City of Preston
Housing Demand and Need Assessment 2024

Preston City Council

Final Report
December 2024

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

Executive Summary

Introduction

The City of Preston Housing Demand and Need Assessment (HDNA) 2024 provides the latest available evidence on housing need across all sections of the community over the period 2023 – 2041. The evidence will inform the update of the preparation of the Local Plan, other strategies, policies and decisions of the council and its partners.

The HDNA has been prepared in accordance with the National Planning Policy Framework (NPPF) and associated Planning Guidance (PPG). It also considers proposed changes to the NPPF.

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

Housing market context

Dwelling stock

There are 66,025 dwellings and 59,626 households across the city. The vacancy rate is 4% which is higher than the rate for England (2.8%). Most dwellings are houses (73%), 21% are flats, and 6% are bungalows. 58% of households are owner-occupiers, 22% privately rent, and 19% live in affordable housing. There are around 751 affordable home ownership properties in the city.

House prices

In 2023, lower quartile prices were £108,000, (North West £125,000, and England £175,000) and median prices were £150,000 (North West £185,000, and England £275,000).

In 2023, lower quartile private rents were £624 each month, (North West £693, and England £923) and median rents were £750, (North West £901, and England £1,473).

Future dwelling mix and development priorities

The HDNA has carefully considered the future population and household projections over the period 2023 to 2041, the range of dwellings lived in by different households, and their dwelling aspirations (likes) and expectations. This helps to determine an appropriate mix of dwellings to inform future development priorities to better reflect the housing needs of communities across the city.

The proposed annual target for housing is 441. There is a need for 130 affordable dwellings each year. The council needs to have a robust affordable housing policy in place to help deliver against this strategic need, but planning guidance says that you do not need to meet this need in full.

The recommended affordable housing tenure split is 52% social rent, 24% affordable rent and 24% affordable home ownership. The Local Plan affordable housing policy will continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs. The overall dwelling mix recommendations by tenure are set out in Table ES1.

Table ES1   Summary of overall dwelling mix by tenure.

Dwelling type/size	Market	Social / Affordable Rented	Affordable home ownership	Overall range
1/2-bedroom house	10-15%	20-25%	15-20%	10-15%
3-bedroom house	30-35%	20-25%	25-30%	30-35%
4 or more bedroom house	20-25%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	0-2%	2-5%
2+- bedroom flat	2-5%	10-15%	5-10%	5-10%
1/2 -bedroom bungalow/level access	10-15%	15-20%	5-10%	10-15%
3 or more bedroom bungalow/level access	10-15%	5-10%	5-10%	10-15%
Dwelling type	**Market**	**Social / Affordable rented**	**Affordable home ownership**	**Overall range**
House	70-75%	50-55%	80-85%	65-70%
Flat	5-10%	20-25%	5-10%	5-10%
Bungalow/level-access	20-25%	25-30%	10-15%	20-25%
Number of bedrooms	**Market**	**Social / Affordable rented**	**Affordable home ownership**	**Overall range**
1	2-5%	15-20%	2-5%	5-10%
2	25-30%	45-50%	25-30%	30-35%
3	45-50%	25-30%	35-40%	40-45%
4	20-25%	5-10%	30-35%	20-25%

The needs of other groups

Particular needs which have been identified in the HDNA are:

- Increasing and diversifying the supply of specialist housing for older people. There is a need for 1,399 units of C3 dwellings which include sheltered/retirement housing and 464 units of Extra Care housing. There was a sufficient supply of C2 residential care provision.

- Based on an assessment of additional needs and longer-term demographics, 4% of new dwellings (20 each year) should be built to M4(3) wheelchair accessible standard; and all other new dwellings should be built to M4(2) accessible and adaptable standard which would include bungalows/level access accommodation.

- Self and custom build: small number on the council register but no details on dwelling types.

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

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

Summary of policy recommendations

Theme	Data	Action
Overall housing need	441 each year	Housing need figure to be noted.
Affordable housing need	Annual imbalance of 130 which justifies need for robust affordable housing policy and delivery	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing.
	Broad mix of affordable dwelling sizes is required	Range of dwelling sizes to be delivered. This includes recognition of a need to deliver larger affordable homes for Black and Global Majority groups
	Affordable tenure mix of 76% rented (52% social and 24% affordable) and 24% affordable homes	A range of affordable tenure options should be developed, with a particular emphasis on social rented homes.
Needs of different groups	4% of new dwellings (19 each year) to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) where possible	Update relevant policies.
	1,399 additional units of C3 dwellings including sheltered/retirement housing; 464 units of Extra care housing to 2041.	Diversify range of older persons accommodation including sheltered/retirement and Extra Care leasehold and cohousing. Continue to review need for residential care. Strengthen policies to enable people to live in their own homes for longer with appropriate support and adaptation.
	There is a specific need from BAME households, particularly Asian community households for larger dwellings	13.3% of new affordable dwellings should have 4 or more bedrooms to meet the needs of larger families, particularly those from the Asian community.
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this study.

