

Housing Need and Demand Assessment 2022

Preston City Council

Final Report
December 2022

Main Contact: Dr Michael Bullock
Email: michael.bullock@arc4.co.uk
Telephone: 0800 612 9133
Website: www.arc4.co.uk

© 2022 arc⁴ Limited (Company No. 06205180)



Table of Contents

Housing Need and Demand Assessment 2022.....	1
Executive Summary	9
Introduction.....	9
Dwelling stock.....	9
House prices and rents.....	9
Future dwelling mix and development priorities.....	10
The needs of other groups	11
Summary of policy recommendations.....	12
1. Introduction.....	14
Background, aims and objectives	14
National Planning Policy Framework	14
Local policy context	15
General policy context.....	18
Geography.....	20
Future housing need.....	20
Research methodology.....	22
Presentation of data	22
Report structure.....	22
2. Housing market and key drivers	24
Introduction.....	24
Dwelling stock, vacant stock and household estimates	24
Dwelling type and size.....	25
Property age and condition.....	29
Housing tenure	33
The owner-occupied sector	37
Affordable housing.....	39
Past trends in housing delivery.....	40
Demographic drivers: population and households.....	43
Defining the Housing Market Area.....	52
General household characteristics	52
Income data.....	55
Summary	57
3. Price, rents and affordability	58
Introduction.....	58
House price trends	58
Private renting	64
Relative affordability	69
Relative affordability of housing tenure options and defining genuinely affordable housing.....	70
Affordability of prices and rents to selected key workers and households on minimum/living wages	79

	Concluding comments	81
4.	The needs of different groups.....	83
	Introduction.....	83
	Housing for people with additional needs	83
	Age-related housing need	84
	Housing for older people	85
	Health-related housing need.....	98
	Stakeholder views on specialist housing	105
	Life experience-related housing need.....	106
	Cultural heritage related housing need.....	106
	Gypsy, Traveller and Travelling Showperson need	110
	Other groups with particular housing requirements	110
	Conclusion.....	111
5.	Overall housing need, dwelling type and mix	113
	Introduction.....	113
	Overall housing need.....	113
	Dwelling type and mix.....	113
	Conclusions	118
6.	Conclusion: policy and strategic issues	119
	Overall Housing need	119
	Dwelling type, tenure and mix.....	119
	Meeting the needs of older people and those with disabilities.....	121
	Summary of policy recommendations.....	122
	Final comments	123
	Technical Appendix A: Research methodology.....	124
	Overall approach	124
	Technical Appendix B: Affordable housing definitions.....	125
	Affordable housing definitions.....	125
	Technical Appendix C: Housing need calculations.....	126
	Introduction.....	126
	Step A: Current unmet gross need	127
	Step B: Future households in need	130
	Step C: Affordable housing supply	132
	Step D: Total annual need and breakdown by size and tenure	133
	Technical Appendix D: Dwelling mix and modelling	142
	Introduction.....	142
	Overall dwelling mix by tenure.....	149
	Technical Appendix E: Stakeholder consultation responses and agent review.....	150
	General stakeholder responses summary	150
	Registered Providers	150
	Developers and Housebuilders.....	151
	Specialist Housing Providers	154

Preston Local Authority staff.....	155
Selling and lettings agents.....	157
Summary.....	159

List of Maps

Map 1.1	City of Preston sub-areas	21
Map 2.1	Predominant dwelling type and size by built-up areas within LSOAs: City of Preston	28
Map 2.2	Newbuild dwellings by LSOA over period 2007-2020	42
Map 2.3	Household characteristics: household type by LSOA, 2021	53
Map 2.4	Household characteristics: income type, by LSOA, 2021	54
Map 3.1	Lower quartile house prices 2020 by built-up areas within the LSOAs of the City of Preston	62
Map 3.2	Median house prices 2020 by built-up areas within the LSOAs of the City of Preston	63
Map 3.3	2020 lower quartile rents across the City of Preston by built up areas within LSOAs	66
Map 3.4	2020 median rents across the City of Preston by built up areas within LSOAs	67
Map 3.5	Private rented sector Non-Passported Housing Benefit 2020.....	68
Map 4.1	Current older persons accommodation across the City of Preston	90

List of Tables

Table ES1	Summary of overall dwelling mix by tenure.....	11
Table 1.1	Annual housing need 2023 to 2038 across Central Lancashire.....	20
Table 2.1	Dwelling stock and household estimates	24
Table 2.2	Dwelling stock and household estimate by sub-area and parish	25
Table 2.3	Dwelling type, number of bedrooms and council tax band for the City of Preston and comparator areas	26
Table 2.4	Dwelling type, number of bedrooms and council tax band summary	27
Table 2.5	Age of dwelling	29
Table 2.6a	Dwelling stock condition in England estimates (percentage).....	31
Table 2.6b	Dwelling stock condition in City of Preston estimates (number).....	31
Table 2.7	Dissatisfaction with quality of accommodation by tenure, property type and property age.....	32
Table 2.8	Tenure profile by sub-area (%)	33
Table 2.9	Characteristics of properties by tenure	34
Table 2.10	Characteristics of households by tenure: household type, length of residence and ethnicity	35
Table 2.11	Characteristics of households by tenure: economic activity and income	36
Table 2.12	Dwelling completions 2010/11 to 2021/22	40

Table 2.13	Change in population 2021-2038 by age	43
Table 2.14	National and international migration by year.....	46
Table 2.15	Summary of national and international migration by year group and age group.....	47
Table 2.16a	Household types and change 2021 (HRP = Household Reference Person)	50
Table 2.16b	Household types and change 2038 (HRP = Household Reference Person)	50
Table 2.16c	Household types and change 2021 to 2038 (HRP = Household Reference Person)	51
Table 2.17	Gross household income by sub-area, ward and rural parish.....	56
Table 3.1	Comparative median house price change 2000-2020 with neighbouring districts, North West and England.....	60
Table 3.2	Comparative lower quartile (LQ) house price change 2000-2020 with neighbouring districts, North West and England.....	60
Table 3.3	Comparative lower quartile and median house price change 2007-2020 for sub-areas, wards and rural parishes.....	61
Table 3.4	Comparative lower quartile and median rental price 2010-2020.....	64
Table 3.5	Lower quartile and median rents by sub-area, ward and rural parish 2020	65
Table 3.6	Broad Rental Market Area Local Housing Allowance Rates (April 2020)	69
Table 3.7	Relative affordability of lower quartile and median prices by local authority area, North West and England (workplace-based and residence-based)	70
Table 3.8	Summary of tenure (including affordable options), price assumptions and data sources	71
Table 3.9	Cost of alternative tenures and income required by sub-area and City of Preston	73
Table 3.10	Impact of alternative deposits on sale price and income required for open market properties.....	74
Table 3.11	Affordability of private rents by sub-area, ward and rural parish.....	77
Table 3.12	Affordability of owner occupation by sub-area and rural parish	78
Table 3.13	Incomes of key workers and households on minimum/living wage and rental affordability	79
Table 3.14	Incomes of households, selected key workers and households on minimum/living wage and open market prices	80
Table 3.15	Genuinely affordable rents and purchase prices by sub-area, ward and parish	82
Table 4.1	Older persons' housing preferences by age group	86
Table 4.2	Future housing choices of older households (rightsizing)	86
Table 4.3	Categories of older person accommodation	87
Table 4.4	Analysis of future need for specialist older person accommodation 2021-2038.....	89
Table 4.5	People with dementia.....	91

Table 4.6	Dwellings occupied by households where the HRP is aged 65 and over	92
Table 4.7	Adaptations, support needs and space for carer by tenure and age group	94
Table 4.8	Adaptations, support needs and space for carer by sub-area.....	95
Table 4.9	Adaptations and home improvements required by age group.....	97
Table 4.10	Type of assistance required by age group of household reference person (HRP).....	98
Table 4.11	Number of people stating illness/disability	99
Table 4.12	Physical disability prevalence	100
Table 4.13	Learning disability and autism.....	100
Table 4.14	Mental health disorder prevalence	101
Table 4.15	Summary of accessible housing standards.....	102
Table 4.16	Wheelchair use assumptions and resulting annual need.....	103
Table 4.17a	Wheelchair dwellings needed by age group and number of bedrooms (table percentage).....	104
Table 4.17b	Wheelchair dwellings needed by age group and number of bedrooms (needed each year by age group).....	104
Table 4.18	Indicators of the need for adapted accommodation	105
Table 4.19	Distribution of BAME households across the City of Preston.....	107
Table 4.20	Summary of BAME dwelling likes and expectations	108
Table 4.21	Households in housing need: number of bedrooms required by ethnicity	108
Table 4.22	Calculating the need for larger affordable dwellings	110
Table 5.1	Summary of overall dwelling mix by tenure.....	114
Table 5.2	Affordable (social/rented) need by sub-area and rural parish	115
Table 5.3	Affordable (affordable home ownership) need by sub-area and rural parish	116
Table 5.4	Market mix by sub-area and rural parish.....	117
Table 6.1	Summary of overall annual dwelling mix required by tenure.....	120
Table C1	Current gross unmet need (before affordability testing).....	128
Table C2	Lower quartile house prices and rents by sub-area/parish.....	129
Table C3	Affordability of open market housing for households in need.....	130
Table C4	Net and gross household formation 2021-2031	131
Table C5	Total newly-arising affordable housing need.....	132
Table C6	Affordable housing supply.....	132
Table C7	Gross and net annual affordable need.....	133
Table C8	Gross and net annual affordable need by sub-area and parish	134
Table C9	Affordable need based on the Housing Register by number of bedrooms needed.....	135
Table C10	Comparison between current supply and annual gross need	135
Table C11	Affordable tenure split recommendations by sub-area and parish	136
Table C12	Detailed calculation of tenure split including First Homes	137

Table C13	Affordable tenure split for City of Preston	137
Table C14	Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: percentage of all affordable need	138
Table C15	Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: social/affordable rented	139
Table C16	Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: affordable home ownership	140
Table C17	Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: all affordable	141
Table D1	Age groups, household type and dwelling types used	143
Table D2	Change in number of households by age group and household type 2021 to 2038	144
Table D3	Impact of change in households by age group of Household Reference Person (HRP) on dwellings occupied by 2038	146
Table D4	Dwelling type and size outcomes under aspiration and expectation scenarios	147
Table D5	Summary of overall dwelling mix by tenure	149

List of Charts and Figures

Figure 2.1	Dwelling completions compared with the annual requirement, 2010/11 to 2021/22	41
Figure 2.2	Components of population change 2011 to 2020	44
Figure 2.3	Profile of households by age of Household Reference Person 2021 and 2038 projections	49
Figure 3.1	Median house price trends 2000 to 2020: City of Preston, Central Lancashire, North West and England	59
Figure 3.2	City of Preston household income and housing costs	75
Figure 4.1	Establishing need associated with age, health and life experience	83
Figure D1	Change in HRP age groups 2021-2038	145
Figure D2	Summary of dwelling types in current stock and under baseline demographic, aspiration and expectation scenarios	148

Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

arc⁴ Limited accepts no responsibility or liability for, and makes no representation or warranty with respect to, the accuracy or completeness of any third party information (including data) that is contained in this document.

Registered Address: arc4, 41 Clarendon Road, Sale, Manchester, M33 2DY
Email: businessteam@arc4.co.uk Web: www.arc4.co.uk
arc4 Limited, Registered in England & Wales 6205180 VAT Registration No: 909 9814 77
Directors Helen Brzozowski and Michael Bullock

Executive Summary

Introduction

The City of Preston Housing Need and Demand Assessment (HNDA) 2022 provides the Council with up to date evidence on housing need across all sections of the community over the period 2021 to 2038. The evidence will inform the update of the Central Lancashire joint Local Plan, other strategies, policies and decisions of the council and its partners.

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

This report has been prepared during the COVID-19 pandemic. The impact this may have on population projections, the economy and dwelling need will emerge in due course.

Data have been produced at settlement/parish level where possible.

The HNDA report complements the Central Lancashire Housing Needs Assessment prepared by DLP Planning and Edge Analytics. The objective of the study is to identify the level and distribution of future housing needs across Central Lancashire for the period 2023 to 2038 and provides a robust and up to date evidence base to inform the emerging Central Lancashire Local Plan.

Dwelling stock

There are an estimated 65,220 dwellings and 58,524 households across the city in 2021. The vacancy rate is 4.3% which is higher than the rate for England (2.7%). Most dwellings are houses (73.7%), 20.1% are flats and 6.2% are bungalows. 67.1% of households are owner occupiers, 12% privately rent and 20.9% live in affordable housing. There are around 515 affordable home ownership properties in the City of Preston.

House prices and rents

In 2020, lower quartile prices were £98,000 (North West £119,500 and England £164,000) and median prices were £150,000 (North West £170,000 and England £249,000).

In 2020, lower quartile private rents were £494 each month (£524 North West and England £724) and median rents were £594 (North West £676 England £1,148).

Future dwelling mix and development priorities

The HNDA has carefully considered the future population and household projections over the period 2021 to 2038, 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 the City of Preston.

The Central Lancashire Housing Needs Assessment calculates housing need across Central Lancashire. This study establishes an annual need for 490 dwellings across the City of Preston over the plan period.

There is an annual need for 395 affordable homes each year across the city which justifies the need for a robust affordable housing policy. Planning Practice Guidance is clear that it expects councils to facilitate the delivery of affordable housing to help meet identified need but as actual delivery is subject to economic viability, not all of this identified need is expected to be met or indeed is often possible to be met.

An overall affordable tenure split for new affordable housing is 88% rented and 12% affordable home ownership. If First Homes is considered, the overall tenure split adjusts to 68% rented and 32% affordable home ownership. The shift towards home ownership reflects the impact of First Homes on overall tenure split and a specific need for affordable home ownership products evidenced in the 2021 household survey.

Given the level of affordable need, the Local Plan needs a robust affordable housing policy setting out targets and tenure split which takes into account First Homes. The 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 analysis has shown a specific need for bungalow/level-access affordable rented dwellings.

The overall dwelling mix recommendations by tenure are set out in Table ES1.

Table ES1 Summary of overall dwelling mix by tenure

Dwelling type/size	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1-bedroom house	0-2%	2-5%	0-2%	0-2%
2-bedroom house	10-15%	20-25%	10-15%	15-20%
3-bedroom house	35-40%	20-25%	25-30%	35-40%
4 or more-bedroom house	15-20%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	2-5%	5-10%
2-bedroom flat	0-2%	15-20%	5-10%	5-10%
3 or more -bedroom flat	0-2%	0-2%	0-2%	2-5%
1-bedroom bungalow/level-access	2-5%	10-15%	0-2%	0-2%
2-bedroom bungalow/level-access	10-15%	5-10%	5-10%	5-10%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
House	70-75%	50-55%	75-80%	70-75%
Flat	2-5%	25-30%	5-10%	15-20%
Bungalow/level-access	25-30%	15-20%	10-15%	5-10%
Number of bedrooms	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	2-5%	10-15%
2	25-30%	40-45%	25-30%	25-30%
3	50-55%	20-25%	35-40%	40-45%
4	15-20%	5-10%	30-35%	20-25%

Regarding student housing, any future purpose-built student housing needs to be carefully considered by the council and the University of Central Lancashire and should be to address gaps in quality of provision rather than to meet a growing student demand.

The needs of other groups

Particular needs which have been identified in the HNDA are:

- Increasing and diversifying the supply of specialist housing for older people. There is a need for 1,903 more units of accommodation for older people by 2038. This includes sheltered/retirement, Extra Care, co-housing and residential care.
- There is a specific need from BAME households, particularly from Asian community households who need larger dwellings.
- Based on an assessment of additional needs and longer-term demographics, 4% of new dwellings (20 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.

The Lancashire Market Position Statement includes the following housing priorities:

- Less reliance on residential care and more Extra Care schemes;
- Improved Supported Living options for younger adults
- More bespoke options including Shared Lives including Home Share which enables people who need support to live in a family setting.

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	490 each year 2023-2038 based on Central Lancashire Housing Needs Assessment	Housing need figure to be noted
Affordable housing need	Annual imbalance of 395 which justifies need for robust affordable housing policy and delivery	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing.
	Affordable tenure mix of 88% rented and 12% affordable home but if First Homes are included the tenure split is 68% rented and 32% affordable home ownership	Impact of First Homes needs careful evaluation and methods to maximise social rented housing to be considered
Needs of different groups	4% of new dwellings to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) standard	Update relevant policies
	1,903 additional units of accommodation for older people by 2038 or 106 each year	Diversify range of older persons accommodation including sheltered/retirement, Extra Care 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

Theme	Data	Action
	There is a specific need from BAME households, particularly Asian community households for larger dwellings	7.5% of new affordable dwellings should have 4 bedrooms and 1.1% have 5 or more bedrooms to meet the needs of larger families, particularly those from the Asian community.
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this HNDS

1. Introduction

Background, aims and objectives

- 1.1 The City of Preston Need and Demand Assessment (HNDA) 2022 provides the Council with up to date evidence on housing need across all sections of the community over the period 2021 to 2038. A similar study has been prepared for Chorley Borough Council and South Ribble Borough Council. The evidence will inform the update of the Central Lancashire joint Local Plan, other strategies, policies and decisions of the council and its partners. The study builds upon the findings of the Central Lancashire Housing study 2020 which provided a strategic overview of housing need across the three districts of Preston, Chorley and South Ribble.
- 1.2 The HNDA report complements the Central Lancashire Housing Needs Assessment prepared by DLP Planning and Edge Analytics. The objective of the study is to identify the level and distribution of future housing needs across Central Lancashire for the period 2023 to 2038 and provides a robust and up to date evidence base to inform the emerging Central Lancashire Local Plan.

National Planning Policy Framework

- 1.3 The evidence base needs to take account of the requirements of the National Planning Policy Framework (NPPF). The latest version was published in July 2021 and supported by Planning Practice Guidance (PPG). The NPPF 2021 sets out the government's planning policies for England and how these are expected to be applied. Paragraph 11 of the NPPF states that plans, and decisions should apply a **'presumption in favour of sustainable development'**. As part of this, in relation to plan-making, it sets out that this means that **'strategic policies should, as a minimum, provide for objectively assessed needs for housing...'**
- 1.4 Paragraph 60 provides an important context to the policy for housing delivery, as follows:
'To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay'
- 1.5 Paragraphs 61 to 63 relate to the evidence base requirements which underpin this study:
Paragraph 61: **'To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.'**

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

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

- 1.6 Paragraph 65 requires that: **‘strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. Within this overall requirement, strategic policies should set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.’**
- 1.7 The Localism Act 2010 introduced the ‘Duty to Co-operate’ as a replacement for Regional Spatial Strategy and this requirement is also established in National Planning Policy (NPPF 2019, Paragraphs 24-27). Section 110 requires local authorities and other bodies, including Local Enterprise Partnerships to co-operate in maximising the effectiveness of strategic matters within development plan documents. The provision of housing development is a strategic priority and the council will have to ensure that it is legally compliant with the Localism Act at Local Plan examination.
- 1.8 The NPPF 2021 sets out affordable housing definitions which are presented at Technical Appendix A.

Local policy context

- 1.9 Preston City Council, South Ribble Council and Chorley Council have a history of joint working and commissioning of evidence to support Local Plan preparation. arc4 prepared a Local Housing Need Assessment for South Ribble in 2019 to complement the studies being prepared for Preston and Chorley.

Central Lancashire Core Strategy

- 1.10 The Core Strategy prepared jointly by Preston City Council, Chorley Council and South Ribble Council and was adopted in July 2012. It is due for revision before 2026. The housing strategic objectives are:
- SO 5 To make available and maintain within Central Lancashire a ready supply of residential development land ... to help deliver sufficient new housing of appropriate types to meet future requirements.
 - SO 6 To achieve densities for new housing that respect the local character of surrounding areas, whilst making efficient use of land.

- SO 7 To improve the quality of existing housing, especially in Inner East Preston and pockets of poor stock in South Ribble and Chorley, and to bring empty properties back into use.
 - SO 8 To significantly increase the supply of affordable housing and special needs housing particularly in places of greatest need such as in more rural areas.
 - SO 9 To guide the provision of pitches for Gypsies, Travellers and Travelling Showpeople in appropriate locations if genuine need arises.
- 1.11 The strategy's age has resulted in the Affordable and Special Needs policy being revised by the NPPF's 2018 changes. 35% affordable housing contributions will continue to be sought for developments incorporating 10 dwellings or more, or with a site area of 0.5 hectares or more, within the rural areas of Central Lancashire.

City of Preston Corporate policy

- 1.12 Preston has a vision as a growing and vibrant city in the North West. It is often referred to as a beacon demonstrating progressive policies via the "Preston Model". It has three priority areas.
- Your City – "Securing investment; improving assets and infrastructure; attracting high quality jobs; creating a city with a strong cultural and leisure offer."
 - Fairness for you – "Fairness at the heart of decision making; an economy supporting prosperity and promoting fairness in working lives and practices; accessibility to affordable energy and decent affordable homes." This is particularly evident from the Community Wealth Building strategy funded with £100k which favours a local real living wage, local procurement and co-operatives.
 - "Your Council - Providing well run value for money services; demonstrating good governance, openness, transparency and a strong democratic process."

Towns Fund

- 1.13 Preston has secured £21 million through the Towns Fund for non-housing projects in the city centre by 2026. These complement the city living aspirations and include:
- Re-imagining the Harris provide an innovative environment in which museum, library and art gallery
 - Preston Youth Zone is a facility for young people aged 8-19 years covering social, sporting and artistic spaces, including an all-weather pitch, large sports hall, etc.
 - Animate is a new cinema and leisure scheme at the heart of the city centre.
 - Renewal of Harris Quarter Assets provides an opportunity to regenerate City Council-owned assets such as the Guildhall and Amounderness House.

- Harris Quarter Illuminate and Integrate and Animation of Public Spaces to improve the appearance of public spaces and their capacity for event hosting.
- City Centre Skills Spaces which concentrates skills and careers advisory services in Harris Quarter.
- Cultural Capacity Building especially for local community organisations.
- Health and Wellbeing Capacity Building.

Stoneygate Urban Village and the City Living Strategy

- 1.14 The council proposes 1,600 new homes as part of the 25 hectare Stoneygate Urban Village to be delivered in a 15 year trajectory to 2035. The Council's City living target markets are in lifestage order:
- Students and postgraduates
 - Young professionals due to the area's strong employment opportunities.
 - Families and couples
 - Retired drawn by central amenities
- 1.15 The award winning City Living Strategy involves the 'de-risking' of more than 50 brownfield sites to attract private investment and will lead to the building of over 3,000 homes, many of which will be affordable. However, it should be noted these are pre-pandemic aspirations and will have to be calibrated against for example any changes in the direct delivery of higher education and the potential for change from the "race for space" aspiration for out of town housing. The Council is in the process of considering how the City Living Strategy can be reviewed to take account of changes since its launch.

City Deal

- 1.16 City Deal status was introduced by the Government as a way of harnessing the economic growth potential of key cities. The City Deal represents an agreement between the Government, Preston City Council, South Ribble Borough Council and Lancashire County Council to invest in the expansion of infrastructure in the City Deal area to create jobs and generate significant housing growth. The City Deal was signed in September 2013 for an initial ten years.

Economic development

- 1.17 Preston is part of the Lancashire Local Enterprise Partnership (LEP) area. The Lancashire Strategic Economic Plan was published in 2014 which seeks to improve the capability and capacity of our local economy, seizing new opportunities and overcoming barriers that constrain growth to help re-establish Lancashire as a national economic leader. Following the COVID19 pandemic, a Lancashire Economic Recovery Plan has been published. This plan recognises that the impact of COVID19 is yet to be fully realised and plan seeks to:

- Identify the sectors, occupations and places most severely impacted and bring forward immediate solutions to arrest and deflate the intensity of impact;
- Build and share with government, a real-time granular view of the impact of COVID19 on our businesses, workers and places;
- Accelerate capital investment schemes which will generate new jobs, in the near-term, with the help of government; and
- Bring forward a delivery programme which responds to the differential needs of our prime sectors, with a clear focus on business growth, job creation, skills and employment.

General policy context

The White Paper: Levelling Up the United Kingdom

- 1.18 Housing has a key role in the government's Levelling Up proposals. Housing is one of 12 missions, namely:
- **By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas**
- 1.19 The proposal for a new minimum standard for privately rented homes will have an impact, but only if the standards from the Decent Homes Review are ambitious and local authorities have the resources to enforce them.
- 1.20 The scrapping of the '80/20' rule, which sees some Homes England housing funds channelled to areas of the highest unaffordability will presumably mean the South East will receive a lower share, if not level of funds.
- 1.21 The encouragement of "county deals" for resource allocation and coordination will place an onus on the district and county to work effectively together.
- 1.22 The White Paper has many, wide-ranging ambitions. However, there is limited detail on how the various targets, objectives and missions are to be achieved.

National Housing Market changes including COVID19 impact

- 1.23 Although not a policy change, and whilst it is too soon to be definitive, the pandemic may be generating new and significant structural alterations in housing markets. It will be important that the pre-pandemic aspirations of extant policies are recalibrated in the light of four emerging phenomena :
- The so called "race for space" linked in part with the emergence of more remote working (notwithstanding the anticipated emerging return of demand from marginal workers in cities)
 - The persisting aspiration for out of town housing in less populated locations
 - The decline in town centre retail and replacement with web based purchasing and

- Possible changes in Higher Education residential requirements driven by more remote teaching approaches
- 1.24 The lack of job security, lower employment and lower economic activity, plus fiscal changes like the 1.25% Health and Social Care Levy, are predicted to depress sale prices in the medium term. Shortages in skilled labour (HGV drivers and construction trades) and unskilled labour have created a 10% rise in median wage costs since February 2020. Added to input cost increases and combined with supply chain shortages an increase in house prices and slower house building is likely in the coming months.
- 1.25 The sharp rise in inflation and now stepping up of Bank Rate (which is predicted to continue) will be important determinants of sales volume and affordability in the short term.

Climate change and energy use

- 1.26 The Government's original 10 Point Plan has now developed along three routes:
- The Net Zero Strategy
 - The Heat and Building's Strategy
 - Wider Decarbonisation
- 1.27 Housing was not mentioned within the Glasgow Climate Pact's 20 pages. However, a third of emissions are ascribed to housing.
- 1.28 Funding is a key challenge. The Commons' Climate Change Committee has said that public investment for the transition needs to double. However, only around £7bn of new investment was announced in the Net Zero Strategy.
- 1.29 The 2021 Heat and Buildings Strategy is allocating a £450m budget for £5,000 grants for heat pumps from April 2022. However, this is only 10% of the scale of public funding required. Similarly, there is no funding for home insulation for the 60% of UK households, who own their own home and are not fuel poor.
- 1.30 The strategy signals the government's intention "to phase out the installation of new natural gas boilers (currently present in 85% of homes) from 2035". However, the alternative is not defined at this point. A proposal was announced to launch a Hydrogen Village trial to inform a decision on the role of that fuel in heating by 2026.
- 1.31 £3.9bn was allocated to support housing decarbonisation of which £800m was for the Social Housing Decarbonisation Fund. This is £3 billion *below* the 2019 manifesto commitment.
- 1.32 Notwithstanding these commitments to spending, heat and buildings remain a significant investment gap in green spending, with nearly £10bn additional investment needed this Parliament to get on track to net zero.
- 1.33 In December 2021, the Department for Levelling Up, Homes and Communities (DLUHC) announced changes to building regulations operational from October 2022 which will require new CO2 emissions from new build homes to be around 30% lower than current standards.

- 1.34 The £320 million Heat Networks Investment Project (HNIP), which supports the development of heat networks (e.g. derived from water courses) across England and Wales, allocated £19 million in 2022 for projects in Liverpool, Kensington and Chelsea, Bristol and Worthing.
- 1.35 The National Infrastructure Bank will fund investment via a new green gilt potentially covering an additional £16bn of green major *infrastructure* spending.

Geography

- 1.36 The City of Preston is located in Central Lancashire and along with Chorley and South Ribble forms a common Housing Market Area. The city occupies a prime strategic location with excellent road connectivity to elsewhere in Lancashire; and regional and national rail connectivity.
- 1.37 The resident population of the City of Preston was estimated to be **142,960** (source: ONS 2018 based population projections for 2020) in 2021.
- 1.38 For the purposes of the HNDA, the City of Preston has been divided into four urban sub-areas and two rural sub-areas (Map 1.1).
- 1.39 The HNDA also presents some data at Lower Super Output Area (LSOA) and parish level to provide a fine-grained analysis of selected household and housing market data.

Future housing need

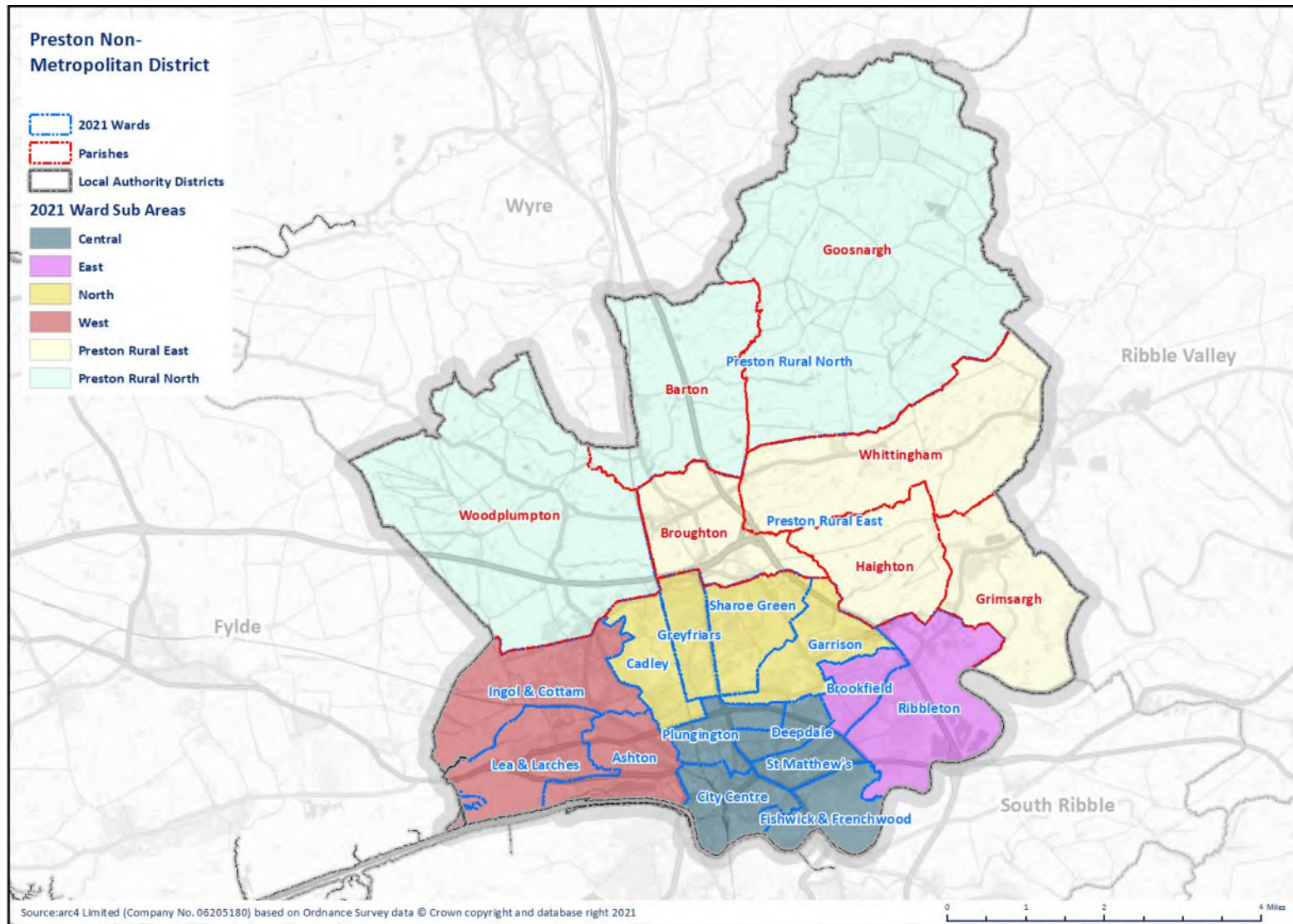
- 1.40 Work on a joint Local Plan for Central Lancashire continues with a target adoption date of the end of 2023. Table 1.1. sets out the annual housing need from the Central Lancashire Housing Needs Assessment prepared by DLP Planning and Edge Analytics.

Table 1.1 Annual housing need 2023 to 2038 across Central Lancashire

Authority	Annual Housing Need
Preston	490
South Ribble	416
Chorley	428
Total	1,334

Source: Central Lancashire Housing Needs Assessment Table 26 Employment-led housing need scenario summary

Map 1.1 City of Preston sub-areas



Research methodology

- 1.41 A multi-method approach has been used to prepare the 2022 HNDA comprising:
- An online survey of stakeholders which included five representatives from strategic and local organisations.
 - Interviews with estate and letting agents operating across the City of Preston.
 - A review of relevant secondary data including the 2011 Census, house price trends, ONS sub-national population projections and DLUHC/ONS household projections, CORE lettings data and DLUHC statistics.
 - A comprehensive online household survey. 16,425 households were contacted across the city and 1,563 responses were achieved representing a 10% response rate and a +/-2.4% sample error.
 - A review of particular client groups relevant to NPPF Paragraph 61, including hard to reach and vulnerable groups.
- 1.42 Further information on the research methodology is presented in Technical Appendix A.

Presentation of data

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

Report structure

- 1.44 The City of Preston HNDA 2022 report is structured as follows:
- Chapter 2 considers the housing market key drivers focusing on dwelling stock, demographic drivers, household characteristics including income, economic drivers and migration.
 - Chapter 3 provides analysis of prices, rents and affordability.
 - Chapter 4 considers the needs of different groups as referenced in the NPPF.
 - Chapter 5 considers overall housing need, affordable need, dwelling type and mix.
 - Chapter 6 concludes the report with a summary of key findings and a consideration of strategic and policy issues.
- 1.45 The main report is accompanied by a separate technical appendix which provides detailed material that underpins the core outputs of the HNDA. The technical appendix material includes:
- Affordable housing tenure definitions (Appendix A).
 - Research methodology (Appendix B).

- Affordable housing need calculations (Appendix C).
 - Dwelling mix analysis (Appendix D).
 - Stakeholder consultation and agent review (Appendix E).
- 1.46 Please note that any references to data from the government department responsible for housing and planning matters has been standardised to the Department for Levelling Up, Housing and Communities (DLUHC).

2. Housing market and key drivers

Introduction

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

Dwelling stock, vacant stock and household estimates

- 2.2 Current estimates of dwelling stock, vacant stock and households from multiple sources are presented in Table 2.1. For the purposes of the 2022 HNDA, the total dwelling stock base is assumed to be **65,220** based on the most recent council tax figure derived from actual council data and the number of households as **58,524**. Around 4.3% of dwellings are vacant compared with the national rate of 2.7% based in DLUHC data. Table 2.2 shows the number of dwellings and household estimates for smaller geographies.

Table 2.1 Dwelling stock and household estimates

Dwelling stock	Dwellings	Source
2020 Valuation Office Agency (all dwellings)	63,200	VOA Table CTSOP3.0
2020 Valuation Office Agency (excluding annex and unknown)	62,670	VOA Table CTSOP3.0
2020 DLUHC Dwelling Stock Estimates	64,847	DLUHC Live Tables
2021 Council Tax data	65,220	Council Tax
Vacant stock	Dwellings	Source
2020 DLUHC Vacancy estimate (all dwellings)	2,812 (4.3%)	DLUHC Table LT_615
2019 DLUHC Long-term vacancy estimate (all dwellings)	1,304 (2.0%)	DLUHC Table LT_615
Households	Households	Source
2014-based DCLG Household Projections 2021 figure	59,514	DLUHC
2018-based ONS Household Projections 2021 figure	58,524	ONS

Table 2.2 Dwelling stock and household estimate by sub-area and parish

Sub-area	Dwellings Number	Dwellings %	Households Number	Households %
Central	23,949	36.7	21,490	36.7
East	7,242	11.1	6,499	11.1
North	14,911	22.9	13,380	22.9
West	12,824	19.7	11,507	19.7
Preston Rural East	3,431	5.3	3,079	5.3
Preston Rural North	2,863	4.4	2,569	4.4
Total	65,220	100.0	58,524	100.0
Preston Rural East/ North Parishes	Dwellings Number	Dwellings %	Households Number	Households %
Barton	610	0.9	548	0.9
Broughton	991	1.5	889	1.5
Goosnargh	535	0.8	480	0.8
Grimsargh	1,157	1.8	1,038	1.8
Haighton	79	0.1	71	0.1
Whittingham	1,204	1.8	1,080	1.8
Woodplumpton	1,718	2.6	1,542	2.6
Total	6,294	9.7	5,648	9.7

Source: Dwellings 2021 Council Tax; households based on 58,524 from 2018-based household projections 2021 figure apportioned across the City in the ratio of 0.8973 households to dwellings (58,524/65,220)

Dwelling type and size

- 2.3 The 2020 Valuation Office Agency data provides details on overall dwelling stock by type, number of bedrooms and council tax band. Table 2.3 presents the overall dwelling stock profile of the city compared with Central Lancashire, the North West and England. Table 2.4 summarises dwelling type and size data for the city.
- 2.4 In summary, Tables 2.3 to 2.4 show:
- 66% of dwellings in the City of Preston are council tax band A or B properties and 34% are band C or above;
 - 73.6% of dwellings are houses (34.5% terraced, 25.5% semi-detached and 13.6% detached), 20.1% are flats and 6.2% are bungalows; and
 - 12.1% of dwellings have one bedroom, 26.5% two bedrooms, 47.6% three bedrooms and 13.9% four or more bedrooms.
- 2.5 Preston has a much higher proportion of Band A properties than Central Lancashire, the North West and England and a much lower proportion of Band C and above properties. Although this may translate to a supply of housing that is affordable, there is an issue of stock condition associated with Band A and B older terraced properties
- 2.6 Map 2.1 illustrates the predominant dwelling type and size by LSOA based on 2020 Valuation Office Agency data.

