

Housing Need Assessment 2023

Manchester City Council

Final Report

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Table of Contents

Executive Summary	9
Introduction.....	9
Dwelling stock.....	9
House prices and rents.....	9
Future dwelling mix and development priorities.....	9
The needs of other groups	11
Summary of policy recommendations.....	12
1. Introduction.....	12
Background, aims and objectives	12
National Planning Policy Framework	13
Greater Manchester Combined Authority	14
Greater Manchester Housing Strategy	15
Greater Manchester Age Friendly Strategy	15
Making Manchester Fairer: Tackling health inequalities in Manchester 2022 to 2027	16
Manchester Enabling Independence Accommodation Strategy 2022 to 2032	16
The Places for Everyone Plan	17
Manchester housing context and Housing Strategy 2022-2032	18
General policy context.....	19
Future housing need.....	20
Geography.....	20
Research methodology.....	20
Presentation of data	23
Report structure.....	23
2. Housing market and key drivers	24
Introduction.....	24
Dwelling stock, vacant stock and household estimates	24
Dwelling type and size.....	24
Property age and condition.....	29
Housing tenure	34
The owner-occupied sector	34
The private rented sector.....	35
Affordable housing.....	38
Demographic drivers: population and households.....	41
General household characteristics	50
Income data.....	53
Summary	53
3. Price, rents and affordability	55
Introduction.....	55
House price trends	55

Private renting	61
Relative affordability	65
Relative affordability of housing tenure options and defining genuinely affordable housing	66
Affordability of prices and rents to selected key workers and households on minimum/living wages	77
Concluding comments	83
4. The needs of different groups.....	85
Introduction.....	85
Housing for people with additional needs	85
Age-related housing need	86
Health-related housing need.....	100
Stakeholder views on specialist housing	109
Gypsy, Traveller and Travelling Showperson need	110
Other groups with particular housing requirements	110
Conclusion.....	111
5. Overall dwelling type, mix and affordable housing need.....	113
Introduction.....	113
Overall housing need.....	113
Affordable housing need.....	113
Dwelling type and mix.....	114
Conclusions	114
6. Conclusion: policy and strategic issues	115
Overall Housing need	115
Dwelling type, tenure and mix.....	115
Meeting the needs of older people and those with disabilities	116
Final comments	117
Technical Appendix A: Research methodology	118
Overall approach	118
Technical Appendix B: Affordable housing definitions.....	119
Affordable housing definitions.....	119
Technical Appendix C: Housing need calculations.....	121
Introduction.....	121
Step A: Current unmet gross need	122
Step B: Future households in need	125
Step C: Affordable housing supply	127
Step D: Total annual need and breakdown by size and tenure	128
Technical Appendix D: Dwelling mix and modelling	135
Introduction.....	135
Starting points.....	135
Overall dwelling mix by tenure.....	142
Overall dwelling mix by sub-area.....	142

Technical Appendix E: Stakeholder consultation	144
Introduction.....	144
Strengths of the local housing market	144
Weaknesses of the local housing market	144
Cross boundary issues	149
Specific housing needs of different groups of people	151
Key priorities.....	155
Technical Appendix F: Agent Review.....	156
Introduction.....	156
Overview of the Manchester housing market	156
South Manchester	157
City Centre.....	158
North Manchester	159
General matters discussed by agents	160

List of Maps

Map 1.1	City of Manchester Neighbourhood Areas	22
Map 2.1	Predominant dwelling type and size by LSOAs: Manchester.....	28
Map 2.2	New build dwellings by LSOA over period 2007-2022	40
Map 2.3	Household characteristics: household type by LSOA, 2022	51
Map 2.4	Household characteristics: income type, by LSOA, 2022	52
Map 3.1	Lower quartile house prices 2022 by built-up areas within the LSOAs of Manchester	59
Map 3.2	Median house prices 2022 by built-up areas within the LSOAs of Manchester	60
Map 3.3	2022 lower quartile rents across Manchester by built up areas within LSOAs	62
Map 3.4	2022 median rents across Manchester by built up areas within LSOAs	63
Map 3.5	Private rented sector Non-Passported Housing Benefit 2022.....	64
Map 4.1	Current older persons accommodation across Manchester.....	93

List of Tables

Table ES1	Summary of overall dwelling mix by tenure: Manchester	10
Table ES2	Summary of overall dwelling mix by tenure: City centre	10
Table ES3	Summary of overall dwelling mix by tenure : North and Central Manchester	11
Table ES4	Summary of overall dwelling mix by tenure : South Manchester.....	11
Table 2.1	Dwelling stock and household estimates	24
Table 2.2	Dwelling stock and household estimate by sub-area	25
Table 2.3	Dwelling type, number of bedrooms and council tax band for Manchester and comparator areas.....	26

Table 2.4	Dwelling type, number of bedrooms and council tax band summary	27
Table 2.5	HMO distribution across Manchester	29
Table 2.6	Age of dwelling	29
Table 2.7a	Dwelling stock condition in England – percentage of dwellings failing decent homes criteria estimate	31
Table 2.7b	Dwelling stock condition in Manchester – number of dwellings failing decent homes criteria estimate	31
Table 2.8	Dissatisfaction with quality of accommodation by tenure, property type and property age.....	33
Table 2.9	Tenure profile by sub-area.....	34
Table 2.10a	Change in population 2022-2039 by age group – 2014-based ONS population projections.....	41
Table 2.10b	Change in population 2022-2039 by age group – 2018-based ONS population projections.....	42
Table 2.11	National and international migration by year.....	45
Table 2.12	Summary of national and international migration by year group and age group.....	46
Table 2.13	Household types and change 2022 to 2039 (by age of household reference person (HRP)).....	49
Table 2.14	Annual gross household income by sub-area.....	53
Table 3.1	Comparative median house price change 2000-2022 with neighbouring boroughs, North West and England.....	57
Table 3.2	Comparative lower quartile (LQ) house price change 2000-2022 with neighbouring boroughs, North West and England	57
Table 3.3	Comparative lower quartile and median house price change 2007-2022 for sub-areas.....	58
Table 3.4	Comparative lower quartile (LQ) and median rent price 2010 – 2022....	61
Table 3.5	Lower quartile and median rents by sub-area 2022.....	61
Table 3.6a	Broad Rental Market Area Local Housing Allowance Rates (April 2022) – Central Greater Manchester BRMA	65
Table 3.6b	Broad Rental Market Area Local Housing Allowance Rates (April 2022) - Southern Greater Manchester BRMA	65
Table 3.7	Relative affordability of lower quartile and median prices by local authority area, North West and England (workplace-based and residence-based)	66
Table 3.8	Summary of tenure (including affordable options), price assumptions and data sources	68
Table 3.9	Cost of alternative tenures by sub-area and Manchester	69
Table 3.10	Household income required for tenure to be affordable (based on 25% of income for rents and 3.5x income for buying) by sub-area	70
Table 3.11	Impact of alternative deposits on sale price and income required for open market properties.....	71
Table 3.12	Affordability of private rents by sub-area.....	75
Table 3.13	Manchester Living Rent: indicative rents and income to be affordable ..	75

Table 3.14	Affordability of owner occupation by sub-area	76
Table 3.15	Incomes of key workers and households on minimum/living wage and rental affordability	78
Table 3.16a	Incomes of households, selected key workers and households on minimum/living wage and open market prices: Manchester.....	79
Table 3.16b	Incomes of households, selected key workers and households on minimum/living wage and open market prices: City Centre	80
Table 3.16c	Incomes of households, selected key workers and households on minimum/living wage and open market prices: North and Central Manchester	81
Table 3.16d	Incomes of households, selected key workers and households on minimum/living wage and open market prices: South Manchester	82
Table 3.17	Genuinely affordable rents and purchase prices by sub-area.....	84
Table 4.1	Older persons' housing preferences by age group	88
Table 4.2	Future housing choices of older households (rightsizing)	89
Table 4.3	Categories of older person accommodation	89
Table 4.4	Future need for older person accommodation relative to current supply	94
Table 4.5	People with dementia.....	96
Table 4.6	Dwellings occupied by households where the HRP is aged 65 and over	97
Table 4.7	Adaptations, support needs and space for carer by tenure and age group	98
Table 4.8	Adaptations, support needs and space for carer by sub-area.....	98
Table 4.9	Adaptations and home improvements required by age group (% of households)	99
Table 4.10	Type of assistance required age group.....	100
Table 4.11	Number of people stating illness/disability	101
Table 4.12	Physical disability prevalence	102
Table 4.13	Learning disability and autism.....	103
Table 4.14	Mental health prevalence.....	105
Table 4.15	Summary of accessible housing standards.....	107
Table 4.16	Wheelchair use assumptions and resulting annual need.....	108
Table 4.17	Wheelchair dwellings needed by age group and number of bedrooms each year	108
Table 4.18	Distribution of BAME households across Manchester	110
Table 5.1	Overall annual dwelling size and tenure mix recommendations	114
Table 6.1	Summary of overall dwelling mix by tenure.....	116
Table A.1	Household Survey sample size.....	118
Table C1	Current gross unmet need (before affordability testing)	123
Table C2	Lower quartile house prices and rents by sub-area	124
Table C3	Affordability of open market housing for households in need.....	125
Table C4	Net and gross household formation 2022-2032	126

Table C5	Total newly-arising affordable housing need.....	126
Table C6	Affordable housing supply.....	127
Table C7	Gross and net annual affordable need.....	128
Table C8	Gross and net annual affordable need by sub-area.....	129
Table C9	Affordable need based on the housing register	129
Table C10	First Home prices by sub-area.....	130
Table C11	Affordable housing tenure preferences.....	131
Table C12	Detailed calculation of tenure split	132
Table C13	Summary of overall affordable dwelling need by bedroom size and dwelling type by sub-area	133
Table C14	Comparison between current supply and annual gross need	134
Table D1	Age groups, household type and dwelling types used	136
Table D2	Change in number of households by age group and household type 2022 to 2039.....	137
Table D3	Impact of change in households by age group on dwellings occupied by 2039.....	139
Table D4	Dwelling type and size outcomes under aspiration and expectation scenarios.	140
Table D5	Summary of overall dwelling mix by tenure and level-access need	142
Table D6	City centre dwelling mix by tenure	143
Table D7	North and Central Manchester dwelling mix by tenure	143
Table D8	South Manchester dwelling mix by tenure	143

List of Charts and Figures

Figure 2.1	Components of population change 2012 to 2020	43
Figure 2.2	Profile of households by age of Household Reference Person in 2022 and 2039 under 2014-based projections	48
Figure 3.1	Median house price trends 2000 to 2022: Manchester, Greater Manchester, North West and England	56
Figure 3.2	Manchester household income and housing costs	72
Figure 4.1	Establishing need associated with age, health and life experience	85
Figure D1	Change in HRP age groups 2022-2039	138
Figure D2	Summary of number of bedrooms in current stock and under baseline demographic, aspiration and expectation scenarios	141

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Executive Summary

Introduction

The Manchester Housing Need Assessment 2023 provides the council with up-to-date evidence on housing need across all sections of the community over the period 2022 to 2039. The evidence will inform the update of the preparation of the Local Plan, other strategies, policies and decisions of the council and its partners.

The HNA has been prepared in accordance with the National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG).

Data have been produced at sub-area level where possible.

The HNA report complements the Places for Everyone planning policy document.

Dwelling stock

There are 243,432 dwellings and 214,749 households across the city in 2022. The vacancy rate is 2.3% which is similar to the rate for England (2.8%). Most dwellings are houses (59.3%), 1.0% are bungalows and 39.7% are flats. 37.2% of households are owner occupiers, 32.5% privately rent and 30.2% live in affordable housing.

House prices and rents

In 2022, lower quartile prices were £165,000 (North West £130,000 and England £174,000) and median prices were £216,000 (North West £182,950 and England £260,000).

In 2022, lower quartile private rents were £875 each month (North West £624 and England £802) and median rents were £1,101 (North West £802 and England £1,248).

Future dwelling mix and development priorities

The HNA has carefully considered the future population and household projections over the period 2022 to 2039, the range of dwellings lived in by different households and their dwelling aspirations (likes) and expectations. This helps to determine an appropriate mix of dwellings to inform future development priorities to better reflect the housing needs of communities across Manchester.

The Greater Manchester Places for Everyone plan identifies an average minimum annual net housing need of 3,533 dwellings across Manchester. There is a considerable annual net shortfall of affordable housing of **1,142** each year. The council needs to have a robust affordable housing policy in place to help deliver against this strategic need.

When determining the overall affordable tenure split, the council should be mindful of different outcomes when an allowance for First Homes is included. Given there is a need to prioritise social/affordable supply, it is recommended that the overall tenure split for policy making purposes is 80% rented and 20% affordable home ownership including First Homes which reflects the overall policy approach in the Places for Everyone plan.

The council's affordable housing policy will continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs. The overall dwelling mix recommendations by tenure are set out in Table ES1 (Manchester) and Tables ES2 to 4 for sub-areas. It is also recommended that 10-15% of all new dwellings should be level-access, that is with all facilities on one floor).

Table ES1 Summary of overall dwelling mix by tenure: Manchester

Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	10-15%	10-15%	5-10%
2	35-40%	40-45%	30-35%	35-40%
3	35-40%	35-40%	40-45%	35-40%
4	15-20%	5-10%	10-15%	10-15%
Overall need for level-access dwellings	10-15%	20-25%	10-15%	10-15%

Table ES2 Summary of overall dwelling mix by tenure: City centre

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	5-10%	15-20%	5-10%	10-15%
2	45-50%	55-60%	50-55%	45-50%
3	30-35%	25-30%	40-45%	30-35%
4 or more	5-10%	0-2%	0-2%	5-10%
Overall need for level-access dwellings	2-5%	0-2%	0-2%	0-2%

Table ES3 Summary of overall dwelling mix by tenure : North and Central Manchester

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	10-15%	15-20%	20-25%	10-15%
2	30-35%	35-40%	15-20%	30-35%
3	35-40%	35-40%	40-45%	35-40%
4 or more	20-25%	10-15%	20-25%	20-25%
Overall need for level-access dwellings	10-15%	15-20%	10-15%	10-15%

Table ES4 Summary of overall dwelling mix by tenure : South Manchester

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	2-5%	20-25%	5-10%	5-10%
2	30-35%	50-55%	45-50%	35-40%
3	45-50%	20-25%	40-45%	40-45%
4 or more	15-20%	2-5%	0-2%	10-15%
Overall need for level-access dwellings	10-15%	25-30%	15-20%	15-20%

The needs of other groups

Particular needs which have been identified in the HNA are:

- Increasing and diversifying the supply of specialist housing for older people. There is a need for 3,789 more units of accommodation for older people by 2039. This includes sheltered/retirement, Extra Care, co-housing and residential care.
- Based on an assessment of additional needs and longer-term demographics, 3.6% of new dwellings (128 each year) should be built to M4(3) wheelchair accessible standard; and all other new dwellings should be built to M4(2) accessible and adaptable standard which would include bungalows/level access accommodation.

The main report provides further details of the additional groups referenced in the NPPF and PPG.

Note that there is overlap between affordable, specialist older person and M4(3) need, so for instance the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.

Summary of policy recommendations

Theme	Data	Action
Overall housing need	3,533 average each year 2022-2039, as set out in Policy JP-H3 of the Places for Everyone plan	Housing need figure to be noted.
Affordable housing need	Annual imbalance over the next 10 years of 1,142 which justifies need for robust affordable housing policy and delivery	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing.
	Broad mix of affordable dwelling sizes is required (19% 1-bedroom, 40% 2-bedroom, 33% 3-bedroom and 8% 4+ bedroom)	Range of dwelling sizes to be delivered. The Housing Strategy 2022-2032 seeks to deliver 3,000 larger affordable dwellings.
	Affordable tenure mix of 80% rented and 20% affordable homes which aligns with Policy JP-H2 of Places for Everyone plan	Development needs to focus on social/affordable rented with some affordable home ownership which would include First Homes.
Needs of different groups	3.6% of new dwellings (128 each year) to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) standard in line with policy JP H3 of the Places for Everyone plan	Update relevant policies.
	3,789 additional units of accommodation for older people by 2039 including 534 residential care bedspaces. 806 Extra Care units and 2,449 other types of accommodation	Diversify range of older persons accommodation including sheltered/retirement and Extra Care leasehold and cohousing. Continue to review need for residential care. Strengthen policies to enable people to live in their own homes for longer with appropriate support and adaptation.
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this HNA.

1. Introduction

Background, aims and objectives

- 1.1 The Manchester City Council Housing Need Assessment (HNA) 2023 provides the council with up-to-date evidence on housing need across all sections of the community over the period 2022 to 2039. The evidence will inform the update of

the preparation of the Local Plan, other strategies, policies and decisions of the council and its partners.

- 1.2 The HNA report complements the Places for Everyone planning policy document.

National Planning Policy Framework

- 1.3 The evidence base needs to take account of the requirements of the National Planning Policy Framework (NPPF). The latest version was published in September 2023 and is supported by Planning Practice Guidance (PPG). The NPPF 2023 sets out the government's planning policies for England and how these are expected to be applied. Paragraph 11 of the NPPF states that plans, and decisions should apply a *'presumption in favour of sustainable development'*. As part of this, in relation to plan-making, it sets out that this means that *'strategic policies should, as a minimum, provide for objectively assessed needs for housing...'*

- 1.4 Paragraph 60 provides an important context to the policy for housing delivery, as follows:

'To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay'

- 1.5 Paragraphs 61 to 63 relate to the evidence base requirements which underpin this study:

Paragraph 61: **'To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.'**

Paragraph 62: **'Within this context, the size, type and tenure of housing need for different groups in the community, should be assessed and reflected in planning policies including but not limited to: those who require affordable housing; families with children; older people; students; people with disabilities; service families; travellers; people who rent their homes; and people wishing to commission or build their own homes.'**

Paragraph 63: **'where a need for affordable housing is identified, planning policies should specify the type of affordable housing required'**.

- 1.6 Paragraph 65 requires that: **'strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan**

period. Within this overall requirement, strategic policies should set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.'

- 1.7 The Localism Act 2010 introduced the 'Duty to Co-operate' as a replacement for Regional Spatial Strategy and this requirement is also established in National Planning Policy (NPPF 2019, Paragraphs 24-27). Section 110 requires local authorities and other bodies, including Local Enterprise Partnerships to co-operate in maximising the effectiveness of strategic matters within development plan documents. The provision of housing development is a strategic priority and the council will have to ensure that it is legally compliant with the Localism Act at Local Plan examination.
- 1.8 The NPPF 2023 sets out affordable housing definitions which are presented at Technical Appendix A.

Greater Manchester Combined Authority

- 1.9 Manchester is part of the Greater Manchester Combined Authority.
- 1.10 **'Our People, Our Place'. The Greater Manchester Strategy** (<https://oerb.org.uk/strategy/our-people-our-place-the-greater-manchester-strategy/>) sets a clear objective to make Greater Manchester one of the best places in the world to grow up, get on in life and grow old – where there is:
- *a good start in life for everyone, with children starting school ready to learn;*
 - *excellent opportunities for young people, who are equipped for life;*
 - *a thriving, productive, carbon neutral economy, providing good employment and opportunities to progress and develop for all;*
 - *world-class connectivity – digitally and through an integrated transport network – within all parts of Greater Manchester;*
 - *safe, decent and affordable housing in stronger and safer communities;*
 - *a high quality cultural and leisure offer for everyone in a green city-region; and*
 - *better health, and quality care and support for people to live fulfilling and healthy lives.*

Greater Manchester Housing Strategy

- 1.11 The Greater Manchester Housing Strategy 2019-2024 is the product of a pioneering model of co-production, involving extensive consultation with local authorities, housing associations, academics, architects, builders and housing activists.
- 1.12 One of the ten priorities in Our People, Our Place -The Greater Manchester Strategy is to provide 'safe, decent and affordable housing' for our residents. Central to this new Housing Strategy is a recognition that housing is at the heart of many of the broader issues that Greater Manchester needs to tackle, including health, carbon reduction, tackling homelessness, providing skills and training to our residents, and growing our economy.
- 1.13 The housing vision set out:
- That our existing homes receive the investment they need to meet and exceed modern requirements for their safety, security, warmth and physical accessibility. This includes retrofitting our existing homes to meet our ambitions for net zero carbon homes.
 - Those homes will be part of neighbourhoods of choice, connected to economic opportunities and strategic infrastructure, and offering an excellent quality of life for all part of the community.
 - When we rent in either the social or private sector we can be confident that our homes will be well managed and safe, decent and affordable.
 - That those of us in need, homeless or at risk of becoming homeless can quickly access social housing or other affordable housing options so we can retain our place in the community.
 - That no one will need to sleep rough in Greater Manchester.

Greater Manchester Age Friendly Strategy

- 1.14 The Greater Manchester Age Friendly Strategy sets out a vision is to make Greater Manchester one of the best places to grow up, get on and grow old (https://www.greatermanchester-ca.gov.uk/media/1166/gm_ageing_strategy.pdf)
- 1.15 It has 12 objectives
- *Establish age-friendly communities across GM, promoting volunteering and bringing generations together*
 - *Build a health and social care system that works for older people*
 - *Increase housing choice to promote social connections and wellbeing in later life*
 - *Create opportunities to maximise the skills and experience of older workers*
 - *Create a transport network that supports older people to stay connected and active*
 - *Develop an age-friendly plan for each local authority area*
 - *Become a world leader in research and innovation for an ageing society*

- *Campaign for positive change in the way older people are viewed*
- *Make sure access to entitlements and benefits is easier and simpler*
- *Show leadership in developing age-friendly initiatives at all levels and across all sectors*
- *Support more people to be physically active as they age*
- *Engage and involve older people in arts and cultural activities across Greater Manchester and establish a Centre for Age Friendly Culture – a world first*

Making Manchester Fairer: Tackling health inequalities in Manchester 2022 to 2027

- 1.16 This is an action plan to tackle health inequalities in Manchester – the preventable gaps between people with the worst health and people with the best health. The impact of on health inequalities is recognised, with two key issues: quality and affordability. The action plan recognises the impact of poor quality housing to physical and mental health, with a lack of affordable housing contributing to poverty and homelessness.
- 1.17 A key theme of the action plan is improving housing and creating safe, warm affordable homes through:
- The delivery of 10,000 new affordable homes over the next 10 years.
 - Improve energy efficiency in new and existing homes.
 - Improve property management standards in the private rented sector and increasing selective licencing to 12 areas.
 - Reduce rough sleeping and homelessness through affordable housing delivery, tenancy support and temporary accommodation provision.
 - Maximise the delivery of supported housing, providing high quality housing with care and support to meet the needs of young people, those leaving care and people requiring specialist accommodation to enable them to live in the community.

Manchester Enabling Independence Accommodation Strategy 2022 to 2032

- 1.18 The key aim of this strategy is to improve housing with care and support options to meet people's needs and better enable their independence. It has four objectives:
- 1. Work collaboratively to identify the need and demand for homes that will better enable independence.
 - 2. Ensure better care and support at home.
 - 3. Build the supported housing we need and improve pathways to it.

- 4. Improve 'move-on' from temporary supported housing into good quality independent accommodation.
- 1.19 Ways to meet these objectives are set out in the strategy but of particular note of relevance to the housing need assessment:
- The HNS sets out a recommendation for M4(3) wheelchair accessible accommodation.
 - Reduction in the overreliance on residential care by helping people remain independent at home.
 - Improvement in communication around housing options.
 - Increase the number of one bedroom move-on accommodation as part of newbuild general needs housing development.

The Places for Everyone Plan

- 1.20 The Places for Everyone Plan will be adopted in 2024 and provides an important opportunity to create the conditions for inclusive economic growth, provide opportunities for provision of much needed homes and protect and enhance the natural environment (<https://www.greatermanchester-ca.gov.uk/what-we-do/planning-and-housing/places-for-everyone/>)
- 1.21 Places for Everyone will ensure all new developments are sustainably integrated into Greater Manchester's transport network or joined by new infrastructure. It has been developed alongside Transport for Greater Manchester's (TfGM) Five-Year Transport Delivery Plan, ensuring that new residential and commercial sites are supported by good transport infrastructure, including Metrolink stops and active travel routes.
- 1.22 As a long-term plan for jobs, new homes, and sustainable growth its focus is to build back from the COVID-19 pandemic in a way that tackles the inequality experienced by so many of Greater Manchester communities.
- 1.23 It has 4 key spatial elements:
- Significant growth in jobs and housing at the core – continuing development in that part of the 'core growth area' encompassing the city centre and beyond to the Etihad in the east, through to the Quays, Trafford Park and Port Salford in the west. The majority of commercial employment growth is proposed in this area.
 - Inner Area Regeneration of those parts of Manchester, Salford and Trafford surrounding the Core Growth Area. Together with the Core Growth Area, around 50% of overall housing supply is found here.
 - Boosting the competitiveness of the northern districts – addressing the disparities by the provision of significant new employment opportunities and supporting infrastructure and a commitment that collectively the northern districts meet their own local housing need.
 - Sustaining the competitiveness of the southern districts – supporting key economic drivers, for example around Wythenshawe hospital and the airport and realising the opportunities offered by national infrastructure investment,

e.g., HS2, whilst recognising the important green infrastructure assets in the area.

- 1.24 Manchester and Salford will continue to be an appropriate location for the highest levels of new housing due to their central location, good public transport connections, proximity to the main concentrations of employment and leisure opportunities, and ability to deliver very high-density developments.
- 1.25 Between 2021-2039 Manchester will deliver 60,061 new dwellings, an annual average of 3,533. 16% will be houses and 84% apartments.

Manchester housing context and Housing Strategy 2022-2032

- 1.26 The last two decades has seen Manchester undergo a period of huge growth that has led to significant increases in the city's job market and population. This in turn has resulted in unprecedented demand for housing and new homes and as demand for housing has increased tenure has continued to diversify. There are currently 68,000 social rented homes in the city – the fewest in the last 40 years. Owner occupation has declined to around levels seen in the early 1980s and the private rented sector now accommodates around one-third of all households in Manchester.
- 1.27 The increasing cost of living has meant affordability has become even more of a challenge. The City Council has launched the Manchester Living Rent and is committed to understanding how much of the city is affordable to who, so that policies and actions can continue to target resources at those residents who need support the most.
- 1.28 Looking forward it is important to understand that demand has not only increased but it has diversified and polarised. The Covid-19 pandemic and cost of living crisis has exacerbated longstanding health and housing inequalities in Manchester and disproportionately affected the most at risk residents. At the same time, the UK's departure from the European Union has placed significant pressures on some of the most valuable business sectors (including construction) and at risk communities in the city.
- 1.29 The overarching vision for the Manchester Housing Strategy 2022-2032 is to deliver the homes that people want and need. It is built around the following four vision principles:
 - Increase affordable housing supply and build more new homes for all residents.
 - Work to end homelessness and ensure housing is affordable and accessible to all.
 - Address inequalities and create neighbourhoods where people want to live.
 - Address the sustainability and zero-carbon challenges in new and existing housing.

Regarding dwelling supply, the strategy references the delivery of 36,000 new homes by 2032 including 10,000 affordable homes (28% of delivery) of which 3,000 will be in the city centre. Of the 10,000 total, 3,000 affordable family houses

will be built to help address overcrowding in areas where average household sizes are the highest.

General policy context

The White Paper: Levelling Up the United Kingdom

- 1.30 Housing has a key role in the government's Levelling Up proposals. Housing is one of 12 missions, namely:
- *By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.*
- 1.31 The proposal for a new minimum standard for privately rented homes will have an impact, but only if the standards from the Decent Homes Review are ambitious and local authorities have the resources to enforce them.
- 1.32 The scrapping of the '80/20' rule, which sees some Homes England housing funds channelled to areas of the highest unaffordability will presumably mean the South East will receive a lower share.
- 1.33 The encouragement of "county deals" for resource allocation and coordination will place an onus on the district and county to work effectively together.
- 1.34 The White Paper has many, wide-ranging ambitions. However, there is limited detail on how the various targets, objectives and missions are to be achieved.

Climate change, and energy use

- 1.35 The government's original 10 Point Plan has now developed along three routes:
- The Net Zero Strategy
 - The Heat and Building's Strategy
 - Wider Decarbonisation
- 1.36 Housing was not mentioned within the Glasgow Climate Pact's 20 pages. However, a third of emissions are ascribed to housing.
- 1.37 Funding is a key challenge. The Commons' Climate Change Committee has said that public investment for the transition needs to double. However, only around £7bn of new investment was announced in the Net Zero Strategy.
- 1.38 The 2021 Heat and Buildings Strategy is allocating a £450m budget for £5,000 grants for heat pumps from April 2022. However, this is only 10% of the scale of public funding required. Similarly, there is no funding for home insulation for the 60% of UK households, who own their own home and are not fuel poor.
- 1.39 The strategy signals the government's intention "to phase out the installation of new natural gas boilers (currently present in 85% of homes) from 2035". However, the alternative is not defined at this point. A proposal was announced to launch a Hydrogen Village trial to inform a decision on the role of that fuel in heating by 2026.

- 1.40 £3.9bn was allocated to support housing decarbonisation of which £800m was for the Social Housing Decarbonisation Fund. This is £3 billion *below* the 2019 manifesto commitment.
- 1.41 Notwithstanding this, all these commitments spending, heat and buildings remain a significant investment gap in green spending, with nearly £10bn additional investment needed this parliament to get on track to net zero.
- 1.42 In December 2021, the Department for Levelling Up, Homes and Communities (DLUHC) announced changes to building regulations operational from August 2022 which will require new CO2 emissions from new build homes to be around 30% lower than current standards.
- 1.43 The £320 million Heat Networks Investment Project (HNIP), which supports the development of heat networks (e.g., derived from water courses) across England and Wales, allocated £19 million in 2022 for projects in Liverpool, Kensington and Chelsea, Bristol and Worthing.
- 1.44 The National Infrastructure Bank will fund investment via a new green gilt potentially covering an additional £16bn of green major *infrastructure* spending.

Future housing need

- 1.45 As set out in the Places for Everyone Policy JP-H1, the annual net housing target for Manchester is 3,533 over the period 2021 to 2039.

Geography

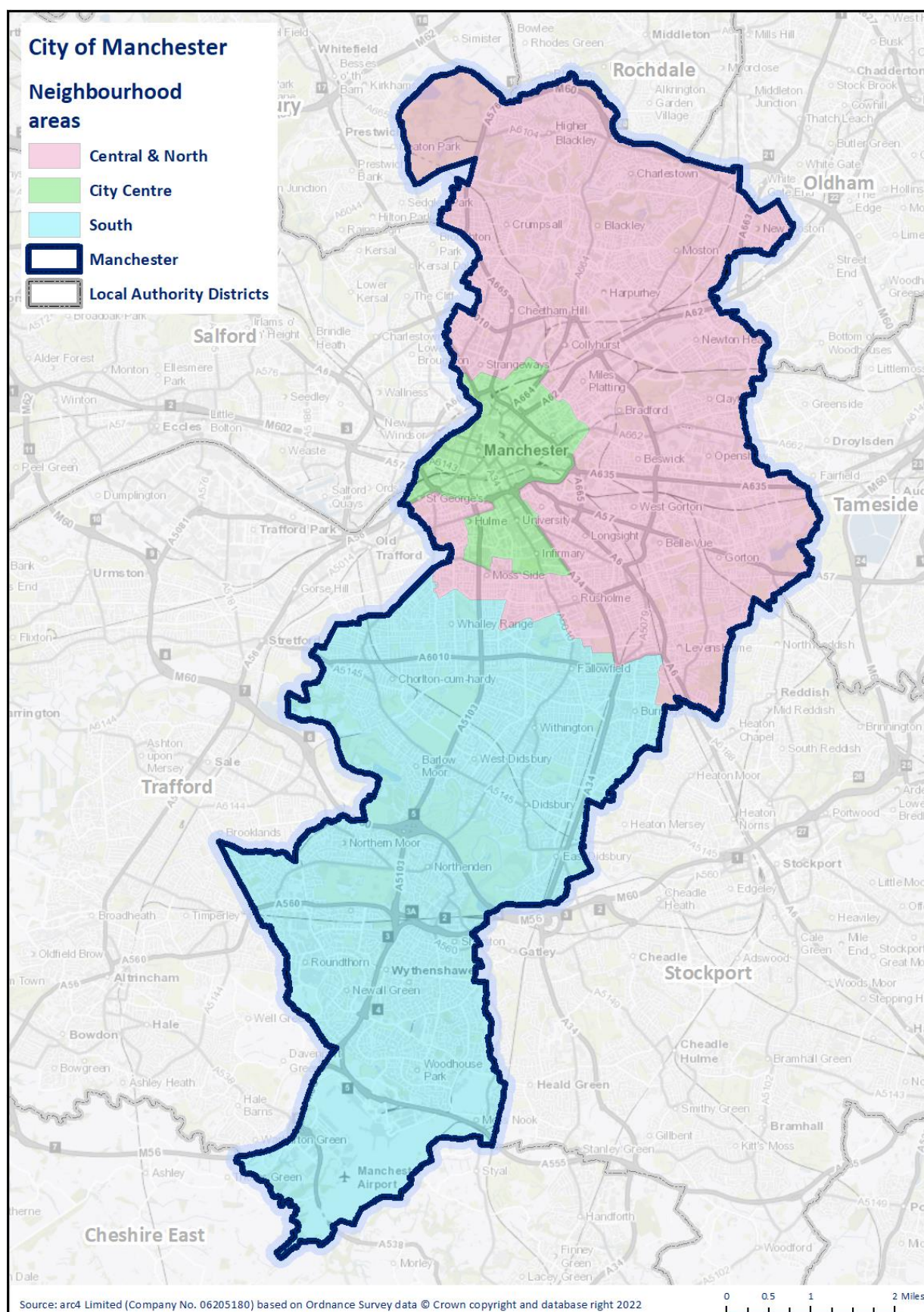
- 1.46 The City of Manchester is located in Greater Manchester. The city occupies a prime strategic location, with excellent road links and rail connectivity across Greater Manchester, the North West and the north of England.
- 1.47 The resident population of Manchester City Council was estimated to be 551,938 according to the 2021 census and 558,500 in 2021 according to the 2014-based ONS population projections.
- 1.48 For the purposes of the HNA, Manchester has been divided into 3 sub-areas (Map 1.1).
- 1.49 The HNA also presents some data at Lower Super Output Area (LSOA) to provide a fine-grained analysis of selected household and housing market data.

Research methodology

- 1.50 A multi-method approach has been used to prepare the 2023 HNA comprising:
 - An online survey of stakeholders which included 9 representatives from strategic and local organisations.
 - Interviews with estate and letting agents operating across Manchester City.
 - A review of relevant secondary data including the 2021 Census, house price trends, ONS sub-national population projections and DLUHC/ONS household projections, CORE lettings data and DLUHC statistics.

- A comprehensive online household survey. 15,000 households were contacted across the city and 972 responses were achieved representing a 6.5% response rate and a sample error of +/-3.1% which the ONS describes as 'precise'. This low level of response was anticipated, hence the large initial mail out to households. **Findings from the household survey are referenced as '2023 household survey' in this report.**
- A review of particular client groups relevant to NPPF Paragraph 61, including hard to reach and vulnerable groups.

1.51 Further information on the research methodology is presented in Technical Appendix A.

Map 1.1 City of Manchester Neighbourhood Areas

Presentation of data

- 1.52 Data are clearly sourced throughout the HNA report. Where possible, data are 'triangulated' which means several sources are drawn upon to establish a robust output.

Report structure

- 1.53 The Manchester HNA 2023 report is structured as follows:
- Chapter 2 considers the housing market key drivers focusing on dwelling stock, demographic drivers, household characteristics including income, economic drivers and migration.
 - Chapter 3 provides analysis of prices, rents and affordability.
 - Chapter 4 considers the needs of different groups as referenced in the NPPF.
 - Chapter 5 considers overall dwelling type, mix and affordable housing need
 - Chapter 6 concludes the report with a summary of key findings and a consideration of strategic and policy issues.
- 1.54 The main report is accompanied by a separate technical appendix which provides detailed material that underpins the core outputs of the HNA. The technical appendix material includes:
- Research methodology (Appendix A).
 - Affordable housing tenure definitions (Appendix B).
 - Affordable housing need calculations (Appendix C).
 - Dwelling mix analysis (Appendix D).
 - Stakeholder consultation (Appendix E)
 - Agent review (Appendix F).
- 1.55 Please note that any references to data from the government department responsible for housing and planning matters has been standardised to the Department for Levelling Up, Housing and Communities (DLUHC).

2. Housing market and key drivers

Introduction

- 2.1 This chapter provides a detailed background to dwelling stock and tenure and the underlying economic, demographic and household drivers across Manchester.

Dwelling stock, vacant stock and household estimates

- 2.2 Current estimates of dwelling stock, vacant stock and households from multiple sources are presented in Table 2.1. For the purposes of the 2023 HNA, the total dwelling stock base is assumed to be **243,432** and the number of households as **214,749**. Around 3.3% of dwellings are vacant compared with the national rate of 2.6% based on DLUHC data (2022 latest). Table 2.2 shows the number of dwellings and household estimates for smaller geographies.

