Housing Market Reports

Hodge Hill District

Birmingham

Policy and Commissioning Team

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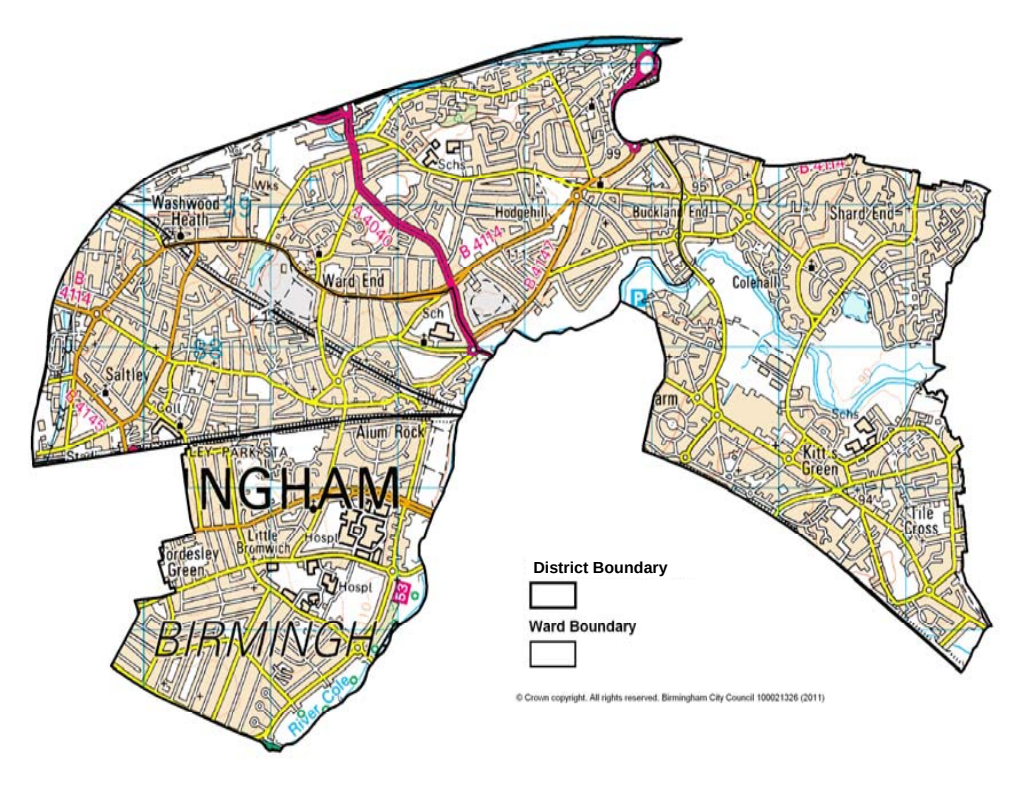
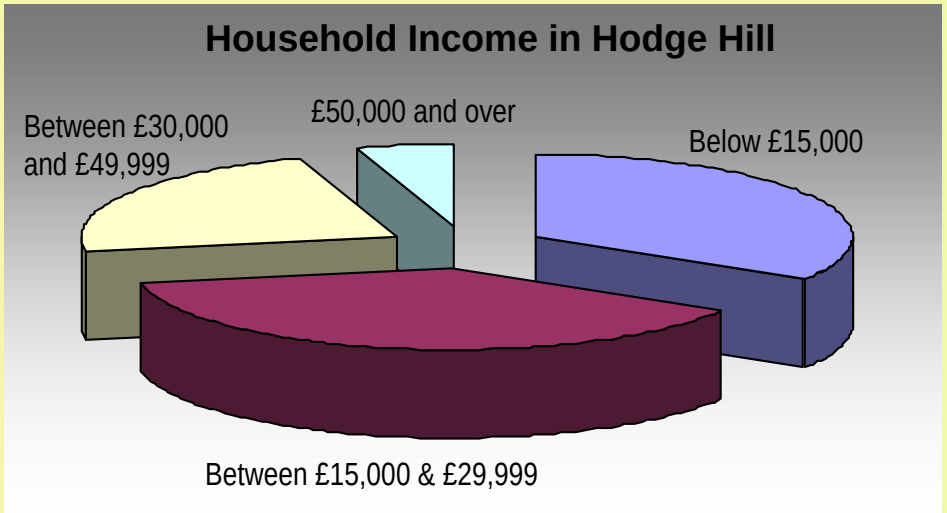
Homes and Households

Hodge Hill District





	Owner Occupier	Council	HA	Private Rent	Other
Tenure (Census 2001)	56.9%	25.7%	6.6%	6.5%	4.3%
	White	Mixed	Asian	Black	Other
Ethnicity (ONS 2009 est)	54.3%	2.7%	38.1%	4.4%	0.6%