Table 2.3 Dwelling type, number of bedrooms and council tax band for the City of Preston and comparator areas

Dwelling type and number of bedrooms	Band A	Band B	Bands C-E	Bands F+	City of Preston Total	Central Lancs Total	North West Total	England Total
Bungalow 1-bedroom	0.7%	0.1%	0.0%	0.0%	0.8%	0.8%	1.0%	1.1%
Bungalow 2-bedrooms	0.2%	0.8%	2.2%	0.0%	3.3%	5.2%	4.1%	4.7%
Bungalow 3-bedrooms	0.0%	0.0%	1.7%	0.1%	1.8%	4.2%	2.8%	3.0%
Bungalow 4 or more -bedrooms	0.0%	0.0%	0.2%	0.1%	0.3%	0.7%	0.6%	0.6%
Flat 1-bedroom	10.7%	0.2%	0.0%	0.0%	10.9%	6.7%	8.2%	10.8%
Flat 2-bedrooms	4.4%	2.2%	0.6%	0.0%	7.2%	5.8%	7.9%	10.6%
Flat 3-bedrooms	0.4%	0.0%	0.0%	0.0%	0.5%	0.4%	0.7%	1.8%
Flat 4 or more-bedrooms	0.6%	0.4%	0.5%	0.0%	1.5%	0.6%	0.4%	0.5%
Terraced house 1-bedroom	0.2%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%	0.5%
Terraced house 2-bedrooms	10.6%	1.6%	0.1%	0.0%	12.3%	10.9%	13.0%	8.8%
Terraced house 3-bedrooms	13.8%	5.0%	1.3%	0.0%	20.1%	15.1%	16.4%	15.0%
Terraced house 4 or more-bedrooms	0.5%	0.7%	0.7%	0.0%	1.9%	1.4%	2.2%	2.4%
Semi-detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Semi-detached house 2-bedrooms	0.4%	2.1%	0.8%	0.0%	3.3%	4.1%	4.0%	3.8%
Semi-detached house 3-bedrooms	3.4%	6.5%	10.2%	0.0%	20.1%	22.2%	21.9%	17.7%
Semi-detached house 4 or more-bedrooms	0.1%	0.1%	1.8%	0.1%	2.0%	2.1%	2.9%	2.6%
Detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Detached house 2-bedrooms	0.0%	0.0%	0.3%	0.0%	0.3%	0.7%	0.4%	0.7%
Detached house 3-bedrooms	0.0%	0.0%	4.6%	0.4%	5.1%	7.0%	5.0%	5.9%
Detached house 4 or more-bedrooms	0.0%	0.0%	5.2%	3.0%	8.2%	11.6%	7.8%	9.3%
City of Preston Total	46.1%	19.9%	30.3%	3.7%	100.0%	-	-	-
Central Lancashire Total	32.4%	22.9%	40.0%	4.7%	-	100.0%	-	-
North West Total	40.5%	20.4%	34.1%	5.0%	-	-	100.0%	-
England Total	23.7%	19.7%	47.4%	9.1%	-	-	-	100.0%

Base: Preston 62,670, Central Lancashire 163,444 NW 3,284,200, England 24,165,880 (excludes annex, other and missing)

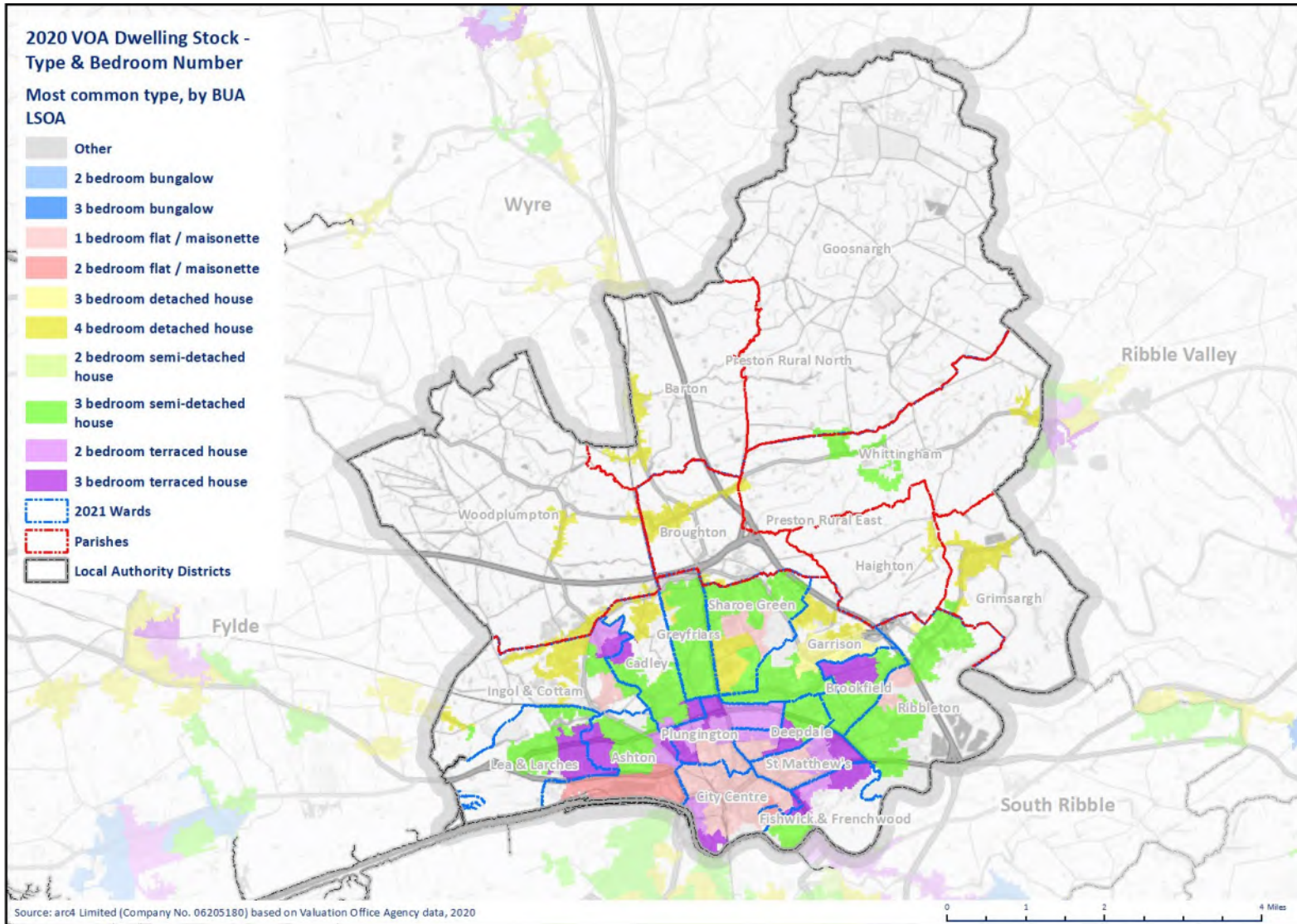
Source: VOA 2020

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

Dwelling type	Council Tax Band A	Council Tax Band B	Council Tax Bands C-E	Council Tax Bands F+	City of Preston Total
Bungalow	0.9%	0.9%	4.1%	0.2%	6.2%
Flat	16.1%	2.9%	1.2%	0.0%	20.1%
Terraced	25.2%	7.3%	2.1%	0.0%	34.5%
Semi-detached	4.0%	8.7%	12.8%	0.1%	25.5%
Detached	0.0%	0.0%	10.1%	3.5%	13.6%
Total	46.1%	19.9%	30.3%	3.7%	100.0%
Number of bedrooms	A	B	C-E	F+	City of Preston Total
1-bedroom	11.7%	0.3%	0.1%	0.0%	12.1%
2-bedrooms	15.6%	6.8%	4.0%	0.0%	26.5%
3-bedrooms	17.7%	11.6%	17.7%	0.5%	47.6%
4-bedrooms (or more)	1.1%	1.1%	8.5%	3.2%	13.9%
Total	46.1%	19.9%	30.3%	3.7%	100.0%

Source: VOA 2020

Map 2.1 Predominant dwelling type and size by built-up areas within LSOAs: City of Preston



Source: Valuation Office Agency 2020

- 2.7 There are an estimated 3,500 houses in multiple occupancy according to 2019/20 Local Authority Housing Statistics of which 116 are licenced. There are 208 properties listed on the council's online HMO register.

Property age and condition

The age and condition of City of Preston's housing

- 2.8 The age profile of the dwelling stock in the city is summarised in Table 2.5. 42.9% of dwellings were built before 1945, 32.2% between 1945 and 1982 and 24.9% since 1983.

Table 2.5 Age of dwelling

Age of Dwellings	Number	%
pre-1919	14,370	24.7%
1919-44	10,590	18.2%
1945-64	9,280	16.0%
1965-82	9,430	16.2%
1983-99	8,690	15.0%
post 1999	5,730	9.9%
Total	58,090	100.0%
Unknown	490	-
Grand Total	58,580	-

Source: VOA 2020

- 2.9 The English Housing Survey (EHS) produces national data on dwelling condition. Applying national trends to the stock profile of the City of Preston (Table 2.6) would suggest that around 18.9% of dwelling stock is non-decent, which is lower than the national average of 20.6%. The number of dwellings likely to fail the minimum standard of decent homes criteria is estimated to be 11.3% (compared with 11.9% nationally).
- 2.10 A full definition of what constitutes a decent home is available from DLUHC (source: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf) but in summary a decent home meets the following four criteria:
- it meets the current statutory minimum for housing;
 - it is in a reasonable state of repair;
 - it has reasonably modern facilities and services; and
 - it provides a reasonable degree of thermal comfort.
- 2.11 A 2019 analysis for Preston City Council by the Building Research Establishment concluded
- 7,793 dwellings in the private sector have category 1 Housing Health and Safety Rating System (HHSRS) hazards (16% of properties).

- 2,512 dwellings in the private rented sector have category 1 HHSRS hazards (16% of properties in the private rented sector)
 - Highest concentrations of all HHSRS hazards were in Preston Rural North, Deepdale and Fishwick & Frenchwood Wards.
- 2.12 The 2021 household survey provides an indication of household satisfaction with the state of repair of accommodation. Overall 72.1% of respondents expressed satisfaction (34.3% were very satisfied and 37.8% were satisfied); 16.7% were neither satisfied nor dissatisfied. A total of 11.2% expressed degrees of dissatisfaction, of whom 8.1% were dissatisfied and 3.1% were very dissatisfied.
- 2.13 Table 2.7 considers how dissatisfaction with state of repair varies by tenure, property type, age and location. Dissatisfaction was highest amongst those living in affordable housing (which is more reflective of tenant expectations of landlord responses to repairs rather than the actual state of repair) and private renters; those in flats/apartments/maisonettes and terraced houses; and those in properties built before 1945.

Table 2.6a Dwelling stock condition in England estimates (percentage)

Dwelling age (ehs)	Non-decent	Fails Decent Homes Minimum Standard (%)	Fails Decent Homes Repair (%)	Fails Decent Homes Modern facilities and services(%)	Fails Decent Homes Thermal Comfort (%)	All dwellings in group (000s)	% dwellings
pre-1919	33.5	23.3	7.4	3.9	9.7	4,952	20.5
1919-44	20.1	12.1	5.0	2.2	6.5	3,694	15.3
1945-64	17.2	9.0	4.8	1.9	5.0	4,621	19.1
1965-80	13.7	7.1	1.0	0.9	6.5	4,732	19.6
1981-90	18.0	4.2	.7	3.0	12.3	1,946	8.1
post 1990	2.7	2.5	*	*	*	4,228	17.5
Total	20.6	11.9	4.6	1.9	7.5	24,173	100.0

Table 2.6b Dwelling stock condition in City of Preston estimates (number)

Dwelling age (ehs)	Dwelling age (voa)	Non-decent	Fails Decent Homes Minimum Standard	Fails Decent Homes Repair	Fails Decent Homes Modern facilities and services	Fails Decent Homes Thermal Comfort	All dwellings in group (000s)	% dwellings
pre-1919	pre-1919	4,814	3,348	1,063	560	1,394	14,370	24.7%
1919-44	1919-44	2,129	1,281	530	233	688	10,590	18.2%
1945-64	1945-64	1,596	835	445	176	464	9,280	16.0%
1965-80	1965-82	1,292	670	94	85	613	9,430	16.2%
1981-90	1983-1992	898	210	35	150	614	4,990	8.6%
post 1990	Post 1992	255	236	*	*	*	9,430	16.2%
Total	-	10,983	6,580	2,168	1,204	3,773	58,090	100.0%
% of all stock	-	18.9	11.3	3.7	2.1	6.5	-	-
National %	-	20.6	11.9	4.6	1.9	7.5	-	-

Source: English Housing Survey 2013 data applied to 2020 Valuation Office Agency dwelling stock age

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

Table 2.7 Dissatisfaction with quality of accommodation by tenure, property type and property age

Tenure	No. dissatisfied	% Dissatisfied	Base (households)
Owner occupier	2,882	7.3%	39,285
Private rented	1,230	17.5%	7,021
Affordable housing	2,465	20.2%	12,218
Total (all responses)	6,577	11.2%	58,524
Missing cases	-	-	0
Total (all households)	-	-	58,524
Property Type	No. dissatisfied	% Dissatisfied	Base (households)
Detached house	565	4.5%	12,420
Semi-detached house	1,877	11.2%	16,804
Terraced house / town house	2,546	14.1%	18,077
Bungalow	239	8.0%	2,986
Maisonette	86	36.9%	234
Flat / apartment	1,256	17.2%	7,323
Caravan/part home / other	8	1.3%	592
Total (all responses)	6,577	11.3%	58,438
Missing cases	-	-	86
Total (all households)	-	-	58,524
Property Age	No. dissatisfied	% Dissatisfied	Base (households)
Pre 1919	1,006	10.4%	9,638
1919 to 1944	1,641	16.6%	9,884
1945 to 1964	253	4.4%	5,713
1965 to 1984	408	5.2%	7,880
1985 to 2004	644	6.4%	10,093
2005 onwards	199	4.7%	4,282
Don't know	2,425	22.0%	11,008
Total (all responses)	6,577	11.2%	58,498
Missing cases	-	-	26
Total (all households)	-	-	58,524
Sub-Area	No. dissatisfied	% Dissatisfied	Base (households)
Central	3,659	17.0%	21,490
East	512	7.9%	6,499
North	1,116	8.3%	13,380
West	1,158	10.1%	11,507
Preston Rural East	61	2.0%	3,079
Preston Rural North	71	2.7%	2,569
City of Preston Total	6,577	11.2%	58,524

Source: 2021 household survey

Housing tenure

- 2.14 The tenure profile by sub-area is presented in Table 2.8. This is based on the 2011 Census overall but also takes into account growth in the private rented sector. 60.6% of occupied dwellings are owner-occupied, 19.5% are private rented (including tied accommodation and student housing) and 19.9% are affordable (including social rented from a council or housing association and shared ownership). There are considerable variations in tenure profile by sub-area. For instance, the proportion of affordable dwellings is highest in the East, West and Central sub-areas; and private renting highest in the Central sub-area (which is influenced by the student rental market). The proportion of owner occupied dwellings is highest in the rural areas and the North sub-area.

Table 2.8 Tenure profile by sub-area (%)

Sub-area	Owner occupied	Private rented	Affordable	Total	Base
Central	43.2%	35.8%	21.0%	100.0%	21,615
East	50.6%	17.2%	32.3%	100.0%	6,547
North	82.0%	10.4%	7.6%	100.0%	13,060
West	65.7%	11.6%	22.7%	100.0%	11,690
Preston Rural East	87.7%	9.3%	3.0%	100.0%	3,034
Preston Rural North	88.0%	9.9%	2.0%	100.0%	2,578
City of Preston Total	60.6%	19.5%	19.9%	100.0%	58,524

Source: 2011 Census KS402EW and 2021 household estimate

- 2.15 Variations in the characteristics of properties and households by tenure are explored in Table Tables 2.9 (properties), 2.10 (households) and 2.11 (economic activity and income).

Table 2.9 Characteristics of properties by tenure

Dwelling type	Owner occupied %	Private rented %	Affordable %	All tenures %
1 or 2 bedroom terraced house	6.7	19.3	12.6	9.4
1 or 2 bedroom semi-detached/detached house	3.8	9.8	11.1	6.0
3 bedroom terraced house	15.0	22.9	11.7	15.2
3 bedroom semi-detached/detached house	27.8	10.9	22.1	24.6
4 or more bedroom terraced house	6.0	3.4	1.5	4.7
4 or more bedroom semi-detached/detached house	31.6	0.5	2.2	21.8
1 bedroom flat/maisonette	0.4	5.3	20.3	5.1
2 bedroom flat/maisonette	2.8	15.4	11.6	6.1
3 or more bedroom flat/maisonette	0.0	10.1	0.7	1.3
1 bedroom bungalow/other	0.0	0.0	4.0	0.8
2 bedroom bungalow/other	2.5	2.4	1.3	2.2
3 or more bedroom bungalow/other	3.5	0.0	0.9	2.6
Total	100.0	100.0	100.0	100.0
Property age	Owner occupied %	Private rented %	Affordable %	All tenures %
Pre 1919	21.5	42.3	2.2	19.6
1919 to 1944	22.0	18.7	14.1	20.4
1945 to 1964	10.8	12.7	18.7	12.3
1965 to 1984	17.2	3.1	18.6	16.5
1985 to 2004	20.9	16.6	26.4	21.5
2005 onwards	7.6	6.7	20.0	9.6
Total	100.0	100.0	100.0	100.0
Base	39,285	7,021	12,218	58,524

Table 2.10 Characteristics of households by tenure: household type, length of residence and ethnicity

Household type	Owner occupied %	Private rented %	Affordable %	All tenures %
Single adult (under 65)	11.7	25.6	24.6	16.0
Single adult (65 or over)	7.5	5.1	15.9	9.0
Couple only (both under 65)	19.6	22.7	9.8	17.9
Couple only (one or both over 65)	16.3	2.2	6.3	12.6
Couple with at least 1 or 2 child(ren) under 18	18.7	14.1	9.5	16.3
Couple with 3 or more children under 18	4.8	5.1	6.1	5.1
Couple with child(ren) aged 18+	11.9	3.2	3.1	9.1
Lone parent with at least 1 or 2 child(ren) under 18	2.2	3.9	12.0	4.4
Lone parent with 3 or more children under 18	0.2	0.0	5.4	1.2
Lone parent with child(ren) aged 18+	2.2	2.7	1.4	2.1
Student household	0.3	12.0	0.0	1.6
Other type of household	4.5	3.6	5.8	4.7
Total	100.0	100.0	100.0	100.0
Length of residence	Owner occupied %	Private rented %	Affordable %	All tenures %
Less than 5 years	20.7	76.9	34.5	30.4
5 years or more	79.3	23.1	65.5	69.6
Total	100.0	100.0	100.0	100.0
Ethnicity	Owner occupied %	Private rented %	Affordable %	All tenures %
White	80.6	64.3	76.5	77.9
BAME	19.4	35.7	23.5	22.1
Total	100.0	100.0	100.0	100.0
Base	39,285	7,021	12,218	58,524

Table 2.11 Characteristics of households by tenure: economic activity and income

Economic activity of respondent	Owner occupied %	Private rented %	Affordable %	All tenures %
Working full-time (30 or more hours each week)	45.7	45.3	29.7	42.3
Working part-time (between 16 and up to 30 hours each week)	10.7	11.1	10.0	10.6
Working part-time (up to 16 hours each week)	2.5	6.0	5.2	3.5
Self-employed (full or part-time)	5.1	3.0	3.2	4.5
On government supported training programme	0.0	1.9	0.0	0.2
In full-time education (at school, college, university)	0.3	12.2	2.4	2.1
Unemployed and available for work	0.7	3.8	3.0	1.6
Permanently sick/disabled	2.7	5.5	12.4	5.0
Wholly retired from work	28.0	6.4	18.4	23.5
Looking after the home and/or children	2.6	4.8	8.6	4.1
Full-time carer or volunteer	1.8	0.0	7.1	2.7
Total	100.0	100.0	100.0	100.0
Household income	Owner occupied %	Private rented %	Affordable %	All tenures %
Up to £300 each week /£15,600 each year	10.7	36.9	51.6	22.0
between £300 and £500 each week / £15,600 to £26,000 each year	18.0	25.2	24.8	20.2
Between £500 and £750 each week / £26,000 to £39,000 each year	22.3	10.5	14.2	19.2
Between £750 and £1,150 each week / £39,000 to £59,800 each year	23.7	18.8	8.2	20.0
£1,150 each week / £59,800 each year or more	25.3	8.6	1.3	18.5
Base	39,285	7,021	12,218	58,524

The owner-occupied sector

- 2.16 An analysis of house prices and trends over time is presented in Chapter 3.
- 2.17 A detailed analysis of the characteristics of properties and households living in the owner occupied sector (Tables 2.9 to 2.11) indicates that:
- 59.4% of dwellings are semi-detached and detached properties with 3 or more bedrooms. The remaining properties tend to be terraced houses, with 3.2% flats and 6% bungalows.
 - There is a broad range of property ages and 28.5% of owner occupied properties have been built since 1985.
 - Owner occupier households tend to be couples under 65 and couples under 65 with families (55%) and older singles and couples (23.8%).
 - Most (79.3%) had lived in their accommodation for at least 5 years.
 - The private rented sector is the least ethnically diverse tenure, with 19.4% of household reference people from a BAME ethnicity.
 - 64% of household reference people were working either full or part-time and 28% are wholly retired from work.
 - Household incomes tend to be higher, with 49% having an annual income of at least £39,000.

Stakeholder views on the owner-occupied sector

- 2.18 A full analysis of the findings of the online stakeholder survey and from discussions with estate agents is set out in Technical Appendix E. Key points raised by stakeholders include:
- Build a range of property types to meet demand.
 - Main shortage is two and three-bedroom market houses and apartments.
 - A wide range of sites are needed to provide a diverse range of dwellings.
 - Development of bungalows can be challenging financially but need within the city is recognised.
- 2.19 Appendix E provides a summary of market activity by sub-area.

The private rented sector

- 2.20 The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment and to respond to changing circumstances. Across the City of Preston, the proportion of households renting increased from 11% in 2001 to around 19.9% in 2018 (ONS tenure estimates). Increasing house prices pre-2007 and the struggling sales market when the downturn came are both factors that have underpinned the growth of the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role

in meeting housing need, affordable need as well as providing an alternative to homeownership.

- 2.21 A detailed analysis of the characteristics of properties and households living in the private rented sector (Tables 2.9 to 2.11) indicates that:
- around 46% of dwellings are terraced properties, with 22.9% of all private rented properties 3 bedroom terraced houses; 31% are flats, particularly two and three bedroom.
 - Properties tend to be older, with 42.3% built before 1919 although 22.3% were built after 1985 and reflects the underlying profile of older terraced and newly-built flats.
 - 30.7% of private renters are single person households and 12% are student households; the sector also accommodates a range of household types.
 - Most (76.9%) had lived in their accommodation for less than 5 years.
 - The private rented sector is the most ethnically diverse tenure, with 35.7% of household reference people from a BAME ethnicity.
 - 65.4% of household reference people were working either full or part-time and 12% were in full-time education.
 - The private rented sector provides for a range of income groups. Although 36.9% of households had an income of less than £15,600 each year, 27.4% had an income of at least £39,000 each year.
- 2.22 Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encouraging good quality management will improve the reputation of the sector and encourage longer term lets and lower turnover. However, this is a challenging task where existing partners need to be encouraged to participate and new partners and investors need to be identified.

Build to Rent

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

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

Stakeholder views on the private rented sector

- 2.26 Stakeholders commented:
- Demand for rental products including Build to Rent across all areas, particularly affordable market rent.

Affordable housing

- 2.27 There are 12,220 affordable dwellings across the City of Preston according to the Regulator of Social Housing Statistical Data Return 2020 data:
- 10,209 general needs rented units;
 - 1,496 supported housing/housing for older people units; and
 - 515 low-cost home ownership units.
- 2.28 A detailed analysis of the characteristics of properties and households living in affordable housing (Tables 2.9 to 2.11) indicates that:
- Around 32.6% of dwellings are flats, with 23.7% smaller 1 and 2 bedroom houses, 37.5% larger 3 or more bedroom houses and 6.1% are bungalows.
 - 37.4% of properties were built between 1945 and 1984, 46.4% have been built since 1985 and 16.2% were built before 1945.
 - 40.5% of affordable housing residents are single person households, 18.8% are lone parents and 34.8% are couples or couples with children and 5.8% are other household types.
 - 65.5% had lived in their accommodation for more than 5 years.
 - 23.5% of household reference people have a BAME ethnicity.
 - Affordable housing household reference people are less likely to be in work compared with other tenures (48.1%) and more likely to be permanently sick/disabled (12.4%) and looking after the home/family or caring for someone (15.7%).
 - Incomes tend to be low, with 51.6% of households with an income less than £15,600 each year.

Stakeholder views on affordable housing

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

- Specific need for 1 bedroom flats, bungalows and 2, 3 and 4 bedroom houses.
- A need for adapted ground floor accommodation.
- Limited availability of affordable bungalows.
- There is demand for shared ownership but supply needs to be balanced against affordability, for instance there may be demand for 4-bedroom shared ownership properties but these may not be affordable.
- There is a particular need for larger properties.

Past trends in housing delivery

2.31 Over the past 11 years (2010/11 to 2020/21) 5,372 net new dwellings have been built across the City of Preston (Table 2.12), over half of which have been built in the five years to 2021/22. In the past 5 years, an annual average of 828 net completions have been achieved. A comparison of annual completions with the annual housing requirement is presented in Figure 2.1. The distribution of newbuild activity since 2007 is shown in Map 2.2.

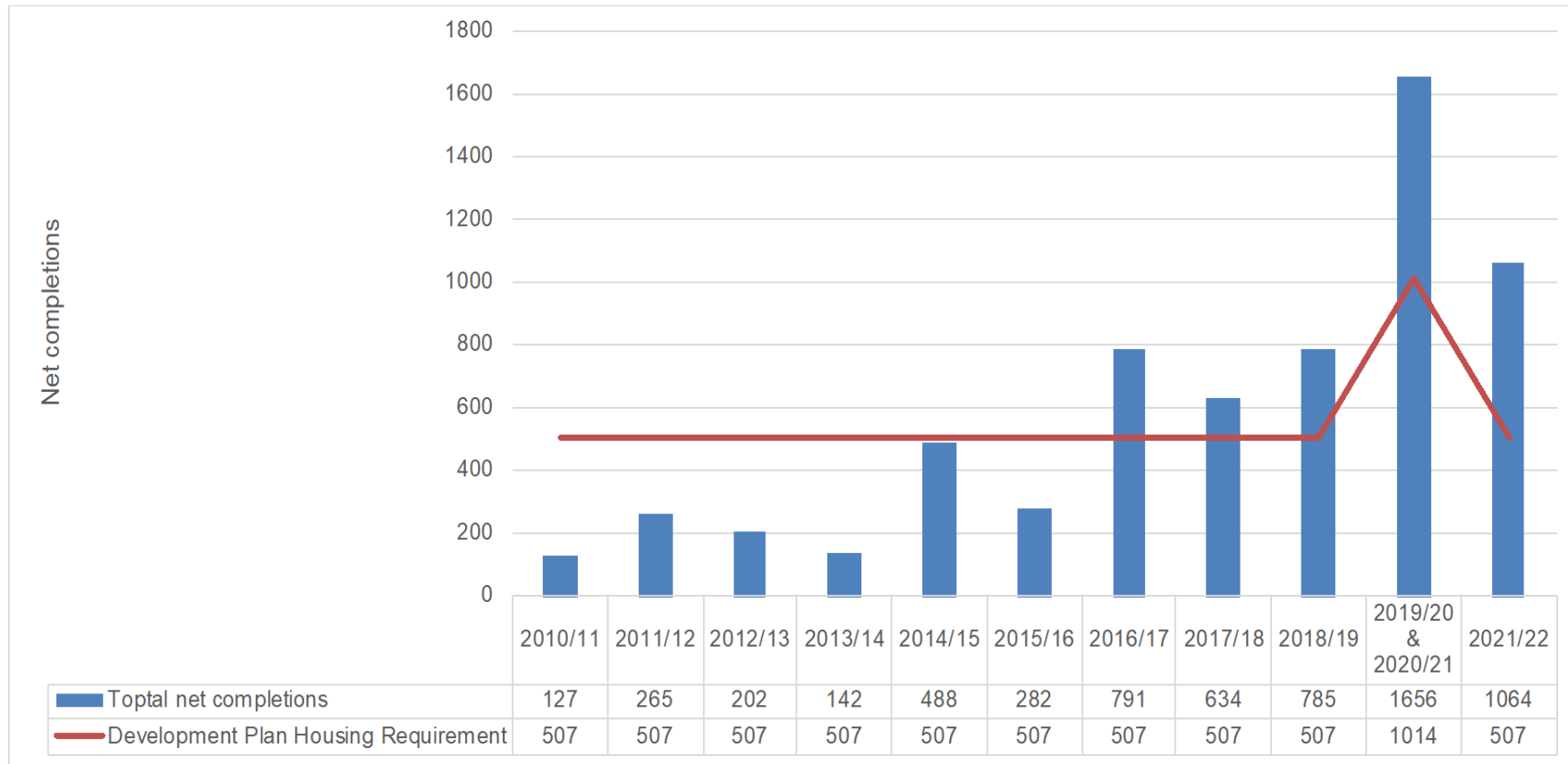
Table 2.12 Dwelling completions 2010/11 to 2021/22

Year	Total net completions	Development Plan Housing Requirement	Net completion minus Housing Requirement	Gross Affordable completions
2010/11	127	507	-380	0
2011/12	265	507	-242	38
2012/13	202	507	-305	66
2013/14	142	507	-365	35
2014/15	488	507	-19	16
2015/16	282	507	-225	178
2016/17	791	507	284	137
2017/18	634	507	127	197
2018/19	785	507	278	213
2019/20 & 2020/21	1656	1014	642	430
2021/22	1064	507	557	259
TOTAL (12 years)	6436	6084	352	1569
Annual average (12 years)	536	507	29	131
Total (past 5 years)	4139	2535	1604	1099
Annual average (past 5 years)	828	507	321	220

Sources: Preston City Council Annual Monitoring Reports and council data

Note that COVID19 impacted on standard monitoring practices so data for 2019/20 and 2020/21 were combined which is also reflected in a higher development plan housing requirement for combined years

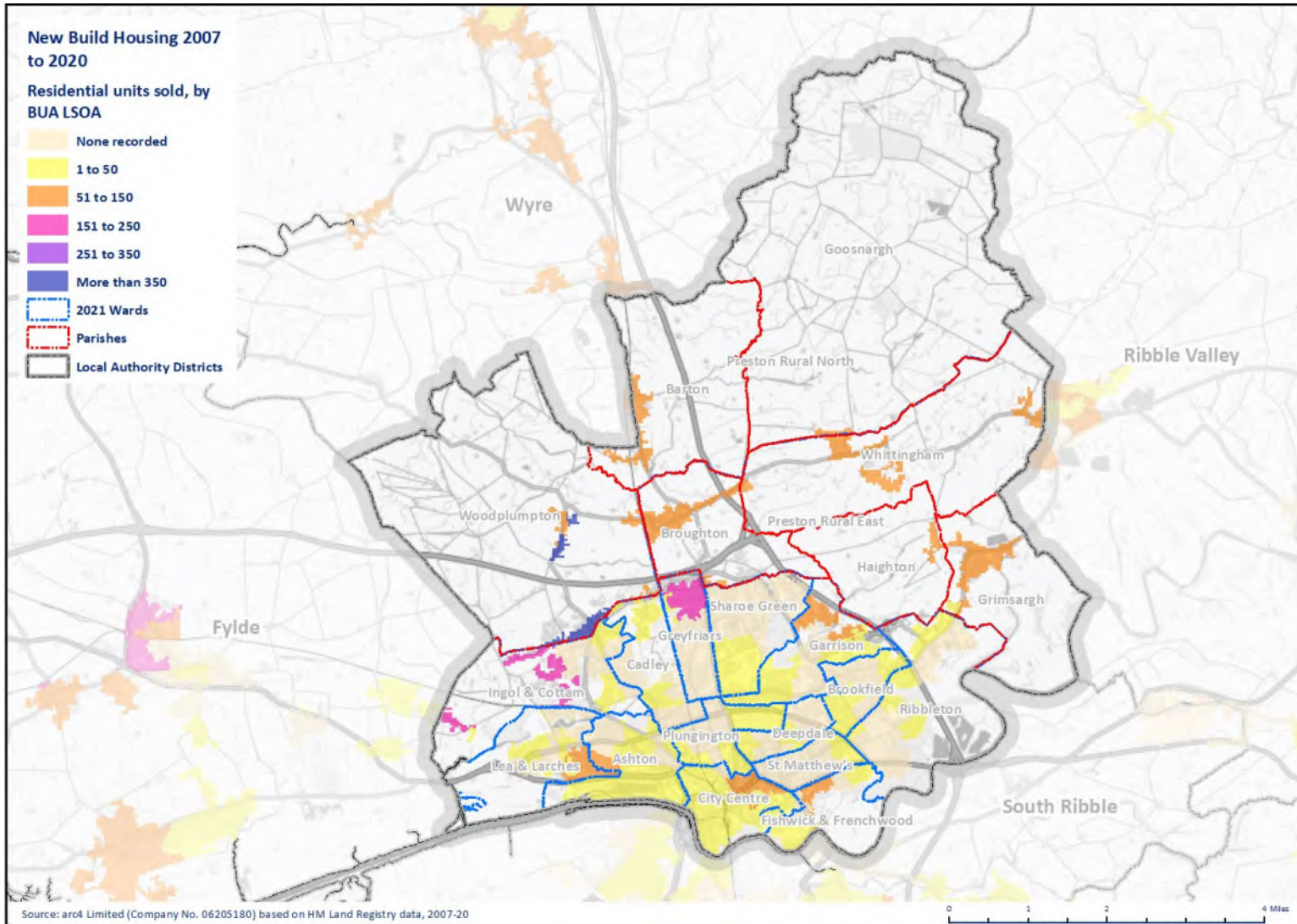
Figure 2.1 Dwelling completions compared with the annual requirement, 2010/11 to 2021/22



Source: Preston City Council Annual Monitoring Reports

Note: COVID19 impacted on standard monitoring practices so data for 2019/20 and 2020/21 are combined

Map 2.2 Newbuild dwellings by LSOA over period 2007-2020



Source: Land Registry © Crown copyright 2020

Demographic drivers: population and households

Population projections

- 2.32 The ONS produces population projections every two years. The latest 2018-based principal ONS population projections report a 2021 population of 142,960 across the city which is expected to increase by 5,010 (3.5%) to 147,970 by 2038 (Table 2.13). There is an increase across most age cohorts but mainly across older age groups, although there is reduction in the 55-64 cohort. Table 2.11 also shows the 2014-based ONS population projection totals. These projections underpin the 2014-based DLUHC household projections which inform the standard method to calculate housing need. They show a lower level of population growth compared with the 2018-based projections.

