

Manchester Local Plan (Publication Draft)

4. Housing Topic Paper

Introduction

1.1 The Housing Topic Paper considers policy already set by Places for Everyone, the evidence base and comments made on housing issues during the Regulation 18 Draft Local Plan consultation including the Integrated Appraisal. It explains decisions made in developing policy on key issues, particularly those which received a large number of comments during the consultation. It does not give a detailed justification of every policy in the housing chapter as an explanation for each policy in the Local Plan is given in the accompanying text.

2.0 Places for Everyone (PfE)

2.1 Places for Everyone (PfE) ([Places for Everyone Joint Development Plan](#)) sets the overall delivery of homes across nine of the Greater Manchester Authority areas and identifies the delivery by district. It sets Manchester's delivery as 3,533 homes per annum which is a total of 60,061 from 2022 to 2039.

2.2 In addition to the overall delivery, PfE also sets the following specific requirements for housing:

- All new dwellings must comply with the nationally described space standards (PfE Policy JP-H3)
- All new dwellings must be built to the 'accessible and adaptable' standard in Part M4(2) of the Building Regulations unless specific site conditions make this impracticable. (PfE Policy JP-H3)

- Minimum density standards for sites within and near to centres and for sites near to public transport stops and a minimum density of 35 dwellings/Ha in all other areas (PfE Policy JP-H4)

2.3 PfE also states that the following will be addressed through local plans:

- Set targets to maximise delivery of affordable homes
- Housing provision to accommodate specific groups, such as students and travelling people.

3.0 Evidence and Appraisals

3.1 Housing Needs Assessment (HNA)

3.1.1 A Housing Needs Assessment ([Evidence base | Local Plan | Manchester City Council](#)) for Manchester was completed in 2023 and updated in 2026. Key findings were:

- A need for 1,627* affordable homes each year
- Recommended housing tenure split of 75% affordable rented housing and 25% affordable home ownership
- A need for 2,432* more units of accommodation for older people
- A percentage of 3.6 (127 per year*) of all new homes should be built to M4(3) wheelchair accessible standard.

*NB there is an overlap between affordable housing, specialist accommodation for older people and the need for M4(3)

3.1.2 The Housing Needs Assessment also gave a summary of the size of housing needed for affordable and market housing in different areas of the city.

3.2 Gypsy and Travellers and Travelling Showperson need assessments

3.2.1 Manchester's Gypsy and Traveller and Travelling Showperson Accommodation Assessment (GTAA) 2022 ([Evidence base | Local Plan | Manchester City Council](#)) found that there are well-established Gypsy and Traveller

communities living across Manchester. The 2021 Census reports 526 people identifying as Gypsy and Traveller but there are currently no permanent residential sites for Gypsies and Travellers. There are however three Travelling Showperson yards with 73 plots.

3.2.2 The 2022 GTAA found there was a need for 13 new Gypsy and Traveller pitches needed within 5 years and a further 4 pitches needed between 2027/28 and 2037/38. The GMCA GTAA 2024 assessed need over a slightly longer timeframe and found that 1 additional plot would be needed between 2038/39 and 2040/41.

3.2.3 The Greater Manchester Gypsy and Traveller and Travelling Showperson Accommodation Assessment Update 2018 ([Evidence base | Local Plan | Manchester City Council](#)) concluded that there was a need for 56 additional plots for travelling showpeople required in Manchester from 2018/18 to 2035/36. The 2022 Manchester study concluded that this was still the case.

3.3 Purpose Built Student Accommodation Assessments

3.3.1 In May 2023, the PBSA Executive Committee Report ([\(Public Pack\) Combined agenda Agenda Supplement for Executive, 31/05/2023 14:00](#)) considered the demand for PBSA in Manchester and stated that the Council's projections estimated that demand for new PBSA could be between 5440 bedspaces (representing a 1% growth per annum) and 11320 (representing 2% growth per annum) up to 2030. However, it also stated that 'The actual demand will depend on a number of factors, including the growth of the Universities, government policy (e.g., tuition fees), the highly competitive global market for international students, global pandemics... etc., which are outside of the control of the city and its universities.' Demand was estimated to be around 750 new bed spaces per annum up to 2030.

