

Prestwich Village

Housing Needs Assessment (HNA)

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Quality information

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Table of Contents

| | |
|--|----|
| Executive Summary | iv |
| 1. Context | 10 |
| 2. Objectives and approach | 14 |
| 3. Affordability and Affordable Housing | 16 |
| 4. Type and Size | 31 |
| 5. Specialist housing for older people | 46 |
| 6. Next Steps | 55 |
| Appendix A : Assessment geography | 56 |
| Appendix B : Local Plan context | 58 |
| Appendix C : Affordability calculations | 64 |
| Appendix D : Affordable Housing need and policy | 71 |
| Appendix E : Specialist housing for older people | 78 |
| Appendix F : Housing Needs Assessment Glossary | 80 |

List of acronyms used in the text:

| | |
|-------|---|
| HMA | Housing Market Area |
| HNA | Housing Needs Assessment |
| HRF | Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs) |
| HLIN | Housing Learning and Improvement Network |
| HRP | Household Reference Person |
| LA | Local Authority |
| LHN | Local Housing Need |
| LHNA | Local Housing Needs Assessment |
| LPA | Local Planning Authority |
| LSOA | Lower Layer Super Output Area |
| MHCLG | Ministry of Housing, Communities, and Local Government |
| MSOA | Middle Layer Super Output Area |
| NA | Neighbourhood (Plan) Area |
| NP | Neighbourhood Plan |
| NPPF | National Planning Policy Framework |
| OA | Output Area |
| ONS | Office for National Statistics |
| PPG | Planning Practice Guidance |
| PRS | Private Rented Sector |
| RQ | Research Question |
| SHMA | Strategic Housing Market Assessment |
| VOA | Valuation Office Agency |

Executive Summary

Tenure and Affordability

Current Tenure Profile

In Prestwich Village the most common tenure is private ownership, accounting for around 68% of the total mix. Private rent and social rent account for similar proportions of the total mix, at 18% and 14%, respectively. A small proportion of the dwelling stock is in shared ownership tenures (under 1%).

Prestwich Village's tenure profile is very similar to Bury, with the proportions of all tenure types differing by no more than one percentage point between the two areas. Compared to England, Prestwich Village's tenure profile leans more heavily towards private ownership tenures, at the expense of social rent and private rent tenures.

Affordability

The latest available data suggests that the average household income in the area was £44,925 in 2020 (the most recent year for this dataset). The annual lower quartile for individual earners in Bury in 2023 was £20,902 (when multiplied by two for dual earning households, this figure becomes £41,804).

Average earning households can generally afford entry-level market rent and may be able to stretch to entry-level ownership in Prestwich Village; however, they would struggle to afford average market rent and ownership.

The need for Affordable Housing

An offering of Affordable Housing tenures will be necessary in Prestwich Village to make housing prices more accessible to a larger group of households with varying home ownership/renting aspirations:

- Based on our estimated value of entry-level new build sales for Prestwich Village in 2023, First Homes tenures offered on all discount levels would be considered affordable to average earning households;
- Entry-level shared ownership tenures offered at 50%, 25% and 10% equity shares are all considered to be affordable for average earning households in Prestwich Village. Shared Ownership at 10% equity is the most affordable route to home ownership in the study area; therefore, this equity may be sought on future developments to offer at least one route to affordable ownership to as many households as possible; although, consideration should be given to the disadvantages associated with low equity shares, such as the difficulty of trading up to a full ownership home;
- A small offering of Rent to Buy tenures may be useful for households who lack sufficient deposits rather than sufficient incomes; however this would be the most expensive 'affordable' tenure; and

- Social Rent tenures are vital for households of one lower quartile income earner, who without these discounts would likely be priced out of the area.

Existing affordable housing need

According to Bury Council, there are around 389 households on the Bury Housing Register in need of affordable rented housing in Prestwich (wider area, not just the NA).

Future affordable housing need

AECOM calculations suggest that between 2025 and the end of the NP period (2039), there will be a shortfall of four dwellings per annum in affordable rented tenures and a shortfall of 46 dwellings in affordable ownership tenures per annum.

Taken in isolation, these calculated need figures would suggest that the majority of new affordable dwellings in Prestwich Village should be in affordable ownership tenures. This is because the study area's existing stock in affordable rented tenures is expected to be able to accommodate most of the existing and arising need by the end of the NP period. However, this does not consider the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). Therefore, there is still value in adding more affordable rented units to Prestwich Village than the modelling would initially suggest. An increased allocation of affordable rented units would help accommodate the NA's current need (around 389 households) at a faster rate, as well as future-proof the rented housing stock to address any newly arising need in future years. Therefore, an indicative tenure mix of 50% rent to 50% ownership has been recommended for new Affordable Housing in Prestwich Village. This balanced approach ensures that urgent housing needs are met through affordable rent, while still providing a substantial number of affordable ownership options.

Type and Size

The current housing mix: type

The 2021 Census data indicates that Prestwich Village's dwelling type mix is fairly well balanced, with a 50:50 split between the less dense (detached and semi-detached) and denser (terrace and flats) types.

In Prestwich Village, Bury and England, semi-detached is the most common dwelling type. Notably, it is Prestwich Village that has the highest proportion of this housing type among the three geographies. Detached dwellings are the least common type in the NA, with a smaller proportion compared to both Bury and England. The proportion of terraced houses and flats in the NA is similar to the national average. However, when compared to Bury, the NA has a lower proportion of terraced houses but a higher proportion of flats.

The median price of detached, semi-detached and terraced dwellings in Prestwich Village grew by 90%-110% between 2014 and 2023. However, over the same time, flats only grew by around 50%. This disparity in the rate of price appreciation among different dwelling types may suggest that there is lower demand for flats compared to self-contained houses.

The current housing mix: size

The 2021 Census data shows that the most common dwelling size in Prestwich Village is three-bedrooms, accounting for nearly half of the total dwelling stock (45%). Two bedroom and four-or-more-bedroom dwellings are the next most common sizes, at 26% and 18%, respectively. The least common dwelling size is one-bedroom, at 11%.

Overall, Prestwich Village's size mix is weighted towards medium-sized dwellings, with almost three quarters of the total stock having two or three bedrooms.

Since 2011, the size of Prestwich Village's housing stock has remained fairly consistent. However, there has been a slight increase in the average size of dwellings. In 2021, homes with four-or-more-bedrooms made up a larger proportion of the housing stock, while the proportion of all other dwelling sizes decreased compared to ten years ago.

The proportion of smaller dwellings (one- and two-bedrooms) in Prestwich Village is similar to the national equivalent proportions. However, in the larger bedroom sizes, Prestwich Village has a higher proportion of three-bedroom dwellings and a lower proportion of four-or-more-bedroom dwellings than England.

When compared to the borough, Prestwich Village has similar proportions of the larger dwellings (three- and four-or-more bedrooms). However, in the smaller bedroom sizes, Prestwich Village has a higher proportion of one-bedroom dwellings, but a lower proportion of two-bedroom dwellings.

There is an overall trend of underoccupancy in the study area, with around 73% of households having at least one unused bedroom, suggesting that the study area's larger dwelling stock is not being occupied efficiently. Despite this, around 3% of households (mostly those which are families with dependent and adult children) are overcrowded and living in potentially unsuitable conditions.

Population characteristics

According to the 2021 Census, the majority of Prestwich Village's young population falls in the 0-14 age bracket (16% of the total population). The other young age bracket, 15–24, accounted for a slightly smaller proportion of the total population mix (9% of the population). Together, these two age brackets show that around a quarter of the NA's population is below 25 years old.

The two working-age categories are the two most common age brackets in the NA. People in the earlier stages of their career (25-44) represent the largest age group in the NA, accounting for 30% of the total population, while working-age people in the later stages of their career (45-84) account for around 27% of the total population. Collectively, these two age brackets show that around 56% of Prestwich Village's population is working-age.

Prestwich Village's elderly population is relatively small compared to the young and working-age population; however, the two older age bands still accounted for 18% of the total population. The majority of the older people are in the 65-84 age category (15% of the total population) with only a small proportion in the 85-and-over age bracket (3% of the total population).

Comparing the 2021 data to the 2011 data reveals that, over the ten-year period, every age bracket except 15-24 experienced growth in actual numbers. The declining trend for this cohort may be linked to a few factors, including insufficient provision of affordable housing and migration out of the study area for people seeking university degrees or apprenticeships.

Future population growth in Prestwich Village is expected to be driven by the oldest households, with the 65-and-over household age bracket expected to grow by 46% by 2039. The 25-34, 35-54, and 55-64 age brackets are all expected to grow in size by 2040, but at more modest rates (under 10%). The 24-and-under age bracket is the only one expected to decline by 2040 (by 8%).

However, it should be noted that the expected ageing of the population is based on projections for the wider Bury local authority area, which (despite being a predominantly urban borough) includes rural villages and hamlets with older demographics. In contrast, Prestwich Village is an urban area that is likely to experience greater demographic churn as a replacement working-age population is attracted to the NA for its work opportunities.

The number of family households with non-dependent children grew by 5% between 2011 and 2021 in the NA; this might reflect the issue of non-dependent children living at their parent's/guardian's home and being unable or unwilling to rent or buy their own home.

Future population and size needs

Prestwich Village's dwelling size mix is relatively well balanced in its current proportions. To achieve its 'ideal' dwelling size mix by 2039, future housing delivery might prioritise medium-sized dwellings (focusing on two-bedroom dwellings, followed by three- and four-bedroom dwellings). The modelling predicts that the NA does not need any additional one-bedroom or four-or-more-bedroom dwellings between now and 2039. However, in reality, development should not be too severely limited to specific dwelling sizes. It would still be appropriate to offer a range of dwelling sizes in new developments, especially in a large parish such as Prestwich Village, so that a variety of households' needs can be accommodated.

Consideration should be given towards providing dwellings that will accommodate the needs of older people looking to downsize from large family dwellings but are looking for quality, accessibility and good space standards. There is also a need for families looking for more space, given the attractiveness of the area to working adults as well as affordable dwellings, which should be a mix of houses for sale and for rent (as explored in the **Tenure and Affordability** chapter).

Specialist Housing for Older People

Current stock and demographics

There are currently 337 units of specialist housing for older people in Prestwich Village, meaning that the NP has provision in the region of 231 units per 1,000 of the 75+ population (which is higher than the national average).

The number of 75+ individuals in the study area is expected to grow 41% by 2039, and account for around three more percentage points than its current share of the population mix (growing from 8% to 11% of the total population). Without development of appropriately priced specialist housing in Prestwich Village, it is likely that those in need will be forced to move out of the area.

Need for specialist housing for older people

A large amount of additional specialist housing for older people may be needed to serve arising future demand, with population growth in Prestwich Village expected to be driven by the older population age bands (a theme that was also identified in the 'Type and Size' chapter).

Specifically, our calculations suggest that Prestwich Village will require in the range of 152 to 233 units of specialist housing for older people over NP period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. Given the relatively high rate of provision currently in the NA, it is possible that turnover in the existing stock may moderate the true level of unmet need in practice.

A secondary benefit of delivering specialist housing for older people in Prestwich Village could be the freeing-up of larger-sized dwellings from older households looking to downsize. However, given the affordability concerns in the study area, as discussed in the 'Affordability and Affordable Housing' chapter, this may only benefit a small section of the population who may be able to afford the larger units.

Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Need for additional care home units

Our calculations (which do not consider tenure types) suggest that an additional 39 residential care beds and 27 nursing care beds would be needed in Prestwich Village to accommodate any need that may arise over the NP period, although this need does overlap with that for extra-care specialist housing and could be addressed in other ways.

Alternative solutions

While specialist need can be met directly through the delivery of new units of specialist accommodation, another key avenue to addressing those with relevant needs is to build new dwellings to appropriate accessibility standards. In this regard, PfE policy JP-H3 expects new developments on appropriate sites to be built to the ‘accessible and adaptable’ standard in Part M4(2) of the Building Regulations – an approach the evidence gathered here would strongly support.

1. Context

1.1. Local context

- 1.1.1. Prestwich Village is a Neighbourhood Area (NA) located in the borough of Bury in Greater Manchester. The NA boundary lies in an unparished area and was designated in June 2023. A map of the Plan area appears **Figure 1-1**, overleaf.
- 1.1.2. The Prestwich Village Neighbourhood Plan (the NP) is envisaged to start in 2025 and extend to the end of 2039, in alignment with the Places for Everyone Joint Development Plan (PfE), therefore covering a period of 15 years. The evidence supplied in this report will look forward to the NP end date of 2039, but where possible will also provide annualised figures which can be extrapolated to a different term if the NP period changes.
- 1.1.3. Prestwich Village is known for its historical significance, independent high street and green spaces. The NA features a mix of residential properties, independent shops, and eateries, in addition to several educational institutions and community facilities. Prestwich Village is well-connected by public transport, with easy access to Manchester city centre via the Metrolink and local bus services. The NA is also bordered by Heaton Park, one of the largest municipal parks in Europe.

1.2. The Neighbourhood Area boundary and key statistics

- 1.2.1. For Census purposes, the NA is made up, like the rest of England, of statistical units called Output Areas (OAs); however, it is unfortunately not possible to precisely recreate the study area using OAs. Therefore, a selection of OAs representing a 'best-fit' proxy for the study area has been chosen, which will be used to interrogate Census data. A breakdown of these is provided in **Appendix A**.
- 1.2.2. At the time of the 2011 Census the NA was home to 17,133 residents, formed into 7,709 households and occupying 7,958 dwellings. The 2021 Census indicates population growth of around 743 individuals (or 4%) since 2011, recording a total of 17,876 residents and 7,869 households. The average household size remained at around the same level.
- 1.2.3. The number of dwellings recorded in the 2021 Census was 8,257. Bury Council have provided completions data for the period 2021 to 2023, which indicated that was an additional 33 (net) dwellings in the neighborhood area by the end of 2023 through new builds and conversions. Overall, between 2011 and 2023, the number of dwellings in the NA has grown by approximately 4%, which is in line with the NA's population growth over the same period.

Figure 1-1: Map of the Prestwich Village Neighbourhood Area¹



¹ Bury Council (2023). 'Prestwich Village Forum Plan Area' can be accessed [here](#).

1.3. The housing market area context

- 1.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Prestwich Village it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 1.3.2. In the case of Prestwich Village, the NA sits within a functional housing market area which covers the Greater Manchester area.² This means that when households who live in this area move home, the vast majority move within this geography.
- 1.3.3. At the neighbourhood scale, it is not possible to be definitive about housing need and demand because neighbourhoods, including Prestwich Village, are closely linked to other areas. In the case of Prestwich Village, changes in need or demand in nearby settlements (such as Whitefield and Radcliffe to the north, and Pendlebury, Salford, and Manchester city centre to the south) are likely to impact the neighbourhood. Given the significant housing allocations proposed in the PfE for the Regional Centre and greenfield sites (in Simister, Bowlee, and Elton), alongside the already developed nature of Prestwich Village, the priority for new housing in Prestwich Village is more likely to be guided by the specific housing needs of the NA rather than the wider area.
- 1.3.4. In summary, Prestwich Village functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Bury Council), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

1.4. Planning policy context

- 1.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.³ In the case of Bury, the most recently adopted local plan is the Bury Unitary Development Plan (UDP), adopted in 1997.
- 1.4.2. The Joint Places for Everyone (PfE) Development Plan Document was adopted by Bury Council in 2024. It establishes the strategic planning framework within which Bury Council will prepare a new Local Plan.
- 1.4.3. Some major strategic decisions relating to Bury's future growth and development have already been made through the PfE. For example, it identifies future needs for housing and employment floorspace, allocates

² Greater Manchester Combined Authority (2019). 'Greater Manchester Strategic Housing Market Assessment' can be accessed [here](#).

³ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

strategic sites to help meet these needs and identifies a revised Green Belt boundary.

- 1.4.4. Bury's emerging Local Plan will provide a more detailed set of locally specific planning policies to complement the PfE.
- 1.4.5. The emerging Local Plan is currently in the early stages of preparation, and most recently a Call for Sites was issued in March/May 2024.
- 1.4.6. Policies in the PfE supersede some of the UDP policies – these are set out in PfE Appendix A Table A.2.⁴ While most of the policies related to housing in the UDP have been superseded, two of them remain as saved policies. Further details are provided in **Table B-1 in Appendix B**.
- 1.4.7. A detailed breakdown of the PfE policies relevant to housing need is provided in **Table B-2 in Appendix B**. Here, it is worth summarising the most important points of the PfE:
 - Policy JP-H1 identifies a minimum overall housing target of 7,678 homes for the period 2022-2039. Prestwich Village has not been given its own housing allocation;
 - Policy JP-H1 also suggests that development across the plan area should seek to incorporate a range of dwelling types and sizes to meet local needs. Where appropriate, this should include incorporating specialist housing for older households and vulnerable people. It also states that all new dwellings must be built to the 'accessible and adaptable' standard in Part M4(2) of the Building Regulations; and
 - According to Policy JP-H2, the delivery of additional affordable homes will be supported through local plans setting targets for the provision of affordable housing for sale and rent as part of market-led developments based on evidence relating to need and viability.

1.5. Quantity of housing to provide

- 1.5.1. The NPPF 2023 (paragraphs 67 and 68) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over a neighbourhood plan period.
- 1.5.2. Bury Council have not yet fulfilled that requirement, but are expected to provide one in the emerging Bury Local Plan.

⁴ GMCA (2024). 'Extract from Places for Everyone Appendix A: Replaced District Local Plan Policies' can be accessed [here](#).

2. Objectives and approach

2.1. Objectives

- 2.1.1. This HNA is structured according to a number of themes or topics that were agreed at the outset of the research with Prestwich Village Neighbourhood Forum. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

Affordability and Affordable Housing

- 2.1.2. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.
- 2.1.3. This chapter has three aims, each given its own sub-section:
- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
 - To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
 - To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.
- 2.1.4. The evidence gathered here can be used to justify planning policies in the NP, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the NP must be in general conformity with these strategic policies, there is scope for its policies to adopt some local variety where this is supported by the evidence.

Type and Size

- 2.1.5. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
- 2.1.6. The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe relevant characteristics of the local **population**; and
 - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
- 2.1.7. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying

planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

Specialist Housing for Older People

- 2.1.8. It may be suitable for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.
- 2.1.9. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 2.1.10. This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

2.2. Approach

- 2.2.1. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Prestwich Village Neighbourhood Plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
- ONS population and household projections for future years;
 - Valuation Office Agency (VOA) data on the current stock of housing;
 - Land Registry data on prices paid for housing within the local market;
 - Rental prices from [Home.co.uk](https://www.home.co.uk);
 - Local Authority housing waiting list data;
 - Greater Manchester Strategic Housing Market Assessment (shma) (2019); and
 - Bury Council Housing Needs and Demand Assessment (HNDA) (2020).
- 2.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2024, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

3. Affordability and Affordable Housing

3.1. Introduction

- 3.1.1. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.
- 3.1.2. This chapter has three aims, each given its own sub-section:
- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
 - To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
 - To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.
- 3.1.3. The evidence gathered here can be used to justify planning policies in the NP, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the NP must conform with these policies, there is scope for its policies to adopt some local variety where this is supported by the evidence.

3.2. Definitions

- 3.2.1. This section uses a range of technical terms which are useful to define at the outset:
- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership);
 - **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
 - The definition of **Affordable Housing** is set out in the NPPF 2023 (Annex 2) as ‘Housing for sale or rent, for those whose needs are not met by the market...’ We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing;
 - A range of affordable home ownership opportunities are included in the Government’s definition of Affordable Housing, to meet the needs of those aspiring to own a home. As part of this, the Government has introduced a

new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF,⁵ and

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in **Appendix C**.

3.3. Current tenure profile

- 3.3.1. The current tenure profile is a key feature of the NA. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 3.3.2. **Table 3-1** presents 2021 Census data for the tenure profile in Prestwich Village, Bury, and England.
- 3.3.3. Firstly looking just at the Prestwich Village, **Table 3-1** shows that the most common tenure is private ownership, accounting for 68% of the total mix. Private rent and social rent account for similar proportions of the total mix, at 18% and 14%, respectively. A small proportion of the dwelling stock is in shared ownership tenures (under 1%).
- 3.3.4. Prestwich Village's tenure profile is very similar to Bury, with the proportions of all tenure types differing by no more than one percentage point between the two areas. Compared to England, Prestwich Village's tenure profile leans more heavily towards private ownership tenures, at the expense of social rent and private rent tenures.

Table 3-1: Tenure (households) in Prestwich Village, Bury, and England (2021)

| Tenure | Prestwich Village | Bury | England |
|------------------|-------------------|-------|---------|
| Owned | 67.6% | 66.9% | 61.3% |
| Shared ownership | 0.3% | 0.4% | 1.0% |
| Social rented | 14.4% | 14.9% | 17.1% |
| Private rented | 17.6% | 17.8% | 20.6% |

Sources: Census 2021, AECOM Calculations

- 3.3.5. It is also worth comparing how the tenure mix has changed in the last ten years, using 2011 Census data (see **Table 3-2**).
- 3.3.6. The tenure type that saw the greatest increase (actual numbers) in Prestwich Village between 2011 and 2021 was private ownership, increasing by 151 households (3% growth).
- 3.3.7. Private rented tenures saw the second highest increase (growing by 102 households - 8% growth).

⁵ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

3.3.8. The two affordable tenure types saw minimal or no growth, with ten additional social rent households, and no additional shared ownership households, added to the area between 2011 and 2021.

Table 3-2: Tenure change (households) in Prestwich Village, 2011-2021

| Tenure | 2011 | 2021 | % change |
|------------------|-------|-------|----------|
| Owned | 5,172 | 5,323 | 2.9% |
| Shared ownership | 23 | 23 | 0.0% |
| Social rented | 1,127 | 1,137 | 0.9% |
| Private rented | 1,284 | 1,386 | 7.9% |

Sources: Census 2021 and 2011, AECOM Calculations

3.3.9. Bury Council's completions suggests that there were an additional 19 dwellings in social rent tenures (all delivered on one housing Association site) and an additional 21 dwellings in private ownership tenures added to Prestwich Village between 2021 to 2023. It should be noted that this data does not include the tenures of seven dwellings that were removed over the same time period.

3.4. Affordability

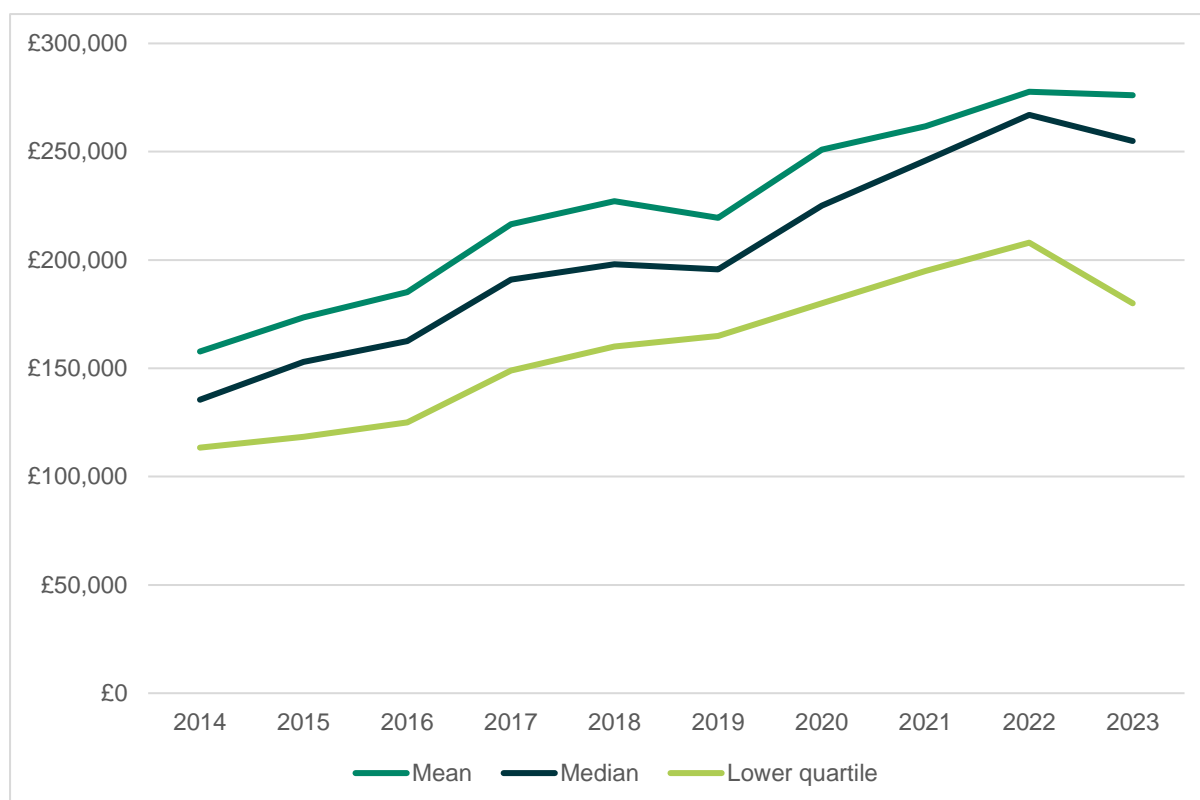
House prices

3.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.

3.4.2. **Figure 3-1** looks at the change in mean (the average), median (the middle value), and lower quartile (the value below which the lowest 25% of values fall) for house prices in Prestwich Village based on sales price data published by the Land Registry. During the period of 2014 – 2023 house prices experienced an overall positive trend across the recorded measures. The 2023 mean house price in Prestwich Village was £276,111 (a 75% increase since 2014), the median was £255,000 (an 88% increase since 2014), and the lower quartile was £180,000 (a 59% increase since 2014).

3.4.3. Compared to the wider area, Prestwich Village's median house price is 21% higher than Bury, which has a median house price of £201,500 in 2023.

Figure 3-1: House prices by quartile in Prestwich Village, 2014-2023



Source: Land Registry PPD

- 3.4.4. **Table 3-3** breaks down house prices by type and presents their median sale value. It shows that the average growth for median house prices across all types in the study area was 88%.
- 3.4.5. Looking closer at the different dwelling types reveals that the median price for detached, semi-detached and terrace dwellings all grew at similar rates, between 90% and 110%. The other remaining dwelling type, flats, grew at a more modest rate of 47%. This disparity in price appreciation among dwelling types may suggest that there is lower demand for flats compared to self-contained houses.

Table 3-3: Median house prices by type in Prestwich Village, 2014-2023

| Type | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Growth |
|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--------|
| Detached | £225,000 | £266,500 | £290,000 | £349,995 | £362,500 | £342,250 | £450,000 | £370,000 | £410,000 | £460,000 | 104.4% |
| Semi-detached | £145,500 | £160,074 | £185,500 | £195,875 | £215,000 | £213,375 | £233,000 | £255,000 | £282,500 | £280,000 | 92.4% |
| Terraced | £123,250 | £142,750 | £151,650 | £168,000 | £179,000 | £193,800 | £210,000 | £224,000 | £260,000 | £256,000 | 107.7% |
| Flats | £105,000 | £97,461 | £126,500 | £157,000 | £164,995 | £130,000 | £115,000 | £136,750 | £160,500 | £154,500 | 47.1% |
| All Types | £135,500 | £153,000 | £162,625 | £191,000 | £198,000 | £195,675 | £225,150 | £246,000 | £267,000 | £255,000 | 88.2% |

Source: Land Registry PPD

Income

- 3.4.6. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
- 3.4.7. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income

locally was £44,925 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in **Appendix A**.

- 3.4.8. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Bury Council's gross individual lower quartile annual earnings were £20,902 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £41,804.
- 3.4.9. An important point element to note when interpreting the affordability estimates calculated in this chapter is the similarity between average-earning households and households with two lower quartile earners. This is because the most recent data for average earners is from 2020, while the most recent data for lower-income households is from 2023. The economic changes over these years, such as inflation and wage shifts, mean that older data for average household income may not fully reflect the current situation, causing the affordability estimates to appear more similar than they are in reality.

Affordability Thresholds

- 3.4.10. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 3.4.11. AECOM has determined thresholds for the income required in Prestwich Village to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in **Appendix C**.
- 3.4.12. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of **Appendix C**.
- 3.4.13. **Table 3-4** summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

Table 3-4: Affordability thresholds in Prestwich Village (income required, £)

| Tenure | Mortgage value (90% of price) | Annual rent | Income required | Affordable on average incomes? (£44,925) | Affordable on LQ earnings (single earner)? (£20,902) | Affordable on LQ earnings (two earners)? (£41,804) |
|--|-------------------------------|-------------|-----------------|---|---|---|
| Market Housing | | | | | | |
| Median House Price | £229,500 | - | £65,571 | No | No | No |
| Estimated NA New Build Entry-Level House Price | £190,035 | | £54,296 | No | No | No |
| LQ/Entry-level House Price | £162,000 | - | £46,286 | Marginal | No | No |
| LA New Build Median House Price | £219,596 | - | £62,742 | No | No | No |
| Average Market Rent | - | £16,620 | £55,400 | No | No | No |
| Entry-level Market Rent | - | £12,252 | £40,840 | Yes | No | Yes |
| Affordable Home Ownership | | | | | | |
| First Homes (-30%) | £133,024 | - | £38,007 | Yes | No | Yes |
| First Homes (-40%) | £114,021 | - | £32,577 | Yes | No | Yes |
| First Homes (-50%) | £95,017 | - | £27,148 | Yes | No | Yes |
| Shared Ownership (50%) | £95,017 | £2,639 | £35,946 | Yes | No | Yes |
| Shared Ownership (25%) | £47,509 | £3,959 | £26,771 | Yes | No | Yes |
| Shared Ownership (10%) | £19,003 | £4,751 | £21,266 | Yes | Marginal | Yes |
| Affordable Rented Housing | | | | | | |
| Affordable Rent | - | £5,444 | £18,128 | Yes | Yes | Yes |
| Social Rent | - | £3,973 | £13,231 | Yes | Yes | Yes |

Source: AECOM Calculations

3.4.14. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of various tenures to inform NP policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups, but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

3.4.15. Thinking about housing for purchase on the open market, unless households benefit from a very large deposit, it appears that local households on average incomes are unable to access average priced dwellings, and may only just be able to afford entry-level dwellings. Market housing, is therefore

likely to remain out of reach to most. The median house price would require an annual income 46% higher than the current average.