Table 2.13 Change in population 2021-2038 by age

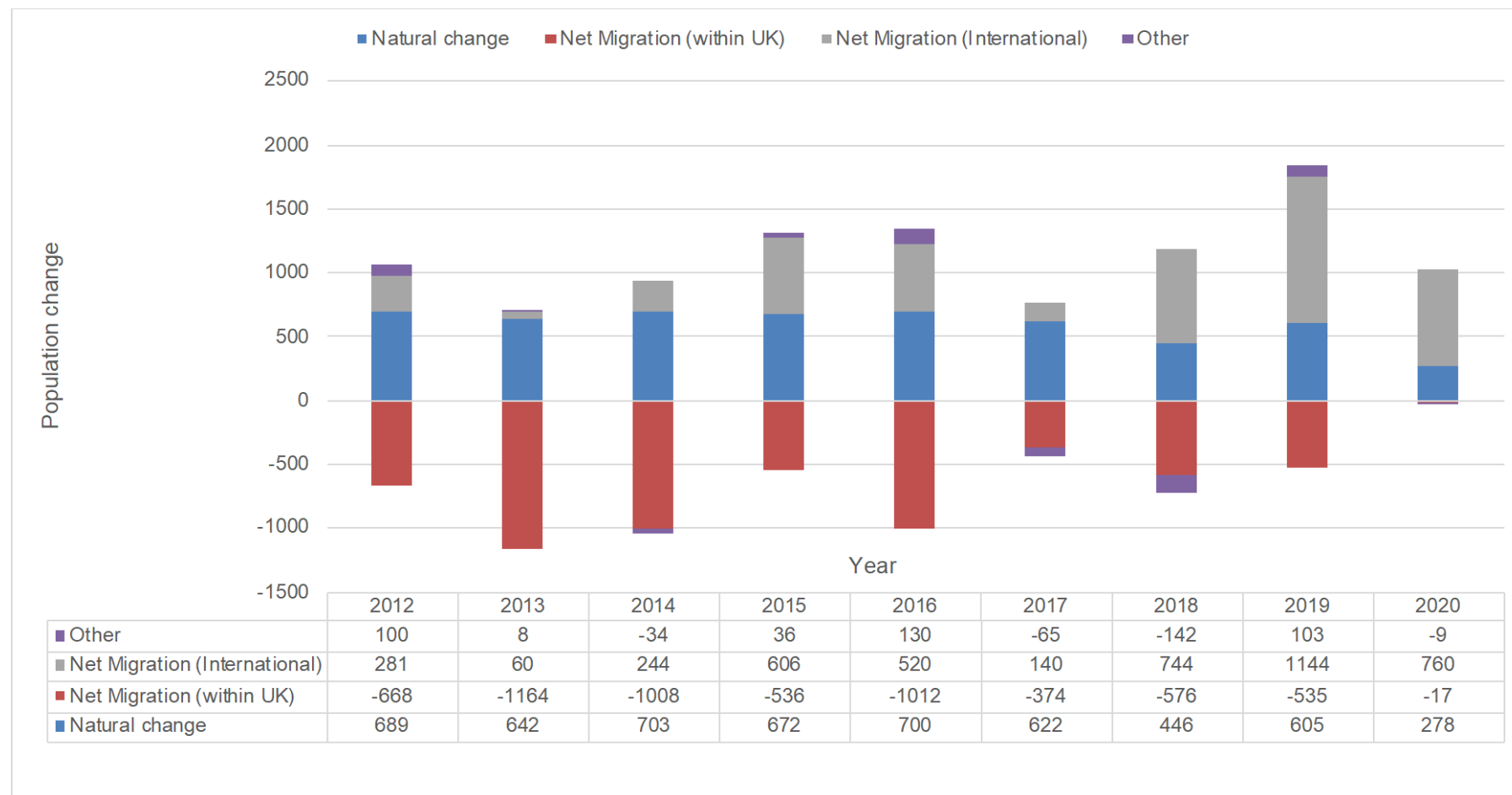
Age groups	2018-based ONS projections 2021	2018-based ONS projections 2038	2018-based ONS projections Number change 2021-2038	2018-based ONS projections % change 2021-2038
0-19	36,962	36,549	-412	-1.1%
20-39	42,966	43,735	769	1.8%
40-54	25,411	26,127	716	2.8%
55-64	16,428	14,398	-2,030	-12.4%
65-74	11,612	14,248	2,636	22.7%
75-84	6,897	9,352	2,455	35.6%
85+	2,685	3,561	876	32.6%
All Ages	142,960	147,970	5,010	3.5%
Age groups	2014-based ONS projections 2021	2014-based ONS projections 2038	2014-based ONS projections Number change 2021-2038	2014-based ONS projections % change 2021-2038
All Ages	142,100	145,400	3,300	2.3%

Source: 2018-based and 2014-based ONS population projections

Components of population change

- 2.33 The ONS publish mid-year population estimates at local authority level which includes an analysis of components of population change which takes account of natural change (births minus deaths), national migration and international migration. The component analysis also includes 'other' change which can include boundary adjustment and military population moves. The data for the City of Preston 2011-2020 is shown in Figure 2.2. Over the period 2011 to 2020, net in-migration has consistently had the greatest impact on population change.

Figure 2.2 Components of population change 2011 to 2020



Source: ONS Components of Change

Migration trends 2011-2019

- 2.34 Table 2.14 presents a detailed analysis of internal and international migration by year and Table 2.15 summarises the data by broad age and year groups. The base numbers may differ slightly from the ONS components of change analysis due to rounding but provides useful insight into the age group of migrants, their origins and destinations and the relative importance of international migration.
- 2.35 Key trends in migration over the period 2011 to 2019 include:
- The overall annual level of population movement has varied, with net in-migration in 4 years and outflows in 5 years, with the highest net outflow of 1,104 in 2013 and highest net inflow of 609 in 2019.
 - Strongest interactions are with districts in Lancashire and Greater Manchester.
 - Consistent net outflows to the rest of Central Lancashire, Fylde and Wyre (averaging 435 each year); and a general outflow to Lancashire as a whole (averaging 434 each year) but there is a consistent net inflow from the rest of Lancashire to Preston (averaging 160 each year).
 - Overall, there is a net outflow from Preston to other areas of the UK (averaging 690 each year)
 - International migration has had a positive impact on population (averaging 489 each year), with net in-flows in all years and highest in 2019.
 - In terms of migration by age group:
 - During 2011-19, the key inflows were people in the under 30, driven by international net-migration. There were also net inflows from the 'rest of Lancashire' but outflows to Central Lancashire along with elsewhere in England and increasing net outflows to Greater Manchester.
 - Consistent outflows of the 30-64 age group, with moves tending to be within the North West and mainly to Central Lancashire and Fylde.
 - Consistent outflow of 65+ age group but involving a smaller number of people compared with the other age groups. Particular outflow to Fylde and the rest of England.
- 2.36 An analysis of migration flows indicates a general net outflow to other areas, mainly in the North West with a particular emphasis of flows to elsewhere in Central Lancashire and Fylde. International migration has helped to sustain population and a key driver in the growth of the under 30 population across the City of Preston.

Table 2.14 National and international migration by year

YEAR	Preston	CENTRAL LANCS			LANCASHIRE						GREATER MANCHESTER				OTHER NEIGHBOURING AREAS / ELSEWHERE UK					TOTAL (UK internal)	International	TOTAL (internal & international)
		Chorley	South Ribble	Central Lancs TOTAL	Fylde	Ribble Valley	West Lancashire	Wyre	Rest of Lancashire	Lancashire TOTAL	Wigan	Bolton	Rest of Greater Manchester	Greater Manchester TOTAL	Rest of North West Region	ENGLAND (rest of)	SCOTLAND	NORTHERN IRELAND	WALES			
2011	Migrated OUT to	368	1,058	1,426	314	290	73	258	850	3,211	133	138	717	989	757	2,551	186	41	141	7,874	894	8,768
	Migrated IN from	224	822	1,046	206	268	98	206	895	2,719	140	171	778	1,089	924	2,571	127	69	134	7,632	1,560	9,192
	NET	-144	-236	-380	-108	-21	25	-52	45	-492	6	32	62	100	167	20	-59	28	-7	-242	666	424
2012	Migrated OUT to	449	1,310	1,759	321	283	113	290	851	3,616	191	204	930	1,324	922	2,750	184	44	176	9,016	790	9,806
	Migrated IN from	233	912	1,145	238	237	115	264	1,028	3,026	181	192	914	1,287	1,112	2,566	128	74	155	8,348	1,071	9,419
	NET	-215	-398	-614	-83	-46	2	-26	178	-589	-10	-12	-16	-38	190	-184	-56	30	-20	-668	281	-387
2013	Migrated OUT to	439	1,202	1,641	369	247	87	310	900	3,553	182	174	909	1,265	950	2,712	190	50	155	8,877	1,060	9,937
	Migrated IN from	256	888	1,144	183	269	92	239	1,091	3,017	151	207	854	1,212	884	2,278	116	52	155	7,713	1,120	8,833
	NET	-183	-314	-497	-186	22	5	-72	191	-536	-31	33	-55	-54	-67	-435	-74	2	-1	-1,164	60	-1,104
2014	Migrated OUT to	445	1,247	1,692	406	362	119	349	853	3,781	203	201	1,002	1,406	991	2,661	205	35	138	9,217	1,107	10,324
	Migrated IN from	319	955	1,274	220	258	93	351	1,038	3,234	147	196	887	1,230	1,039	2,362	136	45	163	8,209	1,351	9,560
	NET	-126	-292	-418	-185	-105	-26	2	185	-547	-56	-5	-115	-176	47	-298	-69	10	25	-1,008	244	-764
2015	Migrated OUT to	435	1,351	1,785	412	345	93	314	783	3,733	146	181	979	1,306	983	2,569	183	58	177	9,009	1,000	10,009
	Migrated IN from	329	960	1,289	272	251	111	272	1,060	3,254	141	228	885	1,253	891	2,679	160	52	183	8,473	1,606	10,079
	NET	-106	-391	-497	-140	-95	18	-42	277	-478	-6	47	-94	-53	-91	110	-23	-7	6	-536	606	70
2016	Migrated OUT to	463	1,331	1,794	391	360	135	364	972	4,016	158	157	969	1,285	968	2,576	180	62	172	9,259	1,164	10,423
	Migrated IN from	354	861	1,215	309	281	120	195	1,056	3,175	158	221	863	1,242	949	2,510	159	49	163	8,247	1,684	9,931
	NET	-109	-470	-579	-82	-79	-16	-169	84	-841	0	64	-107	-43	-20	-66	-21	-13	-9	-1,012	520	-492
2017	Migrated OUT to	427	1,237	1,664	362	306	92	312	885	3,620	140	191	1,039	1,371	994	2,884	160	40	184	9,253	1,308	10,561
	Migrated IN from	323	846	1,169	250	353	142	225	1,088	3,228	159	180	1,023	1,363	1,009	2,973	97	49	160	8,879	1,448	10,327
	NET	-104	-391	-495	-111	47	51	-87	203	-393	18	-11	-16	-8	15	89	-62	9	-24	-374	140	-234
2018	Migrated OUT to	410	1,177	1,587	391	308	114	369	1,001	3,769	166	192	1,043	1,401	947	2,907	126	37	158	9,346	1,106	10,452
	Migrated IN from	353	967	1,320	278	324	122	225	1,135	3,405	124	226	925	1,275	911	2,794	139	46	200	8,770	1,850	10,620
	NET	-56	-210	-266	-113	16	8	-144	134	-365	-42	34	-117	-125	-36	-113	13	8	42	-576	744	168
2019	Migrated OUT to	401	1,173	1,574	396	344	136	314	1,023	3,786	145	232	1,088	1,465	957	2,858	148	51	179	9,443	638	10,081
	Migrated IN from	417	987	1,404	258	350	153	250	1,166	3,581	145	175	847	1,167	937	2,889	154	38	142	8,908	1,782	10,690
	NET	16	-185	-169	-138	6	17	-64	142	-205	0	-57	-242	-299	-20	31	7	-13	-36	-535	1,144	609

Sources:

Internal: ONS detailed estimates of by origin and destination by local authorities age and sex

International: ONS Detailed time series 2001 -2019 (Table: MYEB2)

Table 2.15 Summary of national and international migration by year group and age group

PERIOD	AGE GROUP	Preston	CENTRAL LANCs			LANCASHIRE						GREATER MANCHESTER				OTHER NEIGHBOURING AREAS / ELSEWHERE UK					TOTAL (UK internal)	International	TOTAL (internal & international)
			Chorley	South Ribble	Central Lancs TOTAL	Fylde	Ribble Valley	West Lancashire	Wyre	Rest of Lancashire	Lancashire TOTAL	Wigan	Bolton	Rest of Greater Manchester	Greater Manchester TOTAL	Rest of North West Region	ENGLAND (rest of)	SCOTLAND	NORTHERN IRELAND	WALES			
2011-2013	<30	Migrated OUT to	700	1,926	2,626	444	400	190	399	1,686	5,744	375	396	2,060	2,831	2,090	6,153	330	104	355	17,607	1,533	19,140
		Migrated IN from NET	394	1,423	1,817	333	388	219	409	2,065	5,231	375	454	2,180	3,009	2,484	6,032	238	154	349	17,498	2,938	20,436
	30-64	Migrated OUT to	-306	-502	-809	-111	-12	29	10	380	-513	0	58	120	178	394	-121	-91	51	-6	-109	1,405	1,296
		Migrated IN from NET	483	1,400	1,883	435	343	73	352	808	3,895	126	118	470	714	488	1,651	204	27	102	7,081	1,154	8,235
	65+	Migrated OUT to	265	1,031	1,295	253	307	76	247	877	3,056	93	109	351	553	393	1,265	117	41	81	5,506	758	6,264
		Migrated IN from NET	-219	-369	-588	-182	-36	3	-105	69	-838	-33	-9	-118	-161	-95	-387	-87	13	-21	-1,575	-396	-1,971
65+	Migrated OUT to	72	244	316	125	77	10	106	107	741	6	3	25	34	51	209	26	4	15	1,080	57	1,137	
	Migrated IN from NET	55	167	222	40	79	10	52	72	475	3	7	37	47	57	115	15	0	14	724	55	779	
2014-2016	<30	Migrated OUT to	-17	-77	-94	-85	2	0	-54	-35	-266	-4	5	11	13	7	-94	-11	-4	-1	-356	-2	-358
		Migrated IN from NET	687	1,948	2,635	496	522	248	493	1,738	6,131	394	424	2,415	3,233	2,352	6,059	337	114	356	18,582	1,758	20,340
	30-64	Migrated OUT to	530	1,431	1,961	408	382	233	456	2,069	5,509	358	520	2,194	3,072	2,375	5,843	303	128	412	17,642	3,477	21,119
		Migrated IN from NET	-157	-517	-673	-88	-140	-15	-38	331	-622	-36	96	-221	-161	22	-216	-34	14	56	-940	1,719	779
	65+	Migrated OUT to	545	1,692	2,237	542	418	85	400	789	4,472	105	107	506	717	508	1,565	197	39	119	7,617	1,404	9,021
		Migrated IN from NET	391	1,066	1,456	333	328	74	291	985	3,466	79	114	399	592	452	1,550	132	10	80	6,282	1,084	7,366
65+	Migrated OUT to	-155	-626	-781	-209	-90	-11	-109	196	-1,005	-26	8	-107	-125	-56	-15	-65	-29	-39	-1,335	-320	-1,655	
	Migrated IN from NET	111	289	399	171	127	15	134	81	927	8	8	30	46	82	181	35	3	11	1,286	109	1,395	
2017-2019	<30	Migrated OUT to	81	279	360	61	79	17	72	101	688	6	9	57	72	48	152	17	5	22	1,003	80	1,083
		Migrated IN from NET	-30	-10	-39	-110	-48	2	-63	20	-239	-3	2	27	26	-35	-30	-18	2	10	-283	-29	-312
	30-64	Migrated OUT to	600	1,694	2,294	450	488	244	411	1,885	5,772	341	422	2,469	3,232	2,117	6,526	236	86	369	18,338	1,742	20,080
		Migrated IN from NET	565	1,328	1,894	380	534	296	397	2,112	5,611	306	424	2,176	2,906	2,118	6,394	235	112	373	17,750	3,725	21,475
	65+	Migrated OUT to	-35	-366	-401	-71	46	52	-14	227	-161	-35	2	-293	-326	1	-132	-1	26	4	-588	1,983	1,395
		Migrated IN from NET	511	1,571	2,082	510	356	79	426	918	4,371	104	179	671	954	692	1,877	171	39	136	8,240	1,239	9,479
65+	Migrated OUT to	436	1,172	1,608	332	409	101	248	1,169	3,866	118	138	584	840	660	2,090	128	21	114	7,720	1,270	8,990	
	Migrated IN from NET	-75	-399	-474	-178	53	22	-179	251	-505	14	-41	-87	-113	-31	213	-43	-18	-22	-520	31	-489	
65+	Migrated OUT to	126	322	448	188	113	19	157	106	1,032	6	15	31	52	90	246	26	3	15	1,464	71	1,535	
	Migrated IN from NET	93	300	393	75	84	21	55	108	736	8	19	44	71	73	167	31	4	14	1,096	85	1,181	
65+	Migrated OUT to	-33	-22	-55	-113	-29	2	-103	2	-297	1	5	13	19	-17	-79	5	1	-1	-368	14	-354	
	Migrated IN from NET																						

Sources:

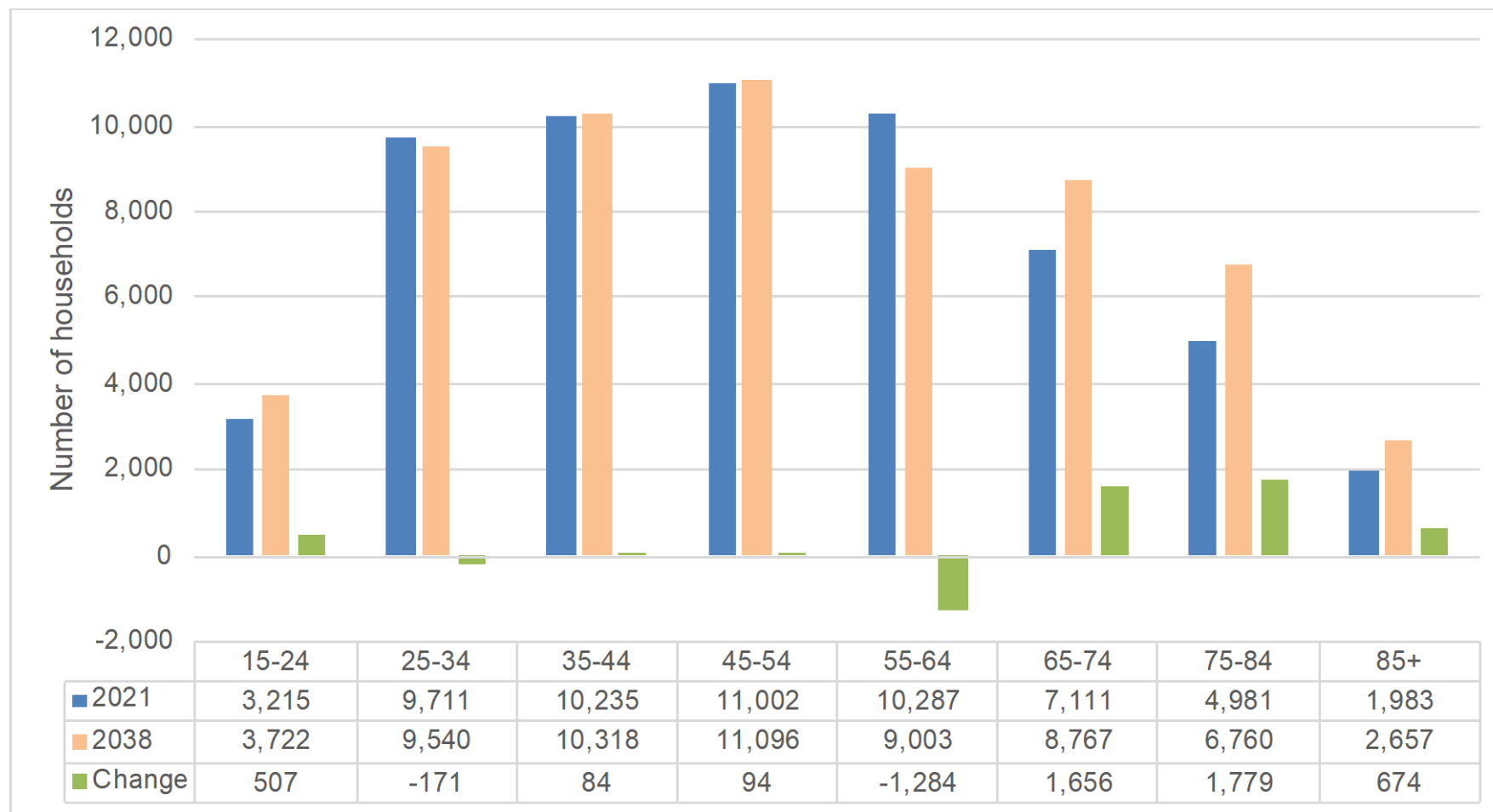
Internal: ONS detailed estimates of by origin and destination by local authorities age and sex

International: ONS Detailed time series 2001 -2019 (Table: MYEB2)

Household projections

- 2.37 The ONS produces household projections which are based on population projections. The ONS estimates the proportions of people who are likely to be household reference people by age, gender and household type based on census data. Variant household projections are also produced.
- 2.38 According to the 2018-based principal ONS household projections there are 58,524 households across the city in 2021 and this is projected to increase by 3,338 (5.7%) to 61,863 by 2038.
- 2.39 Table 2.16 provides a detailed breakdown of household type by the age of Household Reference Person to 2038. Currently available data shows that the overall household type profile is not expected to change over the 2021 to 2038 period, with the dominant household types being 'other households' with two or more adults and 'one person' households. However, as illustrated in Figure 2.3, there will be a marked increase in the number of households where the Household Reference Person is aged 65 or over.

Figure 2.3 Profile of households by age of Household Reference Person 2021 and 2038 projections



Source: 2018-based ONS household projections

Table 2.16a Household types and change 2021 (HRP = Household Reference Person)

Household type	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
One Person	1,292	3,251	3,403	3,700	3,800	3,046	2,416	1,294	22,202	37.9%
Household with 1 dependent child	611	1,833	1,928	1,827	854	186	60	14	7,313	12.5%
Household with 2 dependent children	234	1,295	1,973	1,402	359	28	5	0	5,295	9.0%
Household with 3 or more dependent children	112	888	1,252	565	98	10	4	1	2,931	5.0%
Other households with two or more adults	967	2,444	1,678	3,508	5,176	3,841	2,496	674	20,784	35.5%
Total	3,215	9,711	10,235	11,002	10,287	7,111	4,981	1,983	58,524	100.0%

Table 2.16b Household types and change 2038 (HRP = Household Reference Person)

Household type	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
One Person	1,496	3,214	3,443	3,702	3,309	3,734	3,243	1,709	23,849	38.6%
Household with 1 dependent child	710	1,789	1,914	1,858	737	226	82	18	7,334	11.9%
Household with 2 dependent children	272	1,263	1,996	1,464	307	34	7	0	5,344	8.6%
Household with 3 or more dependent children	131	861	1,262	590	81	12	6	2	2,944	4.8%
Other households with two or more adults	1,114	2,413	1,703	3,482	4,569	4,761	3,423	929	22,392	36.2%
Total	3,722	9,540	10,318	11,096	9,003	8,767	6,760	2,657	61,863	100.0%

Table 2.16c Household types and change 2021 to 2038 (HRP = Household Reference Person)

Household type	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
One Person	204	-36	40	1	-491	688	827	415	1,647	49.3%
Household with 1 dependent child	99	-45	-14	31	-117	40	22	5	21	0.6%
Household with 2 dependent children	38	-31	23	62	-52	6	2	0	49	1.5%
Household with 3 or more dependent children	18	-27	10	25	-17	2	1	1	13	0.4%
Other households with two or more adults	147	-32	25	-26	-607	920	927	254	1,608	48.2%
Total	507	-171	84	94	-1,284	1,656	1,779	674	3,338	100.0%

Source: 2018-based ONS household projections

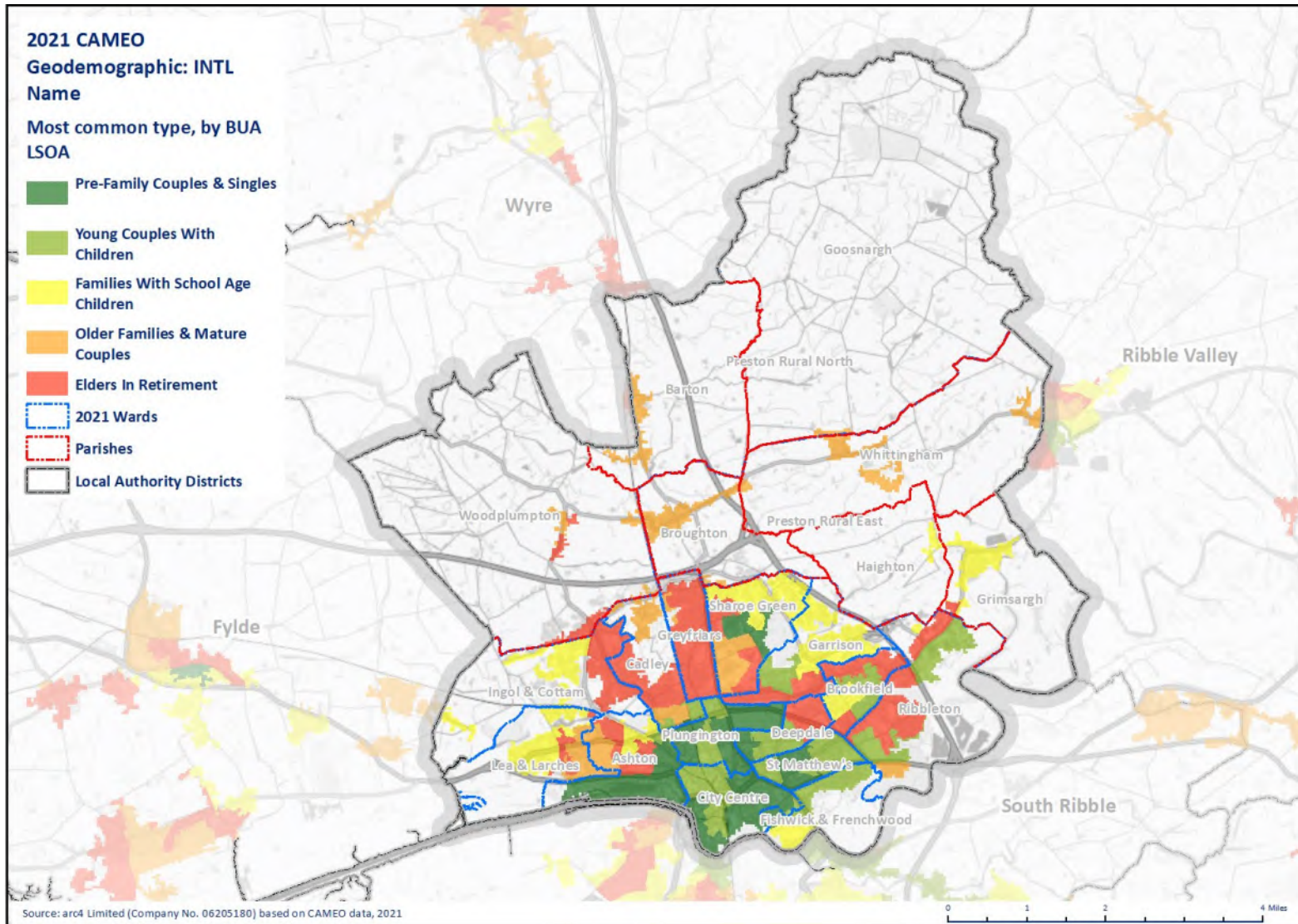
Defining the Housing Market Area

- 2.40 PPG asks councils to consider the extent to which their local authority area is a self-contained housing market area. This remains an important consideration for the council as the degree of interaction may require policy responses.
- 2.41 Considerable work which considers migration and travel to work data has been carried out in other studies which demonstrate that the City of Preston is part of a wider Central Lancashire Housing Market Area. For instance, the 2020 Central Lancashire Housing Study concluded that 'the SHMA definition of the Central Lancashire HMA as comprising Preston, Chorley and South Ribble' remains appropriate.

General household characteristics

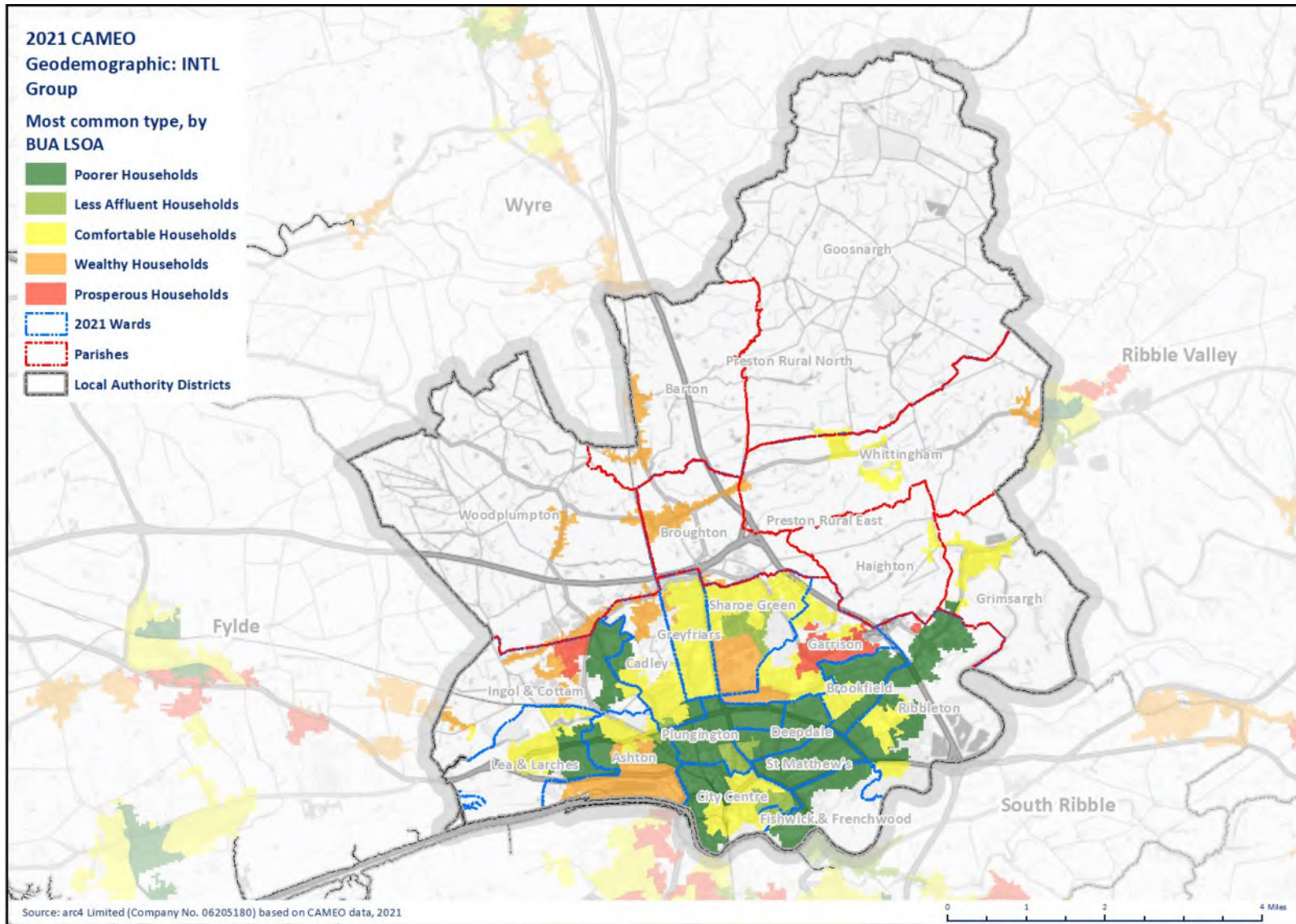
- 2.42 The range of households living in the City of Preston is illustrated in Maps 2.3 and 2.4. Map 2.3 illustrates the distribution of key household typologies and indicates a predominance of younger household groups in the inner urban areas of Preston, families and older groups in suburban and rural areas.
- 2.43 Map 2.4 considers income groups, broadly illustrating that higher income groups live in rural and suburban areas and lower income groups in urban areas.

Map 2.3 Household characteristics: household type by LSOA, 2021



Source: CAMEO UK

Map 2.4 Household characteristics: income type, by LSOA, 2021



Source: CAMEO UK

Income data

- 2.44 There are a range of income data sources available to inform this study which are now summarised. 2021 CAMEO income data provide range, quartile and average data of gross household income by sub-area. ONS Annual Survey of Hours and Earnings data provides gross earnings of economically active residents at district level.
- 2.45 Table 2.17 summarises gross income by sub-area using 2020 CAMEO UK data and indicates a city-wide lower quartile household income of £15,000 and an average of £26,796.
- 2.46 The 2021 Annual Survey of Hours and Earnings resident-based data indicates lower quartile earnings are £21,333, median earnings are £27,425 and average earnings are £31,910 across the City of Preston.

Table 2.17 Gross household income by sub-area, ward and rural parish

Sub-area	Ward	Annual gross household income								Lower Quartile	Median	Average
		<£10k	£10k to <£20k	£20k - <£30k	£30k- <£40k	£40k- <£50k	£50k- <£75k	£75k or more	Total			
Central	City Centre	18.0%	60.9%	17.6%	3.4%	0.1%	0.0%	0.0%	100.0%	£5,000	£15,000	£15,447
	Deepdale	4.5%	86.5%	8.7%	0.2%	0.1%	0.0%	0.0%	100.0%	£15,000	£15,000	£15,625
	Fishwick & Frenchwood	15.6%	69.4%	12.7%	1.9%	0.0%	0.4%	0.0%	100.0%	£15,000	£15,000	£15,625
	Plungington	15.3%	53.4%	28.3%	3.0%	0.1%	0.0%	0.0%	100.0%	£5,000	£15,000	£16,675
	St Matthew's	22.7%	69.9%	7.3%	0.1%	0.1%	0.0%	0.0%	100.0%	£5,000	£15,000	£13,586
	TOTAL		15.7%	66.8%	15.4%	1.8%	0.1%	0.1%	0.0%	100.0%	£5,000	£15,000
East	Brookfield	7.4%	65.0%	23.7%	2.3%	1.6%	0.0%	0.0%	100.0%	£15,000	£15,000	£17,197
	Ribbleton	8.8%	68.4%	15.6%	6.7%	0.5%	0.0%	0.0%	100.0%	£15,000	£15,000	£16,173
	TOTAL	8.2%	66.8%	19.4%	4.6%	1.0%	0.0%	0.0%	100.0%	£15,000	£15,000	£16,633
North	Cadley	4.0%	20.4%	37.1%	21.9%	9.7%	6.4%	0.5%	100.0%	£15,000	£25,000	£29,877
	Garrison	7.4%	9.3%	14.7%	17.9%	30.2%	20.2%	0.3%	100.0%	£25,000	£35,000	£38,333
	Greyfriars	0.0%	4.6%	16.6%	48.9%	21.7%	8.2%	0.0%	100.0%	£35,000	£35,000	£38,364
	Sharoe Green	4.0%	6.3%	13.8%	47.0%	24.0%	4.8%	0.1%	100.0%	£25,000	£35,000	£35,172
	TOTAL	3.9%	10.4%	21.0%	33.7%	21.1%	9.7%	0.2%	100.0%	£25,000	£35,000	£35,621
West	Ashton	1.5%	14.2%	40.1%	22.8%	14.9%	6.5%	0.0%	100.0%	£25,000	£25,000	£31,500
	Ingol & Cottam	9.8%	42.4%	9.4%	7.8%	18.3%	12.2%	0.1%	100.0%	£15,000	£25,000	£31,563
	Lea & Larches	4.0%	49.4%	21.3%	13.6%	11.3%	0.5%	0.0%	100.0%	£15,000	£15,000	£23,697
	TOTAL	5.0%	34.9%	24.1%	15.0%	14.8%	6.3%	0.0%	100.0%	£15,000	£25,000	£28,961
Sub-area	Parish	Annual gross household income								Lower Quartile	Median	Average
		<£10k	£10k to <£20k	£20k - <£30k	£30k- <£40k	£40k- <£50k	£50k- <£75k	£75k or more	Total			
Rural East	Broughton	0.0%	12.5%	29.5%	14.0%	26.9%	14.5%	2.5%	100.0%	£25,000	£45,000	£44,898
	Grimstargh	0.0%	0.0%	13.8%	24.4%	37.0%	24.7%	0.1%	100.0%	£35,000	£45,000	£45,909
	Haighton	0.0%	0.0%	0.0%	6.7%	28.0%	50.7%	14.7%	100.0%	£35,000	£45,000	£56,250
	Whittingham	0.0%	0.1%	8.3%	36.9%	35.7%	18.5%	0.5%	100.0%	£35,000	£45,000	£42,091
	TOTAL	0.0%	3.6%	16.1%	24.8%	33.5%	20.7%	1.3%	100.0%	£35,000	£45,000	£44,712
Rural North	Barton	0.8%	0.0%	0.0%	21.3%	47.9%	28.7%	1.2%	100.0%	£42,500	£45,000	£50,147
	Goosnargh	0.0%	0.0%	0.4%	23.1%	34.5%	39.8%	2.2%	100.0%	£35,000	£45,000	£52,031
	Woodplumpton	1.5%	0.0%	0.1%	19.4%	28.8%	43.5%	6.7%	100.0%	£45,000	£45,000	£50,742
	TOTAL	0.9%	0.0%	0.2%	20.9%	35.4%	38.6%	4.1%	100.0%	£45,000	£45,000	£50,983
Preston		8.6%	41.7%	18.6%	14.1%	10.9%	5.8%	0.2%	100.0%	£15,000	£25,000	£26,796

Source: CAMEO UK 2021. Note: data is show for broad income bands and sometime lower quartile and median earnings fall within the same band.

