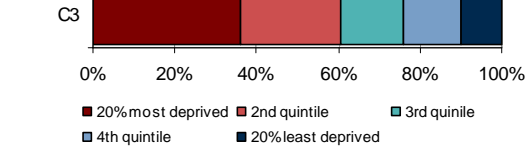
Part three contains the final output figures of the housing needs calculation – showing the balance between need and re-let supply for each local housing market area. The figures for prioritising 50% and 75% of need are the equivalent of the district level tables 5.10 and 5.11 above.

Finally, the last part deals with balance in the market sector. It shows the distribution of the housing stock within the local area by dwelling type (flats or houses) and by bedroom size. It then compares the share to that of the C3 sub-region as a whole, along the following lines:

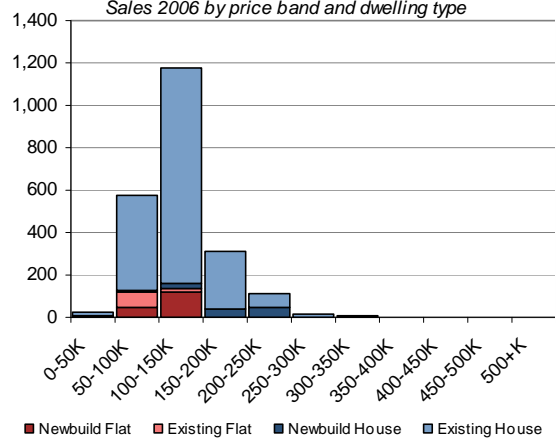
- If LHMA share ÷ C3 share is less than 0.9 priority is "high";
- If LHMA share ÷ C3 share is between 0.9 and 1.2 then priority is "moderate";
- If LHMA share ÷ C3 share is greater than 1.2 then priority is "low".

Central Sandwell

Demographic Profile

Population:	112,348	Households:	49,177	Average HH size:	2.28	
Age groups	LHMA	C3	HH composition			
0-15 years	22%	21%	Single person	LHMA	C3	
16-24 years	11%	10%	Couples, no child.	33%	28%	
25-34 years	15%	14%	Couples with child.	13%	17%	
35-44 years	14%	14%	Single parent	26%	30%	
45-54 years	11%	13%	Pensioner HH	13%	11%	
55-64 years	10%	11%	Other multi-person	8%	9%	
65-74 years	9%	9%		9%	6%	
75+ years	8%	7%				
Ethnic groups	LHMA	C3				
White British	65%	86%				
White other	2.5%	1.6%				
Asian/Asian British	23.3%	8.2%				
Black/Black British	6.1%	2.1%				
Other Ethnic Group	0.5%	0.4%				
Mixed	2.8%	1.5%				
Gross HH Income	LHMA	C3				
Low er quartile	£15,575	£17,437				
Median	£24,149	£26,919				
Index of multiple deprivation						
Central Sandwell						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					

Stock Profile and Sales

Tenure (2001)	LHMA	C3	Sales 2006 by price band and dwelling type	
Owner-occupier	60%	67%		
Private rented	7%	5%		
Social rented	28%	25%		
Living rent free	4%	3%		
Dwelling type	LHMA	C3		
Detached	8%	21%		
Semi-detached	36%	45%		
Terraced	37%	20%		
Flat/Maisonette	19%	14%		
Long term voids Central Sandwell	2.2%			
Market entry prices	To buy	To rent (PRS)		
1 bed flat	£68,000	£348		
2 bed flat	£92,000	£417		
2 bed house	£87,600	£429		
3 bed house	£100,000	£485		
Sales (2006)	LHMA	C3		
Number of sales	2,232	26,994		
Median price	£117,000	£128,529		
Mean price	£124,200	£143,550		

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	726	183	309	102	1,320
(Re-let) supply	899	123	107	4	1,133
Balance	173	-60	-202	-98	-187
Supply ÷ need	124%	67%	35%	4%	86%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	47	47	95
Prioritising 75% of need	0	14	125	73	212

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	58.1%	MODERATE	Houses	5.5%	LOW
Flats	2.1%	MODERATE	Flats	3.4%	LOW
1 & 2 bedrooms	9.6%	HIGH	1 & 2 bedrooms	4.6%	MODERATE
3 & 4 bedrooms	42.9%	MODERATE	3 & 4 bedrooms	6.1%	LOW
5+ bedrooms	7.6%	HIGH	5+ bedrooms	0.7%	MODERATE

Central Wolverhampton

Demographic Profile

Population:	52,998	Households:	24,686	Average HH size:	2.15
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	21%	21%	Single person	41%	28%
16-24 years	16%	10%	Couples, no child.	11%	17%
25-34 years	17%	14%	Couples with child.	20%	30%
35-44 years	14%	14%	Single parent	14%	11%
45-54 years	11%	13%	Pensioner HH	5%	9%
55-64 years	8%	11%	Other multi-person	11%	6%
65-74 years	7%	9%			
75+ years	6%	7%			
Ethnic groups	LHMA	C3			
White British	52%	86%			
White other	3.8%	1.6%			
Asian/Asian British	28.8%	8.2%			
Black/Black British	9.7%	2.1%			
Other Ethnic Group	1.3%	0.4%			
Mixed	4.2%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£15,543	£17,437			
Median	£24,135	£26,919			

Central Wolverhampton	20% most deprived	2nd quintile	3rd quintile	4th quintile	20% least deprived
	20%	20%	20%	20%	10%

Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	45%	67%
Private rented	17%	5%
Social rented	35%	25%
Living rent free	3%	3%
Dwelling type	LHMA	C3
Detached	8%	21%
Semi-detached	27%	45%
Terraced	30%	20%
Flat/Maisonette	33%	14%
Long term voids Central Wolverhampton	4.2%	
Market entry prices	To buy	To rent (PRS)
1 bed flat	£51,000	£365
2 bed flat	£85,500	£439
2 bed house	£73,250	£451
3 bed house	£80,000	£510
Sales (2006)	LHMA	C3
Number of sales	837	26,994
Median price	£92,500	£128,529
Mean price	£106,071	£143,550

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	313	124	174	61	672
(Re-let) supply	406	102	34	5	548
Balance	94	-22	-140	-55	-124
Supply ÷ need	130%	82%	20%	9%	82%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	53	25	78
Prioritising 75% of need	0	0	97	40	137

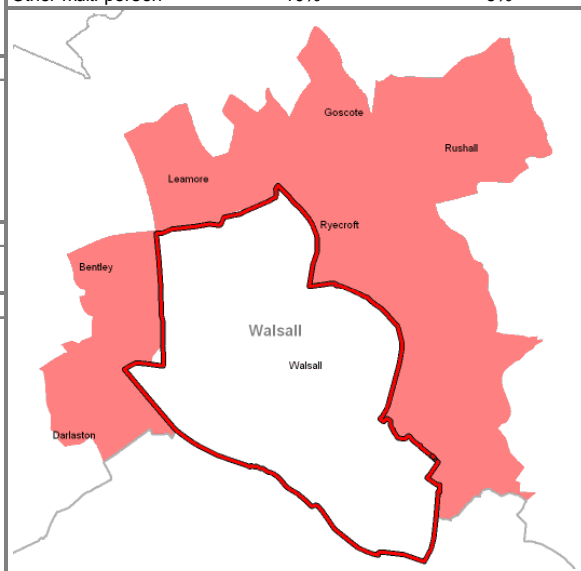
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	40.9%	HIGH	Houses	5.5%	LOW
Flats	4.0%	LOW	Flats	8.9%	LOW
1 & 2 bedrooms	9.0%	HIGH	1 & 2 bedrooms	10.5%	LOW
3 & 4 bedrooms	27.1%	HIGH	3 & 4 bedrooms	7.9%	LOW
5+ bedrooms	8.8%	HIGH	5+ bedrooms	1.7%	LOW

Central Walsall

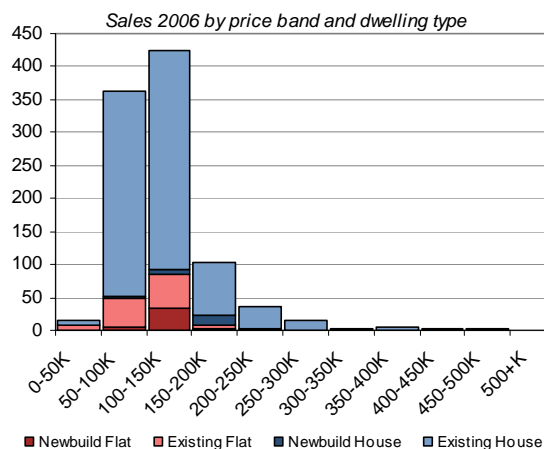
Demographic Profile

Population:	52,948	Households:	22,599	Average HH size:	2.34	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	25%	21%	Single person	31%	28%	
16-24 years	13%	10%	Couples, no child.	13%	17%	
25-34 years	17%	14%	Couples with child.	28%	30%	
35-44 years	13%	14%	Single parent	12%	11%	
45-54 years	11%	13%	Pensioner HH	6%	9%	
55-64 years	8%	11%	Other multi-person	10%	6%	
65-74 years	7%	9%				
75+ years	6%	7%				
Ethnic groups	LHMA	C3				
White British	60%	86%				
White other	1.2%	1.6%				
Asian/Asian British	32.4%	8.2%				
Black/Black British	3.0%	2.1%				
Other Ethnic Group	0.6%	0.4%				
Mixed	2.4%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£16,121	£17,437				
Median	£24,929	£26,919				
Index of multiple deprivation						
Central Walsall						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived	■ 2nd quintile	■ 3rd quintile	■ 4th quintile	■ 20% least deprived	



Stock Profile and Sales

Tenure (2001)	LHMA	C3	
Owner-occupier	56%	67%	
Private rented	10%	5%	
Social rented	31%	25%	
Living rent free	4%	3%	
Dwelling type	LHMA	C3	
Detached	9%	21%	
Semi-detached	34%	45%	
Terraced	35%	20%	
Flat/Maisonette	22%	14%	
Long term voids Central Walsall		3.7%	
Market entry prices	To buy	To rent (PRS)	
1 bed flat	£70,000	£326	
2 bed flat	£99,000	£391	
2 bed house	£82,500	£403	
3 bed house	£92,000	£455	
Sales (2006)	LHMA	C3	
Number of sales	968	26,994	
Median price	£109,998	£128,529	
Mean price	£121,205	£143,550	



Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	241	87	175	56	559
(Re-let) supply	281	32	62	2	378
Balance	40	-55	-113	-53	-181
Supply ÷ need	117%	37%	35%	4%	68%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	11	26	25	62
Prioritising 75% of need	0	33	69	39	142

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	53.4%	HIGH	Houses	5.5%	LOW
Flats	2.9%	LOW	Flats	4.0%	LOW
1 & 2 bedrooms	10.3%	MODERATE	1 & 2 bedrooms	5.4%	LOW
3 & 4 bedrooms	36.2%	HIGH	3 & 4 bedrooms	7.1%	LOW
5+ bedrooms	9.8%	HIGH	5+ bedrooms	0.8%	LOW

Southern Outer Core

Demographic Profile

Population:	208,618	Households:	91,302	Average HH size:	2.28
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	22%	21%	Single person	30%	28%
16-24 years	11%	10%	Couples, no child.	16%	17%
25-34 years	15%	14%	Couples with child.	29%	30%
35-44 years	14%	14%	Single parent	12%	11%
45-54 years	12%	13%	Pensioner HH	8%	9%
55-64 years	10%	11%	Other multi-person	6%	6%
65-74 years	9%	9%			
75+ years	7%	7%			
Ethnic groups	LHMA	C3			
White British	88%	86%			
White other	1.1%	1.6%			
Asian/Asian British	7.0%	8.2%			
Black/Black British	1.8%	2.1%			
Other Ethnic Group	0.4%	0.4%			
Mixed	1.5%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£15,974	£17,437			
Median	£24,752	£26,919			
Index of multiple deprivation					
<p>Legend: 20% most deprived (dark red), 2nd quintile (red), 3rd quintile (teal), 4th quintile (blue), 20% least deprived (dark blue)</p>					

Stock Profile and Sales

Tenure (2001)	LHMA	C3	
Owner-occupier	57%	67%	
Private rented	5%	5%	
Social rented	34%	25%	
Living rent free	4%	3%	
Dwelling type	LHMA	C3	
Detached	12%	21%	
Semi-detached	49%	45%	
Terraced	21%	20%	
Flat/Maisonette	17%	14%	
Long term voids Southern Outer Core	0.9%		
Market entry prices	To buy	To rent (PRS)	
1 bed flat	£65,000	£351	
2 bed flat	£75,250	£421	
2 bed house	£84,000	£434	
3 bed house	£95,000	£490	
Sales (2006)	LHMA	C3	
Number of sales	3,925	26,994	
Median price	£110,000	£128,529	
Mean price	£117,783	£143,550	

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	1,043	369	782	245	2,439
(Re-let) supply	1,220	249	272	8	1,749
Balance	177	-120	-510	-237	-690
Supply ÷ need	117%	67%	35%	3%	72%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	119	115	233
Prioritising 75% of need	0	28	314	176	518

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	54.7%	HIGH	Houses	5.5%	MODERATE
Flats	2.5%	MODERATE	Flats	3.1%	MODERATE
1 & 2 bedrooms	12.4%	MODERATE	1 & 2 bedrooms	4.6%	MODERATE
3 & 4 bedrooms	38.0%	MODERATE	3 & 4 bedrooms	3.9%	MODERATE
5+ bedrooms	6.9%	HIGH	5+ bedrooms	0.6%	HIGH

Northern Outer Core

Demographic Profile

Population:	213,918	Households:	90,168	Average HH size:	2.37
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	23%	21%	Single person	29%	28%
16-24 years	11%	10%	Couples, no child.	15%	17%
25-34 years	14%	14%	Couples with child.	29%	30%
35-44 years	14%	14%	Single parent	13%	11%
45-54 years	12%	13%	Pensioner HH	8%	9%
55-64 years	11%	11%	Other multi-person	6%	6%
65-74 years	9%	9%			
75+ years	7%	7%			
Ethnic groups	LHMA	C3			
White British	87%	86%			
White other	1.1%	1.6%			
Asian/Asian British	7.1%	8.2%			
Black/Black British	2.2%	2.1%			
Other Ethnic Group	0.2%	0.4%			
Mixed	1.9%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£15,149	£17,437			
Median	£23,491	£26,919			

Northern Outer Core	0%	20%	40%	60%	80%	100%
C3	0%	20%	40%	60%	80%	100%

Legend: 20% most deprived (dark red), 2nd quintile (red), 3rd quintile (teal), 4th quintile (blue), 20% least deprived (dark blue)

Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	53%	67%
Private rented	4%	5%
Social rented	39%	25%
Living rent free	4%	3%
Dwelling type	LHMA	C3
Detached	12%	21%
Semi-detached	49%	45%
Terraced	23%	20%
Flat/Maisonette	16%	14%
Long term voids Northern Outer Core		1.8%
Market entry prices	To buy	To rent (PRS)
1 bed flat	£58,000	£322
2 bed flat	£90,000	£387
2 bed house	£80,000	£398
3 bed house	£90,000	£450
Sales (2006)	LHMA	C3
Number of sales	3,226	26,994
Median price	£105,368	£128,529
Mean price	£114,350	£143,550

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	1,030	360	746	235	2,371
(Re-let) supply	1,182	211	251	9	1,653
Balance	152	-149	-495	-226	-718
Supply ÷ need	115%	59%	34%	4%	70%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	122	108	230
Prioritising 75% of need	0	59	309	167	534

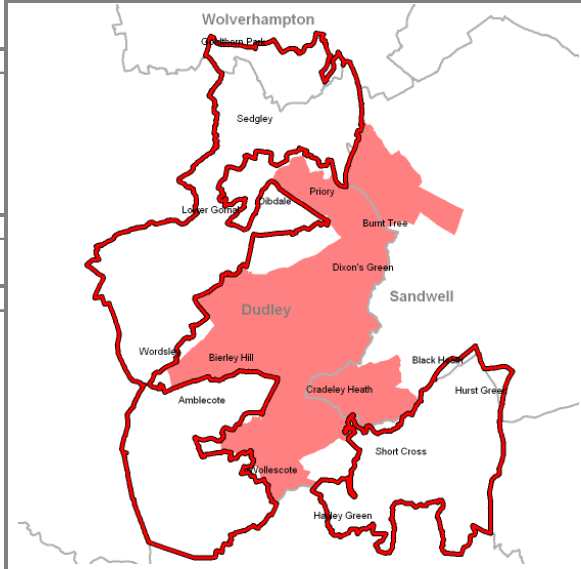
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	51.3%	HIGH	Houses	5.5%	MODERATE
Flats	1.6%	HIGH	Flats	2.4%	HIGH
1 & 2 bedrooms	9.3%	HIGH	1 & 2 bedrooms	3.7%	MODERATE
3 & 4 bedrooms	36.8%	HIGH	3 & 4 bedrooms	4.1%	MODERATE
5+ bedrooms	7.0%	HIGH	5+ bedrooms	0.4%	HIGH

Suburban Dudley

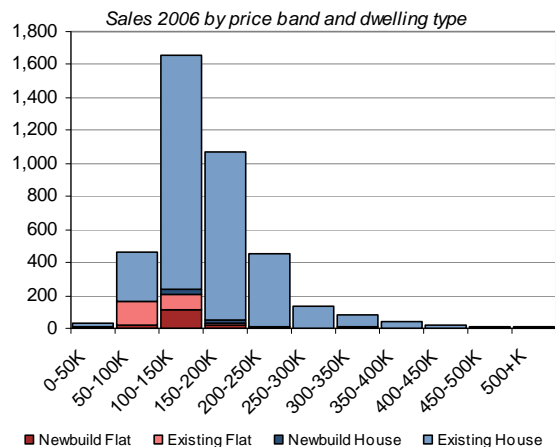
Demographic Profile

Population:	205,047	Households:	86,485	Average HH size:	2.37	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	19%	21%	Single person	25%	28%	
16-24 years	9%	10%	Couples, no child.	19%	17%	
25-34 years	13%	14%	Couples with child.	33%	30%	
35-44 years	15%	14%	Single parent	8%	11%	
45-54 years	14%	13%	Pensioner HH	11%	9%	
55-64 years	13%	11%	Other multi-person	4%	6%	
65-74 years	10%	9%				
75+ years	7%	7%				
Ethnic groups	LHMA	C3				
White British	94%	86%				
White other	1.3%	1.6%				
Asian/Asian British	3.1%	8.2%				
Black/Black British	0.7%	2.1%				
Other Ethnic Group	0.4%	0.4%				
Mixed	0.8%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£19,096	£17,437				
Median	£29,417	£26,919				
Index of multiple deprivation						
Suburban Dudley						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	80%	67%
Private rented	3%	5%
Social rented	15%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	27%	21%
Semi-detached	49%	45%
Terraced	13%	20%
Flat/Maisonette	10%	14%
Long term voids Suburban Dudley	1.0%	
Market entry prices	To buy	To rent (PRS)
1 bed flat	£70,000	£355
2 bed flat	£95,000	£426
2 bed house	£95,000	£438
3 bed house	£118,000	£495
Sales (2006)	LHMA	C3
Number of sales	3,971	26,994
Median price	£143,500	£128,529
Mean price	£158,999	£143,550



Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	911	308	666	208	2,093
(Re-let) supply	1,032	190	223	6	1,451
Balance	121	-118	-443	-202	-642
Supply ÷ need	113%	62%	33%	3%	69%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	110	98	208
Prioritising 75% of need	0	41	276	150	468

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	77.1%	LOW	Houses	5.5%	HIGH
Flats	2.7%	MODERATE	Flats	2.0%	HIGH
1 & 2 bedrooms	12.5%	MODERATE	1 & 2 bedrooms	2.7%	HIGH
3 & 4 bedrooms	49.3%	MODERATE	3 & 4 bedrooms	2.4%	HIGH
5+ bedrooms	18.0%	LOW	5+ bedrooms	0.4%	HIGH

Suburban Wolverhampton

Demographic Profile

Population:	116,584	Households:	50,103	Average HH size:	2.33
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	20%	21%	Single person	29%	28%
16-24 years	10%	10%	Couples, no child.	16%	17%
25-34 years	13%	14%	Couples with child.	29%	30%
35-44 years	14%	14%	Single parent	9%	11%
45-54 years	13%	13%	Pensioner HH	11%	9%
55-64 years	11%	11%	Other multi-person	6%	6%
65-74 years	10%	9%			
75+ years	9%	7%			
Ethnic groups	LHMA	C3			
White British	83%	86%			
White other	2.3%	1.6%			
Asian/Asian British	9.9%	8.2%			
Black/Black British	2.7%	2.1%			
Other Ethnic Group	0.4%	0.4%			
Mixed	2.0%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£18,063	£17,437			
Median	£27,869	£26,919			

