

Executive Summary

Introduction

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

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

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

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

Dwelling stock

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

House prices and rents

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

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

Future dwelling mix and development priorities

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

The Greater Manchester Places for Everyone plan identifies an average minimum annual net housing need of 3,533 dwellings across Manchester. The council needs to have a robust affordable housing policy in place to help deliver against this strategic need, but planning guidance says that you do not need to meet this need in full (i.e. affordable housing can be delivered through a variety of approaches including the planning system; Homes England grant funding and other mechanisms).

The HNA has set out key assumptions which have been considered carefully in the final recommendations for affordable housing need:

- Affordability in terms of 30% of gross income for renting and a four times multiplier of income for purchase of housing (There is no official guidance

on what proportion of income should be used. The former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income. The former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household).

- Factoring in a timespan to account for meeting the existing unmet need for affordable housing – ten years has been assumed in the HNA which corresponds with the approach set out in the Council’s Housing Strategy

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

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

Table ES1 Summary of overall dwelling mix by tenure: Manchester

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

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

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

Overall need for level-access dwellings	2-5%	0-2%	0-2%	0-2%
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Table ES3 Summary of overall dwelling mix by tenure : North and Central Manchester

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

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

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

The needs of other groups

Particular needs which have been identified in the HNA are:

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

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

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

Summary of policy recommendations

Theme	Data	Action
Overall housing need	3,533 average each year 2022-2039, as set out in Policy JP-H3 of the Places for Everyone plan	Housing need figure to be noted.
Affordable housing need	Key assumptions have been considered in the HNA report to consider the scale of affordable housing need.	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing. Note this is an overall strategic need but councils not expected to meet this need in full. The Housing Strategy 2022-2032 seeks to deliver 10,000 new affordable dwellings including larger homes.
	Broad mix of affordable dwelling sizes is required (20% 1-bedroom, 39% 2-bedroom, 33% 3-bedroom and 8% 4+ bedroom)	Range of dwelling sizes to be delivered. The Housing Strategy 2022-2032 seeks to deliver 3,000 larger affordable dwellings.
	Affordable tenure mix of 80% rented and 20% affordable homes which aligns with Policy JP-H2 of Places for Everyone plan	Development needs to focus on social/affordable rented with some affordable home ownership which would include First Homes.
Needs of different groups	3.6% of new dwellings (128 each year) to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) standard in line with policy JP H3 of the Places for Everyone plan	Update relevant policies.
	3,789 additional units of accommodation for older people by 2039 including 534 residential care bedspaces. 806 Extra Care units and 2,449 other types of accommodation	Diversify range of older persons accommodation including sheltered/retirement and Extra Care leasehold and cohousing. Continue to review need for residential care. Strengthen policies to enable people to live in their own homes for longer with appropriate support and adaptation.
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this HNA.