Table 2.1 Dwelling stock and household estimates

Dwelling stock	Dwellings	Source
2022 Valuation Office Agency (all dwellings)	243,770	VOA Table CTSOP3.0
2022 Valuation Office Agency (excluding annex and unknown)	237,410	VOA Table CTSOP3.0
2022 DLUHC Dwelling Stock Estimates	236,643	DLUHC Live Tables
2022 Council Tax data	243,432	Council Tax
Vacant stock	Dwellings	Source
2021 DLUHC Vacancy estimate (all dwellings)	5,425 (2.3%)	DLUHC Table LT_615
2021 DLUHC Long-term vacancy estimate (all dwellings)	2,184 (0.9%)	DLUHC Table LT_615
Households	Households	Source
2014-based DCLG Household Projections 2022 figure	235,484	DCLG (now DLUHC)
2018-based ONS Household Projections 2022 figure	218,425	ONS
2021 Census (Note this figure is disputed by the council as other evidence would suggest this is higher)	214,749	ONS

Dwelling type and size

- 2.3 The 2022 Valuation Office Agency data provides details on overall dwelling stock by type, number of bedrooms and council tax band. Table 2.3 presents the overall dwelling stock profile of the city compared with Greater Manchester, the North West and England. Table 2.4 summarises dwelling type and size data for Manchester.

2.4 In summary, Tables 2.3 to 2.4 show:

- 73.4% of dwellings in Manchester are council tax band A or B properties and 26.7% are band C or above;
- 59.3% of dwellings are houses (33.7% terraced, 23.4% semi-detached and 2.2% detached), 39.7% are flats and 1.0% are bungalows; and
- 18.3% of dwellings have one bedroom, 33.7% two bedrooms, 41.3% three bedrooms and 6.7% four or more bedrooms.

2.5 Map 2.1 illustrates the predominant dwelling type and size by LSOA based on 2022 Valuation Office Agency data.

Table 2.2 Dwelling stock and household estimate by sub-area

Sub-area	Dwellings	Households
City Centre	34,620	22,653
North & Central Manchester	112,520	104,693
South Manchester	90,270	87,409
Manchester	237,410	214,755

Source: Dwellings VOA 2022; households 2021 Census

Note the census data may be an undercount of households living in Manchester.

Table 2.3 Dwelling type, number of bedrooms and council tax band for Manchester and comparator areas

	Council Tax Band	Council Tax Band	Council Tax Band	Council Tax Band	Dwelling stock totals	Dwelling stock totals	Dwelling stock totals	Dwelling stock totals
Dwelling type and number of bedrooms	A	B	C-E	F+	Manchester	Greater Manchester	North West	England
Bungalow 1-bedroom	0.4%	0.0%	0.0%	0.0%	0.4%	1.0%	1.0%	1.1%
Bungalow 2-bedrooms	0.2%	0.2%	0.1%	0.0%	0.5%	2.9%	4.1%	4.7%
Bungalow 3-bedrooms	0.0%	0.0%	0.1%	0.0%	0.1%	2.0%	2.8%	3.0%
Bungalow 4 or more -bedrooms	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.6%	0.6%
Flat 1-bedroom	13.0%	2.2%	2.5%	0.0%	17.7%	9.9%	8.3%	10.9%
Flat 2-bedrooms	7.1%	3.7%	7.7%	0.7%	19.1%	9.9%	8.0%	10.6%
Flat 3-bedrooms	0.6%	0.2%	0.5%	0.2%	1.5%	0.8%	0.8%	1.8%
Flat 4 or more-bedrooms	0.2%	0.6%	0.6%	0.0%	1.3%	0.4%	0.4%	0.5%
Terraced house 1-bedroom	0.1%	0.0%	0.0%	0.0%	0.1%	0.2%	0.3%	0.5%
Terraced house 2-bedrooms	10.1%	1.3%	0.4%	0.0%	11.8%	15.4%	12.9%	8.8%
Terraced house 3-bedrooms	14.7%	3.3%	1.7%	0.0%	19.7%	15.3%	16.4%	14.9%
Terraced house 4 or more-bedrooms	0.8%	0.3%	0.9%	0.1%	2.1%	1.7%	2.2%	2.4%
Semi-detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Semi-detached house 2-bedrooms	1.2%	0.7%	0.2%	0.0%	2.2%	4.5%	4.0%	3.8%
Semi-detached house 3-bedrooms	7.3%	4.6%	7.1%	0.1%	19.0%	22.5%	21.9%	17.6%
Semi-detached house 4 or more-bedrooms	0.3%	0.2%	1.5%	0.2%	2.2%	2.8%	3.0%	2.6%
Detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Detached house 2-bedrooms	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.4%	0.7%
Detached house 3-bedrooms	0.0%	0.0%	1.0%	0.0%	1.0%	4.2%	5.0%	5.9%
Detached house 4 or more-bedrooms	0.0%	0.0%	0.7%	0.4%	1.1%	5.6%	7.9%	9.4%
Manchester Total	56.0%	17.4%	25.0%	1.7%	100.0%			
Greater Manchester Total	44.8%	19.9%	31.9%	3.4%		100.0%		
North West Total	40.14%	20.47%	34.38%	5.02%			100.0%	
England Total	23.51%	19.69%	47.57%	9.22%				100.0%

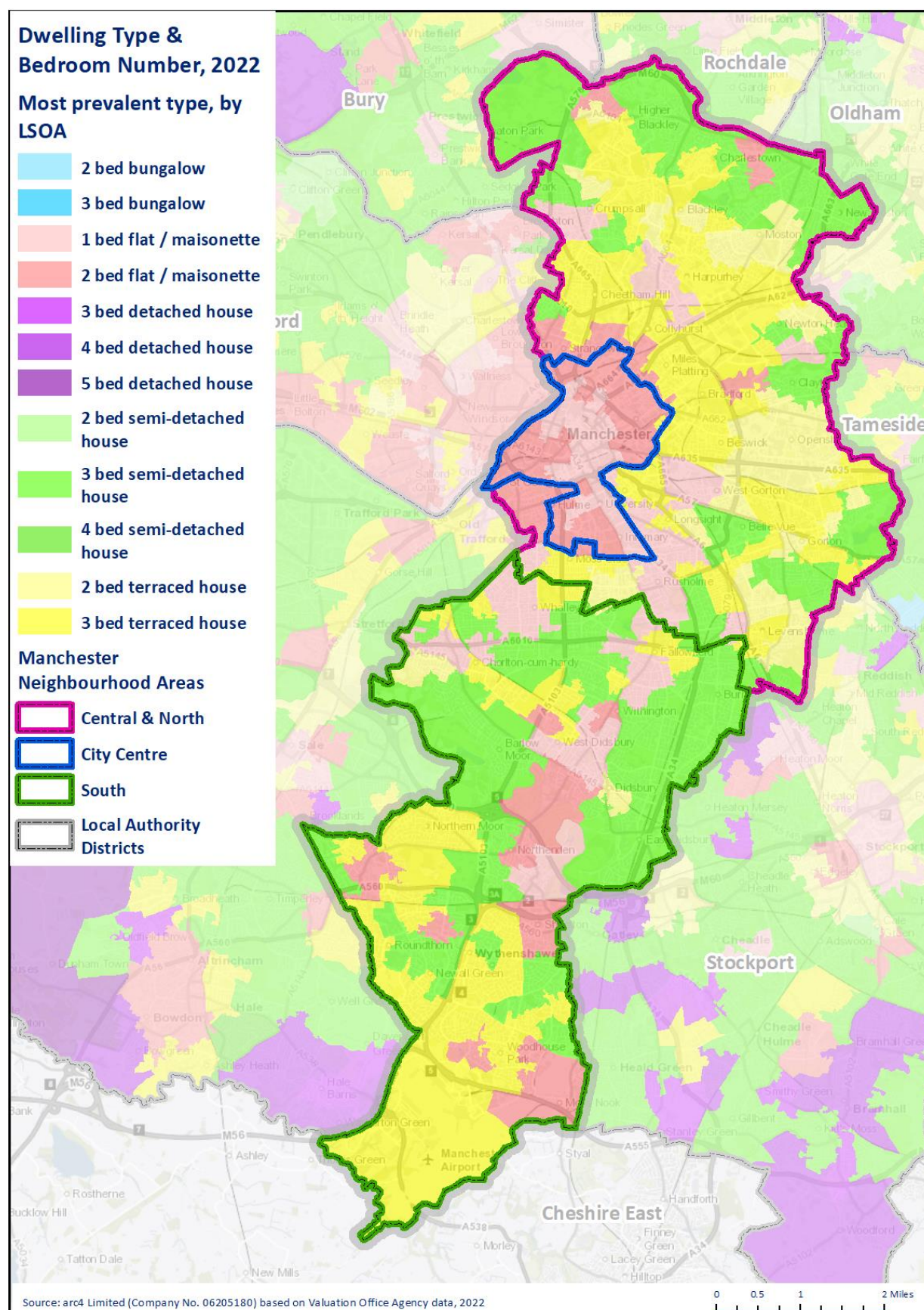
Base: Manchester 237,410; Greater Manchester 1,249,330; North West 3,340,270; England 24,596,090 (excludes annex, other and missing)

Source: VOA 2022

Table 2.4 Dwelling type, number of bedrooms and council tax band summary

Dwelling type	Council Tax Band A	Council Tax Band B	Council Tax Band C-E	Council Tax Band F+	Manchester Total
Bungalow	0.6%	0.2%	0.2%	0.0%	1.0%
Flat	20.8%	6.6%	11.3%	0.9%	39.7%
Terraced	25.7%	5.0%	3.0%	0.1%	33.7%
Semi-detached	8.8%	5.6%	8.8%	0.2%	23.4%
Detached	0.0%	0.1%	1.7%	0.4%	2.2%
Total	56.0%	17.4%	25.0%	1.7%	100.0%
Number of bedrooms	Council Tax Band A	Council Tax Band B	Council Tax Band C-E	Council Tax Band F+	Manchester Total
1-bedroom	13.5%	2.2%	2.5%	0.0%	18.3%
2-bedrooms	18.7%	5.9%	8.4%	0.7%	33.7%
3-bedrooms	22.5%	8.1%	10.3%	0.3%	41.3%
4-bedrooms	1.3%	1.1%	3.7%	0.6%	6.7%
Total	56.0%	17.4%	25.0%	1.7%	100.0%

Source: VOA 2022

Map 2.1 Predominant dwelling type and size by LSOAs: Manchester

Source: Valuation Office Agency 2022

- 2.6 There are 3,500 licenced houses in multiple occupancy (HMOs). Most are located in North and Central and South Manchester. The total number of HMOs in Manchester are estimated to be 8,000 (LAHS data returns).

Table 2.5 HMO distribution across Manchester

Sub-area	Licenced	Not Licenced	Total
City Centre	510	656	1,167
North & Central Manchester	1,659	2,133	3,792
South Manchester	1,331	1,711	3,042
Manchester	3,500	4,500	8,000

Source: Council data & LAHS data returns, England 2020-21: Section F – Condition of Dwelling Stock

Property age and condition

The age and condition of Manchester's housing

- 2.7 The age profile of the dwelling stock in the city is summarised in Table 2.6. 44.7% of dwellings were built before 1945, 21.8% between 1945 and 1982 and 33.6% since 1983.

Table 2.6 Age of dwelling

Age of Dwellings	Number	%
pre-1919	55,940	23.0%
1919-44	52,640	21.7%
1945-64	23,900	9.8%
1965-82	29,060	12.0%
1983-99	23,210	9.6%
post 1999	58,210	24.0%
Total	242,960	100.0%
Unknown	670	
Grand Total	243,630	

Source: VOA 2022

- 2.8 The English Housing Survey (EHS) produces national data on dwelling condition. Applying national trends to the stock profile of Manchester (Table 2.7) would suggest that around 18.4% of dwelling stock is non-decent, which is in line with the national average of 17.0%. The number of dwellings likely to fail the minimum standard of decent homes criteria is estimated to be 11.0% (compared with 9.9% nationally).

- 2.9 A full definition of what constitutes a decent home is available from DLUHC (source: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf) but in summary a decent home meets the following four criteria:
- a. it meets the current statutory minimum for housing;
 - b. it is in a reasonable state of repair;
 - c. it has reasonably modern facilities and services; and
 - d. it provides a reasonable degree of thermal comfort.

Table 2.7a Dwelling stock condition in England – percentage of dwellings failing decent homes criteria estimate

England Dwelling age (ehs)	% fail Non-decent	% fail Minimum Standard	% fail Repair	% fail Modern facilities and services	% fail Thermal Comfort	All dwellings in group (000s)	% dwellings
pre-1919	32.0%	21.7%	7.3%	4.65%	7.8%	4,906	20.1%
1919-44	19.3%	11.0%	4.5%	3.4%	6.2%	3,738	15.3%
1945-64	16.1%	8.9%	4.7%	1.5%	4.2%	4,369	17.9%
1965-80	15.1%	8.1%	1.1%	1.1%	6.9%	4,872	20.0%
1981-90	16.5%	3.8%	1.0%	2.1%	12.1%	1,959	8.0%
post 1990	2.0%	1.8%	U	0.2%	0.0%	4,570	18.7%
Total	17.0%	9.9%	3.3%	2.1%	5.6%	24,414	100.0%

Table 2.7b Dwelling stock condition in Manchester – number of dwellings failing decent homes criteria estimate

Dwelling age (ehs)	Dwelling age (voa)	fail Non-decent	fail Minimum Standard	fail Repair	fail Modern facilities and services	fail Thermal Comfort	All dwellings in group	Percentage of dwellings in group
pre-1919	pre-1919	17,901	12,139	4,084	2,573	4,363	55,940	23.0%
1919-44	1919-44	10,160	5,790	2,369	1,790	3,264	52,640	21.7%
1945-64	1945-64	3,848	2,127	1,123	359	1,004	23,900	9.8%
1965-80	1965-82	4,388	2,354	320	320	2,005	29,060	12.0%
1981-90	1983-1992	1582	364	96	201	1,160	9,590	3.9%
post 1990	Post 1992	1437	1,293	*	144	0	71,830	29.6%
Total	-	39,315	24,068	7,991	5,386	11,796	242,960	100.0%
% of all stock	-	18.4%	11.0%	3.9%	2.5%	5.7%	-	-
National %	-	17.0%	9.9%	3.3%	2.1%	5.6%	-	-

Source: English Housing Survey 2019 data applied to 2022 Valuation Office Agency dwelling stock age

Note ‘*’ indicates sample size too small for reliable estimate

- 2.10 The 2023 household survey provides an indication of household satisfaction with the state of repair of accommodation. Overall, 58% of respondents expressed satisfaction (21.6% were very satisfied and 36.4% were satisfied); 19% were neither satisfied nor dissatisfied. A total of 23.1% expressed degrees of dissatisfaction, of whom 15% were dissatisfied and 8.1% were very dissatisfied.
- 2.11 Table 2.8 considers how dissatisfaction with state of repair varies by tenure, property type, age and location. Dissatisfaction was highest amongst those living in affordable housing (which is more reflective of tenant expectations of landlord responses to repairs rather than the actual state of repair) and private renters; those in flats/apartments, semi-detached houses and terraced / town houses; and those in properties built before 1944.

Table 2.8 Dissatisfaction with quality of accommodation by tenure, property type and property age

Tenure	No. of households dissatisfied	% of households Dissatisfied	Base (households)
Owner occupier	10,133	9.9	102,288
Private rented	13,438	29.5	45,549
Affordable housing	23,992	41.2	58,201
Total (all responses)	47,563	23.1	206,038
Missing cases (where tenure was not stated)			8,717
Total (all households)			214,755
Property Type	No. of households dissatisfied	% of households Dissatisfied	Base (households)
Detached house	1,136	9.9	11,468
Semi-detached house	14,116	20.4	69,121
Terraced house / town house	11,100	20.7	53,635
Bungalow	604	20.8	2,899
Maisonette	300	15.3	1,961
Flat / apartment	18,484	29.2	63,288
Caravan/park home / other	1,823	57.9	3,148
Total (all responses)	47,563	23.1	205,519
Missing cases (where property type was not stated)			9,236
Total (all households)			214,755
Property Age	Number of households dissatisfied	% of households Dissatisfied	Base (households)
Pre 1919	5,098	16.7	30,517
1919 to 1944	5,690	16.4	34,771
1945 to 1964	2,947	16.6	17,747
1965 to 1984	3,230	24.3	13,300
1985 to 2004	2,968	13.1	22,728
2005 onwards	3,217	11.3	28,588
Don't know	24,414	42.0	58,084
Total (all responses)	47,563	23.1	205,734
Missing cases (where property age was not stated)			9,021
Total (all households)			214,755

Source: 2023 household survey

Housing tenure

- 2.12 The tenure profile by sub-area is presented in Table 2.9 This is based on the 2021 Census. Overall, 37.2% of occupied dwellings are owner-occupied, 32.5% are private rented (including tied accommodation and student housing) and 30.2% are affordable (including social rented from a council or housing association and shared ownership). There are considerable variations in tenure profile by sub-area.

Table 2.9 Tenure profile by sub-area

Sub-area	Owner occupied	Private rented	Social/ Affordable rented	Total	Total households
City Centre	35.9%	30.0%	34.2%	100.0%	22,653
North & Central Manchester	21.2%	56.6%	22.2%	100.0%	104,693
South Manchester	45.8%	25.4%	28.8%	100.0%	87,409
Manchester	37.2%	32.5%	30.2%	100.0%	214,755

Source: 2021 Census KS402EW

The owner-occupied sector

- 2.13 An analysis of house prices and trends over time is presented in Chapter 3.

Stakeholder views on the owner-occupied sector

- 2.14 A full analysis of the findings of the online stakeholder survey and from discussions with estate agents is set out in Technical Appendix E. Key points raised by stakeholders include:
- The city has a strong housing market with very good growth forecasts with many opportunities for brownfield redevelopment in sustainable locations. There are lots of available properties for young professionals with a certain level of income. The strong and increasing supply of private sector new build is generally supporting the economic growth and development of the city.
 - There are really only two extremely desirable home ownership neighbourhoods (Didsbury and Chorlton) and many more low income (“deprived”) neighbourhoods particularly across north and east Manchester. There is significant polarisation between deprived areas and areas of affluence resulting in an unbalanced housing market and some areas of lesser quality housing including a significant number of HMO’s.
 - Many people commute into Manchester for higher paid jobs so the gap between the wages of those resident in Manchester and those who work in the city persists.

- There is a lack of all types and tenures of housing across the city, particularly in and around existing, sustainable locations to allow communities to remain intact and to benefit from opportunities presented by more affluent areas. There is a general perception that there is a good supply of flats.
 - Specific shortages were identified for family housing (particularly large family housing). More new purpose built student accommodation in the centre could free up much needed family housing in the suburban areas.
- 2.15 Appendix F provides a summary of market activity by broad sub-area.

The private rented sector

- 2.16 The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment, to respond to changing circumstances and provides a housing option for those on low incomes. Across the city, the proportion of households renting increased from 18.6% in 2001 to 32.5% in 2021 (ONS census data). During this period, there has been growth of the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role in meeting housing need, affordable need as well as providing an alternative to homeownership.
- 2.17 Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encouraging good quality management will improve the reputation of the sector and encourage longer term lets and lower turnover. However, this is a challenging task where existing partners need to be encouraged to participate and new partners and investors need to be identified.

Build to Rent

- 2.18 Build to Rent schemes can have a number of benefits. Schemes can quickly increase supply and provide improved quality and wider choice in housing markets; the accommodation and service offer provide better tenure options for households looking to rent longer term compared to what is available in the current PRS. Standards are expected to be more professional, tenancies longer and by introducing an affordable offer (minimum 20% below market rents), these schemes can meet an identified and specific need as affordable rental accommodation.
- 2.19 Local authorities already have tools and powers at their disposal to support Build to Rent. For example, as part of their plan-making and decision taking processes, authorities can:
- Identify sites in their Strategic Land Availability Assessments which might be well suited to particular types of development.

- Include policies in their Local Plans on Build to Rent.
 - Choose whether or not to deploy the nationally described space standard, taking into account viability and need considerations.
- 2.20 Local authorities also have non-planning powers at their disposal through which they can support Build to Rent, such as using their own council land holdings.

Recommendations for a policy framework

- 2.21 Any decisions regarding discounts and the amount of affordable private rent to be secured will need to be affordable to local households and take into account viability assessment analysis. The council may wish to consider developing a planning policy to consider:
- what constitutes Build to Rent in terms of size of scheme;
 - the percentage discounts that will be applied to Build to Rent schemes to secure affordable private rent as an affordable product for local people in line with their affordability policies. It is likely the evidence in this report will need to be tested against viability evidence;
 - (the council may wish to consider) whether it wishes to vary the proportion of and explore a trade-off between the number of affordable private rent units and the discount offered on them across the development, with the proviso being that these should accord with the headline affordable housing contribution agreed through the planning permission;
 - the requirement that the affordable private rent units should be retained as affordable housing in perpetuity; there should be no break clause for the affordable housing which should remain as a community benefit in perpetuity;
 - the groups that affordable private rent should be targeted toward (the product is affordable for lower and median income groups across various locations and property sizes);
 - the size of units required for affordable private rent;
 - (the council may wish to consider) establishing an intermediate housing list and a mechanism for access to these properties;
 - a requirement for applications to demonstrate how any negotiated discount is affordable to local incomes;
 - the need for all options to be agreed jointly between the local authority and the developer as part of the planning permission; and
 - on site provision to be a priority but where this is not the requirement by the council, a commuted sum mechanism be developed to reflect the bespoke nature of Build to Rent.
- 2.22 Build to Rent and affordable private rent affords a number of benefits as a product to improve the quality of supply and management of rented accommodation in Manchester. To ensure these benefits are realised, the council may wish to consider setting out specific requirements within their

planning policy that confirms that Build to Rent, and any affordable associated products must provide:

- unified ownership and unified management of the private and affordable private rent elements of the scheme;
- longer tenancies (three years or more) to all tenants – these should have break clauses for renters, which allow the tenant to end the tenancy with a month's notice any time after the first six months;
- rent certainty for the period of the tenancy, the basis of which should be made clear to the tenant before a tenancy agreement is signed, including any annual increases which should always be formula-linked;
- for on-site management, this does not necessarily mean full-time dedicated on-site staff, but all schemes need to have a complaints procedure in place and are a member of a recognised ombudsman scheme;
- no up-front fees of any kind to tenants or prospective tenants, other than deposits and rent-in-advance;
- a range of unit sizes for affordable private rent in equal proportions of the Build to Rent units based on local market conditions;
- a bespoke eligibility agreement agreed with the council on all developments;
- an annual statement to demonstrate how the affordable private rent units are meeting local housing need;
- for all affordable private rent units to be tenure blind, and physically indistinguishable, and designed to the same high design quality and specification as the market homes; and
- for affordable private rent homes to be distributed throughout the scheme, to help support a mixed and balanced community.

- 2.23 Eligibility for occupying affordable private rented homes should be agreed locally between the local authority and the scheme operator, but with regard to criteria set out in planning guidance. Final decisions over the occupancy criteria for affordable private rent homes should be made by the Build to Rent scheme operator (which should reference part 6 allocations, the council's allocation policy and choice-based lettings scheme), working with the authority, taking into account the criteria, the Councils Allocation Policy including Local Connection criteria (where applicable and not to the exclusion of those exempt) and other parameters as agreed.
- 2.24 The eligibility criteria for the affordable private rent homes should be set out in the Section 106 agreement.

Stakeholder views on the private rented sector

- 2.25 A full analysis of the findings of the online stakeholder survey is set out in Technical Appendix E. A short summary for the private rented sector is provided here.
- 2.26 Stakeholders commented that:

- There are large swathes of PRS, which fall essentially into two types; new build particularly around the city centre, and existing stock (often of poor quality), with low-income households (accessed as a result of shortages in social rented). The new build within the private rental sector is out of reach for many local citizens.
- There is a large student population in PRS along/around the Wilmslow Road corridor. This mono tenure reduces housing choices around tenure and type which limits opportunities to encourage a mixed, balanced and sustainable community.
- Currently Housing Solutions is focused on placing homeless households into PRS accommodation. The reliance on PRS is expensive and only a short-term solution. Landlords are selling up and rents are skyrocketing so this is not a sustainable solution. Building more social homes makes fiscal sense for the LA and proper investment in high quality social housing will end the housing emergency in Manchester.

Affordable housing

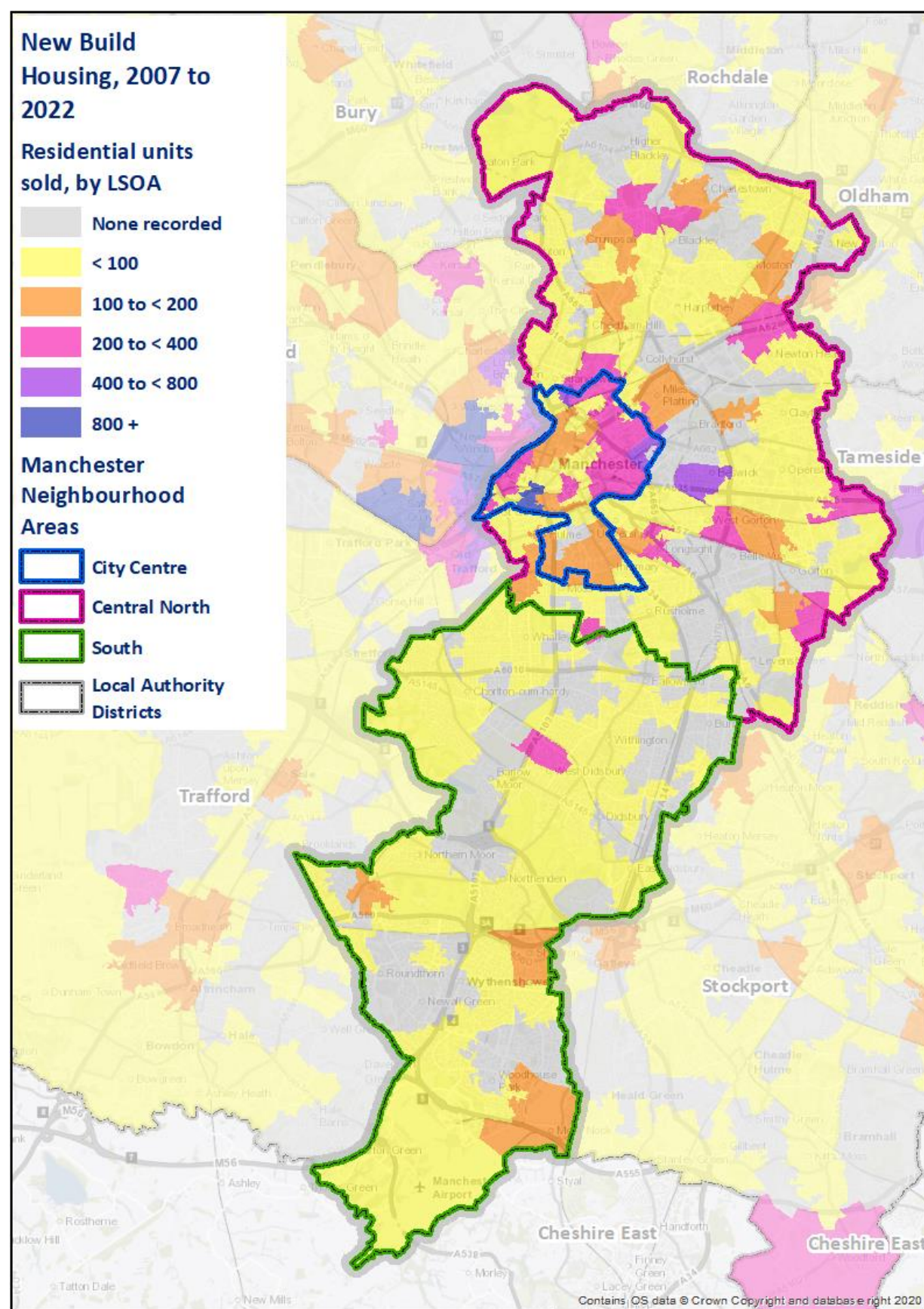
- 2.27 There are 64,838 affordable dwellings across Manchester in 2022 according to data provided by the Council. This compares with a total of 53,018 reported in the Regulator of Social Housing Statistical Data Return (SDR) 2022 data.

Stakeholder views on affordable housing

- 2.28 A full analysis of the findings of the online stakeholder survey is set out in Technical Appendix E. A short summary for the affordable sector is provided here.
- 2.29 Stakeholders commented that:
- There is very little affordable housing. Rents are becoming increasingly unaffordable and local people are being priced out. In the last 10 years there has been a net loss of social housing with over 4000 social properties having been lost due to Right to Buy or demolition. Manchester is experiencing a housing emergency and homelessness is rising. Building social housing is key to ending this crisis.
 - There is a significant gap in the supply of social and affordable housing provision – new build plans are not sufficient to deal with this. Turnover of social housing has decreased significantly in recent years and as average rents have continued to rise there is a clear need for more social housing in most wards. Low turnover means that people in significant housing need are not supported to move quickly enough. Gaps include homes that can be adapted or are already adapted, types of affordable housing include all sizes but in particular there is a lack of social housing properties for families and singles.
 - More shared ownership houses would be welcomed as it would counter supply of apartments particularly in central locations. The price point will be

a critical factor in affordability that may require RPs to sell lower tranche at first sale.

- There are also concerns with the age and quality of buildings in terms of building safety, damp and mould. There is a strong need to develop new supported living services where the head landlord is a Registered Housing Provider, in order to give security of tenure, affordable and good quality accommodation for vulnerable adults to be supported and cared for.
- Meeting affordable housing need, particularly for young families is a priority as is accommodating an ageing population and encouraging downsizing through provision of increased housing choices for older people. More adapted and social/affordable housing is also needed. This could be tackled by building more social housing, suspending Right to Buy.
- Adults of working age with mental health support needs are competing with all other health groups as well as the general population for social / affordable housing. However, there is a need to avoid the risk of potential over supply of Supported Accommodation in the attempt to compensate for the lack of social / affordable housing. Ideally, more floating and visiting support is needed for this group within their own tenancy but there is a need for more affordable housing to move towards this position which would enable more flexibility in allocating scarce social care provision.

Map 2.2 New build dwellings by LSOA over period 2007-2022

Source: Land Registry © Crown copyright 2007 to 2022

Demographic drivers: population and households

Population projections

- 2.30 Although national population projections are produced by the ONS every two years, Manchester City Council produces its own figures to reflect the nuances of the city population which the council believes are not sufficiently reflected in the ONS projections. Therefore 2014-based projections have been used to inform the HNA.
- 2.31 The 2014-based ONS population projections report a population of 562,100 in 2022 which is expected to increase to 623,500 by 2039 (Table 2.10a). The 2018-based projections indicate a population of 557,870 in 2022 increasing to 591,887 by 2039 (Table 2.10b). In both projections, there is an increase across most age cohorts with the exception of the 0 to 19 age group in the 2018-based projections. Older age groups see the largest increase under both projections.
- 2.32 The 2014-based projections underpin the 2014-based DLUHC household projections which inform the standard method to calculate housing need. They show a higher level of population growth compared with the 2018-based projections.

Table 2.10a Change in population 2022-2039 by age group – 2014-based ONS population projections

Age groups	2022	2039	Number change 2022-2039	% change 2022-2039
0-19	145,900	153,300	7,400	5.1%
20-39	221,900	230,800	8,900	4.0%
40-54	91,900	107,600	15,700	17.1%
55-64	48,000	52,900	4,900	10.2%
65-74	30,400	41,300	10,900	35.9%
75-84	17,200	26,200	9,000	52.3%
85+	6,800	11,400	4,600	67.6%
All Ages	562,100	623,500	61,400	10.9%

Source: 2014-based ONS population projections

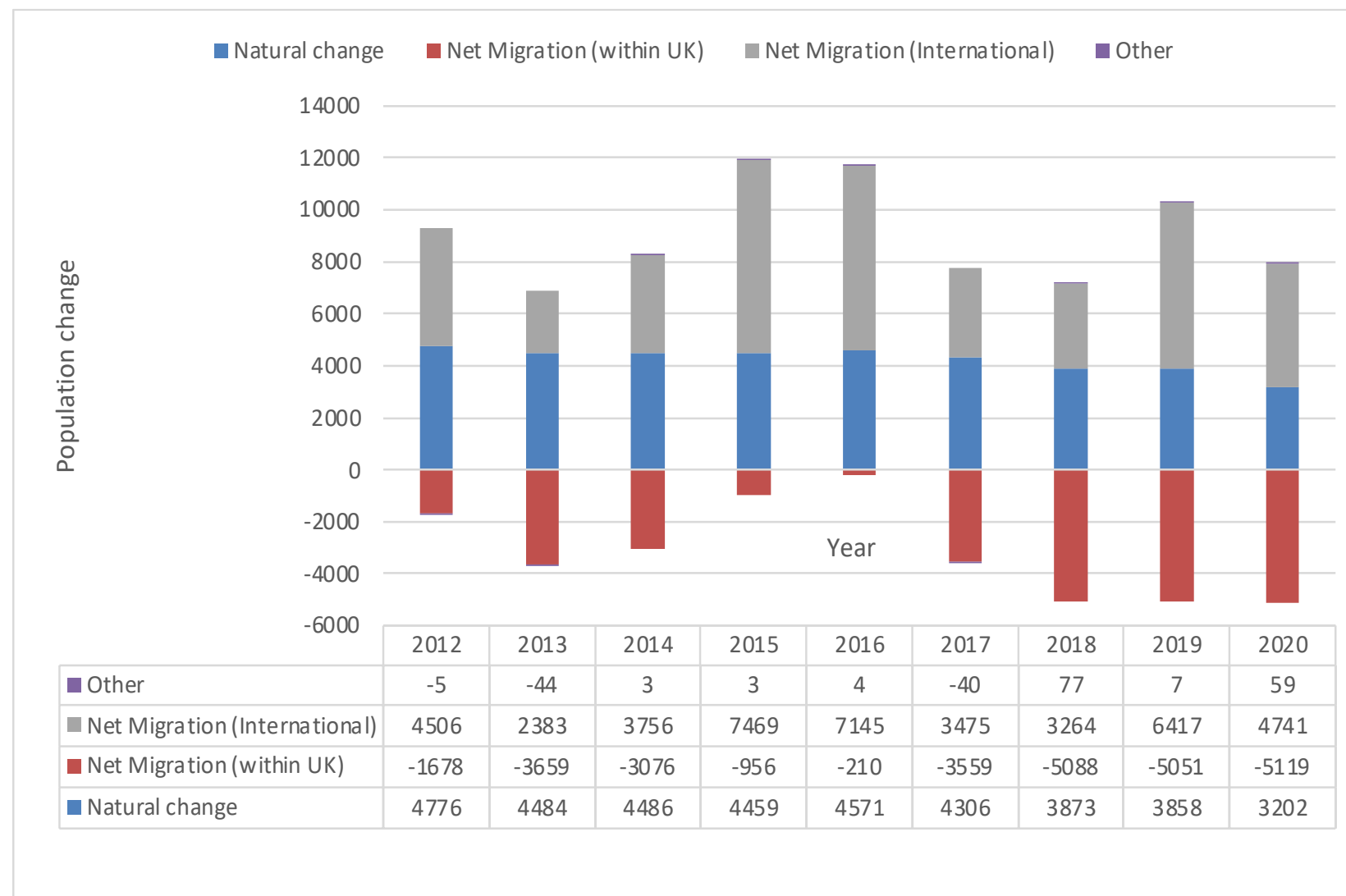
Table 2.10b Change in population 2022-2039 by age group – 2018-based ONS population projections

Age groups	2022	2039	Number change 2022-2039	% change 2022-2039
0-19	144,360	143,379	-981	-0.7%
20-39	223,855	232,671	8,816	3.9%
40-54	88,959	95,868	6,909	7.8%
55-64	47,447	48,610	1,163	2.5%
65-74	30,307	39,360	9,053	29.9%
75-84	16,506	23,622	7,115	43.1%
85+	6,436	8,378	1,942	30.2%
All Ages	557,870	591,887	34,017	6.1%

Source: 2018-based ONS population projections

Components of population change

- 2.33 The ONS publish mid-year population estimates at local authority level which includes an analysis of components of population change, that is natural change, national migration and international migration. The component analysis also includes 'other' change which can include boundary adjustment and military population moves. The data for Manchester 2012-2020 is shown in Figure 2.1. Over the period 2012 to 2020, natural change and net in-migration has consistently increased population but this has been counteracted by a consistent net out-migration within the UK.