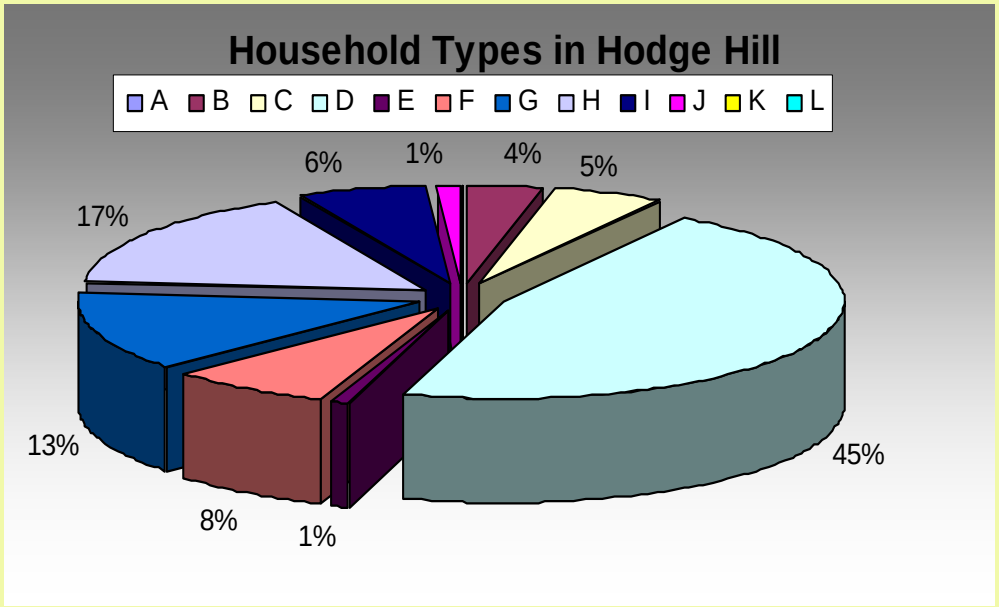
	Detached	Semi Detached	Terraced	Flat	Other
Property Type (Census 2001)	6.1%	33.6%	41.6%	15.3%	3.3%

Property Type	Council	RPs	All
Flat	43%	35%	41%
House	48%	60%	51%
Bungalow	7%	5%	6%
Other	2%	1%	2%

Bedrooms	Council	RPs	All
1	28%	27%	28%
2	32%	36%	33%
3	38%	29%	36%
4 +	2%	7%	3%

Hodge Hill Council housing stock comprises a fairly even mix of houses and flats, with a fairly even distribution of 1, 2 and 3 bed properties. As is typical elsewhere, 4+ bed properties numbers are low. The ethnic breakdown of the population shows a white majority of just over half. Asian ethnicity (38.1%) is the second largest group. These 2 groups make up over 90% of the population in the area.

Homes and Households



Household Segmentation Types in Hodge Hill

The pie chart to the left shows segmentation data for Hodge Hill Segmentation data is commonly used to identify different types of households based on their frequent activities and attributes. This groups household characteristics such as income, spending habits, and household composition together. It should be noted this data is only a model and while based on real information, it can only be an indicative guide. If you are interested in this dataset and how to make best use of it for your work, please contact the Housing Intelligence and Partnership Team. Group D is easily the single largest grouping in the Hodge Hill District. The characteristics of this and a selection of other groups are outlined below.

Group D
-Young families, older houses, close knit communities, working family tax credit, inactive lifestyles, Traditional.

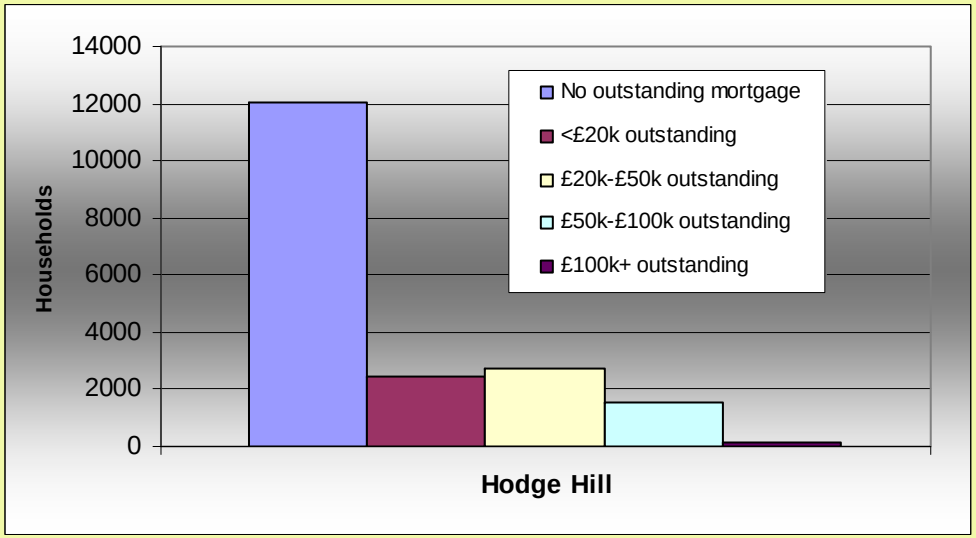
Group F
-Families with many young children.
-Low incomes often in deprived situation
-Social housing common.

Group G
-Low incomes
-Income Support
-Free school meals
-Terraces and semis
-Large council estates

Group I
-Older People
-Low incomes and savings
-High numbers of bungalows and sheltered housing