3.3.2 Further studies were commissioned to consider the PBSA pipeline in Manchester in 2023 and to consider the affordability of PBSA ([Evidence base | Local Plan | Manchester City Council](#)). The 2023 study established that the number of schemes planned or with planning permissions within the City would meet the estimated need.

3.3.3 The 2026 study concluded that while Manchester's student accommodation market may appear less competitive than some counterparts based on certain metrics, the absolute growth in student numbers, the demand from international students, and the proportion of students from low-income backgrounds collectively create a need for policy intervention.

3.3.4 It also recommended that the Viability Assessment consider the viability of 20 and 30% of all units to be affordable based on affordability being:

- 80% Market Rate
- 70% of Maximum Maintenance Grant
- 55% of Maximum Maintenance Grant

and that the following assumptions be made for all scenarios:

- Two scenarios for number of bed spaces, to align with the viability consultant's existing scenarios:
- 50% studios / 50% clusters
- City centre land value
- Consistent contract length
- Consistent rental value
- A value per unit for s.106 nominations process

Maintenance Grant figures obtainable from official Gov.UK Student Finance

Calculator: [Check how much student finance you could get - GOV.UK](#)

4.0 Viability Assessment

4.1 The Local Plan Viability Assessment ([Evidence base | Local Plan | Manchester City Council](#)) tested different tenures and types of housing to assess what level of affordable housing in market would be viable.

4.2 For residential development it concluded that:

- in the city centre where Build to Rent is expected to be an important if not the majority form of development, a 30% target for affordable private rent (at a 20% discount against market rent) is generally viable but this becomes more marginal with the highest height of building tested (50 storey)
- for sale led schemes in the city centre, viability is weaker and meeting the 30% affordable housing policy requirement is likely to be difficult and is only achieved in the testing undertaken for this report in the mixed BtR apartments and sale houses typology and with the lowest benchmark land value
- the viability of BtR was not considered outside the city centre
- in the inner and southern areas, it is likely whilst some schemes could contribute towards s.106 secured affordable housing, public subsidy will be required to meet the full 30% target
- for older persons housing there is limited ability to provide affordable housing.

4.3 For Purpose Built Student Accommodation (PBSA), following the recommendations of the PBSA Affordability Study, a range of tests were undertaken in different combinations of discount levels against market student accommodation rents and percentages of discounted PBSA units. The testing demonstrated that there is a trade-off to be made between overall amounts of affordable student accommodation and the level of discount used. In summary, a 30% target is deliverable with rents discounted by 20%. Alternatively, MCC may want to consider a lower percentage for PBSA at 20% but an increase in the discount expectation to 40%.

4.4 The overall conclusion from the viability testing is that there are viable policy compliant forms of residential development across the different locations and types of residential supply but not all development types are viable and able to meet the plan policies at the current time.

5.0 Integrated Appraisal

5.1 The Integrated Appraisal (www.manchester.gov.uk/localplan - Supporting documents - Publication consultation stage' page) concludes that the Local Plan is

likely to have minor positive effects on housing. The appraisal finds that housing policies:

- Support population growth in sustainable locations.
- Improve housing choice and accessibility.
- Increase affordable and specialist housing provision.
- Help reduce inequalities through accessible and supported housing.
- Still face risks relating to affordability, delivery, gentrification and displacement pressures in regeneration areas.

6.0 Regulation 18 Consultation Comments

6.1 A summary of all comments received and how the Council's is responding to these comments is shown in the Consultation Statement ([Supporting documents | Local Plan | Manchester City Council](#)) but in brief, comments received on housing included the following:

- There is a wish to see more affordable/social housing of various types, including in the city centre.
- New Policy needed on Build to Rent
- Affordable housing is not viable in many parts of the City
- Provision should meet both local need and growth
- Concern over antisocial behaviour along with perception of too many Houses in Multiple Occupation particularly in some areas of the City

6.2 A 'Call for Sites' was also made alongside the Regulation 18 consultation which resulted in 8 housing sites being proposed. There were no proposals put forward for Gypsy and Traveller or Travelling Showperson sites.