Figure 2.1 Components of population change 2012 to 2020

Source: ONS Population estimates and components of population change. Detailed time series 2001 to 2020

Migration trends 2012-2020

- 2.34 Table 2.11 presents a detailed analysis of internal and international migration by year and Table 2.12 summarises the data by broad age and year groups. The base numbers may differ slightly from the ONS components of change analysis due to rounding but provides useful insight into the age group of migrants, their origins and destinations and the relative importance of international migration.
- 2.35 Key trends in migration over the period 2012 to 2020 include:
- Overall annual net inflows in each year, averaging 1,640 over the period;
 - Considerable net inflows from the rest of England (2,489 annual average) and smaller inflows from the rest of the North West (21 annual average).
 - Net outflows to all Greater Manchester boroughs with considerable outflows to Salford, Stockport and Trafford.
 - Marginal net outflows to Scotland (25 annual average) and marginal inflows from Wales (123 annual average) and Northern Ireland (54 annual average).
 - Significant international net inflow, averaging 4,459 people each year over that period.
 - In terms of migration by age group:
 - During 2012-2020, the key inflows were people in the under 30 age groups from international locations.
 - During 2012-2020, the key net outflows were people aged 30 to 64, mainly to elsewhere in Greater Manchester and the rest of the North West.
 - Net international migration has taken place across all age groups but predominantly in the under 30 age group with an average of 5,043 people over the period 2012-2020.
- 2.36 An analysis of migration flows indicates that net in-flows due to international migration have been a consistent driver of population increase but this has been counteracted by consistent net out-migration to elsewhere in the UK. There have been net inflows predominantly in the under 30 age group and net out-flows of 30-64 age groups.

Table 2.11 National and international migration by year

		GREATER MANCHESTER										ELSEWHERE UK					TOTAL (UK internal)	International	TOTAL (internal & international)
YEAR	Manchester	Bolton	Bury	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Rest of NORTH WEST	Rest of ENGLAND	NI	SCOTLAND	WALES				
2012	Migrated OUT to	604	1,154	1,356	990	2,566	3,021	1,613	3,250	371	5,343	15,924	280	675	993		38,139	7,642	45,781
	Migrated IN from	552	808	1,025	775	2,525	1,964	1,052	2,289	406	5,536	17,260	424	740	1,106		36,461	12,148	48,609
	NET	-52	-347	-331	-215	-41	-1,057	-561	-961	35	193	1,335	144	65	113		-1,679	4,506	2,827
2013	Migrated OUT to	555	1,155	1,323	984	2,653	3,121	1,668	3,595	409	5,504	15,900	264	690	966		38,787	8,761	47,548
	Migrated IN from	526	873	1,016	811	2,647	1,836	1,076	2,376	407	5,475	15,948	394	689	1,054		35,128	11,144	46,272
	NET	-28	-281	-307	-174	-6	-1,285	-592	-1,219	-3	-29	47	130	-1	88		-3,659	2,383	-1,276
2014	Migrated OUT to	556	1,294	1,288	1,095	2,772	3,462	1,643	3,618	415	5,635	16,000	292	786	970		39,825	9,242	49,067
	Migrated IN from	630	861	1,090	705	2,476	1,873	1,135	2,198	396	5,808	17,311	368	675	1,225		36,749	12,998	49,747
	NET	74	-433	-198	-389	-296	-1,589	-509	-1,420	-18	173	1,310	75	-111	255		-3,076	3,756	680
2015	Migrated OUT to	604	1,251	1,418	1,205	2,673	3,436	1,834	3,677	390	5,203	14,985	275	701	926		38,578	7,297	45,875
	Migrated IN from	563	832	1,003	717	2,333	1,623	990	2,533	396	5,934	18,402	333	747	1,213		37,622	14,766	52,388
	NET	-40	-419	-414	-488	-340	-1,812	-844	-1,144	6	732	3,417	57	46	287		-956	7,469	6,513
2016	Migrated OUT to	655	1,233	1,382	1,220	2,894	3,496	1,793	3,418	375	5,490	14,695	290	694	954		38,588	8,024	46,612
	Migrated IN from	583	707	1,041	753	2,654	1,576	978	2,323	428	5,909	19,179	327	735	1,185		38,378	15,169	53,547
	NET	-72	-525	-341	-467	-240	-1,919	-815	-1,096	53	419	4,485	38	41	230		-210	7,145	6,935
2017	Migrated OUT to	776	1,428	1,600	1,524	3,680	3,911	1,957	3,828	519	6,384	17,799	213	639	1,027		45,287	9,247	54,534
	Migrated IN from	627	775	1,121	830	2,787	1,803	1,128	2,371	382	6,465	21,330	286	605	1,218		41,728	12,722	54,450
	NET	-150	-654	-478	-694	-893	-2,107	-829	-1,457	-137	80	3,531	72	-34	191		-3,559	3,475	-84
2018	Migrated OUT to	681	1,439	1,820	1,394	3,889	3,910	2,119	3,969	599	6,706	18,882	230	698	1,021		47,356	10,337	57,693
	Migrated IN from	649	865	1,086	934	3,041	1,850	1,101	2,487	446	6,247	21,497	284	638	1,142		42,268	13,601	55,869
	NET	-32	-574	-734	-460	-849	-2,060	-1,018	-1,482	-153	-459	2,615	54	-59	121		-5,088	3,264	-1,824
2019	Migrated OUT to	778	1,497	2,011	1,797	4,274	4,083	2,341	3,993	642	6,828	19,702	297	685	1,150		50,077	7,492	57,569
	Migrated IN from	671	916	1,209	1,025	3,368	1,968	1,259	2,770	479	6,417	22,655	283	641	1,365		45,026	13,909	58,935
	NET	-107	-581	-802	-772	-906	-2,115	-1,081	-1,223	-163	-411	2,953	-13	-44	215		-5,051	6,417	1,366
2020	Migrated OUT to	695	1,272	1,509	1,393	3,993	3,512	1,989	3,393	642	6,528	18,855	248	639	1,327		45,996	10,710	56,706
	Migrated IN from	515	782	1,127	787	2,957	1,688	1,040	2,164	502	6,025	21,566	275	515	937		40,877	15,451	56,328
	NET	-180	-490	-382	-606	-1,037	-1,824	-950	-1,229	-141	-503	2,711	26	-124	-390		-5,119	4,741	-378

Sources:

Internal: ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001- 2020 (Table: MYEB2)

Table 2.12 Summary of national and international migration by year group and age group

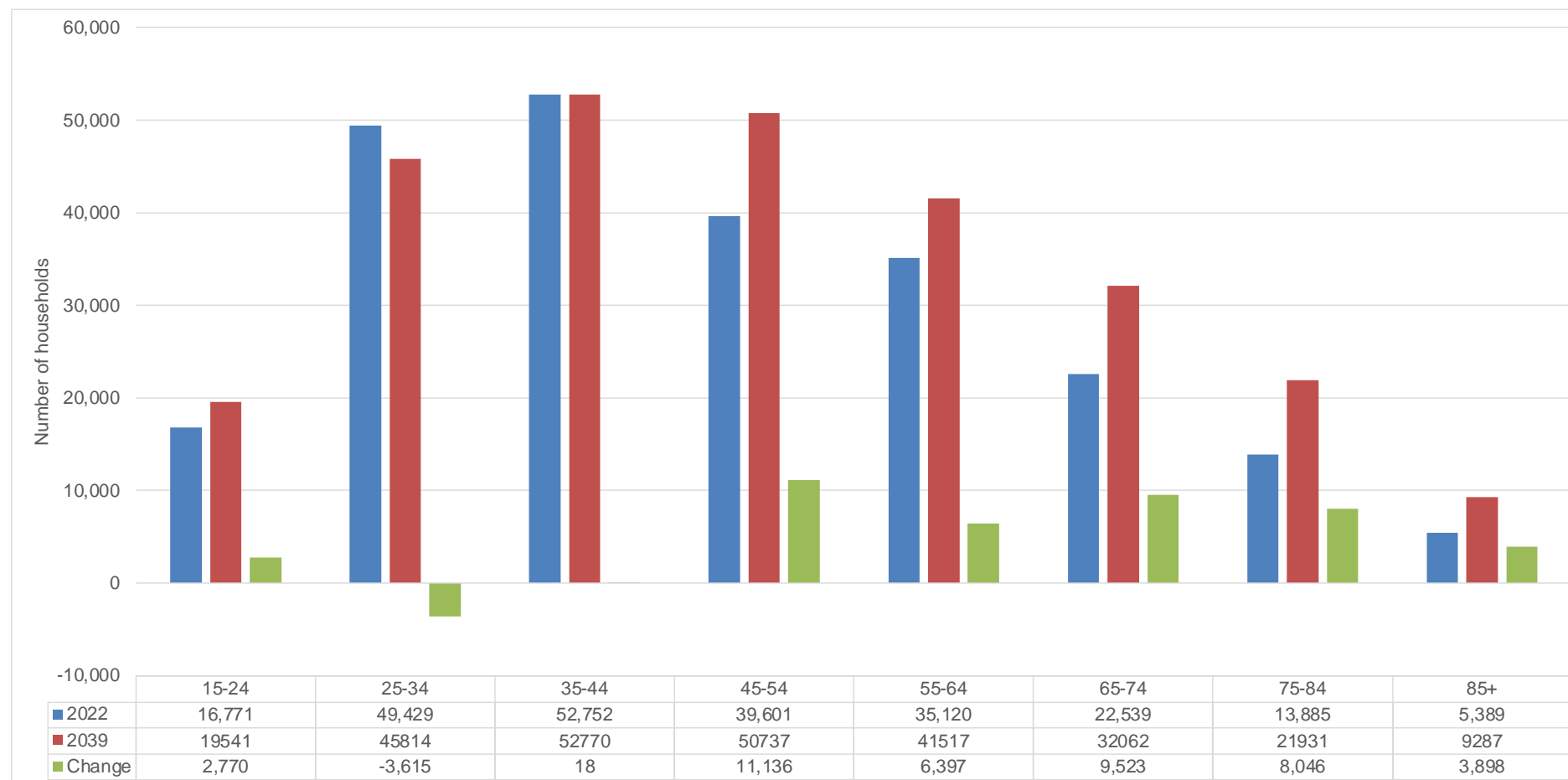
			GREATER MANCHESTER									ELSEWHERE UK							
PERIOD	AGE GROUP	Trafford	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Wigan	Rest of NORTH WEST	Rest of ENGLAND	NI	SCOTLAND	WALES	TOTAL (UK internal)	International	TOTAL (internal & international)
2012-2014	<30	Migrated OUT to	1,042	1,983	2,329	1,681	4,816	4,714	2,672	5,167	742	11,044	36,076	569	1,280	1,970	76,085	14,574	90,659
		Migrated IN from	1,108	1,484	1,825	1,356	4,640	3,071	1,934	3,561	832	12,781	40,125	982	1,394	2,699	77,795	26,972	104,767
		NET	66	-499	-503	-324	-176	-1,643	-738	-1,606	90	1,737	4,050	413	115	729	1,710	12,398	14,108
	30-64	Migrated OUT to	636	1,452	1,446	1,238	3,036	4,487	1,984	4,904	421	5,000	11,193	260	824	831	37,714	10,545	48,259
		Migrated IN from	575	961	1,171	859	2,885	2,373	1,233	3,003	361	3,789	9,958	198	692	651	28,708	8,654	37,362
		NET	-62	-491	-275	-378	-152	-2,115	-752	-1,900	-60	-1,211	-1,236	-63	-132	-179	-9,006	-1,891	-10,897
2015-2017	<30	Migrated OUT to	27	133	162	49	60	198	92	121	11	306	416	5	29	80	1,688	526	2,214
		Migrated IN from	23	152	122	34	53	158	26	87	18	508	380	5	15	36	1,617	664	2,281
		NET	-4	19	-40	-15	-6	-40	-67	-34	7	202	-36	0	-14	-44	-71	138	67
	30-64	Migrated OUT to	1,168	1,900	2,477	2,123	5,452	5,088	2,909	4,951	773	10,832	35,137	531	1,206	1,984	76,531	14,397	90,928
		Migrated IN from	1,125	1,298	1,839	1,397	4,569	2,593	1,800	3,577	863	14,066	46,803	793	1,399	2,892	85,015	31,490	116,505
		NET	-44	-602	-638	-725	-883	-2,494	-1,109	-1,374	90	3,234	11,666	262	193	909	8,484	17,093	25,577
2018-2020	<30	Migrated OUT to	818	1,808	1,750	1,689	3,643	5,323	2,408	5,570	472	5,788	11,767	238	795	821	42,889	9,684	52,573
		Migrated IN from	606	922	1,206	834	3,081	2,186	1,179	3,267	329	4,019	11,660	143	659	653	30,742	10,406	41,148
		NET	-212	-886	-544	-856	-562	-3,137	-1,229	-2,303	-143	-1,769	-107	-95	-136	-168	-12,147	722	-11,425
	30-64	Migrated OUT to	24	121	199	9	32	153	27	18	1	287	404	3	45	62	1,385	487	1,872
		Migrated IN from	31	173	208	19	22	138	15	2	6	631	400	7	22	61	1,733	761	2,494
		NET	7	52	9	10	-10	-14	-13	-16	5	344	-4	4	-23	-1	348	274	622
2018-2020	<30	Migrated OUT to	1,196	2,114	2,953	2,419	7,535	5,406	3,287	5,462	1,006	12,859	43,222	501	1,148	2,523	91,632	15,897	107,529
		Migrated IN from	1,185	1,405	1,983	1,617	5,708	2,920	1,908	3,723	948	14,270	51,993	672	1,221	2,747	92,301	31,793	124,094
		NET	-11	-708	-971	-802	-1,827	-2,486	-1,379	-1,740	-59	1,411	8,771	171	73	224	669	15,896	16,565
	30-64	Migrated OUT to	898	1,906	2,152	1,984	4,455	5,689	2,867	5,496	820	6,657	13,588	263	828	851	48,455	12,024	60,479
		Migrated IN from	614	1,061	1,319	1,048	3,555	2,316	1,389	3,309	457	4,171	13,222	156	546	652	33,816	10,466	44,282
		NET	-284	-845	-833	-936	-900	-3,373	-1,478	-2,187	-363	-2,486	-366	-106	-282	-199	-14,639	-1,558	-16,197
2018-2020	65+	Migrated OUT to	47	150	213	133	130	343	198	252	44	487	559	6	45	105	2,714	618	3,332
		Migrated IN from	23	156	159	58	80	243	85	228	17	419	502	13	27	45	2,054	702	2,756
		NET	-24	5	-54	-76	-50	-100	-113	-24	-27	-68	-58	7	-18	-60	-660	84	-576

Sources:

Internal: ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001 -2020 (Table: MYEB2)

Household projections

- 2.37 There are two major household projections – 2014-based published by the then Department for Communities and Local Government and 2018-based published by the ONS. Household projections are based on population projections produced by the ONS. The ONS estimates the proportions of people who are likely to be household reference people by age, gender and household type based on census data. Variant household projections are also produced.
- 2.38 The council have expressed concern over the baseline households expressed in the 2018-based projections and therefore 2014-based projections have been used to inform the HNA.
- 2.39 According to the 2014-based projections, the total number of households in 2022 was projected to be 235,486 which was expected to increase to 273,659 by 2039. In contrast, the 2018-based principal ONS household projections indicated a total of 218,425 households across the city in 2022 and this is projected to increase by 20,283 (9.3%) to 238,708 by 2039.
- 2.40 Table 2.13 provides a detailed breakdown of household type by the age of Household Reference Person to 2039 using 2014-based household projections. Currently available data shows that the overall household type profile is not expected to change over the 2022 to 2039 period, with the dominant household types being 'one person' and 'other households with two or more adults', although the proportion of 'other households with two or more adults' is expected to increase. Additionally, as illustrated in Figure 2.2, there will be a marked increase in the number of households where the Household Reference Person is aged 45-54 and 65 or over.

Figure 2.2 Profile of households by age of Household Reference Person in 2022 and 2039 under 2014-based projections

Source: 2014-based DGLC household projections

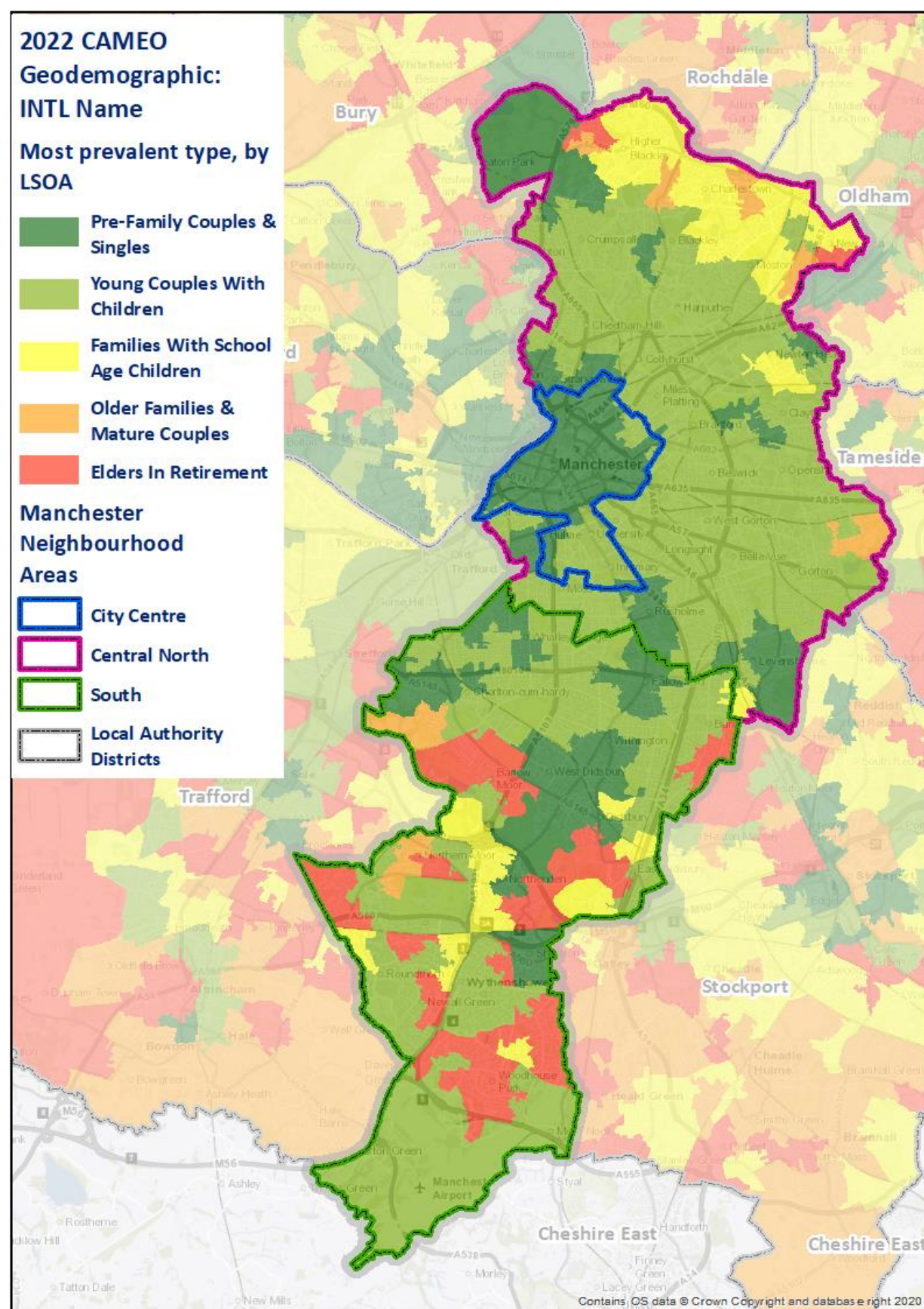
Table 2.13 Household types and change 2022 to 2039 (by age of household reference person (HRP))

2022	Aged 15-24	Aged 25-34	Aged 35-44	Aged 45-54	Aged 55-64	Aged 65-74	Aged 75-84	Aged 85+	TOTAL	%
One Person	3,253	12,127	14,223	11,907	14,005	12,045	6,355	3,273	77,188	32.8%
Household with 1 dependent child	1,743	7,836	9,964	8,564	3,253	796	297	46	32,499	13.8%
Household with 2 dependent children	513	3,967	9,868	4,975	967	136	26	5	20,457	8.7%
Household with 3 or more dependent children	175	2,091	8,018	3,613	581	53	4	1	14,536	6.2%
Other households with two or more adults	11,087	23,408	10,679	10,542	16,314	9,509	7,203	2,064	90,806	38.6%
Total	16,771	49,429	52,752	39,601	35,120	22,539	13,885	5,389	235,486	100.0%
2039	Aged 15-24	Aged 25-34	Aged 35-44	Aged 45-54	Aged 55-64	Aged 65-74	Aged 75-84	Aged 85+	TOTAL	%
One Person	2,533	9,243	13,696	13,602	15,667	17,995	6,995	4,771	84,502	30.9%
Household with 1 dependent child	1,219	6,291	9,699	12,255	4,523	1,471	651	80	36,189	13.2%
Household with 2 dependent children	287	1,887	8,861	7,151	1,335	217	39	5	19,782	7.2%
Household with 3 or more dependent children	120	802	7,657	5,659	860	71	1	0	15,170	5.5%
Other households with two or more adults	15,382	27,591	12,857	12,070	19,132	12,308	14,245	4,431	118,016	43.1%
Total	19,541	45,814	52,770	50,737	41,517	32,062	21,931	9,287	273,659	100.0%
Change 2022-2039	Aged 15-24	Aged 25-34	Aged 35-44	Aged 45-54	Aged 55-64	Aged 65-74	Aged 75-84	Aged 85+	TOTAL	%
One Person	-720	-2,884	-527	1,695	1,662	5,950	640	1,498	7,314	19.2%
Household with 1 dependent child	-524	-1,545	-265	3,691	1,270	675	354	34	3,690	9.7%
Household with 2 dependent children	-226	-2,080	-1,007	2,176	368	81	13	0	-675	-1.8%
Household with 3 or more dependent children	-55	-1,289	-361	2,046	279	18	-3	-1	634	1.7%
Other households with two or more adults	4,295	4,183	2,178	1,528	2,818	2,799	7,042	2,367	27,210	71.3%
Total	2,770	-3,615	18	11,136	6,397	9,523	8,046	3,898	38,173	100.0%

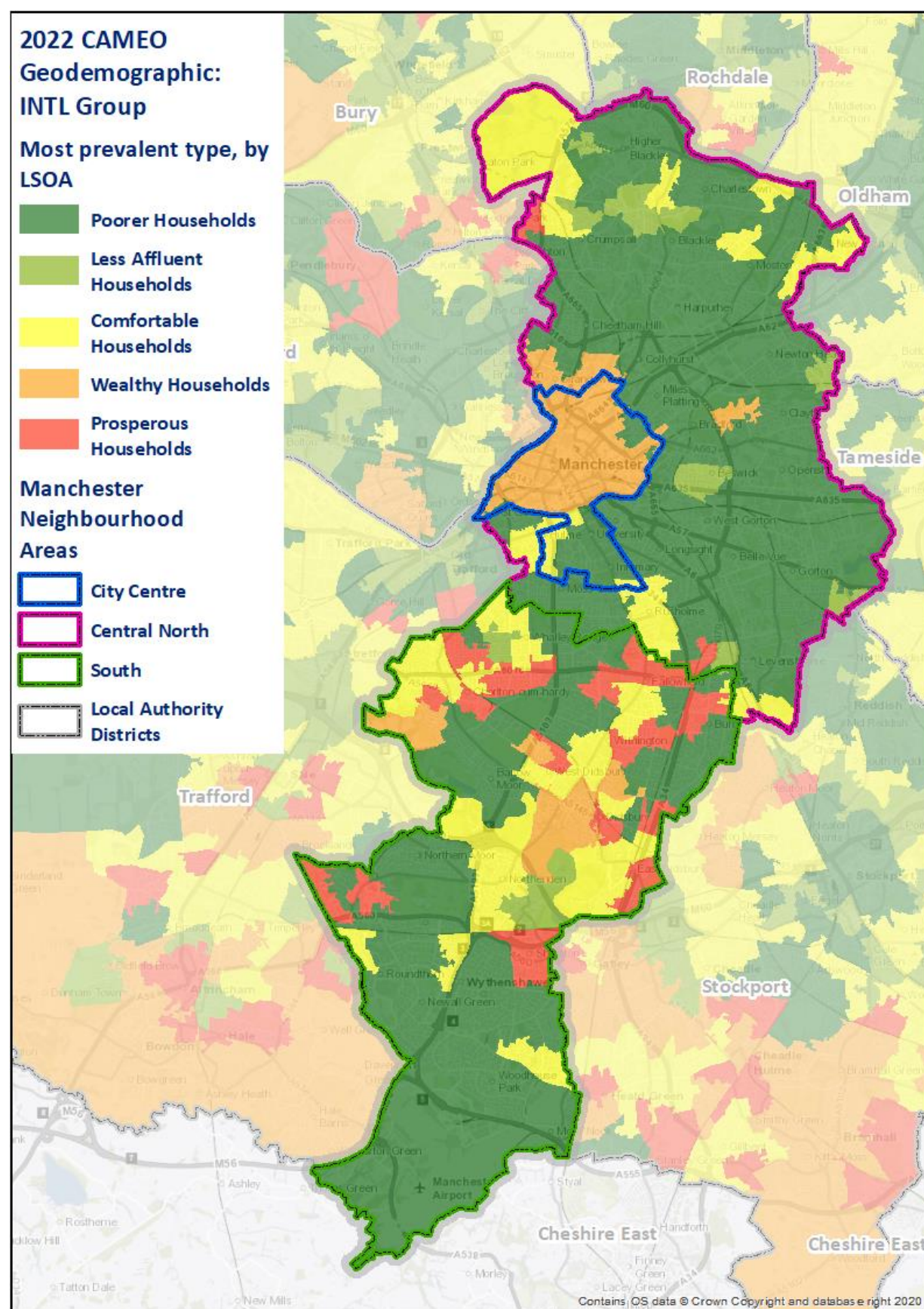
Source: 2014-based DCLG household projections

General household characteristics

- 2.41 The range of households living in Manchester is illustrated in Maps 2.3 and 2.4. Map 2.3 illustrates the distribution of key household typologies and indicates a predominance of pre-family couples and singles in the city centre and clustered throughout central and north and south Manchester. Young couples with children are based across central and north and south Manchester while families with school age children are clustered toward the outskirts of these sub- areas. Older families, mature couples and elders in retirement are mainly concentrated in south Manchester.
- 2.42 Map 2.4 considers income groups, broadly illustrating that wealthy households are located in the city centre with prosperous households clustered across south Manchester. There are notable clusters of 'comfortable' households in south Manchester. There are pockets of less affluent households throughout central and north and south Manchester. Poorer households are the most prevalent household type across central and north and southern areas of the south Manchester.

Map 2.3 Household characteristics: household type by LSOA, 2022

Source: CAMEO UK

Map 2.4 Household characteristics: income type, by LSOA, 2022

Source: CAMEO UK

Income data

- 2.43 There are a range of income data sources available to inform this study which are now summarised. 2021 CAMEO income data provide range, quartile and average data of gross household income by sub-area, however this data appeared to be overly skewed towards lower income. ONS Annual Survey of Hours and Earnings data provides gross earnings of economically active residents at the city level and 2023 household survey provides household income data for all households at the sub-area level. These latter two sources provide a realistic estimate of earnings and household income across Manchester.
- 2.44 Table 2.14 summarises gross income by sub-area using 2023 household survey data.
- 2.45 The 2022 Annual Survey of Hours and Earnings resident-based data indicates lower quartile earnings are £21,936, median earnings are £29,080 and average earnings are £33,495 across Manchester

Table 2.14 Annual gross household income by sub-area

Sub-area	Lower Quartile	Median	Average
City Centre	£32,500	£59,800	£53,300
North & Central Manchester	£14,300	£24,700	£30,992
South Manchester	£22,100	£32,500	£47,060
Manchester	£16,900	£32,500	£40,664

Source: 2023 Household Survey

Summary

- 2.46 Across Manchester there are an estimated 243,432 dwellings and 214,749 households and 2.3% of dwellings are vacant.
- 2.47 In terms of occupied dwelling stock:
- 37.2% of occupied dwellings are owner occupied, 32.5% are private rented and 30.2% are affordable (including social/affordable renting and shared ownership);
 - 59.3% of dwellings are houses (33.7% terraced, 23.4% semi-detached and 2.2% detached), 39.7% are flats and 1.0% are bungalows;
 - Most dwellings have 2 or 3 bedrooms, 18.3% of dwellings have one bedroom, 33.7% two bedrooms, 41.3% three bedrooms and 6.7% four or more bedrooms; and
 - 44.7% of dwellings were built before 1945, 21.8% between 1945 and 1982 and 33.6% since 1983. An estimated 18.4% of all dwelling stock is non-decent.

- 2.48 Over the 12 years 2010/11 to 2021/2022, 28,787 net new dwellings have been built across Manchester. In the past 5 years to 2021/2022, an annual net average of 3,745 dwellings have been built across the city.
- 2.49 2014-based projections estimate a population in 2022 of 562,100 and this is projected to increase by 61,400 to 623,500 by 2039, with the largest increases in the 65-74, 75 – 84 and 85+ age categories. 2014-based DCLG household projections suggest a total of 235,486 households (which is higher than the 2021 Census figure) and this is projected to increase by 21,283 (9.3%) to 238,708 by 2039. Largest increases will be one person and other households with two or more adults, and households with a Household Reference Person aged 65 and over.
- 2.50 An analysis of migration flows indicates that net in-flows due to international migration have been a consistent driver of population increase but this has been counteracted by consistent net out-migration to elsewhere in the UK. There have been net inflows predominantly in the under 30 age group and net out-flows of 30-64 age groups.

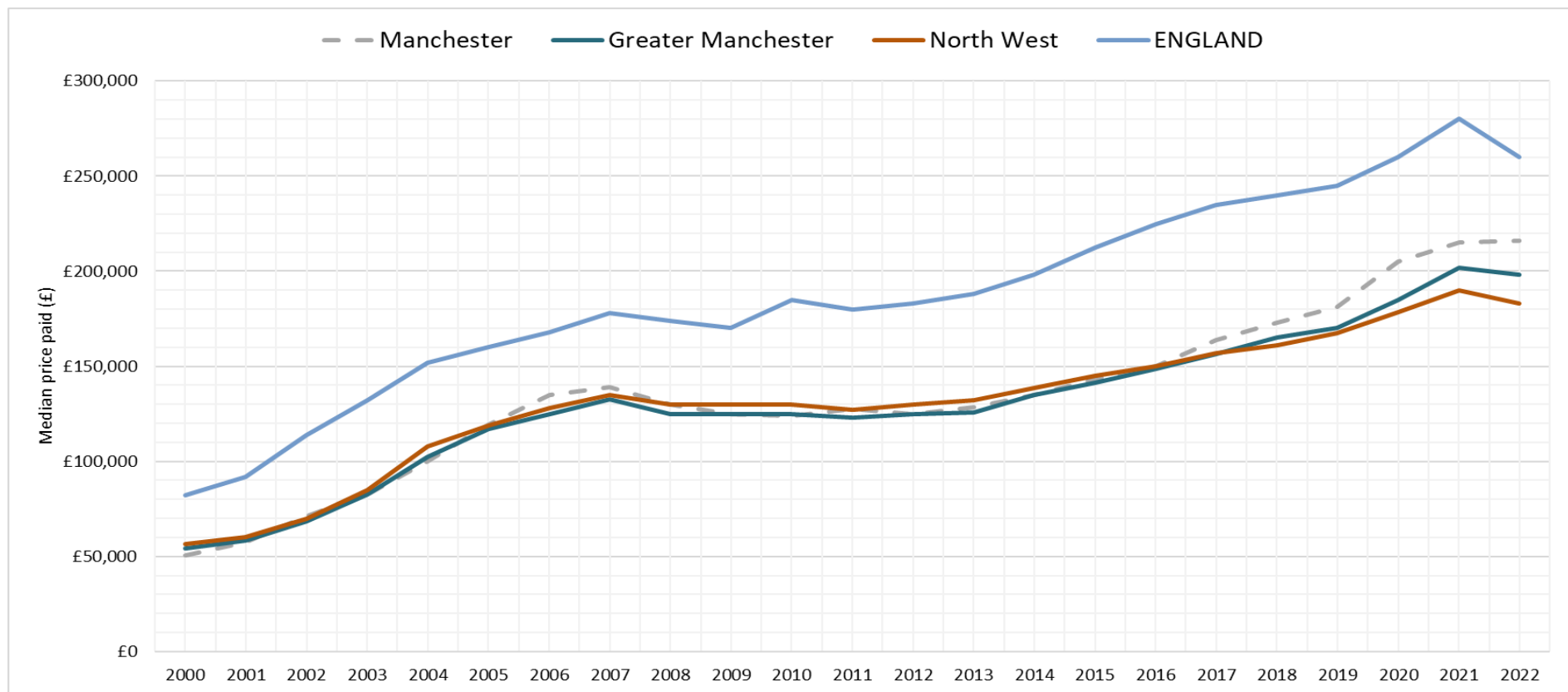
3. Price, rents and affordability

Introduction

- 3.1 This chapter sets out the cost of buying and renting properties across the city. The affordability of tenure options is then considered with reference to local incomes along with the incomes of key workers and households on minimum/living wages.

House price trends

- 3.2 Figure 3.1 shows how house prices in Manchester have changed over the years 2000 to 2022 based on full-year Land Registry price paid data. This is compared with Greater Manchester, the North West and England.
- 3.3 Median house prices across Manchester have tended to be one of the highest across the Greater Manchester boroughs and also increasingly higher than the North West. Overall, median prices have increased from £50,450 in 2000 to £216,000 in 2022, an increase of +328.1%. Lower quartile prices have increased from £25,950 in 2000 to £165,000 in 2022, an increase of +535.8%. Tables 3.1 and 3.2 show how price change in Manchester compares with neighbouring boroughs, Greater Manchester, the North West and England.

Figure 3.1 Median house price trends 2000 to 2022: Manchester, Greater Manchester, North West and England

Source: ONS House Price Statistics for Small Areas (HPSSAs) LQ and Median comparator 1995 onwards

Table 3.1 Comparative median house price change 2000-2022 with neighbouring boroughs, North West and England

Location	Median price (£) 2000	Median price (£) 2022	% Change 2000- 2022
ENGLAND	£82,000	£260,000	217.1%
North West	£56,500	£182,950	223.8%
Greater Manchester	£54,000	£198,000	266.7%
Manchester	£50,450	£216,000	328.1%
Bolton	£46,950	£163,750	248.8%
Bury	£53,000	£212,000	300.0%
Oldham	£43,000	£172,000	300.0%
Rochdale	£47,850	£165,000	244.8%
Salford	£47,000	£205,000	336.2%
Stockport	£73,000	£258,000	253.4%
Tameside	£48,000	£180,000	275.0%
Trafford	£82,500	£325,000	293.9%
Wigan	£49,000	£160,000	226.5%

Source: ONS House Price Statistics for Small Areas (HPSSAs) LQ and Median comparator 1995 onwards

Table 3.2 Comparative lower quartile (LQ) house price change 2000-2022 with neighbouring boroughs, North West and England

Location	LQ price (£) 2000	LQ price (£) 2022	% Change 2000- 2022
ENGLAND	£54,000	£174,000	222.2%
North West	£37,000	£130,000	251.4%
Greater Manchester	£34,950	£145,000	314.9%
Manchester	£25,950	£165,000	535.8%
Bolton	£30,000	£120,000	300.0%
Bury	£36,000	£151,000	319.4%
Oldham	£27,000	£128,000	374.1%
Rochdale	£33,000	£125,000	278.8%
Salford	£32,000	£161,000	403.1%
Stockport	£49,950	£190,000	280.4%
Tameside	£35,000	£141,500	304.3%
Trafford	£59,995	£235,000	291.7%
Wigan	£33,000	£120,000	263.6%

Source: ONS House Price Statistics for Small Areas (HPSSAs) LQ and Median comparator 1995 onwards

- 3.4 Table 3.3 sets out the change in house prices by sub-area over the period 2007 to 2022 (Note: Land Registry ward level analysis is only possible from 2007). During this period, median prices increased by +61.9% overall but varies considerably at sub-area level. The table also sets out LQ data for the same

period, and shows an overall increase of +52.4% with considerable variation across sub-areas.