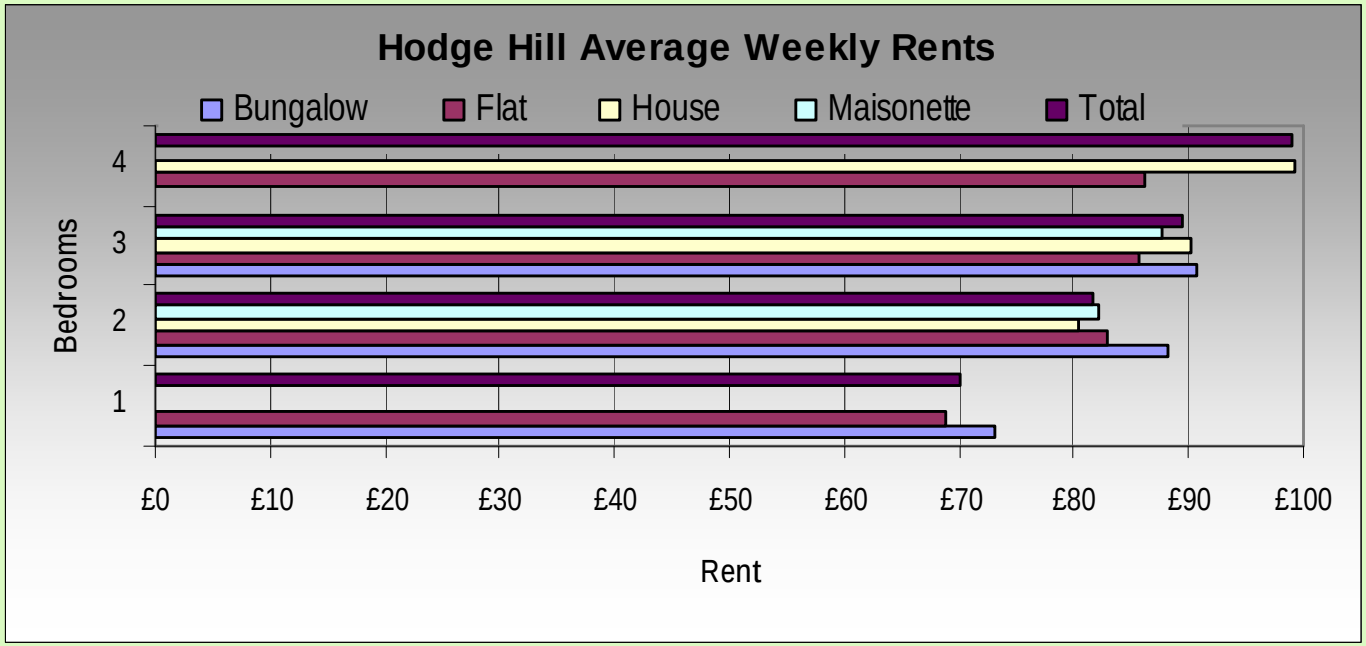
Group H
-Middle aged couples with families
-Often exercised RTB
-In work

Household Mortgage Debt in Hodge Hill



The chart on the left shows mortgage debt of owner occupiers in the Hodge Hill. Pease note this is based on modelled data.

Affordable Housing – Social Housing Rents 3



Council Rent Levels in Hodge Hill

The graph and table on this page show weekly average rent levels for Council tenants by property type and bedroom number in Hodge Hill District.

Across all properties, there is a general trend for rent to increase as the number of bedrooms increases.

There is a sharp increase in rent from 1 bed to 2 beds for both flats and bungalows. In addition to this the is also a large rise in rents from 2 to 3 and then again to 4 bed houses

Council Rents In Hodge Hill

	1 Bed	2 Bed	3 Bed	4 Bed
Bungalow	£73.24	£88.09	£90.83	-
Flat	£68.90	£82.93	£85.79	£86.24
House	-	£80.37	£90.24	£99.22
Maisonette	-	£82.10	£87.58	-
All Property Types	£69.98	£81.70	£89.48	£99.03

Council Rents as April 2012. All figures weekly rents, in £ and include service charges. Data source BCC. 1 Bedroom properties include bed-sits and other studio accommodation. Rents are 48 week rents.

It should be noted, however, that there are low property counts for 4 bed flats. While comparisons can be drawn between low property count types and other types, they cannot be treated as significant.

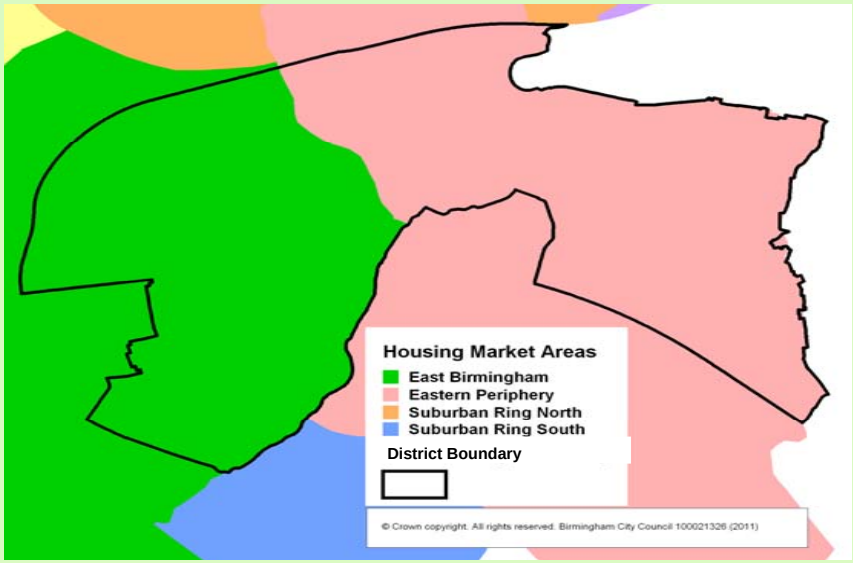
Service Charges have been included in these figures as in most instances these charges are not an optional extra that the tenant can choose whether or not to pay. As such they are included as an integral part of the rent.

Affordable Housing – Affordable Rent Initiative 4

Affordable Rents in Hodge Hill

The table and graph on this page show rental levels that are indicative of 80% of market rents, based on median values. Affordable rent is a new form of affordable housing introduced by the Coalition government with rents set at 80% of the local market rent. Here the maximum rental level for flats and houses has been shown broken down by number of bedrooms for housing market areas covering Hodge Hill, no private rental properties of this type and. size were found in that particular Housing Market Areas when information was collected. As such no affordable rent has been calculated.