Suburban Wolverhampton	20% most deprived	2nd quintile	3rd quintile	4th quintile	20% least deprived
	20%	20%	20%	20%	20%

Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	73%	67%
Private rented	4%	5%
Social rented	20%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	22%	21%
Semi-detached	51%	45%
Terraced	12%	20%
Flat/Maisonette	14%	14%
Long term voids Suburban Wolverhampton	2.1%	
Market entry prices	To buy	To rent (PRS)
1 bed flat	£70,500	£391
2 bed flat	£96,000	£469
2 bed house	£91,000	£482
3 bed house	£112,500	£545
Sales (2006)	LHMA	C3
Number of sales	2,126	26,994
Median price	£133,000	£128,529
Mean price	£152,120	£143,550

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	629	237	377	127	1,369
(Re-let) supply	789	222	87	19	1,117
Balance	160	-16	-290	-107	-253
Supply ÷ need	125%	93%	23%	15%	82%
Surplus or shortfall	SURPLUS	BALANCED	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	101	44	145
Prioritising 75% of need	0	0	196	76	271

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	70.7%	MODERATE	Houses	5.5%	HIGH
Flats	2.7%	MODERATE	Flats	2.5%	MODERATE
1 & 2 bedrooms	11.1%	MODERATE	1 & 2 bedrooms	3.2%	HIGH
3 & 4 bedrooms	45.4%	MODERATE	3 & 4 bedrooms	3.1%	HIGH
5+ bedrooms	16.9%	MODERATE	5+ bedrooms	0.6%	HIGH

Eastern Suburban

Demographic Profile

Population:	115,674	Households:	49,747	Average HH size:	2.33
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	19%	21%	Single person	25%	28%
16-24 years	9%	10%	Couples, no child.	19%	17%
25-34 years	12%	14%	Couples with child.	31%	30%
35-44 years	14%	14%	Single parent	8%	11%
45-54 years	13%	13%	Pensioner HH	12%	9%
55-64 years	14%	11%	Other multi-person	5%	6%
65-74 years	11%	9%			
75+ years	8%	7%			
Ethnic groups	LHMA	C3			
White British	91%	86%			
White other	1.8%	1.6%			
Asian/Asian British	4.8%	8.2%			
Black/Black British	1.4%	2.1%			
Other Ethnic Group	0.3%	0.4%			
Mixed	1.0%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£18,751	£17,437			
Median	£28,923	£26,919			

Index of multiple deprivation	
Eastern Suburban	
C3	

Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	80%	67%
Private rented	3%	5%
Social rented	15%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	26%	21%
Semi-detached	49%	45%
Terraced	13%	20%
Flat/Maisonette	11%	14%
Long term voids Eastern Suburban	1.7%	
Market entry prices	To buy	To rent (PRS)
1 bed flat	£80,000	£351
2 bed flat	£113,000	£421
2 bed house	£98,500	£434
3 bed house	£120,000	£490
Sales (2006)	LHMA	C3
Number of sales	2,403	26,994
Median price	£159,950	£128,529
Mean price	£179,773	£143,550

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	582	145	343	105	1,175
(Re-let) supply	656	66	121	2	845
Balance	74	-79	-222	-103	-330
Supply ÷ need	113%	45%	35%	2%	72%
Surplus or shortfall	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	7	50	50	107
Prioritising 75% of need	0	43	136	77	255

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	77.0%	MODERATE	Houses	5.5%	HIGH
Flats	2.9%	LOW	Flats	2.0%	HIGH
1 & 2 bedrooms	9.8%	HIGH	1 & 2 bedrooms	2.4%	HIGH
3 & 4 bedrooms	50.6%	LOW	3 & 4 bedrooms	2.4%	HIGH
5+ bedrooms	19.6%	LOW	5+ bedrooms	0.3%	HIGH

South & East Telford

Demographic Profile

Population:	52,955	Households:	21,787	Average HH size:	2.43
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	25%	21%	Single person	26%	28%
16-24 years	12%	10%	Couples, no child.	18%	17%
25-34 years	16%	14%	Couples with child.	30%	30%
35-44 years	15%	14%	Single parent	14%	11%
45-54 years	14%	13%	Pensioner HH	5%	9%
55-64 years	9%	11%	Other multi-person	6%	6%
65-74 years	6%	9%			
75+ years	4%	7%			
Ethnic groups	LHMA	C3			
White British	94%	86%			
White other	1.5%	1.6%			
Asian/Asian British	1.9%	8.2%			
Black/Black British	0.6%	2.1%			
Other Ethnic Group	0.6%	0.4%			
Mixed	1.4%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£17,470	£17,437			
Median	£26,964	£26,919			

Index of multiple deprivation

20% most deprived	2nd quintile	3rd quintile
4th quintile	20% least deprived	

Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	62%	67%
Private rented	8%	5%
Social rented	28%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	20%	21%
Semi-detached	29%	45%
Terraced	38%	20%
Flat/Maisonette	13%	14%
Long term voids South & East Telford	-	
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>
1 bed flat	£64,500	£394
2 bed flat	£66,500	£473
2 bed house	£80,000	£487
3 bed house	£87,000	£550
Sales (2006)	LHMA	C3
Number of sales	1,140	26,994
Median price	£100,000	£128,529
Mean price	£112,368	£143,550

Sales 2006 by price band and dwelling type

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	230	105	184	60	578
(Re-let) supply	177	29	54	3	263
Balance	-53	-75	-130	-57	-315
Supply ÷ need	77%	28%	29%	5%	45%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	23	38	27	88
Prioritising 75% of need	0	49	84	42	175

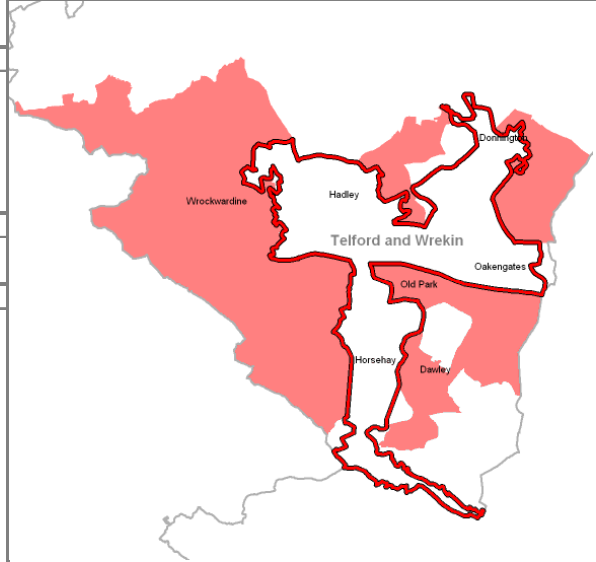
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	59.1%	MODERATE	Houses	5.5%	LOW
Flats	2.7%	MODERATE	Flats	2.6%	MODERATE
1 & 2 bedrooms	11.7%	MODERATE	1 & 2 bedrooms	4.3%	MODERATE
3 & 4 bedrooms	36.4%	HIGH	3 & 4 bedrooms	4.8%	LOW
5+ bedrooms	13.7%	MODERATE	5+ bedrooms	0.7%	MODERATE

Suburban Telford

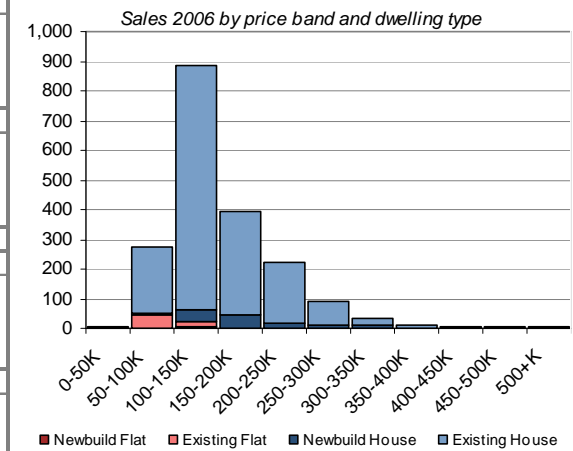
Demographic Profile

Population:	82,969	Households:	35,274	Average HH size:	2.35	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	22%	21%	Single person	26%	28%	
16-24 years	10%	10%	Couples, no child.	20%	17%	
25-34 years	15%	14%	Couples with child.	31%	30%	
35-44 years	16%	14%	Single parent	10%	11%	
45-54 years	14%	13%	Pensioner HH	8%	9%	
55-64 years	10%	11%	Other multi-person	5%	6%	
65-74 years	7%	9%				
75+ years	6%	7%				
Ethnic groups	LHMA	C3				
White British	92%	86%				
White other	1.7%	1.6%				
Asian/Asian British	4.1%	8.2%				
Black/Black British	0.7%	2.1%				
Other Ethnic Group	0.8%	0.4%				
Mixed	1.1%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£19,399	£17,437				
Median	£29,767	£26,919				
Index of multiple deprivation						
Suburban Telford						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	71%	67%
Private rented	6%	5%
Social rented	21%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	32%	21%
Semi-detached	42%	45%
Terraced	16%	20%
Flat/Maisonette	9%	14%
Long term voids Suburban Telford	-	
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>
1 bed flat	£65,000	£401
2 bed flat	£83,000	£482
2 bed house	£93,000	£495
3 bed house	£110,500	£560
Sales (2006)	LHMA	C3
Number of sales	1,939	26,994
Median price	£135,000	£128,529
Mean price	£154,694	£143,550



Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	412	126	280	87	905
(Re-let) supply	284	55	83	3	425
Balance	-128	-71	-197	-84	-479
Supply ÷ need	69%	44%	30%	3%	47%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	8	57	41	105
Prioritising 75% of need	25	39	127	62	253

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	69.5%	MODERATE	Houses	5.5%	MODERATE
Flats	1.3%	HIGH	Flats	1.8%	HIGH
1 & 2 bedrooms	12.1%	MODERATE	1 & 2 bedrooms	3.6%	MODERATE
3 & 4 bedrooms	36.0%	HIGH	3 & 4 bedrooms	3.4%	HIGH
5+ bedrooms	23.0%	LOW	5+ bedrooms	1.2%	LOW

Wrekin & Newport

Demographic Profile

Population:	22,407	Households:	9,145	Average HH size:	2.45
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	18%	21%	Single person	24%	28%
16-24 years	12%	10%	Couples, no child.	22%	17%
25-34 years	11%	14%	Couples with child.	31%	30%
35-44 years	15%	14%	Single parent	7%	11%
45-54 years	15%	13%	Pensioner HH	10%	9%
55-64 years	13%	11%	Other multi-person	5%	6%
65-74 years	8%	9%			
75+ years	8%	7%			
Ethnic groups	LHMA	C3			
White British	96%	86%			
White other	2.1%	1.6%			
Asian/Asian British	0.8%	8.2%			
Black/Black British	0.1%	2.1%			
Other Ethnic Group	0.3%	0.4%			
Mixed	0.3%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£19,831	£17,437			
Median	£30,423	£26,919			
Index of multiple deprivation					
<p>Wrekin & Newport</p> <p>C3</p> <p>0% 20% 40% 60% 80% 100%</p> <p>■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived</p>					

Stock Profile and Sales

Tenure (2001)	LHMA	C3	
Owner-occupier	77%	67%	
Private rented	9%	5%	
Social rented	12%	25%	
Living rent free	2%	3%	
Dwelling type	LHMA	C3	
Detached	47%	21%	
Semi-detached	35%	45%	
Terraced	9%	20%	
Flat/Maisonette	7%	14%	
Long term voids Wrekin & Newport	-		
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>	
1 bed flat	£62,000	£387	
2 bed flat	£76,500	£464	
2 bed house	£107,000	£478	
3 bed house	£125,600	£540	
Sales (2006)	LHMA	C3	
Number of sales	493	26,994	
Median price	£169,000	£128,529	
Mean price	£195,646	£143,550	

Sales 2006 by price band and dwelling type

0-50K 50-100K 100-150K 150-200K 200-250K 250-300K 300-350K 350-400K 400-450K 450-500K 500+K

■ Newbuild Flat ■ Existing Flat ■ Newbuild House ■ Existing House

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	106	32	64	20	222
(Re-let) supply	75	14	16	2	107
Balance	-30	-19	-48	-18	-115
Supply ÷ need	71%	42%	25%	9%	48%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	3	16	8	26
Prioritising 75% of need	4	11	32	13	59

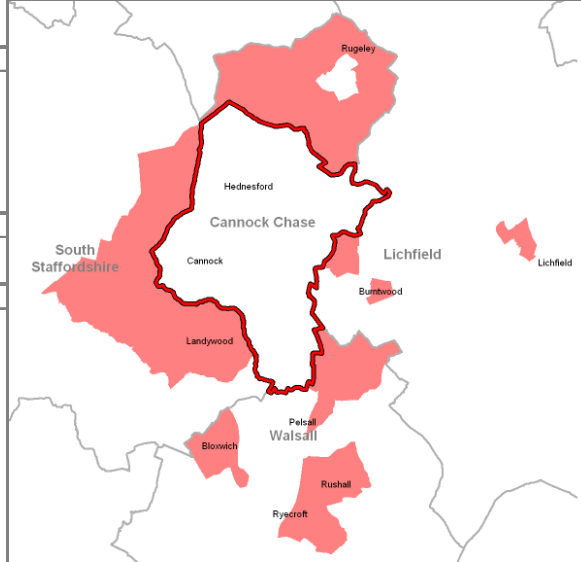
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	75.6%	MODERATE	Houses	5.5%	LOW
Flats	1.3%	HIGH	Flats	2.3%	HIGH
1 & 2 bedrooms	9.3%	HIGH	1 & 2 bedrooms	4.1%	MODERATE
3 & 4 bedrooms	35.5%	HIGH	3 & 4 bedrooms	5.5%	LOW
5+ bedrooms	32.9%	LOW	5+ bedrooms	1.8%	LOW

Cannock

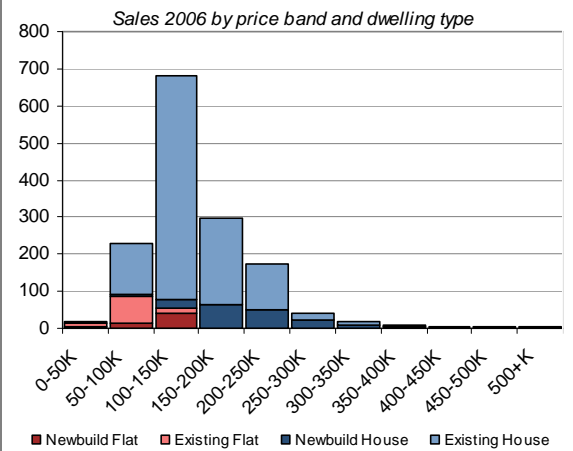
Demographic Profile

Population:	68,889	Households:	29,686	Average HH size:	2.32	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	21%	21%	Single person	25%	28%	
16-24 years	10%	10%	Couples, no child.	20%	17%	
25-34 years	16%	14%	Couples with child.	34%	30%	
35-44 years	16%	14%	Single parent	8%	11%	
45-54 years	13%	13%	Pensioner HH	8%	9%	
55-64 years	11%	11%	Other multi-person	4%	6%	
65-74 years	8%	9%				
75+ years	6%	7%				
Ethnic groups	LHMA	C3				
White British	97%	86%				
White other	1.2%	1.6%				
Asian/Asian British	0.5%	8.2%				
Black/Black British	0.2%	2.1%				
Other Ethnic Group	0.2%	0.4%				
Mixed	0.4%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£18,534	£17,437				
Median	£28,543	£26,919				
Index of multiple deprivation						
Cannock						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3
Owner-occupier	73%	67%
Private rented	5%	5%
Social rented	20%	25%
Living rent free	2%	3%
Dwelling type	LHMA	C3
Detached	31%	21%
Semi-detached	50%	45%
Terraced	10%	20%
Flat/Maisonette	10%	14%
Long term voids Cannock		1.7%
Market entry prices	To buy	To rent (PRS)
1 bed flat	£62,500	£333
2 bed flat	£83,500	£400
2 bed house	£95,000	£411
3 bed house	£110,000	£465
Sales (2006)	LHMA	C3
Number of sales	1,491	26,994
Median price	£130,000	£128,529
Mean price	£148,928	£143,550



Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	239	94	224	69	626
(Re-let) supply	149	144	86	5	385
Balance	-90	51	-138	-63	-241
Supply ÷ need	62%	154%	38%	8%	62%
Surplus or shortfall	SHORTFALL	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	26	29	55
Prioritising 75% of need	30	0	82	46	158

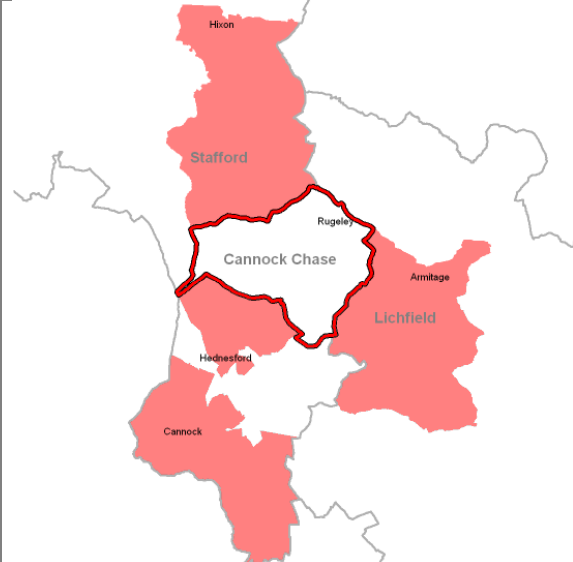
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	70.2%	MODERATE	Houses	5.5%	HIGH
Flats	2.4%	MODERATE	Flats	2.4%	HIGH
1 & 2 bedrooms	15.2%	LOW	1 & 2 bedrooms	3.8%	MODERATE
3 & 4 bedrooms	40.7%	MODERATE	3 & 4 bedrooms	2.8%	HIGH
5+ bedrooms	17.0%	MODERATE	5+ bedrooms	0.5%	HIGH

Rugeley

Demographic Profile

Population:	23,237	Households:	9,889	Average HH size:	2.35	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	21%	21%	Single person	23%	28%	
16-24 years	10%	10%	Couples, no child.	20%	17%	
25-34 years	14%	14%	Couples with child.	34%	30%	
35-44 years	15%	14%	Single parent	10%	11%	
45-54 years	14%	13%	Pensioner HH	9%	9%	
55-64 years	12%	11%	Other multi-person	4%	6%	
65-74 years	8%	9%				
75+ years	6%	7%				
Ethnic groups	LHMA	C3				
White British	98%	86%				
White other	1.2%	1.6%				
Asian/Asian British	0.5%	8.2%				
Black/Black British	0.1%	2.1%				
Other Ethnic Group	0.1%	0.4%				
Mixed	0.5%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£18,243	£17,437				
Median	£28,197	£26,919				
Index of multiple deprivation						
Rugeley						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3	Sales 2006 by price band and dwelling type
Owner-occupier	77%	67%	
Private rented	6%	5%	
Social rented	16%	25%	
Living rent free	1%	3%	
Dwelling type	LHMA	C3	
Detached	27%	21%	
Semi-detached	46%	45%	
Terraced	19%	20%	
Flat/Maisonette	8%	14%	
Long term voids Rugeley		1.5%	
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>	
1 bed flat	£82,000	£348	
2 bed flat	£89,000	£417	
2 bed house	£88,500	£429	
3 bed house	£110,000	£485	
Sales (2006)	LHMA	C3	
Number of sales	479	26,994	
Median price	£125,000	£128,529	
Mean price	£142,572	£143,550	

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	101	20	75	21	217
(Re-let) supply	61	48	13	1	123
Balance	-40	28	-62	-21	-94
Supply ÷ need	61%	240%	17%	4%	56%
Surplus or shortfall	SHORTFALL	SURPLUS	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	24	10	34
Prioritising 75% of need	14	0	43	15	73

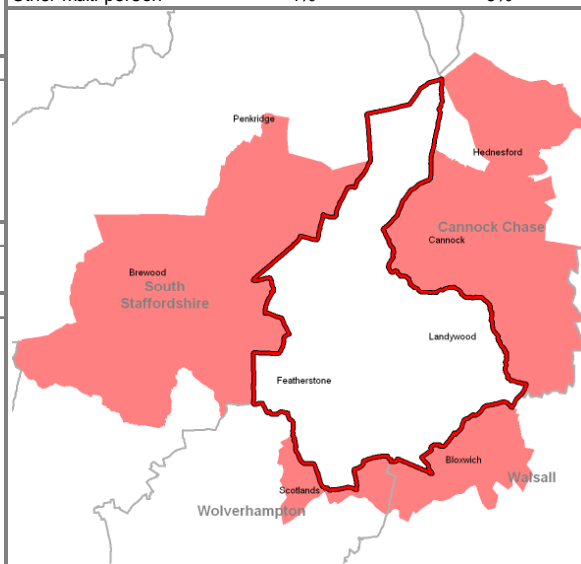
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	75.6%	MODERATE	Houses	5.5%	HIGH
Flats	1.3%	HIGH	Flats	2.3%	HIGH
1 & 2 bedrooms	10.2%	MODERATE	1 & 2 bedrooms	3.1%	HIGH
3 & 4 bedrooms	50.4%	LOW	3 & 4 bedrooms	3.5%	MODERATE
5+ bedrooms	16.4%	MODERATE	5+ bedrooms	0.6%	HIGH