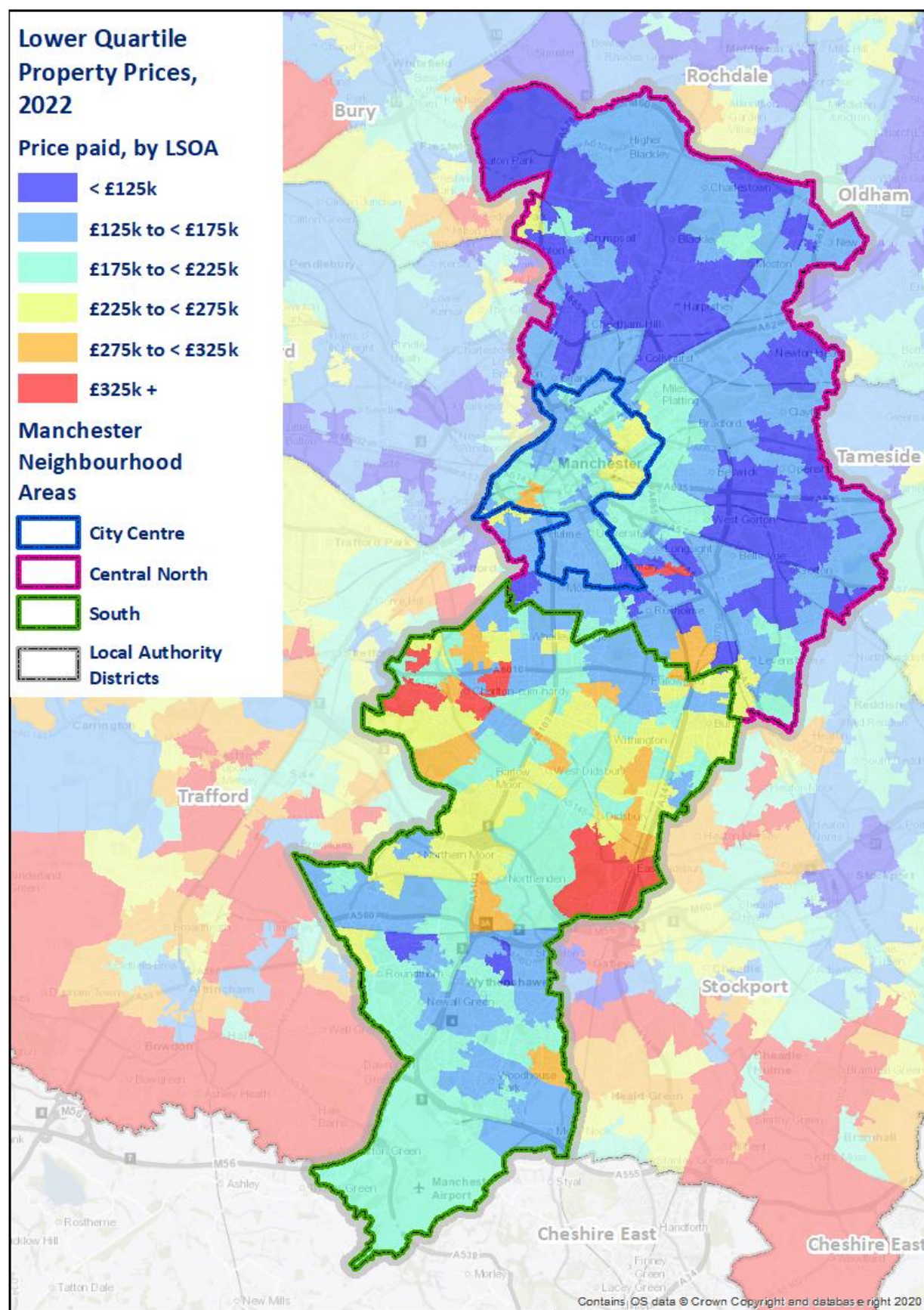
- 3.5 Maps 3.1 and 3.2 provide an illustration of LQ and median prices using Lower Super Output Area. The maps show a range of market prices, with highest prices in south Manchester and the lowest in the central and west sub-area.

Table 3.3 Comparative lower quartile and median house price change 2007-2022 for sub-areas

Sub-area	LQ price 2007	LQ price 2022	% change	Median price 2007	Median price 2022	% change
City Centre	£141,065	£210,000	48.9%	£169,950	£272,250	60.2%
North & Central Manchester	£85,000	£127,500	50.0%	£110,000	£170,000	54.5%
South Manchester	£125,000	£200,000	60.0%	£158,000	£275,000	74.1%
Manchester	£105,000	£160,000	52.4%	£139,000	£225,000	61.9%

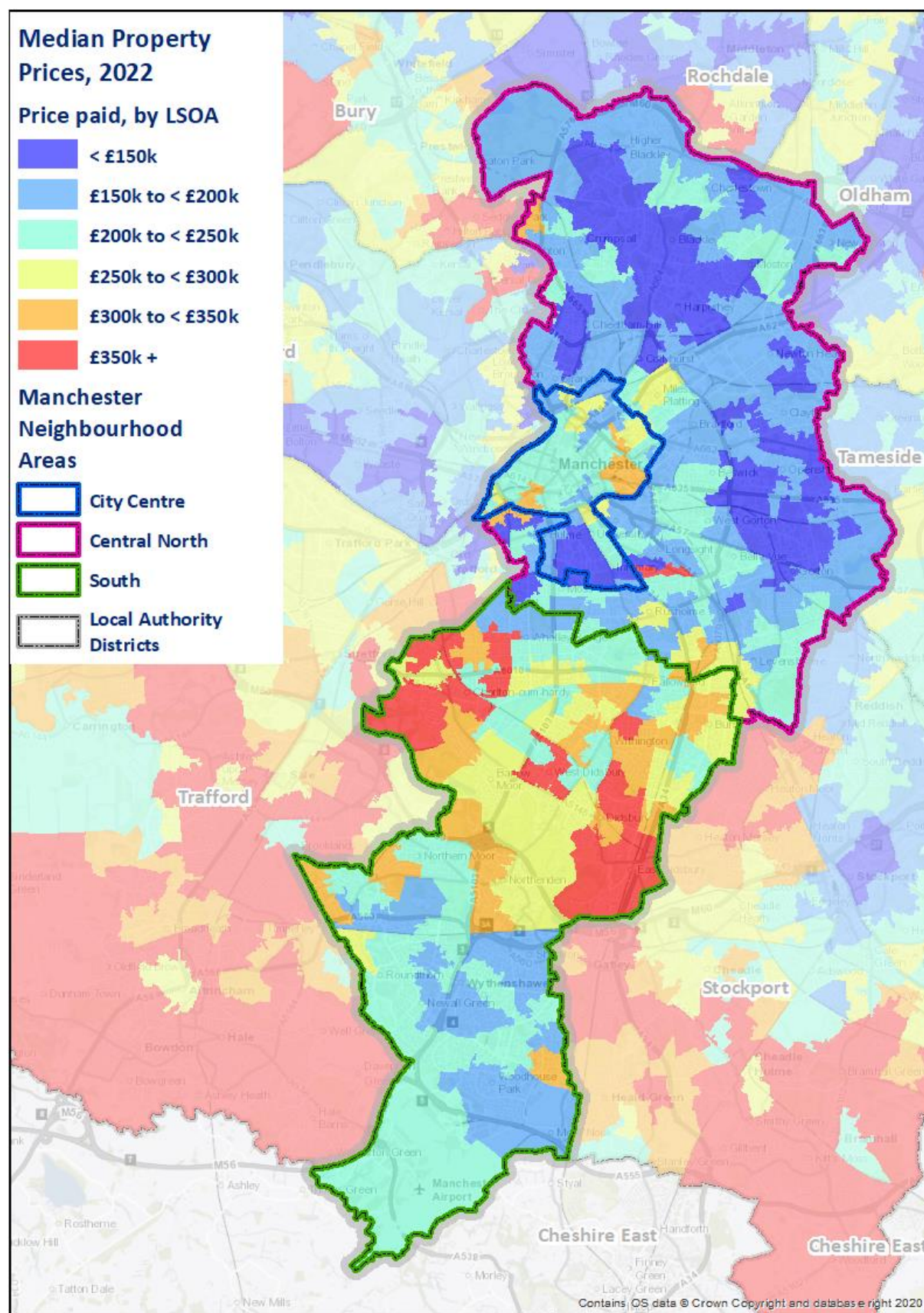
Source: Data produced by Land Registry © Crown copyright 2007 to 2022

Map 3.1 Lower quartile house prices 2022 by built-up areas within the LSOAs of Manchester



Source: Data produced by Land Registry © Crown copyright 2022

Map 3.2 Median house prices 2022 by built-up areas within the LSOAs of Manchester



Source: Data produced by Land Registry © Crown copyright 2022

Private renting

- 3.6 Table 3.4 provides an overview of the cost of renting privately across Manchester and compares prices with Greater Manchester, the North West and England over the period 2010 to 2022. Over this time lower quartile rents have increased by 60.3% and median rents have increased by 70.4%. These increases are above those experienced across Greater Manchester, the North West and England. Table 3.5 summarises 2021 price data by sub-areas.

Table 3.4 Comparative lower quartile (LQ) and median rent price 2010 – 2022

Location	LQ price (£) 2010	LQ price (£) 2022	% change 2010-2022
Manchester	£546	£875	60.3%
Greater Manchester	£490	£750	53.1%
North West	£472	£624	32.2%
ENGLAND	£598	£802	34.1%
Location	Median price (£) 2010	Median price (£) 2022	% change 2010-2022
Manchester	£646	£1,101	70.4%
Greater Manchester	£576	£949	64.8%
North West	£546	£802	46.9%
ENGLAND	£893	£1,248	39.8%

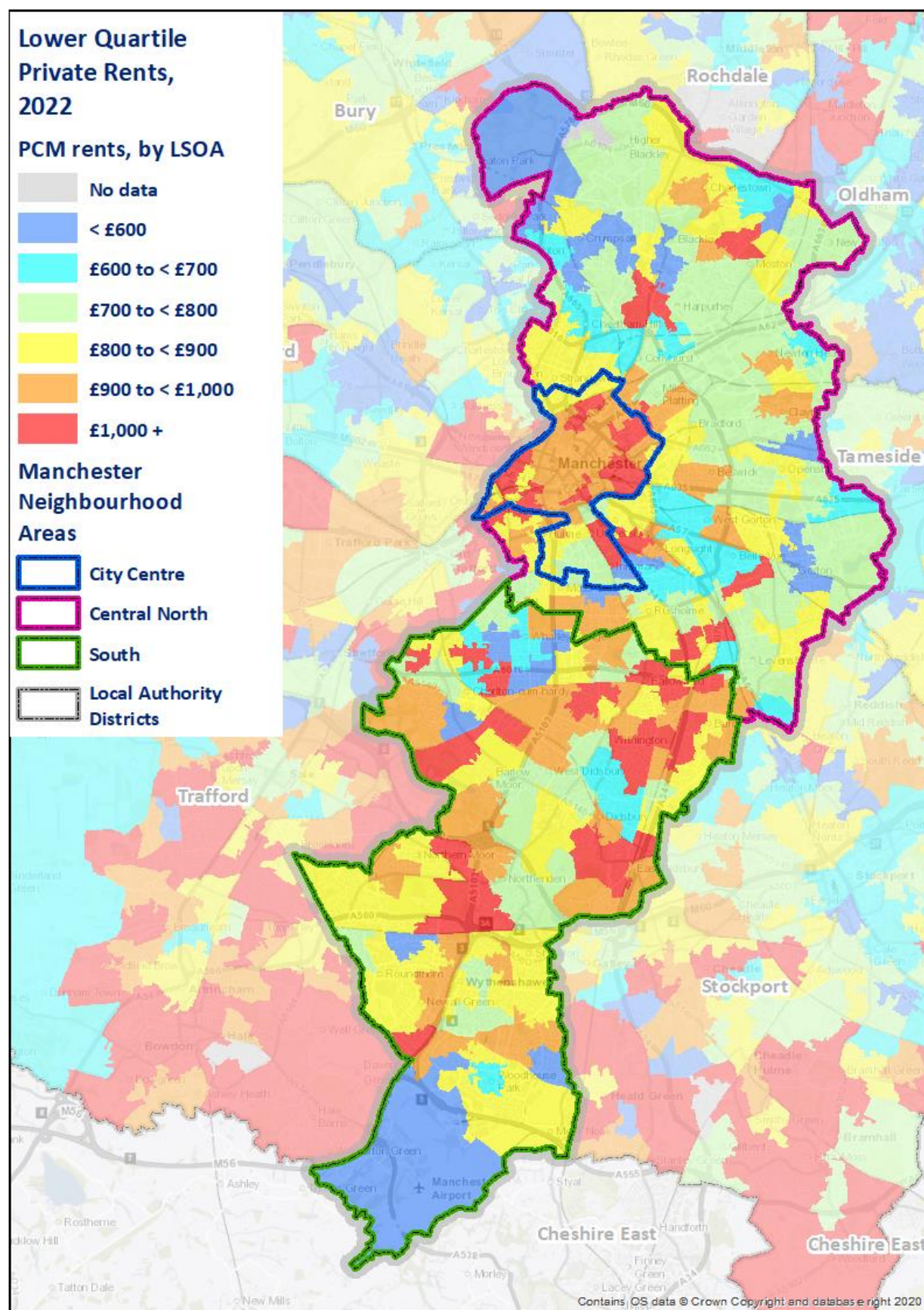
Table 3.5 Lower quartile and median rents by sub-area 2022

Sub-area	Lower quartile (£ each month)	Median (£ each month)
City Centre	£949	£1,148
North & Central Manchester	£776	£949
South Manchester	£823	£1,101
Manchester	£875	£1,101

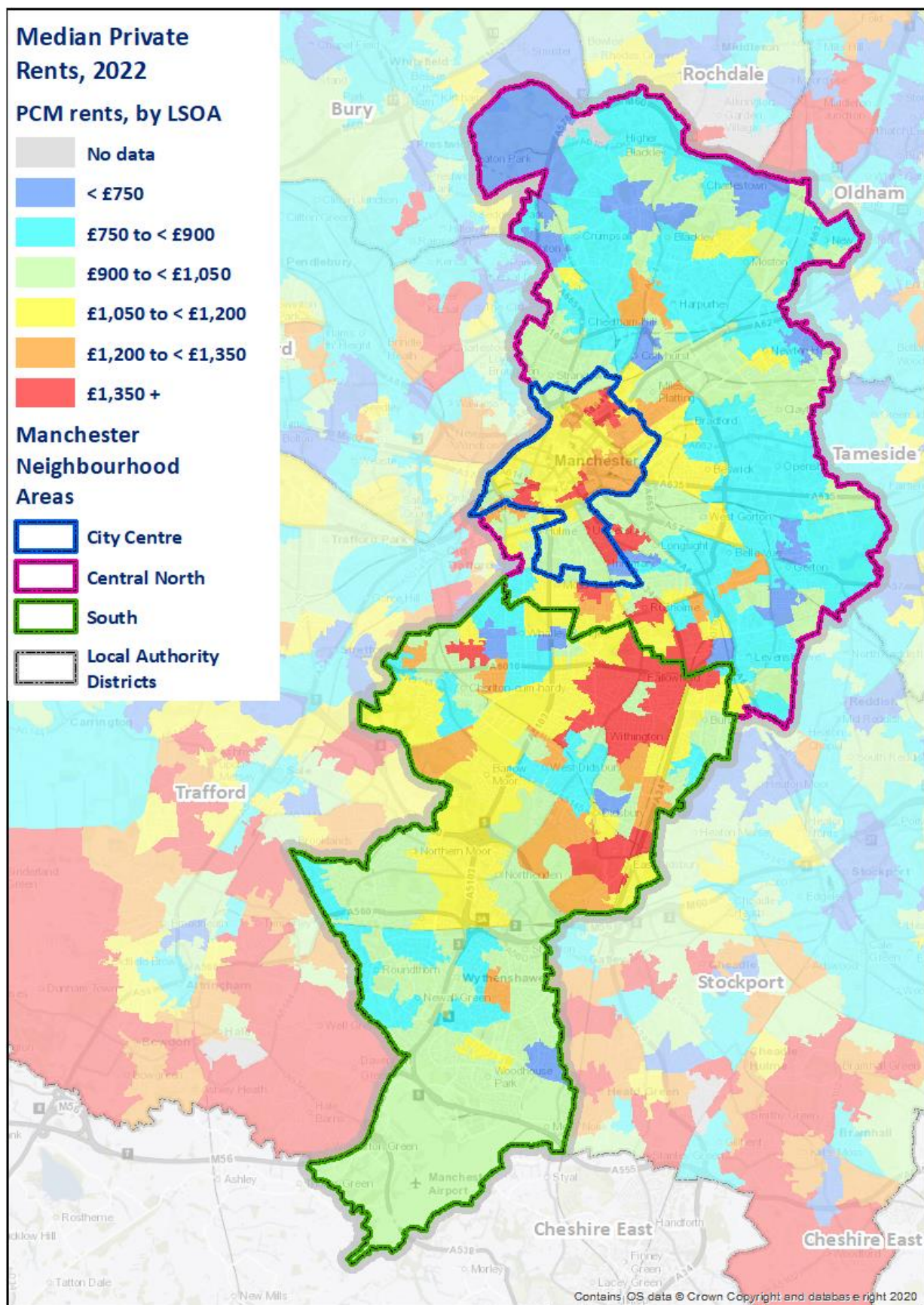
Source: Zoopla Lettings 2022

- 3.7 More detailed rental data within built-up areas at a small area level (Lower Super Output Areas) are presented in Map 3.3 (lower quartile) and Map 3.4 (median). This illustrates that rents are generally lower in north and central Manchester and higher in south Manchester with a concentration of high rents in the city centre.
- 3.8 The private rented sector accommodates a proportion of low-income households that are eligible for assistance with rental costs. Map 3.5 illustrates the proportion of households in receipt of housing benefit assistance across the city. This shows a particularly high concentration in central and north Manchester with smaller pockets in the city centre and south Manchester.

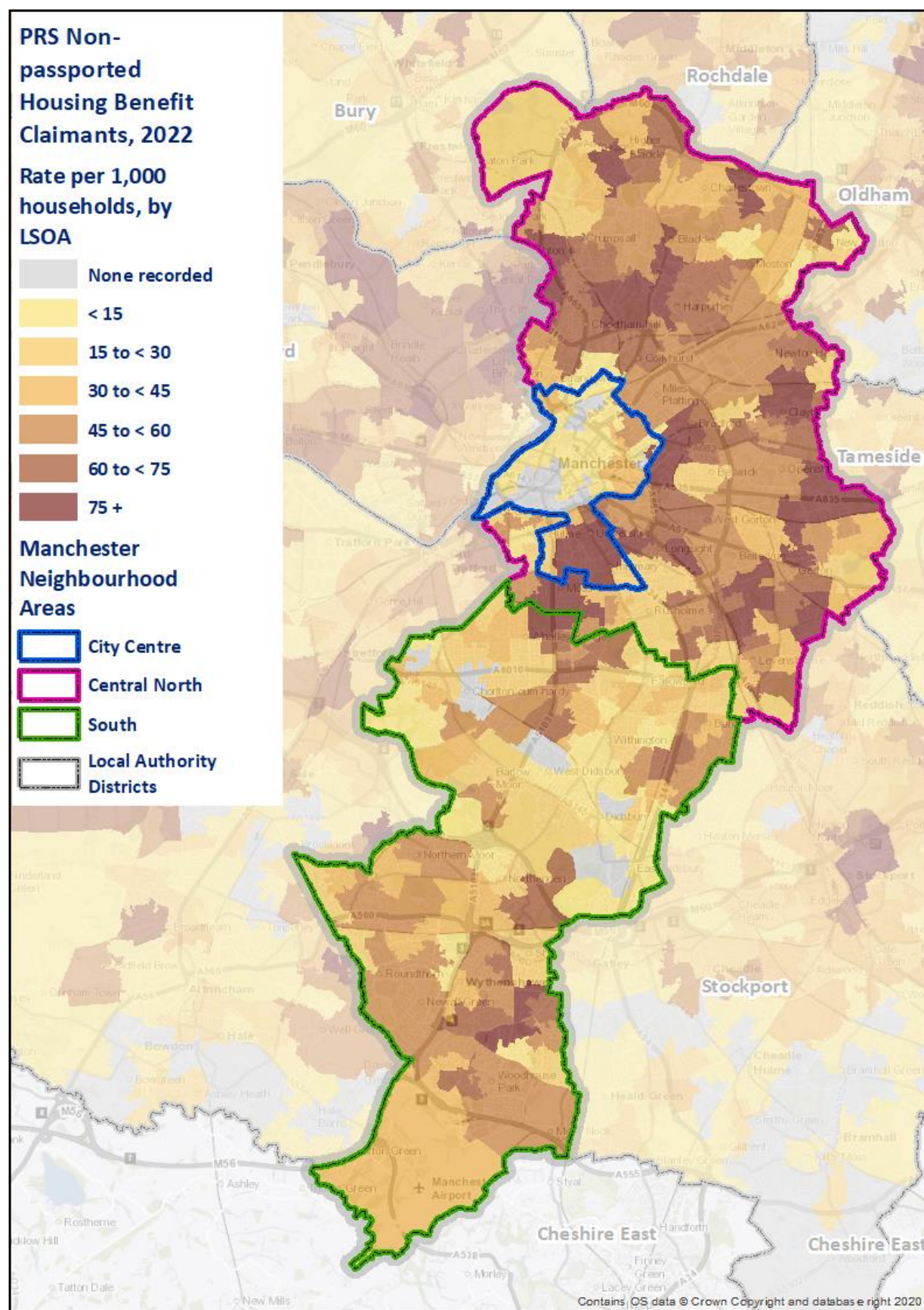
Map 3.3 **2022 lower quartile rents across Manchester by built up areas within LSOAs**



Source: Zoopla Lettings 2022

Map 3.4 2022 median rents across Manchester by built up areas within LSOAs

Source: Zoopla Lettings 2022

Map 3.5 Private rented sector Non-Passported Housing Benefit 2022

Source: 2022 DWP Stat Xplore

- 3.9 The amount that can be claimed for assistance with rental costs is capped to a local allowance that varies by area. The cap is estimated by the VOA and published in the form of a Local Housing Allowance (LHA) rate for a broad market area (BRMA). Manchester is located within two BRMAs (Table 3.6), Central and Southern Greater Manchester BRMAs. Table 3.6 summarises the LHA for the BRMAs and the variance between lower quartile rents and the LHA.

Table 3.6a Broad Rental Market Area Local Housing Allowance Rates (April 2022) – Central Greater Manchester BRMA

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 LQ rent	Variance between LQ rent and LHA
Shared Accommodation	£75.50	£327	£598	-£271
1 Bedroom	£138.08	£598	£702	-£104
2 Bedroom	£149.59	£648	£923	-£275
3 Bedroom	£166.85	£723	£1,101	-£378
4 Bedroom	£218.63	£947	£1,612	-£665

Source: Valuation Office Agency

Table 3.6b Broad Rental Market Area Local Housing Allowance Rates (April 2022) - Southern Greater Manchester BRMA

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 LQ rent	Variance between LQ rent and LHA
Shared Accommodation	£82.81	£359	-	-
1 Bedroom	£120.82	£524	£524	-£0
2 Bedroom	£149.59	£648	£813	-£164
3 Bedroom	£172.60	£748	£975	-£227
4 Bedroom	£253.15	£1,097	£1,200	-£103

Source: Valuation Office Agency

Relative affordability

- 3.10 The ONS produces national data on the ratio of earnings to house prices. Two sets of data are available: workplace-based and resident-based. For each, lower quartile and median ratios are produced. The data are based on Land Registry Price Paid data and ONS Annual Survey of Hours and Earnings data.
- 3.11 Table 3.7 sets out the 2022 lower quartile and median affordability ratios for Manchester and compares these with neighbouring boroughs, the North West and England. Using workplace-based median ratios to illustrate the data, prices are 7.9x income in Manchester. This ratio is one of the highest when compared with neighbouring boroughs and regional figures although not as high as national ratios.

Table 3.7 Relative affordability of lower quartile and median prices by local authority area, North West and England (workplace-based and residence-based)

Locality	2022 Lower Quartile Workplace-based	2022 Lower Quartile Residence-based	2022 Median Workplace-based	2022 Median Residence-based
Manchester	6.9	7.8	6.8	7.9
Bolton	5.9	5.6	6.1	6.0
Bury	7.1	6.4	7.6	6.7
Oldham	5.9	5.9	6.2	6.4
Rochdale	5.9	5.9	6.1	6.1
Salford	6.8	7.0	6.8	7.1
Stockport	8.9	8.2	9.0	7.9
Tameside	6.9	6.5	7.2	6.4
Trafford	10.2	9.5	10.6	9.1
Wigan	5.7	5.6	5.9	5.7
North West	5.8	5.8	6.2	6.2
ENGLAND	7.4	7.4	8.3	8.3

Source: ONS Ratio of house price to residence-based & workplace-based earnings (lower quartile and median), 1997 to 2022

Relative affordability of housing tenure options and defining genuinely affordable housing

- 3.12 The relative cost of alternative housing options across the city and housing market sub-areas has been considered from two perspectives. Firstly, analysis considers prevailing prices at housing market sub-area level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.
- 3.13 The starting point for assessing thresholds for what is affordable and not affordable are as follows:
- for renting, 25% of gross household income is used as the 'tipping point' for affordability, with properties not affordable if more than 25% of income is spent on rent. There is no official guidance on what proportion of income should be used. Former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income; and
 - for buying, affordability is based on a 3.5x gross household income multiple. Former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household with a single earner and 2.9x for a dual earner.
- 3.14 The former 2007 SHMA guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be

made for access to capital that could be used towards the cost of home ownership.

- 3.15 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered This is the maximum single or joint household income multiple offered by First Direct July 2020.
- 3.16 Based on this and to reflect the specific pressures experienced in Manchester, the principal assumption considered by arc4 with reference to affordability is:
- for buying up to 4x gross household income; and
 - for renting up to 30% gross household income.
- 3.17 Table 3.8 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties. The cost of alternative affordable and market tenure options by sub-area is set out in Table 3.9. Table 3.10 shows the gross household incomes needed to afford the tenure based on the 30% rental and 4x income multiples. Table 3.11 considers the impact of deposits on sale price.

Table 3.8 Summary of tenure (including affordable options), price assumptions and data sources

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Social rent	2022 average prices	30% of income	Regulator of Social Housing Statistical Data Return 2022
Affordable Rent	2022 average prices which are based on Local Housing Allowance rates	30% of income	Regulator of Social Housing Statistical Data Return 2022
Market Rent – lower quartile	2022 prices	25% of income	Zoopla 2022
Market Rent – median	2022 prices	25% of income	Zoopla 2022
Market Sale – lower quartile	2022 prices	90% LTV, 4x income	Land Registry Price Paid
Market Sale – median	2022 prices	90% LTV, 4x income	Land Registry Price Paid
Market Sale – average	2022 prices	90% LTV, 4x income	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required; annual service charge £395, Annual rent based on 2.75% of remaining equity	90% LTV, 4x income for equity and 30% of income for rental element	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20%, 5% deposit required, annual service charge £395. Annual rent based on 2.75% of remaining equity	90% LTV, 4x income for equity and 30% of income for rental element	Assumptions applied to Land Registry Price Paid data
Help to Buy	Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5%. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from yr7 at RPI+1%	70% LTV, 4x income	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 30%	70% of median price (note this is comparable to the proposed government <u>First Home</u> tenure option). Mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 30%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 25%	75% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 25%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 20%	80% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 20%	Assumptions applied to Land Registry Price Paid data

Table 3.9 Cost of alternative tenures by sub-area and Manchester

Tenure option	Price / equity requirement (2022)	Comparison Area	Sub-area	Sub-area	Sub-area
	Manchester	Greater Manchester	City Centre	North & Central Manchester	South Manchester
Social Rent (average)	£362	£362	£362	£362	£362
Affordable Rent (monthly cost)	£881	£759	£918	£759	£881
Market Rent – Lower Quartile (monthly cost)	£875	£750	£949	£776	£823
Market Rent – Median (monthly cost)	£1,101	£949	£1,148	£949	£1,101
Market Rent – Average (monthly cost)	£1,347	£1,138	£1,314	£1,314	£1,430
Market Sale – Lower Quartile	£160,000	£145,000	£210,000	£127,500	£200,000
Market Sale – Median	£225,000	£205,000	£272,250	£170,000	£275,000
Market Sale – Average	£255,466	£244,456	£283,406	£183,540	£314,493
Shared ownership (50%)	£112,500	£102,500	£136,125	£85,000	£137,500
Shared ownership (25%)	£56,250	£51,250	£68,063	£42,500	£68,750
Help to buy	£168,750	£153,750	£204,188	£127,500	£206,250
Discounted Home Ownership (30%)	£157,500	£143,500	£190,575	£119,000	£192,500
Discounted Home Ownership (25%)	£168,750	£153,750	£204,188	£127,500	£206,250
Discounted Home Ownership (20%)	£180,000	£164,000	£217,800	£136,000	£220,000

Source: Data produced by Land Registry © Crown copyright 2022, Zoopla Lettings 2022, DLUHC, RSH SDR 2022

Table 3.10 Household income required for tenure to be affordable (based on 25% of income for rents and 3.5x income for buying) by sub-area

Tenure option	Income required (2022)	Comparison Area	Sub-area	Sub-area	Sub-area
	Manchester	Greater Manchester	City Centre	North & Central Manchester	South Manchester
Social Rent (average)	£14,461	£17,353	£17,353	£17,353	£17,353
Affordable Rent (monthly cost)	£35,232	£36,442	£44,083	£36,442	£42,278
Market Rent – Lower Quartile	£35,000	£36,000	£45,552	£37,248	£39,504
Market Rent – Median	£44,040	£45,552	£55,104	£45,552	£52,848
Market Rent – Average	£53,888	£54,644	£63,060	£63,077	£68,659
Market Sale – Lower Quartile	£36,000	£37,286	£54,000	£32,786	£51,429
Market Sale – Median	£50,625	£52,714	£70,007	£43,714	£70,714
Market Sale – Average	£57,480	£62,860	£72,876	£47,196	£80,870
Shared ownership (50%)	£36,825	£33,658	£44,306	£28,117	£44,742
Shared ownership (25%)	£30,825	£28,192	£37,046	£23,583	£37,408
Help to buy	£36,563	£33,313	£44,241	£27,625	£44,688
Discounted Home Ownership (30%)	£35,438	£32,288	£42,879	£26,775	£43,313
Discounted Home Ownership (25%)	£37,969	£34,594	£45,942	£28,688	£46,406
Discounted Home Ownership (20%)	£40,500	£36,900	£49,005	£30,600	£49,500

Source: Data derived from Land Registry © Crown copyright 2022, Zoopla Lettings 2022, DLUHC, RSH SDR 2022

Table 3.11 Impact of alternative deposits on sale price and income required for open market properties

Market sale price	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	City Average Price
Market sale – lower quartile	£144,000	£128,000	£112,000	£96,000	£160,000
Market sale – median	£202,500	£180,000	£157,500	£135,000	£225,000
Market sale – average	£229,919	£204,373	£178,826	£153,280	£255,466
Household income required (3.5x multiple)	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	
Market sale – lower quartile	£41,143	£36,571	£32,000	£27,429	
Market sale – median	£57,857	£51,429	£45,000	£38,571	
Market sale – average	£65,691	£58,392	£51,093	£43,794	
Household income required (5x multiple)	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	
Market sale – lower quartile	£28,800	£25,600	£22,400	£19,200	
Market sale – median	£40,500	£36,000	£31,500	£27,000	
Market sale – average	£45,984	£40,875	£35,765	£30,656	

Source: Data derived from Land Registry © Crown copyright 2022

- 3.18 Figure 3.2 summarises in graphical form the relative affordability of alternative tenures at city level, setting out the incomes and deposits required for different options set against prevailing lower quartile and median earnings derived from 2021 CAMEO data.
- 3.19 This indicates that households on lower quartile incomes can afford social rents but no other tenure option. For households on median incomes, social renting is affordable but all other tenure options are not affordable.

Figure 3.2 Manchester household income and housing costs



Source: Data produced by Land Registry © Crown copyright 2022 RSH SDR 2022 Zoopla PPD 2022

What is genuinely affordable housing in the Manchester City context?

- 3.20 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the city and how this relates to prevailing prices. This analysis helps to establish what is genuinely affordable based on reasonable income multipliers for renting and buying. The analysis takes into account:
- Lower quartile and median household incomes from the 2021 CAMEO data;
 - 2022 entry-level incomes from a range of key worker occupations;
 - incomes associated with 2022 minimum and living wages (using single, dual income and 1.5x income measures);
 - the proportion of income a household would need to spend on rent;
 - the extent to which affordable rental options are genuinely affordable to households; and
 - the extent to which households could afford home ownership based on multiples of household income, with up to 4x being affordable.

Genuinely affordable rents

- 3.21 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across Manchester and how this relates to current market prices and rents. The analysis helps to establish the extent to which different tenures are affordable and what are genuinely affordable prices and rents based on local incomes.
- 3.22 Table 3.12 focuses on the affordability of market renting and shows the cost of renting a lower quartile and median priced property by sub-area; how this compares with incomes; and what would be genuinely affordable based on local incomes. For example, lower quartile rents are £875 across Manchester where the lower quartile income is £1,408. This means that a household is spending 62.1% of income on rent. To be genuinely affordable, that is, costing no more than 30% of gross income, a lower quartile rent should be £423 each month and median rent should be £813 each month. There are affordability issues across all sub-areas where households on lower quartile incomes are having to spend over 35% and up to 65.1% of their income on lower quartile rents.

Manchester Living Rent

- 3.23 A further affordable tenure being promoted in Manchester is Manchester Living Rent. This seeks to respond to affordable housing pressures by providing accommodation at or below Local Housing Allowance (LHA) rates.
- 3.24 Table 3.13 sets out the monthly cost of Manchester Living Rent based on local LHA rates by number of bedrooms and the income needed to afford the rent.

Affordable home ownership options

- 3.25 Table 3.14 focuses on the affordability of home ownership and shows the cost of buying a lower quartile and median-priced property. This shows that prices are in excess of 5x household incomes with the exception of median rent in the city centre. Citywide a property should cost no more than £67,600 to be affordable to households on lower quartile incomes and £130,000 to households on median incomes.

Table 3.12 Affordability of private rents by sub-area

Sub-area	Actual LQ rent 2022	LQ Gross household income 2022 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2022	Median Gross household income 2022 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income
City Centre	£949	£2,708	35.0	£813	£1,148	£4,983	23.0	£1,495
North & Central Manchester	£776	£1,192	65.1	£358	£949	£2,058	46.1	£618
South Manchester	£823	£1,842	44.7	£553	£1,101	£2,708	40.7	£813
Manchester	£875	£1,408	62.1	£423	£1,101	£2,708	40.7	£813

Sources: Zoopla Lettings 2022, household income from 2022 CAMEO

Key

Up to and including 25%	24
Between 25% and 35%	32
35% or more	40

Table 3.13 Manchester Living Rent: indicative rents and income to be affordable

No. of Bedrooms	Sub-area and Broad Rental Market Area		Annual Income needed to be affordable	
	City Centre and North and Central Manchester	South Manchester	City Centre and North and Central Manchester	South Manchester
	Central Greater Manchester BRMA	Southern Greater Manchester BRMA	Annual household income (£)	Annual household income (£)
1 Bedroom	£598	£524	£23,934	£20,942
2 Bedroom	£648	£648	£25,929	£25,929
3 Bedroom	£723	£748	£28,921	£29,917
4 Bedroom	£947	£1,097	£37,896	£43,879

Table 3.14 Affordability of owner occupation by sub-area

Sub-area	Actual LQ price 2022	LQ Gross household income 2022 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual Median Price 2022	Median Gross household income 2022 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
City Centre	£210,000	£32,500	5.8	£130,000	£272,250	£59,800	4.1	£239,200
North & Central Manchester	£127,500	£14,300	8.0	£57,200	£170,000	£24,700	6.2	£98,800
South Manchester	£200,000	£22,100	8.1	£88,400	£275,000	£32,500	7.6	£130,000
Manchester	£160,000	£16,900	8.5	£67,600	£225,000	£32,500	6.2	£130,000

Sources: Land Registry © Crown copyright 2022, household income from 2022 CAMEO

Key

Up to 3.5x	2.9
Between 3.5x and 5x	4.2
5x or more	6.2

Affordability of prices and rents to selected key workers and households on minimum/living wages

- 3.26 The extent to which citywide open market rents are affordable to selected keyworkers and households on minimum and living wages are explored in Table 3.15. All key workers on entry-level grades are having to spend more than 30% of their income on rent.
- 3.27 Table 3.16 considers the income multiples needed to buy a property based on the incomes of selected key workers and households on minimum/living wages. Analysis assumed that a 10% deposit was available and indicates that multiples in excess of 5x were generally needed when buying a property. Prices that are genuinely affordable were also considered based on a 4x income multiple.