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1.   Introduction and Policy Context

Background

1.1   The City of Preston Housing Demand and Need Assessment (HDNA) 2024 provides the council with up-to-date evidence on housing need across all sections of the community over the period to 2041. The evidence will inform the update of the preparation of the Local Plan, other strategies, policies, and decisions of the council and its partners.

1.2   The HDNA supports the requirements of the 2023 National Planning Policy Framework (NPPF). It is also prepared in compliance with the government's Planning Practice Guidance (PPG).

National Planning Policy Framework

1.3   The evidence base needs to take account of the requirements of the National Planning Policy Framework (NPPF). The latest version was published in December 2024 and is supported by Planning Practice Guidance (PPG). The NPPF 2024 sets out the government's planning policies for England and how these are expected to be applied. Paragraph 11 of the NPPF states that plans, and decisions should apply a *'presumption in favour of sustainable development'*. As part of this, in relation to plan-making, it sets out that this means that *'strategic policies should, as a minimum, provide for objectively assessed needs for housing…'*.

1.4   Paragraph 61 provides an important context to the policy for housing delivery, as follows:

'To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay. The overall aim should be to meet an area's identified housing need, including an appropriate mix of housing types for the local community.'

1.5   Paragraphs 62 to 64 relate to the evidence base requirements which underpin this study:

Paragraph 62: "To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning practice guidance. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for."

Paragraph 63: "Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rent); families with children; looked after children; older people (including those who require retirement housing, housing- with-care and

care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes."

Paragraph 64: "where a need for affordable housing is identified, planning policies should specify the type of affordable housing required'.

Paragraph 66: "Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures" Note that the requirement to deliver a minimum of 25% of affordable housing a First Homes no longer applies. Delivery can continue where local planning authorities that they meet local need.'

Paragraph 67: "As part of the 'Golden Rules' for Green Belt development set out in paragraphs 156- 157 of this Framework, a specific affordable housing requirement (or requirements) should be set for major development involving the provision of housing, either on land which is proposed to be released from the Green Belt or which may be permitted on land within the Green Belt. This requirement should:

> **a) be set at a higher level than that which would otherwise apply to land which is not within or proposed to be released from the Green Belt; and**

> **b) require at least 50% of the housing to be affordable, unless this would make the development of these sites unviable (when tested in accordance with national planning practice guidance on viability)."**

1.6 Paragraph 69 requires that: **'strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. The requirement may be higher than the identified housing need if, for example, it includes provision for neighbouring areas, or reflects growth ambitions linked to economic development or infrastructure investment. Within this overall requirement, strategic policies should set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.'**

1.7 The Localism Act 2010 introduced the 'Duty to Co-operate' as a replacement for Regional Spatial Strategy and this requirement is also established in National Planning Policy (NPPF 2024, Paragraphs 24-27). Section 110 requires local authorities and other bodies, including Local Enterprise Partnerships to co-operate in maximising the effectiveness of strategic matters within development plan documents. The provision of housing development is a strategic priority and the council will have to ensure that it is legally compliant with the Localism Act at Local Plan examination.

1.8 The NPPF 2024 sets out affordable housing definitions which are presented in Technical Appendix B.

Local policy context

1.9   Preston City Council, South Ribble Council and Chorley Council have a history of joint working and commissioning of evidence to support Local Plan preparation. This incudes housing need and demand studies, housing need studies and Gypsy and Traveller accommodation assessments. These studies have all been updated to ensure the Local Plan evidence base is up-to-date.

Central Lancashire Core Strategy

1.10   The Core Strategy prepared jointly by Preston City Council, Chorley Council and South Ribble Borough Council and was adopted in July 2012. It is due for revision before 2026. The housing strategic objectives are:

- SO 5 To make available and maintain within Central Lancashire a ready supply of residential development land … to help deliver sufficient new housing of appropriate types to meet future requirements.

- SO 6 To achieve densities for new housing that respect the local character of surrounding areas, whilst making efficient use of land.