Summary

- 2.47 Across the City of Preston there are an estimated 65,220 dwellings and 58,524 households and 4.3% of dwellings are vacant.
- 2.48 In terms of dwelling stock:
- 60.6% of occupied dwellings are owner occupied, 19.5% are private rented and 19.9% are affordable (including social/affordable renting and shared ownership);
 - 73.6% of dwellings are houses (34.5% terraced, 25.5% semi-detached and 13.6% detached), 20.1% are flats and 6.2% are bungalows; and
 - 12.1% of dwellings have one bedroom, 26.5% two bedrooms, 47.6% three bedrooms and 13.9% four or more bedrooms; and
 - 43% of dwellings were built before 1945, 32.2% between 1945 and 1982 and 24.8% since 1983. An estimated 18.9% of all dwelling stock is non-decent.
- 2.49 Over the 11 years 2010/11 to 2020/21, 5,372 net new dwellings have been built across the City of Preston. In the past 5 years to 2020/21, an annual net average of 773 dwellings have been built across the city.
- 2.50 The population in 2021 was 142,960 and this is projected to increase by 4,658 to 147,970 by 2038, with the largest increases across older age groups. Latest 2018-based ONS household projections suggest a total of 58,524 households in 2021 and this is projected to increase by 3,338 (5.7%) to 61,863 by 2038. Largest increases will be one person and other households with two or more adults, and households with a Household Reference Person aged 65 and over.
- 2.51 An analysis of migration flows indicates a general net outflow to other areas, mainly in the North West with a particular emphasis of flows to elsewhere in Central Lancashire and Fylde. International migration has helped to sustain population and a key driver in the growth of the under 30 population across the City of Preston.
- 2.52 Existing studies have demonstrated that the City of Preston is part of the Central Lancashire Housing Market Area.

3. Price, rents and affordability

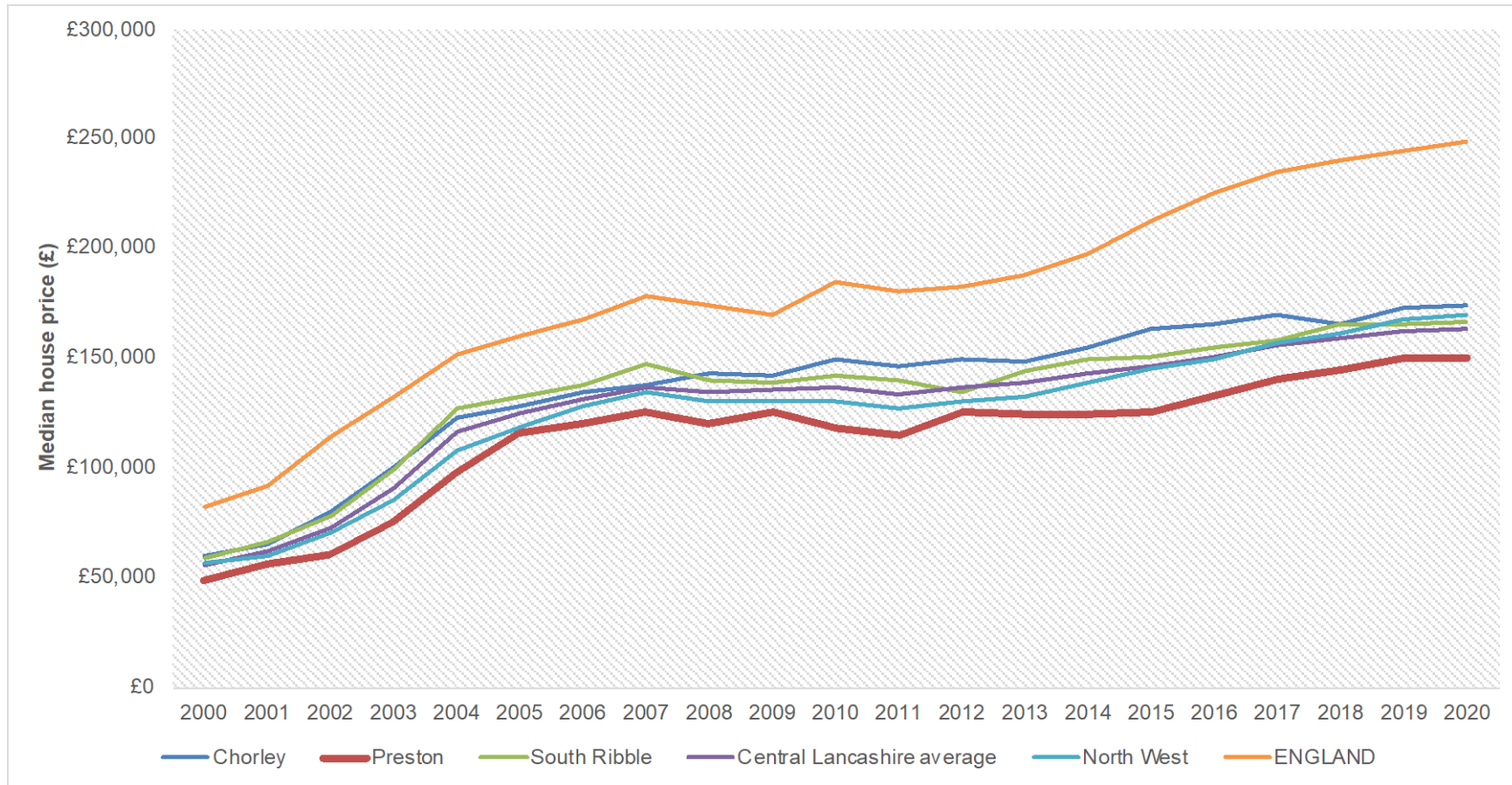
Introduction

- 3.1 This chapter sets out the cost of buying and renting properties across the City of Preston. The affordability of tenure options is then considered with reference to local incomes along with the incomes of key workers and households on minimum/living wages. Data relates to 2020 and therefore does not take into account any market or income changes relating to the COVID-19 pandemic.

House price trends

- 3.2 Figure 3.1 shows how house prices in the City of Preston have changed over the years 2000 to 2020, based on full-year Land Registry price paid data. This is compared with the Central Lancashire authorities and England.
- 3.3 Median house prices across the City of Preston have consistently been lower than other areas of Central Lancashire, the North West and England. Overall, median prices have increased from £49,011 in 2000 to £150,000 in 2020, an increase of +205.7%. LQ prices have increased from £34,000 in 2000 to £98,000 in 2020. Tables 3.1 and 3.2 show how price change in the City of Preston compares with its neighbouring areas, the region and England.

Figure 3.1 Median house price trends 2000 to 2020: City of Preston, Central Lancashire, North West and England



Source: Data produced by Land Registry © Crown copyright 2021

Table 3.1 Comparative median house price change 2000-2020 with neighbouring districts, North West and England

Location	Median Price (£) 2000	Median Price (£) 2020	% Change 2000-2020
ENGLAND	£82,000	£249,000	203.7
Ribble Valley	£68,500	£231,000	237.2
Fylde	£71,500	£205,000	186.7
West Lancashire	£69,950	£184,950	164.4
Chorley	£60,000	£174,500	190.8
North West	£56,500	£170,000	200.9
South Ribble	£58,500	£167,000	185.5
Wyre	£60,000	£164,500	174.2
Central Lancashire	£55,837	£163,833	193.4
City of Preston	£49,011	£150,000	206.1
Wigan	£49,000	£147,000	200.0
Bolton	£46,950	£145,000	208.8

Source: Data produced by Land Registry © Crown copyright 2021

Table 3.2 Comparative lower quartile (LQ) house price change 2000-2020 with neighbouring districts, North West and England

Location	LQ Price (£) 2000	LQ Price (£) 2020	% Change 2000-2020
Ribble Valley	£48,500	£166,000	242.3
ENGLAND	£54,000	£164,000	203.7
Fylde	£52,500	£146,000	178.1
West Lancashire	£52,500	£137,000	161.0
South Ribble	£45,000	£130,000	188.9
Chorley	£44,000	£128,500	192.0
Wyre	£46,500	£125,000	168.8
North West	£37,000	£119,448	222.8
Central Lancashire	£41,000	£118,833	189.8
Wigan	£33,000	£105,000	218.2
Bolton	£30,000	£102,500	241.7
City of Preston	£34,000	£ 98,000	188.2

Source: Data produced by Land Registry © Crown copyright 2021

- 3.4 Table 3.3 sets out the change in house prices by settlement/parish over the period 2007 to 2020 (Note: Land Registry ward level analysis is only possible from 2007). During this period, median prices increased by +19% overall but varies considerably at ward/parish level. Table 3.3 also sets out LQ data for the same period, with an overall increase of +1.6% and considerable variation within the city.
- 3.5 Maps 3.1 and 3.2 provide an illustration of LQ and median prices using Lower Super Output Area. The maps show a range of market prices, with highest prices in rural areas and lowest in the inner urban areas of Preston.

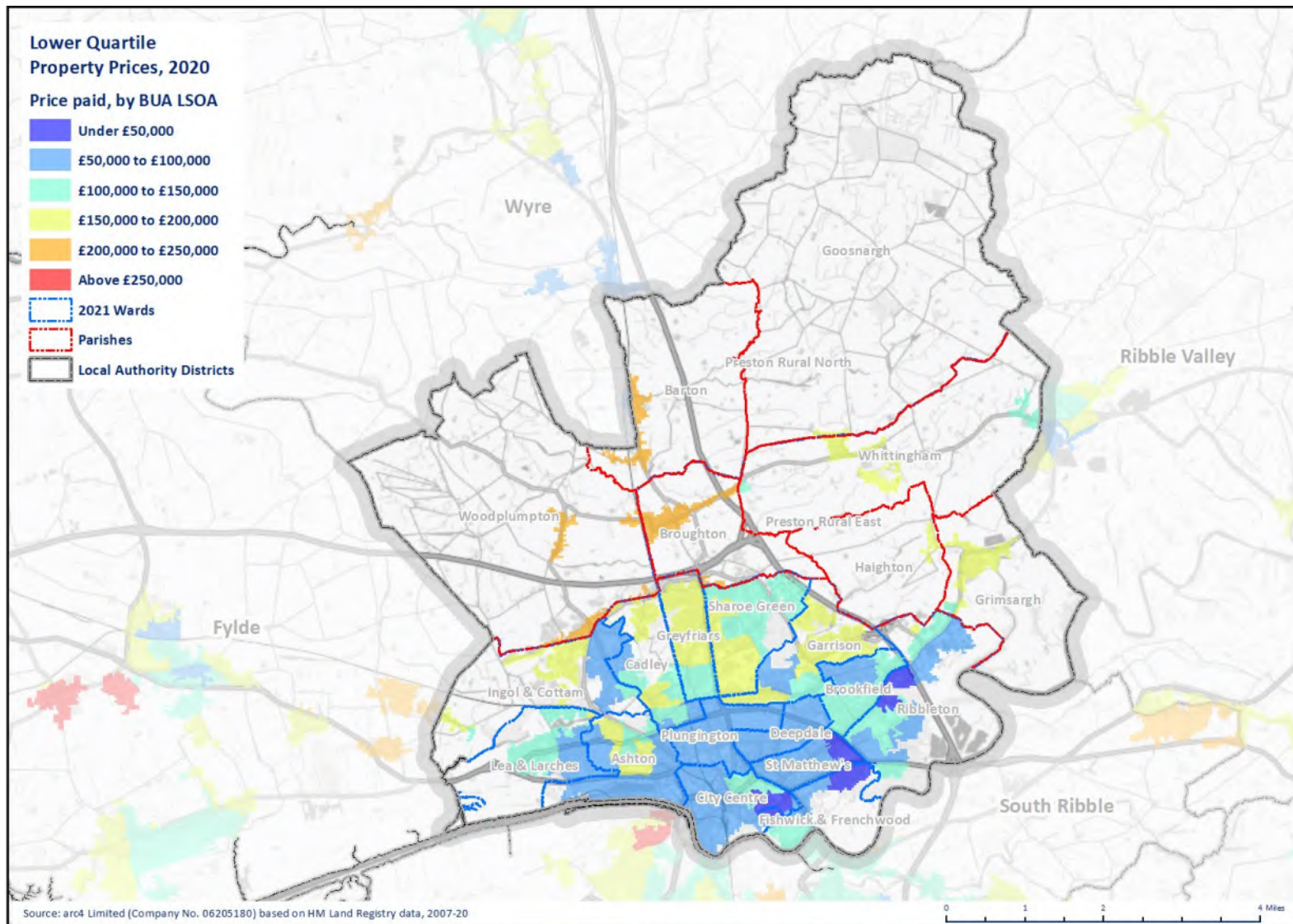
Table 3.3 Comparative lower quartile and median house price change 2007-2020 for sub-areas, wards and rural parishes

Sub-area	Ward/Parish	LQ price 2007	LQ price 2020	LQ price % change	Median price 2007	Median price 2020	Median price % change
Central	City Centre	£95,500	£75,000	-21.5%	£120,000	£108,500	-9.6%
Central	Deepdale	£80,000	£73,375	-8.3%	£94,000	£88,000	-6.4%
Central	Fishwick & Frenchwood	£72,000	£55,000	-23.6%	£89,000	£75,500	-15.2%
Central	Plungington	£97,500	£80,000	-17.9%	£118,000	£97,500	-17.4%
Central	St Matthew's	£73,750	£52,500	-28.8%	£84,000	£68,500	-18.5%
CENTRAL	TOTAL	£84,500	£68,000	-19.5%	£103,000	£87,000	-15.5%
East	Brookfield	£84,750	£100,000	18.0%	£107,250	£122,000	13.8%
East	Ribbleton	£88,000	£85,625	-2.7%	£108,500	£109,500	0.9%
EAST	TOTAL	£86,500	£94,250	9.0%	£108,000	£117,000	8.3%
North	Cadley	£115,000	£109,963	-4.4%	£137,500	£148,750	8.2%
North	Garrison	£158,625	£155,000	-2.3%	£190,000	£201,000	5.8%
North	Greyfriars	£165,250	£160,000	-3.2%	£189,850	£188,249	-0.8%
North	Sharoe Green	£137,875	£145,000	5.2%	£161,000	£183,750	14.1%
NORTH	TOTAL	£138,750	£145,000	4.5%	£170,000	£178,000	4.7%
West	Ashton	£108,875	£96,000	-11.8%	£125,000	£133,250	6.6%
West	Ingol & Cottam	£100,250	£116,950	16.7%	£139,975	£187,000	33.6%
West	Lea & Larches	£105,963	£98,000	-7.5%	£126,500	£125,000	-1.2%
WEST	TOTAL	£105,988	£100,000	-5.6%	£129,975	£134,950	3.8%
Rural East	Broughton	£215,000	£216,249	0.6%	£262,500	£260,000	-1.0%
Rural East	Grimsargh	£166,238	£177,000	6.5%	£221,000	£225,000	1.8%
Rural East	Haighton	£183,750	#	#	£319,500	#	#
Rural East	Whittingham	£165,000	£180,000	9.1%	£214,250	£250,000	16.7%
RURAL EAST	TOTAL	£175,500	£186,500	6.3%	£225,000	£237,498	5.6%
Rural North	Barton	£248,000	£187,000	-24.6%	£290,000	£264,950	-8.6%
Rural North	Goosnargh	£284,800	£425,000	49.2%	£411,000	£490,000	19.2%
Rural North	Woodplumpton	£193,750	£205,000	5.8%	£332,500	£249,950	-24.8%
RURAL NORTH	TOTAL	£241,875	£208,000	-14.0%	£333,250	£253,000	-24.1%
PRESTON	TOTAL	£96,500	£98,000	1.6%	£126,000	£150,000	19.0%

Source: Data produced by Land Registry © Crown copyright 2021. # Too few sales

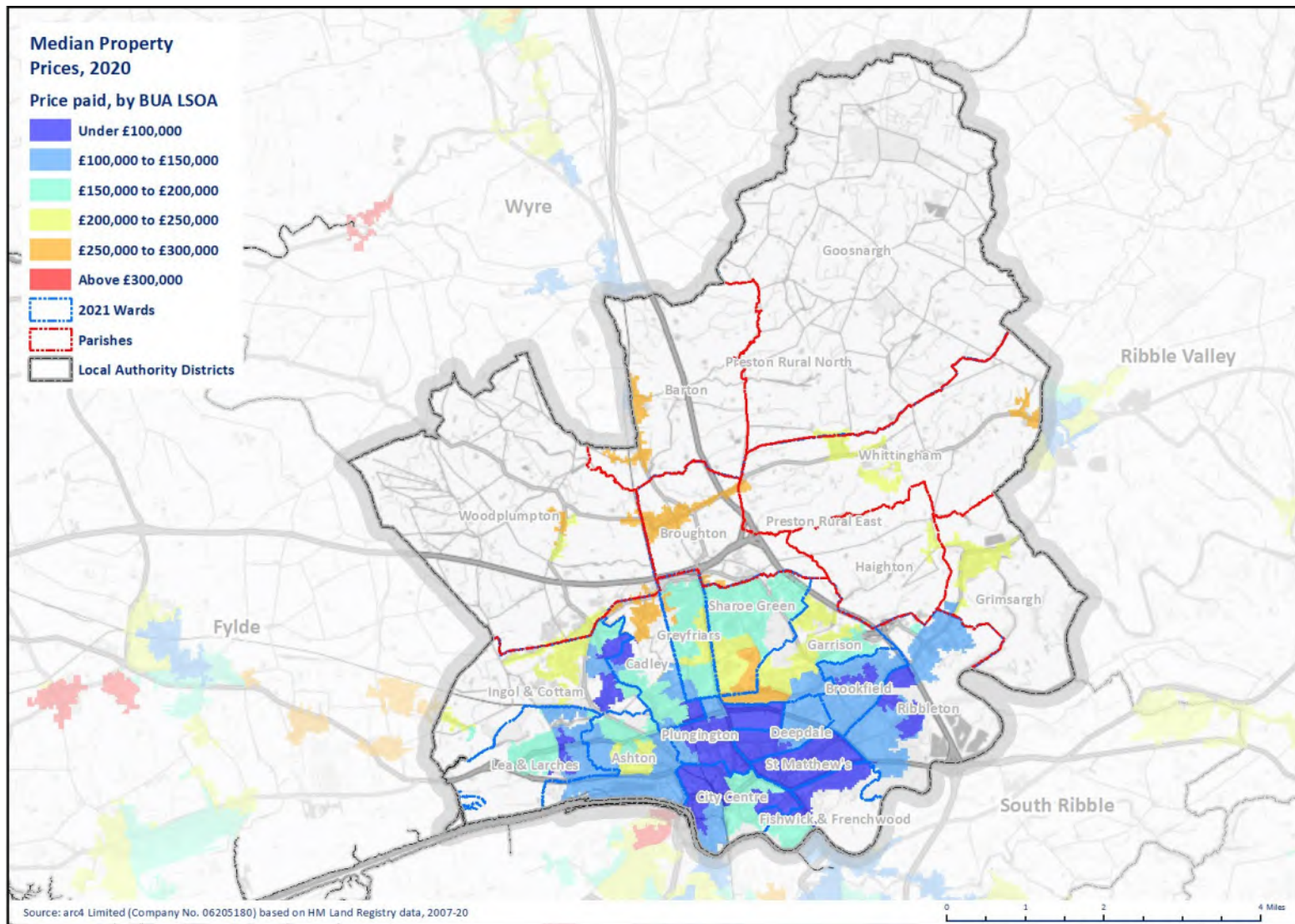
Note: 2021 Preston sales data - lower quartile £98,000 and median £145,000

Map 3.1 Lower quartile house prices 2020 by built-up areas within the LSOAs of the City of Preston



Source: Data produced by Land Registry © Crown copyright 2021

Map 3.2 Median house prices 2020 by built-up areas within the LSOAs of the City of Preston



Source: Data produced by Land Registry © Crown copyright 2021

Private renting

- 3.6 Table 3.4 provides an overview of the cost of renting privately across the City of Preston and compares prices with the North West and England over the period 2010 to 2020. Over this time lower quartile rents have increased by 4.7% and median rents have increased by 13.4%. These increases are below those experienced across the North West and England. Table 3.5 summarises 2020 price data by sub-areas, wards and rural parishes.

Table 3.4 Comparative lower quartile and median rental price 2010-2020

Location	Lower Quartile Price 2010	Lower Quartile Price 2020	Lower Quartile % change 2010-2020
City of Preston	£472	£494	4.7
North West	£472	£524	11.0
England	£598	£724	21.1
Location	Median Price 2010	Median Price 2020	Median % change 2010-2020
City of Preston	£524	£594	13.4
North West	£546	£676	23.8
England	£893	£1,148	28.6

Source: Zoopla PPD 2021

- 3.7 The private rented sector accommodates a proportion of low income households that are eligible for assistance with rental costs. Map 3.5 illustrates the proportion of households in receipt of housing benefit assistance across the city. This shows particular concentrations in the inner urban areas of Preston.

Table 3.5 Lower quartile and median rents by sub-area, ward and rural parish 2020

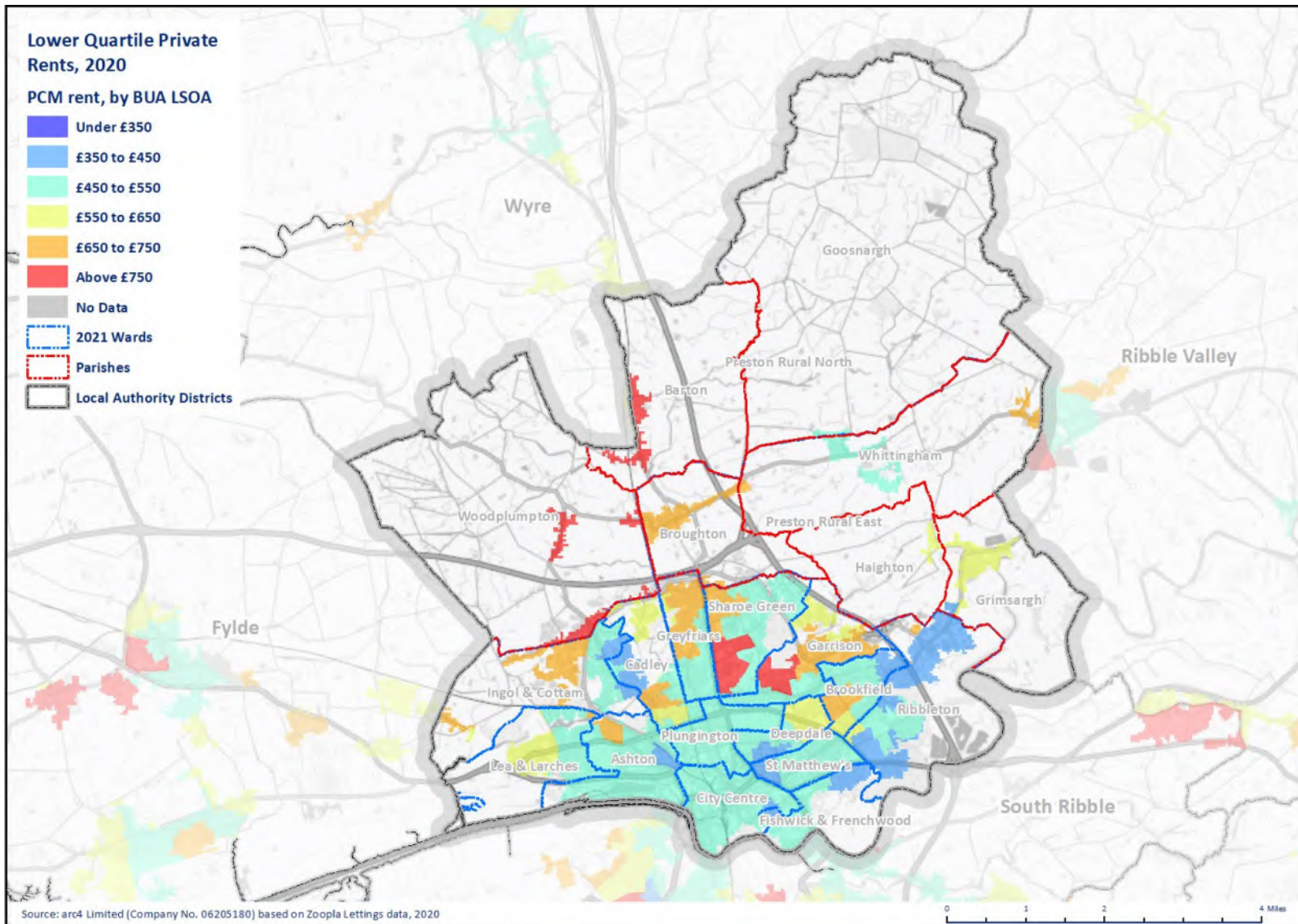
Sub-area	Ward/Parish	Lower quartile (£ each month)	Median (£ each month)
Central	City Centre	£498	£598
Central	Deepdale	£451	£589
Central	Fishwick & Frenchwood	£425	£494
Central	Plungington	£494	£594
Central	St Matthew's	£459	£498
CENTRAL	TOTAL	£477	£576
East	Brookfield	£550	£594
East	Ribbleton	£446	£537
EAST	TOTAL	£481	£576
North	Cadley	£494	£594
North	Garrison	£576	£693
North	Greyfriars	£598	£737
North	Sharoe Green	£550	£693
NORTH	TOTAL	£550	£676
West	Ashton	£494	£550
West	Ingol & Cottam	£454	£598
West	Lea & Larches	£524	£598
WEST	TOTAL	£494	£550
Rural East	Broughton	£722	£875
Rural East	Grimstargh	£536	£624
Rural East	Haighton	#	#
Rural East	Whittingham	£537	£624
RURAL EAST	TOTAL	£550	£693
Rural North	Barton	£793	£1,001
Rural North	Goosnargh	£748	£748
Rural North	Woodplumpton	£793	£849
RURAL NORTH	TOTAL	£793	£849
PRESTON	TOTAL	£494	£594
North West (region)	TOTAL	£524	£676
ENGLAND	TOTAL	£724	£1,148

Source: Zoopla PPD 2021

Too few rentals

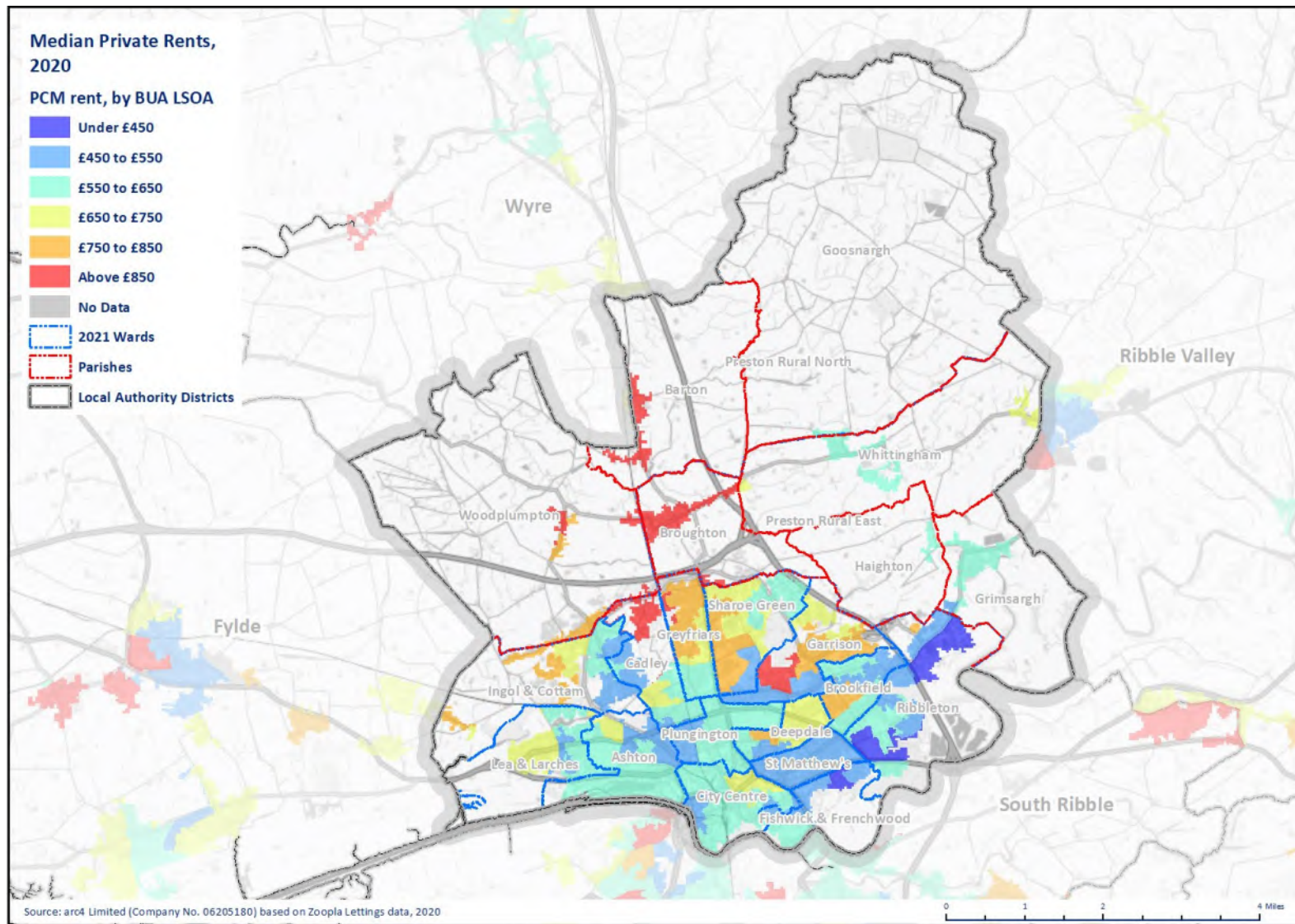
3.8 More detailed rental price data at a small area level (Lower Super Output Areas) are presented in Map 3.3 (lower quartile) and Map 3.4 (median). This illustrates rents are generally lower in inner urban areas and higher in suburban and rural areas.

Map 3.3 2020 lower quartile rents across the City of Preston by built up areas within LSOAs



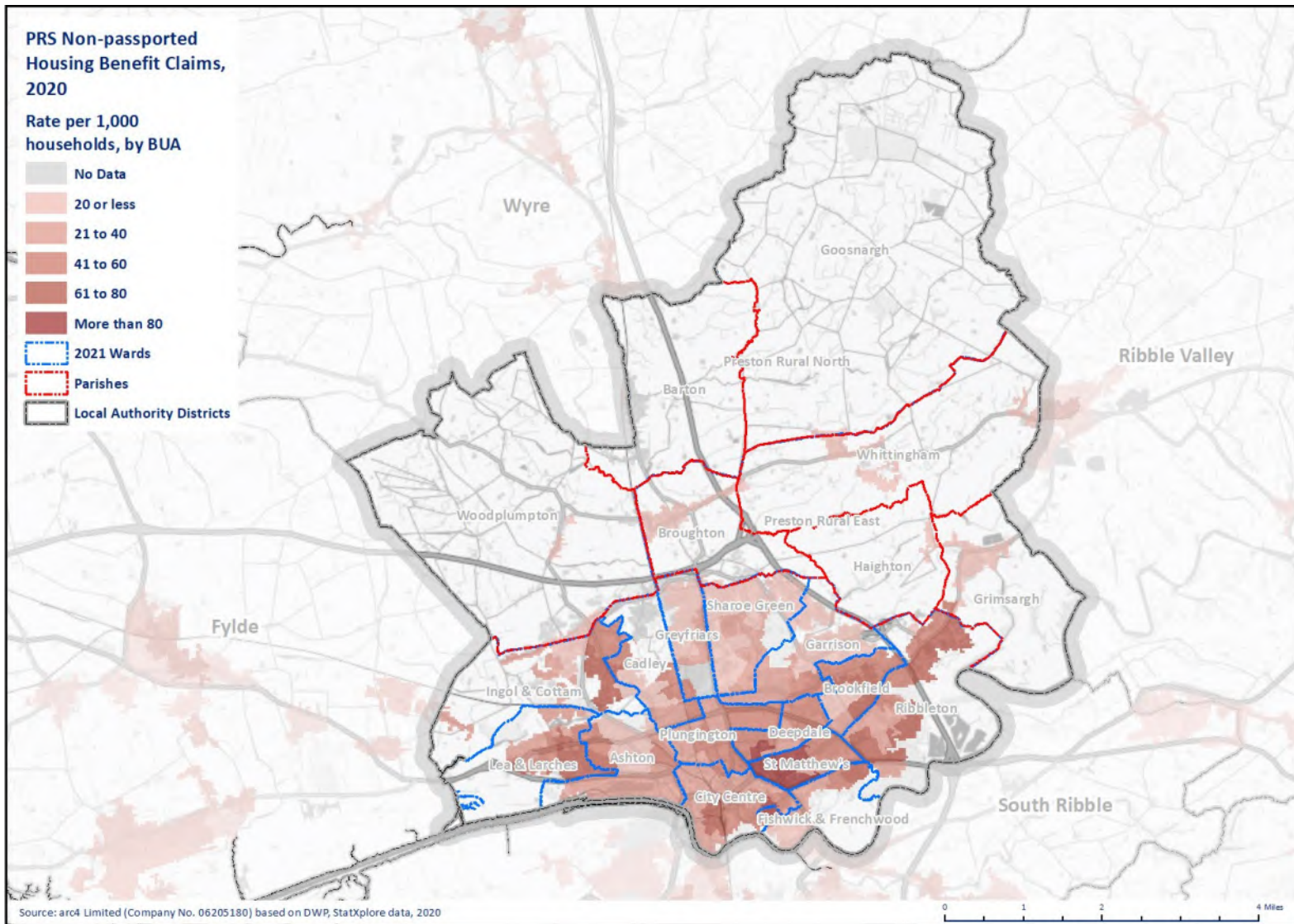
Source: Zoopla PPD 2021

Map 3.4 2020 median rents across the City of Preston by built up areas within LSOAs



Source: Zoopla PPD 2021

Map 3.5 Private rented sector Non-Passported Housing Benefit 2020



Source: 2021 DWP Stat explore

- 3.9 The amount that can be claimed for assistance with rental costs is capped to a local allowance that varies by area. The cap is estimated by the VOA and published in the form of a Local Housing Allowance (LHA) rate for a broad market area (BRMA). The City of Preston is located within the Central Lancashire BRMA. Table 3.6 summaries the LHA for the city and the variance between lower quartile rents and the LHA. This shows that LHA is not generally meeting the costs of renting lower quartile properties across the city.

Table 3.6 Broad Rental Market Area Local Housing Allowance Rates (April 2020)

No. of Bedrooms	Weekly LHA rate (£)	Monthly LHA rate (£)	2020 monthly LQ rent (£)	Variance between LQ rent and LHA
Shared Accommodation	£66.74	£289	£451	-£162
1 Bedroom	£90.90	£394	£394	£0
2 Bedroom	£110.47	£479	£498	-£19
3 Bedroom	£136.93	£593	£576	£17
4 Bedroom	£184.11	£798	£901	-£103

Source: Valuation Office Agency

NB: Figures in red represent a shortfall in LHA against LQ rent

Relative affordability

- 3.10 The ONS produces national data on the ratio of earnings to house prices. Two sets of data are available: workplace-based and resident-based. For each, lower quartile and median ratios are produced. The data are based on Land Registry Price Paid data and ONS Annual Survey of Hours and Earnings data.
- 3.11 Table 3.7 sets out the 2020 lower quartile and median affordability ratios for the City of Preston and compares these with neighbouring authorities, the North West and England. Using workplace-based median ratios to illustrate the data, prices are 5.57x income in the City of Preston. This ratio is lower than the regional and national ratios and lower than most neighbouring authorities.

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

Locality	2020 LQ Workplace-based	2020 LQ Residence-based	2020 Median Workplace-based	2020 Median Residence-based
Chorley	5.98	5.92	6.28	5.61
Preston	4.72	4.56	5.57	5.57
South Ribble	5.89	6.02	5.43	5.61
Fylde	6.42	5.54	5.83	5.68
Ribble Valley	6.44	7.28	6.03	6.66
West Lancashire	6.23	6.41	6.22	6.20
Wyre	6.65	5.97	6.29	6.04
Bolton	5.21	4.85	5.71	5.35
Wigan	5.28	4.78	5.61	4.92
North West	5.55	5.53	5.75	5.72
ENGLAND	7.15	7.15	7.84	7.84

Source: ONS

Relative affordability of housing tenure options and defining genuinely affordable housing

- 3.12 The relative cost of alternative housing options across the city and housing market sub-areas has been considered from two perspectives. Firstly, analysis considers prevailing prices at housing market sub-area level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.
- 3.13 The thresholds for what is affordable and not affordable are as follows:
- For renting, 25% of gross household income is used as the 'tipping point' for affordability, with properties not affordable if more than 25% of income is spent on rent. There is no official guidance on what proportion of income should be used. Former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income; and
 - For buying, affordability is based on a 3.5x gross household income multiple. Former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household with a single earner and 2.9x for a dual earner.
- 3.14 Table 3.8 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties. The cost of alternative affordable and market tenure options by sub-area is set out in Table 3.9. Table 3.9 also shows the gross household incomes needed to afford the tenure based on the 25% rental and 3.5x income multiples. Table 3.10 considers the impact of deposits on sale price.

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

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Social rent	2020 average prices	25% of income	Regulator of Social Housing Statistical Data Return 2020
Affordable Rent	2020 average prices which are based on Local Housing Allowance rates	25% of income	Regulator of Social Housing Statistical Data Return 2020
Market Rent – lower quartile	2020 prices	25% of income	Zoopla 2020
Market Rent – median	2020 prices	25% of income	Zoopla 2020
Market Sale – lower quartile	2020 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – median	2020 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – average	2020 prices	90% LTV, 3.5x income	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required; annual service charge £395, Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20%, 5% deposit required, annual service charge £395. Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data

Continued overleaf/...