Table 3.15 Incomes of key workers and households on minimum/living wage and rental affordability

Income/ Occupation/ Wage	Gross household income 2022 (Annual £)	Gross household income 2022 (Monthly £)	LQ Rent 2022 by sub-area			
			City Centre	North & Central Manchester	South Manchester	Manchester Total
			£949	£776	£823	£875
Police officer						
Pay Point 0	£23,556	£1,963	48.3%	39.5%	41.9%	44.6%
Pay Point 2	£27,804	£2,317	41.0%	33.5%	35.5%	37.8%
Pay Point 4	£30,060	£2,505	37.9%	31.0%	32.9%	34.9%
Nurse						
Band 1	£20,270	£1,689	56.2%	45.9%	48.7%	51.8%
Band 3	£21,730	£1,811	52.4%	42.8%	45.4%	48.3%
Band 5	£27,055	£2,255	42.1%	34.4%	36.5%	38.8%
Fire officer						
Trainee	£25,884	£2,157	44.0%	36.0%	38.2%	40.6%
Competent	£34,501	£2,875	33.0%	27.0%	28.6%	30.4%
Teacher						
Unqualified (min)	£19,340	£1,612	58.9%	48.1%	51.1%	54.3%
Main pay range (min)	£28,000	£2,333	40.7%	33.3%	35.3%	37.5%
Minimum/Living Wage						
Age 23 and over						
Single household	£17,290	£1,441	65.9%	53.9%	57.1%	60.7%
1xFull-time, 1xPart-time	£25,935	£2,161	43.9%	35.9%	38.1%	40.5%
Two working adults	£34,580	£2,882	32.9%	26.9%	28.6%	30.4%
Age 21 and 22						
Single household	£16,708	£1,392	68.2%	55.7%	59.1%	62.9%
1xFull-time, 1xPart-time	£25,061	£2,088	45.5%	37.2%	39.4%	41.9%
Two working adults	£33,415	£2,785	34.1%	27.9%	29.6%	31.4%

Key

	More than 35% of income spent on rent
	Between 25% and 35% of income spent on rent
	Less than 25% of income spent on rent

Table 3.16a Incomes of households, selected key workers and households on minimum/living wage and open market prices: Manchester

Property Prices			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>			£160,000	£225,000	£112,500	£67,500	£168,750	£157,500	£168,750	£180,000
Price after deposit/loan>>			£144,000	£202,500	£101,250	£60,750	£146,250	£141,750	£151,875	£162,000
Gross household income 2022 (Annual £)			Ratio of house price to income							
2022 Household Survey Household Income	LQ income	£16,896	7.7	10.7	6.0	3.6	8.7	8.4	9.0	9.6
	Median income	£32,500	4.0	5.5	3.1	1.9	4.5	4.4	4.7	5.0
	Average income	£40,664	3.2	4.4	2.5	1.5	3.6	3.5	3.7	4.0
ONS Annual Survey of Hours and Earnings	ASHE LQ	£21,936	5.9	8.2	4.6	2.8	6.7	6.5	6.9	7.4
	ASHE Median	£29,080	4.5	6.2	3.5	2.1	5.0	4.9	5.2	5.6
	ASHE Average	£33,495	3.9	5.4	3.0	1.8	4.4	4.2	4.5	4.8
Occupation		Wage	Ratio of house price to income							
Police officer										
Pay Point 0		£23,556	5.5	7.6	4.3	2.6	6.2	6.0	6.4	6.9
Pay Point 2		£27,804	4.7	6.5	3.6	2.2	5.3	5.1	5.5	5.8
Pay Point 4		£30,060	4.3	6.0	3.4	2.0	4.9	4.7	5.1	5.4
Nurse										
Band 1		£20,270	6.4	8.9	5.0	3.0	7.2	7.0	7.5	8.0
Band 3		£21,730	6.0	8.3	4.7	2.8	6.7	6.5	7.0	7.5
Band 5		£27,055	4.8	6.7	3.7	2.2	5.4	5.2	5.6	6.0
Fire officer										
Trainee		£25,884	5.0	7.0	3.9	2.3	5.7	5.5	5.9	6.3
Competent		£34,501	3.8	5.2	2.9	1.8	4.2	4.1	4.4	4.7
Teacher										
Unqualified (min)		£19,340	6.7	9.3	5.2	3.1	7.6	7.3	7.9	8.4
Main pay range (min)		£28,000	4.6	6.4	3.6	2.2	5.2	5.1	5.4	5.8
Minimum/Living Wage										
Single household (25 and over)		£17,290	7.5	10.4	5.9	3.5	8.5	8.2	8.8	9.4
1xFull-time, 1xPart-time		£25,935	5.0	6.9	3.9	2.3	5.6	5.5	5.9	6.2
Two working adults		£34,580	3.7	5.2	2.9	1.8	4.2	4.1	4.4	4.7
Single household (21-24)		£16,708	7.8	10.8	6.1	3.6	8.8	8.5	9.1	9.7
1xFull-time, 1xPart-time		£25,061	5.2	7.2	4.0	2.4	5.8	5.7	6.1	6.5
Two working adults		£33,415	3.9	5.4	3.0	1.8	4.4	4.2	4.5	4.8
Key										
Up to 3.5x		2.9								
Between 3.5x and 5x		4.2								
5x or more		6.5								

Table 3.16b Incomes of households, selected key workers and households on minimum/living wage and open market prices: City Centre

Property Prices			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>			£210,000	£272,250	£136,125	£61,500	£204,188	£190,575	£204,188	£217,800
Price after deposit/loan>>			£189,000	£245,025	£122,513	£73,508	£176,963	£171,518	£183,769	£196,020
Gross household income 2022 (Annual £)			Ratio of house price to income							
2022 Household Survey Household Income	LQ income	£32,500	5.2	6.8	3.8	2.3	5.4	5.3	5.7	6.0
	Median income	£59,800	2.8	3.7	2.0	1.2	3.0	2.9	3.1	3.3
	Average income	£53,275	3.2	4.1	2.3	1.4	3.3	3.2	3.4	3.7
Occupation		Wage	Ratio of house price to income							
Police officer										
Pay Point 0	£23,556	7.2	9.4	5.2	3.1	7.5	7.3	7.8	8.3	
Pay Point 2	£27,804	6.1	7.9	4.4	2.6	6.4	6.2	6.6	7.1	
Pay Point 4	£30,060	5.7	7.3	4.1	2.4	5.9	5.7	6.1	6.5	
Nurse										
Band 1	£20,270	8.4	10.9	6.0	3.6	8.7	8.5	9.1	9.7	
Band 3	£21,730	7.8	10.1	5.6	3.4	8.1	7.9	8.5	9.0	
Band 5	£27,055	6.3	8.2	4.5	2.7	6.5	6.3	6.8	7.2	
Fire officer										
Trainee	£25,884	6.6	8.5	4.7	2.8	6.8	6.6	7.1	7.6	
Competent	£34,501	4.9	6.4	3.6	2.1	5.1	5.0	5.3	5.7	
Teacher										
Unqualified (min)	£19,340	8.8	11.4	6.3	3.8	9.2	8.9	9.5	10.1	
Main pay range (min)	£28,000	6.1	7.9	4.4	2.6	6.3	6.1	6.6	7.0	
Minimum/Living Wage										
Single household (25 and over)	£17,290	9.8	12.8	7.1	4.3	10.2	9.9	10.6	11.3	
1xFull-time, 1xPart-time	£25,935	6.6	8.5	4.7	2.8	6.8	6.6	7.1	7.6	
Two working adults	£34,580	4.9	6.4	3.5	2.1	5.1	5.0	5.3	5.7	
Single household (21-24)	£16,708	10.2	13.2	7.3	4.4	10.6	10.3	11.0	11.7	
1xFull-time, 1xPart-time	£25,061	6.8	8.8	4.9	2.9	7.1	6.8	7.3	7.8	
Two working adults	£33,415	5.1	6.6	3.7	2.2	5.3	5.1	5.5	5.9	

Key

Up to 3.5x	2.9
Between 3.5x and 5x	4.2
5x or more	6.5

Table 3.16c Incomes of households, selected key workers and households on minimum/living wage and open market prices: North and Central Manchester

Property Prices			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>			£127,500	£170,000	£85,000	£51,000	£127,500	£119,000	£127,500	£136,000
Price after deposit/loan>>			£114,750	£153,000	£76,500	£45,900	£110,500	£107,100	£114,750	£122,400
Gross household income 2022 (Annual £)			Ratio of house price to income							
2022 Household Survey Household Income	LQ income	£14,300	7.2	9.6	5.3	3.2	7.7	7.5	8.0	8.6
	Median income	£24,700	4.2	5.6	3.1	1.9	4.5	4.3	4.6	5.0
	Average income	£30,995	3.3	4.4	2.5	1.5	3.6	3.5	3.7	3.9
Occupation		Wage	Ratio of house price to income							
Police officer										
Pay Point 0		£23,556	4.4	5.8	3.2	1.9	4.7	4.5	4.9	5.2
Pay Point 2		£27,804	3.7	5.0	2.8	1.7	4.0	3.9	4.1	4.4
Pay Point 4		£30,060	3.4	4.6	2.5	1.5	3.7	3.6	3.8	4.1
Nurse										
Band 1		£20,270	5.1	6.8	3.8	2.3	5.5	5.3	5.7	6.0
Band 3		£21,730	4.8	6.3	3.5	2.1	5.1	4.9	5.3	5.6
Band 5		£27,055	3.8	5.1	2.8	1.7	4.1	4.0	4.2	4.5
Fire officer										
Trainee		£25,884	4.0	5.3	3.0	1.8	4.3	4.1	4.4	4.7
Competent		£34,501	3.0	4.0	2.2	1.3	3.2	3.1	3.3	3.5
Teacher										
Unqualified (min)		£19,340	5.3	7.1	4.0	2.4	5.7	5.5	5.9	6.3
Main pay range (min)		£28,000	3.7	4.9	2.7	1.6	3.9	3.8	4.1	4.4
Minimum/Living Wage										
Single household (25 and over)		£17,290	6.0	8.0	4.4	2.7	6.4	6.2	6.6	7.1
1xFull-time, 1xPart-time		£25,935	4.0	5.3	2.9	1.8	4.3	4.1	4.4	4.7
Two working adults		£34,580	3.0	4.0	2.2	1.3	3.2	3.1	3.3	3.5
Single household (21-24)		£16,708	6.2	8.2	4.6	2.7	6.6	6.4	6.9	7.3
1xFull-time, 1xPart-time		£25,061	4.1	5.5	3.1	1.8	4.4	4.3	4.6	4.9
Two working adults		£33,415	3.1	4.1	2.3	1.4	3.3	3.2	3.4	3.7

Key

Up to 3.5x	2.9
Between 3.5x and 5x	4.2
5x or more	6.5

Table 3.16d Incomes of households, selected key workers and households on minimum/living wage and open market prices: South Manchester

Property Prices			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>			£200,000	£275,000	£137,500	£82,500	£206,250	£192,500	£206,250	£220,000
Price after deposit/loan>>			£180,000	£247,500	£123,750	£45,900	£110,500	£173,250	£185,625	£198,000
Gross household income 2022 (Annual £)			Ratio of house price to income							
2022 Household Survey Household Income	LQ income	£22,100	7.3	10.1	5.6	2.1	5.0	7.8	8.4	9.0
	Median income	£32,500	5.0	6.9	3.8	1.4	3.4	5.3	5.7	6.1
	Average income	£47,085	3.4	4.7	2.6	1.0	2.3	3.7	3.9	4.2
Occupation		Wage	Ratio of house price to income							
Police officer										
Pay Point 0		£23,556	6.9	9.5	5.3	1.9	4.7	7.4	7.9	8.4
Pay Point 2		£27,804	5.8	8.0	4.5	1.7	4.0	6.2	6.7	7.1
Pay Point 4		£30,060	5.4	7.4	4.1	1.5	3.7	5.8	6.2	6.6
Nurse										
Band 1		£20,270	8.0	11.0	6.1	2.3	5.5	8.5	9.2	9.8
Band 3		£21,730	7.5	10.3	5.7	2.1	5.1	8.0	8.5	9.1
Band 5		£27,055	6.0	8.2	4.6	1.7	4.1	6.4	6.9	7.3
Fire officer										
Trainee		£25,884	6.3	8.6	4.8	1.8	4.3	6.7	7.2	7.6
Competent		£34,501	4.7	6.5	3.6	1.3	3.2	5.0	5.4	5.7
Teacher										
Unqualified (min)		£19,340	8.4	11.5	6.4	2.4	5.7	9.0	9.6	10.2
Main pay range (min)		£28,000	5.8	8.0	4.4	1.6	3.9	6.2	6.6	7.1
Minimum/Living Wage										
Single household (25 and over)		£17,290	9.4	12.9	7.2	2.7	6.4	10.0	10.7	11.5
1xFull-time, 1xPart-time		£25,935	6.2	8.6	4.8	1.8	4.3	6.7	7.2	7.6
Two working adults		£34,580	4.7	6.4	3.6	1.3	3.2	5.0	5.4	5.7
Single household (21-24)		£16,708	9.7	13.3	7.4	2.7	6.6	10.4	11.1	11.9
1xFull-time, 1xPart-time		£25,061	6.5	8.9	4.9	1.8	4.4	6.9	7.4	7.9
Two working adults		£33,415	4.8	6.7	3.7	1.4	3.3	5.2	5.6	5.9

Key

Up to 3.5x	2.9
Between 3.5x and 5x	4.2
5x or more	6.5

Concluding comments

- 3.28 In 2022, lower quartile house prices were £160,000 and median prices were £225,000 across Manchester. Prices across Manchester were higher compared with Greater Manchester and the North West. Lower quartile private rents in 2022 were £875 and median rents were £1,101.
- 3.29 The relative affordability of dwellings to buy or rent was explored at sub-area level. Across Manchester, the minimum income required for entry-level/lower quartile renting was £35,000. For buying an entry-level/lower quartile property, the minimum income required was £36,000. These calculations assumed that a rent is affordable if no more than 30% of household income is spent on rent and if buying a property should cost no more than 4x household income.
- 3.30 Analysis considered the affordability of rents and prices at sub-area level. Overall, households had to spend 62.1% of lower quartile income on a lower quartile rent and 40.7% of median income for median rents. The city centre was the only area where the income required was below 25% for median income. Notable affordability pressures are identified in north and central Manchester where the proportion of lower quartile income needed for lower quartile rents was generally above 60%.
- 3.31 For open market purchase, the ratio of lower quartile income to price across Manchester was 8.5x and for median income to median price it was 6.2x. Both ratios are above the benchmark of 4x income and ratio. Indeed, ratios are much higher in all areas of the city, with the exception of median income in the city centre and without substantial deposits, the ability to buy is a challenge to many households.
- 3.32 Specific analysis of the affordability of renting and buying for key worker incomes and those on minimum/living wages was carried out. Key workers on entry-level grades are generally having to spend more than 30% of their income on rent.
- 3.33 Private renting was generally unaffordable for those in key worker occupations and those on minimum or living wage. Single earners on minimum/living wage have to spend in excess of 60% of their income on lower quartile rents.
- 3.34 For buying, analysis assumed that a 10% deposit was available but indicated that income multiples in excess of 4x were generally needed to buy on the open market.
- 3.35 Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent and purchase price across Manchester (Table 3.17). This is based on local incomes and assumes that no more than 30% of income is spent on rent and a household income multiple of 4x is applied to local household incomes when testing the affordability of buying. These figures should be considered when considering the extent to which new affordable housing is truly affordable.

Table 3.17 Genuinely affordable rents and purchase prices by sub-area

Geography	LQ rents that could be afforded (based on 30% of income)	Median rents that could be afforded (based 30% of income)	LQ purchase (4x income multiple)	Median purchase (4x income multiple)
Manchester	£423	£813	£67,600	£130,000
Sub-area				
City Centre	£813	£1,495	£130,000	£239,200
North & Central Manchester	£358	£618	£57,200	£98,800
South Manchester	£553	£813	£88,400	£130,000

4. The needs of different groups

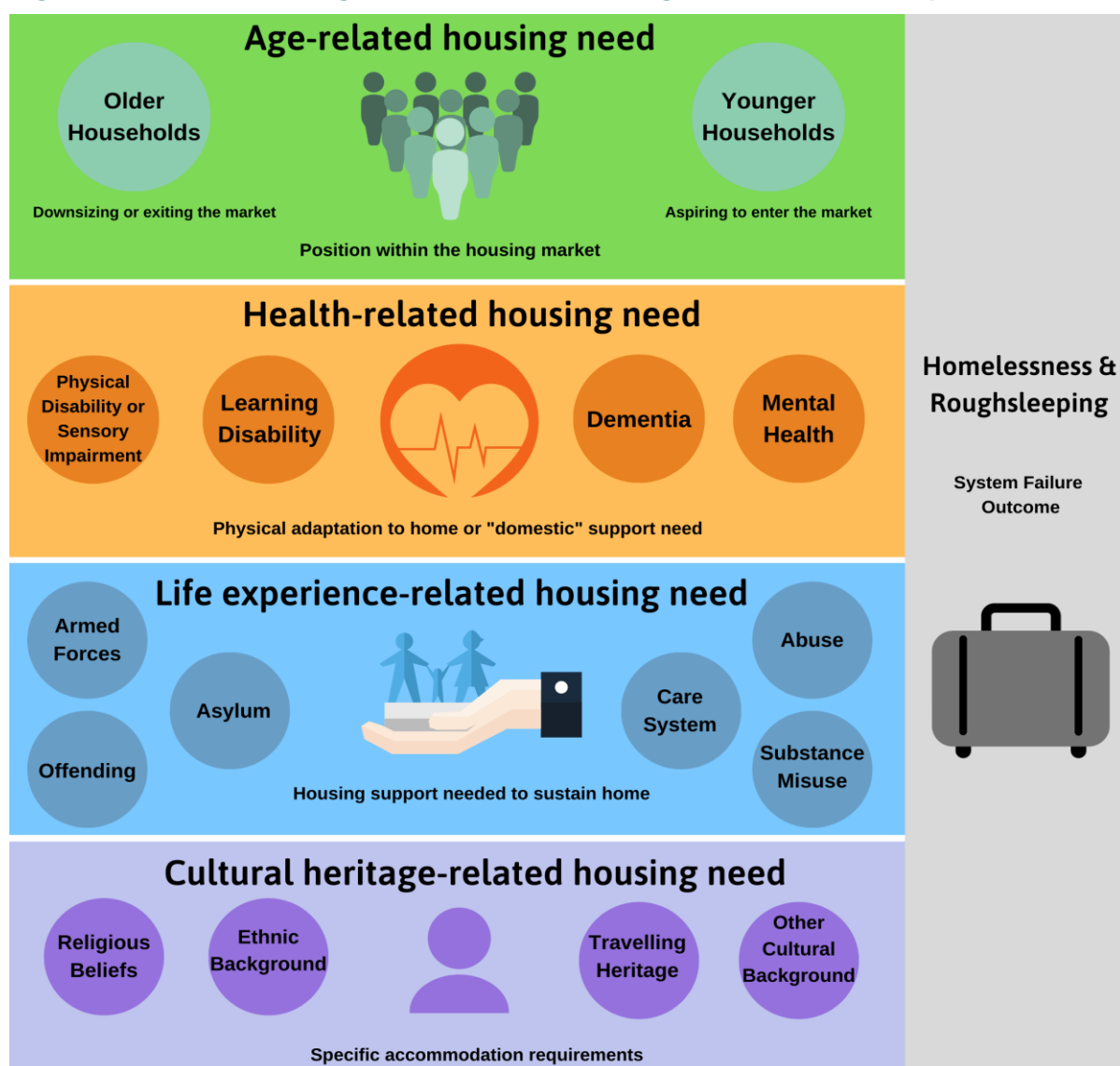
Introduction

- 4.1 Paragraph 62 of the NPPF refers to housing needs for different groups in the community and these fall into two broad groups: housing for people with additional needs and housing for specific household types.

Housing for people with additional needs

- 4.2 These groups include older people and accommodation for people with disabilities which are further sub-divided into those with health-related and life-experience related needs as summarised in Figure 4.1.

Figure 4.1 Establishing need associated with age, health and life experience



- 4.3 The evidence base relating to additional needs groups has been established based around these broad principles:
- people with additional needs are generally accommodated in mainstream housing and provided with care and support when needed;
 - some people will have complex and multiple needs and therefore may fall into several different categories of need;
 - some people require long-term accommodation to provide support for ongoing needs; and some require short-term supported housing which aims to support people for a period of time before moving on/back into mainstream housing; and
 - most people with additional needs will not need specialist supported housing but they may need adaptations to their homes and/or care and support provided in other ways.
- 4.4 The Manchester Market Position Statement for Social Care and Support 2016/17 (MPS) is the latest available document which provides a background to the priorities of different needs groups and relevant information is presented in this chapter
(https://www.manchester.gov.uk/downloads/download/5544/market_position_statement).
- 4.5 The MPS seeks to identify what the future demand for care and support might look like and to act as a starting point for discussions between the local authority and those who provide services.
- 4.6 Discussions with representatives from Manchester People First which is a self-advocacy group for adults where a learning disability have provided very useful insights into housing experiences for people with learning disabilities, sensory impairment and autism/neurodiversity. Material provided by representatives is included in this section of the HNA.

Age-related housing need

- 4.7 Age-related housing need relates to the needs of specific age groups in the housing market due to life events and the impact this has on the need for dwellings of particular sizes/types and affordability. For older households this includes 'rightsizing' and adaptation of existing dwellings. For younger households, affordability is a particular concern and this has been considered elsewhere in the report. For this section we therefore focus upon the needs of older persons for particular unit types.

Housing for older people

- 4.8 The NPPF Annex 2 defines older people as '**people over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing can encompass accessible, adaptable general needs housing through to the full range of retirement and specialist housing for those with care and support needs.**'

- 4.9 PPG recommends the following are considered in an assessment of older persons need:
- The future need for specialist accommodation (including but not restricted to age-restricted general market housing, retirement living or sheltered accommodation, Extra Care or housing with care), broken down by type and tenure.
 - The need for care in residential care and nursing homes (C2).
 - The need for co-housing communities.
 - The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs.
- 4.10 PPG notes that **‘plan-making authorities will need to count housing provided for older people against their housing requirement’** (source: PPG June 2019 Paragraph: 016 Reference ID: 63-016-20190626).
- 4.11 Over the period 2022 to 2039 the number of people aged 65 and over is expected to increase by 45%. Similarly, the number of households headed by someone aged 65 or over is expected to increase by 21,467 (51.3%) by 2039.
- 4.12 The 2023 household survey indicates that the majority of older people (52.5%) want to remain in their current home with help and support when needed (Table 4.1). There is also interest in a range of options including buying on the open market, renting from the housing association, sheltered accommodation and co-housing.

Table 4.1 Older persons' housing preferences by age group

Housing option	65-74 (%)	75-84 (%)	85+ (%)	All 65+ (%)
Continue to live in current home with support when needed	46.4	79.1	100.0	52.5
Buying a dwelling on the open market	28.9	13.7	0.0	25.9
Rent a dwelling from a private landlord	8.7	0.0	0.0	7.2
Rent from housing association	23.4	0.0	0.0	19.4
Rent from the council	18.7	0.0	0.0	15.5
Sheltered accommodation – To rent	20.3	1.3	0.0	17.0
Sheltered accommodation – To buy	16.0	19.8	0.0	16.2
Sheltered accommodation – Part rent/buy (shared ownership)	5.2	1.3	0.0	4.5
Extra Care housing – To rent	15.8	0.0	0.0	13.1
Extra Care housing – To buy	9.1	0.0	0.0	7.5
Extra Care housing – Part rent/buy (shared ownership)	3.3	0.0	0.0	2.7
Supported housing for people with learning disabilities and autism	0.0	0.0	0.0	0.0
Supported housing for mental health conditions	0.0	0.0	0.0	0.0
Residential nursing/care home	9.8	6.2	0.0	9.0
Co-housing – your own home in a small community which shares facilities (e.g., laundry) and activities	17.7	13.7	0.0	16.6
Go to live with children or other relatives/friends	6.2	6.2	0.0	6.0
Other	7.2	8.5	0.0	7.2
<i>Base (total weighted households responding)</i>	13,921	2,475	422	16,818

Source: 2023 household survey

- 4.13 The 2023 household survey indicates 41.1% of older people planning to move would like to move to a property with fewer bedrooms, 37.8% would like to move to a property with the same number of bedrooms and 21.0% would like a larger property (Table 4.2). The general conclusion is that smaller dwellings are needed to accommodate older movers but there are households who would require the same or even an increase in the number of bedrooms in their properties.

Table 4.2 Future housing choices of older households (rightsizing)

Housing choice	Aspiration (%)	Expectation (%)
Downsizing (moving to a smaller property)	41.1%	47.6%
Staying same	37.8%	34.3%
Upsizing (moving to larger property)	21.0%	18.1%
Total	100.0%	100.0%
Base (weighted households responding)	9,735	9,735

Source: 2023 household survey

Future need for specialist older person accommodation and residential care provision

- 4.14 Across Manchester, latest data would suggest there are around 7,867 units/bedspaces of specialist older persons accommodation comprising 5,957 specialist older accommodation units (C3 planning use class) and 1,910 bedspaces of residential care (C2 use class). Map 4.1 and Table 4.3 shows the current number of older persons units of accommodation across the city using data provided by the Elderly Accommodation Counsel.

Table 4.3 Categories of older person accommodation

Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
Age-exclusive housing (C3)	1,235	<p>EAC definition: Schemes or developments that cater exclusively for older people, usually incorporate design features helpful to older people and may have communal facilities such as a residents' lounge, guest suite and shared garden, but do not provide any regular on-site support to residents.</p> <p>PPG definition: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.</p>
Care homes (C2)	560	<p>EAC definition: A residential setting where a number of older people live, usually in single rooms, and have access to on-site care services. Since April 2002 all homes in England, Scotland and Wales are known as 'care homes', but are registered to provide different levels of care. A home registered simply as a care home will provide personal care only – help with washing, dressing and giving medication.</p>

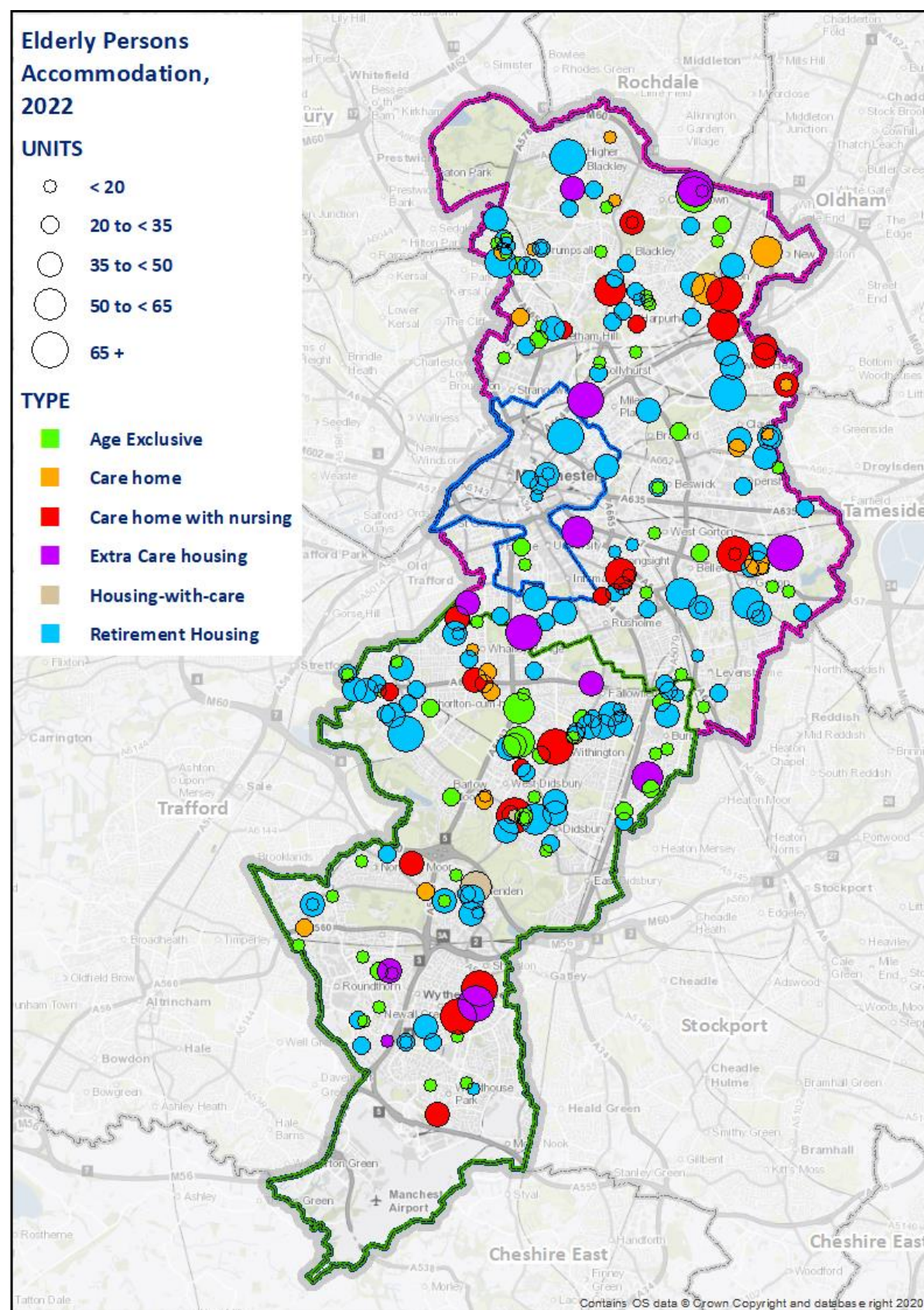
Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
		PPG definition: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.
Care home with nursing (C2)	1,350	A home registered as a care home with nursing will provide the same personal care but also have a qualified nurse on duty twenty-four hours a day to carry out nursing tasks. These homes are for people who are physically or mentally frail or people who need regular attention from a nurse.
Enhanced sheltered/close care (C3)	0	Sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the full range of provision that is found in an Extra Care housing scheme
Retirement/Sheltered housing (C3)	3,836	<p>EAC definition: Sheltered housing (S) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors.</p> <p>Retirement housing © means housing developments of a similar type to sheltered housing, but built for sale, usually on a leasehold basis. The term sheltered housing is now largely superseded by retirement housing.</p> <p>PPG definition: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.</p>
Extra Care (EC) housing or housing with care (HC) (C3)	819 EC 67 HC	EAC definition: Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply 's 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages.

Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
		<p>It is a popular choice among older people because it can sometimes provide an alternative to a care home.</p> <p>PPG definition: This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.</p> <p>Note Extra Care can also provide accommodation for people with additional needs who are not older people</p>
Total	7,867	

Source: EAC data 2023

- 4.15 This HNA will help provide evidence of the need for different accommodation options and support needs. Given the ageing of the population, the need for specialist older person accommodation is expected to increase.
- 4.16 An extra care housing need assessment has also been prepared for the council by Housing Learning and Improvement Network (Housing LIN) and its findings should also be taken into account when considering future need. The HNA assumes a higher population base in 2039 compared with the Housing LIN report and both identify an increasing need for extra care accommodation.
- 4.17 Table 4.4 sets out an assessment of need for different types of older persons accommodation based on latest metrics provided by the Housing Learning and Information Exchange (Housing LIN). This establishes:
- a need in 2022 for 1,560 residential care bedspaces increasing to 2,444 by 2039. This compares to a current supply of 1,910 bedspaces.
 - a need in 2022 for 1,080 Extra Care bedspaces increasing to 1,692 by 2039. This compares to a current supply of 886 bedspaces.
 - a need in 2022 for 4,800 C3 specialist older person dwelling units rising to 7,520 by 2039. This compares with a current supply of 5,071 units.
- 4.18 Based on the analysis of demographic change and the Housing LIN estimates, Table 4.4 sets out the overall need for older persons specialist accommodation by type of provision and tenure to 2039.

- 4.19 This indicates a net need for 2,449 additional C3 dwelling units over the period 2022 to 2039 or 136 each year, a need for 534 C2 residential care bedspaces or 13 each year and a need for 806 C2 Extra Care bedspaces or 45 each year. There is a particular need for leasehold sheltered housing, enhanced sheltered and Extra Care housing for sale. Manchester has a good supply of dementia-friendly older persons accommodation. The extra care study by housingLIN identifies a slightly higher need of 889 by 2038 and 1,260 by 2043.
- 4.20 The MPS identified the following housing priorities for older people:
- Expand the range of Extra Care housing through new developments and a review of existing provision.
 - Work with housing providers to develop a plan for sheltered housing in the city.
 - Improve marketing and information for housing options for older people.
 - Evaluate the care delivered by nursing and residential care homes.

Map 4.1 Current older persons accommodation across Manchester

Source: Elderly Accommodation Counsel 202

Table 4.4 Future need for older person accommodation relative to current supply

	Supply	Modelled need	Modelled need	Change		
	2022	2022	2039	2022to 2039		
	A	B	C	D=C-B		
Population 75+		24,000	37,600	13,600		
Type of accommodation		2022	2039	Change in need	Total need 2039 E=D+B-A	Annual need = E/18
Conventional sheltered housing to rent	4,350	1,440	2,256	816	-2,094	-116
Leasehold sheltered housing	721	2,880	4,512	1,632	3,791	211
Enhanced sheltered housing (divided 50:50 between that for rent and for sale)	0	480	752	272	752	42
Extra Care housing for rent	819	360	564	204	-255	-14
Extra Care housing for sale	67	720	1,128	408	1,061	59
TOTAL C3	5,071	4,800	7,520	2,720	2,449	136
TOTAL C2 Extra Care	886	1,080	1,692	612	806	45
TOTAL C2 residential care	1910	1,560	2,444	884	534	30
GRAND TOTAL	7,867	7,112	10,211	3,099	2,344	130
Housing-based provision for dementia (this is part of the supply as some schemes provide dementia-friendly accommodation)	714	138	198	60		

Source: Housing LIN, 2014-based DCLG population projection

Senior cohousing communities

- 4.21 Senior cohousing is specifically mentioned in PPG as a housing option for older people: 'Senior co-housing communities are created and run by residents, based on the intention to live with a group of people of a similar age. The sites often consist of self-contained private homes as well as shared community space. Some communities offer an additional option for informal care.'
- 4.22 This option should be considered by the council as part of a diverse range of accommodation for older people. The 2023 household survey identified a total of 4,086 households interested in co-housing, with interest in a range of dwelling types and sizes including 1 bedroom flats (36%), 2 bedroom properties (55%) and 3 bedroom properties (9%).

People with dementia and early onset dementia

- 4.23 The PPG makes specific reference to dementia and that **'there should be a range of housing options and tenures available to people with dementia, including mainstream and specialist housing. Innovative and diverse housing models should be considered where appropriate'** (source: June 2019 PPG Paragraph: 019 Reference ID: 63-019-20190626).
- 4.24 The PPG also outlines the characteristics of a dementia- friendly communities:
- easy to navigate physical environment;
 - appropriate transport;
 - communities shaped around the views of people with dementia and their carers;
 - good orientation and familiarity;
 - reduction in unnecessary clutter; and
 - reduction in disorienting visual and auditory stimuli.
- 4.25 The MPS identified the following aims:
- Refresh the dementia strategy for Manchester, and work with partners to develop community development initiatives.
 - Expand and maximise the use of dementia research for new ways of supporting people with dementia and their families.
- 4.26 2020 POPPI/PANSI data estimates there are 104 people aged 30 to 64 with early onset dementia and 3,478 people aged 65 and over with dementia (Table 4.5). By 2040, the number of people aged 65 and over with dementia is projected to increase by 40.7%, with an increase of 52.1% amongst the 75 – 84 age group. The number with early onset dementia is expected to increase slightly (7.1%).

Table 4.5 People with dementia

Dementia	2020	2040	% Change 2020-2040
Early onset dementia (30-64)	104	111	7.1%
Dementia (65-74)	673	889	32.2%
Dementia (75-84)	1,323	2,012	52.1%
Dementia (85 and over)	1,482	1,991	34.4%
Dementia (total 65+)	3,478	4,893	40.7%

Source: POPPI/PANSI applied to 2018-based population projections

- 4.27 A report by the All Party Parliamentary Group (APPT) on Housing and Care for Older People published a report on Housing for People with Dementia in July 2021
https://www.housinglin.org.uk/assets/Resources/Housing/Support_materials/Reports/HCOP_APPG_Dementia_Housing_and_Care_Inquiry-LowRes.pdf
- 4.28 This set out 23 recommendations which included:
- Recognise potential future loneliness and how we can maintain our family connections and wider social networks in the communities we live in before or after diagnosis.
 - Consider whether to move whilst we are able: rightsizing and moving to the right place and environment whilst able to still develop new routes and make new friends.
 - Make preventive changes, incrementally, to the home environment; such as when upgrading property or installing new technology, or where we require additional personal care and support to help us to live independently.
- 4.29 Regarding housing and planning, the report recommended:
- Support increased provision of Extra Care housing / assisted living accommodation and retirement housing that is dementia-ready, with top-sliced grant-aid through Homes England.
 - Strengthen DLUHC guidance to local planning authorities. LPAs should respond to demographic change and the need for more homes designed for older people, including those with dementia, through Local Plans specifying requirements for age-friendly housing.