- 3.4.16. Private renting is generally only affordable to higher-than-average earners. Households made up of one lower quartile earner cannot afford the given rental thresholds, whilst households on two lower quartile income earners can only afford entry-level rents. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

- 3.4.17. There is a modest group of households in Prestwich Village who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £40,840 per year (at which point entry-level rents become affordable) and £46,286 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 3.4.18. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
- 3.4.19. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. All discount levels would bring home ownership to a level within the affordability threshold of average earning households and households of two lower quartile earners, based on our estimates for the cost of equivalent new build entry level housing.
- 3.4.20. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If Prestwich Village Neighbourhood Forum intend to set a higher First Homes discount level than that set at borough level (although this has not yet been set), further discussions with the LPA are advised.
- 3.4.21. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁶ If this is delivered in the NA, it will make shared

⁶ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

3.4.22. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within seven years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to average earning households and household of two lower quartile earners (although still more expensive than First Homes and Shared Ownership). Discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, even more expensive than First Homes and Shared Ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

3.4.23. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting;
- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion;
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time; and
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Affordable rented housing

3.4.24. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice

below 80% of market levels. This appears to be the case in Prestwich Village.

- 3.4.25. Affordable rented housing is generally affordable to households with one lower quartile earner and above (although average earning households are unlikely to be eligible).
- 3.4.26. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Prestwich Village as the only option for a large segment of those in the greatest need (i.e. any household with a single lower quartile earner). Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

3.5. Estimates of the need for Affordable Housing

- 3.5.1. This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

AECOM Estimates

- 3.5.2. AECOM estimates the need for four affordable rented homes per annum in Prestwich Village, equating to a total of 51 over the NP period. The estimate and assumptions used are detailed in **Appendix D** and summarised in **Table 3-5** below. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. It may also be reflective of the existing stock of affordable rent and private rent properties in Prestwich Village. Additional commentary and caveats are provided in the 'Affordable Housing at neighbourhood level' section, overleaf.

Table 3-5: Estimate of need for Affordable Housing for rent in Prestwich Village

| Component of need or supply in the AECOM estimate | Per annum |
|---|-----------|
| Current need | 28 |
| Newly arising need | 10 |
| Supply | 34 |
| Net shortfall | 4 |

Source: AECOM model summary of estimates. Full estimate included in Appendix D

- 3.5.3. AECOM estimate potential demand for 46 affordable home ownership dwellings per annum in Prestwich Village, equating to a total of 647 over the NP period. The estimate and assumptions used is detailed in **Appendix D** and summarised in **Table 3-6**.

- 3.5.4. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Table 3-6: Estimate of need for Affordable Housing for sale in Prestwich Village

| Component of need or supply in the AECOM estimate | Per annum |
|--|------------------|
| Current need | 44 |
| Newly arising need | 3 |
| Supply | 1 |
| Net shortfall | 46 |

Source: AECOM model summary of estimates. Full estimate included in Appendix D

Evidence in the 2020 Bury Housing Needs and Demand Assessment

- 3.5.5. An HNDA was undertaken for Bury in 2020. This study estimates the need for affordable housing in the borough based on household survey evidence and using modelling in line with Planning Practice Guidance at the time.
- 3.5.6. Table ES1 in the HNDA identifies the need for 45 additional affordable homes in Prestwich (wider area, not just the NA) each year. This is a lower estimate of affordable housing need than AECOM's estimate.
- 3.5.7. The HNDA also provides a recommended tenure split for new affordable dwellings in Prestwich in Table ES4. It recommends a split of 74% affordable/social rent to 26% affordable home ownership tenures.

3.6. Affordable Housing policies in Neighbourhood Plans

- 3.6.1. This section outlines a common neighbourhood plan policy level around the tenure mix of affordable housing, provides a recommendation, and summarises relevant considerations.
- 3.6.2. This HNA is consistent with the National Planning Policy Framework (2023) and Planning Practice Guidance. The Government recently published a new NPPF for consultation in July 2024. Whilst the approach in this HNA is consistent with existing guidance, the HNA may need to be reviewed after the introduction of any new NPPF.

Application of Local Plan policies

- 3.6.3. The PfE does not contain a policy that explicitly provides guidance on the split between market and affordable tenures for new dwellings. However, allocation policies in the PfE (specifically Policies JP Allocations 7 and 9), assumes that 25% of dwellings will be delivered in affordable tenures. A

policy that addresses this topic is expected to be included in the emerging Local Plan for Bury.

- 3.6.4. The overall proportion of housing that must be affordable is not an area of policy that a neighbourhood plan can usually influence, but it is worth emphasising that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in neighbourhood plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.
- 3.6.5. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is also unspecified in the PfE. However, in the aforementioned allocation policies, a preference is indicated for affordable housing to be delivered as 60% social or affordable rent and 40% affordable home ownership.

Affordable Housing at neighbourhood level

- 3.6.6. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Prestwich Village on the basis of identified housing need and a range of other considerations detailed in **Appendix D**.
- 3.6.7. An indicative tenure mix of 50% rent to 50% ownership has been recommended for new Affordable Housing in Prestwich Village. This is similar to the preference indicated in the PfE, but with slightly more weighting assigned to dwellings in affordable ownership tenures.
- 3.6.8. Taken in isolation, the calculations outlined in **Table 3-5** and **Table 3-6** would suggest that the majority of new affordable dwellings in Prestwich Village should be in affordable ownership tenures. This is because the study area's existing stock in affordable rented tenures is expected to be able to accommodate most of the existing and arising need by the end of the NP period. However, this does not consider the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). Therefore, there is still value in adding more affordable rented units to Prestwich Village than the modelling would initially suggest. An increased allocation of affordable rented units would help accommodate the NA's current need (around 389 households) at a faster rate, as well as future-proof the stock to address any newly arising need in future years. It is also worth noting that the 2020 HNDA also recommends a higher weighting should be given to affordable rent tenures over affordable ownership tenures.
- 3.6.9. Affordability is also factored into the recommended affordable housing tenure mix as it has been identified in this chapter that there are affordability issues in the NA. Regarding market rent, only entry-level market options are affordable for average households, meaning that additional units in affordable rent tenures will prove valuable in bringing renting to within affordable levels for a broad range of households.

- 3.6.10. Regarding ownership, all affordable ownership tenures would bring a form of ownership to within the affordability threshold for average earning households (and households of two lower-quartile earners), hence an allocation of First Homes at the any of the discounts would be appropriate in the NA (although securing the higher discounts would be preferable as this would open up home ownership to a larger range of households, this should be balanced against viability concerns). Since First Homes appears to be one of the most affordable and helpful options locally, it would be appropriate for First Homes to account for 30% of new affordable dwellings, at a slightly higher rate than the minimum required by the NPPF. In the interests of diversity and maximizing choice, a further 15% is allocated to shared ownership rather than more First Homes. Only a small (5%) offering of Rent to Buy is included in the recommended mix as it was considered the least affordable tenure locally, but potentially a useful option for some households.
- 3.6.11. Whilst there is no Local Plan policy in place for affordable housing tenure split, it is expected that one will be included in the emerging Bury Local Plan.
- 3.6.12. It should be noted that if Prestwich Village Neighbourhood Forum wish to develop policy that deviates from that outlined in the emerging Local Plan (once made) – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Bury Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

Table 3-7: Indicative tenure split (Affordable Housing)

| Tenure | Indicative mix | Considerations and uncertainties |
|--|-----------------------------------|--|
| Routes to home ownership, of which | 50% | |
| First Homes | 30% | Product untested so uncertainties around viability, developer, lenders and buyer appetite etc. |
| Shared ownership | 15% | Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown. |
| Rent to Buy | 5% | Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown. |
| Affordable Housing for rent, of which | 50% | |
| Social rent | To be set by Registered Providers | Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area. |
| Affordable rent | To be set by Registered Providers | Uncertain whether RPs willing to own/manage stock in this area. |

Source: AECOM calculations

- 3.6.13. **Table 3-8** summarises the study area's position with regards to delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the NP period.
- 3.6.14. As Prestwich Village has not been provided with an indicative housing requirement figure yet, the scenario presented **Table 3-8** uses the housing requirement figure provided for Prestwich in the 1997 Bury Unitary Development Plan as a placeholder.
- 3.6.15. In this sense the scenario presented is hypothetical, and the outcomes in practice may differ, either as a result of a different housing requirement figure, or measures taken in the NP (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 3-8: Delivery of Affordable Housing in Prestwich Village (Hypothetical)

| | Step in Estimation | Hypothetical scenario – estimated delivery |
|---|---|---|
| A | The housing requirement figure provided for Prestwich in the 1997 Bury Unitary Development Plan | 231 |
| B | Assumed affordable split used in the PfE and Bury 2020 HNDA | 25% |
| C | Potential total Affordable Housing in NA (A x B) | 58 |
| D | Rented % (e.g. social/ affordable rented) | 50% |
| E | Rented number (C x D) | 29 |
| F | Affordable home ownership % (e.g. First Homes, Rent to Buy) | 50% |
| G | Affordable home ownership number (C x F) | 29 |

Source: AECOM estimate based on LPA's affordable housing policies, AECOM's indicative tenure mix

3.7. Conclusions- Tenure and Affordability

Current tenure profile

- 3.7.1. The most common tenure type in Prestwich Village is private ownership, accounting for 68% of the total mix. Private rent and social rent account for similar proportions of the total mix, at 18% and 14%, respectively. A small proportion of the dwelling stock is in shared ownership tenures (under 1%).

Affordability

- 3.7.2. The latest available data suggests that the average household income in the area was £44,925 in 2020 (the most recent year for this dataset). The annual lower quartile for individual earners in Bury in 2023 was £20,902 (when multiplied by two for dual earning households, this figure becomes £41,804).
- 3.7.3. Average earning households can generally afford entry-level market rent and may be able to stretch to entry-level ownership in Prestwich Village; however, they would struggle to afford average market rent and ownership.

The need for Affordable Housing

- 3.7.4. An offering of Affordable Housing tenures will be necessary in Prestwich Village to make housing prices more accessible to a larger group of households with varying home ownership/renting aspirations:
- Based on our estimated value of entry-level new build sales for Prestwich Village in 2023, First Homes tenures offered on all discount levels would be considered affordable to average earning households;
 - Entry-level shared ownership tenures offered at 50%, 25% and 10% equity shares are all considered to be affordable for average earning households in Prestwich Village. Shared Ownership at 10% equity is the most affordable route to home ownership in the study area; therefore, this equity

may be sought on future developments to offer at least one route to affordable ownership to as many households as possible; although, consideration should be given to the disadvantages associated with low equity shares, such as the difficulty of trading up to a full ownership home;

- A small offering of Rent to Buy tenures may be useful for households who lack sufficient deposits rather than sufficient incomes; however this would be the most expensive 'affordable' tenure; and
- Social Rent tenures are vital for households of one lower quartile income earner, who without these discounts would likely be priced out of the area.

Existing affordable housing need

- 3.7.5. According to Bury Council, there are around 389 households on the Bury Housing Register in need of affordable rented housing in Prestwich (wider area, not just the NA).

Future affordable housing need

- 3.7.6. AECOM calculations suggest that between 2025 and the end of the NP period (2039), there will be a shortfall of four dwellings per annum in affordable rented tenures and a shortfall of 46 dwellings in affordable ownership tenures per annum.
- 3.7.7. Taken in isolation, these calculated need figures would suggest that the majority of new affordable dwellings in Prestwich Village should be in affordable ownership tenures. This is because the study area's existing stock in affordable rented tenures is expected to be able to accommodate most of the existing and arising need by the end of the NP period. However, this does not consider the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). Therefore, there is still value in adding more affordable rented units to Prestwich Village than the modelling would initially suggest. An increased allocation of affordable rented units would help accommodate the NA's current need (around 389 households) at a faster rate, as well as future-proof the rented housing stock to address any newly arising need in future years. Therefore, an indicative tenure mix of 50% rent to 50% ownership has been recommended for new Affordable Housing in Prestwich Village. This balanced approach ensures that urgent housing needs are met through affordable rent, while still providing a substantial number of affordable ownership options.

4. Type and Size

4.1. Introduction

- 4.1.1. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
- 4.1.2. This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the NP.
- 4.1.3. This chapter has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe characteristics of the local **population** that are relevant to housing need; and
 - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
- 4.1.4. It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.
- 4.1.5. The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

Definitions

- **Dwelling type:** whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need;
- **Dwelling size:** how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage;
- **Household:** a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including

properties that are vacant and second homes, so the number of dwellings and the number of households in an area is usually different;

- **Household composition:** the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). ‘Other’ households in the Census include house-sharers, groups of students, and multi-family households;
- **Household life stage:** the age of the lead member of a household – usually the oldest adult, or what used to be called the ‘head of household’. Life stage is correlated with dwelling size as well as wealth;
- **Housing mix:** the range of home sizes and types in an area; and
- **Over- and under-occupancy:** the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

4.2. The current housing mix

4.2.1. This section establishes the current housing mix of Prestwich Village, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

4.2.2. **Table 4-3** shows the dwelling type mix for Prestwich Village in 2011 and 2021.

4.2.3. The data shows that Prestwich Village’s dwelling type mix is fairly well balanced, with a 50:50 split between the less dense (detached and semi-detached) and denser (terrace and flats) categories.

4.2.4. The most common dwelling type in the NA is semi-detached (44%), whilst the least common dwelling type is detached (12%).

4.2.5. Over the period from 2011 to 2021, all categories of dwellings have maintained a share within 2% of their respective proportions recorded in 2011.

Table 4-1: Accommodation type, Prestwich Village, 2011-2021

| Type | 2011 | % | 2021 | % |
|---------------|-------|-------|-------|-------|
| Detached | 863 | 10.8% | 903 | 11.5% |
| Semi-detached | 3,460 | 43.5% | 3,485 | 44.2% |
| Terrace | 1,963 | 24.7% | 1,830 | 23.2% |
| Flat | 1,672 | 21.0% | 1,654 | 21.0% |
| Total | 7,958 | | 7,876 | |

Source: ONS 2021 and 2011, AECOM Calculations

4.2.6. Bury Council’s housing completions data (presented in **Table 4-5**) indicates that new dwellings in Prestwich Village between 2021 and 2023 have mostly come in the form of the denser dwelling types. The count in **Table 4-5** represents the net gain for the area, and therefore includes the loss of six flats and one detached dwelling.

Table 4-2: Dwelling type, Prestwich Village, 2021-2023

| Number of bedrooms | Count (net) |
|--------------------|-------------|
| Detached | 4 |
| Semi-detached | 8 |
| Terrace | 8 |
| Flat | 13 |

Source: Bury Council

4.2.7. **Table 4-3** compares Prestwich Village’s dwelling type mix to wider benchmarks. In all three areas, semi-detached is the most common dwelling type. Notably, it is Prestwich Village that has the highest proportion of this housing type among the three geographies. Detached dwellings are the least common type in the NA, with a smaller proportion compared to both Bury and England. The proportion of terraced houses and flats in the NA is similar to the national average. However, when compared to Bury, the NA has a lower proportion of terraced houses but a higher proportion of flats.

Table 4-3: Accommodation type, various geographies, 2021

| Type | Prestwich Village | Bury | England |
|---------------|-------------------|-------|---------|
| Detached | 11.5% | 18.8% | 22.9% |
| Semi-detached | 44.2% | 38.6% | 31.5% |
| Terrace | 23.2% | 28.3% | 23.0% |
| Flat | 21.0% | 14.3% | 22.2% |

Source: Census 2021, AECOM Calculations

Dwelling size

4.2.8. **Table 4-4** presents the housing mix in the NA for 2011 and 2021. The 2021 Census data shows that the most common dwelling size in Prestwich Village is three-bedrooms, accounting for nearly half of the total dwelling stock (45%). Two bedroom and four-or-more-bedroom dwellings are the next most common sizes, at 26% and 18%, respectively. The least common dwelling size is one-bedroom, at 11%.