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Help to buy	Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5%. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from yr7 at RPI+1%	70% LTV, 3.5x income	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 30%	70% of median price (note this is comparable to the proposed government <u>First Home</u> tenure option). Mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 30%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 25%	75% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 25%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 20%	80% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 20%	Assumptions applied to Land Registry Price Paid data

Table 3.9 Cost of alternative tenures and income required by sub-area and City of Preston

Tenure option	Price (2020) by sub-area						
	Preston City	Central	East	North	West	Rural East	Rural North
Social Rent (average)	£337	£337	£337	£337	£337	£337	£337
Affordable Rent (monthly cost)	£475	£461	£461	£541	£440	£554	£679
Market Rent - Lower Quartile	£494	£477	£481	£550	£494	£550	£793
Market Rent - Median	£594	£576	£576	£676	£550	£693	£849
Market Rent - Average	£744	£772	£595	£717	£620	£754	£940
Market Sale - Lower Quartile	£91,000	£68,000	£94,250	£145,000	£100,000	£186,500	£208,000
Market Sale - Median	£135,000	£87,000	£117,000	£178,000	£134,950	£237,498	£253,000
Market Sale - Average	£181,540	£137,297	£119,414	£206,827	£164,668	£296,074	£319,829
Shared ownership (50%)	£67,500	£43,500	£58,500	£89,000	£67,475	£118,749	£126,500
Shared ownership (25%)	£33,750	£21,750	£29,250	£44,500	£33,738	£59,374	£63,250
Help to buy	£135,000	£87,000	£117,000	£178,000	£134,950	£237,498	£253,000
Discounted Home Ownership (30%)	£94,500	£60,900	£81,900	£124,600	£94,465	£166,248	£177,100
Discounted Home Ownership (25%)	£101,250	£65,250	£87,750	£133,500	£101,213	£178,123	£189,750
Discounted Home Ownership (20%)	£108,000	£69,600	£93,600	£142,400	£107,960	£189,998	£202,400
Tenure option	Income (2020) by sub-area						
	Preston City	Central	East	North	West	Rural East	Rural North
Social Rent (average)	£16,162	£16,162	£16,162	£16,162	£16,162	£16,162	£16,162
Affordable Rent (monthly cost)	£22,810	£22,118	£22,118	£25,958	£21,120	£26,611	£32,602
Market Rent - Lower Quartile	£23,712	£22,896	£23,100	£26,400	£23,712	£26,400	£38,064
Market Rent - Median	£28,512	£27,648	£27,648	£32,448	£26,400	£33,264	£40,752
Market Rent - Average	£35,710	£37,066	£28,561	£34,438	£29,741	£36,182	£45,138
Market Sale - Lower Quartile	£23,400	£17,486	£24,236	£37,286	£25,714	£47,957	£53,486
Market Sale - Median	£34,714	£22,371	£30,086	£45,771	£34,701	£61,071	£65,057
Market Sale - Average	£46,682	£35,305	£30,706	£53,184	£42,343	£76,133	£82,242
Shared ownership (50%)	£26,222	£17,411	£22,918	£34,116	£26,213	£45,566	£48,460
Shared ownership (25%)	£21,738	£14,521	£19,032	£28,204	£21,731	£37,677	£40,056
Help to buy	£27,000	£17,400	£23,400	£35,600	£26,990	£47,500	£50,600
Discounted Home Ownership (30%)	£25,650	£16,530	£22,230	£33,820	£25,641	£45,125	£48,070
Discounted Home Ownership (25%)	£27,482	£17,711	£23,818	£36,236	£27,472	£48,348	£51,504
Discounted Home Ownership (20%)	£29,314	£18,891	£25,406	£38,651	£29,303	£51,571	£54,937

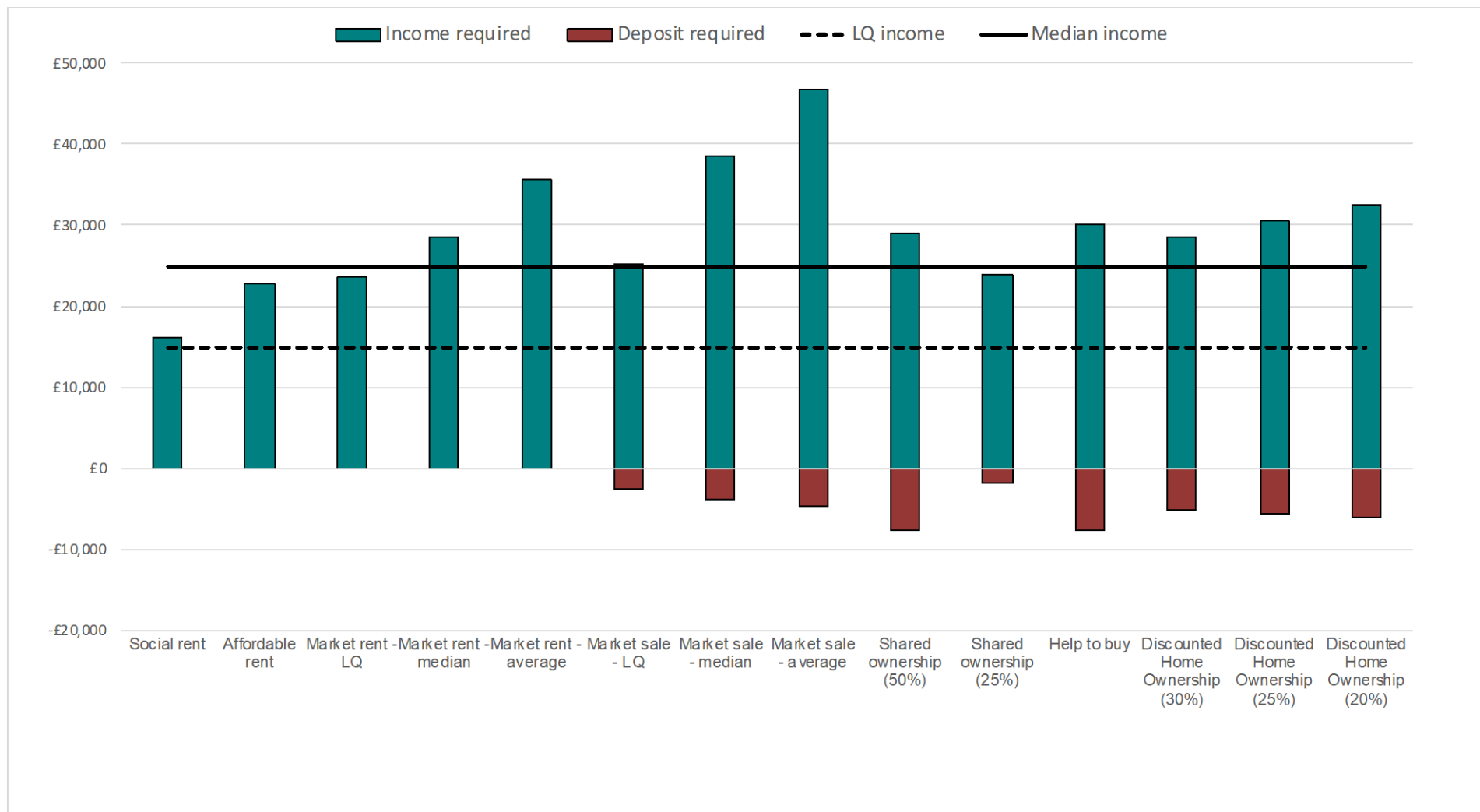
Source: Data produced by Land Registry © Crown copyright 2020, Zoopla PPD 2020, DLUHC, RSH SDR 2020

Table 3.10 Impact of alternative deposits on sale price and income required for open market properties

Market sale price	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	City Average Price
Market sale - lower quartile	£88,200	£78,400	£68,600	£58,800	£98,000
Market sale - median	£135,000	£120,000	£105,000	£90,000	£150,000
Market sale - average	£163,386	£145,232	£127,078	£108,924	£181,540
Household income required (3.5x multiple)	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	-
Market sale - lower quartile	£25,200	£22,400	£19,600	£16,800	-
Market sale - median	£38,571	£34,286	£30,000	£25,714	-
Market sale - average	£46,682	£41,495	£36,308	£31,121	-
Household income required (5x multiple)	Deposit 10%	Deposit 20%	Deposit 30%	Deposit 40%	-
Market sale - lower quartile	£17,640	£15,680	£13,720	£11,760	-
Market sale - median	£27,000	£24,000	£21,000	£18,000	-
Market sale - average	£32,677	£29,046	£25,416	£21,785	-

- 3.15 Figure 3.2 summarises in graphical form the relative affordability of alternative tenures at the city level, setting out the incomes and deposits required for different options set against prevailing lower quartile and median earnings derived from 2021 CAMEO data.
- 3.16 This indicates that households on lower quartile incomes can afford social, affordable and private lower quartile rents. For households on median incomes, lower renting is affordable along with some affordable home ownership options and lower quartile open market prices.

Figure 3.2 City of Preston household income and housing costs



Source: Data produced by Land Registry © Crown copyright 2020, RSH SDR 2020, Zoopla PPD 2020

What is genuinely affordable housing in the City of Preston context?

- 3.17 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the city and how this relates to prevailing prices. This analysis helps to establish what is genuinely affordable based on reasonable income multipliers for renting and buying. The analysis takes into account:
- lower quartile and median household incomes from the 2020 CAMEO data;
 - 2020 entry-level incomes from a range of key worker occupations;
 - incomes associated with 2020 minimum and living wages (using single, dual income and 1.5x income measures);
 - the proportion of income a household would need to spend on rent;
 - the extent to which affordable rental options are genuinely affordable to households; and
 - the extent to which households could afford home ownership based on multiples of household income, with up to 3.5x being affordable.

Genuinely affordable rents

- 3.18 Table 3.11 focuses on the affordability of market renting and shows the cost of renting a lower quartile and median priced property by sub-area, ward and rural parish and city; how this compares with incomes; and what would be genuinely affordable based on local incomes. For example, lower quartile rents are £494 across the City of Preston where the lower quartile income is £1,250. This means that a household is spending 39.5% of income on rent. To be genuinely affordable, that is, costing no more than 25% of gross income, a lower quartile rent should be £313 each month and median rent should be £521 each month. However, there are affordability issues in the urban areas of Preston in particular.
- 3.19 Table 3.12 focuses on the affordability of home ownership and shows the cost of buying a lower quartile and median-priced property. This shows that prices are in excess of 3.5x household incomes across all areas and city-wide a property should cost no more than £52,500 to be affordable to households on lower quartile incomes and £87,500 to households on median incomes.

Table 3.11 Affordability of private rents by sub-area, ward and rural parish

Geography		LQ Rent and Income				Median rent and income				
		Actual LQ rent 2020	LQ Gross household income 2021 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2020	Median Gross household income 2021 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income	
District	Preston	£494	£1,250	39.5	£313	£594	£2,083	28.5	£521	
Ward sub-areas	Central	£477	£417	114.5	£104	£576	£1,250	46.1	£313	
	East	£481	£1,250	38.5	£313	£576	£1,250	46.1	£313	
	North	£550	£2,083	26.4	£521	£676	£2,917	23.2	£729	
	West	£494	£1,250	39.5	£313	£550	£2,083	26.4	£521	
	Ashton	£494	£2,083	23.7	£521	£550	£2,083	26.4	£521	
Wards	Brookfield	£550	£1,250	44.0	£313	£594	£1,250	47.5	£313	
	Cadley	£494	£1,250	39.5	£313	£594	£2,083	28.5	£521	
	City Centre	£498	£417	119.5	£104	£598	£1,250	47.8	£313	
	Deepdale	£451	£1,250	36.1	£313	£589	£1,250	47.1	£313	
	Fishwick & Frenchwood	£425	£1,250	34.0	£313	£494	£1,250	39.5	£313	
	Garrison	£576	£2,083	27.6	£521	£693	£2,917	23.8	£729	
	Greyfriars	£598	£2,917	20.5	£729	£737	£2,917	25.3	£729	
	Ingol & Cottam	£454	£1,250	36.3	£313	£598	£2,083	28.7	£521	
	Lea & Larches	£524	£1,250	41.9	£313	£598	£1,250	47.8	£313	
	Plungington	£494	£417	118.6	£104	£594	£1,250	47.5	£313	
	Ribbleton	£446	£1,250	35.7	£313	£537	£1,250	43.0	£313	
	Sharoe Green	£550	£2,083	26.4	£521	£693	£2,917	23.8	£729	
	St Matthew's	£459	£417	110.2	£104	£498	£1,250	39.8	£313	
	Parish sub-areas	Rural East	£550	£2,917	18.9	£729	£693	£3,750	18.5	£938
		Rural North	£793	£3,750	21.1	£938	£849	£3,750	22.6	£938
Parishes	Barton	£793	£3,542	22.4	£885	£1,001	£3,750	26.7	£938	
	Broughton	£722	£2,083	34.6	£521	£875	£3,750	23.3	£938	
	Grimsargh	£536	£2,917	18.4	£729	£624	£3,750	16.6	£938	
	Goosnargh	#	£2,917	#	£729	£748	£3,750	19.9	£938	
	Haighton	#	£2,917	#	£729	#	£3,750	#	£938	
	Whittingham	£537	£2,917	18.4	£729	£624	£3,750	16.6	£938	
	Woodplumpton	£793	£3,750	21.1	£938	£849	£3,750	22.6	£938	

Key

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

Sources: Zoopla PPD 2020, household income from 2021 CAMEO. Note in some areas rents exceed lower quartile incomes which reflects the level of deprivation across several inner areas of Preston # = no data

Table 3.12 Affordability of owner occupation by sub-area and rural parish

Geography		Actual LQ price 2020	LQ Gross household income 2021 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual median price 2020	Median Gross household income 2021 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
District	Preston	£91,000	£15,000	5.5	£52,500	£135,000	£25,000	4.9	£87,500
Ward sub-areas	Central	£68,000	£5,000	12.2	£17,500	£87,000	£15,000	5.2	£52,500
	East	£94,250	£15,000	5.7	£52,500	£117,000	£15,000	7.0	£52,500
	North	£145,000	£25,000	5.2	£87,500	£178,000	£35,000	4.6	£122,500
	West	£100,000	£15,000	6.0	£52,500	£134,950	£25,000	4.9	£87,500
Wards	Ashton	£96,000	£25,000	3.5	£87,500	£133,250	£25,000	4.8	£87,500
	Brookfield	£100,000	£15,000	6.0	£52,500	£122,000	£15,000	7.3	£52,500
	Cadley	£109,963	£15,000	6.6	£52,500	£148,750	£25,000	5.4	£87,500
	City Centre	£75,000	£5,000	13.5	£17,500	£108,500	£15,000	6.5	£52,500
	Deepdale	£73,375	£15,000	4.4	£52,500	£88,000	£15,000	5.3	£52,500
	Fishwick & Frenchwood	£55,000	£15,000	3.3	£52,500	£75,500	£15,000	4.5	£52,500
	Garrison	£155,000	£25,000	5.6	£87,500	£201,000	£35,000	5.2	£122,500
	Greyfriars	£160,000	£35,000	4.1	£122,500	£188,249	£35,000	4.8	£122,500
	Ingol & Cottam	£116,950	£15,000	7.0	£52,500	£187,000	£25,000	6.7	£87,500
	Lea & Larches	£98,000	£15,000	5.9	£52,500	£125,000	£15,000	7.5	£52,500
	Plungington	£80,000	£5,000	14.4	£17,500	£97,500	£15,000	5.9	£52,500
	Ribbleton	£85,625	£15,000	5.1	£52,500	£109,500	£15,000	6.6	£52,500
	Sharoe Green	£145,000	£25,000	5.2	£87,500	£183,750	£35,000	4.7	£122,500
St Matthew's	£52,500	£5,000	9.5	£17,500	£68,500	£15,000	4.1	£52,500	
Parish sub-areas	Rural East	£186,500	£35,000	4.8	£122,500	£237,498	£45,000	4.7	£157,500
	Rural North	£208,000	£45,000	4.2	£157,500	£253,000	£45,000	5.1	£157,500
Parishes	Barton	£187,000	£42,500	4.0	£148,750	£264,950	£45,000	5.3	£157,500
	Broughton	£216,249	£25,000	7.8	£87,500	£260,000	£45,000	5.2	£157,500
	Grimsargh	£177,000	£35,000	4.6	£122,500	£225,000	£45,000	4.5	£157,500
	Goosnargh	£425,000	£35,000	10.9	£122,500	£490,000	£45,000	9.8	£157,500
	Haighton	£603,000	£35,000	15.5	£122,500	£603,500	£45,000	12.1	£157,500
	Whittingham	£180,000	£35,000	4.6	£122,500	£250,000	£45,000	5.0	£157,500
	Woodplumpton	£205,000	£45,000	4.1	£157,500	£249,950	£45,000	5.0	£157,500

Key:

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

Sources: Land Registry © Crown copyright 2020, household income from 2021 CAMEO

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

- 3.20 The extent to which city-wide open market rents are affordable to selected keyworkers and households on minimum and living wages are explored in Table 3.13. Key workers on entry-level grades are generally having to spend more than 25% of their income on rent although for several occupations and grades properties are affordable.
- 3.21 Table 3.14 considers the income multiples needed to buy a property based on the incomes of selected key workers and households on minimum/living wages. Analysis assumed that a 10% deposit was available and indicates that multiples in excess of 3.5x were generally needed when buying a property. Prices that are genuinely affordable were also considered based on a 3.5x income multiple.

Table 3.13 Incomes of key workers and households on minimum/living wage and rental affordability

Income/Occupation/ Wage	Gross household income 2021 (Annual £)	Gross household income 2021 (Monthly £)	% LQ Income for LQ rent	% Median income for median rent	LQ Rent	Median Rent
Police officer	-	-	-	-	-	-
Pay Point 0	£21,402	£1,784	27.7	33.3	£494	£594
Pay Point 2	£25,902	£2,159	22.9	27.5	£494	£594
Pay Point 4	£28,158	£2,347	21.1	25.3	£494	£594
Nurse	-	-	-	-	-	-
Band 1	£18,546	£1,546	32.0	38.4	£494	£594
Band 3	£20,330	£1,694	29.2	35.1	£494	£594
Band 5	£25,655	£2,138	23.1	27.8	£494	£594
Fire officer	-	-	-	-	-	-
Trainee	£24,191	£2,016	24.5	29.5	£494	£594
Competent	£32,244	£2,687	18.4	22.1	£494	£594
Teacher	-	-	-	-	-	-
Unqualified (min)	£18,169	£1,514	32.6	39.2	£494	£594
Main pay range (min)	£25,714	£2,143	23.1	27.7	£494	£594
Minimum/Living Wage	-	-	-	-	-	-
Age 23 and over	-	-	-	-	-	-
Single household	£16,038	£1,337	37.0	44.4	£494	£594
1xFull-time, 1xPart-time	£24,057	£2,005	24.6	29.6	£494	£594
Two working adults	£32,076	£2,673	18.5	22.2	£494	£594
Age 21 and 22	-	-	-	-	-	-
Single household	£15,048	£1,254	39.4	47.4	£494	£594
1xFull-time, 1xPart-time	£22,572	£1,881	26.3	31.6	£494	£594
Two working adults	£30,096	£2,508	19.7	23.7	£494	£594

Key

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

Table 3.14 Incomes of households, selected key workers and households on minimum/living wage and open market prices

Income/Occupation/Wage		Gross household income 2021 (Annual £)	Gross household income 2021 (Monthly £)	LQ Rent	Median Rent	LQ Rent	Median Rent
				% income needed	% income needed		
CAMEO UK Household Income	LQ income	£15,000	£1,250	39.5	47.5	£494	£594
	Median income	£25,000	£2,083	23.7	28.5	£494	£594
	Average income	£26,796	£2,233	22.1	26.6	£494	£594
ONS Annual Survey of Hours and	ASHE LQ	£21,488	£1,791	27.6	33.2	£494	£594
	ASHE Median	£26,918	£2,243	22.0	26.5	£494	£594
	ASHE Average	£32,451	£2,704	18.3	22.0	£494	£594
Police officer							
	Pay Point 0	£21,402	£1,784	27.7	33.3	£494	£594
	Pay Point 2	£25,902	£2,159	22.9	27.5	£494	£594
	Pay Point 4	£28,158	£2,347	21.1	25.3	£494	£594
Nurse							
	Band 1	£18,546	£1,546	32.0	38.4	£494	£594
	Band 3	£20,330	£1,694	29.2	35.1	£494	£594
	Band 5	£25,655	£2,138	23.1	27.8	£494	£594
Fire officer							
	Trainee	£24,191	£2,016	24.5	29.5	£494	£594
	Competent	£32,244	£2,687	18.4	22.1	£494	£594
Teacher							
	Unqualified (min)	£18,169	£1,514	32.6	39.2	£494	£594
	Main pay range (min)	£25,714	£2,143	23.1	27.7	£494	£594
Minimum/Living Wage							
	Single household (23 and over)	£16,038	£1,337	37.0	44.4	£494	£594
	1xFull-time, 1xPart-time	£24,057	£2,005	24.6	29.6	£494	£594
	Two working adults	£32,076	£2,673	18.5	22.2	£494	£594
	Single household (21-22)	£15,048	£1,254	39.4	47.4	£494	£594
	1xFull-time, 1xPart-time	£22,572	£1,881	26.3	31.6	£494	£594
	Two working adults	£30,096	£2,508	19.7	23.7	£494	£594

Key

	More than 4.5x income multiple required
	Between 3.5x and 4.5x income multiple required
	Less than 3.5x income multiple required

Concluding comments

- 3.22 In 2020, lower quartile house prices were £98,000 and median prices were £150,000 across the City of Preston. These prices are lower than elsewhere in Central Lancashire, the North West and England. Lower quartile private rents in 2020 were £494 and median rents were £524.
- 3.23 The relative affordability of dwellings to buy or rent was explored at sub-area, ward and rural parish level. This calculation assumed that a rent is affordable if no more than 25% of household income is spent on rent and if buying a property should cost no more than 3.5x household income.
- 3.24 Across the City of Preston, the minimum income required for entry-level/lower quartile renting was £25,200. Overall, households had to spend 39.5% of lower quartile income on a lower quartile rent and 28.5% of median income for median rents. There were notable affordability pressures in the urban areas of Preston, with rents exceeding 40% of income. The overall affordability picture is mixed, but the greatest affordability pressures are in urban areas, with properties least affordable in the Central sub-area based on local prices and incomes. Properties were most affordable in Rural East and Rural North, bearing in mind this analysis is based on local incomes which tend to be higher in the rural areas, but there are still substantial affordable needs in these areas.
- 3.25 For buying an entry-level/lower quartile property, the minimum income required was £38,571. The ratio of lower quartile income to price across the City of Preston was 5.4x and for median income to median price it was 5.9x. Both ratios are above the benchmark of 3.5x income and ratio. Ratios are much higher in some urban and rural areas and without substantial deposits the ability to buy is a challenge to many households. Based on lower quartile local incomes and house prices, the most affordable sub-area for buying was the North, Rural East and Rural North; the Central sub-area was the least affordable.
- 3.26 Specific analysis of the affordability of renting and buying for key worker incomes and those on minimum/living wages was carried out. Key workers on entry-level grades are generally having to spend more than 25% of their income on rent although for several occupations and grades properties are affordable.
- 3.27 Private renting was generally affordable to households who had multiple earners on minimum/living wage. However, single earners on minimum/living wage had to spend upwards of 35% of income on lower quartile rents.
- 3.28 For buying, analysis assumed that a 10% deposit was available but indicated that income multiples in excess of 3.5x were needed to buy on the open market.
- 3.29 Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent and purchase price across the City of Preston (Table 3.15). This is based on local incomes and assumes that no more than 25% of income is spent on rent and a household income multiple of 3.5x is applied to local household incomes when testing the affordability of buying. This provides a clear, evidence-based appreciation of entry-level rental and buying prices that could be afforded by households based on local household incomes.

Table 3.15 Genuinely affordable rents and purchase prices by sub-area, ward and parish

District	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Preston	£313	£594	£52,500	£87,500
Ward sub-areas	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Central	£104	£576	£17,500	£52,500
East	£313	£576	£52,500	£52,500
North	£521	£676	£87,500	£122,500
West	£313	£550	£52,500	£87,500
Wards	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Ashton	£521	£550	£87,500	£87,500
Brookfield	£313	£594	£52,500	£52,500
Cadley	£313	£594	£52,500	£87,500
City Centre	£104	£598	£17,500	£52,500
Deepdale	£313	£589	£52,500	£52,500
Fishwick & Frenchwood	£313	£494	£52,500	£52,500
Garrison	£521	£693	£87,500	£122,500
Greyfriars	£729	£737	£122,500	£122,500
Ingol & Cottam	£313	£598	£52,500	£87,500
Lea & Larches	£313	£598	£52,500	£52,500
Plungington	£104	£594	£17,500	£52,500
Ribbleton	£313	£537	£52,500	£52,500
Sharoe Green	£521	£693	£87,500	£122,500
St Matthew's	£104	£498	£17,500	£52,500
Parish sub-areas	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Rural East	£729	£693	£122,500	£157,500
Rural North	£938	£849	£157,500	£157,500
Parishes	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Barton	£885	£1,001	£148,750	£157,500
Broughton	£521	£875	£87,500	£157,500
Grimsargh	£729	£624	£122,500	£157,500
Goosnargh	£729	£748	£122,500	£157,500
Haighton	£729	Too few sales	£122,500	£157,500
Whittingham	£729	£624	£122,500	£157,500
Woodplumpton	£938	£849	£157,500	£157,500

Sources: Household income from 2021 CAMEO

4. The needs of different groups

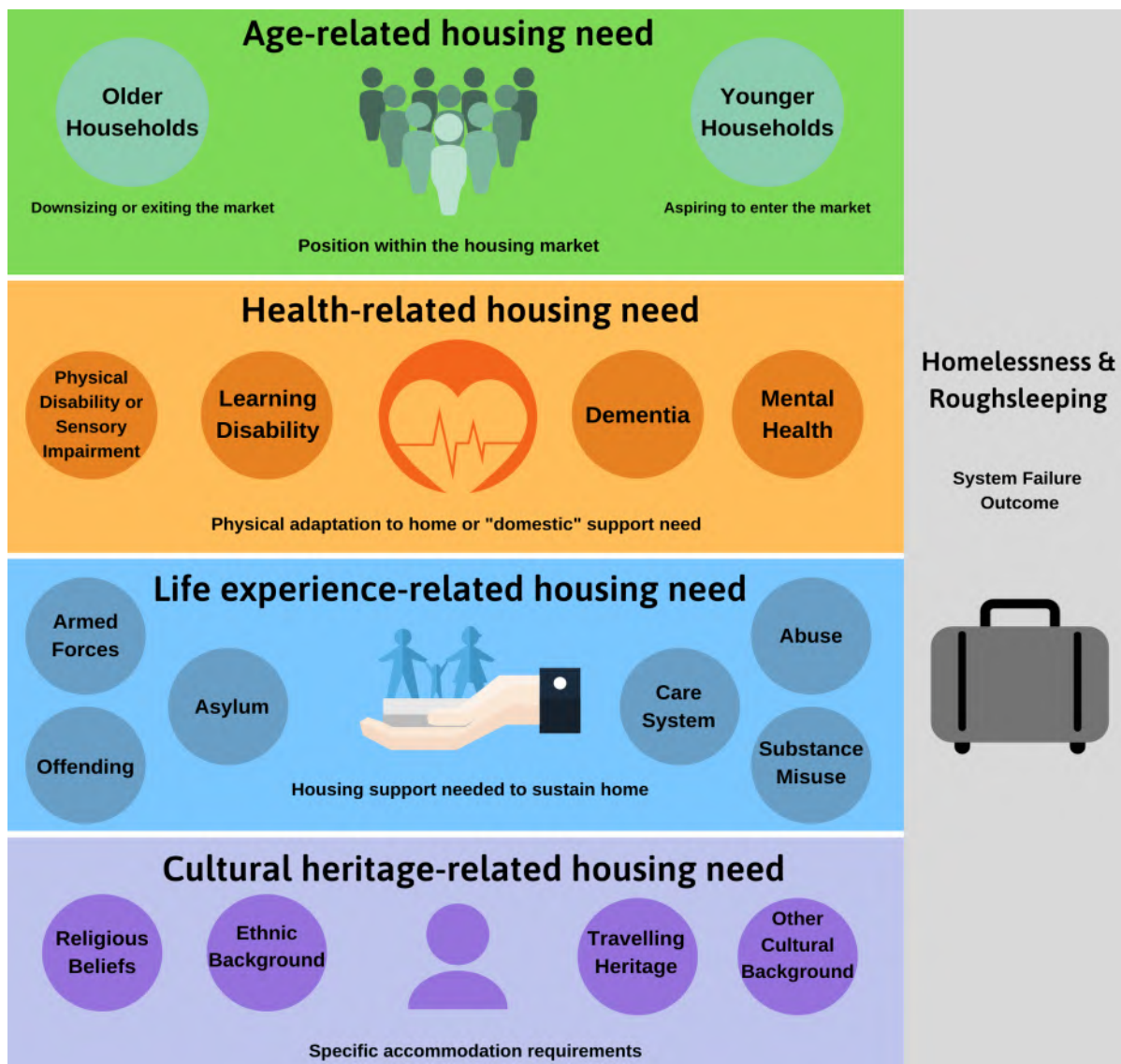
Introduction

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

Housing for people with additional needs

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

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



- 4.3 The evidence base relating to additional needs groups has been established based around these broad principles:
- people with additional needs are generally accommodated in mainstream housing and provided with care and support when needed;
 - some people will have complex and multiple needs and therefore may fall into several different categories of need;
 - some people require long-term accommodation to provide support for ongoing needs; and some require short-term supported housing which aims to support people for a period of time before moving on/back into mainstream housing; and
 - most people with additional needs will not need specialist supported housing but they may need adaptations to their homes and/or care and support provided in other ways.
- 4.4 The Lancashire County Council Market Position Statement 2019 for adult social care provides a wealth of information on the needs of different groups and relevant information is presented in this chapter ([click here for link to Position Statement](#)).
- 4.5 Some of the material in the MPS relates to multiple groups:
- Lancashire County Council funds 1,091 daytime support places each week for people with learning disabilities, mental health and physical disabilities. This is expected to grow to 1,680 by 2021/22.
 - Providers should develop daytime support which offers innovative and creative support including employment support.
 - The development of newer, more innovative and flexible Supported Living accommodation for people with a learning or physical disability, and/or mental health condition.
 - Current funding of around 5,700 individuals in long-term residential and nursing care supporting older people, people with mental health needs and people with a learning or physical disability, or sensory impairment.
 - A residential and nursing care strategy is to be developed.
 - The County Council are the largest provider of residential care with 717 residential care places across 17 homes.

Age-related housing need

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

Housing for older people

- 4.7 The NPPF Annex 2 defines older people as **‘people over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing can encompass accessible, adaptable general needs housing through to the full range of retirement and specialist housing for those with care and support needs.’**
- 4.8 PPG recommends the following are considered in an assessment of older persons need:
- The future need for specialist accommodation (including but not restricted to age-restricted general market housing, retirement living or sheltered accommodation, Extra Care or housing with care), broken down by type and tenure.
 - The need for care in residential care and nursing homes (C2).
 - The need for co-housing communities.
 - The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs.
- 4.9 PPG notes that **‘plan-making authorities will need to count housing provided for older people against their housing requirement’** (source: PPG June 2019 Paragraph: 016 Reference ID: 63-016-20190626).
- 4.10 Over the period 2021 to 2038, the number of people aged 65 and over is expected to increase by 28.2% and by 2038 there will be an additional 5,967 residents aged 65 and over. The number of households headed by someone aged 65 or over is expected to increase by 4,109 (29.2%) by 2038.
- 4.11 The 2021 household survey indicates that 46.7% of older people want to remain in their current home with help and support when needed (Table 4.1). There is also interest in a range of options including open market, rented from a housing association/council, sheltered and co-housing.

Table 4.1 Older persons' housing preferences by age group

Housing option	65-74 (%)	75-84 (%)	85+ (%)	All 65+ (%)
Continue to live in current home with support when needed	50.5%	78.8%	58.9%	46.7%
Buying a dwelling on the open market	30.5%	11.8%	0.0%	25.4%
Rent a dwelling from a private landlord	2.3%	2.9%	0.0%	6.3%
Rent from housing association	10.2%	4.3%	0.0%	17.7%
Rent from the council	10.2%	5.6%	0.0%	16.1%
Sheltered accommodation - To rent	7.2%	6.5%	1.0%	10.8%
Sheltered accommodation - To buy	5.9%	13.6%	1.0%	5.7%
Sheltered accommodation - Part rent/buy (shared ownership)	4.0%	8.4%	49.3%	4.6%
Extra Care housing - To rent	6.0%	2.5%	4.8%	7.1%
Extra Care housing - To buy	1.5%	2.9%	1.0%	3.7%
Extra Care housing - Part rent/buy (shared ownership)	2.4%	0.4%	33.5%	4.0%
Supported housing for people with learning disabilities and autism	0.0%	0.0%	1.0%	0.9%
Supported housing for mental health conditions	0.3%	2.0%	0.0%	2.3%
Residential nursing/care home	4.9%	20.3%	18.9%	5.9%
Co-housing - your own home in a small community which shares facilities (e.g. laundry) and activities	12.4%	0.9%	0.0%	9.2%
Go to live with children or other relatives/friends	2.1%	5.3%	33.5%	7.5%
Other	3.2%	2.8%	6.5%	6.0%
<i>Base (total households responding)</i>	5,188	1,599	672	7,459

Source: 2021 household survey

4.12 The 2021 household survey indicates 47% of older people planning to move would like to move to a property with fewer bedrooms, 41.5% would like to move to a property with the same number of bedrooms and 11.5% would like a larger property (Table 4.2). The general conclusion is that smaller dwellings are needed to accommodate older movers but there are households who would require the same or even an increase in the number of bedrooms in their properties.

Table 4.2 Future housing choices of older households (rightsizing)

Housing choice	Aspiration (%)	Expectation (%)
Downsizing (moving to a smaller property)	47.0%	46.3%
Staying same	41.5%	49.9%
Upsizing (moving to larger property)	11.5%	3.8%
Total	100.0%	100.0%
Base (households responding)	2,947	2,846

Source: 2021 household survey

Future need for specialist older person accommodation and residential care provision

- 4.13 Across the City of Preston there are around 5,474 units of specialist older persons accommodation comprising 3,078 specialist older accommodation (C3 planning use class) and 2,396 units of residential care (C2 use class). Map 4.1 and Table 4.3 shows the current number of older persons units of accommodation across the city using data provided by the Elderly Accommodation Counsel.

Table 4.3 Categories of older person accommodation

Category (and planning use category)	Current number of units	Description
Age-exclusive housing (C3)	641	<p>EAC definition: Schemes or developments that cater exclusively for older people, usually incorporate design features helpful to older people and may have communal facilities such as a residents' lounge, guest suite and shared garden, but do not provide any regular on-site support to residents.</p> <p>PPG definition: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.</p>
Care homes (C2)	1,143	<p>EAC definition: A residential setting where a number of older people live, usually in single rooms, and have access to on-site care services. Since April 2002 all homes in England, Scotland and Wales are known as 'care homes', but are registered to provide different levels of care. A home registered simply as a care home will provide personal care only - help with washing, dressing and giving medication.</p> <p>PPG definition: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.</p>
Care home with nursing (C2)	1,253	A home registered as a care home with nursing will provide the same personal care but also have a qualified nurse on duty twenty-four hours a day to carry out nursing tasks. These homes are for people who are physically or mentally frail or people who need regular attention from a nurse.
Enhanced sheltered/close case (C3)	82	Sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the full range of provision that is found in an Extra Care housing scheme

Category (and planning use category)	Current number of units	Description
Retirement/Sheltered housing (C3)	2,243 R	<p>EAC definition: Sheltered housing (S) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. Retirement housing (R) means housing developments of a similar type to sheltered housing, but built for sale, usually on a leasehold basis. The term sheltered housing is now largely superseded by retirement housing.</p> <p>PPG definition: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.</p>
Extra Care housing or housing with care (C3)	112	<p>EAC definition: Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home.</p> <p>PPG definition: This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.</p> <p>Note Extra Care can also provide accommodation for people with additional needs who are not older people</p>
Total	5,474	

Source: EAC data 2021

- 4.14 Given the ageing of the population, the need for specialist older person accommodation is expected to increase. Based on population projections there is a need for 1,903 additional units of specialist older persons' accommodation by 2038 (Table 4.4).
- 4.15 The Lancashire Market Position Statement includes the following housing priorities:
- Less reliance on residential care and more Extra Care schemes.
 - Daytime support for 'younger' older people to engage people with their communities to reduce social isolation.
 - A need for more Elderly Mentally Infirm (EMI) and Elderly Mental Dementia (EMD) for older people.
 - Technology-enabled care to maximise independence, reduce reliance on formal supports and improve outcomes for people.
- 4.16 The total additional need for specialist older person (C3) dwellings is projected to be 1,070 by 2038 (59 each year). C3 housing is part of the overall annual housing need to be delivered across the city. There is an additional need for 833 residential care units (46 each year).

