

Affordable Housing Trends in Manchester and Salford (2007)

Technical Report

Manchester Salford HMR Pathfinder

Manchester City Council

November 2007

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1. Introduction

- 1.1 This accompanying Technical report to Manchester and Salford Affordable Housing Policy documents covers the body of data analysis for the study. The analysis process was undertaken between November 2006 and March 2007 and brings together a wide range of up to date information covering Manchester city with 17 defined neighbourhoods and Salford city with nine defined neighbourhoods. Where data related to stock and any housing system or partners outside of the two city boundaries, they have been removed from the findings below to ensure consistency across the datasets.
- 1.2 The analysis reporting is designed to inform policy development by identifying trends in datasets, comparing what is happening at the city-wide level with neighbourhood level, and reporting known issues or weaknesses with datasets. This provides a basis to offer advice on further analysis and the sourcing of information.

A Growing Affordability Problem

- 1.3 The context of this Technical report is that Manchester and Salford have experienced major changes in their housing markets over the past five years, with the affordability of housing becoming a much greater problem for many residents.
- 1.4 The absence to date of an affordability strategy for Manchester has reflected the long-standing experience that affordability was not a prevalent local problem. The City, together with Central Salford, had a high proportion of social housing and low price private housing (for both owner occupation and private rent) which meant that residents could usually find affordable housing solutions, even if not always in the location or type of housing they would prefer. Research for the Manchester Salford Pathfinder¹ has shown that social and private rented housing is over represented in many areas adjacent to the urban core and has been a contributory factor in market failure. The policy driver has therefore been

¹ Drivers of Change in the Manchester Salford Housing Market. ECOTEC, for MSP. October 2005.

to diversify the housing mix and to prioritise the development of higher value, good quality private housing.

- 1.5 But the major market changes over the past five years have dramatically altered this situation. In 2002, at least 50% of homes sold in Manchester were affordable to households with the average income of City residents. By 2006, this had fallen to 23%, and the great majority of newly forming households, with below average incomes, are struggling to afford to purchase a home.
- 1.6 This report considers a range of aspects of this changing situation. The sections for the technical evidence base are as follows:

Sections

SECTION TWO - HOUSING STOCK. The stock profile, neighbourhood profiles, the nature of affordable stock, the supply of social stock and stock change dynamics

SECTION THREE - PROVISION OF SOCIAL HOUSING. The social lettings profile, social supply changes and the lettings, stock dynamic

SECTION FOUR - HOUSING COSTS. Range of housing costs by tenure, year, size

SECTION FIVE - HOUSING MARKET. Growth in the housing market, first time buyer market, new build market, the household income profiles, the degree of housing affordability

SECTION SIX - HOUSING NEEDS. Housing needs survey 2006.

SECTION SEVEN - ASSISTED HOME OWNERSHIP. Shared ownership and shared equity target groups, assisted home ownership examples

SECTION EIGHT - DEMOGRAPHY. Census 2001 demography including age bands, head of household age bands, ethnicity, household types and economic activity.

SECTION NINE - ECONOMIC AND POPULATION FORECASTS. Future forecasts.

SECTION TEN - KEY WORKERS AND IN-MIGRANTS.

SECTION ELEVEN – CONCLUSIONS.

2. Housing Stock

Housing Stock and Neighbourhoods

- 2.1 The HSSA² Annual Monitoring Report reveals significant changes in the tenure of stock, see Table 1. In Manchester the growth of private sector 'owner occupied and private rented' stock has increased by 23,146 properties (20.3%) between 2001 and 2007. The overall proportion of Manchester's private stock now stands at 65.7%. Local authority rented stock over the same period, has decreased by 8,680 properties due to Right-to-Buy (RTB) schemes, demolitions and stock transfers to RSLs³. The combined stock from social providers in 2001 accounted for 41% of stock by 2007 this had lowered to 34%. This indicates shrinkage in the provision of the social sector.
- 2.2 Salford has experienced an increase of 7,193 privately owned properties over the period, which accounts by 2007 for 69% of all stock in the district. Similar stock reductions in the social sector of -12% (4,577) local Authority properties and a gain of 369 RSL properties. The combined social sector accounts for 32,252 properties by 2007 (31%). LA stock accounts for 79% of the stock in the social sector in Salford 2007. RSL stock makes up the remaining 21%.

Table 1 Tenure profile

Tenure	2001	2007	01 > 07	2001	2007	01 > 07
Local Authority	53,054	34,914	-18,140	27.4	16.8	- 34.2
RSL	26,566	36,082	9,516	13.7	17.3	35.8
Other social	406	350	- 56	0.2	0.2	- 13.8
Private	113,803	136,949	23,146	58.7	65.7	20.3
Manchester Total	193,829	208,295	14,466	100.0	100.0	7.5
Local Authority	30,119	25,542	- 4,577	29.7	24.5	- 15.2
RSL	6,341	6,710	369	6.3	6.4	5.8
Other social	106	-	- 106	0.1	-	- 100.0
Private	64,681	71,874	7,193	63.9	69.0	11.1
Salford Total	101,247	104,126	2,879	100.0	100.0	2.8

Source: Housing Strategy Statistical Appendix (HSSA)

² Housing Strategy Statistical Appendix (HSSA) – Department of Communities and Local Government (DCLG) <http://www.communities.gov.uk/index.asp?id=1501098>

³ Registered Social Landlords (RSL) – e.g. Mosscafe, Northern Counties, Willow Park Housing

Arc⁴ Technical Report - Affordable Housing Trends in Manchester & Salford (2007)

- 2.3 The tenure distribution at the neighbourhood level differs significantly to the district proportions. Within Manchester high levels of private stock can be found in the City centre (92%) Didsbury (90%) and Chorlton-cum-Hardy (78%), containing very few social properties. At the other end of the scale, areas including Ardwick, East Manchester and Hulme have disproportionate high levels of social stock. Why Hulme? It isn't as high as Wythenshawe and is broadly similar to other areas.
- 2.4 The tenure profile within Salford's neighbourhoods is disproportionate with the district profile. Worsley, Central Salford (non Pathfinder area) and Swinton show the highest levels of private housing stock (97%, 83% and 76% respectively). City, Ordsall and Quays (Pathfinder Area) have the highest concentration of social stock (45.4%). Second highest are Broughton and Irwell with 40% social stock.

Table 2 Neighbourhood tenure profile (2005/2006)

Neighbourhood	Private	Council	RSL	All Tenures
Manchester >				
Ardwick	34.6	49.9	15.5	100
Baguley and Northenden	56.0	31.6	12.5	100
Blackley	55.9	36.7	7.4	100
Cheetham and Crumpsall	69.2	15.3	15.5	100
Chorlton-cum-Hardy	78.7	14.0	7.3	100
City Centre	92.5	0.8	6.7	100
Didsbury	90.3	5.0	4.7	100
East Manchester	46.8	25.1	28.1	100
Fallowfield and Whalley Range	72.5	18.3	9.2	100
Gorton	57.2	28.3	14.5	100
Harpurhey	62.6	28.4	8.9	100
Hulme	55.0	28.7	16.3	100
Levenshulme and Longsight	76.3	11.6	12.2	100
Moston	59.1	39.1	1.7	100
Rusholme and Moss Side	62.9	15.2	22.0	100
Withington and Burnage	71.8	22.9	5.3	100
Wythenshawe and Airport	45.8	0.0	54.1	100
Salford >				
Broughton and Irwell (PF)	60.0	27.7	12.4	100
Central Salford (Non PF)	82.7	11.0	6.3	100
Central Salford (PF)	60.7	29.9	9.4	100
City, Ordsall and Quays (PF)	54.6	34.5	10.9	100
Eccles	65.0	29.6	5.4	100
Irlam and Cadishead	72.5	24.7	2.8	100
Little Hulton and Walkden	63.9	33.3	2.8	100
Swinton and Pendlebury	76.2	21.3	2.5	100
Worsley and Boothstown	97.2	1.9	0.9	100

Source: Council Tax data, (November 2005 Manchester, October 2006 Salford).

Affordable Housing Stock

- 2.5 The Affordable Housing Stock in the Districts comprises social housing for rent provided by the Council or RSLs, and private rented sector housing where rents are affordable. The size and composition of each part of this stock has changed substantially over recent years with major reductions in the numbers available, which has been a major factor in the shortages that have emerged.
- 2.6 Considering firstly the rented housing stock, the table below shows how the stock has reduced over recent years. The private rented affordable stock is defined narrowly and comprises the numbers of properties where Housing Benefit (HB), (assistance to enable lower income households to afford rent payments), supports tenants⁴. Wonder whether the footnote text should go in the main text? We think it is right to show this as part of the affordable stock as it is a close substitute for social housing and is accessible irrespective of income. The changing balance between the Council and RSL sectors results mainly from estate ownership transfers, following tenant ballots.
- 2.7 The volume of affordable provision in Manchester has decreased year on year up to 2007 (Table 3). On average 2k dwellings a year are taken out of the affordable housing supply in Manchester. Current provision stands at 78,846, comprised of 35k LA dwellings, 36k RSL dwellings and 7k+ private 'Housing Benefit dependent' dwellings.
- 2.8 Note the significant fall of private rented stock occupied by tenants on HB, by 16% over the 6-year period. This probably reflects the decreasing attractiveness for landlords of provision for this market as the yield on rentals at the bottom end of the market reduces. The reference rent levels (which effectively cap the level of HB payments) have not risen in line with house prices. Would it be possible to say what the reference rents are? In Manchester, over the term 2002 – 2005 (3 yr period) house prices in the first time buyer market rose by 115% compared to rent reference levels rising by only 15%. In Salford over the period house prices in the first time buyer market rose by 107%, and rent reference levels increased by 24%. The reduction in the availability of this option increases the overall shortage of affordable housing. Figure 1 shows the extent of the fall in the level of affordable stock over a five-year period for Manchester.
- 2.9 The reasons for this fall in the numbers of tenants with Housing Benefit in the private rented sector has been reviewed, as this was greater than the overall percentage decline in numbers in the social rented sector. Two major factors were identified from interviews with staff working with the private rented sector:-
- Firstly, there were serious problems affecting the payment of housing benefit in Manchester in 2001-2002. This was a major problem for some landlords who, as consequence, decided not to take new tenants who would be dependent on HB. Landlords frequently raised it as an issue at that time.

⁴ The inclusion of this category in the overall 'stock' of affordable housing is judged appropriately as, for many households, this is the main affordable option. It is recognised that for some households this option may not be affordable, in terms of the proportion of income spent on rent, because housing benefit does not always relate to the actual rent levels. It is capped at a "reference rent" level.

Arc⁴ Technical Report - Affordable Housing Trends in Manchester & Salford (2007)

There has not been any subsequent pro-active publicity to assure landlords that these problems have since been resolved, so it is a possibility that landlords may not have returned to this market.

- The second factor was the progressively widening gap between the actual rents charged and the level at which HB will be paid. Further information about rent levels and the HB ceilings is given in section 3. This is clearly a serious problem for new potential tenants, although the extent of the problem cannot be confirmed from rent service data.
- Can we say which of the two factors above we think would have the greatest effect?

2.10 The effect of these changes appears to have been a major factor in the reduction of the role of the private sector in providing affordable housing, even though the total size of the private rented sector has increased.

2.11 Salford's affordable housing stock supply in 2001 was 40,512. In 2007 this has reduced to 36,552, a fall of 9.8%. Over 4k LA properties were removed from affordable supply. Reductions in the RSL sector also contributed. We do not know the trends for private rented sector affordable stock. The table shows an assumed constant 6.1% (the 2006 figure).

Table 3. Affordable housing supply

Tenure	2001	2002	2003	2004	2005	2006	2007
Local Authority	53,054	52,290	50,394	45,841	41,782	40,559	34,914
RSL & other social	26,972	25,960	26,642	28,804	31,882	30,782	36,432
Private Rented with HB	9,173	8,864	8,260	7,946	7,766	7,702	7,500
Manchester Affordable Total	89,199	87,114	85,296	82,591	81,430	79,043	78,846
Local Authority	30,119	29,492	28,800	27,496	26,673	25,992	25,542
RSL & other social	6,447	6,496	6,242	6,523	5,912	5,822	6,710
Private Rented with HB *	3,946	3,953	4,017	4,156	4,233	4,305	4,300
Salford Affordable Total	40,512	39,941	39,059	38,175	36,818	36,119	36,552

Source: HSSA returns and Manchester & Salford CC Council tax data analysis. Data as at 31st March each year. Housing Benefit Department, May Quarterly reports.

* Salford Private Rented sector with HB, 2006 was 6.1% of stock. Previous years also assumed to be 6.1%. Accurate HB data may indicate a trend in parallel with Manchester.

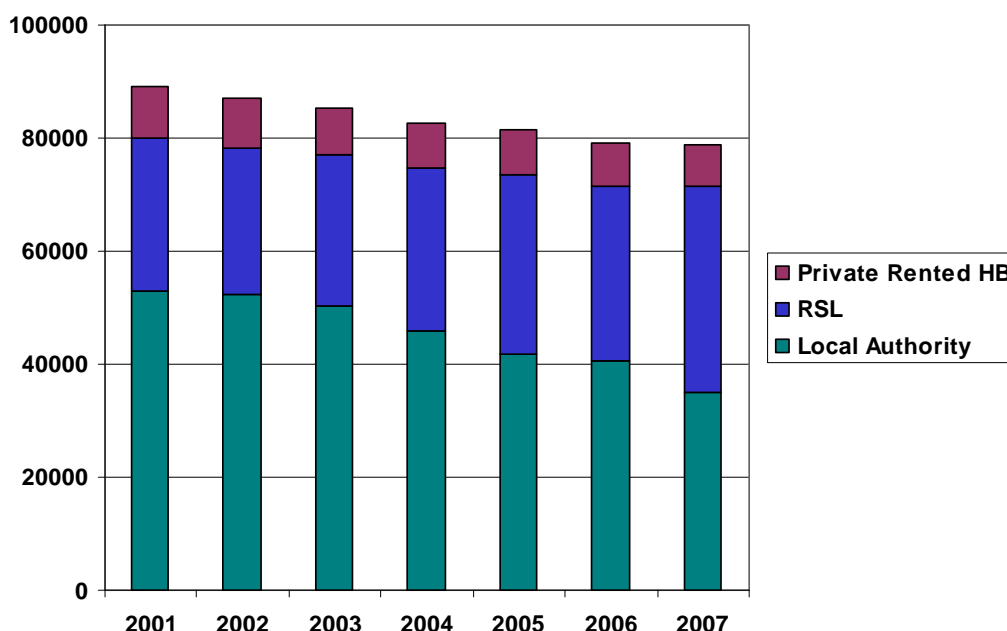
2.12 The overall affordable supply change between in 2001 and 2007 is represented in table 4. The table shows that the total available affordable rented stock, across these sectors, has reduced by 11.6% over six years in Manchester and by 9.8% in Salford.

Table 4. Affordable supply change

Tenure	2001 – 2007
Local Authority	-34.2%
RSL & other social	35.1%
Private Rented HB	-18.2%
Manchester Affordable Total	-11.6%
Local Authority	-15.2%

RSL & other social	4.1%
Private Rented HB *	9.0%
Salford Affordable Total	-9.8%

Figure 1 Affordable Supply in Manchester 2001-07



- 2.13 The supply of affordable stock is not evenly distributed around Manchester's neighbourhoods. Neighbourhood size and stock type has a part to play in the distribution. Concentrations in the supply of affordable housing can be found in East Manchester, Baguley and Northenden, Wythenshawe and Airport. Areas with fewer numbers of affordable stocks include the city centre, Didsbury and Ardwick. Surely not Ardwick given 2.3 – or if it is could it be better explained?
- 2.14 In Salford three neighbourhoods contain half of the affordable housing stock, they are Eccles (17.6%), Little Hulton (17.1%) and Broughton and Irwell (16.2%). Two areas have the least number of affordable housing; they are Worsley and Boothstown (2%) and Central Salford (none Pathfinder area) with 3%.

Table 5 Neighbourhood affordable housing 2006 (district base)

Neighbourhood	Council	RSL	Pri HB	Total Afford
Ardwick	4.7	2.0	0.7	3.2
Baguley and Northenden	14.5	7.8	2.7	10.8
Blackley	5.8	1.6	3.3	4.0
Cheetham and Crumpsall	4.5	6.2	11.0	5.8
Chorlton-cum-Hardy	3.9	2.8	5.0	3.6
City Centre	0.1	1.7	0.8	0.8
Didsbury	1.5	1.8	4.0	1.9
East Manchester	12.0	18.3	13.2	14.5
Fallowfield and Whalley Range	7.3	5.0	8.9	6.6
Gorton	8.1	5.6	8.8	7.2
Harpurhey	8.3	3.5	10.4	6.7
Hulme	5.0	3.9	1.7	4.3
Levenshulme and Longsight	4.7	6.7	14.1	6.4
Moston	9.2	0.6	2.6	5.2
Rusholme and Moss Side	4.2	8.3	6.6	6.0
Withington and Burnage	6.0	1.9	4.1	4.2
Wythenshawe and Airport	0.0	22.6	2.1	8.8
Manchester	100.0	100.0	100.0	100.0
Broughton and Irwell (PF)	14.3	28.1	11.4	16.2
Central Salford (Non PF)	2.0	5.2	5.8	3.0
Central Salford (PF)	12.7	17.5	9.5	13.1
City, Ordsall and Quays (PF)	10.8	15.0	6.2	10.9
Eccles	18.6	14.9	15.0	17.6
Irlam and Cadishead	7.9	3.9	8.6	7.3
Little Hulton and Walkden	19.8	7.4	13.9	17.1
Swinton and Pendlebury	13.2	6.8	17.7	12.7
Worsley and Boothstown	0.6	1.2	11.8	2.0
Salford	100.0	100.0	100.0	100.0

Source: HSSA, LA Council tax data, LA Benefits data

- 2.15 Within Manchester the local authority supplies 52% of affordable housing (2006), RSL stock provides 38% (a significant and increasing provider, due to stock transfer to the RSL sector), with the private rented sector accounting for the remaining 10%. It is worth noting that Wythenshawe and Airport has 7k RSL properties, and no Council stock, this is due to recent stock transfers to Willow Park and Parkway Green Housing Trusts.
- 2.16 Salford has a different social sector profile. The local authority is the largest supplier of affordable housing in the district with 25,992 properties in 2006 (72%). RSL sector provides 16% (5,904) and Private Rented sector receiving HB provides the remaining 12% (4,162). It is worth noting that Worsley has very few RSL properties, 73 exist as at April 2006.