The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs

- 4.30 The profile of dwellings occupied by households aged 65 and over by age group, based on the 2023 household survey, is summarised in Table 4.6. This shows that the majority (64.6%) live in houses, particularly with 3 or more bedrooms; 4.5% live in bungalows, 30.2% in flats and 0.7% in other dwelling types.

Table 4.6 Dwellings occupied by households where the HRP is aged 65 and over

Dwelling type and size	65 to 74 (%)	75 to 84 (%)	85+ (%)	Total (%)
1 or 2-bedroom house	10.1%	17.8%	21.2%	12.1%
3-bedroom house	40.7%	34.6%	57.7%	39.9%
4 or-more bedroom house	11.3%	19.3%	0.0%	12.6%
1-bedroom bungalow	1.2%	0.0%	0.0%	0.9%
2 or more-bedroom bungalow	4.1%	2.4%	0.0%	3.6%
1-bedroom flat	19.9%	19.8%	0.0%	19.2%
2 or more-bedroom flat	11.9%	6.2%	21.2%	11.0%
Other	0.9%	0.0%	0.0%	0.7%
Total	100.0%	100.0%	100.0%	100.0%
Base (weighted households)	23,035	6,471	997	30,503

Source: 2023 household survey

- 4.31 The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. PPG also asks councils to consider the extent to which existing dwelling stock can help meet the needs of older people (source: PPG 2019 Paragraph: 017 Reference ID: 2a-017-20190220).
- 4.32 Given that the majority of older people want to remain in their own homes with help and support when needed, the 2023 household survey provides a useful insight into the proportion of households who need care and support and the extent which properties are adapted (Table 4.7).
- 4.33 Table 4.8 shows that 8.7% of all households require care and support to enable them to stay in their home. This is highest amongst 85+ age group and from households living in affordable housing. Of households with a household reference person aged 85 and over, 21.5% require help and support to enable occupiers to stay in their own home. Table 4.8 presents this data at sub-area level.
- 4.34 50.7% of households have sufficient space for a carer to stay overnight if needed – and this increases to over 58% across 75 age group and 100% in the 85+ age group. Owner occupiers were most likely to have space available, but private and social renters were less likely. Around 30% of respondents in affordable housing had sufficient space for a carer.
- 4.35 Around 7.0% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem or disability. This was highest amongst affordable housing occupants (15.4%) and lowest amongst owner occupiers (4.4%). Older people were more likely to live in an adapted home, with 8.8% of households with a HRP aged 75-84 and 36.5% with a HRP aged 85+ living in adapted homes.
- 4.36 Around 15.3% of households need facilities on one floor (living room, kitchen, bathroom and bedroom) and this increases of 42.3% of households with a HRP aged 85+.

Table 4.7 Adaptations, support needs and space for carer by tenure and age group

	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)?
Tenure	Yes (%)	Yes (%)	Yes (%)	Yes (%)
Owner Occupied	69.7%	3.2%	4.4%	7.9%
Private Rented	31.6%	8.8%	2.2%	10.6%
Affordable	30.3%	19.2%	15.4%	32.8%
All tenures	50.7%	8.7%	7.0%	15.3%
Age of household reference person	Yes (%)	Yes (%)	Yes (%)	Yes (%)
Under 65	47.7%	8.7%	6.1%	11.8%
65 to 74	62.4%	10.2%	10.5%	28.4%
75 to 84	58.6%	2.5%	8.8%	23.2%
85 and over	100.0%	21.5%	36.5%	42.3%
All age groups	50.3%	8.7%	7.0%	14.6%

Source: 2023 household survey

Table 4.8 Adaptations, support needs and space for carer by sub-area

	Is there sufficient space in your home for a carer to stay overnight, if this was needed? (%)	Do you, or any other members of your household, require care or support to enable you/them to stay in this home? (%)	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability? (%)	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)? (%)
City Centre	43.4%	2.7%	3.5%	8.6%
North & Central Manchester	41.4%	9.9%	6.5%	18.6%
South Manchester	62.7%	9.0%	8.5%	13.4%
Total	50.7%	8.7%	7.0%	15.3%

Source: 2023 household survey

Estimating future need for adaptations and home improvement

- 4.37 The 2023 household survey provides evidence of the range of adaptations and home improvements needs based on the age group of the household reference person (Table 4.9).
- 4.38 More insulation, better heating, double glazing and improved ventilation were most frequently mentioned improvements needed.

- 4.39 Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom adaptations, internal handrails/grabrails and kitchen adaptations. The need for adaptations was generally highest amongst the 65 – 74 and 75+ age group.
- 4.40 These requirements are self-determined by residents responding to the 2023 household survey and may not necessarily reflect actual requirements following an independent assessment in the home.

Table 4.9 Adaptations and home improvements required by age group (% of households)

Adaptation/improvement required	Aged Under 65	Aged 65-74	Aged 75+	Total
Home improvements				
More insulation (loft, wall cavities)	34.6%	20.2%	16.2%	31.8%
Better heating	30.1%	26.7%	29.2%	29.6%
Double glazing	17.5%	17.6%	5.3%	17.0%
Improved ventilation	18.1%	9.3%	11.4%	16.6%
Downstairs WC	9.7%	14.7%	16.2%	10.7%
Adaptations				
Adaptations to bathroom	13.8%	23.0%	28.7%	15.7%
Adaptations to kitchen	9.7%	20.7%	11.8%	11.3%
External handrails /grab rails	6.9%	20.9%	16.7%	9.2%
Internal handrails /grab rails	8.7%	19.0%	18.0%	10.5%
Stair lift / vertical lift	6.3%	14.5%	12.6%	7.7%
Lever door handles	5.6%	10.7%	0.0%	6.1%
Room for a carer	6.1%	4.6%	2.8%	5.7%
Base (all weighted households)	181,205	19,954	17,266	218,425

Source: 2023 household survey

- 4.41 Resources for aids and adaptations remain limited, particularly for households in the private sector (owner occupation or privately rented accommodation). However, the provision of appropriate adaptations is essential to older households in maintaining independent living. Alternative sources of funding, such as equity loans, could be considered to finance remedial measures required by older person households. It should be pointed out that whilst local authorities will assess anyone's needs, assistance is currently means tested and some older person households will self-fund.

Assistance in the home

- 4.42 The 2023 household survey also provides information on a range of practical assistance required from households by age group (Table 4.10). Overall, the highest level of need is for help with repair and maintenance, gardening and cleaning. For all types of assistance, the level of need increases which includes the need for company/friendship, mentioned by 15.1% of people aged 65 – 74.

Table 4.10 Type of assistance required age group

Type of help needed now or in next 5 years	HRP Under 65	HRP 65-74	HRP 75+	All
Help with repair and maintenance of home	31.3%	45.0%	45.7%	33.8%
Help with gardening	16.2%	23.9%	33.4%	18.0%
Help with cleaning home	13.3%	30.5%	30.9%	16.4%
Help with other practical tasks	10.4%	23.1%	22.7%	12.7%
Help with personal care	8.5%	20.4%	11.3%	10.3%
Want company / friendship	9.9%	15.1%	10.5%	10.6%
Base (all weighted households)	181,205	19,954	17,266	218,425

Source: 2023 household survey

Health-related housing need

- 4.43 A range of sources can be drawn upon to establish the overall scale of disability/support needs across Manchester. In summary:
- The 2021 Census reported that across the city 82.3% were in good health, and 17.7% in not good health (particularly across older age groups) which compares with 17.5% across England. A total of 97,933 residents were in not good health.
 - 17.5% of residents reported that they were disabled, as defined under the Equality Act, with 8.2% saying their daily activities were limited 'a lot' and 9.4% 'a little' which compares with 7.0% and 9.9% respectively across England. This is mainly associated with older age groups.
 - 15,910 people received Disability Living Allowance in 2018 or 2.9% of the population.
 - The ONS Family Resources Survey 2018/19 estimates that around 21% of the population nationally has a disability. Based on the age profile of people with disabilities, for Manchester an estimated 94,800 people have a disability (18.1%) in 2022 which is projected to increase to around 106,300 by 2040.
- 4.44 The 2023 household survey data considered illness/disability. The survey estimated a total of 114,169 people or 20.5% had an illness/disability which similar to the national ONS estimate. Table 4.11 shows the number of people stating an illness/disability and the type of illness/disability. The most frequently mentioned illness/disability was mental health issue (6.7%), physical/mobility impairment (5.6%) and respiratory problems (4.5%).

Table 4.11 Number of people stating illness/disability

Illness/disability	Number of People	% of total Population
Physical/mobility impairment	31,434	5.6%
Learning disabilities	10,803	1.9%
Neuro-diverse issue e.g., dyslexia	24,539	4.4%
Mental health issue	37,351	6.7%
Hearing impairment	14,119	2.5%
Visual impairment	11,701	2.1%
Respiratory problems	24,865	4.5%
Heart problems	13,601	2.4%
Dementia / Alzheimer's	1,607	0.3%
Older age related frailty	10,332	1.9%
Other	23,370	4.2%
Total population (ONS, 2014-based projections)	562,100	
Total number of people with an illness/disability	114,169	20.3%

Source: 2023 household survey

Physical disability

- 4.45 POPPI and PANSI (Projecting Older People Population Information/Projecting Adult Needs and Service Information, Oxford Brookes University/Institute of Public Care) provides data on the likely prevalence in 2020 of a range of physical disabilities and how this is expected to change by 2040 (Table 4.12). In 2020, there were an estimated 24,115 people with mobility issues across all age groups which is projected to increase to 27,655 by 2040 mainly due to an increase in the number of people aged 65 with mobility issues.
- 4.46 The MPS references a need to listen to ideas on developing new models of accommodation for disabled people, in particular younger disabled people.

Table 4.12 Physical disability prevalence

Disability (age group)	2020	2040	% change 2020-2040
Impaired mobility (18-64)	14,907	15,543	4.3%
Mobility (unable to manage at least one activity on own) (65+)	9,208	12,112	31.5%
Moderate or serious personal care disability (18-64)	13,704	14,282	4.2%
Serious visual impairment (18-64)	246	256	4.0%
Moderate or severe visual impairment (65+)	4,424	5,905	33.5%
Severe hearing loss (18-64)	1,634	1,689	3.4%
Severe hearing loss (65+)	3,894	5,097	30.9%
All with mobility issues (impaired mobility 18-64 and mobility 65+)	24,115	27,655	14.7%

Source: POPPI/PANSI; 2018-based ONS population projections

- 4.47 Regarding visual impairment, the RNIB has produced a document Visibly Better Housing (<https://www.rnib.org.uk/nations/walescymru/how-we-can-help/visibly-better-designing-accessible-housing-and-buildings/>).
- 4.48 A particular matter raised by a stakeholder was issues around management, processes, protocols and support for those with guide, and indeed other assistance, dogs. The stakeholder was aware of a number of people who have experienced difficulties, one being where the housing association which failed to support an individual in respect of abuse and intimidation of a guide dog owner by other residents. While having the process for accepting a resident with an assistance dog the housing association did not have any processes or protocols in place to support staff to support this individual, even when they had no option but to call the police.

Learning disability and autism

- 4.49 A learning disability is the label given to a group of conditions present before the age of 18 that affect how an individual communicates and understands information. Autism is a lifelong developmental condition which affects how people communicate with, and relate to, other people and how they interact with the world around them.
- 4.50 The number of people across all age groups with moderate or severe learning disabilities is estimated to be around 10,477 in 2020 rising to 11,219 by 2040 (Table 4.13). There is a notable growth in the number of people aged 65 and over with learning disabilities. Around 4,344 people have autistic spectrum disorders in 2020 and this is expected to increase to 4,659 by 2040. Not all people with learning disabilities require specialist accommodation, but there are around 1,180 people being supported across Manchester.

Table 4.13 Learning disability and autism

Learning disability (age group)	2020	2040	% change 2020-2040
Total (18-64)	9,397	9,777	4.0%
Total (65+)	1,080	1,442	33.5%
Moderate or severe (18-64)	2,139	2,227	4.1%
Moderate or severe (65+)	148	198	34.0%
Moderate or severe (all ages)	2,287	2,425	6.0%
People with LD living with a parent (18-64)	940	981	4.3%
Downs syndrome (18+)	237	247	4.2%
Challenging behaviour (18-64)	170	177	4.0%
Autistic spectrum disorders (18-64)	3,865	4,014	3.9%
Autistic spectrum disorders (65+)	479	645	34.7%
Autistic spectrum disorders (all ages)	4,344	4,659	7.3%

Source: POPPI/PANSI and 2018-based ONS population projections

4.51 The GM Learning Disability Strategy 2018 included the following action points:

- Expand the Shared Lives provision and the Home Ownership for people with Long-term Disabilities (HOLD) mortgage offer in GM so that more options are available for people with learning disabilities to choose the best living arrangement for them.
- Develop a housing plan for people with learning disabilities and autism.

4.52 Manchester People First provided helpful feedback on housing issues relating to people with learning disabilities:

- People want to live in ordinary houses, streets, neighbourhoods, nothing more than that.
- Some need support, some do and some don't – just like anyone else.
- People want to live by family and friends and don't want to be moved to other side of town if there is a bed available.
- People don't want to live in ghettos or housing with a warden to 'look after them'.
- Be sensitive when recruiting staff – don't put adverts in windows of people's homes.
- Local authorities can cause issues with funding arrangements, for instance if someone wants to move to be near a partner, there can be delays in arranging this which can cause anxiety and stress which can result in challenging behaviour.
- People want to feel safe in their homes and communities.
- Housing plans should be person-centred and engaged in the process, for instance if a move is needed.

- Staff need to understand that it is not their house but the home of the people who live there.
- People who have had lived experience should be involved in planning housing.
- Needs to be better trained staff, not those on minimum wage with minimum training.
- Rents need to be affordable.
- People need housing choices – where they want to live and not where they are told to live.
- People want things to happen as actions speak louder than words.
- Accountability for people who make decisions – sometimes people make decisions and have no accountability for that decision.
- Housing is a very emotive issue – people are seen as cash cows, and we can be treated as if we're just here to give folks jobs.
- Where we live is very important to us.
- Staff can be hard to understand – particularly if they do not speak clearly.
- People have to live in accommodation that may not be appropriate for them but there is not an alternative available.
- Care needs to be taken to ensure that house sharers are compatible.

4.53 Regarding people with autism/neuro diverse, the following points were also made by Manchester People First:

- There is a problem with individuals that need care packages, (housing, associations, and private housing) tenancies are being given to the care organisation rather than the individual. So, if the individual wants to change their care provider, (especially if it's to a person budget) they lose their home because it's not in their name. This is forcing individuals to stay with care they are unhappy with or being made homeless.
- Staff need training in supporting individuals.
- For those with sensory disfunction:
 - Extra bedrooms may be needed. Sharing rooms isn't ok, noises and being noisy, stairs, smells, can all affect someone's wellbeing.
 - High rise flats may not be suitable for some sensory differences.
 - Flats that are in shared buildings may not be suitable.
 - In bedsits you can't get any peace, brain won't shut off, may need to keep their bedroom free from any other items.
 - If the environment isn't sensory suitable that could mean it's painful every day.
 - Private housing: not being able to change the house decoration, this can mean a certain colour or texture is impossible to live with for some sensory difficulties.

- Needing space so you can provide a sensory diet which for many is essential.
- Particular issues with smoke alarms (can be painful to hear), heating (need to be able to regulate temperature easily) and repairs (generally needed quickly) and increased levels of anxiety about waiting for repairers to come.
- Unannounced visits can be problematic.
- Property location is important:
 - Property allocations sometimes made without sufficient understanding of where the property is located. For instance, families are sometimes offered a house opening onto a main road which can be busy and potentially unsafe for some family members.
 - Homes need to be in areas people are familiar with – this is not taken into account when rehousing people.
 - People need to be close to carers and families for support.

Mental health

- 4.54 Mental health refers to an individual's emotional, psychological and social well-being. 2020 POPPI/PANSI data estimates there are around 70,997 residents with a common mental health disorder (Table 4.14). The number of people aged 18-64 with a common mental health disorder is expected to increase by 4.0% over the period to 2040. Depression amongst people aged 65 or over is expected to increase considerably.

Table 4.14 Mental health prevalence

Mental health 18-64	2020	2040	% change 2020-2040
Common mental disorder	70,997	73,803	4.0%
Borderline personality disorder	9,019	9,375	4.0%
Antisocial personality disorder	12,827	13,334	4.0%
Psychotic disorder	2,646	2,751	4.0%
Psychotic disorders (2 or more)	27,184	28,258	4.0%
Older people with depression	2020	2040	% change 2020-2040
Depression 65+	4,451	5,938	33.4%
Severe depression (65+)	1,390	1,846	32.8%

Source: POPPI/PANSI and 2018-based ONS population projections

Accessible and wheelchair standard housing

- 4.55 PPG states that **'where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the NPPF). To help bring forward an adequate supply of accessible housing.**

In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:

- **M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
- **M4(2) Category 2: Accessible and adaptable dwellings; and**
- **M4(3) Category 3: Wheelchair user dwellings**

‘Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site-specific factors ’ (source: PPG June 2019 Paragraph: 009 Reference ID: 63-009-20190626)

- **M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
- **M4(2) Category 2: Accessible and adaptable dwellings; and**
- **M4(3) Category 3: Wheelchair user dwellings**

‘Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site-specific factors ’ (source: PPG Paragraphs: 008 Reference ID: 56-008-20160519 & 009 Reference ID: 56-009-20150327).

4.56 Regarding evidencing the need for accessible housing, PPG states:

‘Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations. There is a wide range of published official statistics and factors which local planning authorities can consider and take into account, including:

- **the likely future need for housing for older and disabled people (including wheelchair user dwellings).**
- **size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).**
- **the accessibility and adaptability of existing housing stock.**
- **how needs vary across different housing tenures.**
- **the overall impact on viability.’** (source: Para: 007 Reference ID: 56-007-20150327).

4.57 Optional accessibility standards for dwellings were introduced by the government in 2015 to provide a mechanism for improving accessibility of housing for those with additional needs. National standards have been established and contained within Part M Volume 1 of the Building Regulations as set out in Table 4.15. Only one accessible housing standard can apply to any dwelling. The M4(2) accessible and adaptable dwelling standard is based on, and in 2015 effectively replaced, the ‘Lifetime Homes’ standard.

Table 4.15 Summary of accessible housing standards

Standard Label	Standard title	Level of accessibility provided	Mandatory or optional
M4(1)	Visitable dwellings	Level access not necessarily provided into the dwellings – few accessibility features	Mandatory
M4(2)	Accessible and adaptable dwellings	Level access is provided into the dwelling – easy to adapt to make more accessible – not suitable for most wheelchair users	Optional
M4(3)	Wheelchair user dwellings	Dwellings suitable for wheelchair users: either wheelchair adaptable (a) or wheelchair accessible (b)	Optional

- 4.58 It should be noted that Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable (a home that can be easily adapted to meet the needs of a household including wheelchair users) dwellings (source: PPG Paragraph: 009 Reference ID: 56-009-20150327).
- 4.59 In order to establish an appropriate target for M4(3) dwellings, Table 4.16 sets out a series of assumptions regarding wheelchair use from the English Housing Survey and a report by Aspire Housing Association. Applying these assumptions would suggest a target of 4% of newbuild to meet the M4(3) wheelchair accessible standard is required.
- 4.60 According to PPG (source: PPG Paragraph: 009 Reference ID: 56-009-20150327), 'Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.' This would imply that the onus on wheelchair accessible housing delivery is with the local authority/registered providers, but private developers should also be encouraged to build to M4(3) wheelchair accessible or adaptable homes where appropriate. Any final targets should be set within the context of likely levels of delivery.

Table 4.16 Wheelchair use assumptions and resulting annual need

Assumption	% requirement	Number each year (based on 3,533 annual housing need)
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair all the time	0.6%	21
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair either indoors or outdoors	3.0%	106
Manchester has 1,867 current users of wheelchairs inside and outside the home based on 2023 household survey. This equates to 0.9% of households.	0.9%	32
Aspire report on wheelchair accessible housing (*)	10.0%	353
Average of indicators	3.63%	128

(*) Wheelchair Accessible Housing: Waiting for appropriate housing in England, Aspire October 2014 recommends that the national government should set a minimum requirement of 10% of all new build properties across all tenures to be wheelchair accessible.

4.61 Table 4.17 considers the profile of wheelchair accessible or adaptable dwellings needed by number of bedrooms and age group of the Household Reference Person.

Table 4.17 Wheelchair dwellings needed by age group and number of bedrooms each year

Age group	1-bedroom	2-bedroom	3-bedroom	Total
Under 65	0.0%	32.6%	47.9%	80.5%
65 and over	0.0%	0.0%	19.5%	19.5%
Total	0.0%	32.6%	67.4%	100.0%
Age group	1-bedroom	2-bedroom	3-bedroom	Total
Under 65	0	42	61	103
65 and over	0	0	25	25
Total	0	42	86	128

Source: 2023 household survey

Note: The annualised figure of 141 is based on the average of indicators in Table 4.16.

4.62 Given the ageing demographic of Manchester and the identified levels of disability amongst the population, it is recommended that a policy to provide new homes built to accessibility standards is included in the Local Plan. On the basis of available evidence which takes into account the requirements of PPG, it is recommended that:

- 3.6% of new dwellings are built to M4(3) wheelchair accessible standard (this would imply an average target of around 128 each year); and

- all remaining new dwellings are built to M4(2) accessible and adaptable standards to take account of the ageing demographics of Manchester. This will ensure that new dwellings can be occupied and also visited by people needing accessible/adaptable dwellings. This is a requirement in PfE (para 1.38) and therefore, after adoption of PfE, should be referenced but not repeated in the Local Plan.

Stakeholder views on specialist housing

4.63 As general points, stakeholders commented that :

- Specialist housing needs to be developed for vulnerable people. This can be achieved through developing a pipeline of new supported accommodation and working with the Health Commissioners to develop joint models of housing support for those more vulnerable and complex citizens who require ongoing clinical and therapeutic support to remain in the community.
- There is a shortage of social rented supported accommodation for adults with a learning disability and/or autism. There is also a great shortage of general affordable accommodation for adults with autism only (high functioning) that is in suitable locations which are safe and quiet.
- Gaps were also identified with a lack of disabled access properties, supported accommodation for people with alcohol / substance misuse and specialist/supported accommodation.
- Specialist housing needs to be developed for vulnerable people. This can be achieved through developing a pipeline of new supported accommodation and working with the Health Commissioners to develop joint models of housing support for those more vulnerable and complex citizens who require ongoing clinical and therapeutic support to remain in the community.

4.64 Detailed feedback from stakeholders is presented in Appendix E.

BAME population and households

4.65 Around 43.2% of the population in Manchester identify as BAME. The distribution of BAME people within the city is shown in Table 4.18. The majority of BAME people live in north and central Manchester and south Manchester sub-areas.

Table 4.18 Distribution of BAME households across Manchester

Sub-area	BAME population	% of Manchester BAME population in each sub-area	% of population in each sub-area who identity as BAME	All people
City Centre	15,643	6.6%	32.7%	47,895
North & Central Manchester	156,219	65.5%	54.5%	286,861
South Manchester	66,511	27.9%	30.6%	217,281
Manchester	238,373	100.0%	43.2%	552,037

Source: 2021 Census

- 4.66 The 2023 household survey identified 39,823 weighted households where the household reference person identified as BAME. Overall, 21.1% of BAME households were in some form of housing need compared with 18.1% of all households. Households sharing facilities and people with mobility issues/other special needs were key reasons for BAME housing need.

Gypsy, Traveller and Travelling Showperson need

- 4.67 The 2022 Greater Manchester Gypsy, Traveller and Travelling Showperson's Needs Assessment is the latest evidence of need. There are currently no residential sites in Manchester but the council are committed to providing new sites for the families displaced following the closure of 16-pitch site at Dantzic Street. The GTAA identified a need for 17 pitches and following discussions with the households and their advocate, it is recommended that two sites are developed to meet the needs of the two extended families.

Other groups with particular housing requirements

- 4.68 This chapter concludes with a summary of the other household groups who have particular housing requirements in Manchester.

People who rent their homes

- 4.69 Chapter 4 presents a range of data on the characteristics of households who rent their homes – either privately or from a social housing provider.

Self-build and custom housebuilding

- 4.70 The NPPF 2023 set out that the government wants to enable more people to build their own homes and wants to make this form of housing a mainstream housing option.
- 4.71 Over the period up to 2016 through to October 2022 (6 full years plus any pre 2016 applications), a total of 606 people have expressed an interest in self-build. Over the period, 160 permissions have been granted.

- 4.72 A review of plot searches on the buildstore website in August 2023 identified 14 plots available in Greater Manchester and one in Manchester.

Student housing need

- 4.73 This is being covered by a separate study currently being carried out by the council.

Conclusion

- 4.74 In accordance with PPG, this housing need and demand study has considered the future need for specialist accommodation, the need for residential care and considered the role of general housing in meeting needs, in particular bungalows and homes that can be adapted to meet a change in needs.
- 4.75 The number of households headed by someone aged 65 or over is expected to increase by 13,313 (35.8%) by 2040. According to the 2023 household survey, the majority of older people 65 and over want to continue to live in their current home with support when needed according to the 2023 household survey, with help with repair/maintenance, gardening and cleaning, which would help people remain in their own home. There is also a need to deliver a range of smaller dwellings (particularly level-access accommodation) for older people across all tenures and specialist older persons housing provision.
- 4.76 Across Manchester there are around 7,867 units of specialist older persons accommodation comprising 5,071 specialist older person accommodation units (C3 planning use class), 886 bedspaces of Extra Care (C2 use class) and 1,910 bedspaces of residential care (C2 use class).
- 4.77 Based on population projections and Housing LIN estimates of demand for different types of accommodation, there is a modelled need for 3,789 additional units of specialist older persons' accommodation by 2039. This comprises a need for and additional 2,449 C3 units, 806 C2 Extra Care bedspaces and 534 C2 residential care bedspaces.
- 4.78 The HNA does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that 'any single development may contain a range of different types of specialist housing' (source: PPG June 2019 Paragraph: 010 Reference ID: 63-010-20190626).
- 4.79 A key conclusion is that there needs to be a broader housing offer for older people across the city and the HNA has provided evidence of the scale and range of dwellings needed.
- 4.80 A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across the population of the city. Although it is a challenge to quantify the precise accommodation and support requirements, the HNA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups. This analysis also provides evidence to help inform the Manchester enabling independence accommodation strategy.

- 4.81 It is estimated there are around 95,900 people with a disability across Manchester based on ONS disability estimates and is projected to increase to around 114,100 by 2039. Regarding housing for people with disabilities, arc4 national data suggests around 6.9% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability. 11.8% of households need all facilities (living room, bathroom, kitchen and bedroom) to be on one floor.
- 4.82 Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 3.6% of new dwellings are built to wheelchair accessible M4(3) standard. All remaining new dwellings are built to M4(2) accessible and adaptable standard, to take account of the ageing demographics of Manchester.

5. Overall dwelling type, mix and affordable housing need

Introduction

- 5.1 This chapter considers overall housing need, affordable need and establishes an overall dwelling type, size and tenure mix for Manchester. The detailed analysis underpinning this chapter is presented in Technical Appendix D.

Overall housing need

- 5.2 The Places for Everyone strategic plan for Greater Manchester sets out the housing requirements for Manchester. Policy JP-H1 Scale, Distribution and Phasing of New Housing Development 2021-2039 establishes an annual net additional average for 3,533 dwellings across Manchester as follows:

Annual average 2022-2039	2022-2026 (annual)	2027-2031 (annual)	2031-2039 (annual)	Total 2022-2039
3,533	3,533	3,533	3,533	60,061

Affordable housing need

- 5.3 A detailed analysis of affordable housing need in accordance with PPG is presented at Technical Appendix C. This establishes an overall gross affordable need of 4,361 and after considering affordable lettings and pipeline newbuild supply, the net annual shortfall is 1,142 each year assuming that the 'backlog' of existing need is met over a 10-year period. The annual shortfall is 3,294 if the backlog is met over a 5-year period.
- 5.4 Planning practice guidance is clear that only a proportion of need is expected to be delivered through the planning process.

Tenure mix and First Homes

- 5.5 Analysis of house prices and local incomes indicates that across the city First Homes at a 40% discount to median price would be affordable to households on median income. Further analysis on First Homes is presented at Appendix C, with definitions provided at Appendix A.
- 5.6 As set out in planning practice guidance, First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers.

Dwelling type and mix

- 5.7 Dwelling mix analysis is underpinned by a demographic scenario model which considers projected household change to 2039 using 2014-based DCLG household projections. To support flexibility in delivery, dwelling type and mix by tenure is presented as a broad range which also considers household aspirations and expectations from the 2023 household survey.
- 5.8 Further detail of the modelling along with analysis of dwelling mix by sub-area is presented in Tables D6 to D8 in Technical Appendix D. On the basis of modelling carried out, Table 5.1 sets out the overall annual dwelling size recommendation by different tenures and also the overall need for level-access dwellings.

Table 5.1 Overall annual dwelling size and tenure mix recommendations

Number of bedrooms	Market	Affordable/ Social Rented	Affordable home ownership	Total
1	5-10%	10-15%	10-15%	5-10%
2	35-40%	40-45%	30-35%	35-40%
3	35-40%	35-40%	40-45%	35-40%
4	15-20%	5-10%	10-15%	10-15%
Overall need for level-access dwellings	10-15%	20-25%	10-15%	10-15%

Conclusions

- 5.9 The Places for Everyone plan sets out an average net additional housing need for Manchester of 3,533 over the period 2021 to 2039.
- 5.10 The HNA has established future household change and the implications this has for dwelling type, size and tenure mix. This helps the council and its partners make informed decisions on the range and size of dwellings to be built to meet need over the period to 2039.
- 5.11 Given the level of net affordable need (1,142 homes each year), the Local Plan needs to maintain a robust affordable housing policy setting out targets and tenure split in order to maximise new supply..
- 5.12 An affordable policy should therefore continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs.

6. Conclusion: policy and strategic issues

- 6.1 This document has been prepared to equip the council and their partners with robust, defensible and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of existing and emerging government policy and guidance.
- 6.2 The Manchester HNA will help the council plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Specifically, the HNA identifies the size, type and tenure of housing required by considering current market demand relative to supply; and also identifies a continued affordable housing shortfall across the city.
- 6.3 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets and key local strategic issues.

Overall Housing need

- 6.4 The minimum net additional dwellings to be delivered in Manchester is set out in Places for Everyone plan Policy JP-H1. This identifies a minimum 3,533 net additional housing target over the period 2022 to 2039 across Manchester.

Dwelling type, tenure and mix

- 6.5 The relationship between household change and dwelling type/size and tenure requirements have been fully explored. The evidence will help the council deliver an appropriate range of dwelling stock for residents over the plan period. It is recommended that future planning policy references the broad mixes evidenced in Table 6.1 and considered when determining future applications.
- 6.6 Regarding affordable need, there is an annual net shortfall of 1,142 dwellings (assuming a 10 year backlog clearance and 3,294 assuming a 5 year clearance). A recommended tenure split is 80% rented and 20% affordable home ownership which would include First Homes. Delivery of affordable housing is subject to economic viability and the council does not need to plan to meet this number in full but affordable housing delivery should be maximised at every possible opportunity.

Table 6.1 Summary of overall dwelling mix by tenure

Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	10-15%	10-15%	5-10%
2	35-40%	40-45%	30-35%	35-40%
3	35-40%	35-40%	40-45%	35-40%
4	15-20%	5-10%	10-15%	10-15%
Overall need for level-access dwellings	10-15%	20-25%	10-15%	10-15%

- 6.7 A recommended tenure split is 80% rented and 20% affordable home ownership which includes a recognition of First Homes.

Meeting the needs of older people and those with disabilities

- 6.8 There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities. Although the majority of older people want to remain in their own home with support when needed, there is a need to diversify options available to older people wanting to move to more appropriate accommodation.
- 6.9 Currently there are around 7,867 units of specialist older person accommodation comprising 1,910 units of residential care (C2 use class) dwellings and 5,957 units of specialist older person dwellings (C3 use class) such as sheltered and Extra Care. Based on current supply, population projections and housing LIN estimates of demand for different types of accommodation, there is a modelled need for 2,344 additional units of specialist older persons' accommodation by 2040. This comprises 2,113 C3 units and 231 C2 residential care bedspaces. The C3 units should be included in the overall housing figure. C2 bedspaces are included in housing figures, with the council applying a ratio of units to bedspaces.
- 6.10 A key conclusion is that there needs to be a broader housing offer for older people across Manchester and this HNA has provided evidence of scale and range of dwellings needed.
- 6.11 A range of information has been assembled from various sources which helps to scope out the likely level of disability across Manchester's population. The strategic need for different types of accommodation has been evidenced using available information including the Supported Housing Strategy and Older Persons' Housing Strategy.
- 6.12 Given the ageing population of Manchester and the identified levels of disability amongst the population, it is recommended that 3.6% of new dwellings are built to M4(3) wheelchair accessible and adaptable standard and all remaining new dwellings are built to M4(2) accessible and adaptable standard to take account of the ageing demographics of Manchester which, if adopted, will be a requirement of Places for Everyone.

- 6.13 It is expected that some of this need will be met through the development of C3 accommodation and there is overlap between affordable, specialist older person and M4(3) need. For instance, the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.
- 6.14 It is also assumed that there will be ongoing adaptation of existing dwellings to support those with additional needs.

Final comments

- 6.15 The evidence presented in this HNS suggests that there are three main policy areas that require particular attention from both a planning policy and social policy perspective:
- the challenge of enabling the quantity and mix of housing that needs to be delivered, including an appropriate level of affordable housing;
 - the challenge of ensuring that the housing and support needs of older people are met going forward; and
 - the challenge of ensuring that the needs of people with disabilities are appropriately addressed.

Technical Appendix A: Research methodology

Overall approach

- A.1 A multi-method approach was adopted in order to prepare a robust and credible housing needs assessment for Manchester:
- A comprehensive 2023 household survey which achieved 972 responses, from 15,000 households, representing a response rate of 6.5% and a sample error of +/- 3.1% at the city level. Low response rates are expected and the sample errors achieved would be described by ONS as 'Precise' if +/-5% or lower and 'reasonable precise' if between +/- 5% to under +/-10%. Responses from a broad range of groups was received which reflected tenure, age group, ethnicity, household type, sexuality and income group.
 - A survey of key stakeholders including representatives from the council, neighbouring local authorities, housing associations, specialist housing providers, estate agents, adult social care and developers;
 - Interviews with estate and letting agents operating within the city;
 - A review of relevant secondary data including the 2021 Census, house price trends, CORE lettings data and DLUHC Statistics.

Table A.1 Household Survey sample size

Sub-area	Total households sample base	Sample required	Households contacted	Actual Response	Actual Response rate	Actual sample error
City Centre	22,653	378	5000	232	0.046	6.40%
North & Central Manchester	104,693	383	5000	346	0.069	5.26%
South Manchester	87,409	382	5000	394	0.079	4.93%
Manchester	214,755	383	15000	972	0.065	3.14%

Technical Appendix B: Affordable housing definitions

Affordable housing definitions

Definitions relating to affordable housing are presented in the NPPF 2023 (Annex 2):

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

- a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the government's rent policy for social rent or affordable rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes, affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
- c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to government or the relevant authority specified in the funding agreement.

First Homes

In May 2021, Planning Practice Guidance was issued which set out the concept of First Homes and their delivery (<https://www.gov.uk/guidance/first-homes#first-homes-definition-and-eligibility-requirements>). Key points are:

- First Homes are a discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes.
- They must be discounted by a minimum of 30% against market value after the discount has been applied, the first sale must be at a price no higher than £250,000 outside London.
- They must be sold to people meeting eligibility criteria which includes first-time buyers and household incomes should not exceed £80,000.
- The discount is passed onto each subsequent purchaser.
- First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers.

Technical Appendix C: Housing need calculations

Introduction

- C.1 Identifying the scale of affordable housing need is a key consideration of planning practice guidance. This is a separate calculation to the overall housing need figure derived using the standard model and set out in PPG paragraphs 18 (Reference ID: 2a-018-20190220) to 24 (Reference ID: 2a-024-20190220). The affordable housing need analysis helps to establish the overall scale of affordable housing need by location, type, size and tenure and whether the council should plan for more dwellings to help meet the need for affordable housing.
- C.2 PPG states that ‘all households whose needs are not met by the market can be considered in affordable housing need (PPG Paragraph: 018 Reference ID: 2a-018-20190220). PPG then considers how affordable housing need should be calculated:
- ‘Strategic policy-makers will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).’* (PPG Paragraph: 019 Reference ID: 2a-019-20190220).
- C.3 The PPG focuses on the use of existing (secondary data) but does not preclude the use of primary survey evidence.
- C.4 There are four broad components to the needs assessment method. These have remained relatively unchanged through the different guidance issued by government and focus on:
- Step A. Existing household in need (current unmet gross need).
 - Step B. Future households in need.
 - Step C. Affordable supply.
 - Step D. Annual need for affordable housing.

