

## The housing crisis in the South West

The South West is home to metropolitan cities, historic towns, vast stretches of coastline, national parks and many rural communities, but the region is characterised by the housing crisis. Low and stagnating wages combined with drastically rising house prices mean the South West is one of the most unaffordable regions in the country.

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

- The average house price in the South West is £270,054. Regionally, house prices have risen by nearly £14,000 in the last year. House prices in the Cotswolds are nearly 50% higher than the regional average.
- The average house in the South West costs more than 10 times typical earnings and the average family would need a household income of at least £61,700 to afford a mortgage.
- The average cost of renting is over £700 per month, swallowing up around 36% of local incomes and pushing many families into rent poverty.
- More than 20% of all second homes in the UK are located in the South West, increasing prices for local people.
- The region isn't building enough homes. Between 2012 and 2016, there was a shortfall of over 21,000 houses across the South West.

## Solving the housing crisis

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

Last year we built 26% of new homes in England and our ambition is to deliver 120,000 homes a year by 2033.

**Housing associations in the South West built over 4,200 homes in 2016-2017, and started a further 4,100. We are exploring innovative means to solve the housing crisis, including through modern methods of construction.**

**In Bristol, housing associations are working with the city council to provide land and grants for affordable and social housing.**

Recent changes in Government policy will help us deliver even more. An extra £2bn investment included a specific commitment to allow new homes to be built for social rent – the first time such funding has been available since 2010.

Certainty over future rents and recognition for supported and sheltered housing are steps in the right direction. The Government must now deliver the final part of the jigsaw: the long-term supply of affordable land. Only then will the right amount of homes, of the right kind, in the right places, be built to meet changing housing needs.

If you share our sense of purpose and ambition, let's work together to end the housing crisis.