Table 4.4 Analysis of future need for specialist older person accommodation 2021-2038

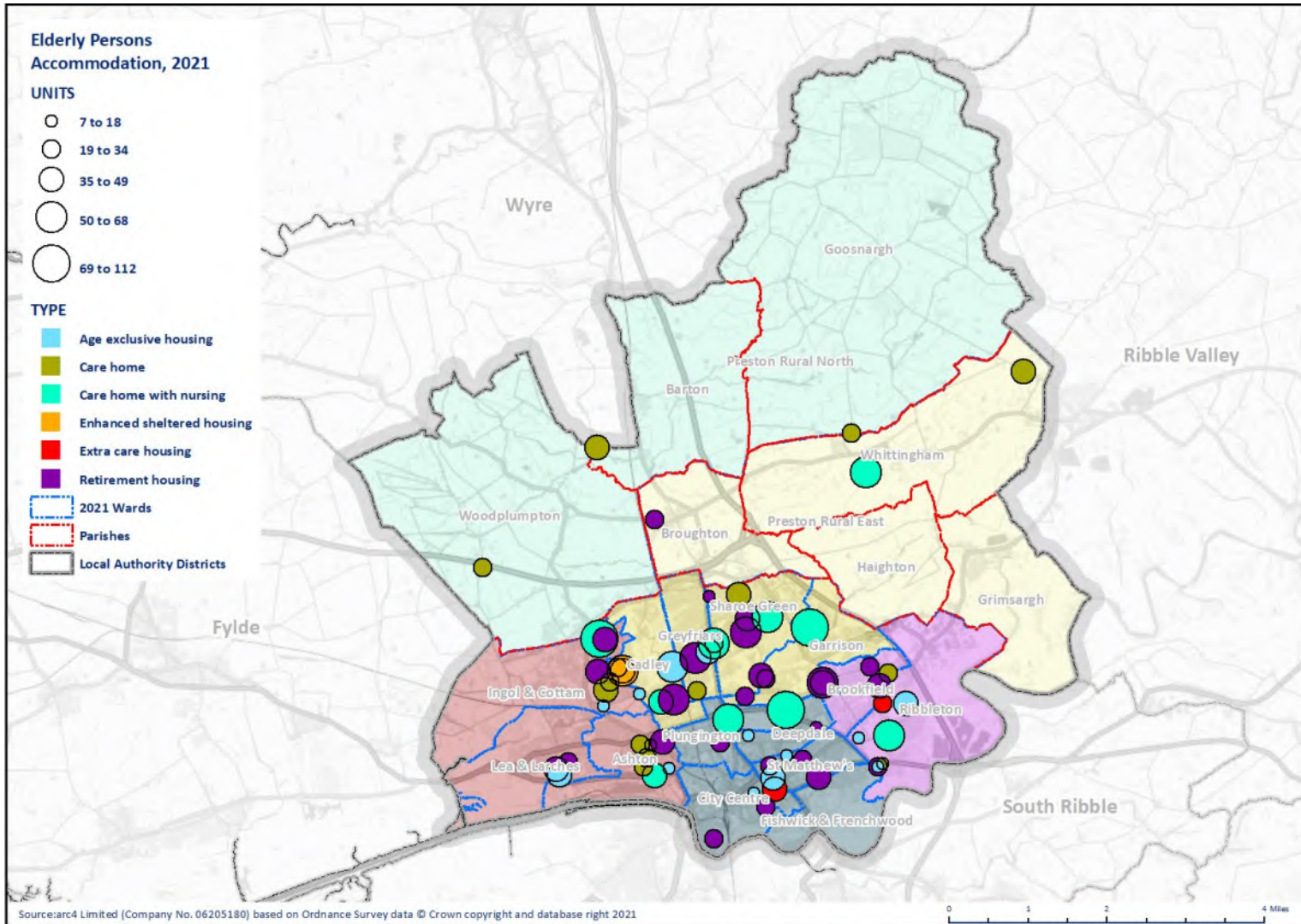
Current provision (and planning use class)	Number of units 2021	Number aged 75 and over 2021	Number aged 75 and over 2038 (projected)	Change in need
-	-	9,582	12,913	-
Current provision (and planning use class)	Number of units 2021	Ratio of population to current provision	Ratio of population applied to 2038 population	Change in need
Specialist older person (C3)	3,078	0.32123	4,148	1,070
Residential Care (C2)	2,396	0.25005	3,229	833
Total	5,474	-	7,377	1,903

Source: EAC data, 2018-based population projections

Senior cohousing communities

- 4.17 Senior cohousing is specifically mentioned in PPG as a housing option for older people: 'Senior co-housing communities are created and run by residents, based on the intention to live with a group of people of a similar age. The sites often consist of self-contained private homes as well as shared community space. Some communities offer an additional option for informal care.'
- 4.18 This option should be considered by the council as part of a diverse range of accommodation for older people. The household survey identified a total of 1,686 households interested in co-housing, with a particular interest in 1 and 2-bedroom dwellings and a range of dwelling types including houses, flats and bungalows.

Map 4.1 Current older persons accommodation across the City of Preston



Source: Elderly Accommodation Counsel 2021

People with dementia and early onset dementia

- 4.19 The PPG makes specific reference to dementia and that **‘there should be a range of housing options and tenures available to people with dementia, including mainstream and specialist housing. Innovative and diverse housing models should be considered where appropriate’** (source: June 2019 PPG Paragraph: 019 Reference ID: 63-019-20190626).
- 4.20 The PPG also outlines the characteristics of dementia- friendly communities:
- easy to navigate physical environment;
 - appropriate transport;
 - communities shaped around the views of people with dementia and their carers;
 - good orientation and familiarity;
 - reduction in unnecessary clutter; and
 - reduction in disorienting visual and auditory stimuli.
- 4.21 Lancashire County Council has a Dementia Friendly Strategy [click here for link to Dementia Friendly Strategy](#).
- 4.22 2020 POPPI/PANSI data estimates there are 35 people with early onset dementia and 1,445 people aged 65 and over with dementia (Table 4.5). By 2038, the number of people aged 65 and over with dementia is projected to increase by 32.4%, The number with early onset dementia is expected to reduce slightly.

Table 4.5 People with dementia

Dementia	2020	2038	% Change 2020-2038
Early onset dementia (30-64)	35	32	-8.0%
Dementia (65-74)	267	333	24.8%
Dementia (75-84)	567	769	35.7%
Dementia (85 and over)	611	810	32.6%
Dementia (total 65+)	1,445	1,913	32.4%

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

- 4.23 A report by the All Party Parliamentary Group (APPT) on Housing and Care for Older People published a report on Housing for People with Dementia in July 2021 [click here for report](#)
- 4.24 This set out 23 recommendations which included:
- Recognise potential future loneliness and how we can maintain our family connections and wider social networks in the communities we live in before or after diagnosis.
 - Consider whether to move whilst we are able: rightsizing and moving to the right place and environment whilst able to still develop new routes and make new friends.

- Make preventive changes, incrementally, to the home environment; such as when upgrading property or installing new technology, or where we require additional personal care and support to help us to live independently.
- 4.25 Regarding housing and planning, the report recommended:
- Support increased provision of Extra Care housing / assisted living accommodation and retirement housing that is dementia-ready, with top-sliced grant-aid through Homes England.
 - Strengthen DLUHC guidance to local planning authorities. LPAs should respond to demographic change and the need for more homes designed for older people, including those with dementia, through Local Plans specifying requirements for age-friendly housing.

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

- 4.26 The profile of dwellings occupied by households aged 65 and over by age group, based on the 2021 household survey, is summarised in Table 4.6. This shows that the majority (72.5%) live in houses, particularly with 3 or more bedrooms; 10.5% live in bungalows, 13.6% in flats and 3.3% in other dwelling types.

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

Dwelling type and size	65 to 74 (%)	75 to 84 (%)	85+ (%)	Total (%)
1 or 2-bedroom house	11.8	6.3	18.3	11.0
3 bedroom house	37.9	40.3	25.0	37.5
4 or-more bedroom house	28.3	18.1	3.6	24.0
1-bedroom bungalow	3.3	0.6	0.6	2.4
2 or more-bedroom bungalow	6.9	10.8	10.8	8.1
1-bedroom flat	5.0	9.5	20.5	7.2
2 or more-bedroom flat	6.7	7.6	0.0	6.4
Other	0.1	6.8	21.1	3.3
Total	100.0	100.0	100.0	100.0
Base	9,893	3,426	1,099	14,418

Source: 2021 household survey

- 4.27 The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. PPG also asks councils to consider the extent to which existing dwelling stock can help meet the needs of older people (source: PPG 2019 Paragraph: 017 Reference ID: 2a-017-20190220).
- 4.28 Given that the majority of older people want to remain in their own homes with help and support when needed, the 2021 household survey provides a useful insight into the proportion of households who need care and support and the extent to which properties are adapted (Table 4.7).

- 4.29 Table 4.7 shows that 8.6% of all households require care and support to enable them to stay in their home. Of households with a household reference person aged 85 and over, 31.5% require help and support to enable them to stay in their own home. Table 4.8 presents this data at sub-area level.
- 4.30 61.7% of households have sufficient space for a carer to stay overnight if needed – but this reduces to 54% in the 85+ age group. Owner occupiers were most likely to have space available, but private and in particular social renters were less likely. Around 34% of respondents in affordable housing had sufficient space for a carer.
- 4.31 Around 7.8% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem or disability. This was highest amongst affordable housing occupants (15.7%) and lowest amongst owner occupiers (5.8%). Older people were more likely to live in an adapted home, with 15.4% of households with a HRP aged 75-84 and 19.8% with a HRP aged 85+ living in adapted homes.
- 4.32 Around 14.2% of households need facilities on one floor (living room, kitchen, bathroom and bedroom) and this increases to 57.1% of households with a HRP aged 85+.

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

	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)?
Tenure	YES (%)	YES (%)	YES (%)	YES (%)
Owner Occupied	71.1	6.6	5.8	9.7
Private Rented	56.6	6.7	6.0	16.2
Affordable	33.8	16.2	15.7	28.4
All tenures	61.7	8.6	7.8	14.2
	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)?
Age of household reference person	YES (%)	YES (%)	YES (%)	YES (%)
Under 65	56.8	8.0	6.9	11.8
65 to 74	79.2	9.3	7.6	17.5
75 to 84	74.7	6.6	15.4	21.2
85 and over	54.0	31.5	19.8	57.1
All age groups	61.7	8.6	7.8	14.2

Source: 2021 household survey

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

	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)?
Tenure	YES (%)	YES (%)	YES (%)	YES (%)
Central	50.4%	10.2%	7.4%	17.9%
East	54.1%	9.0%	12.5%	11.1%
North	72.2%	11.2%	6.7%	12.9%
West	82.5%	3.6%	3.9%	6.4%
Preston Rural East	86.4%	3.5%	3.9%	3.5%
Preston Rural North	64.6%	5.6%	10.5%	14.0%
City of Preston Total	61.7%	8.6%	8.6%	14.2%

Source: 2021 household survey

Estimating future need for adaptations and home improvement

- 4.33 The 2021 household survey provides evidence of the range of adaptations and home improvements needs based on the age group of the household reference person (Table 4.9).
- 4.34 Better heating, more insulation and double glazing were most frequently mentioned improvements needed.
- 4.35 Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom adaptations, internal and external handrails/grabrails and kitchen adaptations. The need for adaptations was generally highest amongst the 75+ age group.
- 4.36 These requirements are self-determined by residents responding to the household survey and may not necessarily reflect actual requirements following an independent assessment in the home.
- 4.37 Whilst energy efficiency improvements to existing dwellings are undoubtedly beneficial to the individual, as improved thermal efficiency reduces fuel poverty as well as cold related accidents and ill health, there are also significant climate change benefits to be accrued. 25% of carbon emissions result from the domestic sector. The challenge in Preston is the scale of retrofit required within the existing stock, much of which is older and inherently inefficient, when relatively little funding is available to households to undertake the required works. Preston is currently part of the Lancashire collaborative partnership, Cosy Homes in Lancashire, which draws down bid funding from central Government to undertake energy efficiency improvements for low income households. However, these funds are short term in nature and inevitably fail to keep up with the scale of retrofit required.

Table 4.9 Adaptations and home improvements required by age group

Home improvement required	Under 65 (% of households)	65-74 (% of households)	75+ (% of households)	Total (% of households)
More insulation (loft, wall cavities)	20.1%	10.0%	9.3%	17.5%
Community alarm service	4.6%	5.0%	5.9%	4.8%
Better heating	20.1%	15.9%	9.4%	18.5%
Double glazing	18.0%	7.2%	9.7%	15.6%
Improved ventilation	11.8%	3.1%	5.2%	9.8%
Downstairs WC	9.7%	6.1%	9.0%	9.1%
Increase the size of property (e.g. extension, loft conversion)	14.0%	1.7%	2.5%	11.0%
Base (all households)	44,054	9,901	4,569	58,524

Adaptation required	Under 65 (% of households)	65-74 (% of households)	75+ (% of households)	Total (% of households)
Adaptations to bathroom	12.8%	20.5%	16.9%	14.4%
Adaptations to kitchen	7.0%	15.2%	19.4%	9.3%
External handrails /grab rails	12.4%	5.2%	9.0%	10.9%
Internal handrails /grab rails	5.0%	6.4%	13.5%	5.9%
Stair lift / vertical lift	4.7%	7.8%	12.3%	5.8%
Adaptations relating to sensory needs	4.0%	1.2%	8.9%	3.9%
Improvements to access (e.g. level access in and around home)	6.1%	4.5%	8.2%	6.0%
Wheelchair adaptations (including door widening and ramps)	3.8%	1.4%	10.0%	3.9%
Lever door handles	4.1%	4.9%	9.4%	4.6%
Room for a carer	4.4%	3.1%	1.6%	3.9%
Base (all households)	44,054	9,901	4,569	58,524

Source: 2021 household survey

- 4.38 There is a wealth of evidence to show the value gained from adapting people's existing accommodation. This could be expressed either in terms of improving outcomes for older people, the majority of whom wish to remain independent in their own homes, or the savings to be gained within the health economy by reduced dependence on expensive residential care or fewer accidents in the home setting.
- 4.39 One source of funding for adaption is the Disabled Facilities Grant which is a significant capital programme of work for the council. Each year between 150-200 properties in the existing stock in Preston are adapted, the vast majority delivering the adaptations listed in Table 4.9. Whilst the grants are 'means tested', the current levels of funding, plus the council's approved flexibility around the means test, mean that in practice very few applicants make any contribution at all. Whilst DFG's are reliant on central government grant allocation, there is no expectation that these funds will diminish in the foreseeable future.

- 4.40 Alternative sources of funding, such as equity loans, could also be considered to finance remedial measures required by older person households.

Assistance in the home

- 4.41 The 2021 household survey also provides information on a range of practical assistance required from households by age group (Table 4.10). Overall, the highest level of need is for help with repair and maintenance of home. For all types of assistance, the level of need increases with age which includes the need for company/friendship, mentioned by 26.2% of people aged 75 and over.

Table 4.10 Type of assistance required by age group of household reference person (HRP)

Type of help needed now or in next 5 years	Under 65 (%)	65-74 (%)	75+ (%)	All (%)
Help with repair and maintenance of home	30.8%	44.2%	50.6%	34.6%
Help with gardening	16.4%	34.5%	48.8%	22.0%
Help with cleaning home	14.1%	25.4%	46.9%	18.5%
Help with other practical tasks	11.9%	20.0%	32.9%	14.9%
Help with personal care	10.4%	9.5%	32.9%	12.0%
Want company / friendship	10.5%	9.7%	26.2%	11.6%
Base (all households)	44,054	9,901	4,569	58,524

Source: 2021 household survey

Health-related housing need

- 4.42 A range of sources can be drawn upon to establish the overall scale of disability/support needs across the City of Preston. In summary:
- The 2011 Census reported that across the city 80.7% were in very good or good health, 13.2% were in fair health and 6% in bad/very bad health (particularly across older age groups). A total of 25,914 residents (19.2%) were in fair/bad/very bad health which compares with 18.3% across England.
 - 8.7% of residents reported that their daily activities were limited 'a lot' and 9.3% 'a little' which compares with 8.3% and 9.3% respectively across England. This is mainly associated with older age groups.
 - 3,560 people received Disability Living Allowance in 2018 or 2.5% of the population.
 - The ONS Family Resources Survey 2018/19 estimates that around 21% of the population nationally has a disability and provides estimates by age group. Applying these estimates to the City of Preston's population, this translates to around 26,233 across the City in 2021 and is projected to increase to around 28,230 by 2038.
- 4.43 The 2021 household survey data considered illness/disability. There was at least one person with an illness/disability in 25,164 (43%) of households. The survey estimated a total of 55,619 people or 38.9% had an illness/disability

which is higher than the ONS estimates. Table 4.11 shows the number of people stating an illness/disability and the type of illness/disability. The most frequently mentioned illness/disability was long-standing illness or health condition (32.2%) followed by physical/mobility impairment (17.2%) and mental health issue (14.2%).

Table 4.11 Number of people stating illness/disability

Illness/disability	Number of people	% of total Population
Physical/mobility impairment	7,861	17.2%
Learning disabilities	1,329	2.9%
Autism	1,544	3.4%
Mental health issue	6,504	14.2%
Visual impairment	2,707	5.9%
Hearing impairment	4,552	10.0%
Long-standing illness or health condition	14,703	32.2%
Older age related illness or disability (e.g. dementia, stroke)	3,839	8.4%
Other	2,678	5.9%
Total population	142,960	100%
Total number of people with an illness/disability	45,717	37.9%
Households with at least one person with an illness/disability	Number of households	% of households
Total	24,991	42.7%

Source: 2021 household survey

Physical disability

- 4.44 POPPI and PANSI (Projecting Older People Population Information/Projecting Adult Needs and Service Information, Oxford Brookes University/Institute of Public Care) provides data on the likely prevalence in 2020 of a range of physical disabilities and how this is expected to change by 2038 (Table 4.12). In 2020, there were an estimated 8,206 people with mobility issues across all age groups which is projected to increase to 9,149 by 2038 mainly due to an increase in the number of people aged 65 with mobility issues.

Table 4.12 Physical disability prevalence

Disability (age group)	2020	2038	% change 2020-2038
Impaired mobility (18-64)	4,394	4,148	-5.6%
Mobility (unable to manage at least one activity on own) (65+)	3,812	5,002	31.2%
Moderate or serious personal care disability (18-64)	3,905	3,719	-4.8%
Serious visual impairment (18-64)	58	58	-0.3%
Moderate or severe visual impairment (65+)	1,828	2,365	29.4%
Severe hearing loss (18-64)	469	442	-5.7%
Severe hearing loss (65+)	1,638	2,167	32.3%
All with mobility issues (impaired mobility 18-64 and mobility 65+)	8,206	9,149	11.5%

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

Learning disability and autism

- 4.45 The number of people across all age groups with moderate or severe learning disabilities is estimated to be around 558 in 2020 rising to 576 by 2038, (Table 4.13). There is a notable growth in the number of people aged 65 and over with learning disabilities. Around 1,109 people have autistic spectrum disorders in 2020 and this is expected to increase to 1,166 by 2038.

Table 4.13 Learning disability and autism

Learning disability (age group)	2020	2038	% change 2020-2038
Total (18-64)	2,192	2,197	0.2%
Total (65+)	438	567	29.4%
Moderate or severe (18-64)	499	501	0.4%
Moderate or severe (65+)	59	76	28.0%
Moderate or severe (all ages)	558	576	3.3%
People with LD living with a parent (18-64)	199	206	3.3%
Downs syndrome (18+)	57	57	0.4%
Challenging behaviour (18-64)	40	40	0.0%
Autistic spectrum disorders (18-64)	910	909	-0.2%
Autistic spectrum disorders (65+)	199	258	29.5%
Autistic spectrum disorders (all ages)	1,109	1,166	5.2%

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

- 4.46 The Lancashire County Council Market Position Statement 2019 for adult social care notes:
- A need to develop crisis provision across Lancashire for people with learning disability and/or autism.

- Encourage the development of newer, more innovative and flexible Supported Living accommodation for people with a learning or physical disability, and/or mental health condition.
- 1,091 daytime support places each week are funded for people with learning disabilities, mental health and physical disabilities.
- The County Council has an in-house Supported Living service to support people with a learning disability and/or autism to live in their own home with support and a nationally recognised Shared Lives service which enables people who need support to live in a family setting. These include residential care places, daytime support, respite and rehabilitation beds.

Mental health

- 4.47 2020 POPPI/PANSI data estimates there are around 16,712 residents with a common mental health disorder (Table 4.14). The number of people aged 18-64 with a common mental health disorder is expected to reduce by 0.2% over the period to 2038. However, depression amongst people aged 65 or over is expected to increase considerably.

Table 4.14 Mental health disorder prevalence

Mental health 18-64	2020	2038	% change 2020-2038
Common mental disorder	16,712	16,672	-0.2%
Borderline personality disorder	2,123	2,118	-0.2%
Antisocial personality disorder	3,022	3,015	-0.2%
Psychotic disorder	623	622	-0.2%
Psychotic disorders (2 or more)	6,400	6,385	-0.2%
Older people with depression	2020	2038	% change 2020-2038
Depression 65+	1,807	2,341	30%
Severe depression (65+)	568	742	31%

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

Accessible and wheelchair standard housing

- 4.48 PPG states that **‘where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the NPPF). To help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:**
- **M4(1) Category 1: VISIBLE dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
 - **M4(2) Category 2: Accessible and adaptable dwellings; and**
 - **M4(3) Category 3: Wheelchair user dwellings**

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

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

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

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

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

Table 4.15 Summary of accessible housing standards

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

4.51 It should be noted that Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable (a home that can be easily

adapted to meet the needs of a household including wheelchair users) dwellings (source: PPG Paragraph: 009 Reference ID: 56-009-20150327).

M4(3) wheelchair accessible standard need

- 4.52 In order to establish an appropriate target for M4(3) dwellings, Table 4.16 sets out a series of assumptions regarding wheelchair use from the English Housing Survey and a report by Aspire Housing Association. Applying these assumptions would suggest a target of 4% of newbuild to meet M4(3) wheelchair accessible standard is required.
- 4.53 According to PPG (source: PPG Paragraph: 009 Reference ID: 56-009-20150327), 'Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.' This would imply that the onus on wheelchair accessible housing delivery is with the local authority/registered providers, but private developers should also be encouraged to build to M4(3) wheelchair accessible or adaptable homes where appropriate. Any final targets should be set within the context of likely levels of delivery.

Table 4.16 Wheelchair use assumptions and resulting annual need

Assumption	% requirement	Number each year (based on 490 annual housing need)
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair all the time	0.6%	3
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair either indoors or outdoors	3.0%	15
City of Preston has 1,288 current users of wheelchairs inside and outside the home based on 2021 household survey. This equates to 2.2% of households.	2.2%	11
Aspire report on wheelchair accessible housing (*)	10%	49
Average of indicators	3.8%	19

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

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

Table 4.17a Wheelchair dwellings needed by age group and number of bedrooms (table percentage)

Age group	1	2	3	Total
Under 65	16.4	36.3	27.1	79.8
65 and over	20.2	0.0	0.0	20.2
Total	36.6	36.3	27.1	100

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

Age group	1	2	3	Total
Under 65	3	7	5	15
65 and over	4	0	4	4
Total	7	7	9	19

Source: 2021 household survey

Note: The annualised figure of 19 is based on the average of indicators in Table 4.16.

M4(2) accessible and adaptable homes

4.55 This standard is effectively the 'lifetime homes' standard. Features of an M4(2) home include:

- Within the curtilage of the dwelling, or of the building containing the dwelling, it is possible to approach and gain step-free access to the dwelling and to any associated parking space and communal facilities intended for the occupants to use.
- There is step-free access to the WC and other accommodation within the entrance storey and to any associated private outdoor space directly connected to the entrance storey.
- A wide range of people, including older and disabled people and some wheelchair users, are able to use the accommodation and its sanitary features.
- Features are provided to enable common adaptations to be carried out in the future to increase the accessibility and functionality of the dwelling.
- Wall mounted switches, socket outlets and other controls are reasonably accessible to people who have reduced reach.

4.56 Table 4.18 provides a summary of indicators to help establish the need for M4(2) adapted accommodation.

Table 4.18 Indicators of the need for adapted accommodation

Indicator	Data	Source
Population aged 65 and over	15% in 2021 increasing to 22.8% by 2038	ONS 2018-based population projections
% population with mobility issues	18% (2020) and 18.2% (2040)	PANSI
% population with long-term health problem or disability (day to day activities limited a little or a lot)	18%	2021 Census

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

- 4% of new dwellings are built to M4(3) wheelchair accessible standard (this would imply an average target of around 19 each year); and
- All remaining dwellings are built to M4(2) accessible and adaptable standards to take account of the ageing demographics of the borough. This will ensure that new dwellings can be occupied and also visited by people needing accessible/adaptable dwellings.

4.58 It should be noted however that any percentage requirements for accessible housing are subject to cumulative viability testing. It is also recommended that needs are monitored closely given the ageing population over the plan period.

Stakeholder views on specialist housing

4.59 As general points, stakeholders commented that :

- There needs to be focus on building 1 and 2 bedroom specialist dwellings for smaller family units and singles.
- Provision of Extra Care type accommodation for younger adults with support needs is a particular priority.
- Space standards in properties need to be adequate for ease of movement for elderly and visually/physically impaired.
- Consideration given to fixtures and fittings for elderly, visually/physically impaired and people experiencing dementia.
- General support to tackle social isolation and loneliness would be welcome.

Life experience-related housing need

Armed forces

- 4.60 The council is a signatory to the Armed Forces Covenant which seeks to provide support in a range of areas including housing to in-service and ex-service personnel.
- 4.61 The Government's First Homes policy identifies people connected with the Armed Forces as an eligible group for First Homes.

Cultural heritage related housing need

- 4.62 For those from a minority ethnic background there may be cultural heritage or religion related determined needs which impact on the type of accommodation required. This would include the specific needs of particular Black, Asian and Minority ethnic (BAME – households not identifying as 'White British') households as well as those from Travelling communities.

BAME population and households

- 4.63 Around 19.8% of the population in the City of Preston identify as BAME. The distribution of BAME people within the City is shown in Table 4.19. The majority of BAME people live in the central and eastern sub-areas and particularly in City Centre, Deepdale and Fishwick & Frenchwood wards.
- 4.64 The household survey identified 12,619 households (21.8%) where the household reference person identified as BAME. Overall, 26.6% of BAME households were in some form of housing need compared with 19.1% of all households. Key reasons for BAME housing need included overcrowding and separate families sharing kitchens and bathrooms.
- 4.65 Further analysis of BAME need indicates that 29.6% of households would consider moving to a market property, 17.4% an affordable rented and 19.7% an affordable home ownership property. The overall range of dwellings being considered is summarised in Table 4.21 which shows a strong demand for 3 and 4 or more bedroom dwellings.

Table 4.19 Distribution of BAME households across the City of Preston

Sub-area	Ward/Parish	BAME residents	% of BAME residents in each area	% of all residents in each area who are BAME	All residents
Central	City Centre	3,016	10.9%	27.5%	10,962
Central	Deepdale	5,308	19.1%	56.0%	9,485
Central	Fishwick & Frenchwood	4,685	16.9%	47.5%	9,856
Central	Plungington	2,081	7.5%	17.2%	12,077
Central	St Matthew's	3,608	13.0%	36.7%	9,843
CENTRAL	TOTAL	18,698	67.3%	35.8%	52,223
East	Brookfield	972	3.5%	12.2%	7,981
East	Ribbleton	802	2.9%	9.0%	8,884
EAST	TOTAL	1,774	6.4%	10.5%	16,865
North	Cadley	746	2.7%	8.9%	8,412
North	Garrison	2,055	7.4%	22.4%	9,156
North	Greyfriars	1,065	3.8%	14.0%	7,582
North	Sharoe Green	1,338	4.8%	16.3%	8,204
NORTH	TOTAL	5,204	18.7%	15.6%	33,354
West	Ashton	791	2.8%	8.7%	9,044
West	Ingol & Cottam	546	2.0%	6.5%	8,395
West	Lea & Larches	452	1.6%	5.0%	9,097
WEST	TOTAL	1,789	6.4%	6.7%	26,536
Rural East	Broughton	92	0.3%	5.3%	1,722
Rural East	Grimsargh	54	0.2%	2.0%	2,653
Rural East	Haighton	8	0.0%	4.0%	202
Rural East	Whittingham	30	0.1%	1.5%	2,027
RURAL EAST	TOTAL	184	0.7%	2.8%	6,604
Rural North	Barton	30	0.1%	2.6%	1,150
Rural North	Goosnargh	21	0.1%	1.6%	1,316
Rural North	Woodplumpton	87	0.3%	4.0%	2,154
RURAL NORTH	TOTAL	138	0.5%	3.0%	4,620
PRESTON	TOTAL	27,787	100.0%	19.8%	140,202

Source: 2011 Census

Table 4.20 Summary of BAME dwelling likes and expectations

Dwelling type and size	Like %	Expect %	Blend of like/expect %
1 bedroom house	0.0	0.0	0.0
2 bedroom house	15.9	16.9	16.4
3 bedroom house	29.1	33.9	31.5
4+ bedroom house	40.7	33.9	37.3
1 bedroom flat	1.6	1.6	1.6
2 bedroom flat	4.6	8.0	6.3
3+ bedroom flat	2.4	1.0	1.7
1 bedroom bungalow	0.0	0.0	0.0
2 bedroom bungalow	3.9	3.9	3.9
3+ bedroom bungalow	1.7	0.8	1.3
Total	100.0	100.0	100.0
Base	5,323	5,335	5,329

Source: 2021 household survey

4.66 Overall, 33.4% of households who are in housing need identify as BAME. Table 4.21 considers the number of bedrooms needed compared with all households who are in housing need. This demonstrates that around 30% of BAME households require a property with 4 or more bedrooms.

Table 4.21 Households in housing need: number of bedrooms required by ethnicity

Number of bedrooms needed	BAME %	Non-BAME %	Total %
1	14.3	53.6	40.4
2	26.0	25.5	25.6
3	29.9	15.3	20.2
4	26.2	5.6	12.5
5 or more	3.7	0.0	1.2
Total	100.0	100.0	100.0
Base	3,434	6,812	10,246

4.67 As part of stakeholder consultation, a focus group discussion took place with the Preston Asian Housing Engagement Group to consider the specific needs of Asian heritage households. Key points raised included:

- A need to recognise the specific needs of the Asian community when considering housing need. The group were concerned that despite existing evidence of the needs from Asian households, this has not filtered into strategic thinking.
- There is a need for larger 5-6 bedroom dwellings, and the group reported about 30% of Asian households are overcrowded (which the 2021 survey confirmed was a key reason why households were in need).

- There are specific housing and support needs amongst Asian elders. Those living on their own can feel isolated. It may be appropriate to provide accommodation in a setting where people can interact and engage with others whilst maintaining their own independent homes.
 - There needs to be a better understanding of the cultural and religious needs of Asian households. For instance, there is a lack of new provision for multi-generational families and living in proximity to mosques and temples is important. For younger people who move out of the family home, being close to their parents to provide support is important. This also supports community sustainability. Living in some areas is challenging due to racism and not being close to cultural facilities.
 - Whilst Asian households like to own their own homes, there are social and affordable home options – particularly for larger dwellings which should be considered. There are larger owner occupied and private rented homes but these are often in larger Victorian houses which may not meet aspirations, be of poor quality and too expensive to modernise. There is a lack of environmentally friendly accommodation.
 - There is a lack of larger affordable dwellings available. There is also a lack of understanding within the community about affordable home ownership options.
 - The group strongly recommends that a housing association considers the development of some larger dwellings to reflect the underlying needs of the Asian community which are evidenced by the Housing Engagement Group and also from the 2021 household survey. Households tend to apply for affordable housing if it's likely be available – hence registers tend to have applicants for smaller properties. If 5 bed properties are not available, people are not necessarily going to apply for them.
- 4.68 Given the ethnic profile of Preston and long-standing concerns of a lack of appropriate housing provision for BAME groups, in particular from the Asian Community, it is recommended that that the council takes into account the specific needs of BAME communities and reflected in housing and planning policies. It is recommended that:
- The specific need for larger family accommodation with at least 5 bedrooms is recognised to meet the needs of some BAME households, particularly in the central area of Preston.
 - A programme for delivering larger affordable dwellings is developed. A specific target should be set for the delivery of larger properties based on the evidence in Table 4.21 and the overall gross affordable need set out in Table C.10. There is an overall gross need for 8.6% of all affordable dwellings to have 4 or more bedrooms.
 - To recognise the specific needs of BAME communities, 7.5% of new affordable dwellings should have 4 bedrooms and 1.1% of all new affordable dwellings should have 5 or more bedrooms. Table 4.22 sets out how this figure is derived.

Table 4.22 Calculating the need for larger affordable dwellings

Report Table	Data
From Table 4.21	A. 26.2% of BAME households in housing need require 4 bedrooms and 3.7% require 5 or more bedrooms. This sums to 29.9%. B. This translates to 87.6% need 4 bedrooms and 12.4% need 5 or more bedrooms
From Table C.10	8.6% of gross need is for affordable dwellings with 4 or more bedrooms. Based on the BAME need summarised at B., 87.6% of the 8.6% gross need is for 4 bedroom dwellings (7.5%) and 12.4% of the gross need is for 5 bedroom dwellings (1.1%)

Gypsy, Traveller and Travelling Showperson need

- 4.69 The 2019 Central Lancashire Gypsy and Traveller Accommodation Assessment identified an overall need for 30 residential pitches over the period 2019/20 to 2035/36, of whom 28 are for households who have a nomadic habit of life and meet the definition of Traveller in the Planning Policy for Traveller Sites. No need was identified for Travelling Showperson plots. There was a need for 5 transit pitches accommodating up to 10 caravans but it was recommended this could be met through a sub-regional transit site. A new GTAA is currently being prepared as part of the Central Lancashire Local Plan review.

Other groups with particular housing requirements

- 4.70 This chapter concludes with a summary of the other household groups who have particular housing requirements in the City of Preston.

People who rent their homes

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

Self-build and custom housebuilding

- 4.72 The NPPF 2021 set out that the government wants to enable more people to build their own homes and wants to make this form of housing a mainstream housing option.
- 4.73 There are currently 4 households on the council's self-build register who tend to prefer living in rural areas.

Student housing need

- 4.74 A comprehensive assessment of student housing need was carried out by Cushman and Wakefield in 2019. This report concluded that:
- Student numbers at the University of Central Lancashire (UCLan) have not grown as anticipated by the 2012 Local Plan. Despite this, purpose-built

student accommodation (PBSA) has and continues to be developed. Over 1,000 PBSA bedspaces have been built since 2016 at a time when bedspace demand has been falling.

- The development of pipeline PBSA is not being driven by student demand but by development appraisals and perceived financial returns.
- Falling numbers of students living in HMOs.
- An unhealthy student to bed ratio in Preston has resulted in a large number of voids in purpose-built stock.
- A lack of quality in the general market.
- There continues to be a need to deliver better quality, largely en-suite schemes that support modern student living habits and enhance the student experience.

4.75 Regarding future policy, the report concluded:

- There is a need for UCLan to work proactively with the council to oppose unsuitable schemes going forward.
- The university should consider guaranteeing accommodation to first year students which is a key tool in recruiting students.
- Students wish to live as close to campus as possible. Priority should be given to applications close to campus, with a presumption against those located more than 10 minutes from the campus edge.
- There is a lack of quality in the PBSA market, with a lack of social and amenity spaces. The council may look to impose minimum standards in terms of the amount of social space offered by developments so that new schemes can only raise the quality of stock of Preston.
- Limited demand for studio bed spaces which is reflected in void levels and change of use to house key workers.
- The council should prepare for a reduction in the number of students in HMOs, but with potential for higher quality schemes overall.

Conclusion

4.76 In accordance with PPG, this housing need and demand study has considered the future need for specialist accommodation, the need for residential care and considered the role of general housing in meeting needs, in particular bungalows and homes that can be adapted to meet a change in needs.

4.77 The number of households headed by someone aged 65 or over is expected to increase by 4,109 (29.2%) by 2038. According to the 2021 household survey, 46.7% of older people want to remain in their current home with help and support when needed, such as help with repair and maintenance. There is also interest in a range of options including open market, rented from a housing association/council, sheltered and co-housing. There is a need to deliver a range of smaller dwellings (particularly level-access accommodation) for older people across all tenures and specialist older persons housing provision.

