

The housing market

This section describes the local housing market in terms of the different tenures. It draws heavily upon a Joint Strategic Housing Market Assessment for the Coventry and Warwickshire housing market area (JSHMA) published in November 2013 and an associated update in September 2015. Both were undertaken by GL Hearn Ltd and are available on our website. Other data sources are also used where appropriate and these are identified at the relevant point in the document.

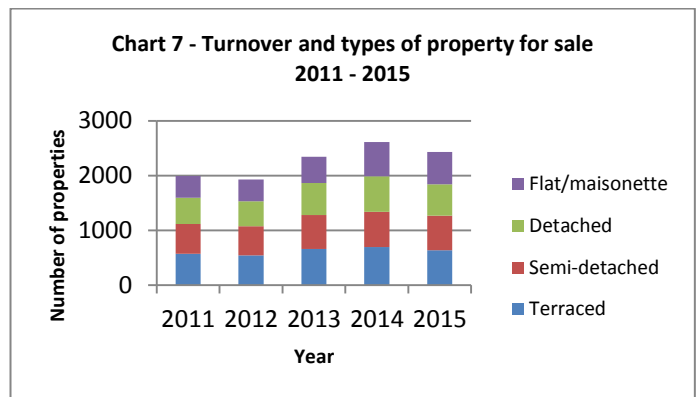
Housing for sale

There are estimated to be around 42,500 homes in the owner-occupied sector in the district (67%) and the "for sale" market is very strong, characterised by high and rising prices for all property types. Data from Hometrack at the time of writing showed that the average price for a home in the district was £338,600 compared to a regional average of £205,200. Prices had risen by 12.3% over the 12 months to November 2015, properties were taking just 2.3 weeks to sell and the selling prices obtained were 99.3% of the asking price. The ratio of house prices to average earnings in the district was 9:1.

As regards property types and sizes the average prices at the time of writing and the volume of sales by type of property over the last five years, again from Hometrack, are shown in table 2 and chart 7 below.

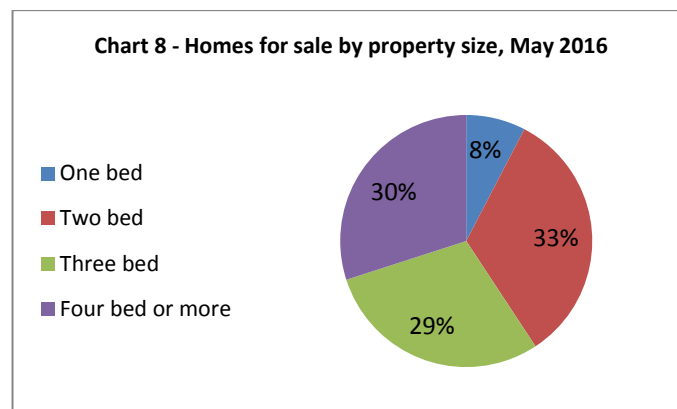
Table 2 – Average property prices in Warwick district by size. April 2016

Property type	Average price (£)
One-bedroom flat	142,800
Two-bedroom flat	191,600
Two-bedroom house	234,300
Three-bedroom house	293,700
Four-bedroom house	459,600



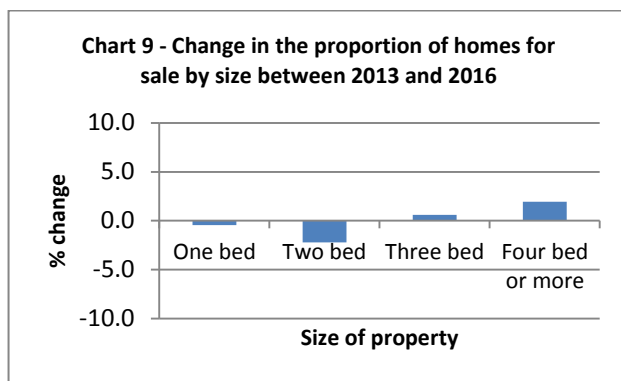
The supply of properties is relatively well balanced in terms of the proportion of types of homes for sale and has increased by over 20% in the last five years. Activity was highest in 2014 and did fall back in 2015 as chart 7 shows. The update to the JSHMA showed that the 2014 level of activity was still well below the average annual turnover between 1998 and 2007 (i.e. the ten years prior to the economic recession).