Table 6 Neighbourhood affordable housing 2006 (values)

Neighbourhood	Council	RSL	Pri HB	Total Afford
Ardwick	1933	601	56	2590
Baguley and Northenden	6035	2388	217	8640
Blackley	2425	488	266	3179
Cheetham and Crumpsall	1885	1911	882	4678
Chorlton-cum-Hardy	1627	847	397	2871
City Centre	60	509	66	635
Didsbury	604	562	321	1487
East Manchester	5003	5619	1052	11674
Fallowfield and Whalley Range	3034	1534	715	5283
Gorton	3363	1723	700	5786
Harpurhey	3437	1077	827	5341
Hulme	2092	1188	133	3413
Levenshulme and Longsight	1971	2071	1129	5171
Moston	3832	171	207	4210
Rusholme and Moss Side	1762	2557	529	4848
Withington and Burnage	2475	571	328	3374
Wythenshawe and Airport	2	6936	165	7103
Manchester	41540	30753	7990	80283
Broughton and Irwell (PF)	3715	1659	474.7	5849
Central Salford (Non PF)	531	307	242	1080
Central Salford (PF)	3308	1035	394.7	4738
City, Ordsall and Quays (PF)	2802	884	257.5	3944
Eccles	4843	882	625.8	6351
Irlam and Cadishead	2056	229	359.3	2644
Little Hulton and Walkden	5152	435	580.1	6167
Swinton and Pendlebury	3428	400	734.7	4563
Worsley and Boothstown	156	73	493	722
Salford	25992	5904	4162	36057

Source: HSSA, LA Council tax data, LA Benefits data

Social Supply Reductions

- 2.17 Changes to the stock profile in terms of reductions come in two forms, and from two types of social provision. Firstly, the reduction of stock through landlord demolitions of unpopular housing stock as part of regeneration programmes for both the LA and RSLs. Secondly, the sale of social housing to tenants through Right-to-Buy (RTB) schemes (LA Landlord) and Right-to-Acquire (RTA) schemes (RSLs). City Council programmes, complemented by the Pathfinder initiative, have resulted in a sustained programme of demolition of the worst social housing, with the re-housing requirements inevitably increasing the pressure on the rest of the social housing stock. In comparison, the new build programme has been relatively modest.

- 2.18 In Manchester demolitions average 500 per year and are generally split 50/50 between the LA and RSLs over a five-year period. Secondly sales of properties from the RTB scheme are proportionately higher from LAs at 83% compared with 17% of RSL RTA. On average 1,300 properties have been sold each year between 2001 and 2006, with significant increases in sales in the last three years, reaching 1,600+ for 2004/5 and 2005/6.

Table 7. Social stock reductions – Manchester

Reductions	2001-02	2002-03	2003-04	2004-05	2005-06	2001-06
LA Demolitions	-114	-376	-132	-409	-301	52.5
RSL Demolitions	-410	-130	-232	-399	-32	47.5
Total Social Demolitions	-524	-506	-364	-808	-333	100.0
LA Right to buy	-698	-936	-1278	-1301	-1376	83.0
RSL Right to acquire	-105	-141	-283	-351	-262	17.0
Total social sales	-803	-1077	-1561	-1652	-1638	100.0

Source: LA housing management data, planning records

- 2.19 In Salford for the period 2002-2006, on average 500 LA properties were demolished per annum. In 2004/5 over 900 properties were demolished. This can be accounted for by Housing Market Renewal programme activity. No RSL demolitions were recorded over the period. In the same period over 640 properties on average per annum were sold under the RTB and RTA schemes. Over 90% was sold through the RTB scheme.

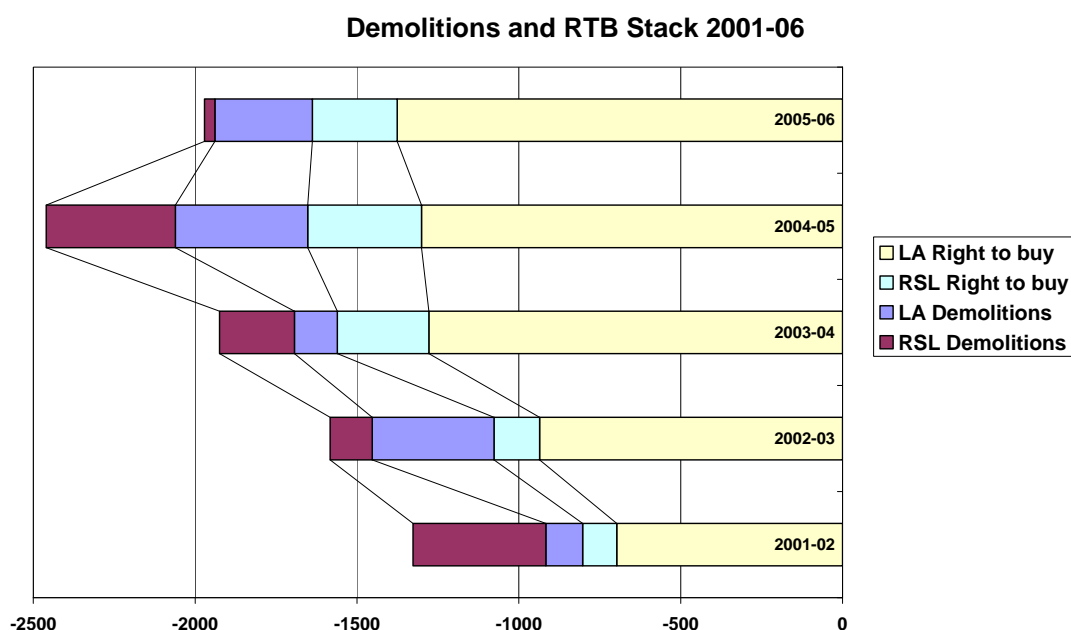
Table 8 Social stock reductions - Salford

Reductions	2001-02	2002-03	2003-04	2004-05	2005-06	2001-06
LA Demolitions	#	-345	-219	-927	-587	100.0
RSL Demolitions	#	0	0	0	0	0.0
Total Social Demolitions	#	-345	-219	-927	-587	100.0
LA Right to buy	-168	-328	-880	-746	-572	97.9
RSL Right to acquire	-17	0	-14	-2	-25	2.1
Total social sales	-185	-328	-894	-748	-597	100.0

Source: LA housing management data, planning records

- 2.20 The Figure below illustrates the total reductions for Manchester. The overall pattern of reductions has increased from 2001 with a low of 1300, to a high of around 2500 in 2004-05, easing off for 2005-06. RTB reductions have remained consistent and high. Demolition figures vary greatly year to year, which follow the actions of specific estate demolition programmes and not district wide approaches.

Figure 2. Reductions Stack (Manchester)



New Social Supply

- 2.21 An increase in social stock is provided through new funded RSL new build schemes via Approved Development Programme (ADP) or Housing Revenue Account (HRA) or stock allocated through section 106 agreements from the private sector. LAs are not encouraged to build new social housing, which is reflected in the zero values in table 7. RSLs have provided all new affordable social stock. On average 320 properties per year are developed by RSL partners in Manchester. Limited funding and escalating building costs have impacted on the numbers supplied in the past two years, decreasing to 242 properties by 2006.
- 2.22 Over 80% of RSL new build are rented dwellings. The remaining 20% are for shared ownership. New build rates for Salford averaged 83 per annum from 2001-02 to 2005-06, with a decreasing trend in the last three years, down to 38 properties for 2005-06. The proportionate split between RSL rented and shared ownership remains the same as Manchester (80/20 in favour of rented).

Table 9 New build supply

Affordable Supply	2001-02	2002-03	2003-04	2004-05	2005-06
LA	0	0	0	0	0
RSL rented dwellings	351	307	167	268	204
RSL shared ownership	52	55	58	90	38
Manchester Total	403	362	225	358	242
LA	0	0	0	0	0
RSL rented dwellings	49	88	137	29	37
RSL shared ownership	18	7	18	31	1
Salford Total	67	95	155	60	38

Source: HSSA

Net Stock Changes

- 2.23 Social supply changes are summarised in Table 10. RTB sales are the most significant contributor to the changes in social supply. Over the period 2001-06 in Manchester, 6,731 properties were sold by RTB, accounting for 81% in the loss of social housing stock. Demolitions further reduced supply by 2,535 dwellings. Taking into account new build the overall supply of social housing in Manchester in the previous five years has reduced by 7,676.

Table 10 Net changes - Manchester

Supply Changes	2001-02	2002-03	2003-04	2004-05	2005-06
Total Manchester Demolitions	-524	-506	-364	-808	-333
Total Manchester RTB	-803	-1077	-1561	-1652	-1638
Total Manchester New build	403	362	225	358	242
Stock Change	-924	-1221	-1700	-2102	-1729
Stock Change Cumulative	-924	-2145	-3845	-5947	-7676

Source: HSSA, LA housing management data, planning records

- 2.24 Salford net social stock changes are provided in the table below. Data for 2001-02 was not sufficiently robust. Over the four-year period 2002/3 to 2005/6 a total of 2,500+ properties was sold by RTB, accounting for 51% of the net change. A further 2k+ properties were demolished contributing 42% to the net change. New build provision provided a small contribution to the net change over the period.

Table 11 Net changes - Salford

Supply Changes	2001-02	2002-03	2003-04	2004-05	2005-06
Total Salford Demolitions	#	-345	-219	-927	-587
Total Salford RTB	#	-328	-894	-748	-597
Total Salford New build	#	95	155	60	38
Stock Change	#	-578	-958	-1615	-1146
Stock Change Cumulative	#	-578	-1536	-3151	-4297

Source: HSSA, LA housing management data, planning records

- 2.25 The demand through RTB has now peaked and is expected to decrease because of two important features. Firstly, due to the increase in house price valuations, the cost of purchasing a social rented property is out of reach of many tenants, additionally because the maximum discount ceiling is being reached more frequently. Secondly, changes in housing policy conditions set on for RTB entitlement and discount ceiling changed in 2005. The RTB legal rights changed on 18th January 2005. If a tenant wishes to purchase their social property, they need to have occupied that property for:
- a minimum period of 2 years for tenancies that commenced before 18/1/2005,

- a minimum of 5 years for tenancies that commenced after 18/1/2005
- 2.26 This creates an entitlement gap between 2007 and 2010, where the number of applicants is expected to drop. New social tenants in 2005 now have to wait until 2010 before they can purchase their property, which under previous rights would have taken effect during 2007. The discount that applies to the sale of properties through RTB is as follows:
- House a minimum of 32% rising by 1% a year to a maximum of 60%
 - Flat a minimum of 44% rising by 1% a year to a maximum of 70%
 - The discount cannot exceed £26,000 on a property.
- 2.27 A further factor is that new RSL tenants do not have rights under RTB (although they do have the little-used entitlements under RTA), and an increasing proportion of the LA rented stock is being transferred to the RSL sector. The future effects on RTB sales therefore, are likely to decrease the demand for RTB in the short term.
- 2.28 The demolition programme is likely to continue to have a significant impact on the supply of affordable housing, albeit by removing unsustainable stock of poor quality. The Pathfinder programme projection is for 3,744 demolitions over the five-year period 2006/7-2015/16. Add to this an indicative loss of 5,466 affordable properties through RTB. Projected affordable new build housing on sites over 15 dwellings is expected to total 7,709 dwellings by 2015/16. The overall net difference over the period is an indicative loss of 1,501 affordable dwellings.

Table 12 Manchester Salford Pathfinder Projections – Affordable Housing

Indicative Pathfinder Programme Projections - affordable housing												
	Year	6/7	7/8	8/9	9/10	10/11	11/12	12/13	13/14	14/15	15/16	Total
Demolitions	Private	295	309	208	201	205	204	203	199	224	186	2234
	Social	0	85	96	70	0	204	204	204	324	323	1510
	Total	295	394	304	271	205	408	407	403	548	509	3744
Loss	RTB	928	538	500	500	500	500	500	500	500	500	5466
New Build	Private	88	345	748	684	589	1047	974	975	806	769	7025
	Social	0	0	40	0	0	83	160	241	80	80	684
	Total	88	345	788	684	589	1130	1134	1216	886	849	7709
Net Balance	Private	-207	36	540	483	384	843	771	776	582	583	4791
	Social	-928	-623	-556	-570	-500	-621	-544	-463	-744	-743	-6292
	Total	-1135	-587	-16	-87	-116	222	227	313	-162	-160	-1501

3. Provision and Management of the Social Sector

Social Lettings

- 3.1 The reduction in social stock has had a knock on effect on the supply of rented accommodation. The numbers of tenancies becoming available has reduced sharply. In Manchester social rented lettings have reduced from 8,901 in 2002/3 to 5,862 in 2005/6 (HSSA, LA Core⁵). Turnover has reduced disproportionately with the reduction in stock. A turnover rate of 11.6% in 2002/3 now stands at 8.2% and if the trend continues, the rate is expected to fall further, squeezing the supply of affordable accommodation.

Table 13 Social Lettings and Turnover - Manchester

	2002/03	2003/04	2004/05	2005/06
LA Lettings	6182	5539	4379	3829
RSL Lettings	2719	2233	2415	2033
Total Lettings	8901	7772	6794	5862
Total Social Stock	77036	74645	73664	71341
Turnover Rate	11.6	10.4	9.2	8.2

Source; HSSA, LA CORE

- 3.2 A similar trend exists in Salford where the number of social lettings has decreased from 4,898 in 2002/3 to 3,485 by 2005/6. The turnover rate of social stock has also decreased disproportionately to the drop in stock levels. Turnover rates now stand at 11% down from 14% in 2003.

Table 14 Social Lettings and Turnover - Salford

	2002/03	2003/04	2004/05	2005/06
LA Lettings	4054	3883	3163	2821
RSL Lettings	844	541	717	664
Total Lettings	4898	4424	3880	3485
Total Social Stock	35042	34019	32585	31814
Turnover Rate	14.0	13.0	11.9	11.0

Source; HSSA, LA CORE

- 3.3 The changes in lettings available by area also show some major variation, as set out in the table below. These figures include all social rented lettings (LA and RSL). In the three-year period to 2004/5, district wide new tenancies have reduced by 28.7%, nearly 10% per annum in Manchester (Table 10). The areas

⁵ LA CORE 'Local Authority COntinuous REcording System' holds information on housing association lettings and sales - <http://www.core.ac.uk/core/>

Arc⁴ Technical Report - Affordable Housing Trends in Manchester & Salford (2007)

with the largest reductions in lettings are likely to be experiencing the greatest increases in pressure of demand. Areas with the greatest falls in lettings include Rusholme and Moss Side with 46.3%, Withington and Burnage 39.8% and Gorton 37.7%. Didsbury was the only exception where lettings increased over the period by 11.4%.

- 3.4 The large fall in lettings in the Rusholme and Moss Side area is particularly notable. Detailed stock breakdown at neighbourhood level in previous years is not currently available to explain any loss in overall stock. Has there been any loss of stock in these areas? The Pathfinder programme is active in the area and activities to reduce social stock are strongly linked. Not sure what this is implying. A reduction in turnover of single and family households may also explain the fall in new lettings. Is it me or is this stating the obvious – should it be about why there is a reduction in turnover, which as stated below is a positive benefit in terms of sustainable neighbourhoods A stronger demand profile where households are remaining resident for longer is a positive factor. It should be noted that the neighbourhood has the largest proportion of ethnic minority households, in particular persons of black origin.

Table 15 Social Lettings – Manchester

Neighbourhood	2001/2	2004/5	Difference	Diff %
Ardwick	408	277	-131	-32.1
Baguley and Northenden	1005	726	-279	-27.8
Blackley	409	303	-106	-25.9
Cheetham and Crumpsall	600	432	-168	-28.0
Chorlton-cum-Hardy	227	158	-69	-30.4
City Centre	60	46	-14	-23.3
Didsbury	88	98	10	11.4
East Manchester	1664	1098	-566	-34.0
Fallowfield and Whalley Range	496	359	-137	-27.6
Gorton	831	518	-313	-37.7
Harpurhey	644	542	-102	-15.8
Hulme	374	251	-123	-32.9
Levenshulme and Longsight	579	387	-192	-33.2
Moston	435	403	-32	-7.4
Rusholme and Moss Side	630	338	-292	-46.3
Withington and Burnage	251	151	-100	-39.8
Wythenshawe and Airport	823	704	-119	-14.5
Manchester	9524	6791	-2733	-28.7

Source; LA housing management data, LA CORE

- 3.5 Salford RSL lettings by neighbourhood are provided below from LA Core. LA lettings information by neighbourhood is limited, and not provided. In table 8 the RSL sector has experienced very few reductions from RTB and zero demolitions over the period. Any reductions in lettings can therefore be attributed to household residency patterns and housing management practices. Over the four-year period 2001/2 to 2004/5 the number of RSL lettings has decreased by

31.5%. The largest reductions by neighbourhood include Broughton and Irwell, City and Irlam and Cadishead (43%, 43% and 42% respectively).

Table 16 RSL Lettings – Salford

Neighbourhood	2001/2	2004/5	Difference	Diff %
Broughton and Irwell (PF)	294	169	-125	-42.52
Central Salford (Non PF)	19	17	-2	-10.53
Central Salford (PF)	202	174	-28	-13.86
City, Ordsall and Quays (PF)	111	63	-48	-43.24
Eccles	120	60	-60	-50
Irlam and Cadishead	53	31	-22	-41.51
Little Hulton and Walkden	59	57	-2	-3.39
Swinton and Pendlebury	40	44	4	10
Worsley and Boothstown	5	3	-2	-40
Salford	903	618	-285	-31.56

Source; LA housing management data, LA CORE

- 3.6 The tenancy application type for LA lettings gives an indication of the numbers of accepted homeless applicants to whom the LA owes a homelessness duty entering the social housing system, and the level of tenancies let to general waiting list households, who were not existing tenants in the social sector. The needs of these two groups highlight the effects on demand from the private sector in particular. Increases in homelessness presentations are mainly attributed to effects of a households' inability to continue in their previous housing circumstances (unaffordable housing costs) or the break up of a household for a number of other reasons such as divorce and death. Rising affordability problems in the housing market is likely to impact on the number of homelessness applicants. Levels of new household tenancies entering the social housing system is an important factor for the sustainability of the sector, it reflects the housing needs due to affordability pressures in the private sector, especially from newly forming households.
- 3.7 The summary of LA lettings by application types for Manchester and Salford is provided below. Manchester shows a decrease in tenancies let to accepted homeless applicants, whereas Salford is experiencing an increase in homeless tenancies. This may prove to be the result of management policy and may reflect a successful homelessness prevention strategy. It may also be that in Manchester more homeless cases may be being housed via RSLs. (actually I think they're all backed up in temporary accommodation waiting for rehousing!) In Salford, limited RSL stock exists, the LA is likely to have to take the majority of homeless cases.