4.2.9. Overall, Prestwich Village’s size mix is weighted towards medium-sized dwellings, with almost three quarters of the total stock having two or three bedrooms.

4.2.10. Since 2011, the size of Prestwich Village’s housing stock has remained fairly consistent. However, there has been a slight increase in the average size of dwellings. In 2021, homes with four-or-more-bedrooms made up a larger proportion of the housing stock, while the proportion of all other dwelling sizes decreased compared to ten years ago.

Table 4-4: Dwelling size (bedrooms), Prestwich Village, 2011-2021

| Number of bedrooms | 2011 | % | 2021 | % |
|--------------------|-------|-------|-------|-------|
| 1 | 878 | 11.4% | 884 | 11.2% |
| 2 | 2,037 | 26.4% | 2,013 | 25.5% |
| 3 | 3,563 | 46.2% | 3,562 | 45.1% |
| 4+ | 1,211 | 15.7% | 1,435 | 18.2% |
| Total | 7,709 | | 7,894 | |

Source: ONS 2021 and 2011, AECOM Calculations

4.2.11. Bury Council’s completions data (presented in **Table 4-5**) indicates that new dwellings in Prestwich Village have mostly come in the form of medium to larger sizes, meaning the trend of the average dwelling size growing between 2011 and 2021 has continued into 2023.

4.2.12. It should be noted, however, that the Council does not record the size of dwellings that have been lost (a total of seven dwellings between 2021 and 2023). This omission could potentially weaken the observed trend of increasing average dwelling sizes in Prestwich Village.

Table 4-5: Dwelling size (bedrooms), Prestwich Village, 2021-2023

| Number of bedrooms | Count |
|--------------------|-------|
| 1 | 5 |
| 2 | 13 |
| 3 | 10 |
| 4+ | 12 |

Source: Bury Council

4.2.13. **Table 4-6** shows that the proportion of smaller dwellings (one- and two-bedrooms) in Prestwich Village is similar to the national equivalent proportions. However, in the larger bedroom sizes, Prestwich Village has a higher proportion of three-bedroom dwellings and a lower proportion of four-or-more-bedroom dwellings than England.

4.2.14. When compared to the borough, Prestwich Village has similar proportions of the larger dwellings (three- and four-or-more bedrooms). However, in the smaller bedroom sizes, Prestwich Village has a higher proportion of one-bedroom dwellings, but a lower proportion of two-bedroom dwellings.

Table 4-6: Dwelling size (bedrooms), various geographies, 2021

| Number of bedrooms | Prestwich Village | Bury | England |
|--------------------|-------------------|-------|---------|
| 1 | 11.2% | 8.9% | 11.6% |
| 2 | 25.5% | 29.1% | 27.3% |
| 3 | 45.1% | 43.3% | 40.0% |
| 4+ | 18.2% | 18.7% | 21.1% |

Source: Census 2021, AECOM Calculations

4.3. Population characteristics

4.3.1. This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

4.3.2. **Table 4-7** shows the most recent age structure of the study area population, alongside 2011 Census figures.

4.3.3. According to the 2021 Census, the majority of Prestwich Village’s young population falls in the 0-14 age bracket (16% of the total population). The other young age bracket, 15–24, accounted for a slightly smaller proportion of the total population mix (9% of the population). Together, these two age

brackets show that around a quarter of the NA's population is below 25 years old.

- 4.3.4. The two working-age categories are the two most common age brackets in the NA. People in the earlier stages of their career (25-44) represent the largest age group in the NA, accounting for 30% of the total population, while working-age people in the later stages of their career (45-64) account for around 27% of the total population. Collectively, these two age brackets show that around 56% of Prestwich Village's population is working-age.
- 4.3.5. Prestwich Village's elderly population is relatively small compared to the young and working-age population; however, the two older age bands still account for 18% of the total population. The majority of the older people are in the 65-84 age category (15% of the total population) with only a small proportion in the 85-and-over age bracket (3% of the total population).
- 4.3.6. Comparing the 2021 data to the 2011 data reveals that, over the ten-year period, every age bracket except 15-24 experienced growth in actual numbers. The declining trend for that cohort may be linked to a few factors, including insufficient provision of affordable housing and migration out of the study area for people seeking university degrees or apprenticeships.
- 4.3.7. The age brackets that grew the most between 2011 and 2021 were the two older age brackets (65-84 and 85 and over), both growing by approximately 15%. The remaining age brackets all grew by less than 10%. Overall, Prestwich Village's population has become older over the observed period.

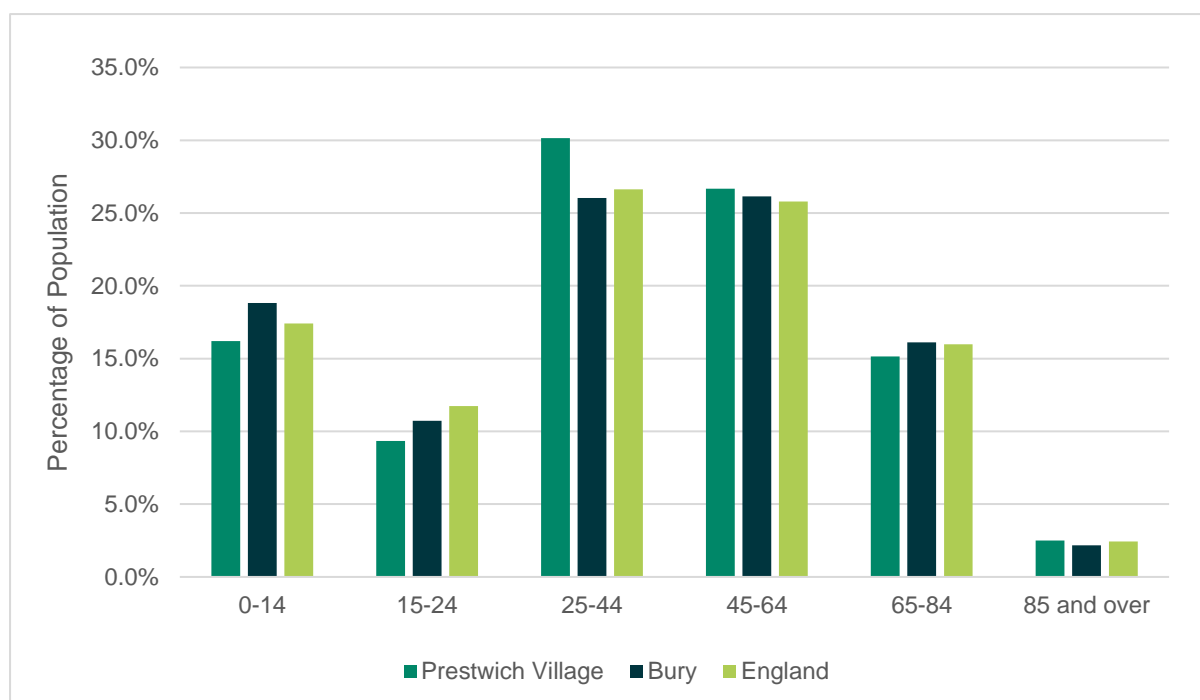
Table 4-7: Age structure of Prestwich Village, 2011 and 2021

| Age group | 2011 (Census) | | 2021 (Census) | | Change |
|-------------|---------------|-------|---------------|--------|--------|
| 0-14 | 2,835 | 16.5% | 2,895 | 16.2% | 2.1% |
| 15-24 | 1,947 | 11.4% | 1,669 | 9.3% | -14.3% |
| 25-44 | 5,004 | 29.2% | 5,389 | 30.1% | 7.7% |
| 45-64 | 4,590 | 26.8% | 4,768 | 26.7% | 3.9% |
| 65-84 | 2,373 | 13.9% | 2,708 | 15.1% | 14.1% |
| 85 and over | 384 | 2.2% | 447 | 2.5% | 16.4% |
| Total | 17,133 | | 17,876 | 100.0% | 4.3% |

Source: ONS 2011, ONS 2021, AECOM Calculations

- 4.3.8. For context, it is useful to look at the NA population structure alongside that of the borough and country. **Figure 4-1** (using 2021 Census data) shows that Prestwich Village has a population age structure more strongly weighted towards the working-age population than Bury and, to an even greater extent, England. This may be due to its popularity as a commuter town to Manchester, attracting young professionals to the area.
- 4.3.9. The elderly population in Prestwich Village is comparable to that of Bury and the national average. However, the NA has a notably smaller proportion of younger residents.

Figure 4-1: Age structure in Prestwich Village, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 4.3.10. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the NP period. **Table 4-8** reveals that while Bury and England have very similar household composition profiles, Prestwich Village's profile is slightly different. This difference is because the NA's profile leans more towards one-person households at the expense of one-family-only households, with approximately a four percentage point difference between these two categories in the NA compared to the two wider geographies.
- 4.3.11. Despite the slight variation, for all three geographies the 'one family only' category is the most common household type, followed by 'one person household' and 'other household types'.
- 4.3.12. The sub-categories presented in **Table 4-8** show that Prestwich Village had higher proportions of the older household composition types ('one person household – aged 66 and over' and 'one family only - aged 66 and over') than the borough and nation.
- 4.3.13. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. This category grew by 5% between 2011 and 2021 in the NA, which was greater than the national average (+4%) but slower than the Borough average (+10%). The growth in this category might reflect the issue of non-dependent children living at their parent's/guardian's home and being unable or unwilling to rent or buy their own home.

Table 4-8: Household composition, Prestwich Village, 2021

| Household composition | | Prestwich Village | Bury | England |
|------------------------------|--|-------------------|-------|---------|
| One person household | Total | 34.4% | 30.8% | 30.1% |
| | Aged 66 and over | 14.6% | 13.2% | 12.8% |
| | Other | 19.8% | 17.6% | 17.3% |
| One family only | Total | 60.4% | 64.2% | 63.1% |
| | All aged 66 and over | 14.6% | 9.0% | 9.2% |
| | With no children | 18.6% | 15.8% | 16.8% |
| | With dependent children | 24.5% | 27.6% | 25.8% |
| | With non-dependent children ⁷ | 9.9% | 11.1% | 10.5% |
| Other household types | Total | 5.2% | 5.0% | 6.9% |

Source: ONS 2021, AECOM Calculations

4.3.14. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

4.3.15. The occupancy rating data from the 2021 Census, presented in **Table 4-9**, reveals an overall trend of underoccupancy in Prestwich Village, with around 73% of households having at least one unused bedroom. The older household types ('Family 66+', 'Family under 66 – no children' and 'Single person 66+') are most likely to have a +2-occupancy rating.

4.3.16. **Table 4-9** also reveals that approximately 3% of households (most of which are families with dependent or adult children) are overcrowded (-1 rating) and living in potentially unsuitable conditions.

Table 4-9: Occupancy rating by age in Prestwich Village, 2021

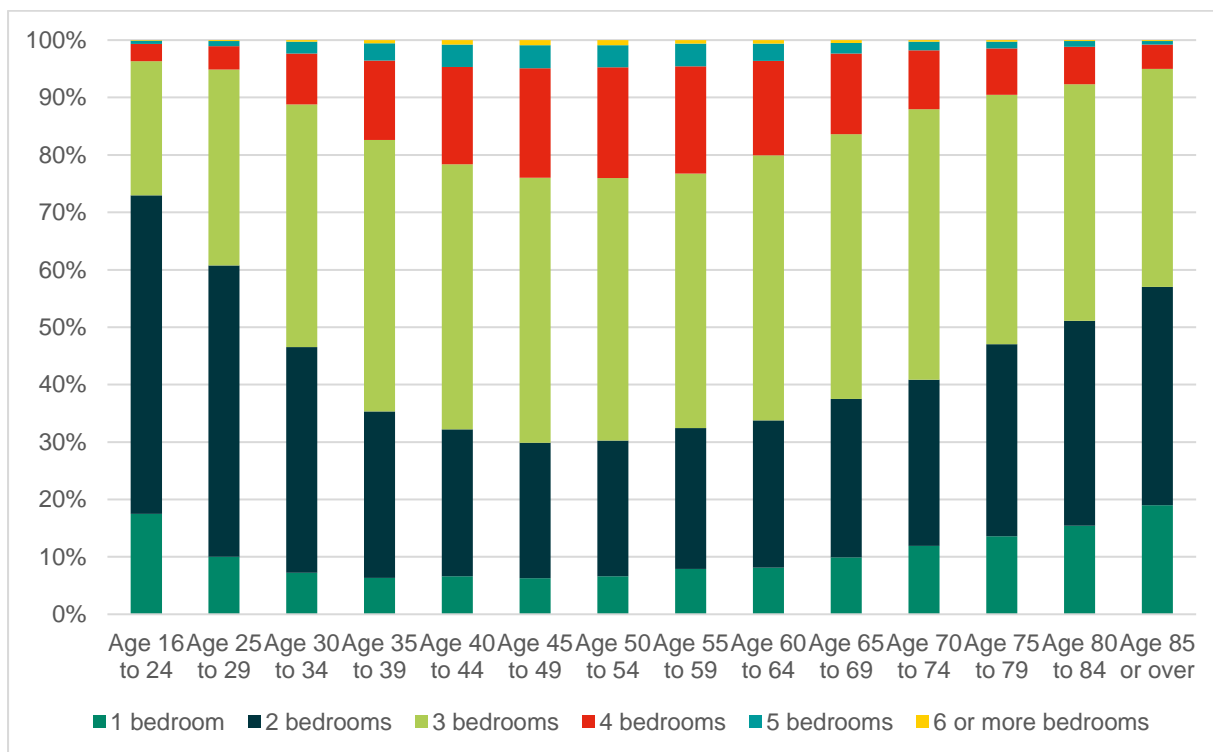
| Household type | +2 rating | +1 rating | 0 rating | -1 rating |
|--------------------------------------|--------------|--------------|--------------|-------------|
| Family 66+ | 75.0% | 19.3% | 5.6% | 0.0% |
| Single person 66+ | 44.6% | 29.5% | 26.0% | 0.0% |
| Family under 66 - no children | 66.2% | 28.4% | 5.4% | 0.0% |
| Family under 66 - dependent children | 19.3% | 43.8% | 30.8% | 6.1% |
| Family under 66 - adult children | 16.4% | 48.8% | 30.4% | 4.3% |
| Single person under 66 | 34.5% | 36.2% | 29.2% | 0.0% |
| All households | 38.0% | 35.4% | 23.8% | 2.8% |

Source: ONS 2021, AECOM Calculations

⁷ Refers to households containing children who are older than 18 e.g students or young working people living at home.

4.3.17. As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. **Figure 4-2** sets out this relationship for Bury Council in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 4-2: Age of household reference person by dwelling size in Bury, 2011



Source: ONS 2011, AECOM Calculations

4.4. Future population and size needs

4.4.1. This section projects the future age profile of the population in Prestwich Village at the end of the NP period and then estimates the mix of dwelling sizes they may need.

Age

4.4.2. The result of applying Local Authority level household projections to the age profile of Prestwich Village households in 2011 is shown in **Table 4-10**. This makes clear that population growth is expected to be driven by the oldest households, with the 65-and-over household age bracket expected to grow 46% by 2039. The 25-34, 35-54, and 55-64 household age brackets are all expected to grow in size by 2040, but at more modest rates (under 10%). The 24-and-under age bracket is the only one expected to decline (8% by 2040).