South Staffs North East

Demographic Profile

Population:	34,420	Households:	13,222	Average HH size:	2.60	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	21%	21%	Single person	20%	28%	
16-24 years	10%	10%	Couples, no child.	21%	17%	
25-34 years	14%	14%	Couples with child.	38%	30%	
35-44 years	16%	14%	Single parent	9%	11%	
45-54 years	14%	13%	Pensioner HH	9%	9%	
55-64 years	12%	11%	Other multi-person	4%	6%	
65-74 years	7%	9%				
75+ years	5%	7%				
Ethnic groups	LHMA	C3				
White British	97%	86%				
White other	1.0%	1.6%				
Asian/Asian British	0.8%	8.2%				
Black/Black British	0.4%	2.1%				
Other Ethnic Group	0.1%	0.4%				
Mixed	0.7%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£19,198	£17,437				
Median	£29,578	£26,919				
Index of multiple deprivation						
South Staffs North East						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3	Sales 2006 by price band and dwelling type
Owner-occupier	78%	67%	
Private rented	4%	5%	
Social rented	16%	25%	
Living rent free	1%	3%	
Dwelling type	LHMA	C3	
Detached	30%	21%	
Semi-detached	48%	45%	
Terraced	14%	20%	
Flat/Maisonette	6%	14%	
Long term voids South Staffs North East	0.7%		
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>	
1 bed flat	£72,000	£380	
2 bed flat	£78,000	£456	
2 bed house	£95,000	£469	
3 bed house	£118,000	£530	
Sales (2006)	LHMA	C3	
Number of sales	551	26,994	
Median price	£142,500	£128,529	
Mean price	£161,340	£143,550	

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	126	40	86	27	279
(Re-let) supply	70	31	12	0	113
Balance	-56	-9	-74	-27	-166
Supply ÷ need	55%	77%	14%	0%	40%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	31	13	45
Prioritising 75% of need	25	0	53	20	98

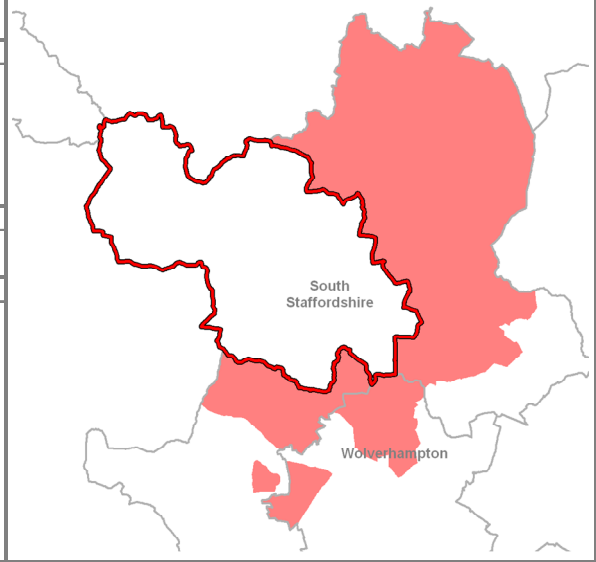
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	76.9%	MODERATE	Houses	5.5%	HIGH
Flats	0.9%	HIGH	Flats	1.3%	HIGH
1 & 2 bedrooms	12.0%	MODERATE	1 & 2 bedrooms	2.2%	HIGH
3 & 4 bedrooms	45.5%	MODERATE	3 & 4 bedrooms	2.2%	HIGH
5+ bedrooms	20.7%	LOW	5+ bedrooms	0.5%	HIGH

South Staffs North West

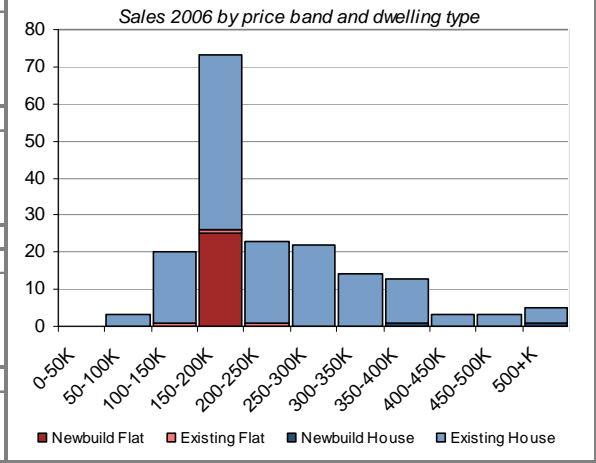
Demographic Profile

Population:	10,334	Households:	4,542	Average HH size:	2.28	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	17%	21%	Single person	25%	28%	
16-24 years	7%	10%	Couples, no child.	23%	17%	
25-34 years	10%	14%	Couples with child.	31%	30%	
35-44 years	15%	14%	Single parent	6%	11%	
45-54 years	16%	13%	Pensioner HH	12%	9%	
55-64 years	17%	11%	Other multi-person	4%	6%	
65-74 years	10%	9%				
75+ years	8%	7%				
Ethnic groups	LHMA	C3				
White British	97%	86%				
White other	1.5%	1.6%				
Asian/Asian British	0.7%	8.2%				
Black/Black British	0.1%	2.1%				
Other Ethnic Group	0.1%	0.4%				
Mixed	0.4%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£20,281	£17,437				
Median	£31,178	£26,919				
Index of multiple deprivation						
South Staffs North West						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3	
Owner-occupier	79%	67%	
Private rented	8%	5%	
Social rented	10%	25%	
Living rent free	3%	3%	
Dwelling type	LHMA	C3	
Detached	44%	21%	
Semi-detached	36%	45%	
Terraced	8%	20%	
Flat/Maisonette	7%	14%	
Long term voids South Staffs North West		0.8%	
Market entry prices	To buy	To rent (PRS)	
1 bed flat	£145,000	£401	
2 bed flat	£165,000	£482	
2 bed house	£100,000	£495	
3 bed house	£143,000	£560	
Sales (2006)	LHMA	C3	
Number of sales	179	26,994	
Median price	£191,950	£128,529	
Mean price	£235,476	£143,550	



Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	53	13	22	7	95
(Re-let) supply	19	12	8	0	38
Balance	-34	-1	-15	-7	-57
Supply ÷ need	36%	95%	34%	0%	40%
Surplus or shortfall	SHORTFALL	BALANCED	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	8	0	4	4	15
Prioritising 75% of need	21	0	9	5	35

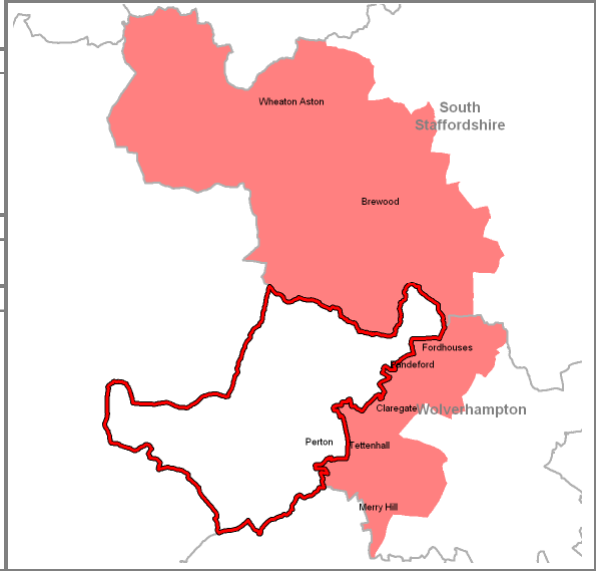
Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	73.5%	MODERATE	Houses	5.5%	LOW
Flats	0.4%	HIGH	Flats	1.7%	HIGH
1 & 2 bedrooms	13.7%	LOW	1 & 2 bedrooms	3.6%	MODERATE
3 & 4 bedrooms	36.0%	HIGH	3 & 4 bedrooms	4.9%	LOW
5+ bedrooms	29.8%	LOW	5+ bedrooms	2.3%	LOW

South Staffs Central

Demographic Profile

Population:	25,416	Households:	10,644	Average HH size:	2.39	
Age groups	LHMA	C3	HH composition	LHMA	C3	
0-15 years	20%	21%	Single person	25%	28%	
16-24 years	10%	10%	Couples, no child.	19%	17%	
25-34 years	11%	14%	Couples with child.	34%	30%	
35-44 years	16%	14%	Single parent	8%	11%	
45-54 years	16%	13%	Pensioner HH	11%	9%	
55-64 years	11%	11%	Other multi-person	3%	6%	
65-74 years	9%	9%				
75+ years	7%	7%				
Ethnic groups	LHMA	C3				
White British	95%	86%				
White other	1.5%	1.6%				
Asian/Asian British	1.5%	8.2%				
Black/Black British	0.5%	2.1%				
Other Ethnic Group	0.3%	0.4%				
Mixed	0.8%	1.5%				
Gross HH Income	LHMA	C3				
Lower quartile	£21,020	£17,437				
Median	£32,220	£26,919				
Index of multiple deprivation						
South Staffs Central						
C3						
	0%	20%	40%	60%	80%	100%
	■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived					



Stock Profile and Sales

Tenure (2001)	LHMA	C3	Sales 2006 by price band and dwelling type
Owner-occupier	81%	67%	
Private rented	4%	5%	
Social rented	14%	25%	
Living rent free	1%	3%	
Dwelling type	LHMA	C3	
Detached	42%	21%	
Semi-detached	38%	45%	
Terraced	9%	20%	
Flat/Maisonette	10%	14%	
Long term voids South Staffs Central	1.1%		
Market entry prices	<i>To buy</i>	<i>To rent (PRS)</i>	
1 bed flat	£68,500	£383	
2 bed flat	£88,000	£460	
2 bed house	£106,000	£473	
3 bed house	£126,000	£535	
Sales (2006)	LHMA	C3	
Number of sales	448	26,994	
Median price	£166,500	£128,529	
Mean price	£194,544	£143,550	

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	117	20	69	20	227
(Re-let) supply	70	13	8	0	91
Balance	-47	-7	-61	-20	-136
Supply ÷ need	60%	63%	12%	0%	40%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	0	0	27	10	37
Prioritising 75% of need	18	2	44	15	79

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	76.7%	MODERATE	Houses	5.5%	HIGH
Flats	2.8%	LOW	Flats	1.5%	HIGH
1 & 2 bedrooms	14.4%	LOW	1 & 2 bedrooms	2.7%	HIGH
3 & 4 bedrooms	37.2%	MODERATE	3 & 4 bedrooms	1.9%	HIGH
5+ bedrooms	28.7%	LOW	5+ bedrooms	0.6%	HIGH

South Staffs South

Demographic Profile

Population:	25,540	Households:	10,880	Average HH size:	2.35
Age groups	LHMA	C3	HH composition	LHMA	C3
0-15 years	17%	21%	Single person	23%	28%
16-24 years	8%	10%	Couples, no child.	22%	17%
25-34 years	10%	14%	Couples w with child.	32%	30%
35-44 years	15%	14%	Single parent	6%	11%
45-54 years	15%	13%	Pensioner HH	13%	9%
55-64 years	15%	11%	Other multi-person	4%	6%
65-74 years	11%	9%			
75+ years	9%	7%			
Ethnic groups	LHMA	C3			
White British	97%	86%			
White other	1.3%	1.6%			
Asian/Asian British	0.7%	8.2%			
Black/Black British	0.1%	2.1%			
Other Ethnic Group	0.2%	0.4%			
Mixed	0.4%	1.5%			
Gross HH Income	LHMA	C3			
Lower quartile	£21,256	£17,437			
Median	£32,540	£26,919			
Index of multiple deprivation					
<p>South Staffs South</p> <p>C3</p> <p>0% 20% 40% 60% 80% 100%</p> <p>■ 20% most deprived ■ 2nd quintile ■ 3rd quintile ■ 4th quintile ■ 20% least deprived</p>					

Stock Profile and Sales

Tenure (2001)	LHMA	C3	
Owner-occupier	79%	67%	
Private rented	5%	5%	
Social rented	13%	25%	
Living rent free	2%	3%	
Dwelling type	LHMA	C3	
Detached	45%	21%	
Semi-detached	37%	45%	
Terraced	8%	20%	
Flat/Maisonette	8%	14%	
Long term voids South Staffs South		0.8%	
Market entry prices	To buy	To rent (PRS)	
1 bed flat	£100,000	£387	
2 bed flat	£105,000	£464	
2 bed house	£115,000	£478	
3 bed house	£140,000	£540	
Sales (2006)	LHMA	C3	
Number of sales	420	26,994	
Median price	£201,697	£128,529	
Mean price	£248,256	£143,550	

Affordable Housing - Need and Supply

Type	1 & 2 bed flat	2 bed house	3 bed house	4+ bed house	Total
Need	142	24	47	15	228
(Re-let) supply	63	20	10	0	93
Balance	-79	-4	-36	-15	-135
Supply ÷ need	44%	83%	22%	0%	41%
Surplus or shortfall	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL	SHORTFALL
Prioritising 50% of need	8	0	13	7	29
Prioritising 75% of need	44	0	25	11	80

Balancing the Market

Owner-occupation	Share of stock	Priority	Private Rented Sector	Share of stock	Priority
Houses	75.9%	MODERATE	Houses	5.5%	MODERATE
Flats	1.8%	HIGH	Flats	1.9%	HIGH
1 & 2 bedrooms	12.0%	MODERATE	1 & 2 bedrooms	3.2%	HIGH
3 & 4 bedrooms	36.7%	HIGH	3 & 4 bedrooms	3.0%	HIGH
5+ bedrooms	30.0%	LOW	5+ bedrooms	1.3%	LOW

6.3 Need and demand in rural areas

The five local housing market areas in South Staffordshire and the Wrekin & Newport LHMA are primarily rural in character. As indicated in the fact sheets these rural communities are characterised by a lack of deprivation, a higher than average share of people close to retirement age and very few people of BME ethnic origin. These areas also have the highest average house prices within the C3, with very few cheap dwellings available and a significant overrepresentation of expensive houses, particularly large detached homes.

The results of the housing need calculation in rural areas generally points to a significant shortfall of all dwelling types with the exception of 2 bed houses, although the picture varies between localities. To balance the market sector both small and medium sized dwellings are required (1, 2, 3 and 4 bedrooms). In particular smaller units will be required to accommodate the sharp increase in the number of older single person households which is forecast to take place in the coming 15 to 20 years.

These findings reinforce recommendations made in the South Staffordshire's local housing market assessment (DCA, 2007), which included the following:

- Provide a mix of house types in both market and social sectors, particularly to meet the needs for smaller units from new and existing households and address stock imbalance and the impact of demographic change;
- Continue to negotiate with prospective developers towards achieving subsidised affordable homes from all the suitable sites coming forward for planning consent;
- The LDF Core Strategy could consider an overall affordable housing target of 50% of the total of all suitable private sector sites, subject to site viability;
- Within the overall target the Council could consider a broad balance of 50% for social rent and 50% as intermediate market housing provided it is delivered at a cost below the cheapest entry level costs in the general market and would be available on a similar basis to subsequent purchasers;
- Both the affordable housing target and the tenure balance within it may vary on a site by site basis;

The DCA study also noted that while the Planning Guidance accompanying PPS3 provides a national minimum site threshold of 15 units or 0.5 hectares, the LDF should promote the lowest threshold considered viable and which will deliver additional affordable units from the scale of smaller sites.

The recent local market study of Telford and Wrekin carried out by consultants Nevin & Leather Associates indicates that there are many households on low incomes

experiencing severe affordability problems in the rural parts of this district. In the final report it was noted that “the rural areas are a high value market with a very limited supply of low value housing. At higher value levels, they form one market (which pays little regard to the Borough’s administrative boundaries). However for lower income households, who are less able to travel or who are dependent on public transport, the rural areas consist of a series of smaller sub-divisions, and hence affordable housing in one sub-area may not be appropriate for the needs of someone living in another one” (Nevin and Leather 2007, p. 55).

The study goes on to conclude that levels of need in Newport and the rural areas of Telford and Wrekin Borough are much higher than the likely levels of new housing provision in these areas. “This is not necessarily a case for making all provision in those areas affordable – this would be neither desirable nor practical. What it suggests is that some affordable need in those areas will have to be met elsewhere in the Borough” (ibid, p. 104).

7.0 Conclusions

This chapter distils and summarises key messages from the evidence presented in the C3 Strategic Housing Market Assessment.

7.1 Neighbourhood typologies

The statistical analysis confirms the varied character of the C3 sub-region. It contains a full range of contrasting urban, sub-urban and rural areas, each with their own distinctive character in terms of population, economic dynamics, housing stock and neighbourhood typologies.

Sandwell, Wolverhampton and Walsall are clearly the most urban of the C3 districts. Demographically these areas are typified by many smaller households, large ethnic minority populations and low average incomes. They contain an urban form which has a high density levels where pockets of deprivation is concentrated. Wolverhampton and Walsall also contain neighbourhoods which are more suburban in character – lower density residential areas where detached and semi-detached stock is predominant, occupied mainly by larger households with children.

Within the C3 however the suburban neighbourhood typology is most prevalent in Dudley and Telford. Many of the residential areas in South Staffordshire and the Wrekin are also essentially suburban, although the scale of development is considerably smaller, verging on rural. These areas have the highest proportion of detached dwellings, commonly with large plot sizes, providing an attractive housing offer to more affluent households. The market catchment of these 'wealthy' areas tends to extend beyond the borders of the sub-region, much more so than is the case with the less well to do urban and suburban neighbourhoods.

In many ways the housing issues faced by neighbourhoods within the C3 are typical of those faced elsewhere in the country. A key issue is polarisation between affluent neighbourhoods and areas of deprivation which stands in the way of achieving balanced sustainable communities.

7.2 Demographic profile and drivers

Population and age profile

The population of the C3 sub-region totalled approximately 1,446,000 in 2006, a marginal (0.6%) increase on the population as measured in the 2001 Census. The age profile of the

area does not differ markedly from the rest of the West Midlands or England. The numbers of people aged less than 15 years and between 25 and 44 years have declined since 2001, while all other age groups have increased, particularly those aged between 15 and 24. These young adults could potentially have a positive impact on the economy in the coming years as they complete their education and boost the size of the work force. But this effect will only be maximised if a suitable housing offer is provided for them. The provision of good quality smaller dwellings at an affordable price in attractive urban settings would reduce the likelihood that talented young adults will flow away to other parts of the Region.

According to DCLG 2004 based sub-national projections the population of the C3 area will decline by around 700 per year between 2006 and 2014. A positive international migration balance (+ 1,100 per annum) will be offset by a net loss of population to other parts of England (- 1,800 per year). The population is expected to decline in Walsall, Wolverhampton and Sandwell (together -2,000 per annum) and expand in Telford and Wrekin, Cannock Chase, South Staffordshire and Dudley (together + 1,300).

Migration and commuting

At the time of the 2001 Census, the four Black Country districts suffered from substantial net migration deficits while Telford and Wrekin and South Staffordshire gained population through migration. Reversing population loss from Major Urban Areas (MUAs) including the Black Country is an important objective of the West Midlands Regional Spatial Strategy.

The C3 sub-region has a number of highly contained local housing markets, and developers testify to the fact that catchment areas for new build projects tend to be local in nature, especially in Cannock Chase and the Black Country. This is backed up by the statistical evidence. About two thirds of house moves occur within districts, although South Staffordshire is an exception with more than half of movements being to or from another district.

There are strong migratory relationship between Wolverhampton and South Staffordshire and between Sandwell and Dudley. Both Sandwell and Walsall also maintain strong links with Birmingham, Cannock Chase with Lichfield and Telford and Wrekin with Shrewsbury and Atcham. It is important to consider these links with neighbouring sub-regions when formulating housing and development policy.

These migrational relationships are echoed in travel-to-work data, showing that 82% of those in employment in the C3 area travelled to work within the sub-region. The percentage was lower however for higher managerial and professional occupations. Nearly 10% of C3 employees commuted to Birmingham. Telford and Wrekin was the most

self contained as 80% of travel-to-work journeys by residents were within the district itself. South Staffordshire was the least self contained, with a high proportion of the district's residents commuting elsewhere to work.

2005/06 and 2006/07 saw a significant influx of foreign workers into the C3 area – a little over 18,000 according to National Insurance Number Registrations data. Sandwell and Wolverhampton are important points of entry for these foreign workers, with nearly 60% of registrations occurring in these two districts. More than half the new foreign worker registrations concerned migrants from Poland and the other “A8” countries of Eastern Europe.