Table 17 Tenancy type

LA lettings	2002/03	2003/04	2004/05	2005/06
Existing Tenants	1744	1474	1091	993
New Tenants	4438	4065	3288	2836
as Homeless	1443	559	465	340
as Homeless %	23.3	10.1	10.6	8.9
Manchester Total	6182	5539	4379	3829
Existing Tenants	811	872	749	635
New Tenants	3243	3011	2414	2186
as Homeless	368	778	899	977
as Homeless %	9.1	20.0	28.4	34.6
Salford Total	4054	3883	3163	2821

Source; HSSA

- 3.8 In Manchester high levels of lets to accepted homeless households exist in Hulme, Rusholme, and Fallowfield, typically 22% each of total lettings, indicated in Table 18. Fewer cases of lets to accepted homeless households were recorded in the city centre (0%), Harpurhey (4%) and Moston (6%).
- 3.9 Low levels of new tenancies prevail in Withington, Didsbury and the City Centre. Areas which are experiencing higher levels of tenancies to new households than the district are Cheetham and Crumpsall 72%, Harpurhey 71% and Moston on 69%. Is this paragraph also about homeless applicants or is it general waiting list?

Table 18 LA lettings – tenancy type (Manchester 2001-06)

Neighbourhood	Existing	Homeless	New	Total
Ardwick	30.2	11.6	58.2	100.0
Baguley and Northenden	27.5	8.5	64.0	100.0
Blackley	30.5	6.2	63.3	100.0
Cheetham and Crumpsall	16.5	11.5	72.1	100.0
Chorlton-cum-Hardy	25.3	20.4	54.3	100.0
City Centre	50.0	0.0	50.0	100.0
Didsbury	40.1	10.9	49.0	100.0
East Manchester	26.6	7.8	65.7	100.0
Fallowfield and Whalley Range	26.8	22.1	51.1	100.0
Gorton	22.2	11.0	66.8	100.0
Harpurhey	24.6	4.2	71.2	100.0
Hulme	14.9	22.6	62.6	100.0
Levenshulme and Longsight	19.1	14.3	66.6	100.0
Moston	25.5	5.7	68.8	100.0
Rusholme and Moss Side	19.6	25.2	55.2	100.0
Withington and Burnage	35.0	17.3	47.6	100.0
Wythenshawe and Airport	26.6	9.4	64.1	100.0
Manchester	25.2	10.7	64.1	100.0

Source; LA housing management data

- 3.10 A breakdown for Salford's social lettings by neighbourhood is not available due to insufficient data for early years.
- 3.11 At the district level for Manchester, property characteristics of Council lettings has changed, which is indicative of the sector. The proportion of houses becoming available has fallen over years from 44.7% to 39.6% of lettings, and three or more bedroom properties fallen from 35% to 31.7%. This will impact on the opportunities for families to secure larger suitable properties and suggest that the provision of houses and larger homes should be a priority. The proportion of smaller one-bed properties has increased from 30.5% to 36.4% and similar rises have been experienced with flats, rising from 53.6% to 57.9%.

Table 19 LA Lettings - property characteristics (2001/2, 2005/6)

Manchester	Property Type			Bedrooms			
	Bungalow	Flat	House	0 / 1	2	3	4+
2001/2	1.7	53.6	44.7	30.5	34.5	32.4	2.5
2005/6	2.6	57.9	39.6	36.4	32.0	29.6	2.1

Source; LA housing management data

- 3.12 A breakdown for Salford's LA lettings by property characteristics, for previous years, is not available due to insufficient data for early years.

Social Lettings and Stock Dynamic

- 3.13 The effect of the substantial reduction in social housing stock on the supply of social rented housing has, however, been a less significant factor in recent years than the sharp reduction in turnover rates within the social housing stock. Existing tenants have been much less likely to move and the numbers of tenancies becoming available has reduced sharply. As described above the overall turnover rate in the social rented stock (including LA stock and RSLs) has reduced from 11.6% (2002/3) to 8.2% (2005/6), a reduction of nearly a third. This reduction has been much sharper than the reduction in stock numbers, with a reduction of 34.1% in the number of lettings becoming available, as shown in the diagram below. In 2002/3 both stock and lettings were indexed at 100. By 2005/6 the reduction in lettings had significantly fallen disproportionately compared with stock reductions over the period. This indicates that existing tenants are less likely to move around in the system and the opportunities for new tenancies have been restricted.

Figure 3 Stock and Lettings Dynamic – Manchester

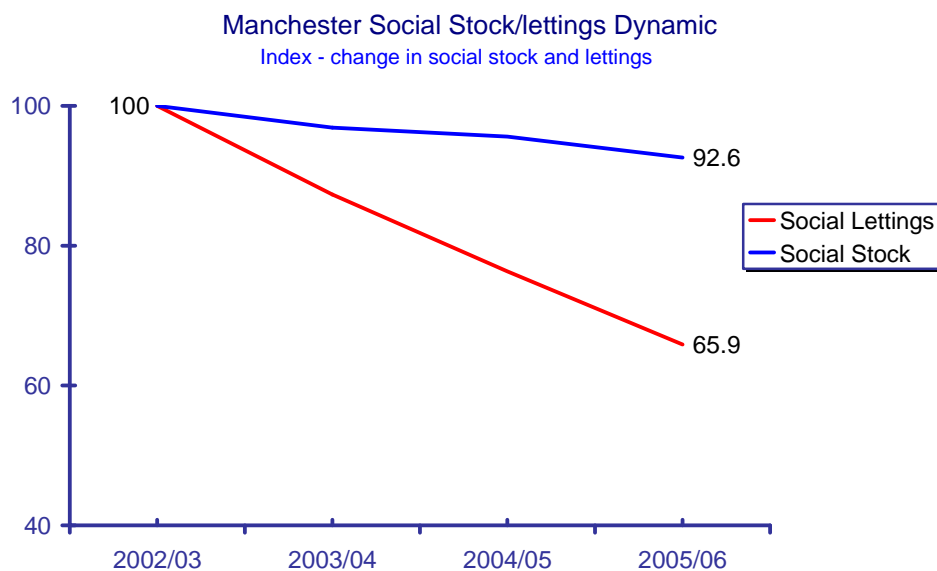
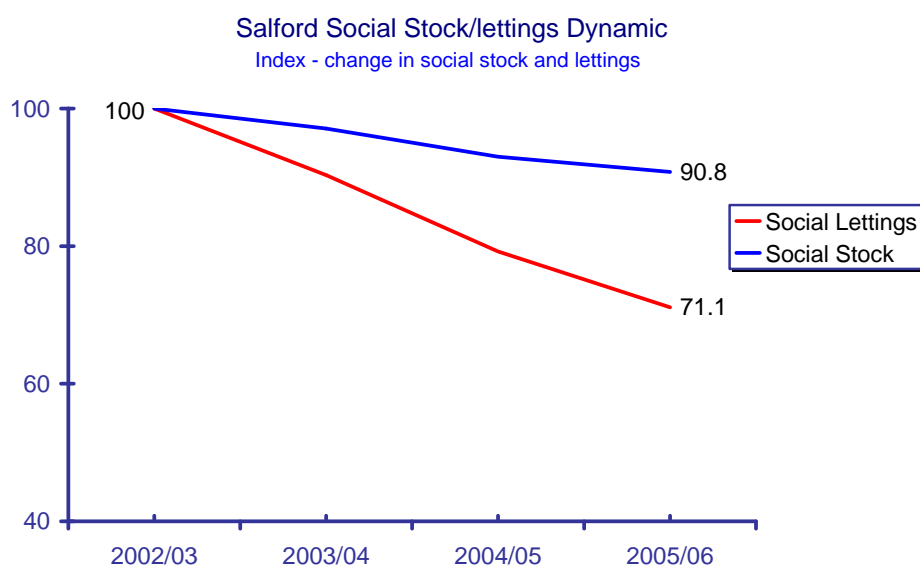


Figure 4 Stock and Lettings dynamic – Salford



- 3.14 The dynamic in Salford follows the trend in Manchester where the fall in lettings is greater than the fall in stock over the four-year period. Salford overall has experienced a slightly greater reduction in the proportion of stock, falling to an index of 90.8 by 2005/6, with the fall in lettings has been less severe which currently stands at an index of 71.1.

Social Register Demand

- 3.15 The consequence of these pressures was initially a sharp increase in the numbers on Manchester's Housing Register from 9,739 in 2002 to over 17,000 in 2003. It has since stayed at a similar level, which is understood to reflect the improved management of this list and the positive effects of the introduction of Choice Based Lettings (CBL). The table below highlights the number of households on the common register.
- 3.16 In Salford the number of households rose from 3600+ in 2002 to 8k+ in 2003, and 11k+ by 2005. The trend in Salford is rising but has slowed down up to 2006.

Table 20 Waiting Lists

Households	2000	2001	2002	2003	2004	2005	2006
Manchester	8,262	9,135	9,739	17,304**	16,564	17,772	16,994
Salford	3,204	6,351	3,668	8,026	8,644	11,216	12,074

Source; HSSA

** The sharp change in 2003 does not reflect actual experiences of the demand for social housing. This maybe due to the management of the letting system and the way information is captured and used for letting purposes.

- 3.17 The bedroom requirements for households on the housing waiting list are provided below. The bedroom requirement profile in 2006 is similar for Manchester and Salford. Majority of households on the waiting list require one bedroom (e.g. single occupant or couple) account for 55%+ of households. Two bedroom requirements (e.g. small family) accounts for a further quarter. Three plus sized bedroom requirements makeup the remaining 15%.

Table 21 Waiting List - bedroom requirements

Households	2003	2004	2005	2006	2006%
1 Bed	#	#	9751	9510	56.0
2 Bed	14482	13706	4337	4413	26.0
3 Bed	1996	2003	2149	2110	12.4
4+ Bed	826	855	902	813	4.8
unknown	0	0	633	148	0.9
Manchester Total	17304	16564	17772	16994	100.0
1 Bed	#	#	6635	7204	59.7
2 Bed	6819	7563	2946	3127	25.9
3 Bed	967	906	1340	1429	11.8
4+ Bed	240	168	295	314	2.6
unknown	0	7	0	0	0.0
Salford Total	8026	8644	11216	12074	100.0

Source; HSSA. # - the data in this cell is included in the 2 bedroom value. In 2005 an additional 1 bedroom size requirement option was added in the return.

- 3.18 The major reason for these dramatic changes in turnover and the increase in the Housing Register is considered to be the increase in house prices, which occurred at precisely the same time. This has reduced the opportunity for both existing tenants and new households to move into owner-occupation. As a secondary factor, the reduced turnover probably also reflects greater satisfaction with social rented stock as dwelling conditions improve as a result of the Decent Homes programmes, and neighbourhood problems tackled through the City's policies for tackling anti-social behaviour.⁶

Waiting Times

- 3.19 The average time between an applicant registration date and the first letting date is a good indicator of demand being met by available housing resources. When that need is not met, the applicant has to wait until suitable accommodation can be found. The information provided below identifies the waiting time for applicants to be accommodated by particular property types and sizes. Certain property sizes are not available for some property types which are reflected by the # sign. Overall the waiting times for houses are higher than the wait for flats. The number of bedrooms required is also a significant factor, as the more bedrooms required the greater the waiting times. For a house, the waiting time

⁶ Two notes of caution on this; similar trends in turnover are evident nationally, even in areas where there has been much less progress on improving the condition of social housing. Also, the MSP residents' survey showed that levels of satisfaction were still lower in the social rented than other sectors. Source: Understanding Perceptions in the Manchester Salford Housing Market Renewal Pathfinder. CRESR. August 2005

increases from 633 days (1.7yrs) for a 1 bed property to 1,254 days (3.4yrs) for a 5 bed property. Note the exceptionally low waiting time of 172 days for a 3 bedroom flat, (most of these will be located in blocks of accommodation and will not be considered as family accommodation).

Table 22 Average waiting time Manchester social housing (June 2007)

Bedrooms	Houses		Flats		
	House	Parlour House	Multi Storey Flat	Deck Access flats	Walk up flats
1	633	354	456	572	513
2	614	632	389	#	562
3	733	732	172	544	690
4	696	966	#	#	662
5	1254	927	#	#	#

Source MCC

- 3.20 The average waiting times for the two property type groups, houses and flats, are demonstrated below. Average waiting times for the grouped types are a straight-line average and not a weighted average. There is a clear relationship with the size of the property and the time taken for applicant needs to be met, the greater the size, the longer the wait. As families indicatively occupy accommodation with 2+bedrooms, the option for 'flat' accommodation in larger sizes is not suitable or available. The ability to meet the needs of larger families will only take place with larger suitably sized 'house' accommodation. The exceptional waiting times of 2+ years to be accommodated in a 4 bed property is a sign that there is not sufficient supply or capacity in the social sector to meet the needs of existing households, or retain and attract future families.

Table 23 Average waiting times by property group (June 2007)

Bedrooms	House Average Wait in Days	Flat Average wait in Days
1	494	514
2	623	476
3	733	469
4	831	662
5	1091	#

Source MCC

Manchester Housing Demand (Queue)

- 3.21 The housing team within Manchester City Council have prepared demand data for LA stock, based on the overall queues for specific property types and sizes.
- Demand - real queue is greater than 9 months
 - Low Demand - real queue is less than 9 months
 - No Demand - real queue is less than 1 month
 - Other special - real queue for specialist accommodation
- 3.22 In summary the LA stock in Manchester has experienced a significant change in the demand over a short period. Low demand has decreased from 30.7% in 1999, to 6% by 2006. This can be attributed to rising numbers applying for social housing and the reduction of unpopular stock through demolition programmes. Note a small rise in the demand for specialist accommodation from groups including Asylum Seekers, Homeless accommodation, accommodation managed by Social Services and respite centres.

Table 24 Stock demand profile

Type	1996	1999	2003	2006
Demand	68.8	42.2	64.1	87.9
Low Demand	20.5	30.7	21.5	6
No Demand	9.3	25.4	12.1	0.9
Other special	1.4	1.7	2.3	5.2
Total	100	100	100	100

Source: Manchester City Council, Housing.

- 3.23 No stock queue demand data is currently available for Salford.

Manchester Future Housing Supply

- 3.24 In Manchester the future housing supply is dominated by flats (80.8%) and in particular 2 bed flats (57.2%). Houses only make up 19.2% of future supply. Larger family housing (2/3/4 bed houses) only accounts for 19.2% of all future pipeline housing supply.

Table 25 Future pipeline housing supply (May 2007)

Beds	Houses	Flats	Total	%
1	2	2,315	2,317	21.4
2	384	6,191	6,575	60.7
3	1,102	236	1,338	12.4
4	594	5	599	5.5
Total	2,082	8,747	10,829	100.0

Source MCC.

Table 26 Future housing supply (% of all supply)

Beds	Houses	Flats	Total
1	0.0	21.4	21.4
2	3.5	57.2	60.7
3	10.2	2.2	12.4
4	5.5	0.0	5.5
Total	19.2	80.8	100.0

Source MCC.

4. Housing Costs

Social Sector Rents

- 4.1 The Housing Corporation, which regulates the RSL sector, provides annual statistics on rent values. This information is robust and can be used to generalise the rents in the social sector. The average annual rents by property size are highlighted below. Rents have generally increased yearly by £50-£100, which equates to a further £1-2 a week, per annum. The larger the property, the higher the rent charged. For a one-bed property in Manchester in 2006 a rent of £2,850 was typical, for a four-bed property the rent increases to £3,550. In Salford a similar profile prevails, a one-bed property to rent being £2,850, and for a four-bed property the rent is £3,400.

Table 27 RSL gross annum rents (£)

Property Size	2003	2004	2005	2006
1 bed	2,850	2,750	2,700	2,850
2 bed	2,700	2,750	2,800	2,900
3 bed	2,800	2,850	2,950	3,050
4+ bed	3,400	3,450	3,600	3,550
Manchester average	2,800	2,800	2,850	3,000
1 bed	2,800	2,750	2,750	2,850
2 bed	2,750	2,800	2,850	3,050
3 bed	3,000	3,100	3,150	3,250
4+ bed	3,000	3,200	3,250	3,400
Salford average	2,800	2,850	2,900	3,100

Source: Housing Corporation - Regulatory and Statistical Return (RSR). Housing Association rent levels as at 31 March each year.

Housing Benefit (HB) Ceiling - Private Rented Sector

- 4.2 Partial information about rents, at the more affordable end of the private rented sector across Manchester is provided by HB case data of all rent determinations for the district by financial year. The local reference rent 'LRR' is *The Rent Officer's determination of the mid-point of the range of rents in the locality for properties of all types but with the appropriate number of rooms, excluding exceptionally high or exceptionally low*⁷. Data for Manchester 2001/02 to 2004/05 is highlighted in Table 28. Rent levels have increased on the whole by £50 a month in the 4-year period, with an average of £377 a month by 2004/05 or £4,519 a year. The volume of cases presented to the service for HB

⁷ The Rent Service, valuation report. April 2001 – March 2005.

determination has also increased from 2002/3 with just over 9,500+ cases to 11,200+ at 2004/5. The rise in the volume of cases and overall growth in rent levels indicate increases in the housing costs for households coupled with a greater number of households seeking assistance to pay housing costs.