Affordability assumptions

- C.5 As part of the affordable needs assessment, the extent to which households in need cannot afford open market prices or rents is considered. PPG does not specify what household income should be spent for a property to be affordable although does state the ‘need to identify the minimum household income required to access lower quartile (entry-level) market housing’ PPG 2019 Paragraph 021 Reference ID 2a-021-20190220. The last guidance to consider affordable prices/rents was published in the 2007 DCLG Strategic Housing Market Assessments Practice Guidance Version 2 August 2007, which stated that gross household incomes should be used to assess affordability and:
- a household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and

- a household can be considered able to afford market renting where the rent payable was up to 25% of gross household income
- C.6 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.
- C.7 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered This is the maximum single or joint household income multiple offered by First Direct July 2020.
- C.8 Based on this data, and to reflect the specific pressures experienced in Manchester, the principal assumption considered by arc4 with reference to affordability is:
- for buying up to 4x gross household income; and
 - for renting up to 30% gross household income.

Step A: Current unmet gross need

- C.9 PPG Paragraph: 020 Reference ID: 2a-021-20190220 states that 'strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:
- the number of homeless households;
 - the number of those in priority need who are currently housed in temporary accommodation;
 - the number of households in over-crowded housing;
 - the number of concealed households;
 - the number of existing affordable housing tenants in need (i.e., householders currently housed in unsuitable dwellings); and
 - the number of households from other tenures in need and those that cannot afford their own homes, either to rent or to own if that is their aspiration.'
- C.10 PPG notes that care should be taken to avoid double-counting and to only include those households who cannot afford to access suitable housing in the market. Table C1. Sets out the overall scale of current need before affordability of market housing is considered.

Table C1 Current gross unmet need (before affordability testing)

Reason for need	Total in need	Comment	Source
A1 Homeless households	3877	Number of households identified as homeless 2021/22	DLUHC Live tables
A2 Priority need / temporary accommodation	2648	Households identified as threatened with homelessness in 2021/22 plus households living in temporary accommodation (based on quarterly average) in 2021/22	DLUHC Live tables
A3 Overcrowded	16940	2021 Census data households	2021 Census TS052
	6512		2023 household survey
A4 Concealed household	3,802	Census definition refers to couples and lone parents living within another family unit.	2021 Census RM009
	2,921		2023 household survey
A5 Existing affordable tenants in need	9,263		2023 household survey
A6 Other tenures in need	23,621		2023 household survey
A7 Sum of households in A3 to A6 with one or more needs	53,626	Sum of A3 to A6 BOLD figures	Where two figures are presented, used the higher figure in the needs calculation
A8 Total in A7 adjusted to remove any double counting	32,984	This is the total number of households with one or more needs	
A9. All households in need (A1+A2+A8)	39,509	Represents 18.4% of all households.	

Note table subject to rounding

Further Notes to Table C1:

A3. Overcrowding

The extent to which households are overcrowded is measured using the 'bedroom standard'. This allocates a standard number of bedrooms to each household in accordance with its age/sex/marital status composition. A separate bedroom is allocated to each married couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex and each pair of children under 10. Any unpaired person aged 10-20 is paired if possible, with a child under 10 of the same sex, or, if that is not possible, is given a separate bedroom, as is any unpaired child

under 10. This standard is then compared with the actual number of bedrooms (including bedsits) available for the sole use of the household.

Note: the model has used overcrowding and concealed households data from the 2021 Census.

A4. Concealed households

The number of couples and lone parents living within a household.

A5. Existing affordable tenants in need and A6. Other tenures in need

Households in need based on the numbers who have one or more of the following needs: under notice, real threat of notice or lease coming to an end; too expensive; too difficult to maintain; sharing facilities; unsuitable due to age/mobility impairment; lacking facilities; major disrepair; harassment/threat of harassment from neighbours.

A7 and A8. Sum of households

A7 is the sum of households who are overcrowded, concealed, are existing tenants in need or other tenures in need. A8 adjusts this total to remove double counting to give a figure for the total number of households with one or more housing need. This final figure takes account of any duplicates (so if the household is overcrowded and has another need, it is only counted once as a household in need).

Affordability of open market options

C.11 Table C2 sets out sub-area lower quartile prices and rents.

Table C2 Lower quartile house prices and rents by sub-area

Sub-area	Lower Quartile Price 2022	Lower Quartile private rent 2022
City Centre	£210,000	£949
North & Central Manchester	£127,500	£776
South Manchester	£200,000	£823
Manchester Total	£160,000	£875

Source: Data produced by Land Registry © Crown copyright 2022, Zoopla 2022

C.12 Table C3 sets out the proportion of households in need who could not afford open market prices or rents. Where no prices/rents are available, city average prices/rents have been used. The affordability analysis uses sub-area lower quartile prices and rents and assumes that a property is affordable if up to 25% of household income is spent on rent and buying costs up to 3.5x household income.

C.13 It is reasonably assumed that all households in A1 (homeless) and A2 (priority need/in temporary accommodation) cannot afford open market prices or rents

given their housing circumstances (and income information is not available from secondary data source).

- C.14 The affordability of open market options is tested on the remaining households in need (rows A3 to A6 in Table C1) based on 2023 household survey data using 30% of household income (renting) and 4x income (for buying).
- C.15 Analysis concludes that **21,515** households across Manchester are in housing need and cannot afford to buy or rent at lower quartile market prices.

Table C3 Affordability of open market housing for households in need

Needs groups	Number of households	% cannot afford to buy or rent	Number cannot afford to buy or rent
Sum of A1 and A2 households	6,525	100%	6,525
Sum of households in A3 to A6 with one or more needs adjusted for double counting.	32,984	45.4%	14,990
Total cannot afford to buy or rent			21,515

Step B: Future households in need

- C.16 **PPG Paragraph 021 Reference ID: 2a-021029190220** states that ‘projections of affordable housing need will have to reflect new household formation, the proportion of newly-forming households unable to buy or rent in the market area, and an estimate of the number of existing households falling into need. The process will need to identify the minimum household income required to access lower quartile (entry-level) market housing. It can then assess what proportion of newly-forming households will be unable to access market housing.’

New household formation

- C.17 The most useful data sources for assessing the level of new household formation are:
- DLUHC/ONS household projections, from which an annual net increase in households can be derived; and
 - the English Housing Survey, from which a national gross household formation rate can be derived and referenced as a data source in the PPG.
- C.18 Based on the requirements of PPG, the gross annual formation rate used in analysis is 3,598. Table C4 sets out a range of household formation rate projections, but the chosen figure reflects the 2014-based government household projections. Through the standard method of calculating need, allowance is made for increasing the level of housing delivery to support household formation through the affordability adjustment.

Table C4 Net and gross household formation 2022-2032

Scenario	Annual household formation	Notes	Source
A. DLUHC 2014-based household projections	2,348	23,479 NET increase between 2023 and 2033	DLUHC 2014-based household projections
B. ONS 2018-based household projections	1,179	11,879 NET increase between 2023 and 2033	ONS 2018-based household projections
C. Average gross household formation rate based on applying national rate to total households over the period 2022-2032 (2014-based projections)	3,598	Gross household formation rate of 1.435%	English Housing Survey 3- year average 2017/18 to 2019/20 (Table FT4302)
D. Average gross household formation rate based on applying national rate to total households over the period 2022-2032 (2018-based projections)	3,238	Gross household formation rate of 1.435%	English Housing Survey 3-year average 2017/18 to 2019/20 (Table FT4302)
E. Gross household formation using 2014-based projections	3,598		

New households likely to be in affordable housing need

- C.19 Analysis of the incomes of households who have formed in the past 5 years using the 2023 household survey concludes that 39.1% could not afford buying or renting lower quartile (entry-level) properties. Based on a gross formation rate of 3,598, 2,210 households each year are estimated to be in affordable housing need.

Existing households expected to fall into need

- C.20 The 2023 household survey identifies 4,017 existing households who have fallen into need in the past 5 years and moved into affordable housing or 803 each year.

Total newly arising affordable housing need (gross per year)

- C.21 Total newly arising need is therefore 2,210 each year as summarised in Table C5.

Table C5 Total newly-arising affordable housing need

A. Number of newly-forming households		3,598
B. Proportion unable to afford market housing	39.1%	1,407
C. Existing households falling into need		803
Total newly arising affordable need (B+C)		2,210

Step C: Affordable housing supply

C.22 PPG Paragraph 022 Reference ID: 2a-022-20190220 notes that ‘there will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply’. There are five aspects to affordable supply to be considered as set out in Table C6.

Table C6 Affordable housing supply

Source of supply/stock loss	Data source	Data
The number of affordable dwellings that are going to be vacated by occupiers that are fit for use by other households in need	RP lettings data over most recent 4-year period	Annual average of 2,916 affordable dwellings have been let 2018/19 to 2021/22. If 2020/21 is excluded (with volume of lettings affected by the COVID-19 pandemic), figure is 3,139
Suitable surplus stock (vacant properties)	DLUHC vacant dwelling statistics	659 vacant affordable (council and housing association excluding not available for letting) dwellings reported as vacant in 2022 or 1.0% of total affordable stock. This is below the transactional rate of around 2% to allow movement in stock so no suitable surplus stock available.
The committed supply of new net affordable homes at the point of assessment (number and size)	Council data	Latest pipeline supply data (Jan 2023) reports a total of 2,895 pipeline affordable dwellings.
Supply of affordable home ownership through <u>resale</u>	English Housing Survey Table FA4131	EHS indicates 5.9% of owner occupiers with a mortgage moved to their accommodation in the past year. This is used as a basis for estimating the number of resales of affordable home ownership products at 5% each year. Based on 1,608 dwellings there are an estimated 80 resales each year
Units taken out of management	Local authority data	None identified
Total annual supply (excluding pipeline supply)	Calculation	3,139 lettings + 0 vacant + 80 AHO resales – 0 units taken out of management = 3,219 each year

Note: stock losses through Right to Buy are not referenced in PPG and not included in this table. Any losses through Right to Buy would increase the shortfall.

Note2: Modelling first considers total annual supply excluding pipeline supply. Pipeline supply is then introduced into the model outcome to establish the extent to which annual need is being met through new pipeline provision.

- C.23 Overall, the analysis of affordable housing need assumes a total annual affordable housing stock supply of 3,219 dwellings and a pipeline supply of 2,895.

Step D: Total annual need and breakdown by size and tenure

- C.24 Table C7 summarises the total annual need for affordable housing across Manchester which establishes a gross annual need of 5,934 and after taking into account supply, a net need of **1,142** affordable dwellings each year assuming a clearance of gross unmet need over 10 years which aligns the modelling to the standard method. Table C8 presents the data for individual sub-areas.

Table C7 Gross and net annual affordable need

Component	Description	Number	Data source/ assumption
A1	Current gross unmet need (before affordability test)	39,509	Table C1 row A9
A2	Current gross unmet need (after affordability test)	21,515	Table C3
A3	Annualised need	2,152	Assume unmet need is cleared over a 10-year period.
B	Newly-arising annual need	2,210	Table C5
TGN	Total gross need	4,361	A5+B
C	Affordable annual housing supply	3,219	Table C6
	Total annual net need	1,142	TGN – C

Notes: Table subject to rounding errors

- C.25 Note, if the unmet need is cleared over a 10-year period, which would align with the standard method, the total annual net need would be 1,142 each year.

Table C8 Gross and net annual affordable need by sub-area

Component	Description	Data source/ assumption	Manchester	City Centre	North and Central	South Manchester
A1	Current gross unmet need (before affordability test)	Table C1 row A9	39,509	3,916	21,874	13,719
A2	Current gross unmet need (after affordability test)	Table C3	21,515	1,801	13,342	6,372
A5	Annualised need	Assume unmet need is cleared over a 5-year period	2,152	180	1,334	637
B	Newly-arising annual need	Table C5	2,210	159	1,037	1,014
TGN	Total gross need	A3+B	4,361	340	2,371	1,651
C	Affordable annual housing supply	Table C6	3,219	381	1,696	1,143
	Total annual net need	TGN – C	1,142	-41	675	508

Housing register

C.26 According to the latest data, there are 14,912 households on the housing register for Manchester (Table C9).

Table C9 Affordable need based on the housing register

Location	Number bedrooms 1	Number bedrooms 2	Number bedrooms 3	Number bedrooms 4 or more	Total	Base
Manchester	42.0	30.2	20.4	7.4	1000	14,912

Source: DLUHC Local Authority Housing Statistics LAHS 2021/22

First Homes

C.27 First Homes are described at Appendix A.

C.28 Table C10 considers the price of First Homes using different discounts based on median prices across the city. Table C10 shows that based on median prices, the First Home product at city level is within the £250,000 threshold. The First Home discount should be consistent across a local authority area. For Manchester, a 40% First Homes discount would be required to make properties broadly affordable to households on median incomes. This assumes that the First Home prices is a discount to the overall median price in the city.

Table C10 First Home prices by sub-area

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Discount to median price				
30%	£157,500	£190,575	£119,000	£192,500
40%	£135,000	£163,350	£102,000	£165,000
50%	£112,500	£136,125	£85,000	£137,500

Note To be eligible as a First Home, the maximum price after discount is £250,000

Income required (10% deposit and 3.5x household income)

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Discount to median price				
30%	£40,500	£49,005	£30,600	£49,500
40%	£34,714	£42,004	£26,229	£42,429
50%	£28,929	£35,004	£21,857	£35,357

Income required (10% deposit and 4.5x household income)

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Discount to median price				
Median				
30%	£31,500	£38,115	£23,800	£38,500
40%	£27,000	£32,670	£20,400	£33,000
50%	£22,500	£27,225	£17,000	£27,500

Actual household income (2022 CAMEO)

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Median	£35,000	£45,000	£15,000	£15,000

Comparison between household income and income required for a First Home (less than 1 or 1 is affordable (green) ; greater than 1 is not affordable (red))

Income required (10% deposit and 3.5x household income)

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Discount to median price				
30%	1.2	1.1	2.0	3.3
40%	1.0	0.9	1.7	2.8
50%	0.8	0.8	1.5	2.4

Income required (10% deposit and 4.5x household income)

Tenure option	Manchester	City Centre	North & Central Manchester	South Manchester
Discount to median price				
30%	0.9	0.8	1.6	2.6
40%	0.8	0.7	1.4	2.2
50%	0.6	0.6	1.1	1.8

Source: Land Registry Price Paid data and CAMEO UK household income data

Tenure mix and First Homes

- C.29 Analysis needs to consider the range of affordable tenures as set out in Annex 2 of the NPPF that may be appropriate for existing households in need and newly-forming households.
- C.30 For need arising from homeless households and those in temporary accommodation, it is assumed they all require social rented accommodation. For newly-forming households and existing households in need, a split between affordable rented and affordable home ownership should be considered. However, there is insufficient household income and savings data available from the housing register to complete this analysis. Therefore, CAMEO household income data has been used to establish the proportions of households who could afford social rent, affordable rent and affordable home ownership options.
- C.31 A minimum of 25% of all affordable housing units secured through developer contributions should be First Homes (Paragraph 013 Reference ID: 70-013-20210425). Then, PPG says 'once a minimum of 25% of First Homes has been accounted for, social rent should be delivered in the same percentage as set out in the Local Plan. The remainder of the affordable housing tenures should be delivered in line with the proportions set out in the Local Plan policy (Paragraph 15 reference ID: 70-015-20210524).
- C.32 Analysis has carefully considered the range of affordable tenures that may be appropriate for existing households in need and newly-forming households. Table C11 summarises the overall tenure split between affordable rented options (social and affordable rent) and affordable home ownership solutions (including shared ownership, discounted for sale and other tenures as set out in Annex 2 of the NPPF).
- C.33 For need arising from homeless households and those in temporary accommodation, it is assumed they all require affordable rented accommodation. For newly-forming households and existing households in need, the split is based on the proportions who would consider affordable/social rented and affordable home ownership options.

Table C11 Affordable housing tenure preferences

Tenure	City Centre	North & Central Manchester	South Manchester	TOTAL
Social/Affordable rented	74.2	84.2	78.5	81.3
Affordable home ownership	25.8	15.8	21.5	18.7
Total	100.0	100.0	100.0	100.0
Annual gross need	340	2,371	1,651	4,361
Annual net need	-41	675	508	1,142

Source: 2023 household survey

- C.34 Analysis would suggest an overall tenure split of around 80% affordable rented and 20% affordable home ownership across Manchester. In terms of the split

between social and affordable rented, the incomes of existing and newly-forming households have been considered against the costs of social and affordable renting. This results in a split of 69% social rented and 31% affordable rented. However given a need to prioritise social rented housing to help meet affordable need, it is recommended that the split including First Homes is noted but the overall tenure split for policy making purposes is 80% rented and 20% affordable home ownership including First Homes in line with the Places for Everyone Policy JP-H23 Affordability of New Housing which requires at least 60% of new affordable housing to be for social or affordable rent.

Table C12 Detailed calculation of tenure split

Tenure	City Centre	North & Central Manchester	South Manchester	TOTAL
Social rent	60.1	71.2	68.2	69.2
Affordable rent	14.1	13.0	10.3	12.1
Affordable home ownership	25.8	15.8	21.5	18.7
Total	100.0	100.0	100.0	100.0
Annual gross need	340	2,371	1,651	4,361
Annual net need	-41	675	508	1,142

Affordable dwelling mix

- C.35 The 2023 household survey has provided information on the number of bedrooms needed by households in affordable need and dwelling type aspirations and expectations. This is shown in Table C13. This suggests a broader range of need than expressed on the housing register.

Table C13 Summary of overall affordable dwelling need by bedroom size and dwelling type by sub-area

	City Centre			North & Central Manchester			South Manchester			Manchester Total		
Number of bedrooms	Social/ Affordable Rented	Affordable Home Ownership	Total Affordable	Social/ Affordable Rented	Affordable Home Ownership	Total Affordable	Social/ Affordable Rented	Affordable Home Ownership	Total Affordable	Social/ Affordable Rented	Affordable Home Ownership	Total Affordable
1	-5	-1	-6	105	21	126	93	8	100	192	28	221
2	-17	-5	-23	202	19	220	203	53	256	387	67	454
3	-8	-4	-12	202	44	247	93	48	142	288	88	376
4	0	0	0	60	22	82	10	0	10	70	22	92
Total	-30	-11	-41	569	106	675	399	109	508	937	205	1,142

Comparison of current housing stock and current/future needs

- C.36 PPG states that 'strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future need (PPG Paragraph 023 Reference ID: 2a-023-20190220). Table C14 sets out this comparison with both the housing register and 2023 household survey information. Compared with the housing register, there are not enough 1- and 4-bedroom properties. Compared with the 2023 household survey, there are not enough 2- and 4-bedroom properties.

Table C14 Comparison between current supply and annual gross need

Number of bedrooms	Current supply %	Annual gross need (housing register)%	Variance % (need-supply)	Annual gross need (2023 household survey)%	Variance % (need-supply)
1-bedroom	26.6	42.0	15.4	19.3	-7.3
2-bedroom	30.5	30.2	-0.3	39.7	9.2
3-bedroom	39.2	20.4	-18.8	32.9	-6.3
4 or more-bedroom	3.7	7.4	3.7	8.0	4.3
Total	100	100.0		100.0	

Source: SDR 2022; 2021/2 LAHS; 2023 household survey

Variance is need minus supply. A positive number indicates not enough stock and a negative number indicates sufficient stock

Technical Appendix D: Dwelling mix and modelling

Introduction

- D.1 This technical appendix describes the method used by arc4 to establish future dwelling type and size mix across the city. It presents the baseline data used as a starting point for the analysis and how data are interpreted to establish a reasonable view on dwelling type and mix.

Starting points

- D.2 There are four main data sources which underpin the analysis:
- household projections (DCLG 2014-based);
 - dwelling stock information;
 - data identifying the relationships between households and dwellings derived from the 2023 household survey; and
 - data derived from affordable housing need analysis.

Household projections

- D.3 These are used to establish the number of households by Household Reference Persons (HRP) and household type using the DCLG 2014-based data, and how this is expected to change over the period 2022 to 2039.
- D.4 The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly over the plan period, the potential impact on type and number of bedrooms of future dwellings can be determined.

Relationship between households and dwellings

- D.5 The relationship between the age of Household Reference Person, household type and dwellings occupied by type and size can be derived from the 2023 household survey.
- D.6 The data available is summarised in Table D1. For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been estimated.
- D.7 The 2023 household survey also provides data on household aspirations and what households would expect to move to. This data can also be broken down by HRP age group and household type.
- D.8 By combining this range of data, it is possible to model the likely change in dwelling type/size requirements with reference to:
- the current relationship between HRP/household type and dwelling type/size and this remains constant over the plan period (demographic baseline);
 - household aspirations by HRP/household type (aspirations); and

- what households would expect by HRP/household type (expect).

Table D1 Age groups, household type and dwelling types used

Age group of Household Reference Person	Household type	Dwelling type and number of bedrooms
15 to 24	One-person household	1-bedroom house
25 to 34	Household with 1 dependent child	2-bedroom house
35 to 44	Household with 2 dependent children	3-bedroom house
45 to 54	Households with 3 dependent children	4 or more-bedroom house
55 to 64	Other households with two or more adults	1-bedroom flat
65 to 74	All	2-bedroom flat
75 to 84		3 or more-bedroom flat
85+		1-bedroom bungalow
All		2-bedroom bungalow
		3 or more-bedroom bungalow
		All

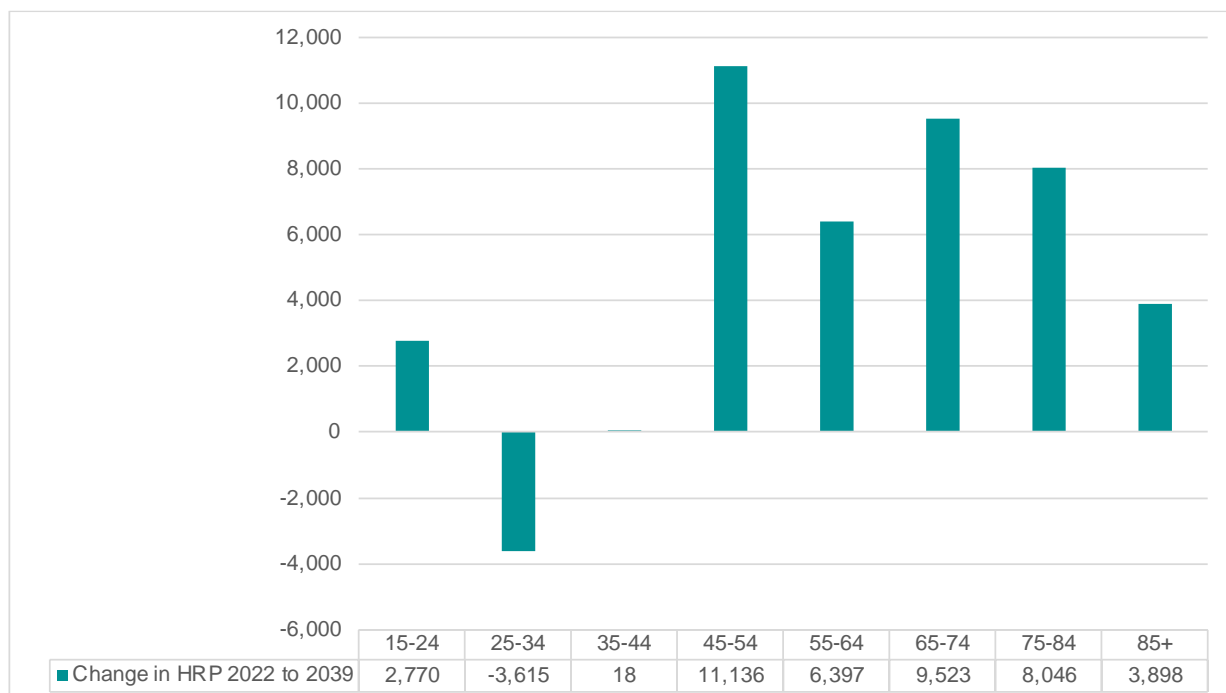
Applying the data at authority level

- D.9 Applying the data at authority level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections. Assuming that the dwelling needs of these households do not change over the plan period, the overall impact on type/size of dwellings can be determined.
- D.10 Table D2 presents the baseline demographic data for Manchester. The total number of households is expected to increase by around 21,333 over the period 2022-2039 using 2014-based DCLG household projections. Growth is mainly expected across older age cohorts along with the 45-54 cohort. Figure D1 illustrates how the number of households by HRP age is expected to change over the plan period 2022-2040.

Table D2 **Change in number of households by age group and household type 2022 to 2039**

2022	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	3,253	1,743	513	175	11,087	16,771
25-34	12,127	7,836	3,967	2,091	23,408	49,429
35-44	14,223	9,964	9,868	8,018	10,679	52,752
45-54	11,907	8,564	4,975	3,613	10,542	39,601
55-64	14,005	3,253	967	581	16,314	35,120
65-74	12,045	796	136	53	9,509	22,539
75-84	6,355	297	26	4	7,203	13,885
85+	3,273	46	5	1	2,064	5,389
TOTAL	77,188	32,499	20,457	14,536	90,806	235,486
2039	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	2,533	1,219	287	120	15,382	19,541
25-34	9,243	6,291	1,887	802	27,591	45,814
35-44	13,696	9,699	8,861	7,657	12,857	52,770
45-54	13,602	12,255	7,151	5,659	12,070	50,737
55-64	15,667	4,523	1,335	860	19,132	41,517
65-74	17,995	1,471	217	71	12,308	32,062
75-84	6,995	651	39	1	14,245	21,931
85+	4,771	80	5	0	4,431	9,287
TOTAL	84,502	36,189	19,782	15,170	118,016	273,659
Change 2023-2039	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	-720	-524	-226	-55	4,295	2,770
25-34	-2,884	-1,545	-2,080	-1,289	4,183	-3,615
35-44	-527	-265	-1,007	-361	2,178	18
45-54	1,695	3,691	2,176	2,046	1,528	11,136
55-64	1,662	1,270	368	279	2,818	6,397
65-74	5,950	675	81	18	2,799	9,523
75-84	640	354	13	-3	7,042	8,046
85+	1,498	34	0	-1	2,367	3,898
TOTAL	7,314	3,690	-675	634	27,210	38,173

Source: DCLG 2014-based household projections

Figure D1 Change in HRP age groups 2022-2039

Source: DCLG 2014-based household projections

D.11 Table D3 applies 2023 household survey data on dwelling occupancy to the demographic profile in 2039. The two right hand columns indicate the likely change in demand for dwelling types and sizes and how this translates to an overall percentage dwelling requirement.

Table D3 **Impact of change in households by age group on dwellings occupied by 2039**

Number of bedrooms	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
1	567	-2,140	41	505	406	2,313	1,593	283	39,428	14.4%
2	1,251	-42	414	2,707	2,182	2,670	1,792	1,455	93,750	34.3%
3	1,010	-1,227	-319	6,054	2,485	3,449	3,039	1,505	103,806	37.9%
4 or more	-58	-206	-118	1,871	1,324	1,092	1,628	633	36,641	13.4%
Total	2,770	-3,615	18	11,136	6,397	9,523	8,052	3,876	273,625	100.0%

Note totals by age group may vary slightly due to rounding errors; Source: DCLG 2014-based household projections and 2023 household survey

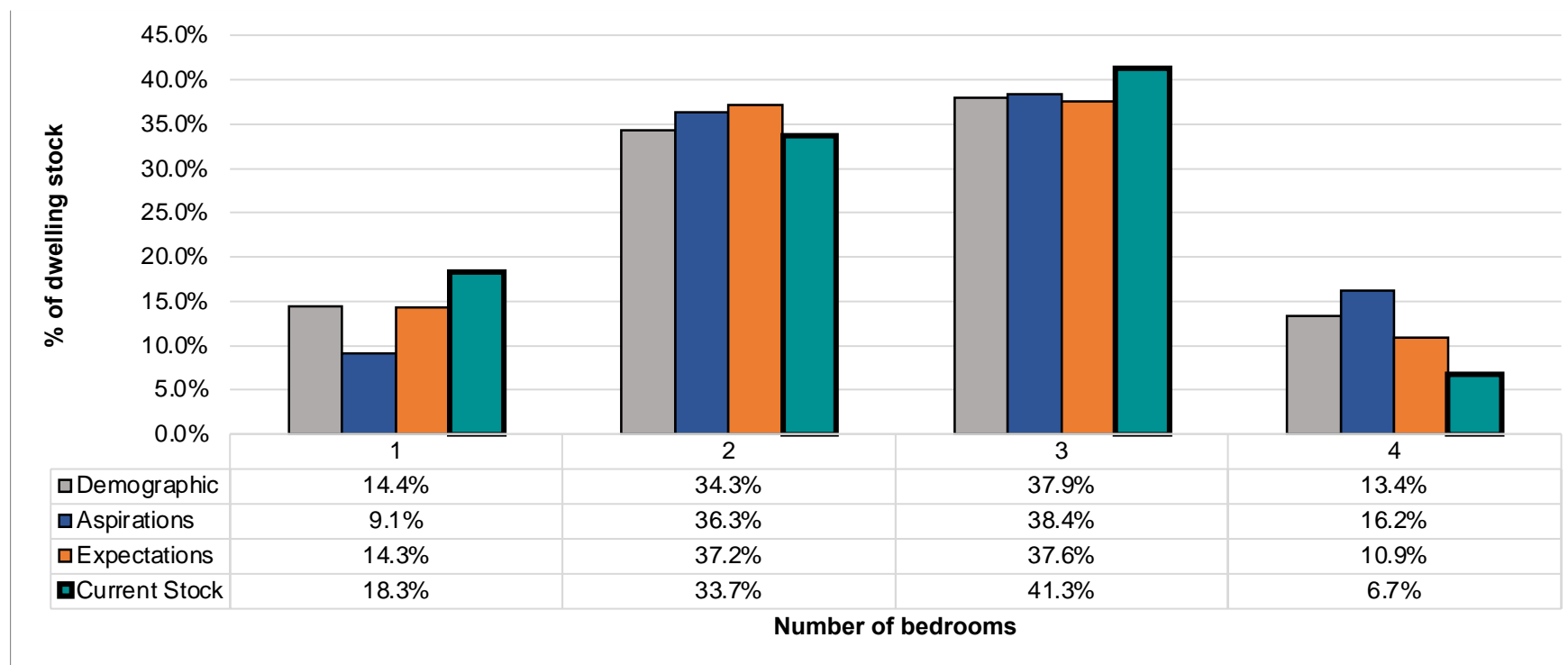
- D.12 Table D4 sets out how the profile of dwelling stock changes when aspirations and expectations of households are considered. This indicates a shift towards bungalow/level-access accommodation.

Table D4 Dwelling type and size outcomes under aspiration and expectation scenarios.

Number of bedrooms	Demographic	Aspirations	Expectations
1	14.4%	9.1%	14.3%
2	34.3%	36.3%	37.2%
3	37.9%	38.4%	37.6%
4	13.4%	16.2%	10.9%
Total	100.0%	100.0%	100.0%

Source: ONS 2018-based household projections and 2023 household survey

- D.13 Figure D2 summarises the dwelling profiles under the scenarios considered and compares this with current dwelling stock. Under the baseline demographic scenario, there is particular emphasis on the need for 2 and 3-bedroom dwellings. Under the aspirations scenario, the proportion of 4-bedroom dwellings increase and the expectations scenario is similar to the demographic scenario.
- D.14 There is also a need for level-access accommodation (7.4% under the demographic scenario, 21.8% under aspirations and 17.4% expectations scenarios)

Figure D2 Summary of number of bedrooms in current stock and under baseline demographic, aspiration and expectation scenarios

Source: 2023 household survey and DCLG 2014-based household projections

Overall dwelling mix by tenure

- D.15 Table D5 summarises dwelling type/size mix based on the demographic scenario relating to the period 2022 to 2039. This analysis assumes, a minimum 20% affordable housing targets and an affordable tenure split of around 80% rented and 20% affordable home ownership. The analysis factors in the dwelling size analysis carried out as part of the affordable housing needs calculation and the dwelling size choices of households considering open market and affordable home ownership options.
- D.16 The analysis can be revised if annual targets and affordable housing delivery targets are updated.
- D.17 Note the analysis also identified a specific need for level-access accommodation as shown in Table D5.

Table D5 Summary of overall dwelling mix by tenure and level-access need

Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	10-15%	10-15%	5-10%
2	35-40%	40-45%	30-35%	35-40%
3	35-40%	35-40%	40-45%	35-40%
4	15-20%	5-10%	10-15%	10-15%
Level-access need	Market	Affordable Rented	Affordable home ownership	Overall range
Overall need for level-access dwellings	10-15%	20-25%	10-15%	10-15%

Overall dwelling mix by sub-area

- D.18 Further analysis considers the range of dwellings by sub-area and tenure. This is based on the need for affordable/social rented dwellings, the need for affordable home ownership and open market need. This takes account of the dwelling type aspirations and expectations of households and the number of bedrooms needed.
- D.19 Table D6 summaries affordable (social/affordable) rented need. Table D7 summarises affordable (affordable home ownership) need and Table D8 market need. Market mix is based on underlying demographics of the city blended with the expectations of existing and newly-forming households planning on moving in the general market. It is important that both planners and developers maintain a flexible approach to what is built within Manchester and helps to determine the relative priorities of development in particular sub-areas.

Table D6 City centre dwelling mix by tenure

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	5-10%	15-20%	5-10%	10-15%
2	45-50%	55-60%	50-55%	45-50%
3	30-35%	25-30%	40-45%	30-35%
4 or more	5-10%	0-2%	0-2%	5-10%
Overall need for level-access dwellings	2-5%	0-2%	0-2%	0-2%

Source: 2023 household survey

Table D7 North and Central Manchester dwelling mix by tenure

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	10-15%	15-20%	20-25%	10-15%
2	30-35%	35-40%	15-20%	30-35%
3	35-40%	35-40%	40-45%	35-40%
4 or more	20-25%	10-15%	20-25%	20-25%
Overall need for level-access dwellings	10-15%	15-20%	10-15%	10-15%

Source: 2023 household survey

Table D8 South Manchester dwelling mix by tenure

Number of bedrooms	Market	Social/ Affordable Rented	Affordable Home Ownership	Total
1	2-5%	20-25%	5-10%	5-10%
2	30-35%	50-55%	45-50%	35-40%
3	45-50%	20-25%	40-45%	40-45%
4 or more	15-20%	2-5%	0-2%	10-15%
Overall need for level-access dwellings	10-15%	25-30%	15-20%	15-20%

Source: 2023 household survey

Technical Appendix E: Stakeholder consultation

Introduction

- E.1 arc4 contacted a range of stakeholders to obtain feedback on the housing needs of people living in the city of Manchester as part of the Greater Manchester conurbation. The findings are summarised in the report below.

Strengths of the local housing market

- E.2 Manchester's housing market sits within a wider, well connected Greater Manchester housing market area potentially offering a wide choice in where to live and a good choice of accommodation. The city is booming and has been for many years.
- E.3 The city has a strong housing market with very good growth forecasts with many opportunities for brownfield redevelopment in sustainable locations. There are lots of available properties for young professionals with a certain level of income. The strong and increasing supply of private sector new build is generally supporting the economic growth and development of the city.
- E.4 Manchester Council has an excellent working relationship with Registered Social Landlords who work collaboratively to ensure accommodation is identified for vulnerable young people. There is a good range of different supported accommodation configurations, and the council work well with Registered Housing Providers.

Weaknesses of the local housing market

- E.5 There are really only two extremely desirable home ownership neighbourhoods (Didsbury and Chorlton) and many more low income ("deprived") neighbourhoods particularly across north and east Manchester. There is significant polarisation between deprived areas and areas of affluence resulting in an unbalanced housing market and some areas of lesser quality housing including a significant number of HMO's. The city centre is overly dominated by tall storey buildings.
- E.6 Many people commute into Manchester for higher paid jobs so the gap between the wages of those resident in Manchester and those who work in the city persists.
- E.7 Demand outstrips supply and in particular a lack of supply of accessible homes. There is a stark contrast between the high-quality city centre apartment market and some of the poorer quality, older private rented sector property. There are significant numbers of homeless households many in temporary accommodation distorting housing markets and rents both in and outside the city.
- E.8 There are large swathes of PRS, which fall essentially into two types; new build particularly around the city centre, and existing stock (often of poor quality), with low income households (accessed as a result of shortages in social rented).

The new build within the private rental sector is out of reach for many local citizens.