- SO 7 To improve the quality of existing housing, especially in Inner East Preston and pockets of poor stock in South Ribble and Chorley, and to bring empty properties back into use.

- SO 8 To significantly increase the supply of affordable housing and special needs housing particularly in places of greatest need such as in more rural areas.

- SO 9 To guide the provision of pitches for Gypsies, Travellers and Travelling Showpeople in appropriate locations if genuine need arises.

1.11   The strategy's age has resulted in the Affordable and Special Needs policy being revised by the NPPF's 2018 changes. 35% affordable housing contributions will continue to be sought for developments incorporating 10 dwellings or more, or with a site area of 0.5 hectares or more, within the rural areas of Central Lancashire.

City of Preston Corporate policy

1.12   Preston has a vision as a growing and vibrant city in the North West. It is often referred to as a beacon demonstrating progressive policies via the "Preston Model". It has three priority areas.

- Your City – "Securing investment; improving assets and infrastructure; attracting high quality jobs; creating a city with a strong cultural and leisure offer."

- Fairness for you – "Fairness at the heart of decision making; an economy supporting prosperity and promoting fairness in working lives and practices; accessibility to affordable energy and decent affordable homes." This is particularly evident from the Community Wealth Building strategy funded with £100k which favours a local real living wage, local procurement and co-operatives.

- "Your Council - Providing well run value for money services; demonstrating good governance, openness, transparency and a strong democratic process."

Towns Fund

1.13   Preston secured £21 million through the Towns Fund for non-housing projects in the city centre by 2026. These complement the city living aspirations and include:

- Re-imagining the Harris provide an innovative environment for a museum, library and art gallery.

- Preston Youth Zone which is a facility for young people aged 8-19 years covering social, sporting and artistic spaces, including an all-weather pitch, large sports hall, etc.

- Animate which is a new cinema and leisure scheme at the heart of the city centre.

- Renewal of Harris Quarter Assets provides an opportunity to regenerate City Council-owned assets such as the Guildhall and Amounderness House.

- Harris Quarter Illuminate and Integrate and Animation of Public Spaces to improve the appearance of public spaces and their capacity for event hosting.

- City Centre Skills Spaces which concentrates skills and careers advisory services in Harris Quarter.

- Cultural Capacity Building especially for local community organisations.

- Health and Wellbeing Capacity Building.

Stoneygate Urban Village and the City Living Strategy

1.14   The council proposes 1,600 new homes as part of the 25 hectare Stoneygate Urban Village to be delivered in a 15 year trajectory to 2035. The Council's City living target markets are in lifestage order:

- Students and postgraduates

- Young professionals due to the area's strong employment opportunities.

- Families and couples

- Retired drawn by central amenities

1.15   The award winning City Living Strategy involves the 'de-risking' of more than 50 brownfield sites to attract private investment and will lead to the building of over 3,000 homes, many of which will be affordable. However, it should be noted these are pre-pandemic aspirations and will have to be calibrated against for example any changes in the direct delivery of higher education and the potential for change from the "race for space" aspiration for out of town housing. The council is in the process of considering how the City Living Strategy can be reviewed to take account of changes since its launch.

City Deal

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

Economic development

1.17   Preston is part of the Lancashire Local Enterprise Partnership (LEP) area. The Lancashire Strategic Economic Plan was published in 2014 which seeks to improve the capability and capacity of our local economy, seizing new opportunities and overcoming barriers that constrain growth to help re-establish Lancashire as a national economic leader. Following the COVID-19 pandemic, a Lancashire Economic Recovery Plan has been published. This plan recognises that the impact of COVID-19 is yet to be fully realised and plan seeks to:

- Identify the sectors, occupations and places most severely impacted and bring forward immediate solutions to arrest and deflate the intensity of impact;

- Build and share with government, a real-time granular view of the impact of COVID19 on our businesses, workers and places;

- Accelerate capital investment schemes which will generate new jobs, in the near-term, with the help of government; and

- Bring forward a delivery programme which responds to the differential needs of our prime sectors, with a clear focus on business growth, job creation, skills and employment.

General housing and planning policy context

New Labour administration

1.18   Labour's manifesto sets out the intention to:

- Update the NPPF, restore mandatory housing targets and introduce effective new mechanisms for cross-boundary strategic planning. Combined authorities will be given new planning powers, freedoms and flexibilities to make better use of grant funding.

- Take action to ensure that planning authorities have up-to-date Local Plans and reform and strengthen the presumption in favour of sustainable development.