Table 28 Private Rented (LRR) Manchester

LRR	Weekly	Monthly	Annually	Cases
2001/02	£ 75	£ 327	£ 3,922	11,577
2002/03	£ 81	£ 349	£ 4,189	9,658
2003/04	£ 86	£ 372	£ 4,459	10,797
2004/05	£ 87	£ 377	£ 4,519	11,281

Source: Rent service, valuation report 2001-05

- 4.3 In Salford rent reference levels have increased by £70 a month in the period 2001/2 to 2004/5, with the average standing at £359 by 2004/5 (£4,307 per annum). The volume of households seeking assistance peaked in 2003/4 with 3,319 cases, returning to a base level of 2,200+ by 2004/5.

Table 29 Private Rented (LRR) Salford

LRR	Weekly	Monthly	Annually	Cases
2001/02	£ 67	£ 290	£3,480	2231
2002/03	£ 71	£ 307	£3,688	3110
2003/04	£ 77	£ 335	£4,021	3319
2004/05	£ 83	£ 359	£4,307	2254

Source: Rent service, valuation report 2001-05

Private Sector Rents

- 4.4 Hope this is from the Housing Needs Assessment which is the only one we're admitting to having! The Part B ended up being called a Supplementary Housing Report and is not for publication. identified a range of average and entry level rents for the local sub-areas by bedroom size. The entry level for private sector rents is highlighted below for the two districts. Overall rents in Salford are marginally higher than in Manchester. An indicative average entry level rent in Salford stands at £85 per week or £4,420 per annum and in Manchester £80 per week or £4,160 per annum. Four bedroom properties are the most expensive and typically cost around £5,200 per annum.

Table 30 Entry level private sector rents 2007

Bedroom size	Entry level rents (2007)		
	Range (£week)	Mid point (£ week)	Annual (£)
Salford			
1 bed	£70-80	75	3,900
2 bed	£70-80	75	3,900
3 bed	£80-100	90	4,680
4+ bed	£90-120	100	5,200
Salford average	£70-120	85	4,420
Manchester			
1 bed	£60-80	70	3,640
2 bed	£60-80	75	3,900
3 bed	£70-100	85	4,420
4+ bed	£90-120	100	5,200
Manchester average	£60-120	80	4,160

Source Housing Need and Demand Study 2006?

Housing Market Mortgage Costs

- 4.5 The costs for purchasing open market housing are provided in the table below. It sets out several significant house price bands and the repayment costs per annum and per month. This is further broken down by 25 year and 35 year repayment periods. The 100k band is an indicative price band of an existing FTB market in the areas (2006). The 150k is a typical cost for new build supply in the areas (2006). The mortgage type is a 'capital and interest repayment' with an interest rate of 5.9% standard fixed rate.

Table 31 Mortgage costs - £

House Price	Annual		Monthly	
	25 Yrs	35 Yrs	25 Yrs	35 Yrs
50,000	3,829	3,381	319	281
60,000	4,595	4,057	382	338
75,000	5,743	5,071	478	422
100,000	7,658	6,761	638	563
120,000	9,190	8,114	765	676
130,000	9,955	8,790	829	732
140,000	10,721	9,466	893	788
150,000	11,487	10,142	957	845
160,000	12,253	10,818	1,021	901
180,000	13,785	12,171	1,148	1,014
200,000	15,316	13,523	1,276	1,126
250,000	19,146	16,904	1,595	1,408
300,000	22,975	20,285	1,914	1,690
400,000	30,633	27,047	2,552	2,253

Source: Microsoft excel "Mortgage Amortisation" formula

- 4.6 Mortgages taken out with private lenders use a number of conditions to assess a household's ceiling level of property value lending. Lenders are finding new ways for borrowers to take out larger mortgages over longer periods so that households can access the housing market. Does this now need qualification given recent events? It would be highly unsuitable for policy purpose to accept new extreme lending practices. But a 35-year mortgage period may prove a useful solution for younger households. Current guidance on maximum mortgage and intermediate market housing cost levels of gross household income are as follows:
- 30% housing cost limit of gross income. (DCLG⁸).
- 4.7 Examples of the purchasing power of households who use the full 30% extent of their purchasing potential are given (25 yr).
- £20k income & 30% limit = 6k annual mortgage housing cost / £79k mortgage
 - £30k income & 30% limit = 9k annual mortgage housing cost / £118k mortgage

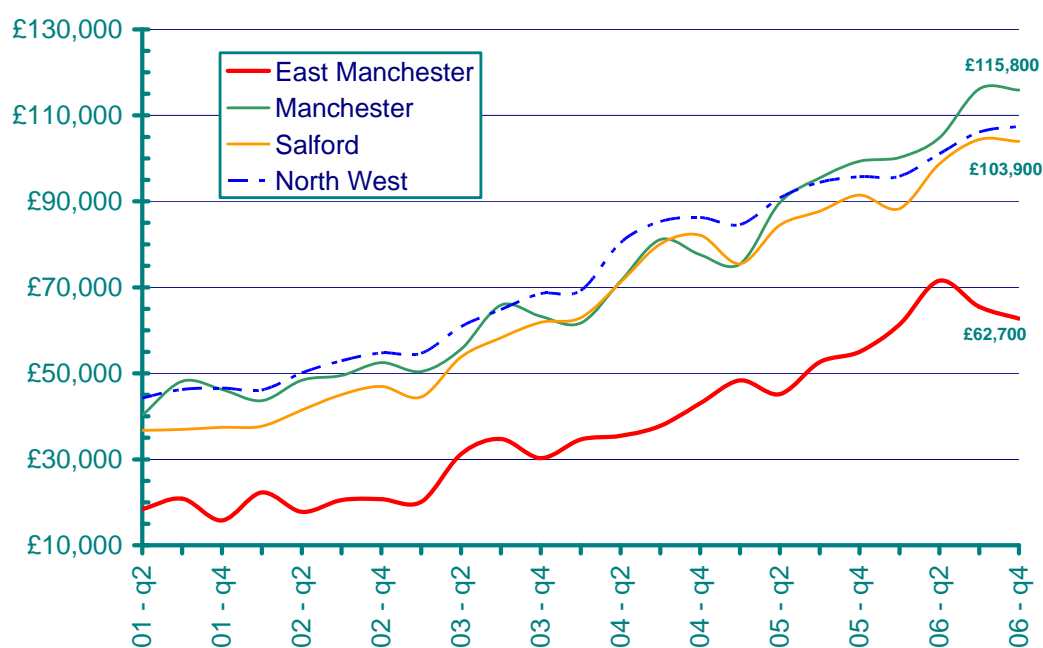
⁸ Housing Market assessments: Draft Practice guidance. DCLG. P47. December 2005. Note a 25% 'rented' housing cost limit of gross household income, P36.

5. Housing Market

Housing Price Growth

- 5.1 The local and regional housing market (private sector) has shown dramatic changes over the previous 4 years. Land registry data of individual property sales (see Figure 5 below), shows the average price for terraced houses (a major market sector), an approximate entry level price in the market, for many first time buyers. The Manchester and Salford district value had risen roughly in parallel with the regional profile to £100k by July 2006. The growth of the average terraced has risen by 260% over 5 years. In East Manchester where values are typically lower, the growth has seen a sharper rise, with a near 400% increase. This pushes the majority of house prices beyond the reach of many residents when in Manchester the mean terraced price is £104,700 (July 2006) compared to the (median) household income of only £24,200 (2006 CACI data) creates a ratio of 4.3:1.
- 5.2 In Salford the mean terraced property is £98,700, and the average household income is £25,500, which creates a ratio 3.9:1. A detailed section on house price to income ratios is provided in the First Time Buyer affordable market section.

Figure 5 House price trends (Local to regional), Mean terraced properties



- 5.3 The distribution of prices across the city does mean that the pattern is varied and there are greater opportunities for homeownership in some parts of the district than others.

FTB Market

- 5.4 New entrants into the open housing market, termed the 'First time buyer' (FTB) market, often require low cost or affordable housing. In defining a suitable affordable home, property types can offer a measure of affordability. Detached and semi detached properties are often larger properties taking up larger land plots and commanding the highest market values. Flats and terraced properties, which are characterised as smaller properties make up the lower end of market values. Median values of 'flats and terraced' properties are taken as an indication of a FTB market.
- 5.5 The distribution of prices across the City does mean, however, that the pattern is very varied and there are greater opportunities for homeownership in some parts of the City. An analysis of the prices at the lower end of the market shows that the "lower quartile" price for a terraced house or a flat across Manchester in 2006 is £67,000. This figure has to be viewed with considerable caution as many of these properties are likely to be in poor condition and may need significant further investment to put them into a decent condition. It also includes the prices of properties being acquired for clearance, or being traded prior to this. Therefore, we have taken the median price for these types of properties as an indicator of the price generally available for a property in a reasonable condition.
- 5.6 The distribution of FTB market values is demonstrated below. In Manchester the average FTB market property can reach in excess of £95k. Considerable differences exist between the north and south of Manchester. For properties to the south, recognised as more aspirational locations, the first time buyer can expect pay in excess of £150k, which is unaffordable for many on low or average incomes. Parts of East and North Manchester can offer options for purchase, typically a two bedroom Victorian terraced house, to households on average incomes. Policies have to recognise that this very limited choice of property types and areas will not meet the aspirations of many, and the consequence is that they will continue to live in the rented sector in their preferred area of choice, or leave the City for a wider range of affordable options, which are available within the City region housing market.
- 5.7 There is good evidence from a residents' survey⁹ carried out for MSP about the aspirations of households for their next home; amongst the main points to note are that:

⁹ Understanding Perceptions in the Manchester Salford Housing Market Renewal Pathfinder. CRESR. August 2005

- 17% of social renters and 14% of private renters in the MSP area want to buy a home on their next move, reflecting the continuing aspiration for homeownership;
- 51% want a three bedroom home or larger, which shows the limitations of the traditional terraced house offer;
- Of existing homeowners, only 6% paid more than £75,000 for their home, whereas it will now be hard to buy for less than this in most areas.

5.8 In Salford a FTB can expect to pay around £90k. At the neighbourhood level the prices vary between £72k, the average lowest value in Central Salford (Pathfinder area) and upwards of £150k+ are typical for properties in the Worsley and Boothstown areas. Prices in the city (pPathfinder area) are typically in excess of £120k.

Table 32 FTB Market property values (Median, £)

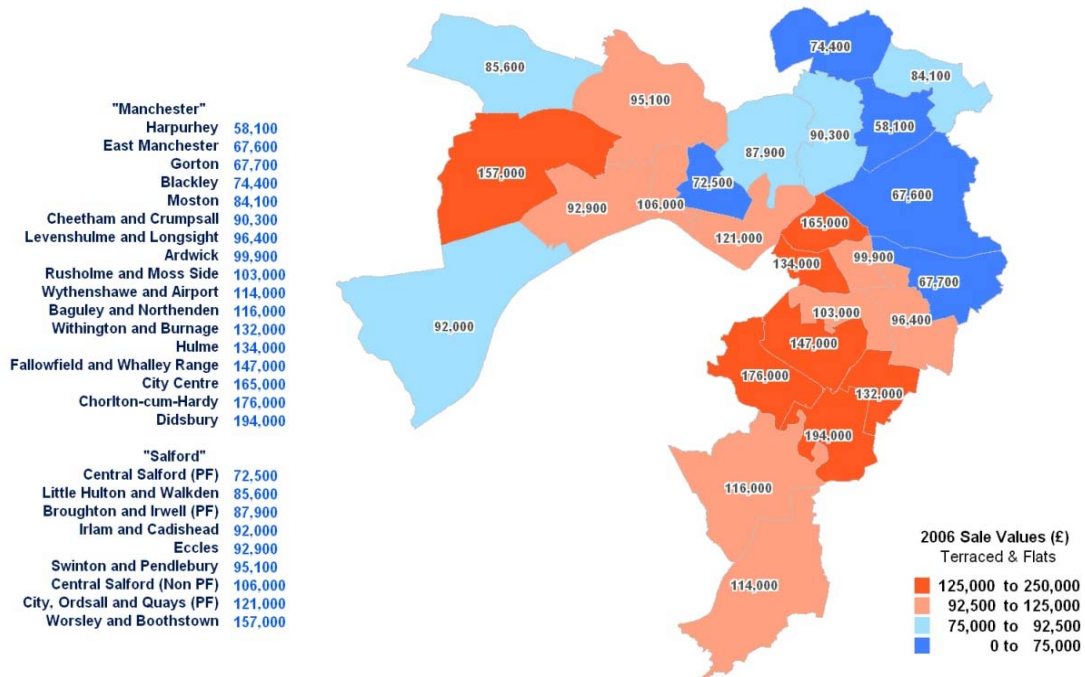
Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	35500	40000	52500	93500	93000	99900
Baguley and Northenden	58000	67300	81800	96000	113000	116000
Blackley	29000	34000	42000	55500	70000	74400
Cheetham and Crumpsall	26000	32000	42300	63000	80000	90300
Chorlton-cum-Hardy	96000	114000	140000	160000	176000	176000
City Centre	109000	125000	140000	150000	150000	165000
Didsbury	110000	125000	144000	160000	166000	194000
East Manchester	18600	20000	25000	36000	53000	67600
Fallowfield and Whalley Range	60000	83500	100000	117000	129000	147000
Gorton	22000	20000	27000	41000	57000	67700
Harpurhey	15000	14400	20000	29000	40000	58100
Hulme	70000	84000	95000	116000	132000	134000
Levenshulme and Longsight	27200	30500	47000	73000	85000	96400
Moston	37000	43000	52500	70200	82500	84100
Rusholme and Moss Side	30500	40000	59000	86500	93000	103000
Withington and Burnage	65500	77000	95000	124000	130000	132000
Wythenshawe and Airport	54000	68900	80500	110000	104000	114000
Manchester	35400	41500	54000	73000	89000	95000
Broughton and Irwell (PF)	23000	25000	34000	48000	70000	87900
Central Salford (Non PF)	40000	45000	63800	80000	90000	106000
Central Salford (PF)	15000	17500	27000	47800	65000	72500
City, Ordsall and Quays (PF)	55000	62000	84500	96000	108000	121000
Eccles	37000	40000	58000	76000	85000	92900
Irlam and Cadishead	37000	40000	57700	73000	85000	92000
Little Hulton and Walkden	36000	43000	52300	75000	84000	85600
Swinton and Pendlebury	39000	44000	60000	80000	90000	95100
Worsley and Boothstown	69500	86800	96800	124000	135000	157000
Salford	36000	41000	55000	72500	85000	90000

Source; Land Registry. * partial year data Q1/Q2

Figure 6 Indicative FTB market prices

FTB Market 2006

Median (second hand) Terraced & Flat Sale Values



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- 5.9 The volume of properties which support the FTB market has changed over the previous five years. Within Manchester the volume has increased from 4,400 in 2001 reaching 6,600 by 2003. The volume then fell to 6,300 in 2004, 5,500 by 2005, and is expected to fall further by 2006 to the levels experienced in 2001. The reduction in supply is adding further pressure to the FTB market as buyers are presented with fewer opportunities for purchase.
- 5.10 Salford experienced a rise in FTB sales from 2,400+ to 2,900+ in 2001-03. This shows a significant rise in buyer confidence and also results from the actions of the Housing Market Renewal Pathfinder. In 2004 and 2005 the volume of sales has decreased slightly, with 2,100+ sales taking place in 2005.

Table 33 FTB Market - Property Sales Volume (Private)

Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	23	27	24	24	33	17
Baguley and Northenden	216	262	347	373	257	99
Blackley	95	129	132	122	96	41
Cheetham and Crumpsall	269	335	378	315	332	89
Chorlton-cum-Hardy	311	329	277	294	280	118
City Centre	238	474	517	523	510	178
Didsbury	356	378	365	302	308	97
East Manchester	355	605	723	704	636	213
Fallowfield and Whalley Range	249	309	345	318	276	95
Gorton	412	486	646	585	504	155
Harpurhey	352	558	738	927	718	231
Hulme	91	169	152	114	183	61
Levenshulme and Longsight	638	894	923	728	578	233
Moston	100	89	128	147	105	63
Rusholme and Moss Side	459	514	513	426	408	150
Withington and Burnage	162	201	175	188	157	58
Wythenshawe and Airport	144	206	292	276	136	66
Manchester	4470	5965	6675	6366	5517	1964
Broughton and Irwell (PF)	393	434	527	524	439	144
Central Salford (Non PF)	125	139	152	133	107	47
Central Salford (PF)	331	354	363	352	333	101
City, Ordsall and Quays (PF)	344	367	387	345	322	105
Eccles	458	586	561	476	339	117
Irlam and Cadishead	119	138	152	133	119	52
Little Hulton and Walkden	242	333	380	327	243	90
Swinton and Pendlebury	322	338	317	342	157	61
Worsley and Boothstown	116	112	131	107	104	38
Salford	2450	2801	2970	2740	2163	755

Source; Land Registry.

* partial year data Q1 & Q2.

- 5.11 The size of the FTB market in each neighbourhood is demonstrated below. The volume of sales classified as 'FTB properties' (terraced and flat property types) is represented as a percentage of the total sales in a given year. This provides a clear indication to the FTB market opportunities at a local level.
- 5.12 The FTB market in both Manchester and Salford accounts for 50% of the whole market (2006). This proportion has remained relatively constant for the previous 5 years. At the neighbourhood level within Manchester, the size of the FTB market varies from 31% in Worsley to 89% in Rusholme and Moss Side (2006). On the whole the size of the FTB market in each neighbourhood has slightly fluctuated over the previous five years. One noticeable neighbourhood which has experienced significant changes is Ardwick, where highs of 74% and lows of 18% are reported.

- 5.13 In Salford the smallest FTB markets can be found in Worsley and Irlam, accounting for only 29% of all sales. The largest proportioned FTB market is located in Central Salford (Pathfinder area) at 74%. One significant change in the size of the FTB over the previous five years is taking place with the City and Quays neighbourhood. In 2001 the FTB market accounted for 79% of the market, by 2006 this has significantly reduced to 39%, half its 2001 size.