Anecdotal evidence suggests that new international migrants are settling in specific neighbourhoods, particularly those where there is a readily available supply of cheap housing in Wolverhampton and Sandwell. Migrant workers are often initially accommodated in the PRS and the increased number of migrant workers may lead to greater competition for rented accommodation which may drive up rents or lead to an increase in the sharing of accommodation and an increased incidence of overcrowding.

Over time, migrants with the intention to stay for the long term will increase demand for social rented accommodation and some will move into owner occupation if affordability allows. The national media has recently reported that the influx of A8 migrants is being reversed as the English economy weakens. Fresh data is required to assess the extent to which this is the case in the C3 housing market area.

Households

The average household size in the C3 sub-region is 2.47, higher than in the West Midlands region as a whole and England. This is due in particular to a higher proportion of couples with children as well as single parent households. But there are significant differences between districts which are strongly related to the clustering of neighbourhood typologies expounded upon above. Wolverhampton and Sandwell, the two most urban districts had the highest proportion of single person households while couples with children were most common in Cannock Chase and South Staffordshire.

The average household size is expected to continue to decline and as a result the number of households in C3 is expected to increase by 75,000 between 2006 and 2026, on average 3,750 annually. An increase in the number of small households will generate demand for smaller dwellings in the medium and long term.

Most of this growth will come from single person households which are expected to increase by around 70,000 over 20 years – a 40% rise. The number of couples without children is set for a more modest rise of about 16,400, while single parent households will

increase by around 7,500 between 2006 and 2026. The number of couples with children is expected to decline by some 22,000 according to the DCLG projections. The ageing of the population is an important driver behind these household projections. There are expected to be about 76,000 additional households in the 50+ age bands in 2026 compared to 2006. This will clearly have important policy consequences in terms of suitable housing for older people with and without support.

The largest percentage increase in household numbers between 2006 and 2026 is expected in Telford and Wrekin (24%), followed at some distance by Sandwell (14%), Cannock Chase (13%), Wolverhampton (12%) and Dudley (11%). In absolute terms the most additional households are expected in Sandwell (16,700) followed closely by Telford and Wrekin (16,000).

The revised RSS draft submission (December 2007) called for 97,000 net additional dwellings to be provided in the C3 housing market area between 2006 and 2026, equating to 4,850 per annum. The increased housing figures contained the revised Draft RSS, clearly demonstrates the need to meet the Government's Housing Growth Agenda and the future household demand within the Region as a whole.

Ethnicity

Close to 85% of the population of the C3 area is of White British ethnicity, although this is less than 80% in Sandwell and Wolverhampton. These two districts contain particularly large Indian, Pakistani and Black Caribbean communities. The profile of BME households varies from that of the majority White British population, with larger households being more common. A message coming through from stakeholders is that problems of affordability and poor housing conditions are having a particularly severe impact on some households, and people of Black ethnic origin are significantly overrepresented in the homelessness statistics. The particular housing problems affecting BME households clearly require the exploration of effective targeted policy responses.

While the BME population is growing considerably the White British population is declining in number and this is projected to continue in the future. ECOTEC's H-DAM model is based on this projection and takes account of the larger average size of BME households (particularly within the Pakistani and Bangladeshi communities), resulting in household growth predictions over the coming 20 years that are different to the official Government projection, which does not take account of the specific ethnic characteristics of the area. H-DAM predicts the number of households in the C3 area will grow by about 60,000 between 2006 and 2026 (3,000 per year), compared to around 75,000 additional households under the ONS/DCLG forecast (3,750 per year).

The impact of changes in the ethnic composition of the population is therefore likely to lower the overall number of new houses required, but will increase the demand for larger (4+ bedroom) dwellings. This does not mean that there will be no need for smaller dwellings to cater for the growth in one and two person households projected by the DCLG model. Instead, the H-DAM findings should be considered to be complementary to the DCLG household projections. In terms of the requirement for new dwellings, an effective policy response would be to encourage both small (2 bed) as well as large (4, 5 and 6 bed) dwellings to be produced ahead of 3 bed houses for which demand is not expected to grow.

The impact of the ethnic group dimension of the H-DAM model is likely to be most pronounced in those areas which currently have large ethnic minorities, particularly in parts of Sandwell and Wolverhampton.

7.3 Economic profile and drivers

Employment

Of the 862,000 people of working age in the C3 sub-region, 75% were economically active as of March 2007, and the employment rate was 71%. Both these percentages are lower than in the West Midlands as a whole and Great Britain. Levels of unemployment are highest in Sandwell, Wolverhampton and Walsall and lowest in South Staffordshire, followed a downward trend between 1996 and 2006, although this trend came to a halt during the 2006/07 financial year.

Reflecting the sub-region's industrial character, a relatively high share of employees work in process plants, as machine operatives, skilled tradesmen or in elementary occupations. Employment levels in the manufacturing sector are expected to decline from this point forward, which is a threat to the economic future of the C3 sub-region. This is particularly the case in Sandwell, Walsall and Telford and Wrekin as more than 20% of jobs are currently concentrated in this sector.

Regional forecasting points to future employment growth in the construction, retail, hospitality, and business services sectors. A construction led economic development strategy deserves special consideration, as this would provide additional employment to offset losses in manufacturing while at the same time boost housing supply and generate wealth for the community. Such a strategy would require the issue of skills to be addressed and urgent attention would need to be given to overcoming obstacles holding back the development of brown-field sites.

Incomes

Average disposable incomes in the C3 area are significantly lower than the national (UK) average, and the sub-region has fallen further behind since 1995. Real incomes rose by about 16% in the C3 sub-region between 2002 and 2007, which was a slightly higher increase to that recorded in the West Midlands and a slightly lower England. According to CACI Paycheck data the average income in the sub-region in 2006 was close to £ 30,400, with South Staffordshire, Telford and Wrekin, Cannock Chase and Dudley being above this level and the three other Black County districts below it.

According to Survey of English Housing figures covering all of England the average income of newly forming households was 67% of the average income of all households. This figure was used as a key parameter in the affordability calculation of this assessment.

Deprivation and homelessness

According to the latest Index of Multiple Deprivation figures (IMD 2007) 35% of the C3's neighbourhoods rank among the 20% most deprived in England, while just 11% rank in the 20% least deprived nationally. Particularly Sandwell, Wolverhampton and Walsall contain substantial concentrations of deprivation, contrasting markedly with South Staffordshire where there is very little deprivation. The comparison of 2004 and 2007 IMD figures revealed very little overall change although there were suggestions that the situation had deteriorated to a degree in a number of highly deprived neighbourhoods.

At 1.7 per 1,000 of the population, the rate of homelessness is higher in C3 than in the West Midlands and England. In 2006/07 a little over 2,500 people were accepted as being homeless and in priority need in the sub-region. This number fell from more than 3,000 in the previous two years, although much higher falls were recorded in the West Midlands and England. As stated above, people of Black ethnic origin are significantly overrepresented in the homelessness statistics.

7.4 Housing stock and new build capacity

Housing Stock

Of the 620,700 dwellings in the C3 area 2006/07, 24% were in the social sector and 76% in the private sector. Sandwell and Wolverhampton have the largest social sectors while South Staffordshire has the smallest. The number of social rented properties in the sub-region has fallen steadily between 1997 and 2007, from more than 175,000 to close to 145,000. This decline is due primarily to Right-to-Buy and demolitions, which have not been compensated for by new builds.

Annual completions in C3 have averaged close to 3,500 in recent years, more than 90% of which have been private sector dwellings. The highest volumes of new builds have been in Sandwell and Telford and Wrekin. There have been close to 1,100 demolitions per annum in recent years, which have reduced the level of net stock growth to around 2,400 per year. The vast majority of demolished homes are in the Black Country where social sector flats in particular have been targeted by regeneration initiatives.

Within the private sector, the PRS is estimated to number about 40,000 dwellings, or 6.5% of the total dwelling stock. When compared to the West Midlands and England the sector is relatively small. About 10% of these are Houses in Multiple Occupation (HMOs), which are particularly numerous in Wolverhampton, Sandwell, Dudley, and Telford and Wrekin.

According to 2007 figures 3.4% of the C3 dwelling stock (close to 21,300 homes) is empty, with a little more than a third empty for more than 6 months. The void rate is highest for RSL and private sector stock and lowest for Council owned stock. Although some empty dwellings are necessary to facilitate maintenance and household movements the statistics indicate that there is room for improvement in this area. Reducing the void percentage to 2.5 across the whole of the C3 would increase supply by around 5,600 dwellings, which is the equivalent of more than 1.5 years of new build completions.

With 4.4% of the dwellings in the sub-region deemed unfit, this is also a problem in need of attention. The vast majority of these are private sector homes, and the problem is particularly acute in the Black Country and Sandwell in particular.

New build capacity

According to the Housing Land Potential Study carried out by the West Midlands Regional Assembly in 2007 there are enough building sites available in the C3 sub-region to accommodate around 6,800 gross and 5,700 net new builds per year between 2006 and 2026. Therefore, in theory, land availability should not be a barrier to attaining the uplift in completions required to cater for the projected growth in the number of households as well as clear the backlog of concealed households that has formed due to insufficient new builds in recent years.

Land capacity is greatest in Telford and Wrekin (nearly 1,700 per annum), followed by Sandwell (1,200). The vast majority of sites concern previously developed land, particularly in the Black Country, although the cost of brownfield site remediation was highlighted as a significant impediment to development by stakeholders.

7.5 Social sector dynamics

Around 36,700 households were registered on Council waiting lists in 2007, of which 16,400 in a reasonable preference category - include people who are homeless, occupying unsanitary or overcrowded housing or need to move on medical or welfare grounds. There were however significant differences and inconsistencies between districts in the data. More than 40% of those on waiting lists were young single people.

Within the C3 the level of 'churn' in the social sector was measured at 9.6% - the percentage of stock being re-let annually. The absolute number of lettings however has experienced a downward trend since 2002, which is consistent with the reduction in the social sector stock highlighted above. Proportionately, the largest falls in social sector lettings were recorded in Wolverhampton, Telford & Wrekin and Sandwell.

About 30% of lettings were households transferring within the number of social sector and the remaining 70% were lettings to new tenants moving in from other tenures and situations. Of this latter group a little for than half of them were previously housed with family or friends, 18% had rented in the private sector and 7% were previously owner occupiers.

According to CORE data about three quarters of all lettings were General Needs Lettings with the remaining quarter being supported housing lettings. Most new social sector tenancies went to young households – with a peak in the 20-24 year age group for General Needs Lettings and a peak in the 16-19 year age group for Supported Housing Lettings. This underlines the importance of the social sector to young adults and those in their late teens.

7.6 Market dynamics

Sales and prices in 2006

The distribution of (average) house prices across the C3 area mirrors to a great extent the statistics on income levels and deprivation. The prices were highest in South Staffordshire, and this was true for all dwelling types. In fact in 2006 the average price of a terraced house in this district was higher than the average price of a semi-detached house in the other six districts. Clearly South Staffordshire caters for the top segment of the sub-regional market, a function that is shared with parts of the Wrekin and Eastern Walsall (e.g. Aldridge). At the other end of the spectrum flats, particularly older flats, in the Black Country, Telford and Cannock Chase cater for the lower end of the market.

Of the circa 27,000 dwellings sold in 2006 about 10% of them were new builds. 42% of sales were recorded in the price class between £ 100,000 and £ 150,000 – and more than half of these concerned semi-detached dwellings. This price band also contained many new build flats.

Sales volumes tail off dramatically in the higher price bands and it should be a matter of policy to ensure the housing offer is boosted in the mid to high end of the market. This would promote balance and ensure that higher income households are sufficiently catered for within the C3, reducing the likelihood that they will move elsewhere.

The Private Rented Sector

Available evidence indicates that the PRS has been expanding significantly in recent years due to smaller investors entering the market and making use new Buy-to-Let mortgage products. This growth has also been concurrent with the reduction of the social rented sector, and many tenants who might previously have been housed in the social housing are now finding their way into the PRS. Furthermore, rent rises in the sector between 1999 and 2007 have been just one-third the rate of house price inflation in the buyers market, increasing the relative affordability of the sector when compared to owner occupation.

According to the bespoke dataset of C3 PRS prices compiled for this assessment median rental prices ranged from £ 285 per month for a bedroom in a shared house to £ 578 for large (3+ bed) houses. These prices were fed into the affordability calculation of the housing needs assessments.

House price dynamics and affordability

House prices in England increased rapidly between 2000 and 2006 and this is mirrored in the C3 housing market area where the average price rose by 90% during this period. The price of flats and maisonettes rose the most, followed closely by terrace houses, indicating greater levels of demand. Investor activity may well have played a role here, and in the case of flats there was undoubtedly an increase in new build activity which also largely explains the year on year increase in sales volumes of this type of dwelling.

Increasing prices year on year has made housing in the open market increasingly unaffordable for many, particularly for those with low incomes and first time buyers. The lower quartile price to lower quartile income ratio is above 5 across most of the sub-region and neighbourhoods where the ratio is below 4 are very few and far between. Developers have attested to the fact that sales to first time buyers have reduced to a trickle.

The 'Credit Crunch'

Since the autumn of 2007 there has been a significant change in the housing market, both nationally and sub-regionally, as the 'Credit Crunch' takes hold. The effects of this are considerable, including an increase in the number of homes being repossessed as overstretched home-owners whose mortgages are up for renewal are confronted by higher interest payments. Sales volumes have also declined markedly, paired with longer average sales times. This has caused a downward pressure on house prices, with a 4.5 % fall in the average house price being recorded in the C3 area between the last quarter of 2007 and the first quarter of 2008. Developers have confirmed that there is now lower demand for new builds and the effects on investor activity is not yet clear.

Lower prices may ultimately improve affordability ratios but for the time being the tightening of credit conditions is making it harder for first time buyers to secure a mortgage. There is also the danger that the credit crisis may have an adverse on the economy at large which could ultimately result in increased levels of unemployment and reduced spending power. Close monitoring will be required to gauge the nature and extent of the Credit crunch on the sub-regional housing market.

Future house prices

There is currently great uncertainty concerning house price dynamics and the future of the housing market. As stated above, recent Bank of England cuts to the base rate of interest have not been passed on to mortgage customers and this, as well as increased anxiety over the future of the economy generally, has led to a slowdown in the housing market. In late 2007 pundits predicting continued price rises were probably still in the majority but by May 2008 a more pessimistic tone is prevalent.

The long term trend over 30 years shows 2.4% annual increases in house prices despite significant fluctuations around the trend line. Projecting this trend line forward into the future the Assessment introduced three scenarios which reflect short term uncertainties:

- "continued growth": real house price increases of 1.6% per annum (now appearing increasingly unlikely);
- "soft landing": modest price falls in 2008 and 2009 (back to the 2006 price level) before rejoining the long term trend line;
- "hard landing": 30% price fall between 2008 and 2011 to significantly below the long term trend line, with recovery in the long term.

7.7 Housing Need and Demand

Housing Need calculation

The method employed to calculate Housing Need in this Assessment broadly follows the official Government Guidance. The approach combines secondary data with input obtained from Housing Needs Studies commissioned by the seven C3 Local Authorities. Due to data restrictions, the base year of the calculation was 2006. The main inputs are given here:

- Backlog Need: based on data from local household surveys
- Newly forming households unable to enter the market: based on a range of secondary data sources including DCLG Household Projections, CACI incomes data, Land Registry Price Paid data and bespoke PRS price data;
- Existing households falling into Need: based on data from local household surveys;
- Supply of affordable housing: lettings data from Council HSSA returns and CORE data. Any assumptions concerning new build supply and demolitions were excluded from the calculation.

Backlog Need in the sub-region was found to be close to 16,200. Using a backlog reduction period of 5 years, the resulting annual quota of backlog reduction was close to 3,200. Newly Arising Need (newly forming households unable to enter the market plus existing households falling into Need) was calculated to be around 12,200 per annum. Total Need was therefore calculated to be circa 15,400 (3,200 + 12,200). The figure arrived at for the annual supply of social sector re-lets to new tenants was 10,500. By subtracting this figure from total need the final figure for Net (unmet) annual housing need was arrived at: 4,900.

Given that this figure is more than twice the annual rate of housing stock growth in the C3 sub-region in recent years (both market and affordable) there is little likelihood that this number of additional affordable units will be able to be provided. What is clear is that reversing the decline in supply of affordable dwellings is a matter of urgent priority. The provision of affordable housing should therefore be maximised. There are of course limitations with regard to funding and development economics that need to be recognised. This requires striking a careful balance on each site to ensure optimal results in terms of delivery times, as unrealistically burdening new build sites with too high an affordable housing target would be counterproductive.

Type and size specification

The model also detailed the type and size of affordable houses required. Of the circa 15,400 households calculated to be in Need about 36% are single person households,

10% are couples without children, 29% are couples with children and the remaining 25% are single parent households. The model translated these data into the requirement for particular types and sizes of dwellings. This was then compared to the supply of social sector re-lets in terms of dwelling type and size to be able to form conclusions on shortfalls and surpluses within the affordable sector. In doing this, the ratio between supply and need is of primary importance, rather than the absolute size of the mismatch.

The chief conclusions are given here:

- 1 and 2 bed flats: broadly balanced across the whole of the C3, although there are significant variations between districts;
- 2 bed houses: moderate shortfalls in most districts, more severe shortfall in Telford and Wrekin;
- 3 bed houses: severe shortfalls in all districts;
- 4+ bed houses: severe shortfalls in all districts.

Concerning the supply of smaller units, it is an open policy consideration as to whether flats or houses are provided.

Given the unlikelihood of raising the level of new build completions sufficiently to meet all identified need, prioritising the provision of new dwellings to address the most acute need is a sensible policy response. In recognition of this two alternatives are presented, with the first specifying which types of dwellings should be provided to ensure that at least 50% of need is met, and the second targeting 75% of need.

Intermediate housing

An analysis of shared ownership products currently being offered in the sub-region revealed that they are for the most part priced too high to be deemed affordable according to the official definition. With the possible exception of smaller flats at low ownership percentages, these products are not addressing Need, and this is largely due to the new build premium that must be paid. Prices will have to be lowered considerably for larger shared ownership dwellings to become affordable to those in Need, but it remains to be seen whether sufficient subsidy can and will be made available to allow this.

Although not generally being offered below market entry prices, shared ownership does allow some households with modest incomes to get a toehold on the property ladder, offering them an alternative to private renting. These products may also contribute to more balanced markets in localities where renting is predominant. These are positive policy outcomes in their own right.

The assessment did not find any quantifiable evidence with regard to the optimal ratio of social rented to intermediate forms of tenures. By default then, the "tenure split" given in local Housing Needs Studies should prevail, provided the intermediate products conform to the official definition of affordable housing.

Balancing the private sector market

A balanced housing market is one where there is a broadly even distribution of dwellings for sale and for rent across price bands, reflecting the overall income distribution of the sub-region. Similarly, an even distribution of private sector dwelling types in terms of tenure (owner occupied and private rented) and bedroom size will ensure a sufficient degree of choice to all households. The assessment has highlighted imbalance in the private sector offer in each district to inform development agendas.

But with a view to the future, considerations arising from the household projections are possibly more important in determining what should be built. As reiterated above, the interrelated phenomena of an ageing population and declining average household size are fundamental to this future perspective. Suitable products which are attractive to the smaller and older households will need to be developed. In response to the projected growth in the number of large BME households, additional large (4+ bed) dwellings will also need to be provided in certain parts of the sub-region.