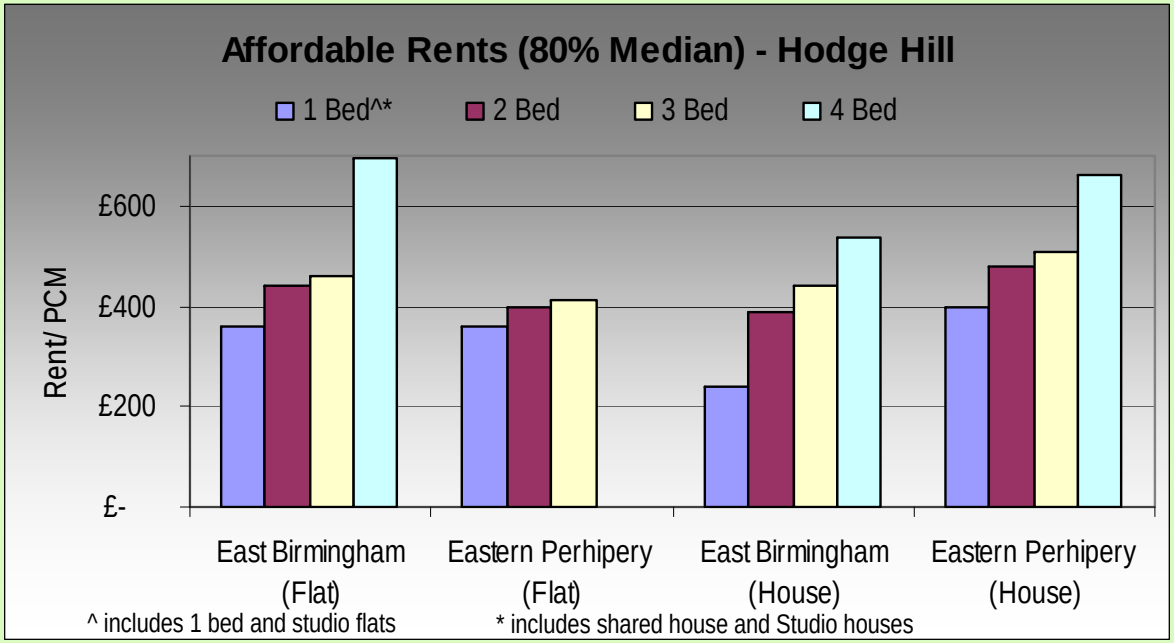
Number of Bedrooms	1		2		3		4	
Property Type	House	Flat	House	Flat	House	Flat	House	Flat
East Birmingham	£239	£360	£390	£440	£440	£460	£537	£694
Eastern Periphery	£400	£360	£480	£400	£510	£410	£660	-



Across both East Birmingham and Eastern Periphery housing market areas, rental costs increase with bed size for both houses and flats. The rise in flats rents is only marginal as the bed size increases, except for the increase between 3 and 4 bed flats in East Birmingham. Low sample numbers need to be remembered before reading too much into this change.

The increases in rent by bed size for houses across both housing market areas is more gradual from 1 bed to 4 bed, but there is still a considerable increase between 1 and 2 bed in East Birmingham and 3 to 4 bed in Eastern Periphery.

Data was captured as a snapshot of properties advertised on property websites in April 2012. All figures are 80% of median Private Sector Rents.



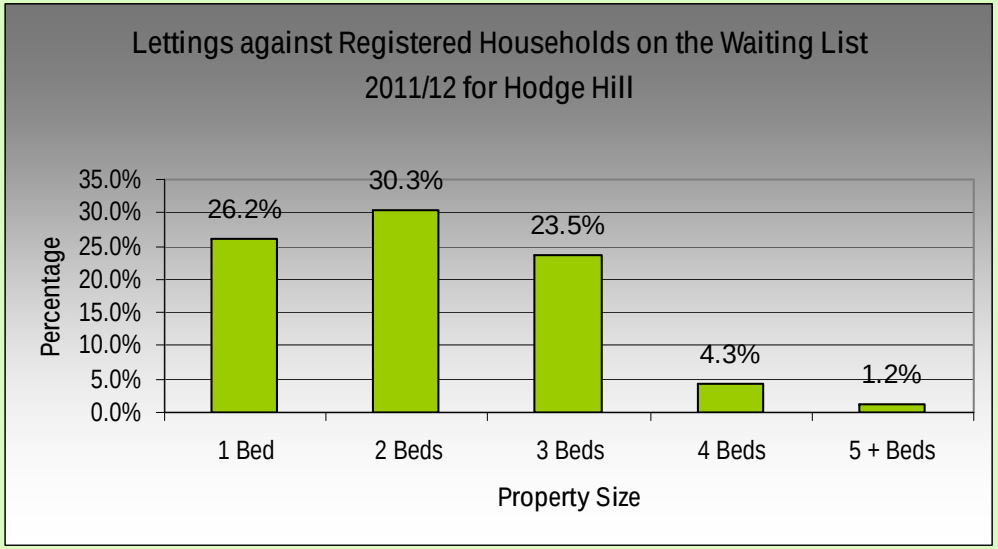
Affordable Housing – Council Need & Lettings 5