- 4.78 Across the City of Preston there are around 5,474 units of specialist older persons accommodation comprising 3,078 specialist older accommodation (C3 planning use class) and 2,396 units of residential care (C2 use class)
- 4.79 Based on population projections, there is a need for 1,903 additional units of specialist older persons' accommodation by 2038.
- 4.80 The HNDA does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that 'any single development may contain a range of different types of specialist housing' (source: PPG June 2019 Paragraph: 010 Reference ID: 63-010-20190626).
- 4.81 A key conclusion is that there needs to be a broader housing offer for older people across the city and the HNDA has provided evidence of the scale and range of dwellings needed.
- 4.82 A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across the city's population. Although it is a challenge to quantify the precise accommodation and support requirements, the HNDA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups.
- 4.83 It is estimated there are around 26,233 people with a disability across the City of Preston based on ONS disability estimates but the 2021 household survey suggested a much higher figure of 55,619. Regarding housing for people with disabilities, the 2021 household survey suggests around 7.8% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability. 14.2% of households need all facilities (living room, bathroom, kitchen and bedroom) to be on one floor.
- 4.84 Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to wheelchair accessible M4(3) standard. All social rented and 20% of market dwellings should be built to M4(2) accessible and adaptable standard, to take account of the ageing demographics of the City of Preston.
- 4.85 There is limited need for self-build plots.
- 4.86 The need for student accommodation continues but future delivery needs to be carefully considered. There is an oversupply of student accommodation reflected in void rates and reduced demand. Some existing purpose-built student accommodation does not meet the aspirational standards of students, leading to voids in studio units. Any future PBSA needs to be carefully considered by the council and UCLan and should be to address gaps in quality of provision rather than meet a growing student demand.
- 4.87 There is a specific need from BAME communities, particularly Asian households, for larger dwellings. It is recommended that 7.5% of new affordable dwellings have 4 bedrooms and 1.1% have 5 or more bedrooms to help meet the needs of Asian households.

5. Overall housing need, dwelling type and mix

Introduction

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

Overall housing need

- 5.2 The Central Lancashire Housing Needs Assessment 2022 has identified an annual need for 490 dwellings across the City of Preston over the plan period 2023 to 2038.

Affordable housing need

- 5.3 A detailed analysis of affordable housing need in accordance with PPG is presented at Technical Appendix C. **This establishes an overall gross affordable need of 1,227 and after taking into account affordable lettings and newbuild the net shortfall is 395 each year.**
- 5.4 Analysis in the HNDA would suggest an overall affordable tenure split of 88% social/affordable rented and 12% affordable home ownership across the City of Preston excluding an allowance for First Homes. With First Homes, the tenure split is 68% rented and 32% affordable home ownership.

Dwelling type and mix

- 5.5 Dwelling mix analysis is underpinned by a demographic scenario model which takes into account projected household change to 2038 using 2018-based ONS household projections. To support flexibility in delivery, dwelling type and mix by tenure is presented as a broad range. Further detail of the modelling is presented at Technical Appendix D. Analysis also considers the range of dwellings by sub-area and tenure,
- 5.6 There are four main data sources which underpin the analysis:
- household projections;
 - dwelling stock information;
 - data identifying the relationships between households and dwellings derived from the 2021 household survey; and
 - data derived from affordable housing need analysis.
- 5.7 Modelling also considers the dwelling type aspirations and expectations of households and the number of bedrooms needed.
- 5.8 Table 5.1 provides an overview of the range of dwellings needed across the City of Preston annually. This helps to establish the broad range of dwellings needed for all households in line the requirements of the NPPF. So, as an example, for market dwellings it would be appropriate for the overall profile of

dwellings built each year to be 10-15% 2 bedroom houses, 30-35% 3 bedroom houses etc. It does not mean that every scheme brought forward needs to meet this dwelling type and mix, but rather the overall range of dwellings built should seek to reflect this profile.

- 5.9 Further analysis set out in Table 5.2 to 5.4 set out the dwelling mix by sub-areas for affordable/social rented dwellings (Table 5.2), affordable home ownership (Table 5.3) and Market dwellings (Table 5.4).
- 5.10 It is important that both planners and developers maintain a flexible approach to what is built within the City of Preston and recognise that in some areas development may be restricted to particular types of dwelling, but this analysis helps determine the relative priorities of development in particular sub-areas and parishes.

Table 5.1 Summary of overall dwelling mix by tenure

Dwelling type/size	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1-bedroom house	0-2%	2-5%	0-2%	0-2%
2-bedroom house	10-15%	20-25%	10-15%	15-20%
3-bedroom house	35-40%	20-25%	25-30%	35-40%
4 or more-bedroom house	15-20%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	2-5%	5-10%
2-bedroom flat	0-2%	15-20%	5-10%	5-10%
3 or more -bedroom flat	0-2%	0-2%	0-2%	2-5%
1-bedroom bungalow/level-access/other	2-5%	10-15%	0-2%	0-2%
2-bedroom bungalow/level-access/other	10-15%	5-10%	5-10%	5-10%
3 or more-bedroom bungalow/ level-access/other	10-15%	2-5%	5-10%	5-0%
Dwelling type	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
House	70-75%	50-55%	75-80%	70-75%
Flat	2-5%	25-30%	5-10%	15-20%
Bungalow/level-access/other	25-30%	15-20%	10-15%	5-10%
Number of bedrooms	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	2-5%	10-15%
2	25-30%	40-45%	25-30%	25-30%
3	50-55%	20-25%	35-40%	40-45%
4	15-20%	5-10%	30-35%	20-25%

Table 5.2 Affordable (social/rented) need by sub-area and rural parish

Sub Area	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Central	5-10%	10-15%	15-20%	10-15%	10-15%	20-25%	0-2%	10-15%	2-5%	2-5%
East	0-2%	25-30%	25-30%	5-10%	5-10%	15-20%	0-2%	2-5%	2-5%	5-10%
North	2-5%	15-20%	15-20%	2-5%	15-20%	5-10%	0-2%	15-20%	15-20%	5-10%
West	0-2%	40-45%	20-25%	0-2%	10-15%	2-5%	0-2%	10-15%	5-10%	0-2%
Preston Rural East	2-5%	0-2%	50-55%	2-5%	15-20%	2-5%	0-2%	10-15%	5-10%	2-5%
Preston Rural North	2-5%	5-10%	20-25%	25-30%	15-20%	5-10%	0-2%	5-10%	5-10%	0-2%
Preston City Total	2-5%	20-25%	20-25%	5-10%	10-15%	15-20%	0-2%	10-15%	5-10%	2-5%
Parish	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Barton	2-5%	5-10%	40-45%	30-35%	0-2%	2-5%	0-2%	2-5%	5-10%	2-5%
Broughton	0-2%	5-10%	30-35%	15-20%	2-5%	10-15%	0-2%	0-2%	5-10%	10-15%
Goosnargh	2-5%	10-15%	45-50%	5-10%	15-20%	5-10%	0-2%	0-2%	0-2%	5-10%
Grimsargh	0-2%	5-10%	25-30%	20-25%	5-10%	2-5%	0-2%	5-10%	20-25%	5-10%
Haighton	2-5%	5-10%	45-50%	30-35%	5-10%	2-5%	0-2%	0-2%	0-2%	2-5%
Whittingham	0-2%	2-5%	25-30%	15-20%	15-20%	5-10%	0-2%	2-5%	10-15%	15-20%
Woodplumpton	0-2%	2-5%	25-30%	30-35%	5-10%	15-20%	0-2%	0-2%	10-15%	0-2%

Source: 2021 household survey

*bungalow/level-access/other

Table 5.3 Affordable (affordable home ownership) need by sub-area and rural parish

Sub Area	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Central	0-2%	15-20%	25-30%	35-40%	0-2%	5-10%	0-2%	0-2%	2-5%	0-2%
East	0-2%	0-2%	20-25%	40-45%	15-20%	0-2%	0-2%	0-2%	0-2%	15-20%
North	0-2%	2-5%	20-25%	25-30%	0-2%	2-5%	0-2%	0-2%	15-20%	20-25%
West	0-2%	15-20%	50-55%	15-20%	0-2%	0-2%	0-2%	0-2%	0-2%	10-15%
Preston Rural East	0-2%	10-15%	25-30%	30-35%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Preston Rural North	0-2%	10-15%	25-30%	30-35%	0-2%	10-15%	0-2%	0-2%	10-15%	0-2%
Preston City Total	0-2%	10-15%	25-30%	30-35%	2-5%	5-10%	0-2%	0-2%	5-10%	5-10%
Parish	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Barton	0-2%	10-15%	25-30%	30-35%	0-2%	10-15%	0-2%	0-2%	10-15%	0-2%
Broughton	0-2%	10-15%	25-30%	30-35%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Goosnargh	0-2%	10-15%	25-30%	30-35%	0-2%	10-15%	0-2%	0-2%	10-15%	0-2%
Grimsargh	0-2%	10-15%	25-30%	30-35%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Haighton	0-2%	10-15%	25-30%	30-35%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Whittingham	0-2%	10-15%	25-30%	30-35%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Woodplumpton	0-2%	10-15%	25-30%	30-35%	0-2%	10-15%	0-2%	0-2%	10-15%	0-2%

Source: 2021 household survey

Note: The data for individual parishes were based on small samples to data for corresponding rural ward have been used to express the range of affordable home ownership dwelling types and sizes

*bungalow/level-access/other

Table 5.4 Market mix by sub-area and rural parish

Sub Area	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Central	0-2%	20-25%	30-35%	20-25%	0-2%	5-10%	0-2%	0-2%	5-10%	2-5%
East	0-2%	0-2%	35-40%	25-30%	10-15%	0-2%	0-2%	0-2%	10-15%	10-15%
North	0-2%	5-10%	25-30%	25-30%	0-2%	2-5%	0-2%	0-2%	10-15%	20-25%
West	0-2%	10-15%	35-40%	15-20%	0-2%	0-2%	0-2%	2-5%	10-15%	10-15%
Preston Rural East	0-2%	2-5%	15-20%	40-45%	0-2%	2-5%	0-2%	0-2%	10-15%	15-20%
Preston Rural North	0-2%	5-10%	25-30%	35-40%	0-2%	0-2%	0-2%	0-2%	10-15%	10-15%
Preston City Total	0-2%	10-15%	35-40%	15-20%	0-2%	0-2%	0-2%	2-5%	10-15%	10-15%
Parish	1- bedroom house	2- bedroom house	3- bedroom house	4 or more - bedroom house	1- bedroom flat	2- bedroom flat	3 or more- bedroom flat	1- bedroom bungalow*	2- bedroom bungalow*	3 or more bedroom- bungalow*
Barton	0-2%	10-15%	30-35%	20-25%	0-2%	5-10%	0-2%	0-2%	10-15%	10-15%
Broughton	0-2%	5-10%	25-30%	40-45%	0-2%	2-5%	0-2%	0-2%	2-5%	10-15%
Goosnargh	0-2%	15-20%	75-80%	0-2%	0-2%	0-2%	0-2%	0-2%	0-2%	5-10%
Grimsargh	2-5%	0-2%	15-20%	40-45%	2-5%	0-2%	0-2%	0-2%	20-25%	5-10%
Haighton	0-2%	0-2%	0-2%	50-55%	0-2%	0-2%	0-2%	0-2%	0-2%	50-55%
Whittingham	0-2%	5-10%	15-20%	40-45%	2-5%	2-5%	0-2%	0-2%	5-10%	15-20%
Woodplumpton	0-2%	0-2%	10-15%	50-55%	0-2%	2-5%	0-2%	0-2%	15-20%	10-15%

Source: 2021 household survey

*bungalow/level-access/other

Conclusions

- 5.11 The Central Lancashire Housing Needs Study 2019 has established an annual need for 490 dwellings across the City of Preston over the plan period 2023 to 2038.
- 5.12 The HNDA has established future household change and the implications this has for dwelling type, size and tenure mix. This helps the council and its partners make informed decisions on the range and size of dwellings to be built to meet need over the period to 2038.
- 5.13 Given the level of affordable need (395 each year), the Local Plan needs to maintain a robust affordable housing policy setting out targets and tenure split. An affordable policy should therefore continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs.

6. Conclusion: policy and strategic issues

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

Overall Housing need

- 6.4 The Central Lancashire Housing Needs Assessment 2022 has identified an annual need for 490 dwellings across the City of Preston over the plan period 2023 to 2038.

Dwelling type, tenure and mix

- 6.5 The relationship between household change and dwelling type/size and tenure requirements have been fully explored. The evidence will help the council deliver an appropriate range of dwelling stock for residents over the plan period. The overall dwelling mix is summarised in Table 6.1.

Table 6.1 Summary of overall annual dwelling mix required by tenure

Dwelling type/size	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1-bedroom house	0-2%	2-5%	0-2%	0-2%
2-bedroom house	10-15%	20-25%	10-15%	15-20%
3-bedroom house	35-40%	20-25%	25-30%	35-40%
4 or more-bedroom house	15-20%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	2-5%	5-10%
2-bedroom flat	0-2%	15-20%	5-10%	5-10%
3 or more -bedroom flat	0-2%	0-2%	0-2%	2-5%
1-bedroom bungalow/level-access	2-5%	10-15%	0-2%	0-2%
2-bedroom bungalow/level-access	10-15%	5-10%	5-10%	5-10%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
House	70-75%	50-55%	75-80%	70-75%
Flat	2-5%	25-30%	5-10%	15-20%
Bungalow/level-access	25-30%	15-20%	10-15%	5-10%
Number of bedrooms	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	2-5%	10-15%
2	25-30%	40-45%	25-30%	25-30%
3	50-55%	20-25%	35-40%	40-45%
4	15-20%	5-10%	30-35%	20-25%

6.6 Regarding affordable need, there is an annual net shortfall of 395 dwellings. However, delivery of affordable housing is subject to economic viability and the council does not need to plan to meet this number in full. The current affordable housing target is set out in the Council's Affordable Housing Supplementary Planning Document (SPD):

- 30% on market housing schemes in urban areas;
- 35% in rural areas on site in or adjoining villages which have or will have a suitable range of services; and
- 100% on any rural exception sites, including those in the green belt.

6.7 A recommended affordable tenure split for the City of Preston is 68% rented and 32% affordable home ownership including First Homes.

Meeting the needs of older people and those with disabilities

- 6.8 There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities. Although the majority of older people want to remain in their own home with support when needed, there is a need to diversify options available to older people wanting to move to more appropriate accommodation.
- 6.9 Currently there are around 5,474 units of specialist older person accommodation comprising 2,396 units of residential care (C2 use class) dwellings and 3,078 units of specialist older person dwellings (C3 use class) such as sheltered and Extra Care. Analysis of demographic change would suggest a need for an additional 1,903 units comprising 833 residential (C2) units and 1,070 older person (C3) dwelling units by 2038. The C3 units should be included in the overall housing targets: the annual need is 59 (based on the period 2021 to 2038) which represents 12% of the 490 annual housing need for 2023 to 2038. Delivery of C2 units would be in addition to this figure.
- 6.10 A key conclusion is that there needs to be a broader housing offer for older people across the City of Preston and this HNDA has provided evidence of scale and range of dwellings needed.
- 6.11 A range of information has been assembled from various sources which helps to scope out the likely level of disability across the City of Preston's population. The strategic need for different types of accommodation has been evidenced using available information including the Lancashire County Council Market Position Statement.
- 6.12 Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to M4(3) wheelchair accessible and adaptable standard. All other dwellings should be built to M4(2) accessible and adaptable standard to take account of the ageing demographics of the City of Preston.
- 6.13 It is expected that some of this need will be met through the development of C3 accommodation and there is overlap between affordable, specialist older person and M4(3) need. For instance the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.
- 6.14 It is also assumed that there will be ongoing adaptation of existing dwellings to support those with additional needs.

Summary of policy recommendations

Theme	Data	Action
Overall housing need	490 each year 2023-2038 based on Central Lancashire Housing Needs Assessment	Housing need figure to be noted
Affordable housing need	Annual imbalance of 395 which justifies need for robust affordable housing policy and delivery	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing.
	Affordable tenure mix of 88% rented and 12% affordable home but if First Homes are included the tenure split is 68% rented and 32% affordable home ownership	Impact of First Homes needs careful evaluation and methods to maximise social rented housing to be considered
Needs of different groups	4% of new dwellings to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) standard	Update relevant policies
	1,903 additional units of accommodation for older people by 2038 or 106 each year	Diversify range of older persons accommodation including sheltered/retirement, Extra Care 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
	There is a specific need from BAME households, particularly Asian community households for larger dwellings	7.5% of new affordable dwellings should have 4 bedrooms and 1.1% have 5 or more bedrooms to meet the needs of larger families, particularly those from the Asian community.
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this HNDS

Final comments

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

Technical Appendix A: Research methodology

Overall approach

- A.1 A multi-method approach was adopted in order to prepare a robust and credible housing needs assessment for the City of Preston:
- a comprehensive household survey which achieved 1,563 responses, from 16,425 households, representing a response rate of 10% and a sample error of +/- 2.4%
 - a survey of key stakeholders including representatives from the council, neighbouring local authorities, housing associations, specialist housing providers, estate agents, adult social care and developers;
 - interviews with estate and letting agents operating within the city;
 - a review of relevant secondary data including the 2011 Census, house price trends, CORE lettings data and DLUHC Statistics.

Technical Appendix B: Affordable housing definitions

Affordable housing definitions

Definitions relating to affordable housing are presented in the NPPF 2021 (Annex 2):

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

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

Technical Appendix C: Housing need calculations

Introduction

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

Affordability assumptions

- C.5 As part of the affordable needs assessment, the extent to which households in need cannot afford open market prices or rents is considered. PPG does not specify what household income should be spent for a property to be affordable although does state the ‘need to identify the minimum household income required to access lower quartile (entry level) market housing’ PPG 2019 Paragraph 021 Reference ID 2a-021-20190220. The last guidance to consider affordable prices/rents was published in the 2007 DCLG Strategic Housing Market Assessments Practice Guidance Version 2 August 2007, which stated that gross household incomes should be used to assess affordability and:
- a household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and
 - a household can be considered able to afford market renting where the rent payable was up to 25% of gross household income.

- C.6 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.
- C.7 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered This is the maximum single or joint household income multiple offered by First Direct July 2020.
- C.8 Based on this data, the principle assumption considered by arc4 with reference to affordability is:
- for buying up to 3.5x gross household income; and
 - for renting up to 25% gross household income.

Step A: Current unmet gross need

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

Table C1 Current gross unmet need (before affordability testing)

Reason for need	Total in need	Comment	Source
A1 Homeless households	569	Number of households identified as homeless 2019/20	DLUHC Live tables
A2 Priority need / temporary accommodation	662	Households identified as threatened with homelessness in 2019/20 plus households living in temporary accommodation (based on quarterly average) in 2019/20	DLUHC Live tables
A3 Overcrowded	2,544	2011 Census data households	2011 Census LC4108EW
-	1,423		2021 household survey
A4 Concealed household	814	Census definition refers to couples and lone parents living within another family unit.	2011 Census LC1110EW
-	1,668	-	2021 household survey
A5 Existing affordable tenants in need	2,317	-	2021 household survey
A6 Other tenures in need	5,288	-	2021 household survey
A7 Sum of households in A3 to A6 with one or more needs	10,696	Sum of A3 to A6 BOLD figures	-
A8 Total in A7 adjusted to remove any double counting	10,246	This is the total number of households with one or more needs	-
A9. All households in need (A1+A2+A8) rounded	11,477	Represents 19.6% of all households.	-

Note table subject to rounding

Further Notes to Table C1:

A3. Overcrowding

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

A4. Concealed households

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

Note that the combined need from A3 and A4 is 3,358 using the 2011 Census and 3,091 using 2021 household survey evidence.

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

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

A7 and A8. Sum of households

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

Affordability of open market options

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

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

Sub-area	Lower Quartile Price 2020	Lower Quartile private rent 2020
Central	£68,000	£477
East	£94,250	£481
North	£145,000	£550
West	£100,000	£494
Preston Rural East	£186,500	£550
Preston Rural North	£208,000	£793
City of Preston Total	£98,000	£494
Preston Rural East Parishes	Lower Quartile Price 2020	Lower Quartile private rent 2020
Broughton	£216,249	£722
Grimsargh	£177,000	£536
Haighton	£603,500	No data
Whittingham	£180,000	£537
Preston Rural North Parishes	Lower Quartile Price 2020	Lower Quartile private rent 2020
Barton	£187,000	£793
Goosnargh	£425,000	£748
Woodplumpton	£205,000	£793

Source: Data produced by Land Registry © Crown copyright 2020, Zoopla 2020

C.12 Table C3 sets out the proportion of households in need who could not afford open market prices or rents. Where no prices/rents are available, city-wide average

prices/rents have been used. The affordability analysis uses data on ward-level lower quartile prices and rents and assumes that a property is affordable if up to 25% of household income is spent on rent and buying costs up to 3.5x household income.

- C.13 It is reasonably assumed that all households in A1 (homeless) and A2 (priority need/in temporary accommodation) cannot afford open market prices or rents given their housing circumstances (and income information is not available from secondary data source).
- C.14 The affordability of open market options is tested on the remaining households in need (rows A3 to A6 in Table C1) based on 2021 household survey data.
- C.15 Analysis concludes that **6,707** households across the City of Preston are in housing need and cannot afford to buy or rent at lower quartile market prices.

Table C3 Affordability of open market housing for households in need

Needs groups	Number of households	% cannot afford to buy or rent	Number cannot afford to buy or rent
Sum of A1 and A2 households	1,231	100%	1,231
Sum of households in A3 to A6 with one or more needs	10,246	53.4%	5,476
Total cannot afford to buy or rent			6,747

Step B: Future households in need

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

New household formation

- C.17 The most useful data sources for assessing the level of new household formation are:
- DLUHC/ONS household projections, from which an annual net increase in households can be derived; and
 - the English Housing Survey, from which a national gross household formation rate can be derived and referenced as a data source in the PPG.
- C.18 Based on the requirements of PPG, the gross annual formation rate used in analysis is 859. This is the household formation rate derived from a range of projections set out in Table C4. Through the standard method of calculating need, allowance is made for increasing the level of housing delivery to support household formation through the affordability adjustment.

Table C4 Net and gross household formation 2021-2031

Scenario	Annual household formation	Notes	Source
A. DLUHC 2014-based household projections	231	2,309 NET increase between 2021 and 2031	DLUHC 2014-based household projections
B. ONS 2018-based household projections	172	1,715 NET increase between 2021 and 2031	ONS 2018-based household projections
C. Average gross household formation rate based on applying national rate to total households over the period 2021-2031 (2014-based projections)	868	Gross household formation rate of 1.435%	English Housing Survey 3- year average 2017/18 to 2019/20
D. Average gross household formation rate based on applying national rate to total households over the period 2021-2031 (2018-based projections)	850	Gross household formation rate of 1.439%	English Housing Survey 3 year average 2017/18 to 2019/20
E. Blended rate of gross household formation (C, D)	859	-	-

New households likely to be in affordable housing need

- C.19 Analysis of the incomes of households who have formed in the past 5 years using the 2021 household survey concludes that 34.1% could not afford buying or renting lower quartile (entry level) properties. Based on a gross formation rate of **859**, 293 households are estimated to be in affordable housing need.

Existing households expected to fall into need

- C.20 The 2021 household survey identifies 259 households who have fallen into need in the past 5 years and require affordable housing or 52 each year.

Total newly arising affordable housing need (gross per year)

- C.21 Total newly arising need is therefore 552 each year as summarised in Table C5.

Table C5 Total newly-arising affordable housing need

Households	Percentage	Number
A. Number of newly-forming households	-	859
B. Proportion unable to afford market housing	34.1%	293
C. Existing households falling into need	-	259
Total newly arising affordable need (B+C) each year	-	552

Step C: Affordable housing supply

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

Table C6 Affordable housing supply

Source of supply/stock loss	Data source	Data
The number of affordable dwellings that are going to be vacated by occupiers that are fit for use by other households in need	RP lettings data over most recent 3-year period	Annual average of 622 general needs affordable dwellings have been let 2017/18 to 2019/20.
Suitable surplus stock (vacant properties)	DLUHC vacant dwelling statistics	201 vacant affordable (council and housing association excluding not available for letting) dwellings reported as vacant in 2020 or 1.97% of total affordable stock. This is below transactional rate of around 2% to allow movement in stock so no suitable surplus stock available
The committed supply of new net affordable homes at the point of assessment (number and size)	Council data	Total of 916 pipeline affordable dwellings. Assume all built over 5 years. Annual of 183 used in supply calculation as proxy for committed supply
Supply of affordable home ownership through <u>resale</u>	English Housing Survey Table FA4131	EHS indicates 5.9% of owner occupiers with a mortgage moved to their accommodation in the past year. This is used as a basis for estimating the number of resales of affordable home ownership products at 5% each year. Based on 241 dwellings there are an estimated 12 resales each year
Units taken out of management	Local authority data	None identified
Total annual supply	Calculation	622 lettings + 0 vacant + 183 newbuild +26 AHO resales – 0 units taken out of management = 831 each year

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

- C.23 Overall, the model assumes a total annual affordable housing stock supply of **831** dwellings.

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

- C.24 Table C7 summarises the total annual need for affordable housing across the City of Preston which establishes a gross annual need of 1,227 and after taking into account supply, a net need of 395 affordable dwellings each year assuming a clearance of gross unmet need over 10 years. Table C8 presents the data for wards and rural parishes.

Table C7 Gross and net annual affordable need

Model Stage	Factor	Number	Data source/assumption
A1	Current gross unmet need (before affordability test)	11,477	Table C1 row A9
A2	Current gross unmet need (after affordability test)	6,747	Table C3 Housing register – assumes all of this need should be met
A3	Annualised need	675	Assume unmet need is cleared over a 10-year period to reflect the standard method 10 year time period
B	Newly-arising annual need	552	Table C5
TGN	Total gross need	1,227	A3+B
C	Affordable annual housing supply	831	Table C6
-	Total annual net need	395	TGN – C

Notes: Table subject to rounding errors

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

Factor	A1	A2	A3	B	TGN	C	-
-	Current gross unmet need (before affordability test)	Current gross unmet need (after affordability test)	Annualised need	Newly-arising annual need	Total gross need	Affordable annual housing supply	Total annual net need
Number	11,477	6,747	675	552	1,227	831	395
Sub-area	Table C1 row A9	Table C3	5 year clearance	Table C5	A3+B	Table C6	Total gross need - C
Central	5,227	2,926	293	133	426	250	176
East	1,220	1,125	112	242	354	328	27
North	2,569	1,252	125	43	168	65	104
West	1,885	1,086	109	96	205	180	24
Preston Rural East	310	202	20	24	44	5	39
Preston Rural North	266	156	16	14	30	3	27
Total	11,477	6,747	675	552	1,227	831	395
Factor	A1	A2	A3	B	TGN	C	-
-	Current gross unmet need (before affordability test)	Current gross unmet need (after affordability test)	Annualised need	Newly-arising annual need	Total gross need	Affordable annual housing supply	Total annual net need
Number	11,477	6,747	675	552	1,227	831	395
Rural East and Rural North Parishes	Table C1 row A9	Table C3	5 year clearance	Table C5	A3+B	Table C6	Total gross need - C
Barton	56	35	3	6	10	1	8
Broughton	91	56	6	6	12	1	11
Goosnargh	49	30	3	1	4	0	3
Grimsargh	106	66	7	7	13	1	12
Haighton	7	4	0	4	4	1	3
Whittingham	110	68	7	4	11	1	10
Woodplumpton	157	98	10	11	20	2	18
Total	576	357	36	38	74	8	65

Notes: Table subject to rounding errors

C.25 According to DLUHC statistics, there are 850 households on the housing register for the City of Preston. Table C9 summaries the number of bedrooms needed.

Table C9 Affordable need based on the Housing Register by number of bedrooms needed

Location	1	2	3	4 or more	Base
City of Preston	51.1%	31.7%	12.7%	4.5%	2,857

Source: DLUHC Local Authority Housing Statistics 2019/20

Note: Percentages use a base of 2,717 as for 140 applicants the number of bedrooms needed was unspecified.

Comparison of current housing stock and current/future needs

C.26 PPG states that 'strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future need (PPG Paragraph 023 Reference ID: 2a-023-20190220). Table C10 sets out this comparison and shows there is a particular shortfall of 2 and 4 or more bedroom affordable dwellings.

Table C10 Comparison between current supply and annual gross need

Number of bedrooms	Current supply %	Annual gross need %	Variance %
1-bedroom	29.9	25.3	-4.7
2-bedroom	35.5	47.2	11.7
3-bedroom	32.0	18.9	-13.1
4 or more-bedroom	2.5	8.6	6.1
Total	100.0	100.0	-

Source: 2020 SDR; 2021 household survey

Tenure mix and First Homes

C.27 Analysis needs to consider the range of affordable tenures as set out in Annex 2 of the NPPF that may be appropriate for existing households in need and newly-forming households.

C.28 For need arising from homeless households and those in temporary accommodation, it is assumed they all require social rented accommodation. For newly-forming households and existing households in need, a split between affordable rented and affordable home ownership should be considered. This is based on the tenure preference stated by existing households in need and newly-formed households. The household survey data has also been used to establish the proportions of households who could afford social rent, affordable rent and affordable home ownership options.

C.29 A minimum of 25% of all affordable housing units secured through developer contributions should be First Homes (**Paragraph 013 Reference ID: 70-013-20210425**). Then, PPG says 'once a minimum of 25% of First Homes has been accounted for, social rent should be delivered in the same percentage as set out in the Local Plan. The remainder of the affordable housing tenures should be

delivered in line with the proportions set out in the Local Plan policy (**Paragraph 15 reference ID: 70-015-20210524**).

- C.30 Analysis has carefully considered the range of affordable tenures that may be appropriate for existing households in need and newly-forming households. Table C11 summarises the overall tenure split between affordable rented options (social and affordable rent) and affordable home ownership solutions (including shared ownership, discounted for sale and other tenures as set out in Annex 2 of the NPPF).

Table C11 Affordable tenure split recommendations by sub-area and parish

Sub-area	Social Rented (%)	Affordable Rented (%)	Affordable Home Ownership (%)
Central	46.0	39.7	14.3
East	46.8	40.4	12.8
North	44.2	38.1	17.6
West	49.7	42.9	7.4
Preston Rural East	50.7	43.7	5.5
Preston Rural North	49.3	42.5	8.2
City of Preston Total	47.1	40.6	12.4
Parish	Social Rented (%)	Affordable Rented (%)	Affordable Home Ownership (%)
Barton	49.1	42.4	8.5
Broughton	50.8	43.8	5.5
Goosnargh	49.4	42.6	8.1
Grimsargh	50.8	43.8	5.4
Haighton	50.4	43.4	6.2
Whittingham	51.0	44.0	5.0
Woodplumpton	49.2	42.4	8.4

Source: 2021 household survey

- C.31 Analysis would suggest an overall tenure split of 88% social/affordable rented and 12% affordable home ownership across the City of Preston.
- C.32 In terms of the split between social and affordable rented, the incomes of existing and newly-forming households have been considered against the costs of social and affordable renting. This results in a split of 65% social rented and 35% affordable rented.
- C.33 Table C12 sets out the steps to derive a final tenure split which takes into First Homes. The final affordable tenure split for the City of Preston is set out in Table C13.

Table C12 Detailed calculation of tenure split including First Homes

Step 1	Total affordable %	Overall affordable	100.0				
Step 2			Affordable tenure split				First Homes
	This splits the 100% into 75% affordable tenures and 25% First Homes	Affordable/First Homes Split	75.0				25.0
Step 3			Suggested policy breakdown	Social Rent	Affordable Rent	Affordable Home Ownership	AR + AHO
	The current affordable policy is set out here. This is total split by SR, AR and AHO EXCLUDING FH			47.1	40.6	12.4	52.9
	At this point, need to recognise that SR need and FH is ringfenced			RINGFENCED			RINGFENCED
	RINGFENCED % Split			47.1			
Step 4	This step calculates how the AR and AHO units are apportioned.			21.4	6.5	27.9	
Step 5	Final affordable split is now set out		Social Rent	Affordable Rent	Affordable Home Ownership	First Homes	
			Final position	47.1	21.4	6.5	25.0
	And then rounded to nearest whole number		Rounded %	47	21	7	25

Table C13 Affordable tenure split for City of Preston

Social Rent	Affordable rent	Affordable home ownership	First Homes
47%	21%	7%	25%
Affordable rent total		Affordable home ownership total	
68% Rented options		32% Affordable Home Ownership options	

C.34 The final split of affordable tenures is 47% social rented, 21% affordable rented and 32% affordable home ownership (25% first homes and 7% other affordable home ownership options).

Affordable dwelling mix

C.35 The 2021 household survey has provided information on the number of bedrooms needed by households in affordable need and dwelling type aspirations and expectations. This is shown in Table C14. The actual annual need by tenure, bedroom size and dwelling type by sub-area and parish is shown in Table C15 to C17.

Table C14 Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: percentage of all affordable need

Sub-area	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Central	4.5%	14.4%	20.1%	21.3%	7.7%	16.3%	1.4%	8.6%	3.3%	2.4%	100.0%
East	0.6%	19.6%	26.2%	17.8%	9.6%	12.4%	0.0%	2.8%	2.4%	8.6%	100.0%
North	1.8%	12.7%	18.1%	12.2%	11.4%	5.0%	0.0%	10.2%	17.3%	11.4%	100.0%
West	0.0%	35.6%	28.7%	6.5%	9.6%	2.5%	0.0%	7.1%	5.8%	4.2%	100.0%
Preston Rural East	1.3%	4.8%	46.1%	14.3%	10.0%	2.2%	0.0%	7.3%	9.1%	5.0%	100.0%
Preston Rural North	2.6%	9.1%	23.8%	29.7%	10.6%	7.8%	0.0%	6.9%	8.5%	1.0%	100.0%
TOTAL	2.8%	14.3%	23.3%	17.6%	9.3%	10.3%	0.6%	8.3%	8.0%	5.4%	100.0%

Parish	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Barton	1.8%	7.6%	37.8%	32.7%	0.7%	4.8%	0.0%	1.7%	10.9%	2.0%	100.0%
Broughton	1.2%	10.1%	32.0%	23.3%	3.3%	8.6%	0.0%	0.0%	10.5%	11.1%	100.0%
Goosnargh	1.7%	13.6%	40.8%	13.9%	12.9%	7.7%	0.0%	0.0%	4.3%	5.2%	100.0%
Grimsargh	1.1%	7.2%	27.4%	25.7%	5.3%	2.8%	0.0%	4.0%	19.5%	7.2%	100.0%
Haighton	1.9%	7.5%	39.9%	31.8%	4.9%	3.5%	0.0%	0.0%	4.1%	6.3%	100.0%
Whittingham	0.8%	5.3%	24.8%	20.2%	10.9%	6.2%	0.0%	2.3%	14.5%	17.0%	100.0%
Woodplumpton	1.2%	6.0%	28.3%	32.4%	4.8%	14.5%	0.0%	0.0%	12.8%	0.0%	100.0%

Table C15 Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: social/affordable rented

Sub-area	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Central	7	14	21	16	13	24	2	15	4	3	118
East	0	5	5	1	1	3	0	1	1	1	18
North	2	12	10	2	12	4	0	11	12	3	68
West	0	7	3	0	2	1	0	2	1	0	17
Preston Rural East	1	0	14	1	4	1	0	3	2	1	26
Preston Rural North	1	2	4	5	3	1	0	2	1	0	19
TOTAL	10	40	57	26	35	34	2	33	20	9	266
Parish	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Barton	0	0	3	2	0	0	0	0	1	0	6
Broughton	0	1	3	1	0	1	0	0	1	1	8
Goosnargh	0	0	1	0	0	0	0	0	0	0	2
Grimsargh	0	0	2	2	1	0	0	0	2	1	9
Haighton	0	0	1	1	0	0	0	0	0	0	3
Whittingham	0	0	2	1	1	1	0	0	1	1	7
Woodplumpton	0	0	3	4	1	2	0	0	1	0	12

Table C16 Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: affordable home ownership

Sub-area	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Central	1	11	15	22	1	4	1	0	2	1	57
East	0	0	2	3	2	0	0	0	0	1	8
North	0	1	9	11	0	1	0	0	6	8	36
West	0	1	3	1	0	0	0	0	0	1	7
Preston Rural East	0	2	4	4	0	0	0	0	2	1	13
Preston Rural North	0	1	2	3	0	1	0	0	1	0	8
TOTAL	1	16	35	44	2	7	1	0	11	13	129
Parish	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Barton	0	0	1	1	0	0	0	0	0	0	3
Broughton	0	0	1	1	0	0	0	0	0	0	3
Goosnargh	0	0	0	0	0	0	0	0	0	0	1
Grimsargh	0	0	1	1	0	0	0	0	0	0	3
Haighton	0	0	0	0	0	0	0	0	0	0	1
Whittingham	0	0	1	1	0	0	0	0	0	0	3
Woodplumpton	0	1	1	2	0	1	0	0	1	0	5

Table C17 Summary of affordable dwelling need by bedroom size and dwelling type by sub-area and parish: all affordable

Sub-area	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Central	8	25	35	37	14	29	2	15	6	4	176
East	0	5	7	5	3	3	0	1	1	2	27
North	2	13	19	13	12	5	0	11	18	12	104
West	0	9	7	2	2	1	0	2	1	1	24
Preston Rural East	1	2	18	6	4	1	0	3	4	2	39
Preston Rural North	1	2	6	8	3	2	0	2	2	0	27
TOTAL	11	57	92	70	37	41	2	33	32	21	395
Parish	1-bedroom house	2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2-bedroom flat	3 or more-bedroom flat	1-bedroom bungalow	2-bedroom bungalow	3 or more-bedroom bungalow	Total
Barton	0	1	3	3	0	0	0	0	1	0	9
Broughton	0	1	3	2	0	1	0	0	1	1	11
Goosnargh	0	0	1	0	0	0	0	0	0	0	3
Grimsargh	0	1	3	3	1	0	0	0	2	1	12
Haighton	0	0	1	1	0	0	0	0	0	0	4
Whittingham	0	1	3	2	1	1	0	0	1	2	10
Woodplumpton	0	1	5	5	1	2	0	0	2	0	17

Technical Appendix D: Dwelling mix and modelling

Introduction

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

Starting points

- D.2 There are four main data sources which underpin the analysis:
- household projections;
 - dwelling stock information;
 - data identifying the relationships between households and dwellings derived from the 2021 household survey; and
 - data derived from affordable housing need analysis.