Statistical Appendix

Demographics

Mid-year population estimate 2006

Age group	Cannock Chase	Dudley	Sandwell	South Staffordshire	Telford & Wrekin	Walsall	Wolverhampton	C3 Area
Under 15 years	17,300	54,400	55,900	17,100	31,600	50,100	43,400	269,800
15-24 years	11,900	37,100	38,500	12,600	21,600	33,400	32,500	187,600
25-44 years	27,400	82,200	82,500	25,600	45,800	67,000	66,300	396,800
45-64 years	24,000	78,100	64,900	31,400	41,000	61,100	54,400	354,900
65 years and older	13,800	53,300	46,000	19,600	21,800	43,000	40,000	237,500
Total population	94,300	305,300	287,600	106,200	161,900	254,500	236,600	1,446,400

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Population change by age 2001-2006 (percentage)

Age group	Cannock Chase	Dudley	Sandwell	South Staffordshire	Telford & Wrekin	Walsall	Wolverhampton	C3 Area
Under 15 years	-4%	-4%	-3%	-9%	-4%	-3%	-6%	-4%
15-24 years	12%	10%	13%	13%	9%	11%	6%	10%
25-44 years	-3%	-4%	-1%	-11%	-4%	-5%	-3%	-4%
45-64 years	7%	1%	3%	4%	7%	1%	3%	3%
65 years and older	9%	4%	-1%	15%	11%	5%	0%	4%
Total population	2.3%	0.1%	1.1%	0.3%	2.1%	0.5%	-0.6%	0.6%

Source NeSS; ONS Crown Copyright Reserved

Ethnicity (2001)

Ethnic group	Cannock Chase	Dudley	Sandwell	South Staffordshire	Telford and Wrekin	Walsall	Wolverhampton	C3 Area
White British	89,806	282,267	220,542	102,487	147,314	215,952	178,319	1,236,687
White Irish	455	1,532	2,597	565	1,061	1,454	2,422	10,086
Other White	611	2,071	2,339	773	1,639	1,659	3,303	12,395
Indian	309	4,727	25,855	789	2,623	13,765	29,153	77,221
Pakistani	52	6,227	8,342	68	1,598	9,338	2,931	28,556
Bangladeshi	90	278	3,432	17	98	2,503	211	6,629
Black Caribbean	112	2,356	9,403	219	567	2,839	9,116	24,612
Other Black	42	549	1,413	94	361	661	1,758	4,878
Other Ethnic Group	243	2,051	2,987	255	1,336	1,777	2,928	11,577
Mixed	406	3,097	5,994	629	1,728	3,551	6,441	21,846

Census 2001; ONS Crown Copyright Reserved

Households by age and type: C3 area (2006)

	15-24 years	25-34 years	35-49 years	50-64 years	65-79 years	80+ years	All ages
Single Person	6,341	18,070	34,578	38,731	49,548	29,943	177,211
Couple, no children	5,140	16,597	21,310	50,035	53,981	10,621	157,685
Couple with children	3,855	30,574	93,099	48,979	6,049	74	182,629
Lone Parent	6,384	15,207	24,148	2,989	436	184	49,348
Other Multiperson HH	1,790	2,186	6,456	10,824	9,039	4,456	34,751
All households	23,510	82,634	179,591	151,558	119,053	45,278	601,624

DCLG Sub Regional Household Projections, with couples with/without children modelled on Census 2001 data

Households by age and type (2006)

HH-type	Age (FRP)	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Single Person	15-24	363	1,026	1,424	181	851	984	1,512	6,341
	25-34	1,105	3,615	3,706	730	2,216	2,643	4,055	18,070
	35-49	2,058	6,805	7,548	1,881	4,191	5,211	6,884	34,578
	50-64	2,291	7,883	8,236	2,394	4,502	6,688	6,737	38,731
	65-79	2,844	10,686	10,397	3,456	4,542	9,013	8,610	49,548
	80+	1,658	6,561	6,332	2,034	2,551	5,269	5,538	29,943
	Total	10,319	36,576	37,643	10,676	18,853	29,808	33,336	177,211
Couple, no children	15-24	423	933	1,068	200	701	988	827	5,140
	25-34	1,278	3,593	3,341	912	2,021	2,781	2,672	16,597
	35-49	1,582	4,637	4,033	1,725	2,548	3,611	3,174	21,310
	50-64	3,569	11,685	8,277	4,915	5,874	8,660	7,055	50,035
	65-79	3,310	12,650	9,483	5,065	5,136	9,971	8,365	53,981
	80+	595	2,379	1,998	883	990	1,832	1,944	10,621
	Total	10,756	35,878	28,200	13,700	17,271	27,843	24,037	157,685
Couple with children	15-24	312	711	793	149	532	741	617	3,855
	25-34	2,366	6,614	6,187	1,698	3,731	5,084	4,893	30,574
	35-49	6,925	20,251	17,570	7,572	11,176	15,774	13,831	93,099
	50-64	3,453	11,241	8,208	4,676	5,891	8,467	7,043	48,979
	65-79	375	1,409	1,064	580	596	1,122	904	6,049
	80+	4	17	14	6	7	13	13	74
	Total	13,436	40,242	33,836	14,681	21,932	31,201	27,301	182,629
Lone Parent	15-24	299	1,092	1,574	146	860	1,208	1,205	6,384
	25-34	732	2,442	3,825	471	1,854	2,621	3,262	15,207
	35-49	1,356	4,238	5,627	1,306	3,085	3,979	4,557	24,148
	50-64	136	476	613	200	441	528	595	2,989
	65-79	28	60	102	13	35	102	96	436
	80+	14	26	44	13	16	34	37	184
	Total	2,565	8,334	11,785	2,149	6,291	8,472	9,752	49,348
Other Multiperson household	15-24	71	222	353	36	326	206	576	1,790
	25-34	76	296	492	66	321	350	585	2,186
	35-49	387	1,091	1,537	253	802	1,118	1,268	6,456
	50-64	611	2,258	2,308	699	1,227	1,753	1,968	10,824
	65-79	407	1,926	2,002	511	811	1,719	1,663	9,039
	80+	166	990	1,005	242	411	831	811	4,456
	Total	1,718	6,783	7,697	1,807	3,898	5,977	6,871	34,751
All households	15-24	1,468	3,984	5,212	712	3,270	4,127	4,737	23,510
	25-34	5,557	16,560	17,551	3,877	10,143	13,479	15,467	82,634
	35-49	12,308	37,022	36,315	12,737	21,802	29,693	29,714	179,591
	50-64	10,060	33,543	27,642	12,884	17,935	26,096	23,398	151,558
	65-79	6,964	26,731	23,048	9,625	11,120	21,927	19,638	119,053
	80+	2,437	9,973	9,393	3,178	3,975	7,979	8,343	45,278
	Total	38,794	127,813	119,161	43,013	68,245	103,301	101,297	601,624

DCLG Sub Regional Household Projections, with couples with/without children modelled on Census 2001 data

Households by age and type (2006 - percentages)

HH-type	Age (FRP)	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
Single Person	15-24	0.9%	0.8%	1.2%	0.4%	1.2%	1.0%	1.5%	1.1%
	25-34	2.8%	2.8%	3.1%	1.7%	3.2%	2.6%	4.0%	3.0%
	35-49	5.3%	5.3%	6.3%	4.4%	6.1%	5.0%	6.8%	5.7%
	50-64	5.9%	6.2%	6.9%	5.6%	6.6%	6.5%	6.7%	6.4%
	65-79	7.3%	8.4%	8.7%	8.0%	6.7%	8.7%	8.5%	8.2%
	80+	4.3%	5.1%	5.3%	4.7%	3.7%	5.1%	5.5%	5.0%
	Total	26.6%	28.6%	31.6%	24.8%	27.6%	28.9%	32.9%	29.5%
Couple, no children	15-24	1.1%	0.7%	0.9%	0.5%	1.0%	1.0%	0.8%	0.9%
	25-34	3.3%	2.8%	2.8%	2.1%	3.0%	2.7%	2.6%	2.8%
	35-49	4.1%	3.6%	3.4%	4.0%	3.7%	3.5%	3.1%	3.5%
	50-64	9.2%	9.1%	6.9%	11.4%	8.6%	8.4%	7.0%	8.3%
	65-79	8.5%	9.9%	8.0%	11.8%	7.5%	9.7%	8.3%	9.0%
	80+	1.5%	1.9%	1.7%	2.1%	1.5%	1.8%	1.9%	1.8%
	Total	27.7%	28.1%	23.7%	31.9%	25.3%	27.0%	23.7%	26.2%
Couple with children	15-24	0.8%	0.6%	0.7%	0.3%	0.8%	0.7%	0.6%	0.6%
	25-34	6.1%	5.2%	5.2%	3.9%	5.5%	4.9%	4.8%	5.1%
	35-49	17.9%	15.8%	14.7%	17.6%	16.4%	15.3%	13.7%	15.5%
	50-64	8.9%	8.8%	6.9%	10.9%	8.6%	8.2%	7.0%	8.1%
	65-79	1.0%	1.1%	0.9%	1.3%	0.9%	1.1%	0.9%	1.0%
	80+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Total	34.6%	31.5%	28.4%	34.1%	32.1%	30.2%	27.0%	30.4%
Lone Parent	15-24	0.8%	0.9%	1.3%	0.3%	1.3%	1.2%	1.2%	1.1%
	25-34	1.9%	1.9%	3.2%	1.1%	2.7%	2.5%	3.2%	2.5%
	35-49	3.5%	3.3%	4.7%	3.0%	4.5%	3.9%	4.5%	4.0%
	50-64	0.4%	0.4%	0.5%	0.5%	0.6%	0.5%	0.6%	0.5%
	65-79	0.1%	0.0%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
	80+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Total	6.6%	6.5%	9.9%	5.0%	9.2%	8.2%	9.6%	8.2%
Other Multiperson household	15-24	0.2%	0.2%	0.3%	0.1%	0.5%	0.2%	0.6%	0.3%
	25-34	0.2%	0.2%	0.4%	0.2%	0.5%	0.3%	0.6%	0.4%
	35-49	1.0%	0.9%	1.3%	0.6%	1.2%	1.1%	1.3%	1.1%
	50-64	1.6%	1.8%	1.9%	1.6%	1.8%	1.7%	1.9%	1.8%
	65-79	1.0%	1.5%	1.7%	1.2%	1.2%	1.7%	1.6%	1.5%
	80+	0.4%	0.8%	0.8%	0.6%	0.6%	0.8%	0.8%	0.7%
	Total	4.4%	5.3%	6.5%	4.2%	5.7%	5.8%	6.8%	5.8%
All households	15-24	3.8%	3.1%	4.4%	1.7%	4.8%	4.0%	4.7%	3.9%
	25-34	14.3%	13.0%	14.7%	9.0%	14.9%	13.0%	15.3%	13.7%
	35-49	31.7%	29.0%	30.5%	29.6%	31.9%	28.7%	29.3%	29.9%
	50-64	25.9%	26.2%	23.2%	30.0%	26.3%	25.3%	23.1%	25.2%
	65-79	18.0%	20.9%	19.3%	22.4%	16.3%	21.2%	19.4%	19.8%
	80+	6.3%	7.8%	7.9%	7.4%	5.8%	7.7%	8.2%	7.5%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

DCLG Sub Regional Household Projections, with couples with/without children modelled on Census 2001 data

Migration and travel to work patterns

Top 10 migration relationships in 2001 - Cannock Chase

	Moving to Cannock		Leaving Cannock		Net migration
	People	%	People	%	
Internal migration	5,049	63%	5,049	63%	-
Lichfield	567	7%	482	6%	85
South Staffordshire	521	7%	463	6%	58
Walsall	516	6%	219	3%	297
Stafford	159	2%	369	5%	-210
Birmingham	186	2%	126	2%	60
Wolverhampton	99	1%	69	1%	30
Sandwell	108	1%	24	0%	84
East Staffordshire	63	1%	63	1%	0
Telford and Wrekin	36	0%	42	1%	-6
Stoke-on-Trent	38	0%	36	0%	2
Other	669	8%	1,089	14%	-420
Total	8,011	100%	8,031	100%	-20

Census 2001

Top 10 migration relationships in 2001 - Dudley

	Moving to Dudley		Leaving Dudley		Net migration
	People	%	People	%	
Internal migration	15,829	71%	15,829	66%	-
Sandwell	1,749	8%	1,604	7%	145
Birmingham	852	4%	596	2%	256
Wolverhampton	667	3%	623	3%	44
South Staffordshire	354	2%	551	2%	-197
Bromsgrove	309	1%	456	2%	-147
Walsall	178	1%	156	1%	22
Wychavon	60	0%	117	0%	-57
Telford and Wrekin	72	0%	87	0%	-15
Worcester	54	0%	104	0%	-50
Stoke-on-Trent	39	0%	57	0%	-18
Other	2,184	10%	3,754	16%	-1,570
Total	22,347	100%	23,934	100%	-1,587

Census 2001

Top 10 migration relationships in 2001 - Sandwell

	Moving to Sandwell		Leaving Sandwell		Net migration
	People	%	People	%	
Internal migration	15,216	66%	15,216	63%	-
Birmingham	2,738	12%	1,725	7%	1,013
Dudley	1,604	7%	1,749	7%	-145
Walsall	783	3%	983	4%	-200
Wolverhampton	266	1%	441	2%	-175
Bromsgrove	72	0%	209	1%	-137
South Staffordshire	93	0%	186	1%	-93
Solihull	96	0%	84	0%	12
Telford and Wrekin	30	0%	130	1%	-100
Coventry	54	0%	93	0%	-39
Cannock Chase	24	0%	108	0%	-84
Other	2,038	9%	3,042	13%	-1,004
Total	23,014	100%	23,966	100%	-952

Census 2001

Top 10 migration relationships in 2001 - South Staffordshire

	Moving to South Staffs		Leaving South Staffs		Net migration
	People	%	People	%	
Internal migration	3,404	43%	3,404	44%	-
Wolverhampton	1,023	13%	766	10%	257
Cannock Chase	463	6%	521	7%	-58
Dudley	551	7%	354	5%	197
Walsall	552	7%	265	3%	287
Stafford	147	2%	286	4%	-139
Birmingham	207	3%	148	2%	59
Sandwell	186	2%	93	1%	93
Telford and Wrekin	90	1%	177	2%	-87
Lichfield	72	1%	111	1%	-39
Shrewsbury and Atcham	38	0%	42	1%	-4
Other	1,241	16%	1,646	21%	-405
Total	7,974	100%	7,813	100%	161

Census 2001

Top 10 migration relationships in 2001 - Telford and Wrekin

	Moving to Telford		Leaving Telford		Net migration
	People	%	People	%	
Internal migration	12,065	67%	12,065	71%	-
Shrewsbury and Atcham	408	2%	366	2%	42
North Shropshire	267	1%	258	2%	9
Wolverhampton	343	2%	135	1%	208
Birmingham	186	1%	204	1%	-18
South Staffordshire	177	1%	90	1%	87
Stafford	127	1%	114	1%	13
Walsall	126	1%	51	0%	75
Sandwell	130	1%	30	0%	100
Dudley	87	0%	72	0%	15
Sheffield	63	0%	48	0%	15
Other	3,959	22%	3,518	21%	441
Total	17,938	100%	16,951	100%	987

Census 2001

Top 10 migration relationships in 2001 - Walsall

	Moving to Walsall		Leaving Walsall		Net migration
	People	%	People	%	
Internal migration	14,086	71%	14,086	66%	-
Birmingham	1,416	7%	964	4%	452
Sandwell	983	5%	783	4%	200
Wolverhampton	881	4%	836	4%	45
South Staffordshire	265	1%	552	3%	-287
Lichfield	264	1%	484	2%	-220
Cannock Chase	219	1%	516	2%	-297
Dudley	156	1%	178	1%	-22
Telford and Wrekin	51	0%	126	1%	-75
Stafford	36	0%	102	0%	-66
East Staffordshire	27	0%	84	0%	-57
Other	1,579	8%	2,745	13%	-1,166
Total	19,963	100%	21,456	100%	-1,493

Census 2001

Top 10 migration relationships in 2001 - Wolverhampton

	Moving to Wolverhampton		Leaving Wolverhampton		Net migration
	People	%	People	%	
Internal migration	13,995	70%	13,995	65%	-
South Staffordshire	766	4%	1,023	5%	-257
Walsall	836	4%	881	4%	-45
Dudley	623	3%	667	3%	-44
Birmingham	377	2%	498	2%	-121
Sandwell	441	2%	266	1%	175
Telford and Wrekin	135	1%	343	2%	-208
Stafford	69	0%	111	1%	-42
Cannock Chase	69	0%	99	0%	-30
Coventry	69	0%	70	0%	-1
Manchester	39	0%	90	0%	-51
Other	2,683	13%	3,417	16%	-734
Total	20,102	100%	21,460	100%	-1,358

Census 2001

National Insurance Number Registrations in respect of non-UK Nationals 2005/06

Country of Origin	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
"A8" countries	80	400	1,400	90	940	880	1,580	5,370
- of which Poland	50	110	670	50	630	300	610	2,420
EU other	0	50	150	0	140	100	180	620
India	0	50	350	20	80	170	370	1,040
Pakistan	0	140	150	0	40	130	50	510
Other	60	50	90	30	300	10	340	880
Total	140	690	2,140	140	1,500	1,290	2,520	8,420

Department for Work and Pensions

National Insurance Number Registrations in respect of non-UK Nationals 2006/07

Country of Origin	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
"A8" countries	60	330	1,880	70	830	620	1,130	4,920
- of which Poland	50	240	1,400	50	670	440	750	3,600
EU other	-	100	200	-	130	110	210	750
India	-	60	530	20	90	190	500	1,390
Pakistan	-	120	150	-	30	180	60	540
Other	70	290	620	70	290	290	610	2,240
Total	130	900	3,380	160	1,370	1,390	2,510	9,840

Department for Work and Pensions

Travel to work, all C3 residents

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Within district of res.	22107	43%	69776	49%	85647	66%	41860	57%	140338	67%	12525	69%	372253	60%
Other C3 district	12947	25%	36704	26%	23714	18%	18177	25%	43245	21%	3049	17%	137836	22%
Birmingham	8400	16%	19154	14%	12883	10%	6307	9%	12576	6%	1390	8%	60710	10%
Lichfield	470	1%	1627	1%	1126	1%	1097	2%	2814	1%	162	1%	7296	1%
Stafford	578	1%	1632	1%	911	1%	639	1%	1436	1%	145	1%	5341	1%
Bridgnorth	402	1%	1339	1%	727	1%	620	1%	1048	1%	115	1%	4251	1%
Solihull	854	2%	1255	1%	554	0%	515	1%	856	0%	49	0%	4083	1%
Other, West Midlands	3387	7%	6540	5%	2540	2%	2491	3%	4345	2%	448	2%	19751	3%
Rest of England	2583	5%	3595	3%	1643	1%	1221	2%	2011	1%	309	2%	11362	2%
Wales & Scotland	140	0%	228	0%	123	0%	97	0%	186	0%	27	0%	801	0%
Total	51868	100%	141850	100%	129868	100%	73024	100%	208855	100%	18219	100%	623684	100%
Occupational share	8%		23%		21%		12%		33%		3%		100%	

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Travel to work, residents of Cannock Chase

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Cannock Chase	980	32%	3816	38%	5764	61%	2519	45%	8293	56%	735	65%	22107	50%
Walsall	356	12%	1219	12%	828	9%	609	11%	1157	8%	55	5%	4224	10%
South Staffordshire	82	3%	464	5%	414	4%	339	6%	833	6%	88	8%	2220	5%
Wolverhampton	190	6%	572	6%	278	3%	249	4%	367	2%	22	2%	1678	4%
Sandwell	107	4%	296	3%	126	1%	128	2%	181	1%	3	0%	841	2%
Telford and Wrekin	77	3%	119	1%	27	0%	49	1%	53	0%	3	0%	328	1%
Dudley	53	2%	128	1%	44	0%	58	1%	38	0%	3	0%	324	1%
Lichfield	187	6%	886	9%	692	7%	636	11%	1814	12%	108	10%	4323	10%
Stafford	186	6%	695	7%	431	5%	334	6%	783	5%	57	5%	2486	6%
Birmingham	334	11%	740	7%	399	4%	256	5%	299	2%	13	1%	2041	5%
East Staffordshire	56	2%	165	2%	57	1%	88	2%	298	2%	12	1%	676	2%
Tamworth	30	1%	119	1%	39	0%	45	1%	97	1%	3	0%	333	1%
Other, West Midlands	195	6%	404	4%	147	2%	131	2%	221	2%	15	1%	1113	3%
Rest of England	199	7%	383	4%	160	2%	165	3%	243	2%	12	1%	1162	3%
Wales & Scotland	3	0%	12	0%	3	0%	6	0%	15	0%	6	1%	45	0%
Total	3035	100%	10018	100%	9409	100%	5612	100%	14692	100%	1135	100%	43901	100%
Occupational share	7%		23%		21%		13%		33%		3%		100%	

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Travel to work, residents of Dudley

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Dudley	5037	42%	17421	52%	21556	69%	8873	57%	29716	68%	3017	78%	85620	61%
Sandwell	1586	13%	4573	14%	3258	10%	2519	16%	5778	13%	212	5%	17926	13%
Wolverhampton	764	6%	2071	6%	1479	5%	1012	6%	2415	6%	183	5%	7924	6%
Walsall	329	3%	802	2%	338	1%	362	2%	622	1%	28	1%	2481	2%
South Staffordshire	142	1%	424	1%	304	1%	292	2%	632	1%	55	1%	1849	1%
Telford and Wrekin	125	1%	198	1%	58	0%	75	0%	61	0%	12	0%	529	0%
Cannock Chase	21	0%	64	0%	23	0%	35	0%	45	0%	3	0%	191	0%
Birmingham	2225	18%	4658	14%	2803	9%	1162	7%	2076	5%	215	6%	13139	9%
Bromsgrove	120	1%	433	1%	217	1%	222	1%	535	1%	49	1%	1576	1%
Wyre Forest	154	1%	473	1%	174	1%	223	1%	345	1%	22	1%	1391	1%
Solihull	244	2%	340	1%	118	0%	118	1%	230	1%	6	0%	1056	1%
Redditch	110	1%	171	1%	60	0%	57	0%	72	0%	6	0%	476	0%
Other, West Midlands	663	5%	997	3%	343	1%	391	3%	553	1%	57	1%	3004	2%
Rest of England	575	5%	795	2%	380	1%	260	2%	423	1%	21	1%	2454	2%
Wales & Scotland	34	0%	46	0%	36	0%	33	0%	57	0%	3	0%	209	0%
Total	12129	100%	33466	100%	31147	100%	15634	100%	43560	100%	3889	100%	139825	100%
Occupational share	9%		24%		22%		11%		31%		3%		100%	