7.0 Distribution and delivery of housing

7.1 The expected delivery rates for housing across Manchester with the proportion within each of the PfE Areas based on the housing pipeline and capacity

as published in the [Strategic Housing Land Availability Assessment](#). The most recent SHLAA (published 31 March 2025) identified sites with the potential to deliver over 92,000 homes by 2040 and of these over 25,000 were in the planning pipeline (i.e. these are developments which on this date had planning permission that had not expired). Over two thirds of these homes were on sites that were already under construction. 91% of the homes likely to be built by 2040 are flats and 9% will be houses.

7.2 In 2024/25, there were 3,419 (gross) dwellings completed across Manchester and in 2025/26 this had risen to 5,019. The City Council's own estimates on the Housing Delivery Test indicate that in 2025/26 Manchester will have delivered over 100% of its delivery requirement.

7.3 Manchester has a proven track record of delivering regeneration and new homes using City Council endorsed Neighbourhood Development Frameworks, Strategic Regeneration Frameworks and masterplans underpinned by planning policies.

7.4 Most of the homes likely to be built by 2040 will be in the city centre and city centre fringe area (63%). The City Centre comprises different areas and characters and adopting a framework led partnership approach to regeneration in each of the Neighbourhood Areas has been successful in areas such as Castlefield, Civic Quarter, Kampus, NOMA, Spinningfields, Deansgate Square, Circle Square and will continue to be encouraged over the next 15 years. The eastern part of the City Centre is expected to see considerable change as Piccadilly, Mayfield and Sister bring forward significant levels of development. The SHLAA demonstrates sites within the new city centre boundary capable of delivering over 56,000 homes.

7.5 As described in the Spatial Strategy Topic Paper, the Local Plan sets policies supporting development in three housing-led Growth Locations, namely Victoria North, Holt Town and Wythenshawe District Centre and Adjacent Areas. Together the housing-led Growth Locations are expected to deliver over 25,000 new homes over the lifetime of the plan which includes around 12,000 outside of the proposed city centre boundary.

7.6 In addition to the housing-led Growth Locations, a significant number of homes (around 7,000 in total) will be delivered in the following additional housing growth sites, all of which will be guided by frameworks endorsed by the Council. These are:

- Newton Heath - focus for new development in and around Newton Heath District Centre. Around 1000 homes are expected to be delivered in the plan period which includes the redevelopment of Jacksons Brickworks, a large brownfield site.
- Clayton Canalside - 1700 homes overall in the canalside area with completions expected from 2031 onwards.
- Grey Mare Lane - around 1000 homes to be delivered, across several sites, throughout the plan period including around 400 in the first five years.
- Lower Medlock Sites - over 850 new homes are identified across a series of sites which will be brought forward in phases between 2030 and 2039. The sites will be developed to take advantage of the riverside location and complement regeneration in neighbouring areas such as Holt Town
- Ardwick Green - around 2,500 homes to be delivered later in the plan period, from 2036 onwards.

7.7 Although the Council has a thorough approach to assessing deliverability of sites in the SHLAA, sites are not all Council led and therefore predicting exactly which sites will be delivered within the lifetime of the plan is not an exact science. However, with the additional capacity within the SHLAA figures when compared to the PfE delivery figure and following the framework approach, the Council is confident that the required number of new homes will be delivered.

8.0 Affordable Housing

8.1 The overall need for Affordable housing was established in the Housing Need Assessment as 1,627 homes a year. This includes both newly built homes and acquisitions. New affordable housing can be provided, or contributed to, via the planning process but it is not the only way affordable homes are delivered.