Letting to Council Properties

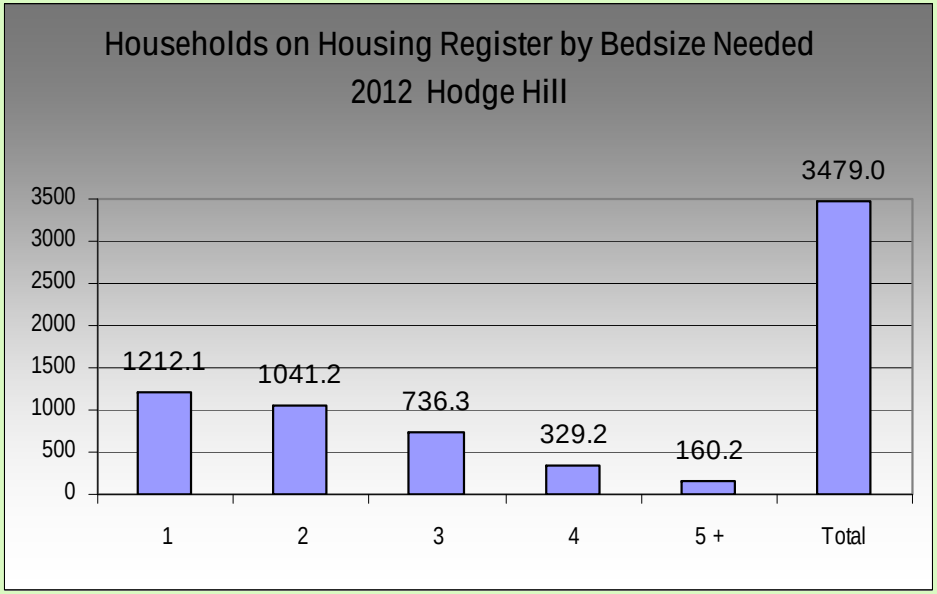
Year	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed +	Total
2009/10	280	283	174	2	0	739
2010/11	310	265	162	8	2	747
2011/12	317	315	173	14	2	821

The table shows that there were 821 lettings in Hodge Hill in 2011/12, higher than the number of lettings in 2010/11 and 2009/10. Most are 1 and 2 bedroom properties and the supply of 4 and 5 bedroom dwellings is extremely constrained. This pattern is constant across all three years of lettings shown here.

From the graph to the right it can be seen that there is greatest absolute need for properties with 1 and 2 bedrooms and a decrease to those households who need 5 or more bedrooms.



The table to the left and graphs below, show the number of lettings made to Council properties in Hodge Hill over the last 3 years, number of households on the Council's waiting list (proportioned for Hodge Hill) and the percentage of the District's waiting list whose requirements could be met by 2011/12, each by property bedroom size.



The graph to the left, however, illustrates lettings against need and depicts absolute figures in a different light, presenting them as a percentage of lettings made by number of bedrooms in a property. It can be seen that just over 26% of households on the waiting list who require a 1 bedroom property where let a suitable home in 2011/12 and just over 30% for both 2, alongside 23.5% for 3 bed need.

The letting of council properties to households needing 4 and 5 or more bedroom properties falls to 4.3% and 1.2% respectively in 2011/12. This shows there is lack of larger properties becoming available and hence a need for a greater proportion of larger homes to be added to the housing stock.

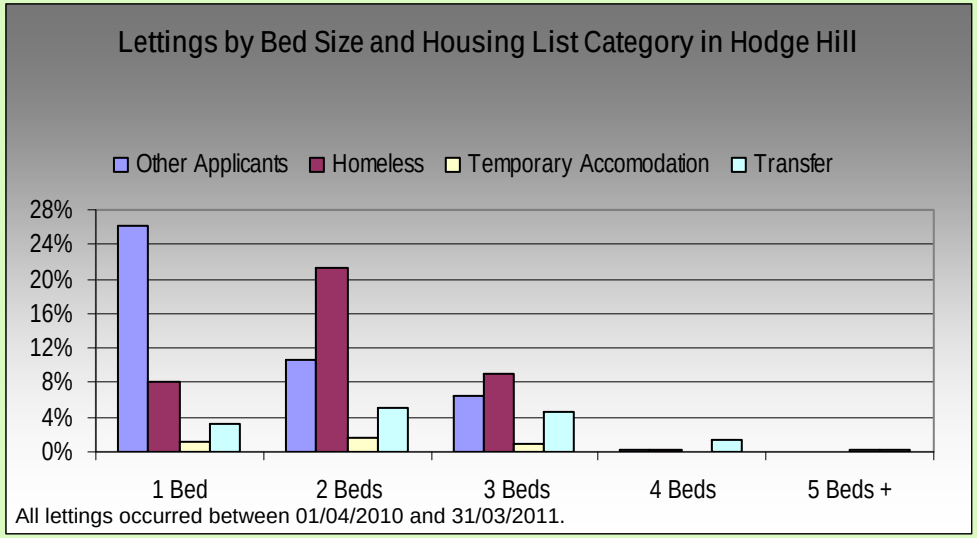
Affordable Housing – Council Need & Lettings 6

Weighted Effective Demand by Bed Size and Location

	1 Bed	2 Bed	3 Bed	4 Bed	Total
Hodge Hill	793.8	1155.9	718.2	8.6	2676.4

Bids made between 01/04/11 and 31/03/12. Bid on BCC properties only.

The table to the left shows demand for Hodge Hill by bed sizes from CBL bidders. The table shows effective demand, as it only includes those households who have placed a bid for a property in Hodge Hill, rather than all households on the waiting list in Hodge Hill. The model has been weighted to account for different number of bids placed by different households across bed sizes and locations. It should be noted that households can only bid for properties that they are eligible for (e.g. a 1 person household is prevented from bidding for a 3 bedroom property). It can be seen from the table that there is high demand for 2 bed properties in particular. Demand for 4 bed properties is lower. However, it needs to be noted that bids can only be placed when properties are available for letting. Hence the demand for some property sizes is constrained by letting numbers.



Lettings by Bed Size and Housing List Category

The chart to the left shows the amount of lettings in Hodge Hill to different types of households on the housing register. A large majority of the 1 bed lettings are going to 'other applicants' – those not already in social housing or apply as homeless - while lettings to Homeless households are the largest group for 2 and 3 bed properties. Letting numbers for 4 and 5 bed properties in general are very low. As such the percentages should be treated with caution, as an additional letting could easily change the relationship between the categories.