Table 34 Size of FTB market in overall housing market

Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	74.2	55.1	18.8	55.8	40.7	43.6
Baguley and Northenden	29.5	30.1	35.4	35.1	35.3	39.8
Blackley	40.8	47.4	40.7	37.8	36.6	51.3
Cheetham and Crumpsall	62.4	49.4	62.9	55.9	55.8	46.4
Chorlton-cum-Hardy	57.5	48.5	52.6	52.7	42.9	43.4
City Centre	33.3	37.9	52.6	49.7	39.8	34.8
Didsbury	49.9	44.2	50.3	44.0	45.9	37.2
East Manchester	71.9	77.6	80.0	82.0	63.0	70.8
Fallowfield and Whalley Range	36.2	40.1	42.7	43.4	39.4	42.0
Gorton	75.9	76.2	82.4	77.6	72.5	67.4
Harpurhey	70.8	75.4	82.8	85.3	78.6	65.8
Hulme	57.6	54.2	57.4	36.9	28.9	33.9
Levenshulme and Longsight	67.9	76.5	63.5	71.3	68.2	65.3
Moston	28.6	29.0	40.1	46.5	25.5	36.6
Rusholme and Moss Side	87.8	86.4	86.2	86.9	85.5	89.8
Withington and Burnage	32.6	36.9	35.5	40.2	36.0	35.2
Wythenshawe and Airport	19.5	22.2	24.0	28.9	26.9	31.7
Manchester	50.7	52.2	55.6	56.4	50.6	49.6
Broughton and Irwell (PF)	69.9	69.4	73.5	75.1	76.6	69.6
Central Salford (Non PF)	47.3	47.8	55.7	50.8	59.8	56.6
Central Salford (PF)	77.3	76.5	73.3	76.7	69.5	74.3
City, Ordsall and Quays (PF)	78.9	71.7	66.5	52.1	41.0	38.6
Eccles	60.4	62.5	64.5	54.3	54.1	57.4
Irlam and Cadishead	36.3	36.9	37.5	30.5	30.3	29.1
Little Hulton and Walkden	42.5	46.5	45.3	53.1	44.3	40.9
Swinton and Pendlebury	48.6	43.9	35.9	38.7	36.5	46.2
Worsley and Boothstown	24.4	20.3	27.7	22.8	27.2	28.6
Salford	54.7	53.5	53.6	51.1	49.2	48.2

Source; Land Registry.

* partial year data Q1 & Q2.

Household Incomes

- 5.14 Income levels in Manchester have increased year on year by an average of 4% from 2002 to 2006. The typical household income in Manchester for 2006 is £24,246 (median value). The 2006 median value was taken from CACI pay check income data. Previous year values were calculated using ASHE income

growth, input from the 2006 base year. The growth in household income rose more than inflation over the period, as inflation averaged 2.5% (Office National Statistics).

Table 35 Household income – Manchester

Manchester	2002	2003	2004	2005	2006
Income Growth	3.0	6.7	3.9	4.4	2.0
Median Household Income	20,155	20,778	22,269	23,176	24,246

Source: ASHE (nomis), CACI Paycheck

- 5.15 The household income profile for Salford is presented below. The year on year growth over the four-year period averaged 4%. In 2006 the average household income stands at £25,537 (median value).

Table 36 Household income – Salford

Salford	2002	2003	2004	2005	2006
Income Growth	3.0	2.7	5.5	4.0	4.7
Median Household Income	21,228	21,885	23,455	24,411	25,537

Source: ASHE (nomis), CACI Paycheck

- 5.16 A detailed assessment on household incomes and equity is provided in the assisted home ownership section.

FTB Market Growth

- 5.17 The growth in house prices rose significantly more than incomes over the previous 5 years. In Manchester household income rose on average by 4%, and house prices increased by 22.2% per year on average between 2001 and 2006. The compounded effect of the growth in house prices means values in 2006 are 2.6 times the price of the 2001 value. The table below shows the growth in FTB market house prices at neighbourhood level (median prices of all terraced and flat properties). Low values 'regeneration targeted areas' have seen the largest increase. For example, the exceptional growth in Harpurhey averaged 32% per year and now values are four times the original 2001 price. Interestingly values in the city centre have only risen by 50% in the past five years.
- 5.18 In Salford FTB market house prices rose by 20.6% per annum on average over the period. Property values are 250% (or 2.5 times) higher in 2006 than 2001 base values. At the neighbourhood level values have increased by 220% in the City and quays. Interestingly values in Central Salford (Pathfinder area) have increased by an overwhelming 480% in the five-year period.

Table 37 FTB Market yearly Growth and Index

Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	0.0	12.7	31.3	78.1	-0.5	7.4
Baguley and Northenden	0.0	16.0	21.5	17.4	17.7	2.7
Blackley	0.0	17.2	23.5	32.1	26.1	6.3
Cheetham and Crumpsall	0.0	23.1	32.2	48.9	27.0	12.9
Chorlton-cum-Hardy	0.0	18.8	22.8	14.3	10.0	0.0
City Centre	0.0	14.7	12.0	7.1	0.0	10.0
Didsbury	0.0	13.6	15.2	11.1	3.8	16.9
East Manchester	0.0	7.5	25.0	44.0	47.2	27.5
Fallowfield and Whalley Range	0.0	39.2	19.8	17.0	10.3	14.0
Gorton	0.0	-9.1	35.0	51.9	39.0	18.8
Harpurhey	0.0	-4.0	38.9	45.0	37.9	45.3
Hulme	0.0	20.0	13.1	22.1	13.8	1.5
Levenshulme and Longsight	0.0	12.1	54.1	55.3	16.4	13.4
Moston	0.0	16.2	22.1	33.7	17.5	1.9
Rusholme and Moss Side	0.0	31.1	47.5	46.6	7.5	10.8
Withington and Burnage	0.0	17.6	23.4	30.5	4.8	1.5
Wythenshawe and Airport	0.0	27.6	16.8	36.6	-5.5	9.6
Manchester	0.0	17.2	30.1	35.2	21.9	6.7
Manchester Growth Index	100	117.2	152.5	206.2	251.4	268.4
Broughton and Irwell (PF)	0	8.7	36.0	41.2	45.8	25.6
Central Salford (Non PF)	0	12.5	41.8	25.4	12.5	17.8
Central Salford (PF)	0	16.7	54.3	77.0	36.0	11.5
City, Ordsall and Quays (PF)	0	12.7	36.3	13.6	12.5	12.0
Eccles	0	8.1	45.0	31.0	11.8	9.3
Irlam and Cadishead	0	8.1	44.3	26.5	16.4	8.2
Little Hulton and Walkden	0	19.4	21.6	43.4	12.0	1.9
Swinton and Pendlebury	0	12.8	36.4	33.3	12.5	5.7
Worsley and Boothstown	0	24.9	11.5	28.1	8.9	16.3
Salford	0	13.9	34.1	31.8	17.2	5.9
Salford Growth Index	100	113.9	152.8	201.4	236.1	250.0

Source: Land Registry (median values, terraced and flats). * partial year data Q1 and Q2.

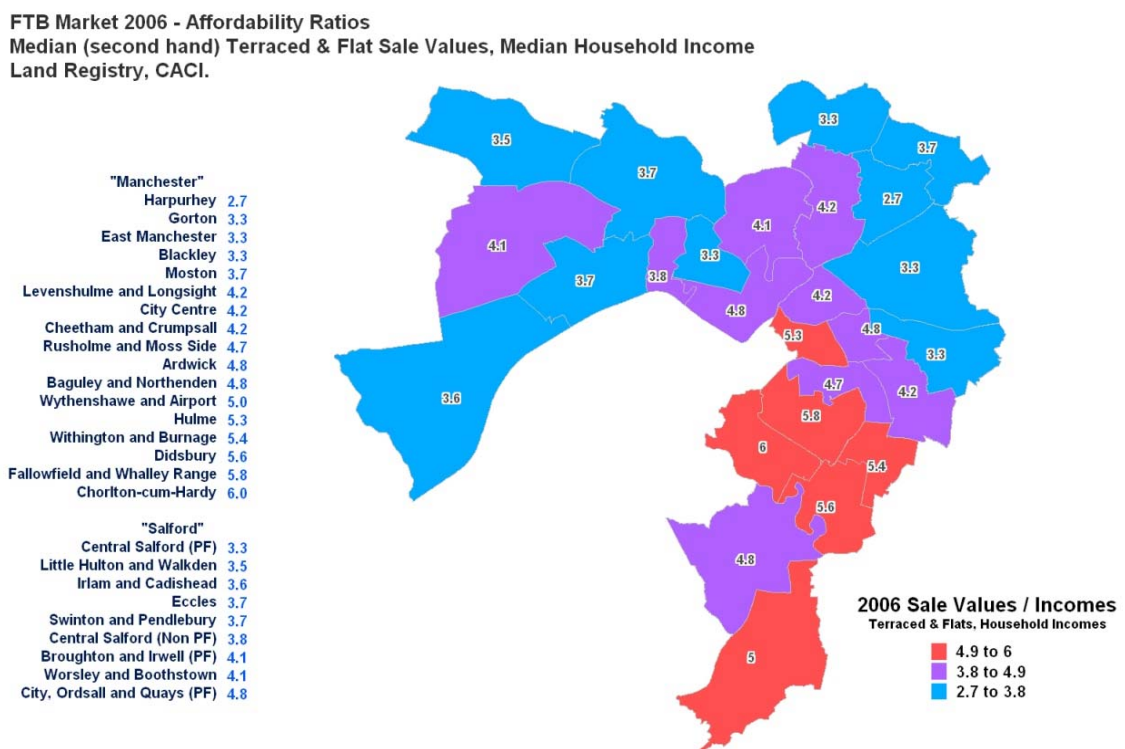
FTB Affordability Ratios

- 5.19 First time buyers who require private finance or a mortgage to purchase a property use a household income to property price multiplier, which gives an indication to potential purchase opportunities. The standard guidance is 3.5x a single income and 2.9x a double income (Housing Market Assessment guidance; Draft. ODPM 2005). Using income calculations and local house price data it is possible to look at the multiplier requirements to secure a First Time Buyer market property in 2006. Across Manchester the average property is 3.9x the average household income, which is above the recommended guidance of a

ratio of 3.5:1¹⁰. In Salford the affordability ratio stands at 3.5:1, which is equal to the maximum housing cost limit.

- 5.20 The map below illustrates the income to house price ratio using local FTB average house prices (median terraced and flat price, deemed entry-level owner-occupation) and local household incomes.
- 5.21 At the neighbourhood level, the blue coloured areas are identified as offering moderate affordable housing cost to secure a FTB property, including Harpurhey and Gorton. Purple areas indicate a multiplier above the guidance levels which is indicative that FTBs will have severe difficulties in affording a property in that area. The red areas command even higher values and severely restrict any new FTB to purchase in the area. The disproportionate values across the areas mean many FTBs have limited choice in location.

Figure 7 Affordability ratios for FTB market prices



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- 5.22 In 2006, the affordability ratio in Manchester extended between 2.7 and 6.0. In Salford the range of ratios extended between 3.3 and 4.8. Chorlton-cum-Hardy and Fallowfield have the greatest affordability ratios of the two districts, and have remained so historically.

¹⁰ Housing Market assessments: Draft Practice guidance. DCLG. December 2005

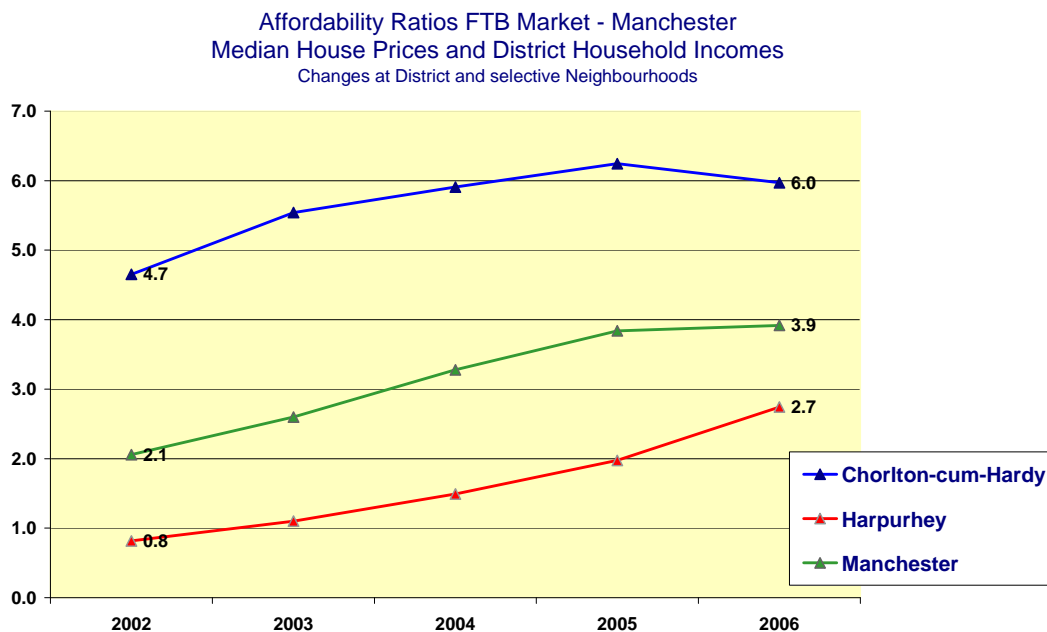
Table 38 Affordability ratios – FTB Market

Neighbourhood	2002	2003	2004	2005	2006
Ardwick	2.3	2.9	4.9	4.6	4.8
Baguley and Northenden	3.4	4.0	4.3	4.9	4.8
Blackley	1.8	2.2	2.7	3.3	3.3
Cheetham and Crumpsall	1.8	2.3	3.2	3.9	4.2
Chorlton-cum-Hardy	4.7	5.5	5.9	6.2	6.0
City Centre	3.9	4.2	4.2	4.0	4.2
Didsbury	4.3	4.8	5.0	5.0	5.6
East Manchester	1.2	1.4	1.9	2.7	3.3
Fallowfield and Whalley Range	4.0	4.6	5.0	5.3	5.8
Gorton	1.2	1.5	2.1	2.9	3.3
Harpurhey	0.8	1.1	1.5	2.0	2.7
Hulme	4.0	4.4	5.0	5.5	5.3
Levenshulme and Longsight	1.6	2.4	3.5	3.9	4.2
Moston	2.3	2.7	3.3	3.8	3.7
Rusholme and Moss Side	2.2	3.1	4.3	4.4	4.7
Withington and Burnage	3.8	4.5	5.5	5.5	5.4
Wythenshawe and Airport	3.6	4.1	5.3	4.8	5.0
Manchester	2.1	2.6	3.3	3.8	3.9
Broughton and Irwell (PF)	1.4	1.8	2.4	3.4	4.1
Central Salford (Non PF)	2.0	2.7	3.2	3.4	3.8
Central Salford (PF)	1.0	1.4	2.4	3.1	3.3
City, Ordsall and Quays (PF)	3.0	3.9	4.2	4.5	4.8
Eccles	1.9	2.7	3.3	3.5	3.7
Irlam and Cadishead	1.9	2.6	3.1	3.5	3.6
Little Hulton and Walkden	2.1	2.5	3.4	3.6	3.5
Swinton and Pendlebury	2.1	2.7	3.4	3.7	3.7
Worsley and Boothstown	2.7	2.9	3.5	3.7	4.1
Salford	1.9	2.5	3.1	3.5	3.5

Source: Land Registry (median values, terraced and flats). * partial year data Q1 and Q2. CACI & ASHE Income data.

- 5.23 The diagram below (Figure 8) shows how these affordability ratios have changed over the last three years, in connection with a rise in the demand for social housing.

Figure 8 Affordability trend – Manchester ratios



What are the Prospects for Affordability?

- 5.24 It seems unlikely that the increase in house prices over the past five years will now be reversed. The situation has stabilised at present and the consensus amongst commentators is that a steady growth in prices can be anticipated, probably continuing to run ahead of general inflation as there will continue to be shortfall in the national supply of new housing as compared to projected rates of household growth.
- 5.25 The local prospects in the City Region are also for strong growth of housing demand, driven by regeneration programmes and economic growth. A more detailed summary of the underlying drivers of demand, drawn from recent major work on employment, population and household projections, is now considered.

New Housing Supply Market

- 5.26 New housing supplied to the private open market in Manchester and Salford costs more than housing in the existing market. The average property in the whole market in Manchester is £105k (Q2 2006) with the FTB market averaging £95k, the average new build property costs £150k. In Salford the average new build properties has a value of £153k. Affordable housing policy used for negotiations on new build supply, must reflect the prices achieved for the FTB market. It would be inappropriate to just use general market values when evidencing new affordable housing supply mechanisms.

- 5.27 The breakdown of new build supply values by neighbourhood is provided below. In Manchester several neighbourhoods recorded zero new build sales in 2001, these included Ardwick, Levenshulme and Rusholme. By 2006 every neighbourhood has achieved new build supply to the open market. The average median values of properties are disproportionate across the neighbourhoods. Two neighbourhoods in Manchester have the lowest recorded values in 2006, which are Rusholme and Moss Side with £100k and Harpurhey at £102k. The greatest values achieved for new build supply in 2006 include Didsbury £224k, Withington and Burnage £184k and Chorlton-cum-Hardy also at £184k. A breakdown by property type will provide a further explanation of the disproportionate values.
- 5.28 Salford has had new build property in every neighbourhood for the previous six years. One neighbourhood has moved from providing below average values in 2001 (£68k) to providing the highest recorded average values in 2006 of £252k, which is Eccles. The second highest was Worsley and Boothstown at £214k. The lowest values of new build housing in 2006 were Broughton and Irwell at £114k (noted as a housing market renewal area). This figure is higher than the lowest values achieved in Manchester in 2006.