Affordable homes can be delivered via Council or grant funded programmes either by building new homes or by converting current homes.

8.2 The Council, through its Housing Strategy ([Manchester Housing Strategy \(2022-2032\) | Manchester City Council](#)), has set out a target to deliver at least 10,000 new affordable homes over the period 2022-2032. To date, the majority of affordable units have been delivered by our Registered Provider partners in the Manchester Housing Provider Partnership (MHPP) using Homes England grant funding. As the Council's aspirations around affordable housing increase, we are exploring ways to grow and diversify the means by which we deliver affordable housing. This includes working with developers to maximise the number of affordable homes delivered through planning gain. The Council has therefore set a requirement for 30% of all units on major schemes to be affordable.

9.0 Purpose Built Student Housing (PBSA)

9.1 The May 2023 PBSA Executive Committee Report estimated demand was estimated to be around 750 new bed spaces per annum up to 2030 but also established that this figure is hard to predict over the full lifetime of the plan, therefore, the Local Plan does not set an overall delivery target but uses a criteria-based policy.

9.2 Based on the findings of the Local Plan Viability Assessment and comments received on the Regulation 18 consultation, the Council has set the percentage of PBSA units required to be affordable at 20% as proposed at Regulation 18. This is to ensure that a viable number of genuinely affordable units can be delivered. The definition of affordable is defined as 40% less than the market value which as a guide is assumed to be no more than 70% of the student maintenance loan.

9.3 Other criteria within the PBSA policy are largely unchanged from the Core Strategy Policy H12 which has been effective in supporting delivery of PBSA since 2012.

10.0 Build to Rent

10.1 Following comments received during the Regulation 18 consultation and as an outcome of the Local Plan Viability Assessment a new policy on Build to Rent has been added.

10.2 Build to rent schemes have delivered a significant number of Manchester's housing completions particularly in city centre areas. It is important to ensure that build to rent adds to the diversity of housing options and where possible remain available as rented properties into the future. As identified in the Viability Assessment, this is particularly important for the provision of affordable rented units.

10.3 The new policy, therefore, has been written to ensure that Build to Rent properties remain as such for at least 15 years, offer long term tenancies and that affordable units are maintained as affordable in perpetuity.

11.0 Gypsy and Travellers and Travelling Showperson Accommodation

11.1 There are currently three sites for travelling showpeople and no sites for gypsies and travellers in Manchester. Until recently there was a permanent occupied site at Dantzic Street just north of the city centre, but this site has now closed.

11.2 In 2022 Manchester City Council Executive approved the closure of the Dantzic Street site and gave a commitment to offer a pitch to residents who had left the site on any new permanent site provided in Manchester in the future.

11.3 The Local Plan includes a criteria-based policy to support the delivery of the required number of sites for both Gypsies and Travellers and Travelling Showpeople through the normal planning process. Given the housing supply position, outlined in paragraph 5.1 this approach allows flexibility while still planning positively to meet identified needs.

12.0 Conclusion

12.1 Places for Everyone establishes Manchester's overall housing requirement. The Local Plan adds detail to the PfE, including setting policy to meet the demand from people with specific needs.

12.2 The Local Plan housing policies have been developed having regard to the evidence base, the Viability Assessment, the Integrated Appraisal and to the issues raised through the Regulation 18 consultation.

12.3 Local Plan housing policies seek to maximise the delivery of affordable housing, support a range of housing types and tenures, improve accessibility and inclusivity, and ensure that new housing contributes to sustainable communities across Manchester.

12.4 The policies also recognise the need to balance housing ambitions with development viability. The approach taken reflects the findings of the Viability Assessment and seeks to secure the maximum reasonable contribution towards affordable and specialist housing whilst maintaining the deliverability of development across the city.

12.5 Overall, the housing policies provide a positive and deliverable framework for meeting Manchester's housing needs over the plan period. Together they support the delivery of new homes, increase housing choice, improve affordability and accessibility, and contribute to the creation of inclusive, sustainable neighbourhoods across the city.