CBL Bids by Outcome and Bed Size for Hodge Hill

The table to the below shows the number of bids that have been made by property size and the outcome of the bid for Hodge Hill. The description of the categories is provided below. It can be seen that most bids are unsuccessful, with 2 bed properties receiving the most bids overall. However, 3 bed properties were the most sort after, as shown by the bids to let ratio – higher than for the one 4 bed property that became available. 1 bed properties were the least sort after, with on average only just over 33 households bidding for each letting, which is still quite high.

	1 Bed	2 Bed	3 Bed	4 Bed	Total
Bid Successful	280	255	136	1	672
Bid Withdrawn	0	1	0	0	1
Bid Unsuccessful	9047	21128	16026	107	46308
Total	9327	21384	16162	108	46981
Bids to Letting Ratio	33.3	83.9	118.8	108.0	69.9

Bids made between 01/04/11 and 31/03/12. Bid on BCC properties only.

Bid Successful – Bid accepted and property let or allocated
Bid Withdrawn – Bid has been withdrawn by bidder
Bid Unsuccessful – Bid not short listed or unsuccessful during short listing process
Bids : Letting Ratio – Ratio of number of bids to each letting

Housing Stock Condition

2010 Private Sector Stock Condition Survey Results for Hodge Hill

70.7% of all dwellings in Hodge Hill are in the private sector

59.8% of private sector properties passed the decent homes standard

58.5% of vulnerable households lived in properties that passed the decent homes standard

23.2% of properties had a category 1 hazard

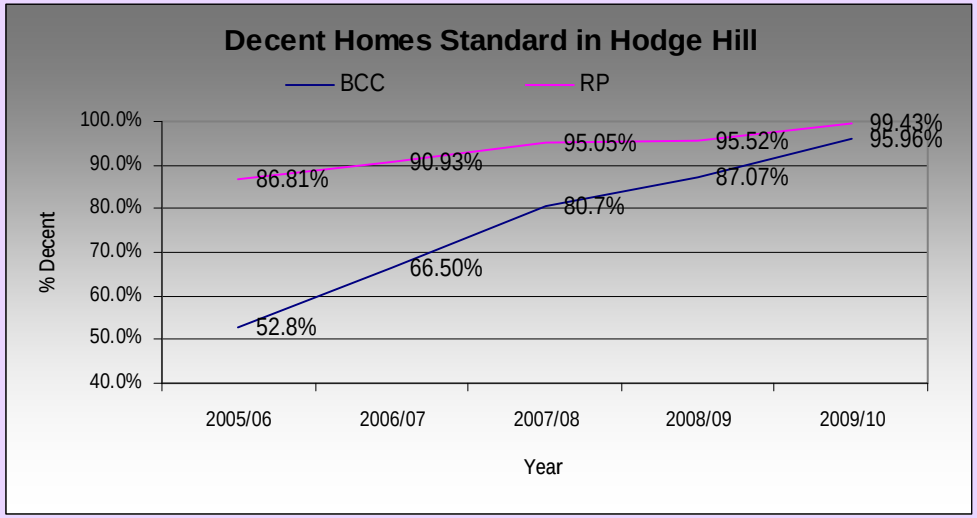
Average SAP rating of 53 in the private sector

23.2% of households are in fuel poverty in the private sector

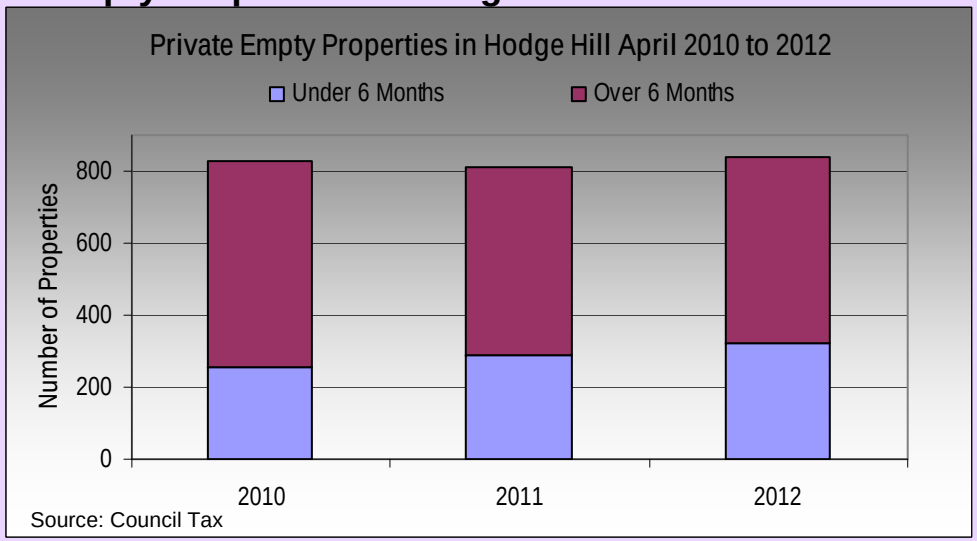
Average cost to make a private sector home meet the decent homes standard is £6,800.

Private Sector House Condition Survey 2010 undertaken 2010, by Birmingham City Council and CPC

Social Housing Decent Homes Standard in Hodge Hill



Empty Properties in Hodge Hill



The information here provides a summary of conditions within Hodge Hill's housing stock. The private sector stock condition survey results provide an overview of privately held properties in the District. . This includes both private rented and owner occupied properties.