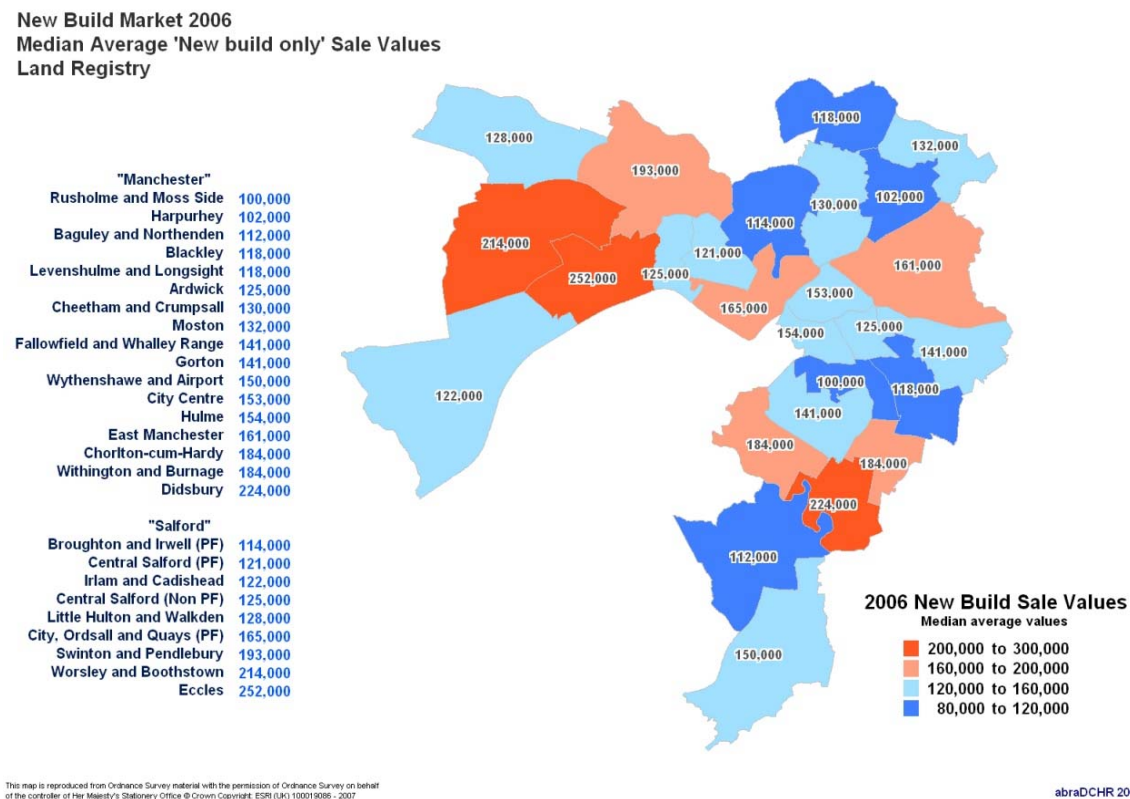
Table 39 New Build Average (median) Prices - Trend

Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	0	65800	175000	205000	157000	125000
Baguley and Northenden	90100	94700	119000	103000	119000	112000
Blackley	41900	39400	161000	130000	134000	118000
Cheetham and Crumpsall	57800	111000	144000	128000	127000	130000
Chorlton-cum-Hardy	95300	121000	180000	188000	190000	184000
City Centre	156000	161000	154000	181000	165000	153000
Didsbury	118000	169000	166000	192000	203000	224000
East Manchester	161000	122000	110000	101000	150000	161000
Fallowfield and Whalley Range	78600	88100	138000	123000	139000	141000
Gorton	67400	84700	76500	92800	117000	141000
Harpurhey	46800	66100	73300	97600	114000	102000
Hulme	114000	114000	158000	148000	144000	154000
Levenshulme and Longsight	0	112000	129000	152000	122000	118000
Moston	67800	91500	103000	125000	126000	132000
Rusholme and Moss Side	0	108000	93100	94400	151000	100000
Withington and Burnage	93200	102000	121000	180000	126000	184000
Wythenshawe and Airport	84300	107000	119000	122000	148000	150000
Manchester	108000	128000	135000	144000	151000	150000
Broughton and Irwell (PF)	93400	127000	115000	131000	95800	114000
Central Salford (Non PF)	80200	90000	99700	109000	120000	125000
Central Salford (PF)	91700	98200	138000	176000	113000	121000
City, Ordsall and Quays (PF)	72400	140000	166000	188000	195000	165000
Eccles	68300	87200	95000	105000	136000	252000
Irlam and Cadishead	74900	80500	122000	133000	141000	122000
Little Hulton and Walkden	52200	71000	97700	130000	129000	128000
Swinton and Pendlebury	65000	78000	115000	148000	154000	193000
Worsley and Boothstown	239000	167000	311000	242000	153000	214000
Salford	88000	111000	130000	152000	162000	153000

Source: Land Registry. * - partial year data 2006 - Q1 & Q2.

5.29 A map of sale values in the New Build Market for 2006 is demonstrated below.

Figure 9 New Build Market 2006



- 5.30 The breakdown of properties for 2005-6 (Q1 and Q2 for 2006) by type is demonstrated in the table beneath. The average median values by type in Manchester and Salford reflects the indicative size in sq ft. Terraces command the smallest space, rising with flats, and then semi-detached housing with detached housing taking up the greatest space. This is reflected in values accordingly. An average new build property in the period costs £142k for a terraced house, rising to £182k for a detached property. No detached new build was recorded in the neighbourhoods previously described with having the lowest values for 2006. Flats and terraced sales can be found in all neighbourhoods. Detached and semi-detached sales are patchy across neighbourhoods.
- 5.31 In Salford a similar trend also emerges with property type values for 2005/6. On average the median new build values stands at £134k for a terraced house, rising to £156k for a flat, £153k for a semi-detached property and detached properties commanding in excess of £244k. No detached sales and very few semi-detached sales were recorded in the four housing market renewal areas. Central Salford (Pathfinder area) built only flats in 2005/6 with an average median value of £120k.

Table 40 New Build Average (median) Prices – Type (2005/6*)

Neighbourhood	Detached	Semi	Flat	Terraced
Ardwick	0	99700	153000	141000
Baguley and Northenden	172000	91500	113000	116000
Blackley	202000	124000	122000	137000
Cheetham and Crumpsall	157000	134000	117000	129000
Chorlton-cum-Hardy	470000	324000	172000	119000
City Centre	0	0	161000	346000
Didsbury	0	325000	206000	242000
East Manchester	0	147000	153000	131000
Fallowfield and Whalley Range	124000	140000	138000	238000
Gorton	174000	134000	111000	127000
Harpurhey	142000	127000	101000	117000
Hulme	150000	150000	145000	172000
Levenshulme and Longsight	159000	129000	114000	91200
Moston	195000	143000	113000	129000
Rusholme and Moss Side	226000	317000	112000	139000
Withington and Burnage	0	0	122000	236000
Wythenshawe and Airport	186000	146000	125000	153000
Manchester	182000	164000	150000	142000
Broughton and Irwell (PF)	0	418000	91400	0
Central Salford (Non PF)	0	0	120000	0
Central Salford (PF)	0	0	113000	64000
City, Ordsall and Quays (PF)	0	0	187000	60000
Eccles	365000	0	136000	67500
Irlam and Cadishead	184000	154000	112000	141000
Little Hulton and Walkden	181000	135000	115000	162000
Swinton and Pendlebury	235000	145000	118000	140000
Worsley and Boothstown	500000	138000	156000	151000
Salford	214000	153000	156000	134000

Source: Land Registry. * - partial year data 2005, 2006 Q1 & Q2.

- 5.32 The volume of sales on the whole has increased over a five-year period. In 2001 1,370 new build properties were sold in the open market in Manchester, by 2005 this had increased to 2,704 properties. Salford had an increase from 266 in 2001 to 972 in 2005. The 2006 data is only partial data from quarters one and two. In 2005 Manchester city centre saw the greatest number of new build sales achieved, recorded as 762, compared to 19 properties in Rusholme and 22 in Withington.
- 5.33 In Salford the City, Ordsall and Quays neighbourhood had a high level of new build sales. From a low of 38 in 2001 to 428 by 2005. This area in 2005 has seen the greatest volume of sales of any neighbourhood of any year since 2001. In 2005 the second greatest volumes recorded include Swinton with 122 and Irlam with 118. The neighbourhoods with the least new build sales include Central Salford (non Pathfinder area) with one sale and Broughton and Irwell with only 13 sales.

Table 41 New Build Average (median) Sales – Trend

Neighbourhood	2001	2002	2003	2004	2005	2006*
Ardwick	0	18	96	12	40	20
Baguley and Northenden	161	193	224	234	153	25
Blackley	36	13	80	80	61	7
Cheetham and Crumpsall	23	104	25	99	81	44
Chorlton-cum-Hardy	8	79	6	55	160	82
City Centre	460	762	454	522	762	330
Didsbury	41	112	55	94	116	56
East Manchester	22	45	51	44	243	46
Fallowfield and Whalley Range	75	56	95	100	125	27
Gorton	3	12	16	34	73	22
Harpurhey	40	30	7	27	63	74
Hulme	35	97	87	159	423	107
Levenshulme and Longsight	0	4	256	49	27	33
Moston	81	19	5	11	135	50
Rusholme and Moss Side	0	27	21	21	19	2
Withington and Burnage	5	33	51	19	22	2
Wythenshawe and Airport	380	474	592	373	201	63
Manchester	1370	2078	2121	1933	2704	990
Broughton and Irwell (PF)	40	21	23	11	13	12
Central Salford (Non PF)	19	1	10	47	1	0
Central Salford (PF)	16	5	9	7	81	1
City, Ordsall and Quays (PF)	38	92	124	268	428	144
Eccles	12	25	10	157	95	9
Irlam and Cadishead	14	13	29	110	118	69
Little Hulton and Walkden	56	80	82	12	87	33
Swinton and Pendlebury	45	35	152	180	122	13
Worsley and Boothstown	26	44	9	35	27	6
Salford	266	316	448	827	972	287

Source: Land Registry. * - partial year data 2006 - Q1 & Q2.

- 5.34 The breakdown of sales for 2005/6 in Manchester and Salford is outlined below. Overwhelmingly, the new build housing market in both areas is dominated by one type of housing. Flats account for 82% of all properties sold in Manchester in the period (3,018). In Salford the volume of flats accounts for 86% of all new build (1,076). Manchester City centre has experienced over 1k flat sales in 2005/6. Hulme recorded the second highest volume at 496 new build flats. Only 113 detached new build properties were sold over the period, with Wythenshawe accounting for 32.
- 5.35 Again, Salford recorded the greatest number of flat sales in the City and Quays with 571. Only one new build flat was sold in Central Salford (non housing market renewal area). Very few terraced and semi-detached new build properties were sold over the period. Detached sales of 111 were achieved in only three areas including Irlam, Little Hulton and Worsley.

Table 42 New Build Average (median) Sales – Type (2005/6*)

Neighbourhood	Detached	Semi	Flat	Terraced
Ardwick	0	2	36	22
Baguley and Northenden	18	5	152	3
Blackley	7	16	40	5
Cheetham and Crumpsall	13	18	45	49
Chorlton-cum-Hardy	2	21	218	1
City Centre	0	0	1089	3
Didsbury	0	6	164	2
East Manchester	0	13	261	15
Fallowfield and Whalley Range	2	1	147	2
Gorton	6	9	46	34
Harpurhey	7	12	100	18
Hulme	1	4	496	29
Levenshulme and Longsight	5	22	24	9
Moston	19	7	99	60
Rusholme and Moss Side	1	2	11	7
Withington and Burnage	0	0	22	2
Wythenshawe and Airport	32	61	68	103
Manchester	113	199	3018	364
Broughton and Irwell (PF)	0	1	24	0
Central Salford (Non PF)	0	0	1	0
Central Salford (PF)	0	0	81	1
City, Ordsall and Quays (PF)	0	0	571	1
Eccles	5	0	97	2
Irlam and Cadishead	43	14	115	15
Little Hulton and Walkden	20	11	88	1
Swinton and Pendlebury	42	4	74	15
Worsley and Boothstown	1	3	25	4
Salford	111	33	1076	39

Source: Land Registry. * - partial year data 2006 - Q1 & Q2.

6. Housing Needs

- 6.1 A detailed housing need assessment in 2006 of the two local authorities provided a breakdown of need by property type and location¹¹. Illustrations from the assessment reports are inserted below for reference.

Manchester Housing Needs Survey 2006

- 6.2 The housing needs assessment model comprises of 19 detailed calculations, based on four stages. These stages are outlined below.

$$\begin{array}{r} \text{CURRENT NEED} \\ \text{Minus} \\ \text{AVAILABLE STOCK} \\ \text{Plus} \\ \text{NEWLY ARISING NEED} \\ \text{Minus} \\ \text{FUTURE SUPPLY OF AFFORDABLE UNITS} \\ \text{Equals} \\ \text{NET SHORTFALL (OR SURPLUS) of affordable units} \end{array}$$

- 6.3 The overall gross need in Manchester stands at 7,955 households, taking into account supply of housing to offset need, there is a net shortfall of accommodation for 1,375 households. The greatest shortfall affects households requiring a four-bed property equal to 745 homes.

Dwelling size	Need	Supply	TOTAL	Supply as % of need
1 bedroom	3,058	1,896	1,162	62.0%
2 bedrooms	2,432	2,469	-37	101.5%
3 bedrooms	1,339	1,835	-496	137.0%
4+ bedrooms	1,126	381	745	33.8%
TOTAL	7,955	6,580	1,375	82.7%

Source: Manchester Housing Market Assessment – 2007

- 6.4 Examining location of need, in overall terms of volume, the central area has a significant high level of need, followed by North Manchester. When you take into account need against supply the worst affected by the shortfall of housing supply is South Manchester where only 66.8% of need is met.

¹¹ Manchester and Salford Strategic Housing Market Assessments 2006 Fordham Research.
Arc⁴ Technical Report - Affordable Housing Trends in Manchester & Salford (2007)

Sub-area	Need	Supply	TOTAL	Supply as % of need
Central Manchester	2,465	1,899	566	77.0%
Manchester City Centre	111	115	-4	103.7%
East Manchester	1,120	1,055	65	94.2%
North Manchester	1,788	1,305	484	73.0%
South Manchester	1,366	913	453	66.8%
Wythenshawe SRF	1,105	1,294	-189	117.1%
TOTAL	7,955	6,580	1,375	82.7%
Source: Manchester Housing Market Assessment – 2007				

- 6.5 Housing need could be met by intermediate housing as illustrated below. A split between 52.1% for social rented accommodation and 47.9% for types of intermediate accommodation (e.g. shared equity products) is indicated?.

	Social rented	Intermediate housing	Total
Current need	2,059	100	2,159
Available stock	1,380	0	1,380
Newly arising need	5,160	636	5,796
Future supply	5,123	77	5,200
Net shortfall or surplus	716	659	1,375
% of net shortfall	52.1%	47.9%	100.0%
Gross annual need	7,219	737	7,955
Gross annual supply	6,503	77	6,580
Net annual need	716	659	1,375
Source: Manchester Strategic Housing Market Assessment – 2007			

Salford Housing Needs Survey 2006

- 6.6 The assessment revealed a gross housing need of 3,607 households. The supply of housing to offset need stands at 2,933, resulting in a net need of 674 for Salford. The supply of two-bed properties is sufficient to meet need. There remains no supply of four-bed properties to offset need, which is of great significance for Salford. Three and one-bed properties are also in great need.

Dwelling size	Need	Supply	TOTAL	Supply as % of need
1 bedroom	1,857	1,277	580	68.8%
2 bedrooms	995	1,261	-266	126.7%
3 bedrooms	535	395	140	73.8%
4+ bedrooms	219	0	219	0.0%
TOTAL	3,607	2,933	674	81.3%
Source: Salford Strategic Housing Market Assessment – 2007				

- 6.7 The greatest shortfall of housing to offset need is located in Salford City Centre, where only 69.2% of need is met. Shortfalls across all areas of Salford are prevalent, and include a 27.6% shortfall in North Salford and 16.7% in the Mid-west.

Sub-area	Need	Supply	TOTAL	Supply as % of need
North Salford	1,574	1,140	434	72.4%
Mid-West Salford	217	181	36	83.3%
South Salford	1,460	1,367	94	93.6%
Salford City Centre	355	245	109	69.2%
TOTAL	3,607	2,933	674	81.3%
Source: Salford Strategic Housing Market Assessment – 2007				

- 6.8 Housing need in Salford could be met by intermediate housing as illustrated below. A split between 90.1% for social rented accommodation and 9.9% for types of intermediate accommodation (e.g. shared equity products).

	Social rented	Intermediate housing	Total
Current need	676	43	719
Available stock	-6	86	79
Newly arising need	2,738	149	2,887
Future supply	2,814	39	2,853
Net shortfall or surplus	607	67	674
% of net shortfall	90.1%	9.9%	100.0%
Gross annual need	3,415	192	3,606
Gross annual supply	2,808	125	2,932
Net annual need	607	67	674
Source: Salford Strategic Housing Market Assessments 2007			

7. Assisted Home Ownership

Target Incomes and Prices

- 7.1 Assisted home ownership is designed to meet the needs of moving households (existing whole or newly forming) who are seriously considering owner occupation, but are unable to purchase a property on the open market. The target group has been analysed using the HNDS data, and has been characterised as follows:

Whole Moving Households

- Households planning to move (in the next two years)
- Household currently rents either from private or social sector
- Have a preference for owner occupation
- Have an income in the target range (between social rent levels and open market mortgage costs)

Newly Forming Households

- Members of households planning to move to separate accommodation (in the next two years)
- Have a preference for owner occupation
- Have an income in the target range

- 7.2 The critical issue for a successful policy is to define the level of purchase price, which is affordable to the target groups. This requires firstly, a definition of the target household income levels. Secondly, it requires a view about the price level at which an assisted home-ownership property will usefully supplement existing supply and provide a real ownership option, rather than just add another choice for households who would probably move into owner-occupation in any event.

- 7.3 It is proposed that the target income level should be the median household income. The justification for this is that:
- It should assist at least half of all households to access owner-occupation, which brings the Manchester Community Plan target of 60% within reach. (Especially when we bear in mind that some long-standing owner-occupiers, especially pensioners, will not have the current income necessary to purchase their current home at present market values).
 - It is a measure which is easily understood and explained in terms of helping the average local household into home-ownership.
 - It can be up-dated using readily available data.

7.4 This would result in target price levels as follows:

Example of 2006 based target prices for assisted home-ownership		
	Manchester	Salford
Median Household income	£24,246	£25,537
Target purchase price (based on 3.5 times income)	£84,861	£89,379

7.5 In practice, there will need to be some flexibility in the target figures as some households will have the benefit of savings or other resources, whilst others may have existing financial commitments which would mean they cannot reasonably borrow at 3.5 times their income. A range of +/- 10% is suggested, which would mean, across the markets of the 2 cities, a target range of approximately £80k-£100k purchase price levels.