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Travel to work, residents of Sandwell

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Sandwell	2773	38%	10047	45%	13209	58%	7953	56%	27539	63%	1635	52%	63156	56%
Dudley	554	8%	2112	9%	1888	8%	1422	10%	4608	11%	429	14%	11013	10%
Walsall	318	4%	1210	5%	941	4%	885	6%	2420	6%	194	6%	5968	5%
Wolverhampton	271	4%	843	4%	515	2%	413	3%	1128	3%	65	2%	3235	3%
South Staffordshire	26	0%	73	0%	41	0%	59	0%	152	0%	3	0%	354	0%
Telford and Wrekin	58	1%	70	0%	31	0%	27	0%	39	0%	3	0%	228	0%
Cannock Chase	22	0%	67	0%	32	0%	48	0%	54	0%	3	0%	226	0%
Birmingham	2171	30%	6538	29%	5078	22%	2611	18%	6240	14%	679	22%	23317	21%
Solihull	196	3%	311	1%	176	1%	165	1%	299	1%	15	0%	1162	1%
Bromsgrove	65	1%	109	0%	72	0%	72	1%	155	0%	11	0%	484	0%
Coventry	125	2%	114	1%	29	0%	27	0%	66	0%	9	0%	370	0%
North Warwickshire	31	0%	55	0%	51	0%	48	0%	79	0%	6	0%	270	0%
Other, West Midlands	325	4%	538	2%	251	1%	260	2%	458	1%	32	1%	1864	2%
Rest of England	306	4%	451	2%	283	1%	192	1%	379	1%	45	1%	1656	1%
Wales & Scotland	6	0%	29	0%	27	0%	12	0%	45	0%	6	0%	125	0%
Total	7247	100%	22567	100%	22624	100%	14194	100%	43661	100%	3135	100%	113428	100%
Occupational share	6%		20%		20%		13%		38%		3%		100%	

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Travel to work, residents of South Staffordshire

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
South Staffordshire	1265	21%	3252	23%	5884	46%	1507	29%	4517	37%	727	45%	17152	33%
Wolverhampton	1283	21%	3738	26%	2608	20%	1073	20%	2648	22%	319	20%	11669	22%
Walsall	483	8%	1366	9%	935	7%	582	11%	1208	10%	90	6%	4664	9%
Dudley	551	9%	1356	9%	858	7%	371	7%	669	5%	104	6%	3909	7%
Cannock Chase	179	3%	713	5%	636	5%	466	9%	1216	10%	150	9%	3360	6%
Sandwell	393	6%	852	6%	333	3%	242	5%	389	3%	18	1%	2227	4%
Telford and Wrekin	227	4%	383	3%	175	1%	129	2%	210	2%	17	1%	1141	2%
Birmingham	616	10%	900	6%	407	3%	198	4%	188	2%	26	2%	2335	4%
Stafford	165	3%	451	3%	288	2%	143	3%	379	3%	45	3%	1471	3%
Bridgnorth	63	1%	178	1%	110	1%	102	2%	181	1%	51	3%	685	1%
Lichfield	57	1%	184	1%	104	1%	96	2%	211	2%	9	1%	661	1%
Wyre Forest	33	1%	82	1%	40	0%	42	1%	56	0%	6	0%	259	0%
Other, West Midlands	362	6%	567	4%	214	2%	171	3%	232	2%	35	2%	1581	3%
Rest of England	372	6%	400	3%	139	1%	108	2%	105	1%	12	1%	1136	2%
Wales & Scotland	21	0%	18	0%	9	0%	9	0%	6	0%	0	0%	63	0%
Total	6070	100%	14440	100%	12740	100%	5239	100%	12215	100%	1609	100%	52313	100%
Occupational share	12%		28%		24%		10%		23%		3%		100%	

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Travel to work, residents of Telford & Wrekin

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Telford and Wrekin	4903	65%	12108	68%	12079	85%	7446	82%	20696	89%	1979	86%	59211	80%
Wolverhampton	438	6%	945	5%	305	2%	143	2%	196	1%	21	1%	2048	3%
Dudley	126	2%	262	1%	60	0%	71	1%	46	0%	3	0%	568	1%
Walsall	144	2%	235	1%	60	0%	48	1%	72	0%	6	0%	565	1%
South Staffordshire	77	1%	219	1%	88	1%	57	1%	74	0%	8	0%	523	1%
Sandwell	107	1%	200	1%	50	0%	65	1%	69	0%	3	0%	494	1%
Cannock Chase	43	1%	98	1%	31	0%	33	0%	55	0%	3	0%	263	0%
Shrewsbury & A.	313	4%	990	6%	399	3%	312	3%	517	2%	61	3%	2592	3%
Bridgnorth	211	3%	872	5%	421	3%	341	4%	587	3%	39	2%	2471	3%
Birmingham	316	4%	410	2%	145	1%	63	1%	80	0%	15	1%	1029	1%
North Shropshire	83	1%	236	1%	129	1%	104	1%	200	1%	18	1%	770	1%
Stafford	97	1%	214	1%	81	1%	62	1%	154	1%	25	1%	633	1%
Other, West Midlands	269	4%	436	2%	142	1%	119	1%	218	1%	37	2%	1221	2%
Rest of England	413	5%	529	3%	229	2%	154	2%	239	1%	69	3%	1633	2%
Wales & Scotland	46	1%	70	0%	24	0%	18	0%	36	0%	6	0%	200	0%
Total	7586	100%	17824	100%	14243	100%	9036	100%	23239	100%	2293	100%	74221	100%
Occupational share	10%		24%		19%		12%		31%		3%		100%	

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Travel to work, residents of Walsall

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Walsall	3320	41%	11026	49%	13947	65%	7540	59%	26490	70%	1819	67%	64142	61%
Sandwell	702	9%	2060	9%	1344	6%	1113	9%	2683	7%	148	5%	8050	8%
Wolverhampton	537	7%	1704	8%	1175	5%	890	7%	2477	7%	167	6%	6950	7%
Dudley	219	3%	563	2%	291	1%	250	2%	433	1%	26	1%	1782	2%
Cannock Chase	102	1%	428	2%	288	1%	279	2%	560	1%	32	1%	1689	2%
South Staffordshire	76	1%	256	1%	154	1%	196	2%	433	1%	31	1%	1146	1%
Telford and Wrekin	86	1%	117	1%	63	0%	69	1%	76	0%	8	0%	419	0%
Birmingham	1874	23%	4363	19%	3213	15%	1591	12%	3043	8%	331	12%	14415	14%
Lichfield	119	1%	367	2%	257	1%	273	2%	617	2%	36	1%	1669	2%
Solihull	169	2%	285	1%	131	1%	107	1%	166	0%	15	1%	873	1%
Tamworth	46	1%	111	0%	47	0%	46	0%	73	0%	7	0%	330	0%
North Warwickshire	43	1%	79	0%	31	0%	37	0%	98	0%	3	0%	291	0%
Other, West Midlands	416	5%	613	3%	225	1%	179	1%	241	1%	31	1%	1705	2%
Rest of England	395	5%	593	3%	244	1%	176	1%	323	1%	57	2%	1788	2%
Wales & Scotland	15	0%	35	0%	9	0%	6	0%	18	0%	3	0%	86	0%
Total	8119	100%	22600	100%	21419	100%	12752	100%	37731	100%	2714	100%	105335	100%
Occupational share	8%		21%		20%		12%		36%		3%		100%	

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Travel to work, residents of Wolverhampton

Place of work	Higher managerial & professional occupations		Lower managerial & professional occupations		Intermediate occupations, small employers & own account workers		Lower supervisory & technical occupations		Semi-routine & routine occupations		Full-time students		All occupations	
Wolverhampton	3829	50%	12106	58%	13208	72%	6022	57%	23087	68%	2613	76%	60865	64%
Walsall	539	7%	1704	8%	1146	6%	1195	11%	3455	10%	159	5%	8198	9%
Sandwell	523	7%	1386	7%	797	4%	780	7%	1921	6%	87	3%	5494	6%
Dudley	537	7%	1469	7%	875	5%	543	5%	1430	4%	110	3%	4964	5%
South Staffordshire	182	2%	764	4%	547	3%	618	6%	1471	4%	112	3%	3694	4%
Telford and Wrekin	243	3%	421	2%	184	1%	284	3%	657	2%	44	1%	1833	2%
Cannock Chase	69	1%	160	1%	86	0%	99	1%	214	1%	19	1%	647	1%
Birmingham	864	11%	1545	7%	838	5%	426	4%	650	2%	111	3%	4434	5%
Bridgnorth	58	1%	141	1%	95	1%	97	1%	153	0%	19	1%	563	1%
Solihull	80	1%	116	1%	49	0%	59	1%	69	0%	7	0%	380	0%
Stafford	52	1%	132	1%	44	0%	42	0%	49	0%	12	0%	331	0%
Coventry	77	1%	62	0%	26	0%	15	0%	23	0%	13	0%	216	0%
Other, West Midlands	291	4%	467	2%	168	1%	198	2%	270	1%	42	1%	1436	2%
Rest of England	323	4%	444	2%	208	1%	166	2%	299	1%	93	3%	1533	2%
Wales & Scotland	15	0%	18	0%	15	0%	13	0%	9	0%	3	0%	73	0%
Total	7682	100%	20935	100%	18286	100%	10557	100%	33757	100%	3444	100%	94661	100%
Occupational share	8%		22%		19%		11%		36%		4%		100%	

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Deprivation and homelessness

Neighbourhoods by national IMD quartile

National IMD quartile	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3 total
20% most deprived	8	45	111	0	23	72	77	336
2nd quartile	18	55	42	7	31	39	34	226
3rd quartile	15	33	30	12	16	21	22	149
4th quartile	13	40	4	24	23	17	20	141
20% least deprived	6	29	0	25	15	20	5	100
All neighbourhoods	60	202	187	68	108	169	158	952
<i>Percentage distribution</i>								
20% most deprived	13%	22%	59%	0%	21%	43%	49%	35%
2nd quartile	30%	27%	22%	10%	29%	23%	22%	24%
3rd quartile	25%	16%	16%	18%	15%	12%	14%	16%
4th quartile	22%	20%	2%	35%	21%	10%	13%	15%
20% least deprived	10%	14%	0%	37%	14%	12%	3%	11%
<i>Number of neighbourhoods that have "significantly improved"</i> *								
20% most deprived	1	0	0	0	1	0	1	3
2nd quartile	2	3	4	1	8	2	6	26
3rd quartile	4	10	8	2	9	10	5	48
4th quartile	9	21	1	9	9	10	3	62
20% least deprived	3	13		8	10	9	2	45
All neighbourhoods	19	47	13	20	37	31	17	184
<i>Number of neighbourhoods that have "significantly worsened"</i> *								
20% most deprived	0	7	21	0	0	15	4	47
2nd quartile	4	9	11	1	2	1	4	32
3rd quartile	3	5	4	3	3	2	3	23
4th quartile	2	4	1	4	2	3	6	22
20% least deprived	0	1		0	0	1	0	2
All neighbourhoods	9	26	37	8	7	22	17	126

Source: Index of Multiple Deprivation 2004 and 2007 for Lower Super Output Areas (LSOAs); * those LSOAs that have changed ranking position by more than 5% in 2007 compared to 2004 are considered to have changed "significantly".

Numbers Accepted as being homeless and in priority need

Area	02/03	03/04	04/05	05/06	06/07
Cannock Chase	200	299	345	208	92
Dudley	348	813	602	*	372
Sandwell	723	710	681	928	863
South Staffordshire	208	195	151	145	92
Telford and Wrekin	512	513	466	335	275
Walsall	200	429	302	331	259
Wolverhampton	330	202	464	457	569
Total C3	2,521	3,161	3,011	2404*	2,522
WEST MIDLANDS	14,720	15,630	14,050	11,960	8,740
ENGLAND	129,700	137,000	120,860	93,980	73,360

Source: CLG Live Statistics; * C3 total is not reliable due to missing figure for Dudley.

Ethnic origin of those accepted as being homeless and in priority need

Area	White	African & Caribbean	South Asian	Other	Unknown	Total
Cannock Chase	440	1	0	4	699	1,144
Dudley	1,658	88	90	250	49	2,135
Sandwell	2,932	310	396	251	16	3,905
South Staffordshire	0	0	0	0	791	791
Telford and Wrekin	1,948	34	60	51	8	2,101
Walsall	1,235	76	118	89	3	1,521
Wolverhampton	1,479	220	238	85	0	2,022
Total C3 Area	9,692	729	902	730	1,566	13,619
WEST MIDLANDS	48,340	5,460	5,280	3,000	3,030	65,100
ENGLAND	402,680	55,890	30,540	34,920	30,880	554,900

Source: CLG Live Statistics; figures cover the period April 2002-March 2007

Economy and employment

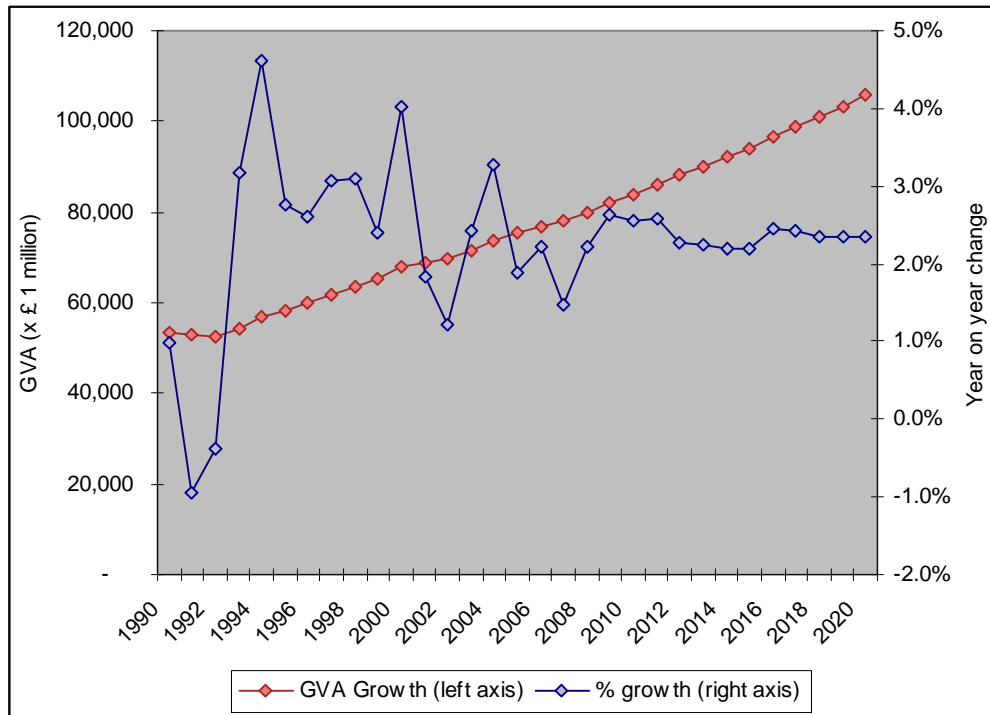
Employment

	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3 Area	West Midlands	Great Britain
Working age population	59,500	183,400	168,000	63,200	102,700	146,600	138,600	862,000		
Economic activity rate*	81.7%	78.7%	70.1%	78.2%	78.6%	72.5%	73.6%	75.3%	77.3%	78.5%
Employment rate*	79.5%	74.6%	65.5%	75.8%	73.9%	66.8%	68.0%	70.8%	73.0%	74.2%
Employees*	71.3%	65.9%	58.9%	64.2%	65.3%	61.3%	61.2%	63.2%	64.1%	64.5%
Self employed*	6.9%	8.2%	6.3%	10.1%	8.1%	5.2%	6.6%	7.1%	8.4%	9.3%
Managers and senior officials	19.4%	14.4%	11.2%	15.6%	12.4%	12.5%	11.7%	13.3%	14.3%	15.1%
Professional occupations	9.8%	11.7%	8.2%	9.8%	12.1%	7.7%	9.4%	9.8%	12.2%	13.0%
Associate prof & tech occupations	11.0%	12.2%	11.6%	11.0%	12.4%	12.5%	8.9%	11.5%	12.1%	14.3%
Administrative and secretarial	11.4%	13.3%	11.1%	14.3%	12.1%	9.7%	12.2%	11.9%	11.9%	12.0%
Skilled trades occupations	9.0%	13.0%	13.3%	11.8%	12.4%	13.4%	13.4%	12.7%	12.0%	10.9%
Personal service occupations	8.4%	7.8%	7.1%	7.5%	8.2%	9.0%	10.4%	8.3%	8.0%	8.1%
Sales and customer service	5.1%	6.9%	9.0%	12.9%	5.5%	9.3%	6.7%	7.8%	7.7%	7.6%
Process/plant/machine operatives	13.5%	9.5%	13.5%	5.4%	11.3%	14.4%	11.5%	11.5%	9.3%	7.2%
Elementary occupations	12.4%	10.7%	14.2%	10.8%	13.3%	11.1%	15.3%	12.6%	12.1%	11.5%

* % of working age population; the occupational figures are percentages of all in employment

Source: Nomis/Annual population survey; ONS Crown Copyright Reserved; covers the period Apr 2006-Mar 2007

Gross Value Added West Midlands 1990-2020



Source: West Midlands Observatory/Cambridge Econometrics Regional Economy Environment Input Output Model (REEIO)

Housing Stock

Housing completions 1998-2006 (annualised)

Local Authority	Private enterprise		RSL		LA		All	
Cannock Chase	358	91%	35	9%	0	0%	393	100%
Dudley	427	92%	39	8%	0	0%	466	100%
Sandwell	667	96%	21	3%	4	1%	692	100%
South Staffordshire	219	92%	19	8%	0	0%	239	100%
Telford and Wrekin	596	88%	80	12%	0	0%	677	100%
Walsall	512	91%	49	9%	0	0%	561	100%
Wolverhampton	255	77%	75	23%	0	0%	330	100%
C3 total	3,035	90%	317	9%	4	0%	3,356	100%

Source: DCLG live tables

Local Authority Stock 1997-2007

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Cannock Chase	7,342	7,199	7,066	6,858	6,675	6,481	6,258	6,019	5,892	5,817	5,654
Dudley	30,254	29,811	28,705	28,279	27,342	26,356	25,360	24,543	24,067	23,951	23,620
Sandwell	42,524	41,289	40,547	39,304	37,623	36,352	35,079	33,589	32,461	31,668	31,058
South Staffordshire	131	129	129	122	118	114	110	0	0	3	2
Telford and Wrekin	13,405	13,228	0	0	0	0	0	0	0	0	0
Walsall	29,658	29,319	28,579	27,948	26,952	26,051	0	0	0	0	0
Wolverhampton	31,842	31,049	30,609	30,063	29,427	28,674	27,321	26,174	25,130	24,565	24,045
C3 Total	155,156	152,024	135,635	132,574	128,137	124,028	94,128	90,325	87,550	86,004	84,379
C3 (index 1997 = 100)	100	98	87	85	83	80	61	58	56	55	54
West Midlands (index)	100	98	93	86	77	73	63	58	57	54	
England (index)	100	97	93	89	83	80	72	69	64	61	

CLG Live Statistics (Table 116); HSSA 2007

Housing Association Stock 1997-2007

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Cannock Chase	952	968	1,050	1,064	1,158	1,186	1,186	1,189	1,228	1,249	1,353
Dudley	2,991	2,965	3,173	3,337	3,283	3,535	3,604	3,653	3,768	3,824	3,594
Sandwell	4,441	4,625	4,546	4,718	4,854	5,086	5,194	5,179	5,159	5,230	5,080
South Staffordshire	777	6,009	6,136	6,184	6,173	6,209	6,194	6,182	6,174	6,227	6,497
Telford and Wrekin	2,241	2,263	15,189	15,088	14,886	14,605	14,353	13,898	13,840	13,752	14,123
Walsall	5,232	5,377	5,497	5,535	5,548	5,738	30,428	28,949	28,376	27,803	27,374
Wolverhampton	4,118	4,361	4,642	4,718	4,970	5,295	5,419	5,453	5,409	5,503	5,302
C3 Total	20,752	26,568	40,233	40,644	40,872	41,654	66,378	64,503	63,954	63,588	63,323
C3 (index 1997 = 100)	100	128	194	196	197	201	320	311	308	306	305
West Midlands (index)	100	113	125	148	177	190	219	224	224	228	
England (index)	100	106	116	129	145	158	176	180	191	194	