- E.9 There is a large student population in PRS along/around the Wilmslow Road corridor. This mono tenure reduces housing choices around tenure and type which limits opportunities to encourage a mixed, balanced and sustainable community.
- E.10 It is a competitive market, where there are lots of services competing for the same resource. This can also mean that vulnerable people can be clustered together creating abnormal market groups. This will result in providers grouping 30 CYP together in the same block of flats. Apart from student accommodation this would not normally be seen in the market and is often a risky solution.
- E.11 Building safety remains an issue for shared residential buildings with remediation work still outstanding on many high rise buildings nearly 6 years after Grenfell. The challenge to build low carbon homes as costs increase has become even greater and there is a lack of funding and knowledge to retrofit the existing 250,000 homes across the city.
- E.12 There is very little affordable housing. Private rented sector saturates the housing market in Manchester. Rents are becoming increasingly unaffordable and local people are being priced out. In the last 10 years there has been a net loss of social housing with over 4000 social properties having been lost due to Right to Buy or demolition. Manchester is experiencing a housing emergency and homelessness is rising. Building social housing is key to ending this crisis.
- E.13 There is not enough supported accommodation, especially for those in need of more high specification supported accommodation for LDA with complex needs. There is a need to increase the proportion of supported accommodation provided by Registered Housing Providers. More self-contained supported accommodation are needed, and larger shared-supported living bungalows which should all be social rented.
- E.14 Southway Housing Trust operates mostly in the southern parts of the city. This is a high value, sought after area but this can price out first-time buyers and growing families.

Gaps in the supply of types of housing

- E.15 There is a lack of all types and tenures of housing across the city, particularly in and around existing sustainable locations to allow communities to remain intact and to benefit from opportunities presented by more affluent areas. There is a general perception that there is a good supply of flats.
- E.16 Specific shortages were identified for family housing (particularly large family housing) and Gypsy and Traveller sites (the latter will need to be assessed through a new GTAA). More new purpose built student accommodation in the centre could free up much needed family housing in the suburban areas.
- E.17 There is a significant gap in the supply of social and affordable housing provision – new build plans are not sufficient to deal with this. Turnover of social housing has decreased significantly in recent years and as average rents have continued to rise there is a clear need for more social housing in most wards.

Low turnover means that people in significant housing need are not supported to move quickly enough. Gaps include homes that can be adapted or are already adapted, types of affordable housing include all sizes but in particular there is a lack of social housing properties for families and singles.

- E.18 Adults of working age with mental health support needs are competing with all other health groups as well as the general population for social / affordable housing. However, there is a need to avoid the risk of potential over supply of Supported Accommodation in the attempt to compensate for the lack of social / affordable housing. Ideally, more floating and visiting support is needed for this group within their own tenancy but there is a need for more affordable housing to move towards this position which would enable more flexibility in allocating scarce social care provision.
- E.19 There is a shortage of social rented supported accommodation for adults with a learning disability and/or autism. There is also a great shortage of general affordable accommodation for adults with autism only (high functioning) that is in suitable locations which are safe and quiet.
- E.20 Gaps were also identified with a lack of disabled access properties, supported accommodation for people with alcohol / substance misuse and specialist/supported accommodation.
- E.21 Quality housing and a wider range of options in existing communities for older people could free up larger family homes through rightsizing. There is a lack of good quality older people housing in the private rented sector.
- E.22 The market is disproportionate from a values perspective with south Manchester pricing people out of that geography unless they are high income earners. This potentially includes shared ownership.

Main challenges with current housing stock

- E.23 A large proportion of existing supported accommodation stock is with private landlords which brings great risk to the council and local residents if landlord(s) decide to sell their portfolio. New supported accommodation would need to be immediately sourced as part of the statutory duty to provide 24-hour supported placements for vulnerable adults that have been assessed under the Care Act.
- E.24 There are also concerns with the age and quality of buildings in terms of building safety, damp and mould. There is a strong need to develop new supported living services where the head landlord is a Registered Housing Provider, in order to give security of tenure, affordable and good quality accommodation for vulnerable adults to be supported and cared for.
- E.25 The Housing LIN have been commissioned to determine housing demand for LDA adults in Manchester, and early figures indicate growth in demand for supported living of an additional 350 units by 2033 (based on NHS SALT data 2020/21). Meeting this growth in demand for supported living is a challenge in the city.
- E.26 Some of our LDA supported citizens are becoming older and frailer and are living in inappropriate supported accommodation and need to move to accessible supported living. However, there is a shortage of this type of housing

and there is a need for larger, shared supported-living bungalows for our older citizens.

- E.27 The majority of the existing portfolio is shared supported living, but there is a growing demand from young adults for self-contained accommodation with 24 hour care and support facilities on site. The Care Quality Commission, Build The Right Support guidance for LDA supported living, recommends schemes based on 6 units / self-contained units. Space standards need to be at least 50 square metres per unit.
- E.28 There is a small but very significant and growing demand for highly specialised supported living for LDA and very complex needs. This supported living accommodation needs high specifications, with more robust build materials and fixtures, integrated assistive technology and very good space standards to allow for internal rooms to have two exits for natural circulation and de-escalation, separate outdoor garden spaces. This is very expensive to deliver, and to lever in different capital funding good quality sites are needed at less than best consideration.
- E.29 The shortage of this suitable accommodation means that there are many citizens who are being detained in secure hospitals due to delayed discharge because suitable supported living is not available in the city which brings great personal cost to the citizen and their family and huge financial cost to the system.

Address challenges with current housing stock

- E.30 There needs to be political and strategic support from the city for some viable sites to be prioritised for LDA supported living. Funding would also help to begin to address the challenges.

Key areas to improve the housing market

- E.31 A better mix of housing across the city is needed, including houses. This could be achieved through exploring regeneration in some areas, strategic land release by Manchester City Council and support for sufficient grant from Homes England, GMCA and other.
- E.32 There needs to be more opportunities for home ownership, especially for younger households who are currently faced with increasing private rents on poor quality accommodation, and also for older people looking to downsize thus freeing up existing family accommodation which is currently under occupied. Measures to diversify tenure within localised areas would be welcomed.
- E.33 Intergenerational living options should be explored. Family sized accommodation in the city centre, for example 3 bed flats (ground floor or duplex) integrated with schools and amenities. This would connect neighbourhoods with good public realm that is consistently maintained in the long term.
- E.34 Rethinking accommodation size must be tempered with good places to socialise, meet and learn new skills. Very often young people are isolated in their accommodation as they are involved in solo occupations. Shared

tenancies for young people could be managed to reduce the impact of potential voids.

- E.35 More sites need to be brought forward for development of supported accommodation for vulnerable adults. Application of the Specialised Supported Housing benefit scheme needs to recognise that build costs and land values have increased significantly recently.
- E.36 Sites need to be brought forward for non-supported accommodation for adults with high functioning autism, who can live independently in their own self-contained accommodation with some visiting support as required. This accommodation needs to be in locations where citizens' are not made more vulnerable, and where it is quiet due to sensory issues.
- E.37 More social housing is needed including an increase in the provision of social / affordable housing for the health group which would support improved step down from Supported Accommodation. The allocations policy needs to be reviewed to ringfence a percentage of social / affordable housing.
- E.38 Increased funding for social housing could support the zero carbon agenda, support leaseholders to remedy building defects which are not necessarily fire related but have been uncovered during fire risk assessments and provide more resources to remediate brownfield land. Regeneration funding would help deliver transformational change rather than one or two year funding streams with strict delivery criteria.
- E.39 There needs to be recognition that there are marginalised groups in the city who do not currently feature highly in strategic plans.
- E.40 Improved transport links to north / mid Cheshire would recognise commuting flows.

Setting future housing standards

- E.41 Stakeholders identified the need to work with planning to create innovative housing solutions and perhaps re think accommodation size. This ranges from the need for more family sized homes with 4 plus bedrooms for bigger families to more accessible properties which are especially important with an aging population.
- E.42 More lifetime homes with adaptable living spaces are needed as a general principle for newbuild with more attractive smaller homes for older people to rightsize. This will then free up family accommodation for homeless families.
- E.43 For LDA supported housing, self-contained units need to be at least 50 square metres floor area, have well designed internal layout which promotes good circulation, wet rooms and good garden space outside to give some privacy. A proportion of this accommodation needs to be wheelchair accessible as well.
- E.44 For the mental health group more 1-bedroom self-contained units are needed, secured by design and disability compliant. These should also be digitally connected as part of the fabric of the building to enable Assistive Technology to 'plug and play' without the need for tenants to have to pay for wifi/internet.

- E.45 There is a need to consider affordable warmth/carbon reduction and sustainability standards generally both during design and construction stages.
- E.46 Despite ongoing austerity, Manchester has remained faithful to its aim of delivering high quality neighbourhoods – not just housing. Public realm is hugely important alongside new homes.

Main concerns about existing and future affordable and specialist providers

- E.47 The pace of delivery of new accommodation needs to match actual demand to avoid over- supply in certain locations and under-supply in others.
- E.48 Amenities such as schools, healthcare, dentists, parks, sport and leisure facilities are not available in areas of housing regeneration. There is also limited access to shops with adequate fresh food.

Demand for affordable housing products

- E.49 More shared ownership houses would be welcomed as it would counter supply of apartments particularly in central locations. The price point will be critical factor in affordability that may require RPs to sell lower tranche at first sale.

Improvements to the provision of affordable housing for rent and sale

- E.50 Landowners' expectations will need to reflect actual market conditions in respect of the high cost of builds.
- E.51 Manchester will need to influence wider land ownership environment and those landowners that fail to deliver on existing planning permission.
- E.52 Support from the city for higher grant rates from Homes England would be welcomed.

Cross boundary issues

- E.53 Manchester's shape leads to many people living outside the city and commuting to work.
- E.54 The placement of homeless families in temporary accommodation outside Manchester in Oldham and Rochdale has distorted the private rental sector market in these boroughs.
- E.55 The council would welcome more access to the housing market across GM for care experienced young people.
- E.56 For LDA, there is always a need to try to repatriate citizens back to the city, as it is best practice for citizens to live close to their families and have continuity of health care. Supported living would facilitate more of citizens being able to move back to Manchester with the development and support for more specialised complex needs. On occasion there is not a suitable placement

available within the city and there is a need to place a citizen out of area (e.g., in Birmingham) as this is the only service that has the right physical environment. The development of more specialised supported accommodation in the city would result in citizens staying on their own city.

- E.57 Cheshire East identified a range of potential issues arising under the Duty to Co-operate but these will relate to matters other than housing, although some may be linked to housing such as transport, movement, and education,
- E.58 For example, in the Wilmslow and Handforth area, Cheshire Education Services have a shortfall of secondary school places and across the whole borough there is a significant shortfall in available places for children and young people with Special Educational Needs. The shortfall of secondary places will be partly addressed in the future by the provision of a through school in Handforth, but this will only address the need for local children and mainstream places.
- E.59 There is concern that that other housing proposals within the vicinity (including within Manchester CC area could further impact on places due to the proximity to the proposed new school). Manchester City Council need to ensure that there are adequate and suitable school places provided for the anticipated need of their young people to include places for mainstream pupils and the provision of places for children and young people with Special Educational Needs including cross boundary bus services.
- E.60 Bus provision to the airport is poor from Cheshire East, with an hourly service from Macclesfield (via Wilmslow). There are no services to other major settlements (such as Knutsford). New major development proposals within Manchester CC and close to CEC need to consider how access to CEC via public transport can be strengthened to maximise sustainable travel. In addition, the council wish to ensure that Bus Franchising within the Transport for Greater Manchester (TFGM) area does not harm the provision of cross-boundary bus services.
- E.61 Stockport MBC confirmed that strategic issues of housing, transport and other related matters have been addressed under Duty to Co-operate to date with ongoing meetings.

Developing special care facilities for adult social care clients

- E.62 There are proposals in place in Stockport but would not impact Manchester as they are not close to the border.

Capacity for neighbouring authorities to accommodate Manchester housing needs

- E.63 Cheshire East is at the very beginning of a new Local Plan process and have not yet assessed their own development needs or how they would be met. Currently, the council is aware of significant need for affordable and specialist housing within Cheshire East.

- E.64 There are very limited opportunities within Stockport for new housing development such that the borough is struggling to meet its own housing needs. Stockport is not part of Greater Manchester Spatial Framework (GMSF) and do not have a Local Plan. There is very limited brownfield/development site opportunities.

Specific housing needs of different groups of people

Age related need: This relates to older people, younger people with support needs and care leavers

- E.65 There is a mix of accommodation types and mixed communities. Accommodation should be disabled accessible, be carbon neutral and energy efficient with outdoor spaces and built with personal safety in mind.
- E.66 The following supply information refers to Adults of Working Age 18-65 with Mental Health Support needs;
- 24 hour Supported Accommodation (133 beds) unregistered CQC activity, no personal care
 - Day time Support Accommodation (68 beds)
 - Floating Support 681 annual hours
 - Current Residential Placements 155 & Nursing Care Placements 144
- E.67 Warden controlled accommodation was identified as the specific age-related accommodation of most need.
- E.68 A significant proportion of the mental health group have a dual diagnosis and there is a cross over with the homelessness cohort.
- E.69 Manchester City Council Adult Social Care are in the process of finalising a commissioned piece of work by the Housing LIN on the housing needs for Extra Care housing over the next ten years in line with projected demographic growth.

Health related needs

- E.70 This relates to physical disability, learning disability, autism, mental health and dementia. Information on the current supply of accommodation and/or support for these health-related needs groups.
- E.71 There is a shortage of suitable temporary accommodation and a more specific difficulty in placing wheelchair users. There are currently over 100 people registered on Manchester Move for an adapted property.
- E.72 People with learning disabilities want to live in ordinary houses, streets, and neighbourhoods near to friends and family and feel safe in their homes and communities. Some need support, some do and so do not – just like anyone else.
- E.73 Local authorities can cause issues with funding arrangements, for instance if someone wants to move to be near a partner, there can be delays in arranging

this which can cause anxiety and stress which can result in challenging behaviour.

- E.74 Housing plans should be person-centred and engaged in the process, for instance if a move is needed.
- E.75 Care needs to be taken to ensure that house sharers are compatible.
- E.76 There is a problem with individuals that need care packages, (housing, associations, and private housing) tenancies are being given to the care organisation rather than the individual. So, if the individual wants to change their care provider, (especially if it is to a person budget) they lose their home because it's not in their name. This is forcing individuals to stay with care they are unhappy with or being made homeless.
- E.77 Specific needs of specific groups such as sensory dysfunction. Extra bedrooms may be needed as sharing rooms will not work, noisy location and smells within stairwells all present a challenge.
- E.78 High rise flats may not be suitable for some sensory differences and shared buildings may not be suitable. Residents may struggle to have the quiet they need in bedsits to allow their brain to turn off to sleep. Private housing may not allow residents to change the house decoration or make adaptations, can mean a certain colour or texture is impossible to live with for some sensory difficulties or the property is unsafe for their needs.
- E.79 Property allocations need to take into account those who have no understanding or awareness of danger, residents needing to be in an area they know and sometimes near to carers and family.
- E.80 In the case of individuals parents passing away, there is no priority to stay in their home which can disproportionately affect the individuals.
- E.81 Support is needed with online waiting lists and repairs, money management, upkeep of home and garden, meeting with landlords.
- E.82 Repair and upkeep of properties needs to be quicker as this sometimes impacts on sensory dysfunction; smoke alarms can be painful, heating and temperature needs to be regulated, timely repairs as delays and missed appointments and unannounced visits will cause high levels of anxiety.
- E.83 Although there are some mental health placements, there are not enough who are willing to take people with dual diagnosis (Mary and Josephs / Birch Lane are good examples of a funded project).
- E.84 The Docherty Project provides core house option for those who are alcohol dependent with additional needs.
- E.85 Stakeholders are unaware of any dementia specific projects other than care homes.
- E.86 Creative Support are delivering a pilot project to provide floating support for people with Autism.
- E.87 Training and development of quality staff was a common theme and concern from stakeholders.

Life experience related needs: Armed Forces Veterans

- E.88 NACRO have a Manchester project for veterans and the council has an Armed Forces Lead.
- E.89 Support is required around re-integration into civilian life. This needs to include training / education and mental health support.

Life experience related needs: Other groups - this relates to those fleeing domestic violence, offenders, asylum seekers and substance users

- E.90 There is not enough provision of refuges and no provision for those experiencing drug abuse and using substances despite the well-known link between experiencing drug abuse and using substances to cope / manage situations.
- E.91 Drug Abuse victims (including children) are often forced into inappropriate homelessness accommodation.
- E.92 NACRO accommodation for people with offending histories but it is limited and the council has a Strategic Lead for Homelessness and Asylum Seekers.
- E.93 More accommodation is required for people addressing substance misuse.
- E.94 Supported accommodation for those continuing to drink alcohol is limited to dispersed houses with the Docherty Project.
- E.95 Consider survivors of domestic abuse and re-homing appropriately.

Other groups: This relates to Black and Minority Ethnic (BAME) groups, the Travelling community and those experiencing homelessness and rough sleeping

- E.96 Creative Support have a specific project for BAME groups experiencing mental health issues.
- E.97 Currently it feels that the city's objective and default is to use sites to get the greatest capital receipt or the highest density, and the needs of the city's most vulnerable adults are not planned for. Land and money are needed to clean up contaminated land.
- E.98 Manchester City Council are working with developers when they are developing accommodation models, however, many of the models are 5 to 10 years away – something is needed in between.
- E.99 Identifying suitable sites, in locations that are safe for the Learning Disability and Autism (LDA) client group, with good public transport links for staff, and close to community facilities for community integration.

Accessing housing

E.100 When accessing housing, a representative from Manchester People First commented that:

- Support may be needed to help vulnerable people apply for housing and bidding for properties.
- A concern that needs are not fully reflected in the application process, sometimes through lack of awareness.
- Where parents have died, individuals are not given priority to stay in their home.
- Where gardens are untidy, this could be due to a lack of ability to tidy them and support should be offered.
- People can miss out on housing because they do not have a job.
- Private rented properties sometimes need adaptation which can involve minor damage to houses – for instance putting in disability aids for children. This can mean people losing deposits – is it possible to introduce an insurance scheme to help families. Also, an issue with private rented properties not being able to be adapted which can lead to occupants being unsafe.
- Support sometimes needed when meeting landlords and with money management.
- The council should provide more information and advice around a range of topics for those with additional needs.
- Non-reversal of accessible homes following the death or move of someone: ensure that property is allocated to someone with additional needs.
- Consider the individual when allocating housing, ensure properties are fit for purpose and better design of homes so they look like homes and not disabled peoples' houses.

Other groups: This relates to Black and Minority Ethnic (BAME) groups, the Travelling community and those experiencing homelessness and rough sleeping

E.101 Creative Support have a specific project for BAME groups experiencing mental health issues.

E.102 Currently it feels that the city's objective and default is to use sites to get the greatest capital receipt or the highest density, and the needs of the city's most vulnerable adults are not planned for. Land and money are needed to clean up contaminated land.

E.103 Manchester City Council are working with developers when they are developing accommodation models, however, many of the models are 5 to 10 years away – something is needed in between.

- E.104 Identifying suitable sites, in locations that are safe for the Learning Disability and Autism (LDA) client group, with good public transport links for staff, and close to community facilities for community integration.

Key priorities

- E.105 The profile of housing in Manchester appears skewed towards apartments which may not fully satisfy the need for family housing. This may place pressure on adjacent areas in terms of the family housing offer and, in turn, place further pressure on the transportation network.
- E.106 In terms of funding, grant levels should be sufficient to match current build costs. Grant levels should reflect new environmental standards and net zero carbon. There should also be continued investment into resourcing more staff to speed up the much-needed delivery.
- E.107 Standards in the private rented sector need to be improved.
- E.108 There needs to be development of a normalised housing market to meet the needs of vulnerable young people, which enables young people to meet and socialise.
- E.109 Political support from the city for suitable sites at less than best consideration for LDA supported accommodation schemes in order to meet the growing demand would be welcomed.
- E.110 Meeting affordable housing need, particularly for young families is a priority as is accommodating an ageing population and encouraging downsizing through provision of increased housing choices for older people. More adapted and social/affordable housing is also needed. This could be tackled by building more social housing and suspending the Right to Buy.
- E.111 Improving the quality of temporary accommodation and exploring the use of hostels especially for people with substance misuse issues and other support needs.
- E.112 Specialist housing needs to be developed for vulnerable people. This can be achieved through developing a pipeline of new supported accommodation and working with the Health Commissioners to develop joint models of housing support for those more vulnerable and complex citizens who require ongoing clinical and therapeutic support to remain in the community.
- E.113 More accessible/adaptable homes are needed for disabled people and there needs to be a further increase in the supply of Extra Care housing.
- E.114 In addition, there is a significant need for affordable housing in Cheshire East.

Technical Appendix F: Agent Review

Introduction

- F.1 Agents were asked a series of questions to build up a detailed understanding of the housing market across Manchester. Thirteen agents were contacted via telephone during July and August 2023 ensuring a representation across the area. Two had a focus on lettings, and eleven agents were able to present an overview of both sales and lettings.
- F.2 After the initial overview of the housing market below, the information on sales and lettings is provided for each sub-area as a summary of information from across a number of agents.
- F.3 The final section of the report reverts to a full summary of responses from all agents across the city. This presents a cross section of agents' perceptions of; the impact of Help to Buy and stamp duty, Build to Rent, Rent to Buy, conveyancing chains, considerations for future housing standards, and potential future improvements in the housing market for the area.

Overview of the Manchester housing market

- F.4 The housing market across Manchester exhibits a blend of strengths and challenges that shape its dynamics. Despite the increasing interest rates, a significant strength lies in the absence of evident weaknesses within the sales market. The market, although described as slightly slower in the north of the city, remains remarkably active. One city centre agent described it as 'currently one of the hottest property markets', with agents from the south describing the 'Didsbury and Chorlton bubble' being as strong as ever.
- F.5 Several agents highlighted the market's price sensitivity as a significant factor. They observed that properties sell well when priced correctly, underscoring the importance of competitive pricing to ensure successful transactions. One agent confidently stated that they have experienced no issues selling any property, attributing their success to their proficiency in managing seller's expectations and correctly pricing properties.
- F.6 However, there are challenges to consider. Within the city's ring road, a large majority of properties are rented out, limiting the supply of properties for sale in this area. Moreover, a notable weakness lies in the fact that a substantial percentage (two agents cited 50-60%) of properties for sale are not accessible to mortgage buyers due to cladding issues.
- F.7 Across the city, agents consistently raised concerns about the accessibility of affordable housing choices for prospective first-time buyers.
- F.8 The lettings market was described as extremely busy. This surge in activity has been attributed, in part, to heightened buy-to-let mortgage rates, prompting some landlords to sell their properties. On a positive note, landlords increasingly opt for longer-term tenancy agreements, granting tenants greater security and a stronger sense of home stability.
- F.9 Nonetheless, challenges continue to impact this market. The landscape is marked by fierce competition, particularly in the realm of professional sharers

and families vying for the scarce pool of available rental properties. Agents unanimously share the concern that families are facing impediments when attempting to secure rentals that align with their affordability parameters.

South Manchester

Gaps in supply

- F.10 In the sales market, agents confirmed a diverse array of housing types available throughout the area. However, the demand for affordable properties remains robust. A common concern raised is that properties marketed as affordable often fall short of this label's expectations. For instance, a 3-bedroom house in Wythenshawe priced at £280,000 which the agent said, 'contradicts the notion of affordability.'
- F.11 Successful over 55 schemes were noted. One agent specifically highlighted the popularity of two over 55 schemes in Burnage and Northenden. These schemes have garnered substantial interest, with properties such as a 2-bed flat priced at £95,000 and a 2-bed bungalow at £189,000.
- F.12 Agents attribute the significant appeal and demand for properties to ongoing regeneration projects, including the airport city development and the Metrolink expansion, which have effectively drawn in buyers.
- F.13 In the lettings market, agents noted a scarcity of all types of properties due to tenants choosing to stay in their rental properties and landlords, influenced by the current economic climate, favouring property sales over re-letting. Specifically, in Chorlton, agents pointed out a lack of both apartments and houses with three double bedrooms in the lettings market.

Most popular dwellings

- F.14 In the Wythenshawe area, ex-council properties from the 1950s, are the most popular in the sales and lettings markets. These properties offer ample space and sell between £200,000 and £240,000. Rentals are between £1000 - £1200pcm. Notably, the Woodhouse Park neighbourhood stands out as the most sought-after area within Wythenshawe. The fact that Wythenshawe hospital is a major training hospital, has played a crucial role in boosting the market as many overseas staff securing full-time contracts and choosing to settle in the area.
- F.15 Moving to Chorlton and West Didsbury, three-bedroom semi-detached houses priced between £350,000 and £550,000 are particularly in demand among buyers. Regarding lettings, one- and two-bedroom apartments for couples are the most popular overall for between £800-1100pcm. Closely followed by four-to-five-bedroom houses for professional sharers.

Least popular dwellings

- F.16 In the Wythenshawe area, Wimpey no-frills properties face lower demand due to the requirement for structural reports to secure mortgages. Similarly,

apartments in general experience reduced popularity due to concerns about ground rents and service charges.

- F.17 However, in the Chorlton and West Didsbury sales market, agents reported nothing as less popular. Even previously less popular apartments are now experiencing improved sales, given they are priced appropriately.
- F.18 The South Burnage and Withington areas have been identified as less desirable for property sales, unless considered for potential buy-to-let investments, primarily due to the higher concentration of students. These neighbourhoods are not considered as family-friendly due to the substantial student population. Additionally, there is notably lower demand for properties with one or two bedrooms, especially flats.
- F.19 The lettings market is experiencing high demand that surpasses the available supply. Most agents struggled to indicate any specific property types or areas as least popular, with an average of around forty responses across the board. Affordability appears to be the primary consideration, outweighing the specific property type.
- F.20 The exception was in Chorlton, where three-bedroom properties are considered least popular due to the vibrant professional house share market, and the smaller size of the third bedroom doesn't align with the demand.
- F.21 Agents cited these factors combined may lead to a decrease in the number of available rental properties, potentially contributing to increased competition among tenants for the limited options in the market.

City Centre

Gaps in Supply

- F.22 Supply gaps are noticeable in the city centre, particularly for houses with outdoor space and one-bedroom apartments. The demand from buyers far exceeds the available properties for sale. All agents stated that affordable properties are also lacking in supply.
- F.23 Agents noted that within the ring road, almost all properties are tenanted, highlighting a weakness in the market. Additionally, cladding issues affect 50-60% of properties for sale, causing financial challenges for private buyers, as lenders are cautious due to associated risks. This uncertainty can cause delays and complexities in the buying process, necessitating extra inspections, raising costs, and extending timelines.
- F.24 Despite these challenges, agents said the overall market remains active with hundreds of properties for sale, offering plenty of options for buyers.
- F.25 There was no reported demand for housing for older people within the city centre.
- F.26 The lettings market is currently experiencing an exceptional level of activity, with demand surpassing the available supply of rental properties. Agents unanimously agreed that landlords were 'wielding considerable control'. However, a positive trend is emerging where landlords are offering longer-term tenancies, providing tenants with increased security and a sense of stability.

Competition in the market is fierce, particularly for families contending with professional sharers for the limited availability of houses.

Most popular dwellings

- F.27 Within the sales market, there is substantial demand for 1-bed apartments. Additionally, on the outskirts of the area, two to three-bedroom mews houses are highly sought after. Three to four-bedroom townhouses priced at around £300,000 are also popular choices.
- F.28 In the lettings market, one and two-bedroom apartments were confirmed to be in high demand with one-bedroom apartments renting for £700 to £1300pcm. Two-bedroom plus properties command significantly higher prices with no defined upper limit. In the higher-end segment for example a 3-bedroom property in Deansgate Square can fetch around £4000 pcm.

Least popular dwellings

- F.29 In the lettings market, studios are generally less popular, although even these are finding tenants quickly in the current market conditions. In the sales market agents agreed that there doesn't appear to be any property type that is considered least popular.

North Manchester

Gaps in Supply

- F.30 The demand for specialised housing aimed at older individuals is considerable. Agents described an urgent requirement for bungalow complexes/ ground floor accommodation designed to meet the specific needs of older people, providing both rental and ownership choices.
- F.31 That said, in the sales market the housing supply remains varied, encompassing diverse property types. The market is described as slightly slower but remains steady, offering a favourable blend of ex-council properties and new-build developments.
- F.32 As in all areas of Manchester, the scarcity of homes for first-time buyers is a notable concern.
- F.33 The lettings market is currently facing a shortage of available properties, with demand significantly exceeding supply.

Most popular dwellings

- F.34 Since December, agents agreed that there has been a noticeable slowdown in the sales market, and prices have stabilized as a result. They reported a strong emphasis on affordability rather than specific property types. Notably, terraced houses located behind Etihad Stadium, priced at around £120,000, have garnered significant demand, attracting a queue of interested buyers. Nevertheless, two agents emphasized that the market remains robustly active

in popular areas like Crumpsall, where local amenities contribute to the sustained activity.

- F.35 Additionally, the consensus among agents is that three to four-bedroom houses are currently the most favoured options among potential buyers.

Least popular dwellings.

- F.36 In the sales market, flats are experiencing reduced popularity due to a heightened preference for properties with outdoor space, especially since the pandemic. Houses in Multiple Occupation (HMOs) are also less favoured due to the regulatory and licensing challenges for landlords.
- F.37 In the lettings market, there isn't a particular property type that can be identified as the least popular. The intense demand and competitive nature of the market make it challenging for agents to single out any specific category.

General matters discussed by agents

Stamp Duty

- F.38 Agents reported that the stamp duty changes have had a negative effect on the buy-to-let market, with one agent in the south describing it as 'crippling'. The higher stamp duty rates for second properties have discouraged investors from purchasing additional properties, resulting in decreased demand for buy-to-let properties. Consequently, there has been a noticeable decline in the number of people buying second properties compared to the pre-stamp duty change period.
- F.39 City centre agents however, have not witnessed significant changes, primarily due to its investor-dominated market where stamp duty costs are typically factored into their budgets.

Help to Buy

- F.40 The ending of the Help to Buy scheme has had mixed effects on the housing market. Several agents said that the scheme's conclusion has created uncertainty and apprehension among first-time buyers who were relying on it to access the property ladder. It was emphasised that despite the ending of Help to Buy, there are still first-time buyers finding ways to enter the market. Some have sought alternative financial options, while others have received support from parents downsizing their own homes. However agents also recognized that this approach could lead to disparities in homeownership opportunities based on individuals' financial circumstances and social backgrounds.
- F.41 Some agents said the ending of Help to Buy has not caused a significant downturn in the overall market. This is partly because the scheme's impact was more pronounced in certain areas where housing affordability was a pressing issue. In areas where house prices were relatively lower, the scheme's termination might not have been as impactful.

- F.42 All agents agreed that new government initiatives or financial products are essential in the current economic climate.

Build to Rent

- F.43 All agents were familiar with the 'Build to Rent' market in Manchester which continues to expand, driven by the city's economic growth, population influx, and increasing demand for rental properties. The sector provides a valuable alternative for renters who seek high-quality and hassle-free accommodation, making it an appealing option for both tenants and property investors.

Rent to Buy

- F.44 The agents had varied opinions on the market for 'Rent to Buy' products, where occupiers rent a property with the intention of building up a deposit to buy it in the longer-term. Some agents in Chorlton/West Didsbury believed there would be a substantial market for this on the outskirts, as people are more likely to stay there long-term. However, one agent recalled a previous attempt by a housing association to offer this scheme, which proved 'fraught with difficulty'.
- F.45 In the suburbs, the concept might work well, but agents agreed it may be less feasible in the city centre, where people tend to have more transitional living arrangements. Despite some uncertainty, there was a consensus that there is indeed a market for such a scheme. One agent recalled its popularity around ten years ago, but said it seemed to disappear over time. All agreed though, that the current high rental prices remain a significant challenge for this type of incentive, making it somewhat of a hit and miss proposition.

Conveyancing Chains

- F.46 All agents agreed that the conveyancing process has been experiencing challenges since the pandemic, particularly with the shift to remote working. Working from home has had a negative effect on some solicitors, leading to issues such as lost files and delays in the turnaround time. One agent reported 'What used to take three months to complete now takes five to six months'. Another stated that the average leasehold transaction was taking nine months.
- F.47 Despite the slowdown, transactions are still moving forward, although there are evident delays related to mortgage issues. Conveyancing is perceived as a lengthy process, with several agents agreeing that conveyancers are in short supply. However, some agents found that using local solicitors may help speed up the overall procedure.

Right types of dwellings being built

- F.48 Encouraging reports were received across all areas, highlighting a diverse range of new build properties currently available or in the planning stages. Notably, properties like Woodpark and Parkway in Wythenshawe have

witnessed swift sales. Moreover, agents in both north and south Manchester reported a notable expansion in the new build market.

- F.49 Agents observed that while there are many well-built property developments, there's a concern about the high prices that are excluding many potential buyers. Many of these developments are focused on the luxury market. It's crucial to carefully consider who the intended users are and what the current demand is.
- F.50 There's a strong need for truly affordable homes. For example, an agent pointed out that in Blackley, the average starting price for a three-bedroom semi-detached home is around £300,000. This price range poses affordability challenges for both first-time buyers and those looking to move up the property ladder.
- F.51 The overriding perception of properties in the city centre is that it primarily consists of high-rise properties targeting overseas students. This trend seems to dominate property development in the area. Agents acknowledged that even though our living patterns are changing, the current approach may not cater to the needs of the average person. There's a demand for more initiatives focused on owner-occupiers to better fill this market gap.
- F.52 Outside of the city centre, agents emphasized the need for the construction of bungalow complexes catering to older individuals. There's a significant demand for ground floor accommodations within this demographic.

Improvements in the housing market

- F.53 Agents suggested several strategies which could be considered to improve the market. The most popular answer was that a reduction in interest rates would play a pivotal role in making mortgages more accessible and affordable, thus spurring greater demand from potential buyers.
- F.54 Another popular point raised is streamlining the decision-making process. Decisions in principle, which often set expectations for buyers, should be reliable and accurate. Agents reported several instances where buyers believed they were eligible only to find out later that they did not meet the requirements when the property was ready for completion.
- F.55 Furthermore, to facilitate entry into the property market, the development of specialised financial products tailored to support first-time buyers could be explored in addition to expanding shared ownership programs. Agents reported that shared equity schemes are experiencing significant demand, particularly in the areas surrounding the city. This could help make homeownership more accessible to a broader range of individuals, particularly those who might be facing affordability challenges.
- F.56 An agent's suggestion to establish new standards for affordable homes highlights a pertinent issue within the housing market. In some cases, as reported by four agents, new housing estates are marketed as offering affordable homes, but upon closer examination, the reality is quite different. It's been observed that within these developments, there might be a small number of genuinely affordable homes, often overshadowed by a larger number of more expensive properties, such as four-bedroom houses. This practice can lead to a

mismatch between the marketed affordability and the actual composition of properties within a development. Consequently, redefining and enforcing clear criteria for what qualifies as an affordable home could help address this discrepancy and ensure that affordable housing truly serves its intended purpose.

- F.57 Agents suggested that eliminating obstacles and limitations in selling high-rise properties is a critical step. An agent pointed to a specific scenario where thirty properties for sale face hindrances for mortgage buyers due to combined cladding and ground rent complexities. Additionally, another agent has experienced over fifty potential buyers, who though mortgage-approved, encountered difficulties in purchasing flats because banks are hesitant to provide loans and solicitors are cautious about handling such cases. The intricate bureaucratic procedures add to the considerable challenges.
- F.58 Agents widely proposed providing support for landlords as a viable solution. They emphasised the necessity for some form of assistance to reinstate the allure of property ownership for landlords. This could entail financial incentives, aid to cover added expenses, or other supportive measures aimed at encouraging continued participation in the market. Additionally, there was a common call for establishing fairer systems that safeguard both landlords and tenants. Notably, two agents specifically addressed the allocation of responsibilities between landlords and tenants, particularly in terms of property aesthetics. They suggested a potential shift in responsibility onto tenants for maintaining property appearances. These agents cited instances where they faced conflicting guidance from different council departments, namely Housing Solutions and Licensing, underscoring the need for more coherent regulations. Such clarity could foster a more balanced and just housing landscape for all stakeholders involved.

Consideration when setting future housing standards

- F.59 In determining future housing standards, the primary focus was on affordability. This consideration is becoming more critical, particularly in light of escalating utility expenses. Agents have put forth a recommendation for new housing to prioritize energy efficiency by incorporating features like battery facilities, air source heat pumps, and integrated solar panels. This approach aligns with the goal of creating sustainable and cost-effective housing solutions that cater to the evolving needs of residents.
- F.60 Addressing the requirements of older individuals, especially with ground floor accommodations, is crucial for enhancing accessibility and comfort for this demographic. Moreover, addressing the issue of smaller new builds by incorporating more space is seen as vital.
- F.61 However, it was stressed that the focus should extend beyond just the EPC rating, as some agents pointed out that developers sometimes prioritise EPC scores over the actual quality of materials used. For instance, the usage of printed bricks was cited as a concerning example. Overall, a comprehensive approach to future housing standards should encompass affordability, quality, accessibility, and energy efficiency to create homes that cater to the needs and aspirations of residents in the borough.