4.4.3. However, it should be noted that the expected ageing of the population is based on projections for the wider Bury local authority area, which (despite being a predominantly urban borough) includes rural villages and hamlets with older demographics. In contrast, Prestwich Village is an urban area that is likely to experience greater demographic churn as a replacement working-age population is attracted to the NA for its employment and lifestyle

opportunities. Therefore, the rate at which the population ages in Prestwich Village may be more modest than is suggested in **Table 4-10**. Nevertheless, Prestwich Village’s population is certainly still likely to age over the NP period.

- 4.4.4. If current trends continue, and the goal is to accommodate the demographic shifts in **Table 4-10**, it may be appropriate to focus on delivering smaller-to-medium-sized dwellings for older households looking to downsize. This could include larger flats/medium-sized houses with two or three bedrooms. An ageing population may also require more specialist housing units and new housing built to higher accessible and adaptable standards (categories M4[2] and M4[3], explored in **Chapter 5**).
- 4.4.5. However, the goal of new development may not only be to accommodate expected demographic shifts. Given the population is projected to age over the NP period, new development may also be designed to intervene with these trends to achieve a greater demographic balance by delivering homes to specifically attract younger households and other groups, alongside addressing rising demand for downsizing.

Table 4-10: Projected age of households, Prestwich Village, 2011 - 2039

| Year | 24 and under | 25 to 34 | 35 to 54 | 55 to 64 | 65 and over |
|--------------------|--------------|----------|----------|----------|-------------|
| 2011 | 189 | 1,069 | 3,258 | 1,262 | 1,931 |
| 2039 | 174 | 1,151 | 3,327 | 1,342 | 2,812 |
| % change 2011-2039 | -8% | 8% | 2% | 6% | 46% |

Source: AECOM Calculations

- 4.4.6. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in **Figure 4-2**) onto the projected age profile for the NA in **Table 4-10** immediately above. The resulting ‘ideal’ future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.
- 4.4.7. This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.
- 4.4.8. The result of this exercise is presented in **Table 4-11**. It suggests that Prestwich Village’s dwelling size mix is relatively well balanced in its current proportions. To achieve its ‘ideal’ dwelling size mix by 2039, future housing delivery might prioritise medium-sized dwellings (focusing on two-bedroom dwellings, followed by three- and four-bedroom dwellings). The modelling predicts that the NA does not need any additional one-bedroom or four-or-more-bedroom dwellings between now and 2039. However, in reality,

development should not be strictly limited to specific dwelling sizes. It would still be appropriate to offer a range of dwelling sizes in new developments, especially in a large parish such as Prestwich Village, so that a variety of households' needs can be accommodated. Therefore, the recommendations in **Table 4-11** should be considered to be a starting point for discussions.

Table 4-11: Suggested dwelling size mix to 2039, Prestwich Village

| Number of bedrooms | Current mix (2011) | Suggested mix (2039) | Balance of new housing to reach suggested mix |
|---------------------------|---------------------------|-----------------------------|--|
| 1 | 11.4% | 9.3% | 0.0% |
| 2 | 26.4% | 30.4% | 53.2% |
| 3 | 46.2% | 44.0% | 25.5% |
| 4 | 11.8% | 13.2% | 21.3% |
| 5+ | 3.9% | 3.1% | 0.0% |

Source: AECOM Calculations

4.4.9. The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options:

- The Bury HNDA (2020) recommends that new dwellings across the borough should be split in the following proportions:
 - One bedroom: 12.6%;
 - Two bedrooms: 34.1%;
 - Three bedrooms: 32.1%; and
 - Four-or-more-bedrooms: 21.1%.

For dwellings in affordable tenures in Prestwich, it is recommended that these are delivered as dwellings in smaller sized flats and small-to-medium-sized dwellings.

- Regarding the recommended type for new dwellings across the borough, the HNDA (2020) offers the following split:
 - Houses: 65.7%;
 - Flats: 15.2%;
 - Bungalows (or level-access accommodation): 15.9%; and
 - Other: 3.2%.
- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- The urban setting of the study area lends itself to continued delivery of denser dwellings due to land availability constraints limiting the viability of less dense dwellings.
- Continuing to provide denser and smaller-to-medium-sized homes may be the most appropriate direction, although opportunities could be sought to

deliver a small proportion of larger / less dense dwellings to offer a range of options for households in the study area.

- To best meet the needs of the growing cohort of older households expected to be present by the end of the NP period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.

Tenure

- 4.4.10. The recommendation discussed immediately above applies to all housing in the NA over the NP period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in NP policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
- 4.4.11. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for one or two bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
- 4.4.12. There are three key sources of information for thinking through the size needs of different categories. These are:
- The Bury HNDA (2020) recommends that new affordable dwellings across in Prestwich are delivered as dwellings in smaller sized flats and small-to-medium-sized dwellings.

Figure 4-3: Annual affordable housing need by dwelling size and type

| Dwelling type/size | Prestwich |
|----------------------------|-----------|
| 1-bedroom house | 0.0 |
| 2-bedroom house | 7.6 |
| 3-bedroom house | 18.1 |
| 4 or more-bedroom house | 4.9 |
| 1-bedroom flat | 56.0 |
| 2-bedroom flat | 7.7 |
| 3 or more -bedroom flat | 0.0 |
| 1 -bedroom bungalow | 0.0 |
| 2-bedroom bungalow | 3.0 |
| 3 or more-bedroom bungalow | 2.6 |
| Other | 0.0 |
| Total | 100.0 |

Source: Table ES2 in the 2020 HNDA

- The waiting list for affordable rented housing, kept by the Local Authority. This provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case, there is greater demand for one- or two-bedroom dwellings when compared to three- or four-bedroom dwellings.

Figure 4-4: Applicants on Bury Housing Register Waiting List for Prestwich or ‘Anywhere’ (April 2024)

| Beds Required | Count |
|---------------|-------|
| 1 | 183 |
| 2 | 107 |
| 3 | 81 |
| 4 | 15 |

Source: Bury Borough Council

- Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population. However, no such work in the NA has been carried out in this regard.

4.4.13. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for neighbourhood plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications.

Type

4.4.14. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than ‘need’ in the strict sense. This stands in

contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

- 4.4.15. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 4.4.16. The benefits of delivering a certain blend of dwelling types are more closely related to affordability. As affordability has been identified as an issue in Prestwich Village, this would favor the delivery of more dense options (e.g. terraces and flats). This broadly aligns with the dwelling types recommended in the 2020 HNDA.
- 4.4.17. It should be noted that this imperative to improve affordability can sometimes be in conflict with matters of character, which could be the case for sensitive historical areas in the NA, such as near 'St Mary's Park, Prestwich' Conservation Area. This is particularly relevant in the case of flats; a large block of which may not be a welcome proposition in sensitive parts of the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.
- 4.4.18. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the NP should guide on this issue, and in what direction, is a policy decision for Prestwich Village Neighbourhood Forum and community to consider.

4.5. Conclusions - Type and Size

- 4.5.1. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the study area or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NP, the NA's position within the wider housing market area (linked to any Local Authority strategies or plans), and site-specific factors which may justify a particular dwelling mix.

The current housing mix: type

- 4.5.2. The 2021 Census data indicates that Prestwich Village's dwelling type mix is fairly well balanced, with a 50:50 split between the less dense (detached and semi-detached) and denser (terrace and flats) types.
- 4.5.3. In Prestwich Village, Bury and England, semi-detached is the most common dwelling type. Notably, it is Prestwich Village that has the highest proportion of this housing type among the three geographies. Detached dwellings are the least common type in the NA, with a smaller proportion compared to both Bury and England. The proportion of terraced houses and flats in the NA is similar to the national average. However, when compared to Bury, the NA has a lower proportion of terraced houses but a higher proportion of flats.

- 4.5.4. The median price of detached, semi-detached and terraced dwellings in Prestwich Village grew by 90%-110% between 2014 and 2023. However, over the same time, flats only grew by around 50%. This disparity in the rate of price appreciation among different dwelling types may suggest that there is lower demand for flats compared to self-contained houses.

The current housing mix: size

- 4.5.5. The 2021 Census data shows that the most common dwelling size in Prestwich Village is three-bedrooms, accounting for nearly half of the total dwelling stock (45%). Two bedroom and four-or-more-bedroom dwellings are the next most common sizes, at 26% and 18%, respectively. The least common dwelling size is one-bedroom, at 11%.
- 4.5.6. Overall, Prestwich Village's size mix is weighted towards medium-sized dwellings, with almost three quarters of the total stock having two or three bedrooms.
- 4.5.7. Since 2011, the size of Prestwich Village's housing stock has remained fairly consistent. However, there has been a slight increase in the average size of dwellings. In 2021, homes with four-or-more-bedrooms made up a larger proportion of the housing stock, while the proportion of all other dwelling sizes decreased compared to ten years ago.
- 4.5.8. The proportion of smaller dwellings (one- and two-bedrooms) in Prestwich Village is similar to the national equivalent proportions. However, in the larger bedroom sizes, Prestwich Village has a higher proportion of three-bedroom dwellings and a lower proportion of four-or-more-bedroom dwellings than England.
- 4.5.9. When compared to the borough, Prestwich Village has similar proportions of the larger dwellings (three- and four-or-more bedrooms). However, in the smaller bedroom sizes, Prestwich Village has a higher proportion of one-bedroom dwellings, but a lower proportion of two-bedroom dwellings.
- 4.5.10. There is an overall trend of underoccupancy in the study area, with around 73% of households having at least one unused bedroom, suggesting that the study area's larger dwelling stock is not being occupied efficiently. Despite this, around 3% of households (mostly those which are families with dependent and adult children) are overcrowded and living in potentially unsuitable conditions.

Population characteristics

- 4.5.11. According to the 2021 Census, the majority of Prestwich Village's young population falls in the 0-14 age bracket (16% of the total population). The other young age bracket, 15-24, accounted for a slightly smaller proportion of the total population mix (9% of the population). Together, these two age brackets show that around a quarter of the NA's population is below 25 years old.
- 4.5.12. The two working-age categories are the two most common age brackets in the NA. People in the earlier stages of their career (25-44) represent the largest age group in the NA, accounting for 30% of the total population, while working-age people in the later stages of their career (45-84) account for around 27% of the total population. Collectively, these two age brackets show that around 56% of Prestwich Village's population is working-age.

- 4.5.13. Prestwich Village's elderly population is relatively small compared to the young and working-age population; however, the two older age bands still accounted for 18% of the total population. The majority of the older people are in the 65-84 age category (15% of the total population) with only a small proportion in the 85-and-over age bracket (3% of the total population).
- 4.5.14. Comparing the 2021 data to the 2011 data reveals that, over the ten-year period, every age bracket except 15-24 experienced growth in actual numbers. The declining trend for this cohort may be linked to a few factors, including insufficient provision of affordable housing and migration out of the study area for people seeking university degrees or apprenticeships.
- 4.5.15. Future population growth in Prestwich Village is expected to be driven by the oldest households, with the 65-and-over household age bracket expected to grow by 46% by 2039. The 25-34, 35-54, and 55-64 age brackets are all expected to grow in size by 2040, but at more modest rates (under 10%). The 24-and-under age bracket is the only one expected to decline by 2040 (by 8%).
- 4.5.16. However, it should be noted that the expected ageing of the population is based on projections for the wider Bury local authority area, which (despite being a predominantly urban borough) includes rural villages and hamlets with older demographics. In contrast, Prestwich Village is an urban area that is likely to experience greater demographic churn as a replacement working-age population is attracted to the NA for its work opportunities. Nevertheless, Prestwich Village's population is certainly still likely to age over the NP period.
- 4.5.17. The number of family households with non-dependent children grew by 5% between 2011 and 2021 in the NA; this might reflect the issue of non-dependent children living at their parent's/guardian's home and being unable or unwilling to rent or buy their own home.

Future population and size needs

- 4.5.18. Prestwich Village's dwelling size mix is relatively well balanced in its current proportions. To achieve its 'ideal' dwelling size mix by 2039, future housing delivery might prioritise medium-sized dwellings (focusing on two-bedroom dwellings, followed by three- and four-bedroom dwellings). The modelling predicts that the NA does not need any additional one-bedroom or four-or-more-bedroom dwellings between now and 2039. However, in reality, development should not be too severely limited to specific dwelling sizes. It would still be appropriate to offer a range of dwelling sizes in new developments, especially in a large parish such as Prestwich Village, so that a variety of households' needs can be accommodated.
- 4.5.19. Consideration should be given towards providing dwellings that will accommodate the needs of older people looking to downsize from large family dwellings but are looking for quality, accessibility and good space standards. There is also a need for families looking for more space, given the attractiveness of the area to working adults as well as affordable dwellings, which should be a mix of houses for sale and for rent (as explored in the Tenure and Affordability chapter).

5. Specialist housing for older people

5.1. Introduction

- 5.1.1. It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Prestwich Village. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 5.1.2. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
- 5.1.3. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.⁸
- 5.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).⁹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Prestwich Village Neighbourhood Plan period.
- 5.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

⁸ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

⁹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹⁰:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

5.2. Specialist housing for older people

- 5.2.1. There is a total of 337 units of specialist accommodation in the NA at present, with 249 (74%) of these in social rent tenures, with the remaining 88 (26%) in market rent tenures. Details are provided in **Appendix E**.
- 5.2.2. The 2021 Census indicates that at this time there were 1,456 individuals aged 75 or over in Prestwich Village. This suggests that current provision is in the region of 231 units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is relevant to note that rate for England is 136 units per 1,000 of the 75+ population,¹¹ so provision in the NA is above the national average. This is unsurprising given the NA's urban setting, which makes it a more appropriate location for these types of accommodation due to better access to healthcare services, public

¹⁰ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

¹¹ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

transportation, care workers and social amenities when compared to more rural areas.

Demographic characteristics

- 5.2.3. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Prestwich Village is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Bury. The results are set out in **Table 5-1**, which suggest that the future population of Prestwich Village will grow older towards the end of the NP period. The number of individuals aged 75+ is expected to grow by 41% and account for around three more percentage points of the NA's population mix by 2039 when compared to its current share.
- 5.2.4. It should be noted that due to the study area's urban profile, and its attractive position as a commuter town for Manchester, ageing in the study area may be less severe than the wider population of Bury as working-age individuals are more likely to move there for jobs. Therefore, the calculations may be considered as an upper bound estimate for the ageing of the local population.
- 5.2.5. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

Table 5-1: Modelled projection of older population in Prestwich Village by end of the NP period

| Age group | 2021 | | 2039 | |
|-----------|-------------------|---------|-------------------|---------|
| | Prestwich Village | Bury | Prestwich Village | Bury |
| All ages | 17,876 | 193,850 | 18,817 | 204,053 |
| 75+ | 1,456 | 16,094 | 2,060 | 22,766 |
| % | 8.1% | 8.3% | 10.9% | 11.2% |

Source: ONS SNPP 2020, AECOM Calculations

- 5.2.6. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 5.2.7. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2039. The top row in **Table 5-2** outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that 80% of people aged between 55-75 own their home.

5.2.8. The expected growth in the 75+ population in the NA is 604 additional individuals by the end of the NP period. This can be converted into 431 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55–75-year-olds occupying each tenure gives a breakdown of which tenures Prestwich Village households are likely to need in 2039, and is shown in the bottom row of **Table 5-2**.