### Contact

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#HomeTruths2018

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# Home Truths 2017/18

The housing market  
in the South West

South West	Average (mean) house prices in 2016/17 <sup>1</sup>	Mean monthly private sector rents in 2016/17 <sup>2</sup>	Mean annual earnings in 2017 <sup>3</sup>	Ratio of house prices to incomes <sup>4</sup>	Income required for 80% mortgage (80% at 3.5x) <sup>5</sup>	Percent of Housing Benefit claimants in employment <sup>6</sup>	Unemployment rate 2016/17 <sup>7</sup>	Five-year shortfall 2012-2016 <sup>8</sup>	Long-term empty homes <sup>9</sup>	Second homes <sup>10</sup>	Total housing association affordable homes 2017 <sup>11</sup>
<b>England</b>	<b>£288,898</b>	<b>£852</b>	<b>£28,444</b>	<b>10.2</b>	<b>£66,034</b>	<b>24%</b>	<b>4.8%</b>	<b>482,905</b>	<b>200,145</b>	<b>248,747</b>	<b>2,672,026</b>
<b>South West</b>	<b>£270,054</b>	<b>£770</b>	<b>£25,366</b>	<b>10.6</b>	<b>£61,727</b>	<b>23%</b>	<b>3.9%</b>	<b>21,597</b>	<b>18,117</b>	<b>51,440</b>	<b>251,806</b>
Bath and North East Somerset UA	£381,089	£1,190	£27,570	13.8	£87,106	24%	4.2%	n/a	404	778	11,799
Bournemouth UA	£259,365	£792	£25,553	10.2	£59,283	26%	4.2%	2,700	673	3,079	3,949
Bristol, City of UA	£290,197	£1,025	£26,551	10.9	£66,331	22%	4.7%	5,892	876	2,113	12,952
North Somerset UA	£271,631	£731	£27,388	9.9	£62,087	18%	3.1%	3,384	211	506	9,730
Plymouth UA	£184,665	£583	£23,369	7.9	£42,209	20%	5.1%	n/a	678	700	23,383
Poole UA	£333,244	£848	£26,208	12.7	£76,170	28%	3.9%	2,069	462	1,583	3,234
South Gloucestershire UA	£274,777	£929	£27,253	10.1	£62,806	27%	3.3%	n/a	321	183	12,796
Swindon UA	£226,087	£699	£27,258	8.3	£51,677	16%	4.2%	3,041	494	224	5,979
Torbay UA	£210,746	£589	£21,606	9.8	£48,171	22%	5.1%	737	1,079	1,541	5,920
Cornwall UA	£245,305	£648	£22,443	10.9	£56,070	24%	3.7%	2,911	3,230	13,767	23,033
Isles of Scilly UA	£308,125	n/a	n/a	n/a	£70,429	n/a	n/a	n/a	n/a	187	61
Devon	£268,836	£711	£23,499	11.4	£61,448	24%	4.7%	208	2,471	11,842	30,408
East Devon	£294,625	£704	£24,903	11.8	£67,343	27%	3.2%	n/a	393	2,603	2,766
Exeter	£266,880	£869	£22,786	11.7	£61,001	24%	5.7%	331	326	530	4,762
Mid Devon	£237,618	£642	£25,199	9.4	£54,313	21%	3.2%	208	220	249	1,527
North Devon	£245,785	£624	£21,518	11.4	£56,179	24%	3.2%	153	538	1,721	4,753
South Hams	£330,744	£776	£24,939	13.3	£75,599	26%	2.6%	n/a	198	3,896	4,891
Teignbridge	£261,486	£699	£22,802	11.5	£59,768	25%	3.6%	n/a	364	1,333	6,188
Torriford	£224,203	£577	£22,589	9.9	£51,246	21%	4.2%	240	311	985	2,969
West Devon	£253,836	£674	£23,639	10.7	£58,020	25%	2.6%	662	121	525	2,552
Dorset	£311,426	£783	£24,518	12.7	£71,183	25%	2.9%	1,798	1,308	6,623	24,377
Christchurch	£352,319	£878	£26,837	13.1	£80,530	24%	2.9%	610	150	768	2,673
East Dorset	£366,400	£914	£27,066	13.5	£83,749	26%	2.9%	710	214	258	3,260
North Dorset	£283,114	£730	£24,752	11.4	£64,712	25%	2.4%	17	245	429	4,450
Purbeck	£329,563	£843	£20,686	15.9	£75,329	29%	2.7%	n/a	149	1,631	2,622
West Dorset	£307,181	£778	£25,048	12.3	£70,213	25%	2.9%	587	336	2,568	6,937
Weymouth and Portland	£232,266	£657	£21,575	10.8	£53,089	25%	5.3%	n/a	214	969	4,435
Gloucestershire	£278,492	£783	£27,659	10.1	£63,655	23%	3.7%	1,555	2,464	3,700	30,196
Cheltenham	£300,652	£803	£29,900	10.1	£68,721	22%	3.6%	1,670	395	915	2,652
Cotswold	£397,558	£982	£29,843	13.3	£90,870	24%	2.6%	n/a	313	1,623	6,392
Forest of Dean	£225,636	£633	£26,863	8.4	£51,574	20%	4.5%	n/a	465	267	5,213
Gloucester	£191,453	£559	£24,523	7.8	£43,761	23%	4.3%	814	543	124	8,524
Stroud	£287,624	£734	£28,517	10.1	£65,743	22%	2.6%	371	477	517	1,942
Tewkesbury	£273,940	£730	£26,343	10.4	£62,615	25%	3.5%	n/a	271	254	5,473
Somerset	£245,091	£646	£23,702	10.3	£56,021	22%	3.5%	n/a	2,070	3,108	27,445
Mendip	£283,474	£700	£24,045	11.8	£64,794	21%	4.8%	n/a	460	403	6,720
Sedgemoor	£224,919	£625	£24,398	9.2	£51,410	20%	5.5%	215	335	552	3,425
South Somerset	£240,417	£634	£22,157	10.9	£54,953	24%	3.5%	378	595	832	11,638
Taunton Deane	£237,649	£655	£25,360	9.4	£54,320	22%	4.3%	n/a	456	341	3,110
West Somerset	£243,309	£637	£20,457	11.9	£55,614	21%	3.5%	6	224	980	2,552
Wiltshire UA	£289,993	£827	£26,816	10.8	£66,284	25%	3.2%	n/a	1,376	1,506	26,544

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

2. Valuation Office Agency

3. ONS, Annual Survey of Hours and Earnings

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

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

6. Department for Work and Pensions, Stat Xplore

7. ONS, NOMIS model based estimates

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

9. MHCLG, table 615

10. MHCLG, Council Tax base

11. Homes England, Statistical Data Return 2017

n/a: not available