CLG Live Statistics (Table 116); HSSA 2007

The Active Market

Social sector lettings 2002/03-2006/07

Year	District	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
2002/03	LA social sector transfers	199	624	1,294	0	0	0	772	2,889
	LA lettings to new tenants	335	1,819	2,515	0	0	1,336	2,428	8,433
	RSL social sector transfers	54	281	324	202	554	355	427	2,197
	RSL lettings to new tenants	140	677	467	398	864	719	909	4,174
	Total	728	3,401	4,600	600	1,418	2,410	4,536	17,693
2003/04	LA social sector transfers	165	615	1,300	0	0	0	741	2,821
	LA lettings to new tenants	353	1,537	2,534	0	0	0	2,414	6,838
	RSL social sector transfers	59	277	237	147	579	1,103	351	2,753
	RSL lettings to new tenants	182	691	566	401	835	1,513	806	4,994
	Total	759	3,120	4,637	548	1,414	2,616	4,312	17,406
2004/05	LA social sector transfers	143	564	1,111	0	0	0	747	2,565
	LA lettings to new tenants	316	1,657	2,473	0	0	0	2,120	6,566
	RSL social sector transfers	65	264	256	142	404	1,058	234	2,423
	RSL lettings to new tenants	133	629	528	354	873	1,691	723	4,931
	Total	657	3,114	4,368	496	1,277	2,749	3,824	16,485
2005/06	LA social sector transfers	261	548	1,062	0	0	0	602	2,473
	LA lettings to new tenants	250	1,611	2,255	0	0	0	1,740	5,856
	RSL social sector transfers	42	221	264	131	410	1,000	279	2,347
	RSL lettings to new tenants	138	622	499	349	765	1,691	682	4,746
	Total	691	3,002	4,080	480	1,175	2,691	3,303	15,422
2006/07	LA social sector transfers	153	607	716	0	0	0	646	2,122
	LA lettings to new tenants	523	1,333	2,277	0	0	0	1,648	5,781
	RSL social sector transfers	69	203	244	147	321	855	149	1,988
	RSL lettings to new tenants	168	701	466	352	639	1,635	565	4,526
	Total	913	2,844	3,703	499	960	2,490	3,008	14,417

Sources: CORE data (RSL lettings), HSSA (LA lettings)

% churn in the social sector

	2002/3	2003/4	2004/5	2005/6	2006/7
Cannock Chase	9.5%	10.2%	9.1%	9.7%	12.9%
Dudley	11.4%	10.8%	11.0%	10.8%	10.2%
Sandwell	11.1%	11.5%	11.3%	10.8%	10.0%
South Staffordshire	9.5%	8.7%	8.0%	7.8%	8.0%
Telford and Wrekin	9.7%	9.9%	9.2%	8.5%	7.0%
Walsall	7.6%	8.6%	9.5%	9.5%	9.0%
Wolverhampton	13.4%	13.2%	12.1%	10.8%	10.0%
C3 Total	10.7%	10.8%	10.6%	11.2%	9.6%

Churn' = lettings ÷ stock; sources: CORE data (RSL lettings), HSSA (LA lettings)

CORE lettings records 2006/07

District	General needs lettings	Supported housing	All lettings
Cannock Chase	134	110	244
Dudley	1,869	689	2,558
Sandwell	398	325	723
South Staffords	379	122	501
Telford & Wrekin	711	249	960
Walsall	2,208	352	2,560
Wolverhampton	422	302	724
Total	6,121	2,149	8,270

CORE data (does not include all social sector lettings)

General Needs Lettings by previous tenure (%)

District	Prev. social sector tenants	Prev. PRS tenants	Prev. owner-occupier	Prev. family/friends	Prev. Other*	Total
Cannock Chase	39%	8%	4%	37%	11%	100%
Dudley	35%	11%	6%	39%	10%	100%
Sandwell	36%	5%	4%	35%	20%	100%
South Staffords	24%	7%	9%	45%	14%	100%
Telford & Wrekin	29%	13%	4%	31%	23%	100%
Walsall	36%	14%	3%	37%	11%	100%
Wolverhampton	24%	16%	5%	33%	22%	100%
Total	33%	12%	5%	37%	13%	100%

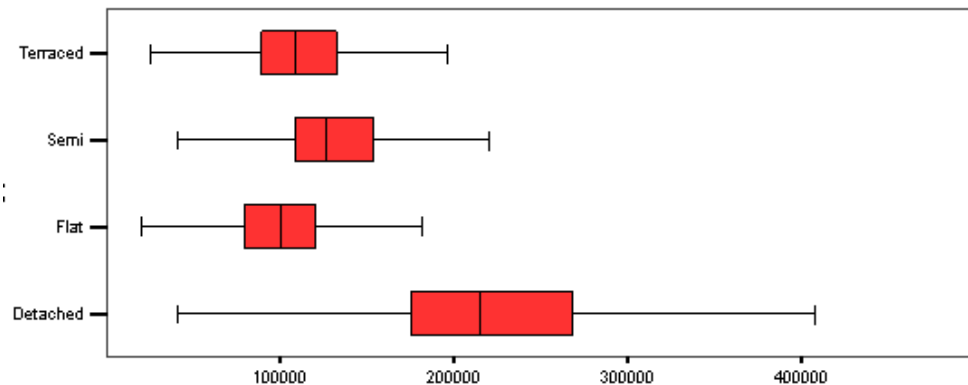
CORE data; * Including various forms of temporary accommodation, hostels, womens refuges, mobile homes, hospital, prison etc.

Number of sales, average house prices and house price inflation

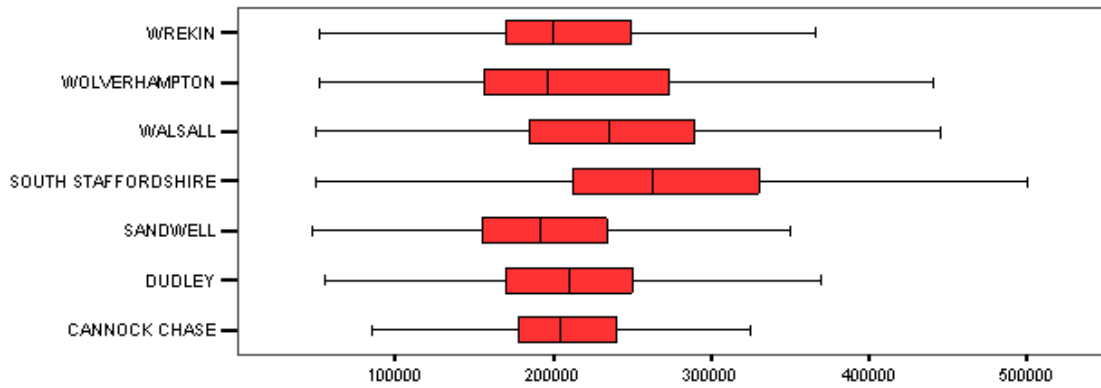
Dwelling type		Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	Total C3
Detached	Sales 2006	470	1,107	508	661	1,009	747	522	5,024
	% of LA sales	25%	20%	10%	37%	29%	17%	14%	19%
	Ave price 2006	216,200	225,500	196,800	293,800	219,800	246,600	227,500	232,900
	Inflation 01-06	90%	73%	83%	87%	80%	78%	86%	81%
Semi-detached	Sales 2006	784	2,487	2,163	710	1,202	1,588	1,624	10,558
	% of LA sales	42%	45%	41%	40%	34%	37%	44%	41%
	Ave price 2006	129,000	136,600	127,100	158,800	129,600	138,600	129,500	134,000
	Inflation 01-06	111%	88%	104%	98%	104%	98%	105%	99%
Terraced house	Sales 2006	427	1,459	1,786	270	1,087	1,454	1,130	7,613
	% of LA sales	23%	26%	34%	15%	31%	34%	31%	29%
	Ave price 2006	119,700	117,300	114,200	150,700	111,600	111,200	107,300	114,400
	Inflation 01-06	120%	103%	123%	118%	120%	122%	134%	119%
Flat or maisonette	Sales 2006	186	530	796	128	201	550	408	2,799
	% of LA sales	10%	9%	15%	7%	6%	13%	11%	11%
	Ave price 2006	92,200	99,000	93,500	135,400	83,500	114,800	102,400	101,100
	Inflation 01-06	132%	90%	175%	152%	152%	103%	101%	120%
All dwellings	Sales 2006	1,867	5,583	5,253	1,769	3,499	4,339	3,684	25,994
	% of C3 sales	7%	21%	20%	7%	13%	17%	14%	100%
	Ave price 2006	145,200	145,600	124,400	206,300	147,400	145,000	133,600	143,800
	Inflation 01-06	97%	85%	102%	86%	87%	90%	96%	90%

Source: Land Registry

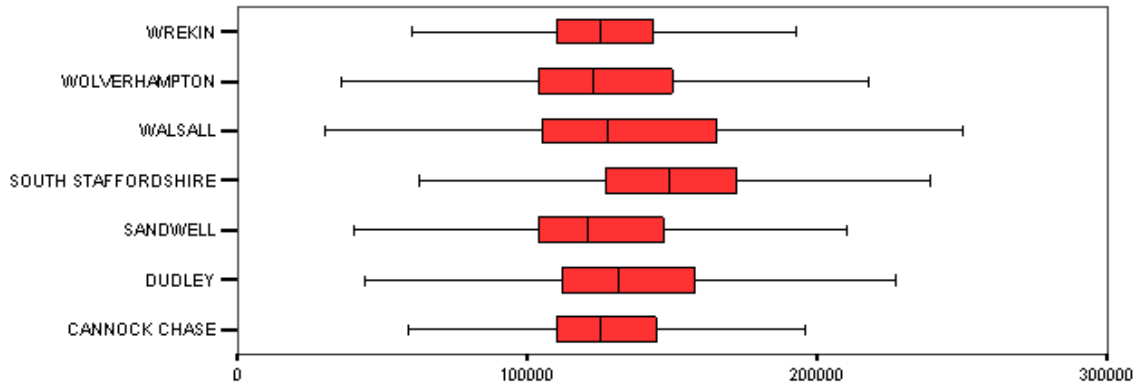
House prices by dwelling types C3 area 2006



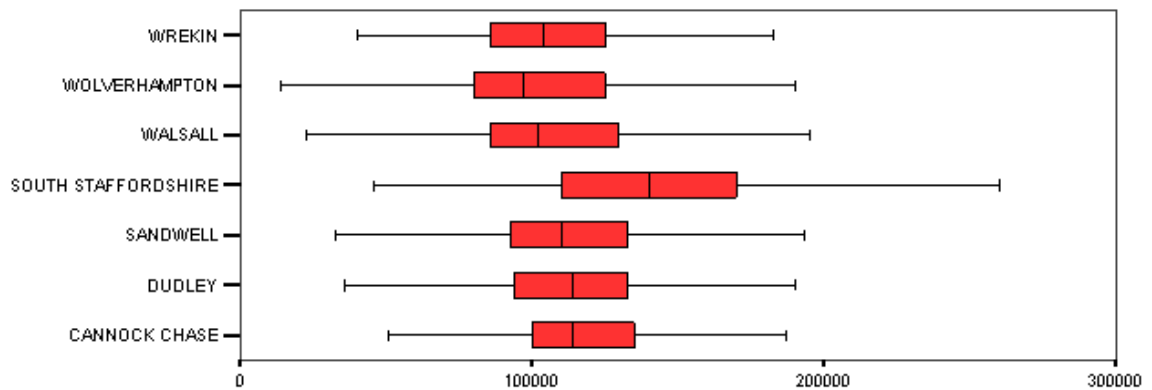
House prices by district 2006 - detached houses



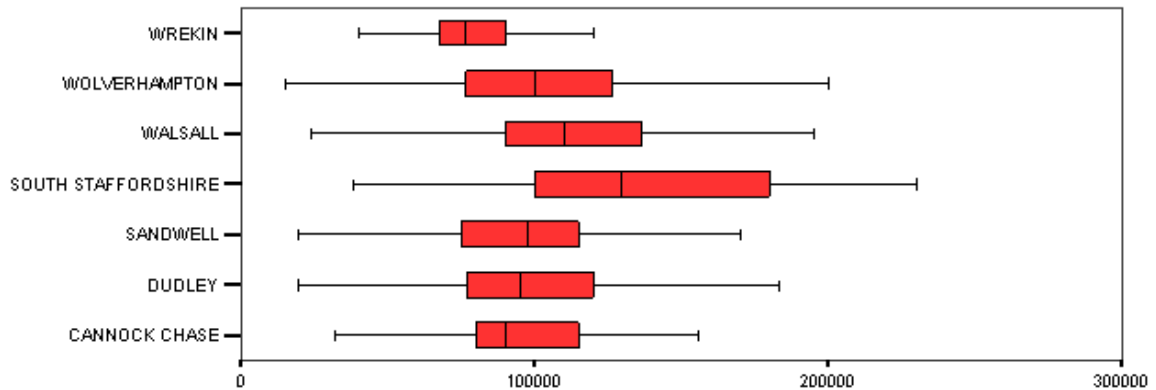
House prices by district 2006 - semi-detached houses



House prices by district 2006 - terraced houses



House prices by district 2006 - flats



Average house prices and number of sales by dwelling type: January-March 2008

	Local Authority	Cannock Chase	Dudley	Sandwell	South Staffs	Telford & Wrekin	Walsall	Wolverhampton	C3
<i>Flat/Maisonette</i>	Av. Price (£)	95,436	113,811	97,817	170,620	109,404	115,283	102,144	108,857
	Quarter change	-16.5%	4.4%	-2.3%	34.1%	3.5%	-2.3%	4.5%	1.3%
	Annual change	-8.8%	18.8%	-2.8%	37.8%	15.9%	1.3%	2.0%	5.4%
	Sales	14	74	118	15	42	116	85	464
	% of sales	5%	10%	14%	7%	10%	17%	15%	12%
<i>Terraced houses</i>	Av. Price (£)	127,626	122,146	116,362	147,613	119,194	113,311	111,521	117,999
	Quarter change	2.9%	-2.8%	-7.6%	-5.6%	0.3%	-7.6%	-5.3%	-4.9%
	Annual change	7.2%	1.4%	0.4%	-10.4%	9.5%	-0.5%	3.9%	2.0%
	Sales	58	222	310	42	140	247	189	1,208
	% of sales	23%	29%	38%	21%	33%	36%	32%	32%
<i>Semi-detached</i>	Av. Price (£)	130,144	144,088	128,257	160,957	139,702	141,868	132,532	137,568
	Quarter change	-4.7%	-2.1%	-2.3%	-8.5%	1.2%	0.5%	-5.6%	-2.6%
	Annual change	-0.6%	5.5%	-1.1%	-0.4%	3.5%	1.5%	4.4%	2.3%
	Sales	116	320	307	72	119	215	244	1,393
	% of sales	45%	42%	38%	35%	28%	32%	42%	37%
<i>Detached</i>	Av. Price (£)	224,676	216,998	210,053	300,657	234,518	261,828	237,301	238,750
	Quarter change	-4.1%	-14.2%	-0.6%	-8.6%	-2.5%	-1.5%	-9.7%	-6.2%
	Annual change	4.4%	-9.5%	-0.1%	-1.6%	5.3%	14.3%	12.2%	2.7%
	Sales	69	142	82	75	126	104	67	665
	% of sales	27%	19%	10%	37%	30%	15%	11%	18%
<i>All dwellings</i>	Av. Price (£)	153,065	148,365	127,557	210,281	157,976	145,297	133,328	145,698
	Quarter change	-1.9%	-5.3%	-3.2%	-7.9%	0.4%	-4.4%	-9.0%	-4.5%
	Annual change	5.4%	2.2%	-2.2%	-1.6%	7.0%	2.7%	3.4%	2.1%
	Sales	257	758	817	204	427	682	585	3,730
	% of sales	100%	100%	100%	100%	100%	100%	100%	100%

Source: Land Registry (provisional data available via the BBC website)

Household projections

Household projections by household type 2006-2026: C3 sub-region

Year	2006	2011	2016	2021	2026
Single Person	177,211	194,089	212,719	230,865	247,233
Couple, no childre	157,685	162,163	167,877	172,065	174,062
Couple w ith childr	182,629	176,503	170,012	164,690	160,545
Single parent	49,348	52,502	54,471	55,720	56,800
Other Multiperson	34,751	35,501	36,529	37,410	37,983
All households	601,624	620,758	641,608	660,750	676,623

Household projections by age (Family Reference Person) 2006-2026: C3 sub-region

15-24 years	23,510	25,817	25,420	24,414	24,820
25-34 years	82,634	84,345	93,950	97,345	93,713
35-49 years	179,591	178,132	165,743	158,214	166,125
50-64 years	151,558	157,568	165,735	178,472	175,814
65-79 years	119,053	125,013	135,863	140,417	145,902
80+ years	45,278	49,883	54,897	61,888	70,249
All households	601,624	620,758	641,608	660,750	676,623

Household projections 2006-2026: C3 sub-region

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	6,341	7,102	7,109	6,964	7,191	850	13%
	25-34	18,070	20,216	23,978	25,963	25,775	7,705	43%
	35-49	34,578	38,546	39,648	41,067	45,507	10,929	32%
	50-64	38,731	44,355	50,773	58,609	61,740	23,009	59%
	65-79	49,548	51,382	56,129	59,399	63,184	13,636	28%
	80+	29,943	32,488	35,082	38,863	43,836	13,893	46%
	Total	177,211	194,089	212,719	230,865	247,233	70,022	40%
Couple, no children	15-24	5,140	5,429	4,795	4,429	4,738	-402	-8%
	25-34	16,597	16,276	17,872	17,861	16,343	-254	-2%
	35-49	21,310	20,078	18,352	16,736	16,647	-4,663	-22%
	50-64	50,035	50,015	49,307	51,658	50,942	907	2%
	65-79	53,981	57,613	62,396	63,252	64,339	10,358	19%
	80+	10,621	12,751	15,155	18,128	21,053	10,432	98%
	Total	157,685	162,163	167,877	172,065	174,062	16,377	10%
Couple with children	15-24	3,855	4,092	4,233	3,957	3,561	-294	-8%
	25-34	30,574	29,059	30,772	31,137	29,828	-746	-2%
	35-49	93,099	88,149	77,872	70,944	72,644	-20,455	-22%
	50-64	48,979	48,696	50,107	51,807	47,537	-1,442	-3%
	65-79	6,049	6,423	6,931	6,734	6,850	801	13%
	80+	74	85	97	112	125	51	69%
	Total	182,629	176,503	170,012	164,690	160,545	-22,084	-12%
Lone Parent	15-24	6,384	7,203	7,331	7,198	7,422	1,038	16%
	25-34	15,207	16,295	18,377	19,281	18,730	3,523	23%
	35-49	24,148	24,878	23,920	23,939	25,547	1,399	6%
	50-64	2,989	3,442	4,074	4,455	4,146	1,157	39%
	65-79	436	473	518	539	564	128	29%
	80+	184	211	251	308	391	207	113%
	Total	49,348	52,502	54,471	55,720	56,800	7,452	15%
Other Multiperson	15-24	1,790	1,991	1,952	1,866	1,908	118	7%
	25-34	2,186	2,499	2,951	3,103	3,037	851	39%
	35-49	6,456	6,481	5,951	5,528	5,780	-676	-10%
	50-64	10,824	11,060	11,474	11,943	11,449	625	6%
	65-79	9,039	9,122	9,889	10,493	10,965	1,926	21%
	80+	4,456	4,348	4,312	4,477	4,844	388	9%
	Total	34,751	35,501	36,529	37,410	37,983	3,232	9%
All households	15-24	23,510	25,817	25,420	24,414	24,820	1,310	6%
	25-34	82,634	84,345	93,950	97,345	93,713	11,079	13%
	35-49	179,591	178,132	165,743	158,214	166,125	-13,466	-7%
	50-64	151,558	157,568	165,735	178,472	175,814	24,256	16%
	65-79	119,053	125,013	135,863	140,417	145,902	26,849	23%
	80+	45,278	49,883	54,897	61,888	70,249	24,971	55%
	Total	601,624	620,758	641,608	660,750	676,623	74,999	12%

Older households by type 2006 and 2026: C3 area

HH-type	FRP 65-79 years		FRP 80+ years	
	2006	2026	2006	2026
Single Person	49,548	63,184	29,943	43,836
Couple, no children	53,981	64,339	10,621	21,053
Couple with children	6,049	6,850	74	125
Lone Parent	436	564	184	391
Other Multiperson HH	9,039	10,965	4,456	4,844
All households	119,053	145,902	45,278	70,249