Table 5-2: Tenure of households aged 55-75 in Bury Council (2011) and projected aged 75+ in Prestwich Village (2039)

| | All owned | Owned outright | Owned (mortgage) or Shared Ownership | All Rented | Social rented | Private rented | Living rent free |
|---------------------------------|--------------|----------------|--------------------------------------|--------------|---------------|----------------|------------------|
| Bury Council (2011 mix) | 79.5% | 56.8% | 22.7% | 20.5% | 13.7% | 5.6% | 1.1% |
| Prestwich Village (2039) | 343 | 245 | 98 | 88 | 59 | 24 | 5 |

Source: Census 2011

5.2.9. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. **Table E-2** in **Appendix E** presents this data for Prestwich Village from the 2011 Census.

Future needs for specialist accommodation and adaptations

5.2.10. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the NP period is calculated to be 233.

5.2.11. AECOM's modelling, summarised in **Table 5-3**, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

5.2.12. **Table 5-3** suggests that 75% of the demand for new specialist accommodation for older people will be driven by those in market tenures. The remaining 25% of the demand is expected to come from those seeking

homes in affordable tenures. **Table 5-3** also expects an equal split of demand between the two types of specialist housing for older people.

Table 5-3: AECOM estimate of specialist housing for older people need in Prestwich Village by the end of the NP period

| Type | Affordable | Market | Total |
|--|------------|------------|------------|
| Housing with care | 36 | 82 | 117 |
| Adaptations, sheltered, or retirement living | 23 | 93 | 115 |
| Total | 58 | 174 | 233 |

Source: Census 2011, AECOM Calculations

5.2.13. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. **Table E-3 in Appendix E** reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Prestwich Village results in a total of 152 specialist dwellings that might be required to the end of the NP period. This is set out in **Table 5-4**.

Table 5-4: HLIN estimate of specialist housing for older people need in Prestwich Village by the end of the NP period

| Type | Affordable | Market | Total |
|--|------------|-----------|------------|
| Housing with care | 19 | 24 | 43 |
| Adaptations, sheltered, or retirement living | 36 | 72 | 109 |
| Total | 55 | 97 | 152 |

Source: Housing LIN, AECOM calculations

Further considerations

- 5.2.14. The above estimates suggest that potential need for specialist accommodation could be in the range of 152-233 units over the NP period. However, it may not be possible or appropriate to deliver this scale of new accommodation and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
- 5.2.15. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 5.2.16. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or neighbourhood areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

- 5.2.17. It is considered that Prestwich Village is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the NA (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Prestwich Village in other suitable locations near to but outside the NA boundaries).
- 5.2.18. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

5.3. Care homes

- 5.3.1. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 5.3.2. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
- 5.3.3. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
- 5.3.4. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2039 there would be a need for 39 residential care beds and 27 nursing care beds in the NA, an increase of 66 from present levels.
- 5.3.5. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

The Role of Mainstream Housing

- 5.3.6. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in **Appendix E**, around 68% of the Prestwich Village population aged 75 and over is likely to live in the mainstream housing stock.¹²
- 5.3.7. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 5.3.8. Whilst need can be met directly through the delivery of new units of specialist accommodation, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Bury Council.
- 5.3.9. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings,¹³ although changes to Building Regulations have not yet been made.
- 5.3.10. The PfE policy JP-H3 provides explicit encouragement for development to accommodate specific groups such as older people. Specifically, it states that all new dwellings must be *'built to the 'accessible and adaptable' standard in Part M4(2) of the Building Regulations unless specific site conditions make this impracticable'*. The analysis in this chapter supports this position, given the NA's ageing profile and the potential volume of need among those with less severe mobility/care needs.
- 5.3.11. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
- 5.3.12. **Table 5-5** sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). To generate a crude estimate for Prestwich Village (which currently does not have an expected housing delivery figure), these percentages are applied to the old housing delivery figure for Prestwich in the 1997 Bury Unitary Development Plan (231) to suggest the number that might be encouraged to be wheelchair friendly or adaptable. In this scenario, there would be a need for one to seven wheelchair accessible dwellings over the NP period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.
- 5.3.13. When the housing requirement figure for Prestwich Village is provided, the percentages outlined in **Table 5-5** can be applied to work out how many

¹² 1,456 over 75s in 2021, of which 337 are accommodated in specialist housing and a further 127 in care homes, leaving 992 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹³ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

dwellings might be encouraged to be built with the two levels of wheelchair accessibility standards.

Table 5-5: Wheelchair use Nationally Applied to Prestwich Village

| | Percentage in England | % applied to Prestwich’s housing requirement figure in the 1997 Bury Unitary Development Plan |
|--|-----------------------|---|
| Households using wheelchair all the time | 0.6% | 1 |
| Households using wheelchair either indoors or outdoors | 3.0% | 7 |

Source: Survey of English Housing 2018/19

5.4. Conclusions- Specialist Housing for Older People

Current stock and demographics

- 5.4.1. There are currently 337 units of specialist housing for older people in Prestwich Village, meaning that the NP has provision in the region of 231 units per 1,000 of the 75+ population (which is higher than the national average).
- 5.4.2. The number of 75+ individuals in the study area is expected to grow 41% by 2039, and account for around for three more percentage points than its current share of the population mix (growing from 8% to 11% of the total population). Without development of appropriately priced specialist housing in Prestwich Village, it is likely that those in need will be forced to move out of the area.

Need for specialist housing for older people

- 5.4.3. This chapter determines that a large amount of additional specialist housing for older people may be needed to serve arising future demand, with population growth in Prestwich Village expected to be driven by the older population age bands (a theme that was also identified in the ‘Type and Size’ chapter).
- 5.4.4. Specifically, our calculations suggest that Prestwich Village will require in the range of 152 to 233 units of specialist housing for older people over NP period. These estimates are based on the projected growth of the older population, thereby assuming that today’s older households are already well accommodated. Given the relatively high rate of provision currently in the NA, it is possible that turnover in the existing stock may moderate the true level of unmet need in practice.
- 5.4.5. A secondary benefit of delivering specialist housing for older people in Prestwich Village could be the freeing-up of larger-sized dwellings from older households looking to downsize. However, given the affordability concerns in the study area, as discussed in the ‘Affordability and Affordable Housing’ chapter, this may only benefit a small section of the population who may be able to afford the larger units.
- 5.4.6. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater

degree of choice into the housing options for older people who wish to move in later life.

Need for additional care home units

- 5.4.7. Our calculations (which do not consider tenure types) suggest that an additional 39 residential care beds and 27 nursing care beds would be needed in Prestwich Village to accommodate any need that may arise over the NP period, although this need does overlap with that for extra-care specialist housing and could be addressed in other ways.

Alternative solutions

- 5.4.8. While specialist need can be met directly through the delivery of new units of specialist accommodation, another key avenue to addressing those with relevant needs is to build new dwellings to appropriate accessibility standards. In this regard, PfE policy JP-H3 expects new developments on appropriate sites to be built to the 'accessible and adaptable' standard in Part M4(2) of the Building Regulations – an approach the evidence gathered here would strongly support.

6. Next Steps

6.1. Recommendations for next steps

- 6.1.1. This HNA aims to provide Prestwich Village Neighbourhood Forum with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the Prestwich Village Neighbourhood Forum should, as a next step, discuss the contents and conclusions with Bury Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the NP to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Bury Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Bury Council.
- 6.1.2. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 6.1.3. Bearing this in mind, it is recommended that the Prestwich Village Neighbourhood Forum should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Bury Council or any other relevant party and review the NP accordingly to ensure that general conformity is maintained.
- 6.1.4. At the same time, monitoring on-going demographic or other trends over the NP period will help ensure the continued relevance and credibility of its policies.

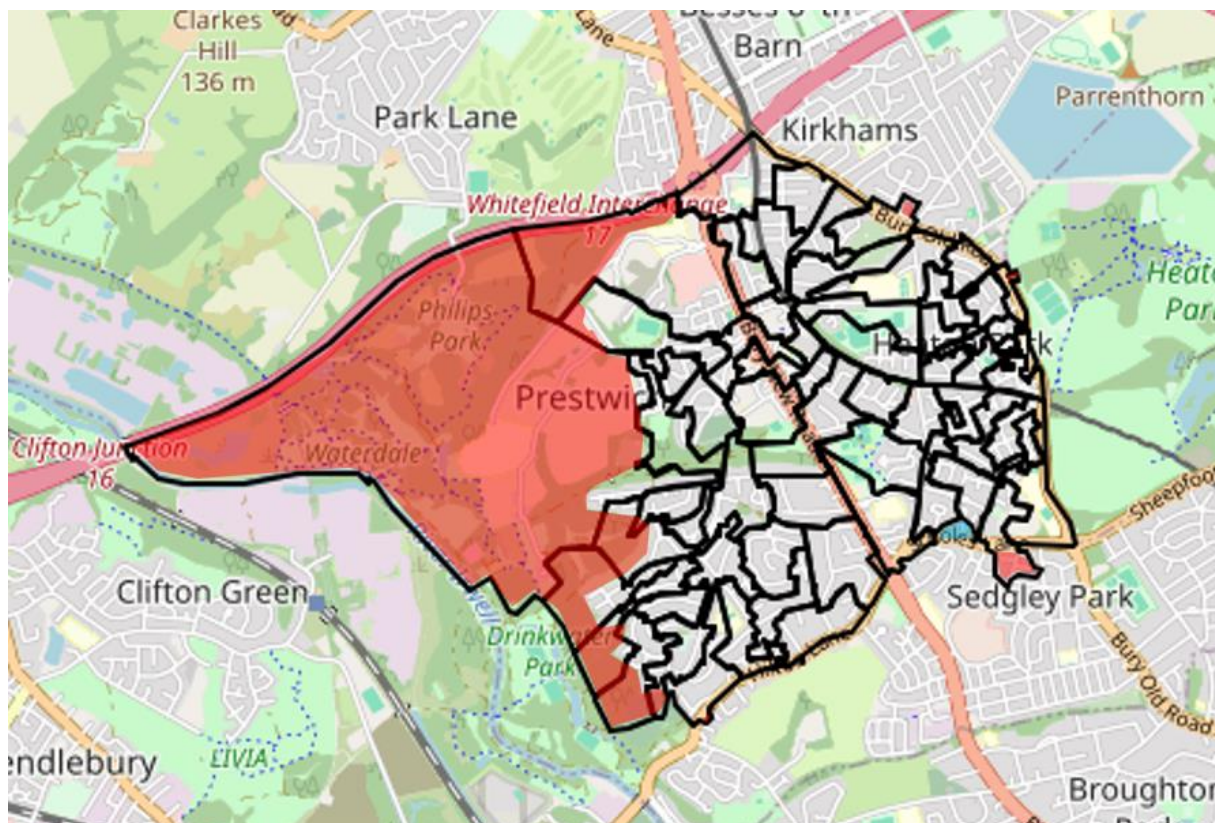
Appendix A : Assessment geography

A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). As the NA cannot be precisely recreated using OAs, the ‘best-fit’ combination of LSOAs/OAs for the study area has been used to interrogate Census data. This area equates to the following combination of OAs:

- LSOA E01005034
- LSOA E01004975
- LSOA E01005039
- LSOA E01005045
- LSOA E01004974
- LSOA E01005036
- LSOA E01005037
- LSOA E01005031
- LSOA E01005035
- LSOA E01005038
- OA E00025154
- OA E00025166
- OA E00025167
- OA E00025168
- OA E00025486
- OA E00025492
- OA E00025504

A.2 **Figure A-1**, overleaf, shows the area covered by the ‘best-fit’ combination LSOAs/OAs used in this HNA. It should be noted that whilst there is a large area to the west of the NA that is included in the study area (shaded in red), its inclusion should not significantly influence the Census data, as this land is mostly parkland and a hospital. While there is small hamlet in this area, it is unlikely to affect the general trends shown in the Census data.

Figure A1: Housing Needs Assessment Study Area



Source: Nomis, with AECOM annotations

*red shading = areas outside of NA, but included in study area

*blue area = area inside the NA, but not included in the study area

A.3 As noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The affordability estimate used in this report was generated by combining the average income of four MSOAs that overlap with Prestwich Village and the wider area. These are:

- MSOA E02001040
- MSOA E02001041
- MSOA E02001042
- MSOA E02001043

A.4 The area covered by these MSOAs includes most of the NA, along with neighbouring areas in Rainsough, west Sedgley Park, and Kirkhams.

Appendix B : Local Plan context

Policies in the adopted local plan

B.1 The most recently adopted local plan for Bury is the Bury Unitary Development Plan (UDP), adopted in 1997.

B.2 The Joint Places for Everyone (PfE) Development Plan Document was adopted by Bury Council in 2024 and supersedes some of the UDP policies (the list is set out in PfE Appendix A Table A.2).¹⁴ While most of the policies related to housing in the UDP have been superseded, two of them remain as saved policies. Further details are provided in **Table B-1**.

Table B-1: Summary of relevant saved policies in the Bury Unitary Development Plan (1997)¹⁵

| Policy | Provisions |
|---|---|
| H3 - Incompatible uses in residential areas | <p>The Council will not permit the development of incompatible uses in areas which are primarily residential in nature and where possible will seek to resolve existing conflicts.</p> <p><u>H3/1 - Assessing Non-Conforming Uses</u></p> <p>The Council will assess proposals for the development of non-conforming uses in primarily residential areas and will not permit proposals considered to be incompatible. Factors which will be taken into account when assessing such proposals will include noise, vibration, smell, fumes, smoke, soot, ash, grit, dust, visual intrusion, traffic generation and parking arrangements, and hours of operation.</p> <p><u>H3/2 - Existing Incompatible Uses</u></p> <p>Where existing incompatible uses operate within residential areas, the Council will seek to ensure that any existing conflicts are resolved where possible and where opportunities arise. In particular the Council will encourage and, where appropriate, implement measures to:</p> <ul style="list-style-type: none"> • control future land uses so as to minimise or remove conflicts; • control the intensification or expansion of non-conforming uses where possible; • control the operation of adjacent uses where possible in order to minimise areas of conflict and potential nuisance; • introduce environmental improvements or traffic management schemes where appropriate. |

¹⁴ GMCA (2024). 'Extract from Places for Everyone Appendix A: Replaced District Local Plan Policies' can be accessed [here](#).

¹⁵ Bury Council (1997). 'Bury Unitary Development Plan' can be accessed [here](#).

| Policy | Provisions |
|--------------------------|--|
| | Only as a last resort will the Council consider the relocation of incompatible uses. |
| H5 - Housing improvement | <p>The Council will continue to support the improvement of the housing stock and its environment.</p> <p><u>H5/1 - Area Improvement</u></p> <p>The Council will be especially concerned with improving house conditions and the housing environment in the following areas:</p> <ul style="list-style-type: none"> • H5/1/1 - Pimhole, Bury. Although no specific boundary has been identified, it is recognised that the Pimhole area of Bury suffers from a concentration of poor housing conditions. The Council is keen to ensure that the Pimhole area of inner Bury does not decline further and as such it will become another focus of housing improvement as resources allow. • H5/1/2 - Inner Radcliffe. Owing to a high level of poor housing conditions and a poor housing environment, inner Radcliffe has been identified as a Renewal Area. The boundary on the Proposals Map represents the Renewal Area boundary. |
| Housing allocations | The UDP allocates six sites across Prestwich, with a combined capacity of 231 homes. It should be noted that not all of these sites are within Prestwich Village NA. |

B.3 The adopted housing policies in the PfE are outlined in **Table B-2**.