Data on sales by the size of property, i.e. number of bedrooms, is not available. However a search of the Rightmove website in May 2016 showed that there were over 700 homes available for sale at that time. Although mainly concentrated around the towns there were also a good number of homes available in the rural areas as well. Chart 8 shows the proportion of available properties by property size.



It is important to note that this only represents a particular point in time. However a survey of online estate and letting agents was undertaken in May 2013 to inform the JSHMA and this also analysed the

results by property size. Again this only represents a position at a point in time but given that it was taken at the same time of year as the current data the two can be compared and seasonal differences can be discounted. Chart 9 shows how the two datasets compare.



There is a very close correlation between the two surveys. As they were taken three years apart from each other, this suggests that the May 2016 data shows a representative spread of properties generally available for sale in the district at that time of year.

The private rental market

At 18% of the total stock there are estimated to be 11,400 private rented homes in the district. Hometrack data shows that median weekly rents across the 12 months from March 2015 to February 2016 by size of property were as shown in table 3.

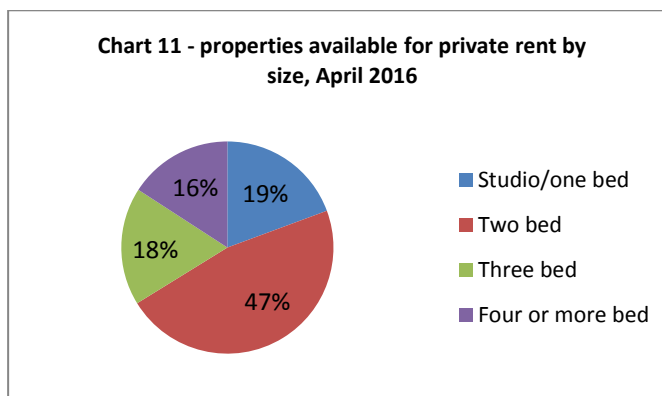
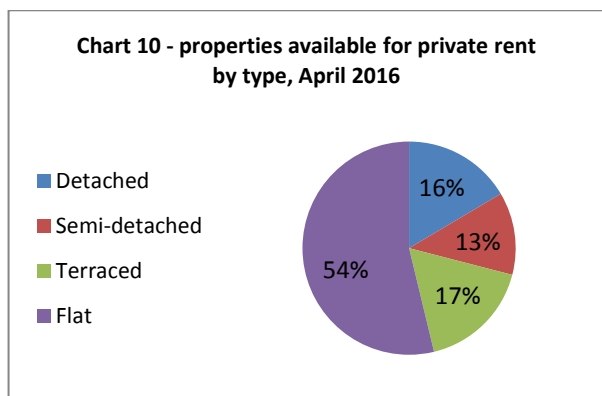
Table 3 – Median private rents in Warwick district by size. 2015-16

Property Size	Weekly Rent (£)
One-bedroom	150
Two-bedroom	190
Three-bedroom	242
Four-bedroom	322

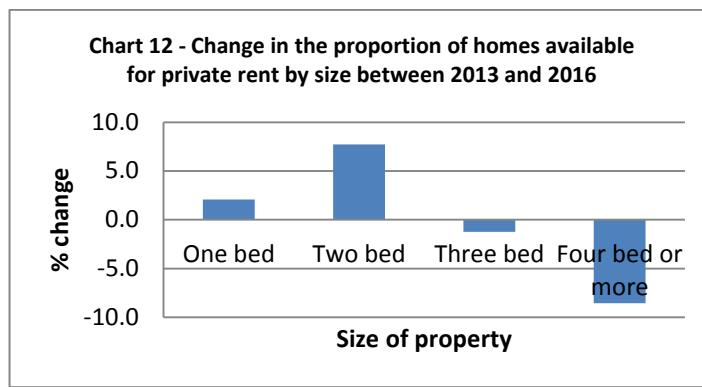
The update to the JSHMA showed that overall median monthly prices in the district were above regional and national averages and grew by 22% from September 2011 to March 2015: easily the highest growth rate in the housing market area.