How many might benefit?

A. Whole Moving Households

7.6 In 2006, average FTB market prices were in excess of £95k and new build prices in excess of £150k. Allowing for inflation, 2007 average prices in the FTB market will be in excess of £100k and new build prices in excess of £160k. A 50% stake in a new build property will cost a minimum of £80k and more for a larger property. Using indicative 2007 prices, a 50% stake in a shared ownership or equity product represents a range of **£80k and £100k** (these are also the minimum entry stake level and current open market values).

The 2006 Housing Needs Survey produced information about income levels. From this, the numbers in the income bands which can support a target product of between £80k and £100k have been estimated. The figures are in the table below.

Table 43. Estimated potential purchasers for 50% equity stake

Income Bands	Income Mid point	Mortgage Potential (3.5x)	Equity Stake potential	Households in Manchester	Households in Salford	Total
£23,001-£24,500	£ 23,750	£ 83,125	£80k +	129	0	129
£24,501-£26,000	£ 25,250	£ 88,375	£85k +	425	51	476
£26,000-£31,000	£ 28,500	£ 99,750	£95k +/-	792	343	1135
£23k - £31k		£80 - £100k	(50%)	1346	394	1740

- 7.7 The methodology for estimating the number of households who are potential purchasers for this product is as follows, illustrated with the Manchester data. The qualifying process started with the initial 37k+ households who stated that they need to move in the next two years. This has been reduced to the 29,255 households who currently rent, therefore excluding current owner-occupiers. Of this group, 9,826 indicated a preference for owner-occupation. After filtering out households outside of the target income bands, a total 1,346 households are identified in the target range, with the potential to secure a mortgage for a shared equity product.
- 7.8 In Salford, a similar qualifying process has reduced the number of potential households from 11,507, down to a target group consisting of 394 households.

Table 44. Methodology to estimate no. of Qualifying Households (whole)

Qualifying Households (Whole)	Manchester	Salford	Total
Households	193,400	96,901	290,301
Need to Move 2yrs	37,668	11,507	49,175
Need to move %	19.5%	11.9%	16.9%
Who currently rent	29,255	7,946	37,201
Who indicated a preference for Owner Occupation	9,826	2,573	12,399
Who have an income in the target range	1,346	394	1,740
Target Household group	1,346	394	1,740
Target group as % of moving households	3.6%	3.4%	3.5%

- 7.9 The percentage figures show that this is only a small segment of the market, but the numbers are significant, especially in Manchester. And it will, of course, be an ever-changing group.

- 7.10 The resources available to the target group to assist with a deposit for the shared equity product are demonstrated below. Under half of all households have no savings or are in debt (negative savings). Overall 32.3% of households have access up to £5,000 for a deposit.

Table 45 Savings of target group

Access to savings	Manchester	Salford	Total	Total %
Negative savings (ie in debt)	134	88	222	12.8
None	363	183	546	31.4
Up to £2,000	252	89	341	19.6
£2,001-£3,000	111	0	111	6.4
£3,001-£4,000	49	0	49	2.8
£4,001-£5,000	60	0	60	3.5
£5,001-£10,000	205	34	239	13.8
£10,001-£25,000	46	0	46	2.6
£25,001-£50,000	87	0	87	5.0
£75,001-£100,000	37	0	37	2.1
Total	1344	394	1738	100.0

The figure for the total is different – is it just rounding?

B. Newly Forming Households

- 7.11 In a similar process to the moving group, the 2006 survey identified members of households who desire to move to separate accommodation and form new households. In this newly forming group, an estimated 26,654 people wish to move in the next 2 years and require accommodation. After applying the formation rate of 1.5 adults to each new household; in Manchester 5,206 households stated a preference for owner-occupation, and in Salford 3,032 would consider an open market purchase. The shared equity product is designed for households between social rents and open market mortgage costs. Incomes between £23k and £31k are the target range for assisted home ownership. A total of 752 newly forming households across the two local authorities are estimated to be potentially in the market for the product. The target group is split 476 households in Manchester and 276 in Salford. The filtering process is demonstrated below.

Table 46 Methodology to estimate no of Qualifying Households (Newly forming)

Qualifying Households (Newly forming)	Manchester	Salford	Total
Total HHs with members looking for separate accommodation	21991	9362	31353
Members need to move in next 2 years	21059	5595	26654
Formation rate of 1.5 adults per household	14039	3730	17769
Preference for owner occupation	5206	3032	8238
Within target income band (£23k - £31k)	476	276	752
Target HH Formation group	476	276	752
Target group as % of moving households	2.3%	4.9%	2.8%

- 7.12 The resources available to assist the newly forming household group with a deposit for the equity share are presented below. The distribution has been weighted for the total households in each local authority. Under half of all newly forming households have access up to £10k. A further 45% can access funds' between £10k and £30k.

Table 47 Savings of target group (newly forming)

Access to savings	Manchester	Salford	Total	Total %
Up to £5,000	41	0	40	5.3
£5,000 - £9,999	228	92	318	42.3
£10,000 - £19,999	31	90	126	16.7
£20,000 - £29,999	176	51	224	29.7
£30,000 - £39,999	0	22	23	3.0
£40,000 or more	0	21	22	2.9
Total	476	276	752	100.0

- 7.13 Assisted home ownership has a total qualifying target group of 2,492 households from the evidence of the 2006 housing needs surveys for Manchester and Salford. Broken down as 1,822 households in Manchester and 670 in Salford.

Shared Ownership Examples

- 7.14 Two household moving group examples are provided below and are intended to be typical house buyers in this market. The purchasers' circumstances are repeated in examples three and four for comparison. Shared ownership is offered as a part buy (open market mortgage) and part rent (social equity charge) product. These examples are provided to illustrate the checks needed to ensure that the products are affordable in terms of the proportion of income required.
- 7.15 Example One; a couple wanting to purchase a 50% stake in a new 2 bed property can expect to acquire a £75k equity stake, resulting in an annual housing cost of £7,422 or 29.2% of household income.
- 7.16 Example Two; a large family of 2 working adults and 2 children wanting to purchase a 40% stake in a 4 bed property can expect to acquire a £76k equity stake, resulting in an annual housing cost of £8,572 or 30.6% of household income.

Example One	Example Two
Couple (2 adults) wanting a 2 bed house Single income of £25k Mortgage potential £87.5k – unable to fund open market purchase of choice	Family (2 adults) wanting a 4 bed house Join income of 28k Mortgage potential £81.2k – unable to fund open market purchase of choice
The Purchase New build 2 bed property £150k 50% RSL stake = £75k 50% buyer stake = £75k (deposit £5k, mortgage £70k)	The Purchase New build 4 bed property £190k 60% RSL stake = £114k 40% buyer stake = £76k (deposit £5k, mortgage £71k)
The annual cost to purchaser £5,360 mortgage £2,062 RSL charge (2.75% pa) £7,422 Total housing costs 29.2% of Income is housing costs, within CLG guidelines	The annual cost to purchaser £5,437 mortgage £3,135 RSL charge (2.75% pa) £8,572 Total housing costs 30.6% of Income is housing costs, just on CLG guidelines

Based on a 25 yr term, 5.9% fixed rate mortgage.

- 7.17 The shared ownership product has enabled both moving group examples to purchase a property of appropriate size to their requirements. The product however is expensive and the total housing costs to the purchaser are at the ceiling level of recommended guidelines (30% housing cost ceiling guideline). The ability of the purchaser to staircase is difficult because of the costs incurred by the RSL charge on the RSL equity. Purchasers may see this product as a poor deal because around a third of the housing cost is essentially paid as rent to the social equity holder.

Shared Equity Examples

- 7.18 Shared equity is different to shared ownership because, for this example, it is assumed no charge is levied by the RSL on the RSL equity stake. The purchaser only has to pay for the costs incurred on their purchased equity stake.
- 7.19 In Example Three the exact circumstances as Example One are kept, but in the shared equity model no RSL charges apply, and have been removed from the illustration. The only costs incurred are the mortgage costs. This time the housing costs total £5,360 or 21.4% of household income, which is much more affordable to the purchaser.
- 7.20 Example Four is similar to Example Two. With the RSL charges removed the housing costs total £5,437 or 19.4% of household income.

Example Three	Example Four
Couple (2 adults) wanting a 2 bed house Single income of £25k Mortgage potential £87.5k – unable to fund open market purchase of choice	Family (2 adults) wanting a 4 bed house Join income of 28k Mortgage potential £81.2k – unable to fund open market purchase of choice
The Purchase	The Purchase
New build 2 bed property £150k 50% RSL stake = £75k 50% buyer stake = £75k (deposit £5k, mortgage £70k)	New build 4 bed property £190k 60% RSL stake = £114k 40% buyer stake = £76k (deposit £5k, mortgage £71k)
The annual cost to purchaser	The annual cost to purchaser
£5,360 mortgage £0 No RSL charge £5,360 Total housing costs 21.4% of Income is housing costs, within CLG guidelines	£5,437 mortgage £0 No RSL charge £5,437 Total housing costs 19.4% of Income is housing costs, within CLG guidelines

Based on a 25 yr term, 5.9% fixed rate mortgage.

- 7.21 With the RSL charge removed the annual housing costs have been lowered, and are now much more affordable to the purchaser, as illustrated by typical 19-21% housing costs levels. As housing costs are much more affordable, there is greater room for the purchaser to staircase in future (the purchase of remaining equity off the RSL). The shared equity product is also more flexible as households from wider income groups can access the affordable housing costs it offers. Purchasers are also able to buy larger shares which cuts the resources required from elsewhere to fund the products.

8. Demography - Census 2001

Age Bands and Population

- 8.1 The 2001 census demography analysis is detailed below. Note there is an acceptance with public bodies and partners that the census did not achieve 100% coverage in Manchester. The analysis should therefore be interpreted with care.
- 8.2 The distribution of population age, grouped into bands is broken down by tenure for Manchester and Salford. In Manchester, the population stands at 377k+. Owner occupied population stands at 168k (45%) social sector 138k (37%) and private rented 70k (18%). The social rented sector in Manchester has greater concentrations of persons 15 and under and 85+ compared to district values. The owner occupied sector mirrors the district distribution more closely than other tenures. Private rented sector is heavily skewed with a concentration of younger adults 60.8% compared with 32.5% for the District.
- 8.3 In Salford the total population stands at 210k+. Owner occupied population stands at 128k (61%) significantly higher than Manchester. Social sector accounts 59k (28%) and private rented sector a further 22k (11%). The owner occupied sector mirrors the district distribution of population by age bands. The social sector has a greater proportion of younger and older persons, with significantly more persons 65+ (17.8%) than other tenures. The private rented sector similar to Manchester's characteristics, is heavily skewed towards a younger adult profile, with persons 16-34 accounting for 41.8%.

Table 48 Age band distribution – all persons

Tenure	0-15	16-34	35-49	50-59	60-64	65-84	85+	Total	Base
Owned	19.5	27.0	22.4	11.7	4.8	13.3	1.2	100	168600
Social Rented	27.6	24.8	18.9	9.4	4.3	13.2	1.8	100	138060
Private Rented	16.5	60.8	11.4	4.0	1.7	4.7	0.9	100	70723
Manchester	21.9	32.5	19.0	9.4	4.1	11.7	1.3	100	377383
Owned	19.2	23.9	23.1	13.6	5.4	13.7	1.1	100	128304
Social Rented	23.8	23.5	17.3	10.4	4.9	17.8	2.2	100	59696
Private Rented	23.5	41.8	13.9	6.3	2.6	9.6	2.2	100	22415
Salford	21.0	25.7	20.5	12.0	5.0	14.4	1.5	100	210415

Source: 2001 Census, Table CAS017.

- 8.4 The 2001 census provides the population distribution by 'Household reference person', which is referred to below as Head of household. The tenure breakdown for Manchester provides several significant observations. The RSL sector mirrors the district more closely than the owner occupied sector, indicating a greater balance of head of household representation. The Council rented head of household is slightly skewed towards an older person profile, but

largely remains balanced with the district. Owner occupied sector has fewer younger persons and a greater number of older persons. The private rented sector is accessed by a greater number of younger head of households indicated by 28% compared with a district profile of only 9.3%. The tenure profiles reflect the extent to which persons access certain tenure groups throughout their lifetime. Any restrictions in accessing one type of tenure will consequently impact upon a different tenure, in the form of greater demand and pressure.

- 8.5 In Salford the head of household profile reflects the characteristics described for Manchester. The RSL sector remains in balance with the district profile. Council rented has a slightly higher concentration of older persons than experienced in neighbouring Manchester. The owner occupied sector has fewer younger adults as household representatives, especially persons under 24, which only account for 1.9% of the sector. Private rented sector has an overwhelming concentration of younger adults, with 19.3% under 24 (5.5% district) and 53.1% under 35 (25% district). In both districts younger persons have a far greater concentration in the private rented sector and older persons are more likely to access the social rented sector.

Table 49 Head of household age bands

Tenure	24 Under	25 - 34	35 - 44	45 - 54	55 - pension	pension - 74	Total	Base
Owned	2.7	19.7	24.2	21.6	12.9	18.9	100	62966
Council	6.6	20.0	24.2	18.8	11.7	18.7	100	42329
RSL	8.2	23.1	22.4	16.4	10.9	18.9	100	15404
Private Rented	28.0	35.5	16.3	8.8	4.9	6.6	100	29576
Manchester	9.3	23.2	22.5	17.8	10.8	16.4	100	150275
Owned	1.9	16.6	24.7	22.2	14.7	20.0	100	47929
Council	6.5	18.4	20.1	18.5	12.9	23.7	100	20466
RSL	8.5	22.8	20.8	14.6	11.2	22.1	100	4242
Private Rented	19.3	33.8	17.9	11.0	7.6	10.3	100	10121
Salford	5.5	19.5	22.5	19.5	13.2	19.8	100	82758

Source: 2001 Census, Table ST013

Ethnicity of Head of Household

- 8.6 The ethnicity of the head of household is broken down by tenure in the table below. In Manchester the largest majority ethnicity is held by white persons with 85.8%. Asian (5.6%) and black (5%) ethnicity type households provide the largest remaining proportions. The owner occupied sector has greater numbers of White and Asian heads of households compared with the district. Council tenure has a greater concentration of White and Black (87.9% and 6.5% respectively), with very few Chinese households 0.9%. RSL sector is noted with a higher proportion of black households at 9.7% compared with the district (5%). The private rented sector indicates a higher representation of Asian and Chinese

households at 8.3% and 3.7% respectively. This indicates that certain ethnicity groups are more likely to be living by specific tenure types.

- 8.7 Salford has a different distribution of ethnicity by head of household, but the trends remain largely in parallel with Manchester. At the district level the overwhelming majority of households are of White origin (97%). The remaining minority is comprised of Asian (1%), Black (1%) and Chinese and Mixed households with 0.6% each. The tenure profile indicates several noted differences to the district profile. Council tenure and owner occupied account for larger proportions of White origin compared to other tenures. Asian head of households can be found in higher proportions in owner occupied and private rented accommodation. Black and mixed households can be found in greater numbers in the RSL and private rented sectors. Chinese households favour the private rented sector as tenure of choice. On the whole the private rented sector accommodates a greater mix of ethnicity households compared to the Council sector which is dominated by White origin head of households.

Table 50 Ethnicity – Households

Tenure	White	Mixed	Asian	Black	Chinese	Total	Base
Owned	87.5	1.0	7.1	3.2	1.2	100	70008
Council	87.9	2.2	2.5	6.5	0.9	100	47889
RSL	81.2	3.1	3.8	9.7	2.2	100	18130
Private Rented	81.4	2.6	8.3	4.1	3.7	100	31424
Manchester	85.8	1.9	5.6	5.0	1.7	100	167450
Owned	97.5	0.4	1.1	0.4	0.6	100	53107
Council	98.3	0.5	0.3	0.6	0.2	100	24246
RSL	96.4	1.0	0.7	1.6	0.4	100	5364
Private Rented	93.1	1.2	2.2	1.8	1.7	100	11521
Salford	97.1	0.6	1.0	0.7	0.6	100	94229

Source: 2001 Census, Table Theme04

Household Type

- 8.8 A common characteristic, which crosses all tenure types and locational differences is the nature of Household Type. The 2001 census categorised households into seven distinct types, as illustrated in the table below. The four main categorises of households in Manchester is distributed as follows; single persons 39% (the majority), family households 33%, couples 16% and other households as 12%. Of the seven types, younger single people account for a quarter of all households at district level. Couples with children, lone parents and elderly single person households have similar proportions ranging from 17.9% to 14.7%. When crossed referenced with tenure a range of themes are presented. Younger single person households (persons under 60) take up a higher proportion of the private rented and RSL sectors. Elderly single persons have a clear concentration in the RSL tenure. Couples, elderly couples and couples with children favour the owner occupied sector. Lone parents have higher

concentrations in the social sector, in particular the council sector (24.2%). Other households (often comprised of multiple single person households) can again be found in greater proportions in the private rented sector.

8.9 Salford follows similar trends described for Manchester but the district profile is noticeably different. The four main categories are broken down as; single persons and family households have equal proportions around 36%, couples 22% and other households on 6%. This strongly indicates that Salford has greater emphasis away from single person households, in favour of larger family orientated households. Broken down further, couples with children account for nearly a quarter of all households, followed by younger single persons (19.9%) and elderly single households on 16.8%. The observations of tenure in Manchester draw very similar parallels with Salford. In summary the following household types occupy the greatest proportions of tenure types:

- Younger single: Private rented, RSL
- Elderly single: RSL, Council
- Couples / elderly couples: Owner Occupied
- Couples with children: Owner Occupied
- Lone Parents: social sector (Manchester: Council. Salford: RSL)
- Other: Private rented sector.