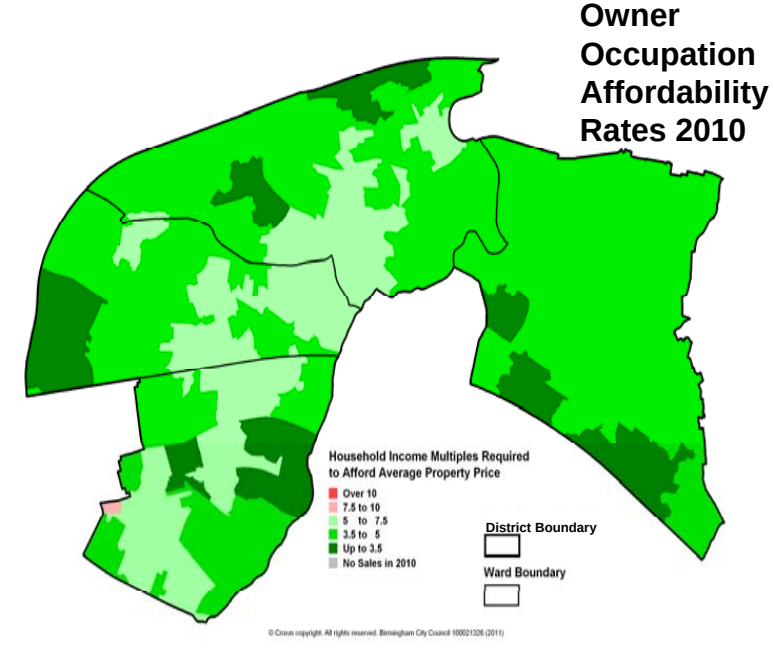
It can be seen that a majority of properties are decent. The average cost of bringing those properties that currently fail the decent homes in the private sector up to standard is on average £6,800 each across Birmingham.

The chart above shows the improvement of social housing properties in meeting the decent homes standard in Hodge Hill. The Government's target of 100% decent homes by 2010 has broadly been met.

The chart above shows the number of properties that have been empty for over and under 6 months in Hodge Hill in the private sector each April between 2010 and 2012. The numbers empty for under 6 months have increased each year, while the number of properties empty for greater than 6 months has decreased, keeping the overall rise to a minimum.

Affordability – Rates and Private Sector Rents 8

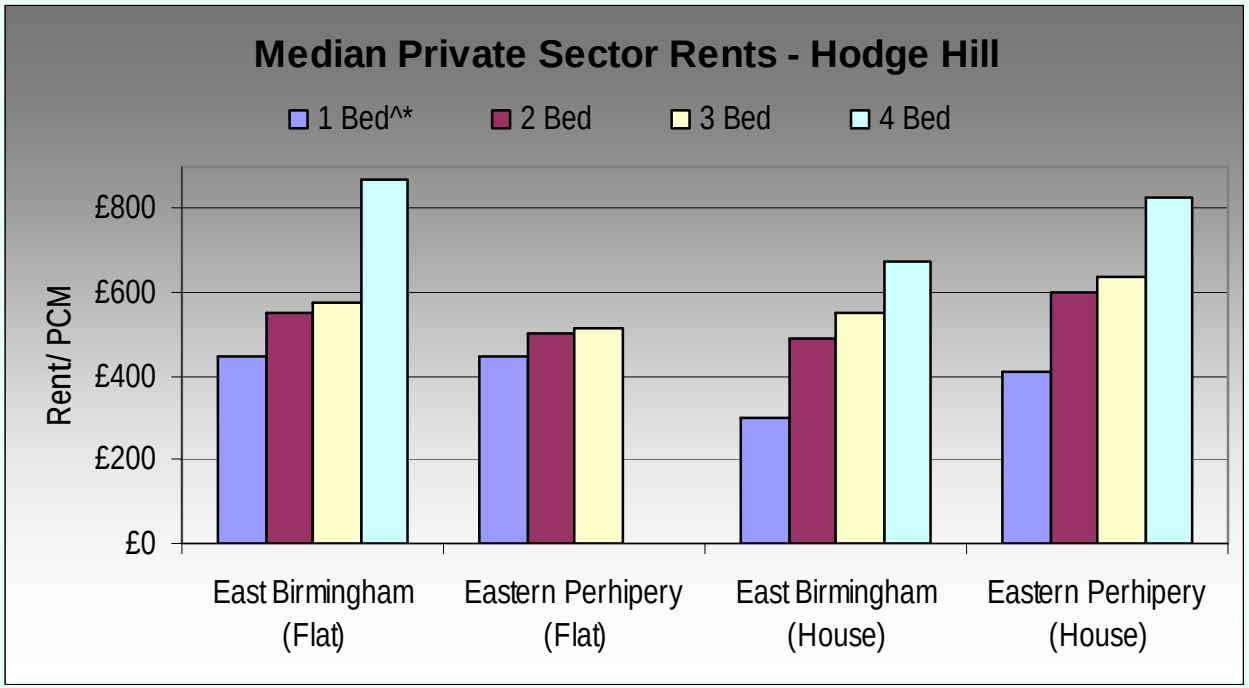
Affordability Rates The map shows property prices in relation to local household incomes at neighbourhood levels, indicating the relative affordability of purchasing a home within Hodge Hill. Where affordability rate is over 5, very large deposits, in relation to typical income, are frequently required. These are highlighted in red.



Private Rental Costs in Hodge Hill

The table and the graph below show the median monthly rents for private sector houses and flats by number of bedrooms in the Housing Market Areas that make up the Hodge Hill District. (map on page 4).