Household projections

- D.3 These are used to establish the number of households by Household Reference Persons (HRP) and household type using the 2018-based data, and how this is expected to change over the period 2021 to 2038.
- D.4 The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly over the plan period, the potential impact on type and number of bedrooms of future dwellings can be determined.

Relationship between households and dwellings

- D.5 The relationship between the age of Household Reference Person, household type and dwellings occupied by type and size can be derived from the 2021 household survey.
- D.6 The data available is summarised in Table D1. For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been estimated.
- D.7 The 2021 household survey also provides data on household aspirations and what households would expect to move to. This data can also be broken down by HRP age group and household type.
- D.8 By combining this range of data, it is possible to model the likely change in dwelling type/size requirements with reference to:
- the current relationship between HRP/household type and dwelling type/size and this remains constant over the plan period (demographic baseline);
 - household aspirations by HRP/household type (aspirations); and
 - what households would expect by HRP/household type (expect).

Table D1 Age groups, household type and dwelling types used

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

Applying the data at authority level

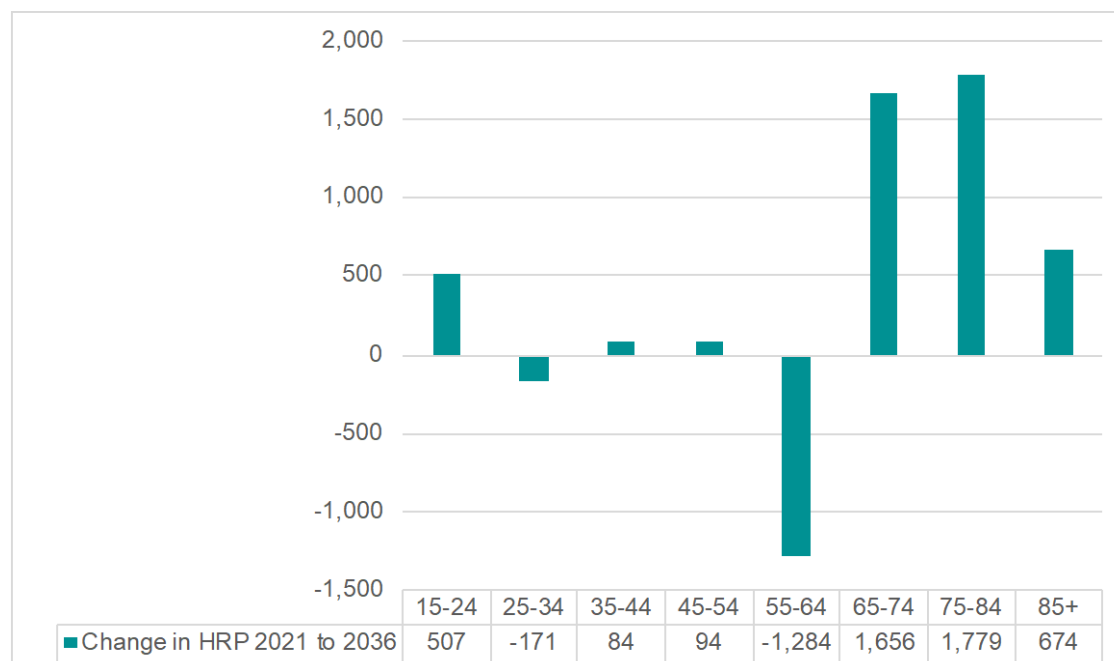
- D.9 Applying the data at authority level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections. Assuming that the dwelling needs of these households do not change over the plan period, the overall impact on type/size of dwellings can be determined.
- D.10 Table D2 presents the baseline demographic data for the City of Preston. The total number of households is expected to increase by around 2,934 over the period 2021-2038 using 2018-based ONS household projections. Growth is mainly expected across older age cohorts, with absolute declines in HRP's aged 25-44 and 45-64. Figure D1 illustrates how the number of households by HRP age is expected to change over the plan period 2021-2038.

Table D2 Change in number of households by age group and household type 2021 to 2038

2021	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	1,292	611	234	112	967	3,215
25-34	3,251	1,833	1,295	888	2,444	9,711
35-44	3,403	1,928	1,973	1,252	1,678	10,235
45-54	3,700	1,827	1,402	565	3,508	11,002
55-64	3,800	854	359	98	5,176	10,287
65-74	3,046	186	28	10	3,841	7,111
75-84	2,416	60	5	4	2,496	4,981
85+	1,294	14	0	1	674	1,983
TOTAL	22,202	7,313	5,295	2,931	20,784	58,524
2038	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	1,496	710	272	131	1,114	3,722
25-34	3,214	1,789	1,263	861	2,413	9,540
35-44	3,443	1,914	1,996	1,262	1,703	10,318
45-54	3,702	1,858	1,464	590	3,482	11,096
55-64	3,309	737	307	81	4,569	9,003
65-74	3,734	226	34	12	4,761	8,767
75-84	3,243	82	7	6	3,423	6,760
85+	1,709	18	0	2	929	2,657
TOTAL	23,849	7,334	5,344	2,944	22,392	61,863
Change 2021-2038	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	204	99	38	18	147	507
25-34	-36	-45	-31	-27	-32	-171
35-44	40	-14	23	10	25	84
45-54	1	31	62	25	-26	94
55-64	-491	-117	-52	-17	-607	-1,284
65-74	688	40	6	2	920	1,656
75-84	827	22	2	1	927	1,779
85+	415	5	0	1	254	674
TOTAL	1,647	21	49	13	1,608	3,338

Source: ONS 2018-based household projections

Figure D1 Change in HRP age groups 2021-2038



Source: 2018-based ONS household projections

D.11 Table D3 applies household survey data on dwelling occupancy to the demographic profile in 2038. The two right hand columns indicate the likely change in demand for dwelling types and sizes and how this translates to an overall percentage dwelling requirement.

Table D3 Impact of change in households by age group of Household Reference Person (HRP) on dwellings occupied by 2038

Dwelling type and size	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL	%
1-bedroom bungalow/level access	4	2	36	122	70	270	36	16	596	1.0
1-bedroom flat	781	398	1,093	526	418	504	680	489	5,047	8.2
1-bedroom house	6	215	132	75	72	60	41	0	618	1.0
1-bedroom other	0	161	3	0	10	249	0	0	425	0.7
2-bedroom bungalow/level access	31	112	114	251	270	186	434	0	1,323	2.1
2-bedroom flat	790	787	893	610	295	589	544	92	4,717	7.6
2-bedroom house	628	3,134	1,744	1,529	1,029	1,059	434	478	10,087	16.3
2-bedroom other	9	21	13	29	6	53	423	0	551	0.9
3-bedroom house	356	3,742	3,690	4,710	3,515	3,171	2,631	1,007	22,771	36.8
3 or more-bedroom bungalow/level access	42	41	108	156	207	374	242	259	1,473	2.4
3 or more-bedroom flat	717	53	288	63	95	47	119	0	1,353	2.2
3 or more-bedroom other	22	9	11	0	18	6	58	18	137	0.2
4 or more-bedroom house	337	865	2,193	3,027	2,997	2,200	1,118	298	12,763	20.6
Total	3,722	9,540	10,318	11,096	9,003	8,767	6,760	2,657	61,862	100.0

Number of bedrooms	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL	%
1	791	777	1264	722	569	1082	757	505	6,467	10.5
2	1,458	4,053	2,764	2,418	1,601	1,888	1,835	570	16,587	26.8
3	1,136	3,845	4,097	4,928	3,835	3,598	3,050	1,283	25,774	41.7
4 or more	337	865	2193	3027	2997	2200	1118	298	13,034	21.1
Total	3,722	9,540	10,318	11,096	9,003	8,767	6,760	2,657	61,862	100.0

Note totals by age group may vary slightly due to rounding errors; Source: ONS 2018-based household projections and 2021 household survey

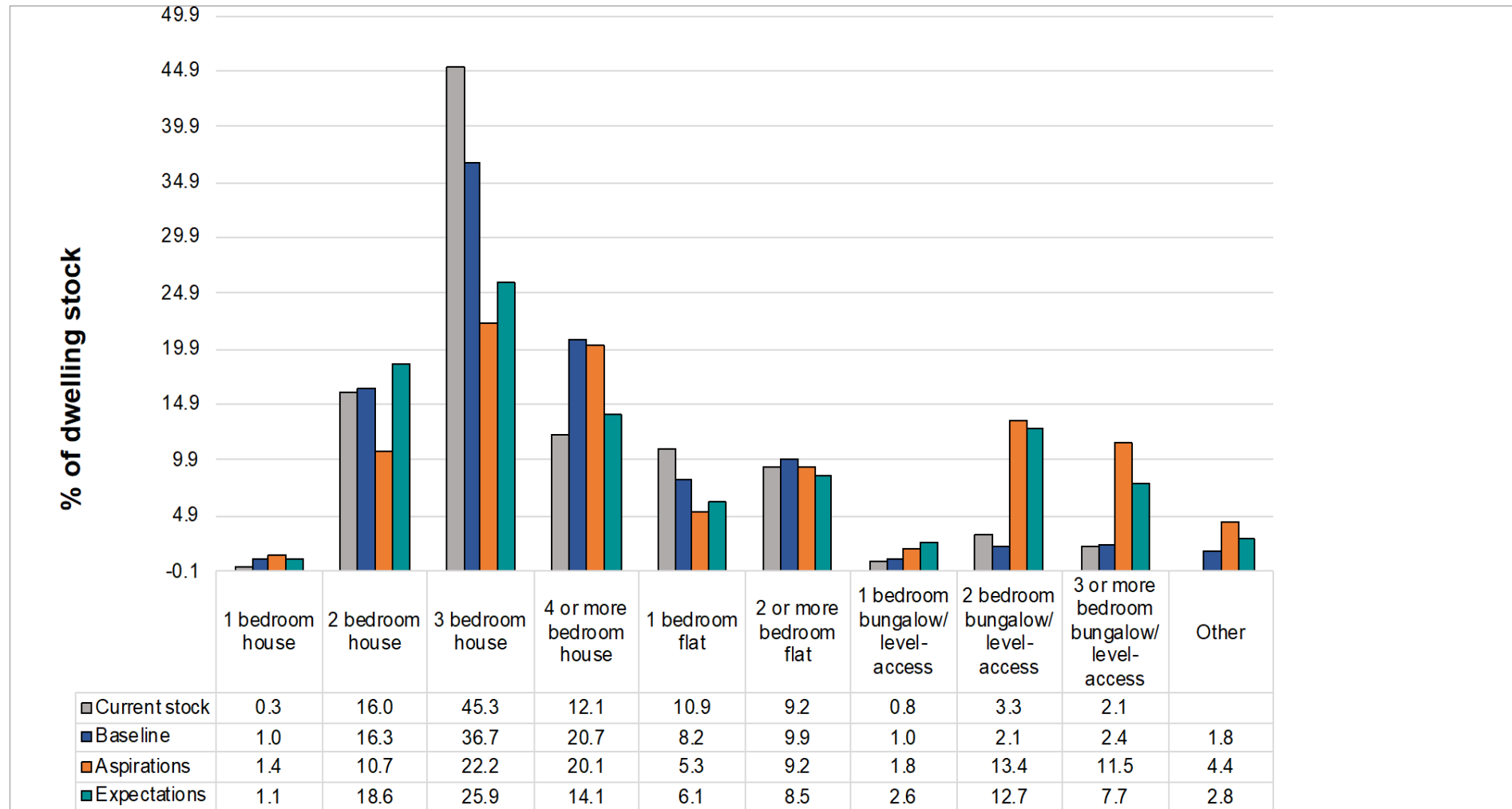
D.12 Table D4 sets out how the profile of dwelling stock changes when aspirations and expectations of households are considered. This indicates a shift towards bungalow/level-access accommodation and a need for two bedroom dwellings.

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

Dwelling type and size	Demographic	Aspirations	Expectations
1 bedroom house	1.0%	1.4%	1.1%
2 bedroom house	16.3%	10.5%	18.4%
3 bedroom house	36.8%	22.1%	25.9%
4 or more bedroom house	20.6%	20.2%	14.1%
1 bedroom flat	8.2%	5.4%	6.1%
2 or more bedroom flat	9.8%	9.3%	8.6%
1 bedroom bungalow/level-access	1.0%	1.9%	2.5%
2 bedroom bungalow/level-access	2.1%	13.4%	12.7%
3 or more bedroom bungalow/level-access	2.4%	11.5%	7.7%
Other	1.8%	4.4%	2.8%
TOTAL	100.0%	100.0%	100.0%
Dwelling type	Demographic	Aspirations	Expectations
House	74.7%	54.3%	59.4%
Flat	18.0%	14.7%	14.8%
Bungalow/level access	5.5%	26.7%	22.9%
Other	1.8%	4.4%	2.8%
Total	100.0%	100.0%	100.0%
Number of bedrooms	Demographic	Aspirations	Expectations
1	11.0%	10.8%	11.2%
2	27.0%	33.9%	39.6%
3	41.4%	35.1%	35.2%
4	20.6%	20.2%	14.1%
Total	100.0%	100.0%	100.0%

D.13 Figure D2 summarises the dwelling profiles under the scenarios considered and compares this with current dwelling stock. Under the baseline demographic scenario, the majority of newbuild should be houses (particularly 3-bedroom) and some flats and bungalows/level-access accommodation. Under the aspirations and expectations scenarios, there is an increasing emphasis on bungalows/level-access.

Figure D2 Summary of dwelling types in current stock and under baseline demographic, aspiration and expectation scenarios



Source: 2021 household survey and 2018-based household projections

Overall dwelling mix by tenure

- D.14 Table D5 summarises dwelling type/size mix based on the demographic scenario. This analysis assumes an annual target of 257 dwellings based over the period 2021-2038, a minimum 30% affordable housing targets in urban areas and 35% in rural areas and an affordable tenure split of around 71% rented and 29% affordable home ownership. The analysis factors in the dwelling type/size analysis carried out as part of the affordable housing needs calculation and also the dwelling type/size choices of households considering affordable home ownership solutions based on the range of dwellings currently available.
- D.15 The analysis can be revised if annual targets and affordable housing delivery targets are updated.
- D.16 Data for sub-areas and parishes is presented in Chapter 6 of the main report.

Table D5 Summary of overall dwelling mix by tenure

Dwelling type/size	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1-bedroom house	0-2%	2-5%	0-2%	0-2%
2-bedroom house	10-15%	20-25%	10-15%	15-20%
3-bedroom house	35-40%	20-25%	25-30%	35-40%
4 or more-bedroom house	15-20%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	2-5%	5-10%
2-bedroom flat	0-2%	15-20%	5-10%	5-10%
3 or more -bedroom flat	0-2%	0-2%	0-2%	2-5%
1-bedroom bungalow/level-access	2-5%	10-15%	0-2%	0-2%
2-bedroom bungalow/level-access	10-15%	5-10%	5-10%	2-5%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	0.2%
Dwelling type	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
House	70-75%	50-55%	75-80%	70-75%
Flat	2-5%	25-30%	5-10%	15-20%
Bungalow/level-access	25-30%	15-20%	10-15%	5-10%
Number of bedrooms	Market	Social/ Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	2-5%	10-15%
2	25-30%	40-45%	25-30%	25-30%
3	50-55%	20-25%	35-40%	40-45%
4	15-20%	5-10%	30-35%	20-25%

Technical Appendix E: Stakeholder consultation responses and agent review

General stakeholder responses summary

- E.1 Stakeholders were invited to participate in a general questionnaire survey aimed at identifying a range of information, including establishing the key perceived housing market issues in Preston. Stakeholders were asked to respond to any of the questions within the survey that they felt related to their area of knowledge or experience and certain sections of the survey related to certain stakeholder groups. A total of five separate responses to the stakeholder consultation were obtained. Respondents were asked to answer only the questions that they felt were relevant to their knowledge and experience. This is a qualitative summary of the views expressed by stakeholders responding to the online survey and is split into the different stakeholder groups. 100% of stakeholders responding to the survey stated that they work within the Preston area.

Registered Providers

- E.2 Registered Providers were asked whether there were any shortfalls in supply in Preston. Registered Providers felt there was a shortage of 1 bed flats, bungalows and 2, 3 and 4 bed houses. It was also noted the need for adapted ground floor accommodation.
- E.3 Registered Providers were asked what could be done to improve the housing market in Preston, the following comments were received:
- Flexible approach to the delivery of affordable housing and prioritising affordable housing over other contributions and CIL where viability is an issue.
 - Requiring developers and house builders to partner with a Registered Provider so that the Registered Provider can influence the type of affordable housing that comes forward rather than what is most cost effective to provide.
 - More information and support provided to applicants regarding the private rented sector.
- E.4 The survey asked Registered Providers what should be considered when setting future housing standards, the following were mentioned:
- Housing standards become dated almost instantaneously. Flexibility allows developers and house builders to respond to market demand. House builders only want to build what is in demand and similarly Registered Providers only want affordable housing which they know there is demand for.
 - Lifetime homes standard.
 - More off road parking.
- E.5 Registered Providers were asked what the main concerns were regarding existing and future affordable and specialist housing and whether there is

enough, too much, is it of the right size, of a good quality and in the right place. The following comments were received:

- No one is building social rented houses.
- Limited availability of affordable bungalows.
- More Local Lettings Plans need to be introduced to address anti-social behaviour issues for new developments, particularly the larger sites.
- Sites where there is a balanced mix of flats and houses are needed.

E.6 Registered Providers were asked whether there is any demand for affordable housing products, such as shared ownership and discounted for sale. The following comments were made:

- There is demand for shared ownership and this will continue. Demand needs to be balanced against affordability considerations i.e. there may be demand for 4 bed shared ownership properties but these actually unaffordable for some people.
- Demand also leans towards larger properties in Preston with less demand for 2 bed properties.

E.7 The survey asked what needs to happen to improve the provision of affordable housing for rent and sale in Preston. Registered Providers confirmed that there needs to be more flexibility in the application of existing standards regarding the tenure of affordable housing. Also there is a need for more sites to deliver 100% affordable homes as opposed to acquisition via Section 106 agreements.

E.8 Registered Providers were asked whether they have any significant housing developments proposed in Preston, the following schemes were mentioned:

- Jigsaw - Tom Benson Way in Preston (89 units for affordable rent, mixed property types and 17 units for Shared Ownership)
- Jigsaw - Ingol Golf Club, Preston (10 units affordable rent and 4 for Shared Ownership).

Developers and Housebuilders

E.9 The survey asked Developers and Housebuilders to confirm what were the gaps in supply of housing in Preston. The comments received are detailed below:

- New developments to accommodate affordable mix tenure and open market housing 2/3 bed and possibly apartments.
- In terms of affordable housing, the 2017 SHMA found an annual net need of 239 affordable homes per annum in Preston between 2014 and 2034. Affordable delivery to date has resulted in a shortfall of some -507 affordable homes against this requirement. More recently, the 2020 Housing Study found a need for 250 net rented affordable homes per annum in Preston between 2018 and 2036. There is already a shortfall in the delivery of affordable housing of some -101 affordable homes against this identified need.

- E.10 The survey asked developers and housebuilders to confirm what the type and size of housing is in the greatest demand in Preston. The comments received are detailed below:
- 2/3 bed including apartments.
- E.11 Developers and housebuilders were asked what the main challenges were facing the delivery of new homes in Preston. The comments received are detailed below:
- Land costs.
 - Availability of suitable land.
 - Costly and time-consuming appeal led process to progress residential applications.
 - There is a need for an up-to-date Local Plan which will give confidence to both developers and the council.
- E.12 Developers and housebuilders were asked what could be done to improve the housing market in Preston, the following were suggested:
- Deliver sufficient choice across the housing market and the council needs to identify the widest possible range of sites, by size and market location so that house builders of all types and sizes have access to suitable land to offer the widest possible range of products.
 - Flexible approach and support toward greenfield planning applications and planning process.
 - Increasing the supply and pace of delivery of new homes will help to match supply with demand. SME housebuilders should be actively encouraged and supported to help contribute to the supply of new homes.
 - The planning and pre-development processes should be streamlined and made quicker.
 - Allocated sites should be prioritised for development.
 - Choice in the market and sufficient flexibility of allocations above minimum housing requirements in development plans are essential.
- E.13 The survey asked developers and housebuilders what should be considered when setting future housing standards, the following were mentioned:
- Increasing the costs of housebuilding will reduce viability for developers, particularly SME housebuilders. Purchasers are turning to SME's to provide something different than the 'cookie cutter' homes volume builders deliver and on smaller sites rather than huge sites with hundreds of similar product. Purchasers want something different so there needs to be acceptance of this within reason of course.
- E.14 Developers and housebuilders were asked who the typical customers for new homes in Preston were and whether they were first-time buyers, second stage movers, down sizers, locals, people moving out of neighbouring cities. All stakeholders felt that the customers were generally, second stage movers and first-time buyers which is mixed dependant on demographics.

- E.15 Developers and housebuilders were then asked whether these customers are looking for rent or sale. Stakeholders felt that in Preston it was mixed dependant on the housing needs - affordable rent or open market were equally in demand.
- E.16 Developers and housebuilders were asked whether there would be any demand for 'Build to Rent' products and all mentioned there is a demand in all areas for rent products, particularly affordable market rent.
- E.17 Stakeholders were asked if there is any demand for custom or self-build homes in the area. The following comments were mentioned:
- There is demand for custom or self-build homes in more rural locations which are likely to offer a highly attractive living environment within a self-contained community.
 - The development of self-build homes tends to be slow and uncertain and it should not therefore be relied upon as a potentially material source of new housing supply.
- E.18 In addition the developers and housebuilders who responded to the survey mentioned the following in terms of increasing the delivery of new homes in Preston:
- Bungalows are land hungry and ultimately can result in making the development financially non-viable. Also demand for bungalows are dependent on the area and housing needs, adapted etc
 - Full support from the council to move quickly on the planning application process and open to support greenfield site where applicable to meet demand.
 - The council should consider the inclusion of flexible policies in the forthcoming review of the Central Lancashire Local Plan. This would enable sustainable development to come forward outside of defined built up areas, in turn allowing the council to remedy potential short-term supply shortfalls without the need to depart from the provisions of the development plan.
 - There needs to be equitable application of planning gain within allocated masterplan areas such as NW Preston. Allocated sites should be supported and encouraged to deliver new dwellings as soon as possible. There needs to be a joined up approach between the City and the County Councils.
 - Choice in the market; sufficient flexibility in land allocated in development plans. A buffer is essential.
- E.19 Developers and housebuilders were asked whether they had any significant housing developments proposed in Preston, the following schemes were mentioned:
- Gladman - Land north of Whittingham Lane, Goosnargh (Preston), 145 dwellings including 35% affordable housing.
 - Gladman - Land east of Garstang Road, Broughton (Preston), 95 dwellings including 35% affordable housing.
 - Hollins Strategic Land and Hollins Homes are involved in a number of residential development proposals for a mix of dwelling sizes, types and tenures – Lower Bartle (up to 195 dwellings), Adlington (25 dwellings), and others currently promoting.

E.20 Developers and housebuilders were asked how housing can contribute to the mitigation of climate change and whether they were planning for the implementation of the Future Homes Standard. The following comments were provided:

- Green roofs, solar shading, treat wooden doors, frames, sills or switch to resilient ones. Green spaces, harvest rainwater, replace timber floors with concrete were mentioned.
- All the sites should include a comprehensive packages of site-wide green infrastructure. Well-designed open spaces are key in supporting an active lifestyle, by encouraging people to walk and cycle. It can also assist in terms of climate change resilience, through the provision of tree planting providing shading and CO2 absorption.
- A package of pedestrian and cycle infrastructure which will promote sustainable transport, including a suite of practical measures aimed at reducing the use of the private car should be included on schemes.
- Sites should deliver new bus stops and facilitate electric vehicle charging points, subject to further discussion with relevant stakeholders.
- The Future Homes Standard will require new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency; it will be introduced by 2025. Renewable energy technologies will be considered at the detailed design stage. Buildings and infrastructure will be designed and constructed to follow energy performance and efficiency targets, using a fabric-first approach to construction with the aim of reducing CO2 emissions.

Specialist Housing Providers

E.21 The Specialist Housing Providers were asked what gaps in supply there was in the City of Preston. Age Concern advised that there is a need for social rent, affordable rent, and specialist housing for older people in the area.

E.22 The Specialist Housing Providers were asked what can be done to improve the housing market. The following comments were provided:

- Look to develop brownfield sites first for housing.
- Use employment training initiatives to work on empty housing to be brought back into use as affordable homes.
- Focus on 1 and 2 bedroom housing.

E.23 The Specialist Housing Providers were asked what should be considered when setting future housing standards, such as accessibility, size and quality for new housing in the city. The following comments were provided:

- One/two bedroom properties for smaller family units and sole occupation.
- Consideration given to space for ease of movement for elderly and visually/physically impaired.

- Consideration given to fixtures/fittings for elderly and visually/physically impaired and Dementia sufferers (increasing Dementia numbers including early onset).
- E.24 The Specialist Housing Providers were asked for older person's needs, is there a desire to move to smaller specialist housing, but which is non care housing. Age Concern advised that specialist housing is required but it need to be appropriately designed around floor-space needs and fittings, with the ability to utilise VCFSE provided care if required.
- E.25 The Specialist Housing Providers were asked whether they had any information on the current supply of accommodation and/or support for these age-related needs groups. Age Concern advised they have data from field staff who say older people with support needs are poorly catered for.
- E.26 The Specialist Housing Providers were asked whether there was any evidence of specific age related accommodation and/or support needs. The following comment was received.
- E.27 Social Isolation is a large and currently growing referral condition to Social Providing Link Workers evidenced from their monthly returns. This applies across all age groups but is often the most common issue in those falling into 50+ ages. General support to tackle Social Isolation and loneliness would be welcome. However creation of multiple unit accommodation aimed specifically at single occupancy would bring people into a community and reduce Isolation.

Preston Local Authority staff

- E.28 Local Authority staff were asked if there were any gaps in the supply of types of housing in the City of Preston. It was advised that there is need for more social rented properties, particular for those households with a physical disability. There is also a need for more larger 4 and 5 bed houses as these are in short supply.
- E.29 Local Authority staff were asked what could be done to improve the housing market. The following comments were made:
- Make more government funding available for empty homes projects. The scheme in Preston has produced great results, but only on a small scale due to funding constraints. It is currently funded via s106 developer contributions in lieu of affordable homes, rather than any external funding, which limits what can be achieved.
 - Increase LHA levels which currently allow households access to a limited number of properties.
 - Remove the remaining restrictions on the shared room rate for the over 25s.
 - Introduce a form of government led bond for life scheme which would offer eligible applicants an insurance backed bond for private rented accommodation. The council only has access to limited funding to help private renters and the funding and guarantees required from agents and landlords to secure a lettings is becoming more onerous as demand increases.
 - Review the exempt accommodation Housing Benefit provision which provides high rental returns to investors under the angle of providing

supported accommodation to vulnerable persons. Ideally this exemption should be removed. In Preston large numbers of properties are being taken on for HMO use under the exemption. This is an investment trend seen around the country and neighbourhoods have experienced the detrimental impacts of concentrating large numbers of vulnerable persons in HMOs and or in a locality without the specialist support such schemes promise. This leads to high levels of anti-social behaviour, property damage and neighbourhood issues when tenants with complex needs are placed in settled neighbourhoods without the necessary support. A better approach would be for there to be more self-contained social rented and private accommodation for the public to access.

- Strengthen local authority obligations nationally to provide permanent and transit pitches for travellers.

E.30 Local authority staff were asked what the main challenges facing the local authority were in terms of supporting the delivery of new homes. It was advised that currently due to current staffing structures and resources the council provides an advisory role only in terms of housing delivery. Local authority staff felt that if there were more resources then the council would be able to take a more leading and influential role initiating and supporting new development across different land types and tenure. This could include being more proactive in identifying sites for development through CPO.

E.31 Local authority staff were asked what the main challengers were with existing housing stock. It was advised that there is a lack of appropriate investment by owner/occupiers and private landlords in the older terraced properties in St Matthews, Fishwick and Deepdale, which has resulted in a general decline in the standard of housing in those areas. This has led to increasing levels of dissatisfaction by the tenants and increasing burden on services such as Housing Standards in enforcement activities. The areas of existing stock are also ageing and are inherently not energy efficient. Large scale retrofit projects could help alleviate some of this, but the council has no capacity to bid for funds and manage retrofit on the scale required. This leads to higher levels of fuel poverty, ill health and carbon emissions, all of which are detrimental to the overall state of the existing stock in the city.

E.32 Local authority staff were asked how the challenges could be addressed. The following comments were received:

- Introduce a national licencing scheme for private landlords to improve standards of property management and inspections.
- Link the amount of Housing Benefit payable on a property to its condition. Currently the same rate is payable for a newly built property as one in need of modernisation and repair.
- Vary Housing Benefit payable as an incentive to invest in improving properties.

E.33 Local Authority staff were asked if there were any cross-boundary issues facing the City of Preston's housing market areas. It was advised that most inward and outward housing needs in regards to social housing is between Preston and South Ribble.

- E.34 Local authority staff were asked what the strengths and weakness of the City of Preston's housing market was. The following comments were made:
- For Preston, strengths include a buoyant market for new build properties in the north of Preston, a good demand for new and resale discounted market properties, and high rates of application for new build social rented units.
 - The area is also attracting several new social landlords providing rented and shared ownership.
 - The private rented sector has a reasonable proportion of properties in the LHA range of rents although these are mostly concentrated in the inner city and central wards.
 - The condition of the "affordable" private rented properties is often fair to basic and increasing disrepair enquiries from tenants is an ongoing problem as no additional resource is available to proactively deal with these aspects.

Selling and lettings agents

- E.35 The following views were obtained through a review of the current rental and sales market via Right Move and Zoopla and telephone interviews in July 2021:

Ashton – On- Ribble

- E.36 House prices in Ashton-on-Ribble have seen a steady increase over the past 5 years with some properties increasing by £40k in value. In July 2021, there were 120 properties up for sale in Ashton-on-Ribble. There was a wide range of available properties for sale including 4 bed houses from £450k, 3 bed properties from £370k, 2 bed properties from £220k, 2 bed flats from £170k and 1 bed flats from £105k.
- E.37 In terms of properties to rent there were 21 in Ashton-on-Ribble. The properties for rent included 5 bed properties from £1,842pm, 4 bed properties from £1,473pm, 3 bed properties from £1,005pm, 2 bed properties from £675pm and 1 bed properties from £520pm.
- E.38 The majority of the agents who were advertising properties in this area were based in Preston Centre. There is one active agents in Ashton-on-Ribble: Tiger Sales & Lettings.
- E.39 After speaking to one of the neighbouring agents in Preston they confirmed that Ashton-on-Ribble is a popular area due to its location just outside Preston town centre and also due to the River Ribble and Preston Mariana/Riverway area which is an attractive residential development that attracts couples and young professionals. The area also has a wide range of large houses and terraced properties which is attractive to families in particular first-time buyers. Agents advised that the rental market is also very buoyant, but there is limited supply that isn't meeting the demand particularly around the docklands.

Preston Centre

- E.40 In July 2021, there were 178 properties up for sale in Preston Centre. There was a wide range of available properties for sale including 4 bed houses from £350k, 3 bed properties from £240k, 2 bed properties from £200k, 2 bed flats from £189k and 1 bed flats from £145k.
- E.41 In terms of properties to rent there were 182 in Preston Centre. The properties for rent included 3 bed houses from £750pm, 2 bed houses from £550pm and 1 bed houses from £325pm. In terms of apartments there were a number of luxury city centre apartments available including 1 beds from £1,100pm and 2 beds were from £1,350pm.
- E.42 The majority of the agents who were advertising properties in this area were within the Preston Centre area. There are nine active agents in Preston Centre: Entwistle Green, Frank Harrington, Farrell Heyworth, Hazelwells, Jones Cameron, Marie Holmes, Michael Bailey, Reeds Rains and Roberts & Co.
- E.43 After speaking to two of the agents they confirmed that Preston Centre is a very popular area which has increased in popularity over the past few years due to a number of new build luxury apartment developments for private rent which has attracted young professionals and couples to the area. Preston Centre is an area with high value properties to rent as well as some low cost rental properties above shops. Preston Centre is also the area where the majority of the student accommodation is located and there is a strong and vibrant student community located within the centre even during the pandemic. Agents felt that the purpose build student accommodation complemented the other developments comprising of luxury apartments as well as apartments for shared ownership, thus creating mixed communities in the area.

Fulwood

- E.44 House prices in Fulwood have seen a steady increase over the past 5 years with some properties increasing by £75k in value. In July 2021, there were 196 properties up for sale in Fulwood. There was a wide range of available properties for sale including 6 bed detached properties from £1.1m, 5 bed detached properties starting from £1.3m, 4 bed houses from £550k, 3 bed properties from £240k, 2 bed properties from £200k, 2 bed flats from £170k and 1 bed flats from £120k.
- E.45 In terms of properties to rent there were 31 in Fulwood. The properties for rent included 3 bed houses from £700pm, 2 bed houses from £575pm and 1 bed houses from £325pm. In terms of apartments, 1 beds were from £520pm and 2 beds were from £650pm.
- E.46 The majority of the agents who were advertising properties in this area were within the area of Fulwood and Preston Centre. There are five active agents in Fulwood: Dewhurst Homes, Easthams and Co, Entwistle Green, Farrell Heyworth and Kingsworth.
- E.47 After speaking to two of the agents they confirmed that Fulwood is a very popular area which has increased in popularity over the past few years due to a number of new build developments of high value large family 4 and 5 bed houses. Fulwood is an area with high value large properties and also affordable smaller properties so has something on offer for most. Fulwood is also an attractive area

due to being the greenest area in Preston and lots of households have recently moved to this area due to its semi-rural location and no longer needing to living in the city centre due to Covid-19 and homeworking. In addition it is the location of the Royal Preston Hospital so it popular for those that work at the hospital both in terms of sales and renting.

Longridge

- E.48 House prices in Longridge has seen a steady increased over the past 5 years, with some properties seeing a £50k increase during this time. In July 2021, there were 86 properties up for sale in the area. There was a wide range of available properties for sale including 6 bed property for £450k, 5 bed for £430k, 4 bed houses from £400k, 3 bed properties from £345k, 2 bed properties from £220k and 1 bed properties from £115k.
- E.49 In terms of properties to rent there were 2 in Longridge, 1x 2 bed bungalow for £1,100 and 1 studio flat for £433pm.
- E.50 The majority of the agents who were advertising properties in this area were based in Longridge, Preston or Fulwood. There are two active agents in Longridge: Dewhurst Homes and Go Estate Agency.
- E.51 After speaking to the one of the agents they confirmed that Longridge is a very popular and affordable area of Preston. The area has also seen a number of new build developments by Taylor Wimpey, Barratt Homes and David Wilson Homes offering large family 3, 4 and 5 bed homes for sale on semi-rural locations. These new developments have attracted both existing and new households to the area and particularly during the pandemic when households wanted more space for a home office and extended garden space. Agents also advised that there have been a number of new build shared ownership houses and bungalows built by Together Homes in the area which have been extremely popular, which shows that there is a further need for affordable homes in the area. Agents confirmed that the rental market is also popular, however there is a shortage of properties which is pushing the rental prices up in the area.

Summary

- E.52 From all of the challenges facing the Preston housing market, stakeholders were asked what the key priorities are for themselves or their organisation. The key priorities identified for are detailed below:
- Build more homes that meet with the demand and types of houses required.
 - Increase development opportunities with a good mixture of property types, LLPs agreed for larger developments to try to create a more balanced and sustainable community.
 - It is crucial that the council and developers work in a collaborative manner to bring forward suitable housing sites in sustainable locations across the local authority areas.

- The council should respond to the clear need for further market and affordable housing by ensuring an appropriate level of new growth is planned for in emerging Local Plan(s).
- Achieve viable and marketable planning permissions on suitable and sustainable sites in a timely fashion; to build high quality new homes; to create jobs and to grow sustainable businesses and communities.
- Offer products that is not just the same as volume builders, something different and unique, giving consumers more choice.
- Choice in the market; sufficient flexibility in land allocated in development plans. A buffer is essential.
- Work across communities to help anyone suffering from Dementia (including early onset), those who need community links to improve their living well capability and to ensure everyone ages well to live well. This includes support within the home.
- Focus more on carers, looking after their needs. If carers needs are better understood and supported by them being in a better place this will also be reflected in improved care delivery to those who need it. Carer respite and the provision of short or medium term accommodation for those with health related needs to enable respite for the carer is urgently needed.
- Prevent homelessness which would be more achievable if there was an improved supply of affordable private rented and social rented property.
- Reduce the incidences of rough sleeping by supporting service users into accommodation and working with a range of agencies e.g. health, voluntary sector, substance misuse to maintain housing.
- Maintaining, if not expanding, the housing regulatory function to try and address the worsening conditions found in the existing private sector stock, plus raising the profile of climate change and the retrofit agenda to try and draw additional resource into that area.