Table B-2: Summary of relevant adopted policies in the Joint Places for Everyone Development Plan Document (2024)

| Policy | Provisions |
|--|--|
| <p>Policy JP-H1: Scale, Distribution and Phasing of New Housing Development (replaces Policy H1 Housing Land Provision in the UDP)</p> | <p>A minimum of 175,185 net additional dwellings will be delivered over the period 2022-2039, or an annual average of around 10,305.</p> <p>The new homes will be of good quality and design, adaptable, supported by the necessary infrastructure and amenities and their distribution (as set out in Table 7.2) will support the Plan's overall strategy which enables people to reduce the need to travel when taking advantage of our key assets.</p> <p>The delivery rates in Table 7.2 are the minimum number of net additional dwellings each district is expected to identify a sufficient supply of sites for, through their local plans.</p> |

Policy Provisions

The phasing of development is set out in Table 7.2. Where national policy requires a local planning authority to identify and update annually a supply of specific deliverable sites in their district, this will be assessed against the minimum delivery rates for the district set out in Table 7.2, irrespective of any shortfalls or surpluses in other districts and in the Plan area overall (unless national policy requires a different figure to be used).

Each local authority will monitor delivery rates within their area and will take action as necessary to ensure that delivery rates are maintained as anticipated in this plan. If this regular monitoring reveals significant deviation from the phasing in this plan, the factors resulting in these changes will be determined and consideration will be given to what action would be appropriate, including development management action and review of the policies in this plan. This work would feed into the regular reviews of this plan, although individual authorities may wish to take specific local action outside the formal review process to ensure that they can maintain delivery rates.

Table 7.2 Distribution and Phasing of new dwellings 2022-2039

| - | Annual average 2022-2039 | 2022-2025 (annual) | 2025-2030 (annual) | 2030-2039 (annual) | Total 2022-2039 |
|------------|--------------------------|--------------------|--------------------|--------------------|-----------------|
| Bolton | 787 | 787 | 787 | 787 | 13,379 |
| Bury | 452 | 246 | 452 | 520 | 7,678 |
| Manchester | 3,533 | 3,533 | 3,533 | 3,533 | 60,061 |
| Oldham | 680 | 404 | 680 | 772 | 11,560 |
| Rochdale | 616 | 568 | 616 | 632 | 10,472 |
| Salford | 1,658 | 1,658 | 1,658 | 1,658 | 28,186 |
| Tameside | 485 | 236 | 485 | 568 | 8,245 |
| Trafford | 1,122 | 817 | 1,122 | 1,224 | 19,077 |
| Wigan | 972 | 814 | 972 | 1,025 | 16,527 |
| PfE | 10,305 | 9,063 | 10,305 | 10,719 | 175,185 |

Policy JP-H2: Affordability of New Housing Substantial improvements will be sought in the ability of people to access housing at a price they can afford, including through:

1. Significantly increasing the supply of new housing, in accordance with Policy JP-H1 'Scale, Distribution and Phasing of New Housing Development', thereby reducing the potential for a shortfall to lead to large house price and rent increases.
2. Maximising the delivery of additional affordable homes, including through local plans setting targets for the provision of

Policy

Provisions

affordable housing for sale and rent as part of market-led developments based on evidence relating to need and viability.

3. Supporting provision of affordable housing as part of new developments (avoiding where possible clusters of tenure to deliver mixed communities).

4. Working with Government to maximise the amount of public funding being directed towards the provision of new affordable housing.

5. Increasing the supply of low-cost market housing, to complement the provision of affordable homes and diversify options for low-income households.

**Policy JP-H3:
Type, Size and
Design of New
Housing**
(replaces Policy
H2 Housing
Environment
and
Design and
Policy H4
Housing Need
in the UDP)

Development across the plan area should seek to incorporate a range of dwelling types and sizes, including for self-build and community-led building projects to meet local needs and deliver more inclusive neighbourhoods. Where appropriate, this should include incorporating specialist housing for older households and vulnerable people.

Residential developments should provide an appropriate mix of dwelling types and sizes reflecting local plan policies and having regard to masterplans, guidance, and relevant local evidence.

Housing provision to accommodate specific groups, such as students and traveling people, will be addressed through district local plans.

All new dwellings must:

1. Comply with the nationally described space standards; and

2. Be built to the ‘accessible and adaptable’ standard in Part M4(2) of the Building Regulations unless specific site conditions make this impracticable.

Innovation in housing development will be supported where it is consistent with the principles of good design and contributes to local distinctiveness, including the use of modern methods of manufacturing that can help to improve the speed of delivery and increase building standards.

Policy Provisions

Policy JP-H4: Density of New Housing New housing development should be delivered at a density appropriate to the location, reflecting the relative accessibility of the site by walking, cycling, and public transport and the need to achieve efficient use of land and high-quality design. Regard should be had to the minimum densities set out below.

| Location (use highest density that applies when a site falls within more than one location) | Minimum net residential density (dwellings per hectare): Within the location | Minimum net residential density (dwellings per hectare): Within 400 metres | Minimum net residential density (dwellings per hectare): Within 800 metres |
|---|--|--|--|
| Designated centres: | | | |
| City Centre | 200 | 120 | 70 |
| Designated town centres | 120 | 70 | 50 |
| Other designated centres | 70 | 50 | 35 |
| Public transport stops: | | | |
| Main rail stations and Metrolink stops in the City Centre | N/A | 200 | 120 |
| Other rail stations and Metrolink stops in large, designated centres | N/A | 120 | 70 |
| Other rail stations with a frequent service and all other Metrolink stops | N/A | 70 | 50 |
| Leigh Guided Busway stops | N/A | 50 | 35 |
| Areas within GMAL 6 and above or its equivalent | 50 | 35 | 35 |
| All other locations: minimum net residential density of 35 dwellings per hectare | | | |

Lower densities may be acceptable where they can be clearly justified by:

1. Local housing market issues, such as a demonstrable need for a particular type of housing that cannot be delivered at a higher density; or

Policy

Provisions

2. Site-specific issues, such as the design context and any potential impact on the wider landscape or townscape, including heritage assets and green infrastructure.

In order to achieve an appropriate mix of housing across the plan area, developments should include the provision of houses and/or apartments having regard to the following and the need to achieve high-quality design:

- 35-70 dwellings per hectare: primarily houses
 - 70-120 dwellings per hectare: mix of houses and apartments
 - 120+ dwellings per hectare: primarily apartments, incorporating houses and/or ground-floor duplexes where practicable.
-

Appendix C : Affordability calculations

C.1 This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing have been calculated.

Market housing

C.2 Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

i) Market sales

C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Prestwich Village, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

C.5 The calculation for the purchase threshold for market housing is as follows:

- Value of a median NA house price (2023) = £255,000;
- Purchase deposit at 10% of value = £25,500;
- Value of dwelling for mortgage purposes = £229,500;
- Divided by loan to income ratio of 3.5 = purchase threshold of £65,571.

C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2023 was £180,000, and the purchase threshold is therefore £46,286.

C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the NA in 2022 or 2023. Therefore, it is not possible to determine an accurate average for

the cost of new build housing in Prestwich Village using this method. It is, however, important to understand the likely cost of new housing because new housing is where the NP has most influence, and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

- C.8 Therefore an estimate has been calculated by determining the uplift between all house prices in 2022 and 2023 across Bury and new build house prices in 2022 and 2023 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2023 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £211,150 and purchase threshold of £54,296.

i) Private Rented Sector (PRS)

- C.9 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.10 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.11 The property website Home.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the M25 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
- C.12 According to home.co.uk, there were 19 properties for rent at the time of search in June 2024, with an average monthly rent of £1,385. There were six two-bed properties listed, with an average price of £1,021 per calendar month.

C.13 The calculation for the private rent income threshold for entry-level (two bedroom) dwellings is as follows:

- Annual rent = £1,021 x 12 = £12,252;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £40,840.

C.14 The calculation is repeated for the overall average to give an income threshold of £55,400.

Affordable Housing

C.15 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2023: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes was introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

i) Social rent

C.16 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

C.17 To determine social rent levels, 2021 data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Prestwich Village. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Bury in **Table C-1**.

C.18 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|------------------------------|---------|---------|---------|---------|---------|
| Average social rent per week | £68.50 | £77.71 | £84.88 | £91.02 | £76.41 |
| Annual average | £3,562 | £4,041 | £4,414 | £4,733 | £3,973 |
| Income needed | £11,861 | £13,456 | £14,698 | £15,761 | £13,231 |

Source: Homes England, AECOM Calculations

i) Affordable rent

- C.19 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
- C.20 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- C.21 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Bury. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.22 Comparing this result with the average two bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 45% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|----------------------------------|---------|---------|---------|---------|---------|
| Average affordable rent per week | £87.64 | £100.89 | £113.87 | £130.23 | £104.69 |
| Annual average | £4,557 | £5,246 | £5,921 | £6,772 | £5,444 |
| Income needed | £15,176 | £17,470 | £19,718 | £22,551 | £18,128 |

Source: Homes England, AECOM Calculations

i) Affordable home ownership

- C.23 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
- C.24 In paragraph 66 of the NPPF 2023, the Government introduces a recommendation that “*where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.*” There are exemptions to this requirement, including where:
- The provision would exceed the level of affordable housing required in an area;
 - The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;

- A proposed development provides solely Build to Rent homes;
- A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);
- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for affordable housing, a community-led development exception site, or a rural exception site.

First Homes

C.25 Because First Homes are a new tenure product, it is worth explaining some of their key features:

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

C.26 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £216,350.

C.27 For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (estimated NA new build entry-level) = £211,150;
- Discounted by 30% = £147,805;
- Purchase deposit at 10% of value = £14,780;
- Value of dwelling for mortgage purposes = £133,024;
- Divided by loan to income ratio of 3.5 = purchase threshold of £38,007.

C.28 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £32,577 and £27,148 respectively.

C.29 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

C.30 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a two bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m¹⁶) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be a potential issue in Prestwich Village with the higher discount options.

C.31 **Table C-3** shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table C-3: Discount on sale price required for households to afford First Homes

| House price benchmark | Mean household income | Single LQ earner | Dual LQ earning household |
|--|-----------------------|------------------|---------------------------|
| NA median house price | 31% | 68% | 36% |
| NA estimated new build entry-level house price | 17% | 62% | 23% |
| NA entry-level house price | 3% | 55% | 10% |
| LA median new build house price | 28% | 67% | 33% |

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

C.32 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable

¹⁶ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

C.33 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

C.34 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

C.35 The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £211,150 is £52,787;
- A 10% deposit of £5,279 is deducted, leaving a mortgage value of £47,509;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £13,574;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £158,362;
- The estimated annual rent at 2.5% of the unsold value is £3,959;
- This requires an income of £13,197 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £26,771 (£13,574 plus £13,197).

C.36 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £21,266 and £35,946 respectively.

C.37 None of the income thresholds are above the £80,000 cap for eligible households.

Rent to Buy

C.38 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

- D.1 In **Table D-1** AECOM has calculated, using PPG as a starting point,¹⁷ an estimate of the total need for affordable rented housing in Prestwich Village over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
- D.2 It should also be noted that figures in **Table D-1** are largely dependent on information provided by Bury Council in its capacity as manager of the local housing waiting list.

¹⁷ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

Table D-1: Estimate of need for Affordable Housing for rent in Prestwich Village

| Stage and Step in Calculation | Total | Description |
|---|-------------|--|
| STAGE 1: CURRENT NEED | | |
| 1.1 Current households in need | 389.0 | Data provided by Bury Council in April 2024. The figure shows the count of people who have selected 'Prestwich' or 'Anywhere' as their preferred area to live in. <ul style="list-style-type: none"> • 384 households for Prestwich (Note: this is for Prestwich, not just Prestwich Village NA). • 6 households for 'Anywhere'. |
| 1.2 Per annum | 28.0 | Step 1.1 divided by the plan period to produce an annualised figure. |
| STAGE 2: NEWLY ARISING NEED | | |
| 2.1 New household formation | 550.1 | MHCLG (formerly DLUHC) 2018-based household projections for the LA between start and end of plan period. % increase applied to NA. |
| 2.2 Proportion of new households unable to rent in the market | 25.3% | (Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA. |
| 2.2.1 Current number of social renters in NA | 1137.0 | 2021 Census social rented occupancy |
| 2.2.2 Number of private renters on housing benefits | 562.7 | Housing benefit caseload May 2018. Pro rata for NA. |
| 2.3 New households unable to rent | 139.0 | Step 2.1 x Step 2.2. |
| 2.4 Per annum | 9.9 | Step 2.3 divided by plan period. |
| STAGE 3: TURNOVER OF AFFORDABLE HOUSING | | |
| 3.1 Supply of social/affordable re-lets (including transfers) % | 3% | Assumed proportion of stock re-let each year. |
| 3.2 Supply of social/affordable re-lets (including transfers) | 34.1 | Step 3.1 x NA social rented stock (2.2.1). |
| NET SHORTFALL OF RENTED UNITS PER ANNUM | | |
| Overall shortfall per annum | 3.6 | Step 1.2 + Step 2.4 - Step 3.2 |

Source: AECOM model, using Census 2011, English Housing Survey 2018, MHCLG (formerly DLUHC) 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency. Figures may not sum due to rounding.

D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Prestwich Village. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being

unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.¹⁸ No robust indicator exists to suggest aspirations may be higher or lower in the NA.

Table D-2: Estimate of the potential demand for affordable housing for sale in Prestwich Village

| Stage and Step in Calculation | Total | Description |
|---|-------------|---|
| STAGE 1: CURRENT NEED | | |
| 1.1 Current number of renters in NA | 1386.0 | Census 2021 private rented occupancy. |
| 1.2 Percentage renters on housing benefit in LA | 40.6% | % of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement |
| 1.3 Number of renters on housing benefits in the NA | 562.7 | Step 1.1 x Step 1.2. |
| 1.4 Current need (households) | 617.5 | Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹⁹ |
| 1.5 Per annum | 44.1 | Step 1.4 divided by plan period. |
| STAGE 2: NEWLY ARISING NEED | | |
| 2.1 New household formation | 550.1 | LA household projections for plan period (2018 based) pro rated to NA. |
| 2.2 % of households unable to buy but able to rent | 7.7% | (Step 1.4 + Step 3.1) divided by number of households in NA. |
| 2.3 Total newly arising need | 42.6 | Step 2.1 x Step 2.2. |
| 2.4 Total newly arising need p.a. | 3.3 | Step 2.3 divided by plan period. |
| STAGE 3: SUPPLY OF AFFORDABLE HOUSING | | |
| 3.1 Supply of affordable housing | 23.0 | Number of shared ownership homes in the NA (Census 2021). |
| 3.2 Supply - intermediate resales | 1.2 | Step 3.1 x 5% (assumed rate of re-sale). |
| NET SHORTFALL PER ANNUM | | |
| Overall shortfall per annum | 46.2 | (Step 1.5 + Step 2.4) - Step 3.2. |

Source: AECOM model, Census 2011, English Housing Survey 2018, MHCLG (formerly DLUHC) 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

¹⁸ <http://www.ipsos-mori-generations.com/housing.html>

¹⁹ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the Prestwich Village Neighbourhood Planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

- D.5 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- D.6 It is also important to remember that even after the Prestwich Village Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the Prestwich Village Neighbourhood Planning group.