Number of Bedrooms	1		2		3		4	
Property Type	House*	Flat^	House	Flat	House	Flat	House	Flat
Eastern Periphery	£299	£450	£488	£550	£550	£575	£672	£867
East Birmingham	£410	£450	£600	£500	£638	£513	£825	-



Rents for 4 bed flats in East Birmingham and houses in Eastern Periphery have a large premium over their respective 3 bed property types. At the other end there is a large step up from 1 bed to 2 bed houses within East Birmingham. Elsewhere the rise of rent between bed sizes are more gradually.

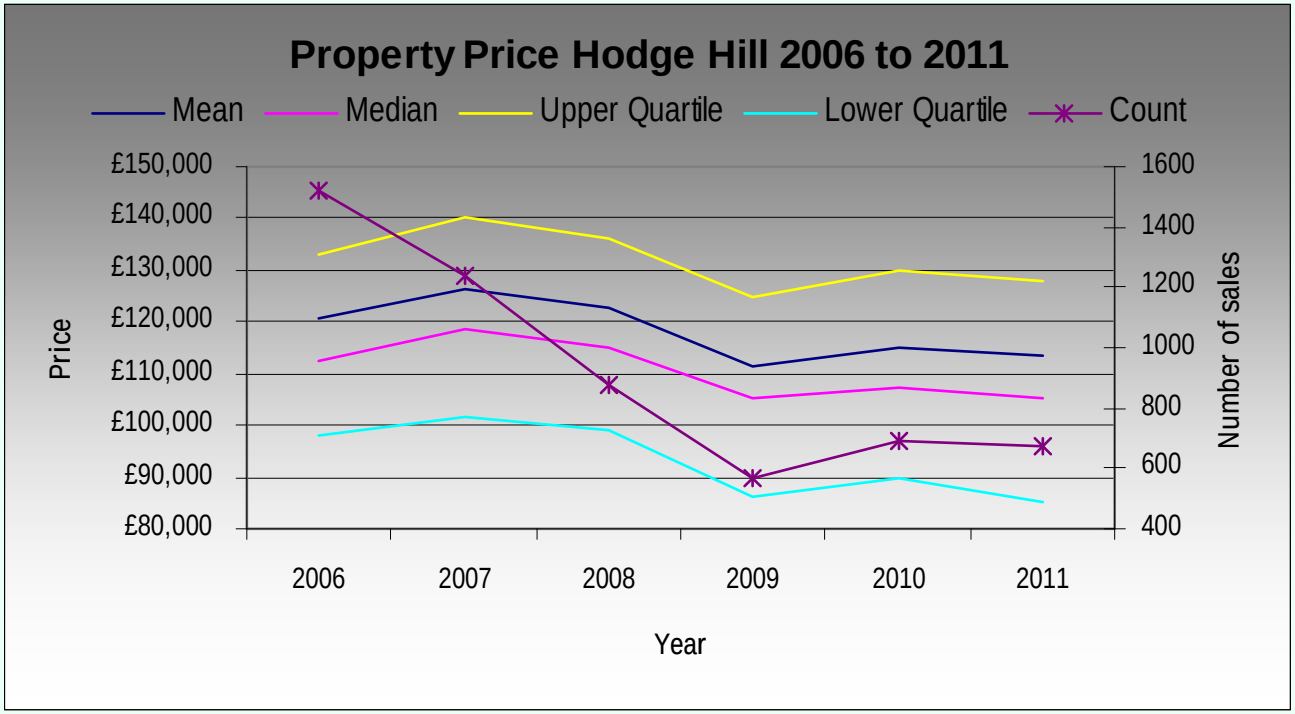
Data was captured as a snapshot of properties advertised on property websites in April 2012

^ includes 1 bed and studio flats

* includes shared house and Studio houses

Affordability – Property Sales

Hodge Hill	2006	2007	2008	2009	2010	2011
Mean	£120,833	£126,269	£122,803	£111,602	£114,927	£113,236
Median	£112,500	£118,500	£115,000	£105,000	£107,500	£105,000
Upper Quartile	£133,000	£140,000	£136,000	£125,000	£130,000	£128,000
Lower Quartile	£98,000	£101,500	£99,000	£86,313	£89,950	£85,000
Count	1525	1240	875	566	689	677



The tables to the left and the graph below show property sale prices in Hodge Hill between 2006 and 2011, alongside the number of sales.

The mean price is follows the same broad trend as the other statistical measures shown here. The price increases from 2006 to 2007, before fall to a low in 2009. There is a slight recovery in 2010, before another, smaller decrease in 2011.

The median (most common) price follows this trend, but the recovery in 2010 is much smaller than for the mean.

The upper quartile price and the lower quartile price (good measures of the upper and lower end of the market respectively) show no significant variation from the pattern already described for the mean price.

The secondary axis, of the graph shows the number of sales recorded in Hodge Hill and is also shown in the table. Sale numbers drop by over 60% between 2006 and 2009. There is a small increase in 2010, but another, admittedly, small fall in sales in 2011.

Source acknowledgement: Property Sales and Counts produced by Land Registry. This Material was last updated on 04/09/2011. It covers the period from 01/01/2006 to 31/12/2011.
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Further Information

For further information please contact the Housing Intelligence and Partnerships Team via one of the methods below:

Email: HousingStrategy&Partnerships@Birmingham.gov.uk

Web: About the Homes and Neighbourhoods

Telephone: 0121 464 2858

Post: Housing Intelligence and Partnerships Team,
Strategy and Commissioning Division,
Homes and Neighbourhoods Directorate,
Birmingham City Council,
POBOX 16533
Birmingham
B2 2GT

The information provided in this report is intended to increase understanding and knowledge of housing and affordable housing issues within Birmingham.

All information is correct at dates stated.

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