Table 51 Household type

	Single		Couples		Families		Other		
		Elderly		Elderly	Couples	Lone			
Tenure	Single	Single	Couples	Couples	with children	Parents with children	Other	Total	Base
Owned	18.7	12.9	15.9	7.6	27.4	8.8	8.7	100	70008
Council	26.6	17.9	6.3	4.2	13.1	24.2	7.7	100	47889
RSL	28.3	23.1	5.7	3.9	11.0	20.8	7.1	100	18130
Private Rented	31.5	8.9	12.6	1.2	7.7	12.2	25.9	100	31424
Manchester	24.4	14.7	11.4	5.0	17.9	15.1	11.5	100	167451
Owned	14.9	12.7	18.7	9.1	31.9	7.9	4.8	100	53107
Council	23.7	22.9	7.5	6.4	14.9	18.7	5.8	100	24246
RSL	24.2	30.7	5.5	4.5	9.5	21.2	4.5	100	5365
Private Rented	32.9	16.3	11.5	2.5	9.9	16.4	10.5	100	11521
Salford	19.9	16.8	14.2	7.3	23.6	12.5	5.7	100	94239

Source: 2001 Census, Table CAS056

Economic Activity

- 8.10 Economic activity rates of persons 16+ is an important factor relating to the ability of households to move between tenures. In Manchester the proportion of persons which are economically active in 2001 stands at 57.4% with a working population of 272k. Unemployment rate accounts for 5.2% of the working population and 10.6% of persons are retired. The economic activity rate increases to 68.5% for owner occupied households and drops to 44% for households in the social sector. Unemployment rates increase in the social sector to 8%+. The proportion of persons retired in the private rented sector is notably lower at 3%, compared to the district value. Students also make up a great proportion of the private rented sector, which if excluded would decrease the economically inactive rate by half.
- 8.11 Salford has a higher economic activity rate of 63% with a total working population of 151k. Unemployment rates are lower than in Manchester, at 3.9% with a higher proportion of retired persons at 13.8% for the district. The economic activity rate for the owner occupied sector stands at 71%, with the social sector experiencing rates close to 40%. The unemployment rates also spike to around 7% in the social sector and drop to 2.2% in the owner occupied sector. The retirement patterns in Salford have similar profile with Manchester as the private rented sector accounts for very few retired persons (6%). On the whole the social sector accounts for higher proportions of persons who are not in or able to work. Affordable housing is of greatest need in the social sector, where persons are likely to have limited or zero incomes.

Table 52 Economic activity

Tenure	Econom-ically Active	Econom-ically Inactive	Un employed	Retired	Total	Base
Owned	68.5	31.5	3.0	12.7	100	125368
Council	44.5	55.5	8.3	12.4	100	66812
RSL	44.0	56.0	8.0	12.4	100	23002
Private Rented	53.3	46.7	5.3	3.3	100	56896
Manchester	57.4	42.6	5.2	10.6	100	272078
Owned	71.2	28.8	2.2	14.3	100	96001
Council	45.8	54.2	6.9	15.8	100	33396
RSL	40.4	59.6	6.6	15.5	100	6138
Private Rented	58.8	41.2	6.5	6.4	100	15508
Salford	63.0	37.0	3.9	13.8	100	151043

Source: 2001 Census, Table CAS061

Conclusions

- 8.12 The demography of residents in the affordable sector is important because it will influence future turnover and demand. We have attempted to access more recent data about the profile of tenants in the LA and RSL sectors but there is no entirely robust dataset available. Council records do include details for long-standing tenants. The data from HNDS is likely to be biased towards older households. The 2001 census therefore remains as good a data source, for this purpose, as is available.
- 8.13 The age profiles show a slightly higher proportion of older person households in the social sector, but not to an extent which suggest there is likely to be significant increase in tenancy terminations due to death or moves to residential and care homes (the so-called 'demographic time bomb').
- 8.14 The initial role of the private rented sector in housing younger households should be noted. The significance of this sector in providing affordable housing options (or relatively affordable) cannot be ignored in the consideration of future policy for the regional centre of Manchester and Salford.
- 8.15 The concentration of economically inactive households in the social rented sector is also significant. Increasing economic growth and reduction in the number of inactive households is likely to reduce demand, although this maybe offset by affordability pressures.

9. Economic and Population Forecasts

- 9.1 The major driver of future housing demand will be the economy of Manchester and the levels of employment in the City that results. Oxford Economic Forecasting (OEF) were commissioned by MSP to model the likely changes in the composition of the regional economy and the subsequent changes in employment within each local authority area within the City Region over the period to 2021. The table below shows that, over the planning period 2002-2021, economic growth in Manchester and Salford is expected to account for 54 percent of projected employment growth.

Table 53. Base employment growth forecasts ('000)

Area	1982-1991	1992-2001	2002-2011	2012-2021
Manchester	26	7	39	50
Salford	3	11	7	9
Rest of Gtr Manchester	5	31	51	37
All Gtr Manchester	34	49	98	96

Source; OEF 2005.

- 9.2 A stronger growth scenario based on the accelerated City Region Development Plan could add a further 86,000 jobs at the Greater Manchester level by 2021 of which 46,000 would be located in Manchester and Salford. This would result in a total increase in jobs of 151,000 between 2002-21 in Manchester and Salford.
- 9.3 The employment projections contain findings that will have a spatial impact upon the housing market in the next decade. Specifically, central Manchester is projected to experience significant employment growth; the south of the conurbation will also grow; however the north of the conurbation (north Manchester and adjoining LA areas) is projected to stagnate or decline over the planning period.
- 9.4 Economic change will also affect the pattern of demand in the local housing market. In both Manchester and Salford there will be an expansion of the number of graduates living and working in the respective cities (to 30 per cent and 20 per cent of working age population). However, the number of employees with no qualifications is also projected to be high at around 35 percent in Manchester and 40 per cent in Salford. This level of polarity in the employment market is certain to be reflected in the housing market and the structure of neighbourhoods, with a continuing segmentation between more affluent and poorer households.

- 9.5 In parallel with the economic projections, OEF made population and household projections. These showed, on the base case, a projected growth in Manchester of 39,000 households 2001-2016, and 53,000 for 2001-2021. These projections would result in a population at 2016 of 465,000, compared to the Community Plan target of 480,000. But these projections are qualified as:-
- The growth in population in Manchester is highly dependent upon continued flows of international migration into the North West region and on the City retaining its share of these flows.
 - Alternative but plausible assumptions about Manchester's share of international migration could lead to much lower population growth.
 - The attainment of these growth projections will require active programmes to attract migrants and to retain existing households, and improving the housing offer in the City area will be especially important.
- 9.6 The implications for the tenure split of housing demand reflects the finding that employment growth is likely to be strong at both the higher skill/higher income and low skill/lower income ends of the market. There will be a strong growth in demand for owner-occupation but also an increase in demand for social housing, in the order of 16,000 additional households 2001-2016. These projections do not take account of the scope for assisted homeownership as an alternative to social renting or the underlying un-met aspirations for home ownership and may therefore somewhat overstate the social housing need. Nonetheless, the projections show that economic growth is expected to increase demand across the tenures.

10. Key Workers and In-Migrants

- 10.1 The strategic regeneration strategy of Manchester Salford Pathfinder (MSP) and the City is, therefore, based on economic and population growth. The housing offer in the City needs to be sufficiently good to attract and retain the workers needed for growing business sectors. Consultation and research during the preparation of this Strategy has attempted to seek out evidence about the housing requirements of these workers and to what extent there may be a need specifically for “key worker” affordable provision. We have explored possible definitions of workers who are key to the economy of Manchester, rather than the national definition of public sector key workers.
- 10.2 The provisional finding is that there is no current firm evidence of significant labour market problems that are attributable to a lack of suitable or affordable housing. The experience of the Apple Building developed for teachers on Oldham Rd, and the scheme for South Manchester Hospitals Trust at Wythenshawe have been examined. These have shown that there is a potential market for specific groups of key workers, and it is believed that the offer of accommodation improves the offer to potential recruits. In turn, this may improve the quality of staff. Further discussions are to be held with the University and Central Manchester Hospital Trust to explore these issues further.
- 10.3 These schemes have targeted specific groups of public sector employees. A revised and broader definition of “key workers” has been explored but proved elusive, as any distinction between different types of job or business sectors appears to result in apparent inconsistencies. Our provisional conclusion is that the only workable approach would be to define eligibility by location of employment and a maximum income level.
- 10.4 This leads us to the view that for the immediate future the needs of “key workers” are, in fact, part of the wider overall need for affordable housing. This is consistent with the conclusion of reviews of key worker housing schemes nationally. Low cost home ownership options are most likely to appeal to this group, especially HomeBuy.
- 10.5 On the currently available evidence, however, there is no clear case for the provision of intermediate rented housing, with rents at sub-market levels. But it will be appropriate to consider further pilot schemes in association with key employers to better understand the impact and benefits which may be gained from such initiatives.
- 10.6 There are strong arguments in favour of providing an assisted home ownership housing offer which will retain workers, employed in the City Centre and adjacent areas, in the City’s housing market and especially in the inner areas. These workers can contribute to the mixed and more prosperous communities being promoted in the inner areas. Retaining more workers living close to their jobs will reduce commuting pressures and create a more sustainable City. They may be the next generation of “urban pioneers”. These arguments are, however, about urban renaissance rather than a need for “key worker” housing.

11. Conclusions

- 11.1 The policies for affordable housing are set within the overall aims and priorities of Manchester's Community Strategy. Within this there is a clear target to achieve a more balanced housing market through increasing levels of home ownership to 60% by 2015 from a baseline of 44% in 2001 (46% in 2006, based on HNDS).
- 11.2 Increased demand for owner occupation has increased property values across the two cities over the past 6 years (2001-2006). The rise in house values has exceeded rises in incomes, which makes access to owner occupation unaffordable for a growing proportion of the population. The scale of change is dramatic. In 2002, at least 50% of homes sold in Manchester were affordable to households on average incomes of the City. By 2006, this had fallen to 23%, and the majority of newly forming households, with below average incomes, are struggling to afford to purchase a home.
- 11.3 The cost of buying a home across the two cities puts outright purchase beyond the means of many households who aspire to owner occupation. In Manchester the median price of the "entry level" terraced house in 2006 was £95,000, which compares to an average household income in Manchester of £24,000 and was therefore 3.9 times income. In Salford, the entry-level price in 2006 was £90,000, which compares to an average household income of £26,000, resulting in 3.5 times income to house prices. Is there any possibility of 2007 figures now?
- 11.4 The guideline ratio of household incomes to entry-level appropriate house prices is 3.5 times income to house prices. In Manchester the ratio 3.9 times income to house prices, exceeds national guidelines on housing cost affordability. In Salford, the ratio is 3.5 times, at the maximum guidance allowance. Further rises in house prices from 2007 onwards may raise the ratio above the maximum threshold for affordability, indicating a growing problem of households requiring some form of affordable housing assistance.
- 11.5 The growing problem of unaffordable housing has seen demand for social housing increase. The number of households on the social waiting list has doubled in Manchester between 2000 and 2006, and quadrupled in Salford (to 17,000 and 12,000 correspondingly).
- 11.6 Whilst the majority of households looking for affordable accommodation prefer one and two size bedrooms, the demand evidence shows that there is a greater shortage of larger family housing. The average time between an applicant registering for affordable accommodation and the first letting date is a good indicator of the demand made upon available housing resources. For a house the waiting time ranges from 633 days (1.7yrs) for a 1 bed property to 1,254 days (3.4yrs) for a 5 bed property. The waiting time for a 1 bed flat is 456 days (1.2 years).
- 11.7 The volume of affordable social stock supply has decreased every year from 2001 to 2007. In Manchester in 2001 affordable housing comprised of 89,199 dwellings, by 2007 this reduced to 78,846, a fall of 11.6%. By 2007, Salford's affordable housing supply fell to 36,552 (a fall of 9.8%). The social supply available to meet housing need has therefore been shrinking year on year.

- 11.8 The turnover rate of social housing stock has decreased sharply, thus further reducing the number of homes available for re-letting. In Manchester, a turnover rate of 11.6% in 2002/3 now stands at 8.2%. In Salford turnover has fallen from 14% to 11%. The types and size of property let in the social sector has also changed. Fewer 3+ bedroom properties and houses are becoming available for re-letting (a shift from 35% to 31.7%, and 44.7% to 39.6% respectively for Manchester).
- 11.9 The 2006 Housing Need and Demand study has provided a breakdown of future affordable housing requirements, using the recommended CLG model. For Manchester, there is a projected net annual shortfall of 1,375 affordable homes across the city, with higher shortfalls in 4+ bed properties, and in South Manchester. In Salford, the projected net annual shortfall is 674 affordable homes. Again, 4+ bed properties are in the greatest need, and in areas around the centre and to the North of Salford.
- 11.10 Manchester and Salford regeneration strategies are likely to increase these affordability pressures by encouraging increases in house values, whilst Decent Homes programmes and improved management are increasing the popularity of social rented housing.
- 11.11 The potential for assisted home ownership from the qualifying target market is estimated to be 2,500 households across the cities. This comprises 1,822 households in Manchester and 670 in Salford. The target purchase price in Manchester is £85,000 (with a range of between £80,000 and £100,000 depending on the size of the property) for a 50% stake in equity. In Salford, a similar target value of £90,000 is appropriate.
- 11.12 There is a broad consensus from stakeholders that the current trends identified in this report are expected to continue in the short term, with increasing pressure on the need for more affordable housing. Continued loss of stock through Right-to-Buy sales and demolition programmes all contribute to the shrinkage of the social sector in the future, resulting in growing waiting times for affordable housing assistance.
- 11.13 The level of medium and longer-term requirements for affordable housing, and especially additional social housing within this, is less certain. Growth strategies are strengthening the economy, reducing poverty and contributing to rising aspirations – probably including aspirations for home ownership. There is an elderly demographic profile in Council housing, and Manchester (in particular) has a very high proportion of social and affordable private sector housing compared to regional and national averages. Once the shock waves of big house prices of recent years have passed, it is likely that these underlying factors may lead to a re-assertion of a long term, gradual decline in the relative demand for social housing.
- 11.14 However, there are projections for strong overall household growth, and that employment growth is likely to be strong at both the higher skill/higher income and low skill/lower income ends of the market. This all indicates that, even if the proportion of affordable housing within the total housing stock falls significantly, there will still be a need for a proportion of new provision to be affordable housing.

Overall Housing Stock Projections

11.15 An estimate of the potential implications for the overall balance of the housing stock has been prepared. This is based on estimates of future new-building rates, demolition plans and on-going RTB sales, together with the effects of the planning and affordable housing policies now being considered. The detail is attached at Appendix A. This shows that over the 10 year period 2006/7 - 2015/16:

- 4409 new social rented homes are built through the NAHP, PFI and S106 planning agreements
- 2491 new “intermediate tenure” or assisted home-ownership homes are built through similar routes.
- But the effect of RTB sales, demolitions and overall growth in housing stock means that the social rented stock decreases as a proportion of the total from 35.1% to 28.3%
- Intermediate tenure/assisted home-ownership increases from 0.6% to 1.5%.
- Total private housing increases from 64.3% to 70.2%. The amount of this that is owner-occupied, rather than private rented, will depend on future trends in the property investment sector. If private renting stays at the current level, owner-occupation would be 51.2% and private renting 19%.

Appendix A - Manchester Housing Stock Projected Changes 2006-2016

Manchester Housing Stock projected changes 2006-2016

New building	Source	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total change over 10 years
Projected new-build total	Planning	5041	5000	4776	4467	4467	4253	4253	4000	3750	3500		43507
of which sites 15dw+	Planning	4729	4700	4489	4199	4199	3998	3998	3760	3525	3290		40887
assumed proportion social rent from aff hsg policy	Projection based on proposed policy of 5% introduced in 2008.	0	0	0	0.005	0.01	0.02	0.03	0.04	0.045	0.045		
additional no social rent from planning gain	Line 5*line 6	0	0	0	21	42	80	120	150	159	148		720
assumed proportion asst h/o	Projection based on proposed policy of 15% intermediate tenure introduced 2008	0	0	0	0.01	0.03	0.05	0.07	0.09	0.11	0.13		
additional no asst H/o from plg gain	line 5*line 8	0	0	0	42	126	200	280	338	388	428		1802
social rent PFI programme	Hsg Dept	0	0	40	0	0	83	160	241	80	80		684
	Continuation of past levels of prog. Plus efficiency gains from 2010/11	260	260	260	260	286	315	341	341	341	341		3005
total addns to social rent	line6+line 10+11	260	260	300	281	328	478	621	732	580	569.05		4409
Assumed HC s/o programme	Plus efficiency gains from 2010/11	59	59	59	59	65	72	79	79	79	79		689
total additions to assisted h/o stock	lines 9+13	59	59	59	101	191	272	359	417	467	506.7		2491
total additions to private stock (exc asst h/o)	line4-line12-line14	4722	4681	4417	4085	3948	3503	3273	2850	2704	2424.25		36607
Demolitions/transfers													
demolitions private	Hsg Dept	295	309	208	201	205	204	203	199	224	186		2234
demolitions social	Hsg Dept	0	85	96	70	0	204	204	204	324	323		1510
transfer from Social rent to private	HSG Dept RTB plus sale of m/s	1021	538	500	500	500	500	500	500	500	500		5559
Total stock change													
Private stock year start	2006 HSSA less line 25	130,638	136,086	140,996	145,705	150,089	154,332	158,131	161,701	164,853	167,832	170,570	
change in year		5,448	4,910	4,709	4,384	4,243	3,799	3,570	3,151	2,980	2,738		
asstd h/o year start	HC	1259	1318	1377	1436	1537	1728	2000	2359	2776	3243	3750	
change in year		59	59	59	101	191	272	359	417	467	506.7		
social rent year start	2006 HSSA	71,341	70,580	70,217	69,921	69,632	69,460	69,234	69,151	69,179	68,935	68,681	
change in year		-761	-363	-296	-289	-172	-226	-83	28	-244	-253.95		
Total stock at start of year	2006 HSSA	203,238	207,984	212,590	217,062	221,258	225,520	229,365	233,211	236,808	240,010	243,001	
Check			207,984	212,590	217,062	221,258	225,520	229,365	233,211	236,808	240,010	243,001	
% of total stock at start of year													
% social rent		35.1	33.9	33.0	32.2	31.5	30.8	30.2	29.7	29.2	28.7	28.3	
% asst home-ownership		0.6	0.6	0.6	0.7	0.7	0.8	0.9	1.0	1.2	1.4	1.5	
% other private		64.3	65.4	66.3	67.1	67.8	68.4	68.9	69.3	69.6	69.9	70.2	
total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	