- Further reform compulsory compensation rules to improve land assembly, speed up site delivery and deliver housing, infrastructure, amenity and transport benefits in the public interest.

- Ensure local communities continue to shape housebuilding in their area but use intervention powers to build the houses needed.

- Prioritise brownfield development and fast-track approval of urban brownfield sites. Take a strategic approach to greenbelt land designation and release to build more homes in the right places including the release of 'grey belt' land and introduce 'golden rules' to ensure development benefits communities and nature.

- Develop large-scale new communities through new towns, urban extensions and regeneration projects.

- Deliver the biggest increase in social and affordable housebuilding in a generation, with priority given to social rented housing and protecting existing stock with increased protections from Right to Buy.

- Strengthen planning obligations to ensure new developments provide more affordable homes and support councils and housing associations to build their capacity and make a greater contribution to affordable housing supply.

- Building more high-quality, well-designed and sustainable homes and creating places that increase climate resilience and promote nature recovery.

- Working with councils to give first-time buyers the first chance to buy homes through mortgage guarantee schemes to support those who struggle to save for a large deposit, with lower mortgage costs.

1.19 The government has published changes to the NPPF in December 2024 which includes a revised approach to establishing a minimum local housing need figure for each local authority.

Future housing need

1.20 The Central Lancashire Housing Needs Assessment 2024 update sets out the latest housing need figures for the area (Table 1.1).

Table 1.1   Annual housing need 2023 to 2041 across Central Lancashire

Authority	Annual Housing Need
Chorley	410
Preston	**441**
South Ribble	386
Total	**1,237**

Source: Central Lancashire Housing Needs Assessment update

Geography

1.21 Map 1.1 illustrates the geographical context of the City of Preston and the neighbouring local authorities.

1.22 The City of Preston is located in Central Lancashire and along with Chorley and South Ribble forms a common Housing Market Area. The city occupies a prime strategic location with excellent road connectivity to elsewhere in Lancashire; and regional and national rail connectivity.

1.23   The 2021 Census reported a population of 147,811.

1.24   For the purposes of the HDNA the city is divided into four urban sub-areas and two rural sub-areas; Central, East, North, West, Rural East and Rural North (Map 1.2).

1.25   The 2021 household survey data (re-weighted using the 2021 Census) is available down to the postcode level and for the purposes of this report, data is reported for the four urban and two rural sub-areas.

1.26   The HDNA also presents some data at Lower Super Output Area (LSOA) and parish level to provide a fine-grained analysis of selected household and housing market data.