DCLG Sub Regional Household Projections

Household projections 2006-2026: Cannock Chase

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	363	417	420	408	392	29	8%
	25-34	1,105	1,192	1,436	1,525	1,489	384	35%
	35-49	2,058	2,295	2,259	2,286	2,519	461	22%
	50-64	2,291	2,611	2,928	3,401	3,607	1,316	57%
	65-79	2,844	3,109	3,620	3,952	4,202	1,358	48%
	80+	1,658	1,889	2,079	2,420	2,933	1,275	77%
	Total	10,319	11,513	12,742	13,992	15,142	4,823	47%
Couple, no children	15-24	423	454	407	377	372	-51	-12%
	25-34	1,278	1,261	1,384	1,379	1,301	23	2%
	35-49	1,582	1,511	1,325	1,195	1,199	-383	-24%
	50-64	3,569	3,554	3,482	3,754	3,738	169	5%
	65-79	3,310	3,830	4,443	4,580	4,625	1,315	40%
	80+	595	708	856	1,067	1,355	761	128%
	Total	10,756	11,319	11,897	12,352	12,590	1,834	17%
Couple with children	15-24	312	338	347	323	276	-36	-12%
	25-34	2,366	2,220	2,487	2,517	2,360	-6	0%
	35-49	6,925	6,637	5,718	5,131	5,238	-1,687	-24%
	50-64	3,453	3,422	3,615	3,806	3,456	3	0%
	65-79	375	442	504	481	490	115	31%
	80+	4	5	6	7	9	4	98%
	Total	13,436	13,063	12,677	12,265	11,829	-1,607	-12%
Lone Parent	15-24	299	349	345	332	311	12	4%
	25-34	732	737	855	890	851	119	16%
	35-49	1,356	1,374	1,244	1,197	1,265	-91	-7%
	50-64	136	165	214	252	242	106	78%
	65-79	28	31	38	43	47	19	68%
	80+	14	17	19	23	29	15	107%
	Total	2,565	2,673	2,715	2,737	2,745	180	7%
Other Multiperson household	15-24	71	77	75	70	65	-6	-8%
	25-34	76	93	118	130	131	55	72%
	35-49	387	411	354	276	249	-138	-36%
	50-64	611	619	653	680	639	28	5%
	65-79	407	420	460	458	454	47	12%
	80+	166	152	141	150	175	9	5%
	Total	1,718	1,772	1,801	1,764	1,713	-5	0%
All households	15-24	1,468	1,635	1,594	1,510	1,416	-52	-4%
	25-34	5,557	5,503	6,280	6,441	6,132	575	10%
	35-49	12,308	12,228	10,900	10,085	10,470	-1,838	-15%
	50-64	10,060	10,371	10,892	11,893	11,682	1,622	16%
	65-79	6,964	7,832	9,065	9,514	9,818	2,854	41%
	80+	2,437	2,771	3,101	3,667	4,501	2,064	85%
	Total	38,794	40,340	41,832	43,110	44,019	5,225	13%

Household projections 2006-2026: Dudley

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	1,026	1,160	1,163	1,135	1,181	155	15%
	25-34	3,615	4,125	5,046	5,641	5,662	2,047	57%
	35-49	6,805	7,590	7,863	8,129	9,101	2,296	34%
	50-64	7,883	8,880	10,035	11,585	12,209	4,326	55%
	65-79	10,686	11,125	12,113	12,655	13,140	2,454	23%
	80+	6,561	7,138	7,768	8,634	9,825	3,264	50%
	Total	36,576	40,018	43,988	47,779	51,118	14,542	40%
Couple, no children	15-24	933	1,035	866	784	884	-49	-5%
	25-34	3,593	3,561	3,904	3,957	3,682	89	2%
	35-49	4,637	4,346	3,954	3,597	3,662	-976	-21%
	50-64	11,685	11,404	10,978	11,377	11,221	-464	-4%
	65-79	12,650	13,630	14,777	14,889	14,791	2,141	17%
	80+	2,379	2,950	3,514	4,165	4,917	2,537	107%
	Total	35,878	36,925	37,993	38,769	39,156	3,278	9%
Couple with children	15-24	711	795	861	801	678	-33	-5%
	25-34	6,614	6,400	6,918	7,130	6,756	142	2%
	35-49	20,251	19,086	16,953	15,449	15,960	-4,290	-21%
	50-64	11,241	10,867	11,010	11,357	10,377	-864	-8%
	65-79	1,409	1,527	1,642	1,569	1,555	146	10%
	80+	17	20	23	26	30	14	82%
	Total	40,242	38,696	37,407	36,332	35,357	-4,885	-12%
Lone Parent	15-24	1,092	1,242	1,269	1,227	1,261	169	15%
	25-34	2,442	2,549	2,870	3,047	2,975	533	22%
	35-49	4,238	4,336	4,081	3,982	4,249	11	0%
	50-64	476	506	568	605	544	68	14%
	65-79	60	66	72	72	72	12	20%
	80+	26	29	32	38	49	23	88%
	Total	8,334	8,728	8,892	8,971	9,150	816	10%
Other Multiperson household	15-24	222	264	266	259	266	44	20%
	25-34	296	324	381	398	386	90	30%
	35-49	1,091	1,084	992	907	953	-138	-13%
	50-64	2,258	2,239	2,226	2,261	2,110	-148	-7%
	65-79	1,926	1,946	2,104	2,244	2,307	381	20%
	80+	990	989	997	1,039	1,127	137	14%
	Total	6,783	6,846	6,966	7,108	7,149	366	5%
All households	15-24	3,984	4,496	4,425	4,206	4,270	286	7%
	25-34	16,560	16,959	19,119	20,173	19,461	2,901	18%
	35-49	37,022	36,442	33,843	32,064	33,925	-3,097	-8%
	50-64	33,543	33,896	34,817	37,185	36,461	2,918	9%
	65-79	26,731	28,294	30,708	31,429	31,865	5,134	19%
	80+	9,973	11,126	12,334	13,902	15,948	5,975	60%
	Total	127,813	131,213	135,246	138,959	141,930	14,117	11%

Household projections 2006-2026: Sandwell

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	1,424	1,625	1,658	1,660	1,774	350	25%
	25-34	3,706	4,206	5,056	5,492	5,503	1,797	48%
	35-49	7,548	8,680	9,143	9,697	10,856	3,308	44%
	50-64	8,236	9,531	11,260	13,346	14,351	6,115	74%
	65-79	10,397	10,353	10,915	11,435	12,404	2,007	19%
	80+	6,332	6,454	6,674	7,093	7,664	1,332	21%
	Total	37,643	40,849	44,706	48,723	52,552	14,909	40%
Couple, no children	15-24	1,068	1,106	983	909	989	-79	-7%
	25-34	3,341	3,304	3,703	3,673	3,299	-41	-1%
	35-49	4,033	3,886	3,659	3,409	3,367	-665	-16%
	50-64	8,277	8,295	8,344	8,921	8,913	636	8%
	65-79	9,483	9,602	9,993	9,902	10,222	738	8%
	80+	1,998	2,229	2,508	2,950	3,228	1,230	62%
	Total	28,200	28,423	29,191	29,764	30,019	1,818	6%
Couple with children	15-24	793	825	833	773	733	-60	-8%
	25-34	6,187	5,881	6,226	6,241	6,025	-163	-3%
	35-49	17,570	17,058	15,411	14,302	14,690	-2,881	-16%
	50-64	8,208	8,320	8,669	9,181	8,602	394	5%
	65-79	1,064	1,058	1,098	1,063	1,109	46	4%
	80+	14	15	16	19	20	6	40%
	Total	33,836	33,156	32,251	31,579	31,178	-2,657	-8%
Lone Parent	15-24	1,574	1,758	1,772	1,724	1,786	212	13%
	25-34	3,825	4,208	4,797	5,021	4,866	1,041	27%
	35-49	5,627	5,980	5,917	6,102	6,572	945	17%
	50-64	613	706	850	924	855	242	39%
	65-79	102	104	110	112	118	16	16%
	80+	44	45	49	57	71	27	61%
	Total	11,785	12,801	13,495	13,940	14,268	2,483	21%
Other Multiperson household	15-24	353	405	405	389	410	57	16%
	25-34	492	561	646	660	628	136	28%
	35-49	1,537	1,603	1,531	1,497	1,610	73	5%
	50-64	2,308	2,375	2,544	2,733	2,720	412	18%
	65-79	2,002	1,860	1,822	1,753	1,713	-289	-14%
	80+	1,005	892	803	756	744	-261	-26%
	Total	7,697	7,696	7,751	7,788	7,825	128	2%
All households	15-24	5,212	5,719	5,650	5,455	5,692	480	9%
	25-34	17,551	18,160	20,428	21,087	20,321	2,770	16%
	35-49	36,315	37,207	35,661	35,007	37,095	780	2%
	50-64	27,642	29,227	31,667	35,105	35,441	7,799	28%
	65-79	23,048	22,977	23,938	24,265	25,566	2,518	11%
	80+	9,393	9,635	10,050	10,875	11,727	2,334	25%
	Total	119,161	122,925	127,394	131,794	135,842	16,681	14%

Household projections 2006-2026: South Staffordshire

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	181	194	185	171	161	-20	-11%
	25-34	730	778	924	1,001	980	250	34%
	35-49	1,881	1,943	1,867	1,869	2,073	192	10%
	50-64	2,394	2,683	2,974	3,285	3,266	872	36%
	65-79	3,456	3,882	4,427	4,755	4,950	1,494	43%
	80+	2,034	2,398	2,777	3,275	3,924	1,890	93%
	Total	10,676	11,878	13,154	14,356	15,354	4,678	44%
Couple, no children	15-24	200	206	163	147	162	-38	-19%
	25-34	912	872	920	908	838	-75	-8%
	35-49	1,725	1,517	1,279	1,111	1,109	-616	-36%
	50-64	4,915	4,877	4,676	4,816	4,560	-354	-7%
	65-79	5,065	5,793	6,541	6,590	6,644	1,580	31%
	80+	883	1,165	1,465	1,890	2,300	1,417	160%
	Total	13,700	14,429	15,045	15,463	15,613	1,913	14%
Couple with children	15-24	149	155	167	152	121	-28	-19%
	25-34	1,698	1,571	1,676	1,679	1,552	-145	-9%
	35-49	7,572	6,652	5,486	4,774	4,852	-2,720	-36%
	50-64	4,676	4,616	4,655	4,597	4,009	-668	-14%
	65-79	580	656	725	688	698	117	20%
	80+	6	8	9	12	14	7	118%
	Total	14,681	13,659	12,717	11,901	11,245	-3,436	-23%
Lone Parent	15-24	146	161	157	148	139	-7	-5%
	25-34	471	458	522	551	533	62	13%
	35-49	1,306	1,239	1,066	968	999	-307	-24%
	50-64	200	239	282	290	241	41	21%
	65-79	13	15	15	15	14	1	8%
	80+	13	14	17	19	24	11	85%
	Total	2,149	2,126	2,059	1,991	1,950	-199	-9%
Other Multiperson household	15-24	36	36	32	28	26	-10	-28%
	25-34	66	81	101	107	105	39	59%
	35-49	253	216	178	150	147	-106	-42%
	50-64	699	718	723	718	640	-59	-8%
	65-79	511	543	590	592	593	82	16%
	80+	242	245	259	290	336	94	39%
	Total	1,807	1,839	1,883	1,885	1,847	40	2%
All households	15-24	712	752	704	646	609	-103	-14%
	25-34	3,877	3,760	4,143	4,246	4,008	131	3%
	35-49	12,737	11,567	9,876	8,872	9,180	-3,557	-28%
	50-64	12,884	13,133	13,310	13,706	12,716	-168	-1%
	65-79	9,625	10,889	12,298	12,640	12,899	3,274	34%
	80+	3,178	3,830	4,527	5,486	6,597	3,419	108%
	Total	43,013	43,931	44,858	45,596	46,009	2,996	7%

Household projections 2006-2026: Telford and Wrekin

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	851	997	1,025	1,023	1,037	186	22%
	25-34	2,216	2,394	2,820	3,034	2,993	777	35%
	35-49	4,191	4,720	4,745	4,811	5,175	984	23%
	50-64	4,502	5,382	6,220	7,126	7,558	3,056	68%
	65-79	4,542	5,219	6,245	6,917	7,470	2,928	64%
	80+	2,551	2,757	3,072	3,665	4,426	1,875	74%
	Total	18,853	21,469	24,127	26,576	28,659	9,806	52%
Couple, no children	15-24	701	776	722	681	699	-3	0%
	25-34	2,021	1,931	2,078	2,117	2,025	5	0%
	35-49	2,548	2,500	2,242	2,045	2,057	-490	-19%
	50-64	5,874	6,161	6,239	6,611	6,736	862	15%
	65-79	5,136	6,084	7,256	7,847	8,188	3,052	59%
	80+	990	1,211	1,533	1,996	2,542	1,552	157%
	Total	17,271	18,663	20,070	21,298	22,248	4,977	29%
Couple with children	15-24	532	590	620	587	532	0	0%
	25-34	3,731	3,446	3,721	3,847	3,677	-55	-1%
	35-49	11,176	10,972	9,755	8,883	8,988	-2,189	-20%
	50-64	5,891	5,971	6,359	6,661	6,287	396	7%
	65-79	596	703	832	852	873	277	47%
	80+	7	8	10	13	16	9	134%
	Total	21,932	21,689	21,297	20,842	20,371	-1,561	-7%
Lone Parent	15-24	860	1,011	1,055	1,093	1,143	283	33%
	25-34	1,854	1,948	2,232	2,375	2,342	488	26%
	35-49	3,085	3,281	3,135	3,053	3,215	130	4%
	50-64	441	506	604	652	602	161	37%
	65-79	35	39	46	53	60	25	71%
	80+	16	17	21	28	38	22	138%
	Total	6,291	6,802	7,093	7,254	7,400	1,109	18%
Other Multiperson household	15-24	326	382	388	382	386	60	18%
	25-34	321	357	428	458	451	130	40%
	35-49	802	782	697	654	692	-110	-14%
	50-64	1,227	1,277	1,354	1,427	1,414	187	15%
	65-79	811	983	1,292	1,631	1,886	1,075	133%
	80+	411	448	512	623	782	371	90%
	Total	3,898	4,229	4,671	5,175	5,611	1,713	44%
All households	15-24	3,270	3,755	3,810	3,766	3,796	526	16%
	25-34	10,143	10,076	11,279	11,831	11,488	1,345	13%
	35-49	21,802	22,255	20,574	19,446	20,127	-1,675	-8%
	50-64	17,935	19,297	20,776	22,477	22,597	4,662	26%
	65-79	11,120	13,028	15,671	17,300	18,477	7,357	66%
	80+	3,975	4,441	5,148	6,325	7,804	3,829	96%
	Total	68,245	72,852	77,258	81,145	84,289	16,044	24%

Household projections 2006-2026: Walsall

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	984	1,096	1,127	1,121	1,164	180	18%
	25-34	2,643	2,933	3,448	3,703	3,688	1,045	40%
	35-49	5,211	5,702	5,793	5,947	6,577	1,366	26%
	50-64	6,688	7,540	8,586	9,838	10,246	3,558	53%
	65-79	9,013	9,137	9,625	9,878	10,305	1,292	14%
	80+	5,269	5,822	6,293	6,871	7,525	2,256	43%
	Total	29,808	32,230	34,872	37,358	39,505	9,697	33%
Couple, no children	15-24	988	1,000	913	848	902	-85	-9%
	25-34	2,781	2,761	3,031	3,009	2,746	-36	-1%
	35-49	3,611	3,307	2,989	2,716	2,672	-939	-26%
	50-64	8,660	8,567	8,441	8,721	8,407	-253	-3%
	65-79	9,971	10,315	10,702	10,620	10,768	797	8%
	80+	1,832	2,227	2,690	3,156	3,519	1,687	92%
	Total	27,843	28,178	28,766	29,070	29,014	1,171	4%
Couple with children	15-24	741	750	769	729	676	-66	-9%
	25-34	5,084	4,869	5,128	5,129	4,961	-122	-2%
	35-49	15,774	14,528	12,583	11,399	11,672	-4,102	-26%
	50-64	8,467	8,406	8,551	8,683	7,803	-664	-8%
	65-79	1,122	1,139	1,182	1,141	1,163	41	4%
	80+	13	15	17	19	20	7	55%
	Total	31,201	29,706	28,230	27,100	26,295	-4,906	-16%
Lone Parent	15-24	1,208	1,334	1,363	1,326	1,347	139	12%
	25-34	2,621	2,741	3,031	3,154	3,057	436	17%
	35-49	3,979	3,988	3,787	3,800	4,073	94	2%
	50-64	528	613	726	804	762	234	44%
	65-79	102	116	126	127	125	23	23%
	80+	34	45	60	80	102	68	200%
	Total	8,472	8,837	9,093	9,291	9,466	994	12%
Other Multiperson household	15-24	206	217	216	210	219	13	6%
	25-34	350	421	521	571	582	232	66%
	35-49	1,118	1,119	1,025	960	1,019	-99	-9%
	50-64	1,753	1,718	1,736	1,793	1,733	-20	-1%
	65-79	1,719	1,752	1,897	1,996	2,109	390	23%
	80+	831	873	914	979	1,069	238	29%
	Total	5,977	6,100	6,309	6,509	6,731	754	13%
All households	15-24	4,127	4,397	4,388	4,234	4,308	181	4%
	25-34	13,479	13,725	15,159	15,566	15,034	1,555	12%
	35-49	29,693	28,644	26,177	24,822	26,013	-3,680	-12%
	50-64	26,096	26,844	28,040	29,839	28,951	2,855	11%
	65-79	21,927	22,459	23,532	23,762	24,470	2,543	12%
	80+	7,979	8,982	9,974	11,105	12,235	4,256	53%
	Total	103,301	105,051	107,270	109,328	111,011	7,710	7%

Household projections 2006-2026: Wolverhampton

HH-type	Age (FRP)	2006	2011	2016	2021	2026	Change 2006-2026	
Single Person	15-24	1,512	1,613	1,531	1,446	1,482	-30	-2%
	25-34	4,055	4,588	5,248	5,567	5,460	1,405	35%
	35-49	6,884	7,616	7,978	8,328	9,206	2,322	34%
	50-64	6,737	7,728	8,770	10,028	10,503	3,766	56%
	65-79	8,610	8,557	9,184	9,807	10,713	2,103	24%
	80+	5,538	6,030	6,419	6,905	7,539	2,001	36%
	Total	33,336	36,132	39,130	42,081	44,903	11,567	35%
Couple, no children	15-24	827	852	741	682	731	-96	-12%
	25-34	2,672	2,586	2,852	2,818	2,452	-220	-8%
	35-49	3,174	3,011	2,902	2,664	2,581	-593	-19%
	50-64	7,055	7,157	7,148	7,458	7,367	312	4%
	65-79	8,365	8,359	8,684	8,824	9,101	736	9%
	80+	1,944	2,261	2,589	2,903	3,192	1,248	64%
	Total	24,037	24,227	24,917	25,350	25,423	1,386	6%
Couple with children	15-24	617	640	637	593	545	-72	-12%
	25-34	4,893	4,672	4,616	4,594	4,497	-396	-8%
	35-49	13,831	13,216	11,968	11,005	11,244	-2,587	-19%
	50-64	7,043	7,094	7,247	7,522	7,003	-40	-1%
	65-79	904	898	948	940	962	58	6%
	80+	13	14	16	17	18	4	34%
	Total	27,301	26,533	25,431	24,670	24,269	-3,032	-11%
Lone Parent	15-24	1,205	1,348	1,370	1,348	1,435	230	19%
	25-34	3,262	3,654	4,070	4,243	4,106	844	26%
	35-49	4,557	4,680	4,690	4,837	5,174	617	14%
	50-64	595	707	830	928	900	305	51%
	65-79	96	102	111	117	128	32	33%
	80+	37	44	53	63	78	41	111%
	Total	9,752	10,535	11,124	11,536	11,821	2,069	21%
Other Multiperson	15-24	576	610	570	528	536	-40	-7%
	25-34	585	662	756	779	754	169	29%
	35-49	1,268	1,266	1,174	1,084	1,110	-158	-12%
	50-64	1,968	2,114	2,238	2,331	2,193	225	11%
	65-79	1,663	1,618	1,724	1,819	1,903	240	14%
	80+	811	749	686	640	611	-200	-25%
	Total	6,871	7,019	7,148	7,181	7,107	236	3%
All households	15-24	4,737	5,063	4,849	4,597	4,729	-8	0%
	25-34	15,467	16,162	17,542	18,001	17,269	1,802	12%
	35-49	29,714	29,789	28,712	27,918	29,315	-399	-1%
	50-64	23,398	24,800	26,233	28,267	27,966	4,568	20%
	65-79	19,638	19,534	20,651	21,507	22,807	3,169	16%
	80+	8,343	9,098	9,763	10,528	11,437	3,094	37%
	Total	101,297	104,446	107,750	110,818	113,523	12,226	12%