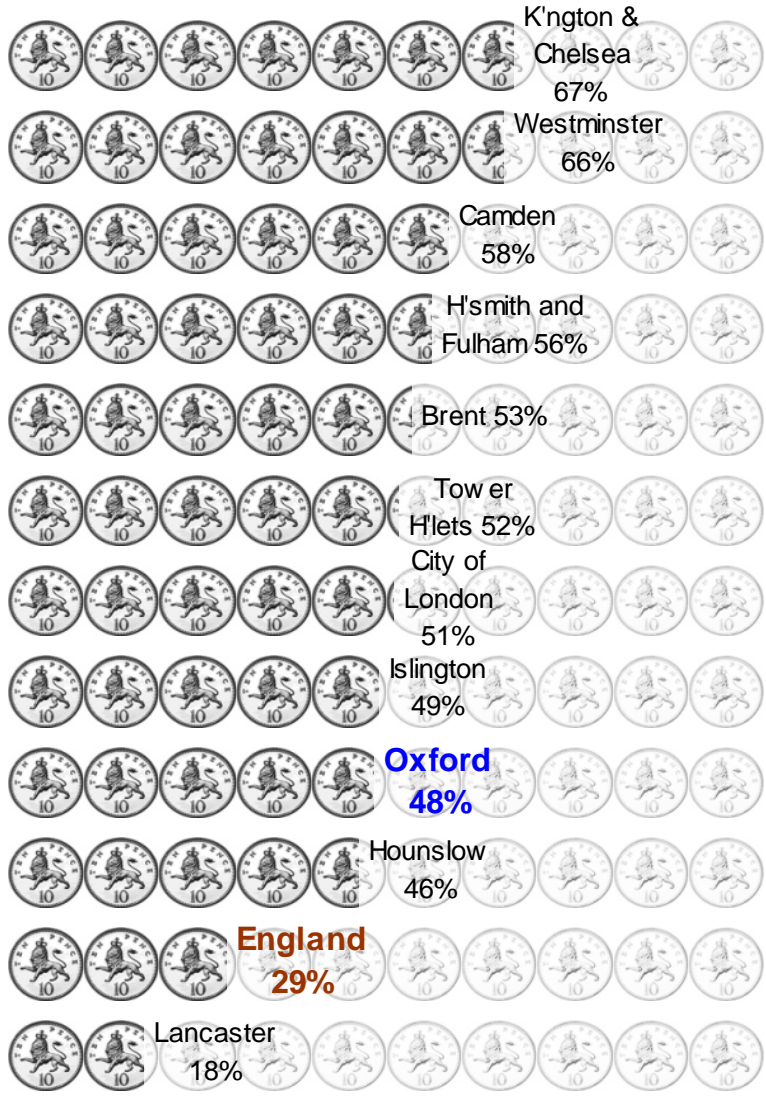


Private sector rents are the ninth least affordable in England

Top ten areas with the highest private sector rents as a percentage of wages, 2011



House prices in Oxford are among the least affordable in the UK, with figures consistently showing that average house prices are around ten times the average annual wage (see February 2011 chart). Yet many Oxford residents do not own their homes, but rent – one in five households live in private rented accommodation, the tenth highest proportion in England. Another fifth of households live in social rented properties.

This chart shows the percentage of someone's gross (pre-tax) monthly earnings which would need to be spent on renting in the private sector. The wages and rents used here are *lower quartile* figures, so this indicates the situation for someone earning lower end wages renting a relatively cheap property.

This shows that in Oxford renting in the private sector costs the equivalent of nearly half of pre-tax earnings. This is the ninth highest in the country, and the highest outside London. Across England, the ratio of lower quartile rent to lower quartile wages is just 29%, whilst the lowest rent to wage ratio is to be found in Lancaster. Oxford is similarly unaffordable when looking at the ratio of average rent to average wages.

Note: The lower quartile wage is the wage which draws a line between the bottom 25% and the top 75% of wages, so indicates the bottom end of the wage scale. The lower quartile rent is defined similarly.

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Data sources:
 Rents: All property categories, Valuation Office Agency, for year ending December 2011
 Wages: Full-time gross weekly earnings by residence, 2011 Annual Survey of Hours and Earnings, Office for National Statistics
 Figures above are the ratio of lower quartile private sector monthly rents to lower quartile gross monthly wages, expressed as a percentage