Map 1.1   Geographical context of Preston
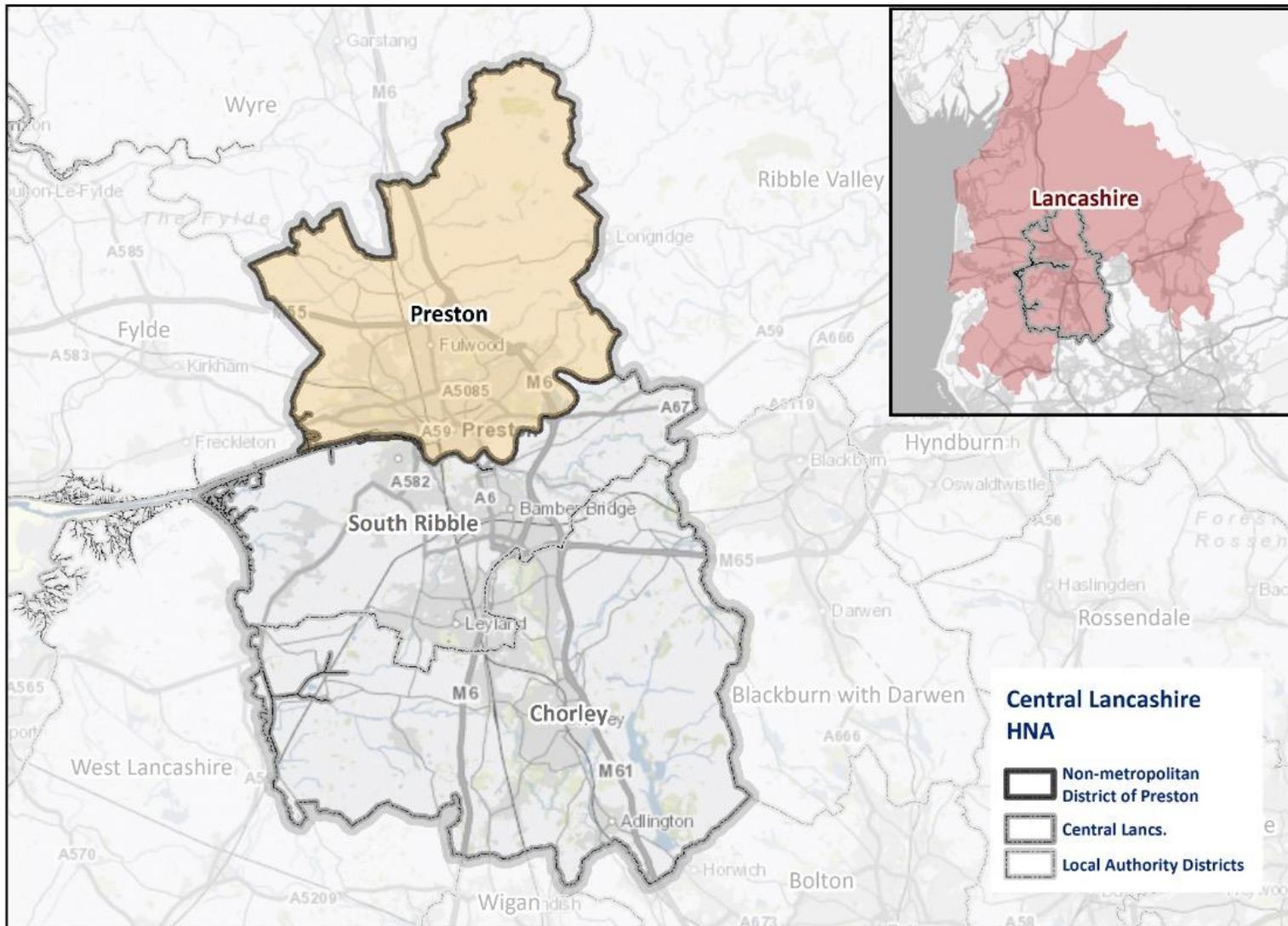
Map 1.2   Sub-areas within Preston
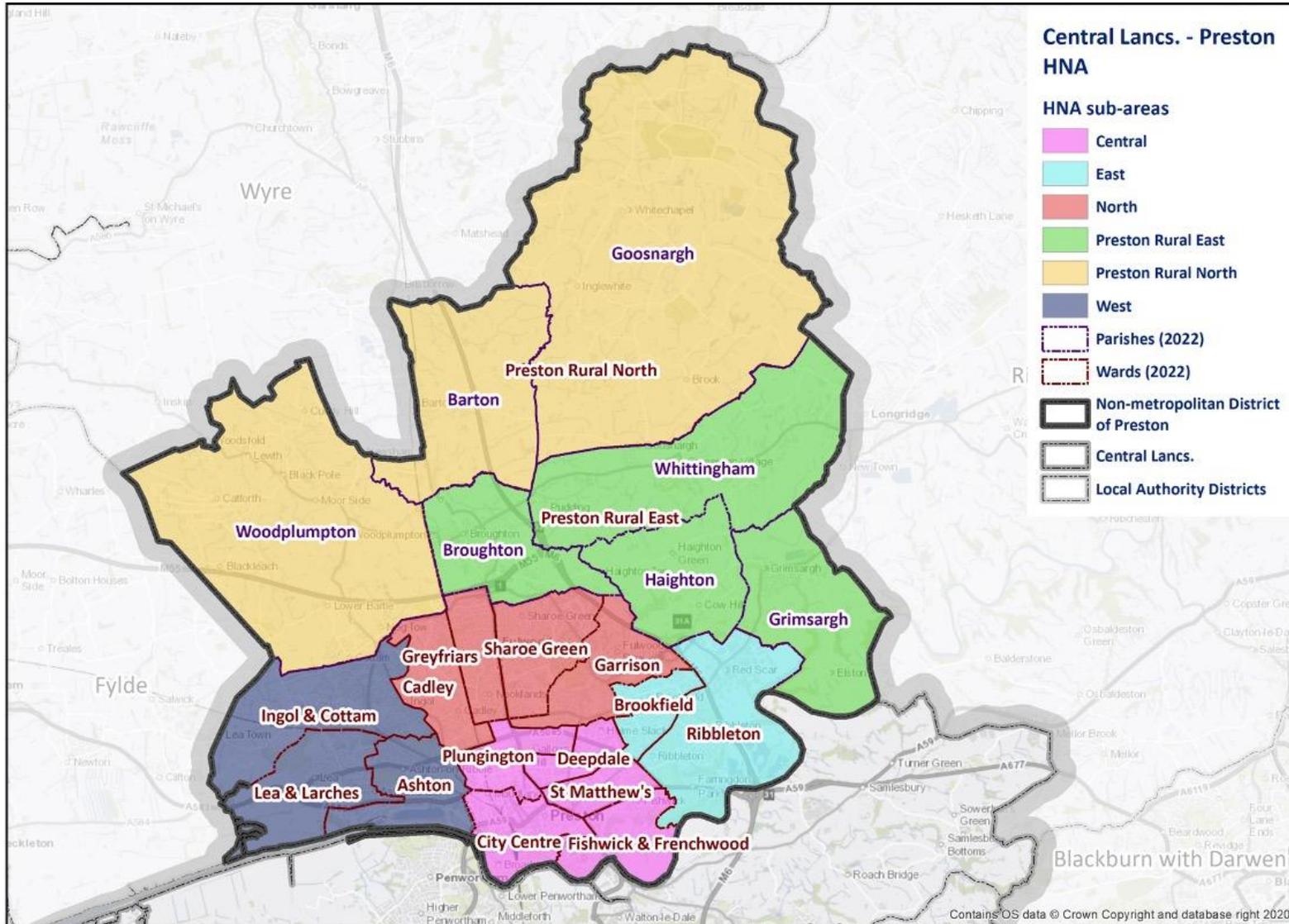
Research methodology