Affordable housing policy

- D.7 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

Table D-3: Wider considerations in developing Affordable Housing mix policy

| Consideration | Local Evidence |
|---|--|
| <p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p> | <p>This HNA suggests that the NA requires around four units of affordable rented housing and 46 units of affordable home ownership homes per annum over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures suggests that the majority of future demand for affordable housing will be for those in affordable ownership tenures.</p> |
| <p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p> | <p>If the PfE target of 25% were achieved on every site, and assuming that Prestwich Village is given a similar housing delivery target as it received in the 1997 Bury Unitary Development Plan, up to 58 affordable homes might be expected in the NA over NP period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Consequently, if this level of delivery becomes a reality, it may be more appropriate to focus on the delivery of</p> |

| | |
|--|---|
| | <p>affordable rented units, as households in need of these tenures have a more acute and urgent need for housing than those seeking dwellings in affordable ownership tenures.</p> |
| <p>C. Government policy (e.g. NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p> | <p>For 10% of all housing to be affordable ownership in Prestwich Village, where 25% of all housing should be affordable, 40% of Affordable Housing should be for affordable ownership.</p> |
| <p>D. Local Plan policy:</p> | <p>The PfE seeks a tenure split of 60% affordable rent and 40% affordable home ownership.</p> |
| <p>E. First Homes policy:</p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing</p> | <p>This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not appear to be an issue in Bury.</p> |

| | |
|---|---|
| <p>policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p> | |
| <p>F. Viability:</p> | <p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p> |
| <p>G. Funding: The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p> | <p>The Prestwich Village Neighbourhood Forum may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p> |
| <p>H. Existing tenure mix in Prestwich Village: The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p> | <p>15% of the study area's housing stock is in affordable tenures (split as 14.5% to social rent and 0.5% as shared ownership – 2021 Census). This indicates a gap in the market of 2% compared to national average rates of provision.</p> |
| <p>I. Views of registered providers:</p> | <p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.</p> |
| <p>J. Wider policy objectives:</p> | <p>The Prestwich Village Neighbourhood Forum may wish to take account of broader</p> |

| | |
|--|---|
| | <p>policy objectives for Prestwich Village and/or the wider borough. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.</p> |
|--|---|

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing and care home supply, Prestwich Village

| | Name | Description | Dwellings | Tenure | Type |
|----|---|---|-----------|------------------------|--|
| 1 | Beech Close | Retirement housing | 11 | Rent (social landlord) | One-bedroom bungalows |
| 2 | Broadfield Court | Retirement housing / Extra care housing | 62 | Leasehold | One- and two-bedroom flats |
| 3 | Charlton Court | Retirement housing | 26 | Leasehold | One- and two-bedroom flats |
| 4 | Clarks Hill | Retirement housing | 35 | Rent (social landlord) | Studio and one-bedroom flats |
| 5 | Kirton Lodge | Retirement housing | 27 | Rent (social landlord) | Studio and one-bedroom flats |
| 6 | Naseby Court | Retirement housing | 32 | Rent (social landlord) | Studio and one-bedroom flats |
| 7 | Sealand House | Retirement housing | 53 | Rent (social landlord) | Studio and one-bedroom flats |
| 8 | St Clements Court | Retirement housing | 31 | Rent (social landlord) | Studio and one-bedroom flats |
| 9 | St Mary's Court | Age exclusive housing | 11 | Rent (social landlord) | Two-bedroom bungalows |
| 10 | St Pauls Court | Retirement housing | 29 | Rent (social landlord) | Studio to three-bedroom flats / houses |
| 11 | Stanhope Court | Retirement housing | 20 | Rent (social landlord) | Studio bungalows |
| 12 | Brookfield | Care Home | 14 | n/a | Single rooms |
| 13 | Nazareth House | Care Home | 66 | n/a | Single / couples rooms |
| 14 | Oak Lodge | Care Home | 41 | n/a | Single rooms |
| 15 | Outreach Community & Residential Services, Highbury Court | Care Home | 6 | n/a | Single rooms |

Source: <http://www.housingcare.org> / <https://www.carehome.co.uk/>

Table E-2: Tenure and mobility limitations of those aged 65+ in Prestwich Village, 2011 (65+ is the closest proxy for 75+ in this data)

| Tenure | Day-to-day activities limited a lot | | Day-to-day activities limited a little | | Day-to-day activities not limited | |
|--------------------------------------|-------------------------------------|--------------|--|--------------|-----------------------------------|--------------|
| | | | | | | |
| All categories | 742 | 27.9% | 711 | 26.7% | 1,206 | 45.4% |
| Owned Total | 478 | 23.9% | 542 | 27.0% | 984 | 49.1% |
| Owned outright | 412 | 23.1% | 480 | 27.0% | 889 | 49.9% |
| Owned (mortgage) or shared ownership | 66 | 29.6% | 62 | 27.8% | 95 | 42.6% |
| Rented Total | 264 | 40.3% | 169 | 25.8% | 222 | 33.9% |
| Social rented | 199 | 40.4% | 133 | 27.0% | 161 | 32.7% |
| Private rented or living rent free | 65 | 40.1% | 36 | 22.2% | 61 | 37.7% |

Source: DC3408EW Health status

HLIN calculations

Table E-3: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

| FORM OF PROVISION | ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION |
|--|--|
| Conventional sheltered housing to rent | 60 |
| Leasehold sheltered housing | 120 |
| Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) ³⁶ | 20 |
| Extra care housing for rent | 15 |
| Extra care housing for sale | 30 |
| Housing based provision for dementia | 6 |

Source: Housing LIN SHOP Toolkit

E.1 As **Table 5-1** in the main report shows, Prestwich Village is forecast to see an increase of 604 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.604 = 36$
- Leasehold sheltered housing = $120 \times 0.604 = 72$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.604 = 12$
- Extra care housing for rent = $15 \times 0.604 = 9$
- Extra care housing for sale = $30 \times 0.604 = 18$
- Housing based provision for dementia = $6 \times 0.604 = 4$

Appendix F : Housing Needs Assessment Glossary

Adoption

This refers to the final confirmation of a local plan by a local planning authority.

Affordability

The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' refers to particular products outside the main housing market.

Affordability Ratio

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = £200,000/£25,000 = 8, (the house price is 8 times income).

Affordable Housing (NPPF Definition)

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) 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.

c) 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.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁰.

Age-Restricted General Market Housing

A type of housing which is generally for people aged 55 and over and active older people. It may include some shared amenities such as communal gardens but does not include support or care services.

Annual Monitoring Report

A report submitted to the Government by local planning authorities assessing progress with and the effectiveness of a Local Development Framework.

Basic Conditions

The Basic Conditions are the legal tests that are considered at the examination stage of neighbourhood development plans. They need to be met before a plan can progress to referendum.

Backlog need

The backlog need constitutes those households who are eligible for Affordable Housing, on account of homelessness, over-crowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

Bedroom Standard²¹

The bedroom standard is a measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of household in residence). The Census overcrowding data is based on occupancy rating (overcrowding by number of rooms not including bathrooms and hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

²⁰ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²¹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living denotes people who do not have family ties sharing either a self-contained dwelling (i.e., a 'house share') or new development akin to student housing in which people have a bedroom and bathroom to themselves, but share living and kitchen space with others. In co-living schemes each individual represents a separate 'household'.

Community-led developments (NPPF definition)

A development instigated and taken forward by a not-for-profit organisation set up and run primarily for the purpose of meeting the housing needs of its members and the wider local community, rather than being a primarily commercial enterprise. The organisation is created, managed, and democratically controlled by its members. It may take any one of the various legal forms including a community land trust, housing co-operative, and community benefit society. Membership of the organisation is open to all beneficiaries and prospective beneficiaries of that organisation. The organisation should own, manage, or steward the homes in a manner consistent with its purpose, for example through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the specified community should be clearly defined and consideration given to how these benefits can be protected over time, including in the event of the organisation being wound up.

Community Right to Build Order²²

A community right to build order is a special kind of neighbourhood development order, granting planning permission for small community development schemes, such as housing or new community facilities. Local community organisations that meet certain requirements or parish/town councils are able to prepare community right to build orders.

Concealed Families (Census definition)²³

The 2011 Census defined a concealed family as one with young adults living with a partner and/or child/children in the same household as their parents, older couples living with an adult child and their family or unrelated families sharing a household. A single person cannot be a concealed family; therefore one older parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

²² See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²³ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

Housing which 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 included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

Fair Share

'Fair share' is an approach to determining housing need within a given geographical area based on a proportional split according to the size of the area, the number of homes in it, or its population.

First Homes

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments will be required to provide 25% of Affordable Housing as First Homes. A more detailed explanation of First Homes and its implications is provided in the main body of the HNA.

Habitable Rooms

The number of habitable rooms in a home is the total number of rooms, excluding bathrooms, toilets and halls.

Household Reference Person (HRP)

The concept of a Household Reference Person (HRP) was introduced in the 2001 Census (in common with other government surveys in 2001/2) to replace the traditional concept of the head of the household. HRPs provide an individual person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person.

Housing Market Area

A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap.

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

There is no official definition of housing need in either the National Planning Policy Framework or the National Planning Practice Guidance. Clearly, individuals have their own housing needs. The process of understanding housing needs at a population scale is undertaken via the preparation of a Strategic Housing Market Assessment (see below).

Housing Needs Assessment

A Housing Needs Assessment (HNA) is an assessment of housing needs at the Neighbourhood Area level.

Housing Products

Housing products simply refers to different types of housing as they are produced by developers of various kinds (including councils and housing associations). Housing products usually refers to specific tenures and types of new build housing.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household (i.e. detached, semi-detached, terraced including end of terraced, and flats). Flats are broken down into those in a purpose-built block of flats, in parts of a converted or shared house, or in a commercial building.

Housing Tenure (Census Definition)

Tenure provides information about whether a household rents or owns the accommodation that it occupies and, if rented, combines this with information about the type of landlord who owns or manages the accommodation.

Income Threshold

Income thresholds are derived as a result of the annualisation of the monthly rental cost and then asserting this cost should not exceed 35% of annual household income.

Intercensal Period

This means the period between the last two Censuses, i.e. between years 2001 and 2011.

Intermediate Housing

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as 'low-cost market' housing, may not be considered as affordable housing for planning purposes.

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the NA. Given the shared behavioural patterns associated with these metrics, they provide a helpful way of understanding and predicting future community need. This data is not available at neighbourhood level so LPA level data is employed on the basis of the NA falling within its defined Housing Market Area.

Life-time Homes

Dwellings constructed to make them more flexible, convenient adaptable and accessible than most 'normal' houses, usually according to the Lifetime Homes Standard, 16 design criteria that can be applied to new homes at minimal cost: <http://www.lifetimehomes.org.uk/>.

Life-time Neighbourhoods

Lifetime neighbourhoods extend the principles of Lifetime Homes into the wider neighbourhood to ensure the public realm is designed in such a way to be as inclusive as possible and designed to address the needs of older people, for example providing more greenery and more walkable, better connected places.

Local Development Order

An Order made by a local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a specific development proposal or classes of development.

Local Enterprise Partnership

A body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area.

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

The public authority whose duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the District Council, London Borough Council, County Council, Broads Authority, National Park Authority or the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

This is the plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies form part of the Local Plan and are known as 'Development Plan Documents' (DPDs).

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as an entry level price and is the recommended level used to evaluate affordability; for example for first time buyers.

Lower Quartile Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Lower Quartile Household Incomes and Lower Quartile House Prices, and is a key indicator of affordability of market housing for people on relatively low incomes.

Market Housing

Market housing is housing which is built by developers (which may be private companies or housing associations, or Private Registered Providers), for the purposes of sale (or rent) on the open market.

Mean (Average)

The mean or the average is, mathematically, the sum of all values divided by the total number of values. This is the more commonly used "average" measure as it includes all values, unlike the median.

Median

The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.

Median Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Median Household Incomes and Median House Prices and is a key indicator of affordability of market housing for people on middle-range incomes.

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁴, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

An NDO will grant planning permission for a particular type of development in a particular area. This could be either a particular development, or a particular class of development (for example retail or housing). A number of types of development will be excluded from NDOs, however. These are minerals and waste development, types of development that, regardless of scale, always need Environmental Impact Assessment, and Nationally Significant Infrastructure Projects.

Neighbourhood plan

A plan prepared by a Parish or Town Council or Neighbourhood Forum for a particular neighbourhood area (made under the Planning and Compulsory Purchase Act 2004).

Older People

People over retirement age, including the active, newly-retired through to very frail older people, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

Output Area/Lower Super Output Area/Middle Super Output Area

An output area is the lowest level of geography for publishing statistics, and is the core geography from which statistics for other geographies are built. Output areas were created for England and Wales from the 2001 Census data, by grouping a number of households and populations together so that each output area's population is roughly the same. 175,434 output areas were created from the 2001 Census data, each containing a minimum of 100 persons with an average of 300 persons. Lower Super Output Areas consist of higher geographies of between 1,000-1,500 persons (made up of a number of individual Output Areas) and Middle Super Output Areas are higher than this, containing between 5,000 and 7,200 people, and made up of individual Lower Layer Super Output Areas. Some statistics are only available down to Middle Layer Super Output Area level, meaning that they are not available for individual Output Areas or parishes.

Overcrowding

There is no single agreed definition of overcrowding, however, utilising the Government's bedroom standard, overcrowding is deemed to be in households where there is more than one person in the household per room (excluding kitchens, bathrooms, halls and storage areas). As such, a home with one bedroom and one

²⁴ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

A condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990) or a condition included in a Local Development Order or Neighbourhood Development Order.

Planning Obligation

A legally enforceable obligation entered into under section 106 of the Town and Country Planning Act 1990 to mitigate the impacts of a development proposal.

Purchase Threshold

Purchase thresholds are calculated by netting 10% off the entry house price to reflect purchase deposit. The resulting cost is divided by 4 to reflect the standard household income requirement to access mortgage products.

Proportionate and Robust Evidence

Proportionate and robust evidence is evidence which is deemed appropriate in scale, scope and depth for the purposes of neighbourhood planning, sufficient so as to meet the Basic Conditions, as well as robust enough to withstand legal challenge. It is referred to a number of times in the PPG and its definition and interpretation relies on the judgement of professionals such as Neighbourhood Plan Examiners.

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living “rent free”. Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

Housing for older people which 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.

Residential Care Homes and Nursing Homes

Housing for older people comprising of 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.

Rightsizing

Households who wish to move into a property that is a more appropriate size for their needs can be said to be rightsizing. This is often used to refer to older households who may be living in large family homes but whose children have left, and who intend to rightsize to a smaller dwelling. The popularity of this trend is debatable as ties to existing communities and the home itself may outweigh issues of space. Other factors, including wealth, health, status and family circumstance also need to be taken into consideration, and it should not be assumed that all older households in large dwellings wish to rightsize.

Rural Exception Sites

Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable dwellings without grant funding.

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (though this was lowered in 2021 to a minimum of 10%), and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing²⁵

Sheltered housing (also known as retirement housing) 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. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bed roomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also

²⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the Plan period. SHLAAs are sometimes also called LAAs (Land Availability Assessments) or HELAAs (Housing and Economic Land Availability Assessments) so as to integrate the need to balance assessed housing and economic needs as described below.

Strategic Housing Market Assessment (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole housing market area. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the Plan period. Sometimes SHMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for Older People

Specialist housing for Older People, sometimes known as specialist accommodation for older people, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups (usually 55+ or 65+). This could include residential institutions, sometimes known as care homes, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services. This housing can be provided in a range of tenures (often on a rented or leasehold basis).

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.²⁶

²⁶ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