As regards availability of private rented homes official statistics at district level are not available. Again using the Rightmove website this showed that there were around 280 homes available for rent at that time. These were mainly concentrated around the towns with a small number in the rural areas.

Chart 10 shows the relative availability of different types of property for private rent while chart 11 analyses the same data according to size of properties, in terms of number of bedrooms.



As with the "for sale" analysis above a survey of online estate and letting agents was undertaken in May 2013 to inform the JSHMA and included data on property size. Chart 12 shows how the two datasets compare.

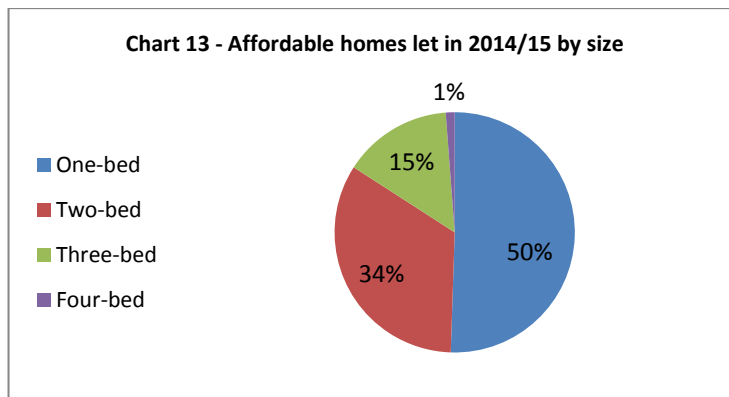


There is broad similarity between the two datasets as regards one-beds and three-beds but there was an 8% increase in two-beds with a similar reduction in four-beds. The differences are large enough to suggest that there has been some change in the market over the last three years but they are similar enough overall to suggest that the 2016 figures can be considered representative of the private rented market at the current time.

Affordable housing

At any point in time the number of affordable homes empty and available for rent is much smaller than is the case in either the “for sale” or the private rented market. In the whole of the last full financial year for which data is available (2014/15) there were 667 lettings of affordable homes for rent. This compares with well over 2,000 homes sold in the same year. Full year lettings data for the private rented sector is not available but the survey mentioned earlier found around 280 properties available at a single point in time.

The breakdown of the affordable lettings by size is shown in chart 13.



Comparing this with chart 5 above, which showed the spread of sizes across the whole of the affordable stock, it can be seen that turnover of one-bed properties is significantly higher than would be expected while turnover of two-bed properties is slightly lower and turnover of three-beds is half of what would be expected.

The higher turnover of one-bedroom accommodation may be explained by the fact that households with a one-bedroom need are single people and couples and are much more susceptible to change. At the younger end of the spectrum change is due to people forming couples and having children while for the older age group turnover may be expected to be higher due to people dying or having to move due to increasing care needs.

Rent levels differ considerably between council and housing association properties and within the latter there is a further distinction between social rent and affordable rent levels and between general needs and supported housing. The following table shows the rent levels in 2015/16.

Table 4 – Rent levels in affordable housing 2015/16

Property type	Council	Housing Association		
	Social rent	General needs – social rent	General needs – affordable rent	Supported housing
Bedspace	N/A	105.71	N/A	194.92
Bedsit	63.73	85.89	101.45	151.70
One bed	80.33	98.60	114.16	124.65
Two	88.34	111.20	132.05	171.23
Three bed	100.09	120.94	146.98	159.82*
Four bed or more	110.03	138.12	158.09	N/A

* Based on a single property

As at February 2016 there were 4,949 tenants of the council or a housing association who were receiving Housing Benefit support towards their rent. This is around 63% of all such tenants in the district, well below the England figure of approximately 83%.