1.27   To deliver the HDNA 2024, a multi-method approach has been adopted, which comprises:

- Reanalysis of a comprehensive online household 2021 survey reweighted to take account of 2021 Census data on households and tenure. 16,425 households were contacted across the city and 1,563 responses were achieved representing a 9.5% response rate and a +/-2.4% sample error. Low response rates were expected and the sample errors achieved would be described by ONS as 'Precise' if +/-5% or lower and 'reasonably precise' if between +/-5% to under +/-10%;

- A review of secondary data provided by the council including housing register and information on groups with additional needs.

- A review of relevant secondary data including the 2021 Census, house price trends, CORE lettings data, and CLG statistics.

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

Presentation of data

1.29   Data presented in this report is based on the 2021 household survey (re-weighted using the 2021 Census) carried out as part of the HDNA, unless otherwise stated. Where possible, data are 'triangulated' which means several sources are drawn upon to establish robust outputs.

1.30   It is important to note that survey responses have been weighted to correct for response bias and then grossed up to reflect the total number of households, and this process is explained in Appendix A. All survey information presented in this report is for weighted and grossed responses which are rounded up where appropriate.

Report structure

1.31   The Preston HDNA 2024 report is structured as follows:

- **Chapter 1** reviews the national and regional policy context within which the research needs to be positioned;

- **Chapter 2** considers the main features of the housing market dynamics including house price and rental trends, migration and travel to work patterns;

- **Chapter 3** reviews current rents, prices, and affordability;

- **Chapter 4** considers household groups with particular housing needs including those with a disability and additional needs;

- **Chapter 5** sets out an assessment of dwelling type and mix for future housing development within the city; and

- **Chapter 6** concludes the report with a summary of findings and a consideration of strategic issues.

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1.32   The report includes a technical appendix, which provides detailed material that underpins the core outputs of the HDNA. The technical appendix material includes:

- Research methodology (Appendix A)

- Affordable Housing definitions (Appendix B)

- Housing need calculations (Appendix C)

- Dwelling mix calculations (Appendix D)

2.   Housing Market and Key Drivers

Introduction

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

Dwelling stock, vacant stock, and household estimates

2.2   Current estimates of dwelling stock, vacant stock, and households from multiple sources are presented in Table 2.1. For the purposes of the 2024 HDNA, the total dwelling stock base is assumed to be **66,025** (MHCLG 2023) and the number of households as **59,626** (2021 Census)**.** Around 4.0% of dwellings are vacant compared with the national rate of 2.8% based on MHCLG data (2023 latest). Table 2.2 shows the number of dwellings, household estimates, second homes and vacant properties for smaller geographies.

Table 2.1   Dwelling stock and household estimates

Dwelling stock	Dwellings	Source
2024 Valuation Office Agency (all dwellings)	69,200	VOA Table CTSOP3.0
2024 Valuation Office Agency (excluding annex and unknown)	67,010	VOA Table CTSOP3.0
2023 MHCLG Dwelling Stock Estimates	66,025	MHCLG Live Tables
2024 Council Tax data	69,785	Council Tax
Vacant stock	**Dwellings**	**Source**
2023 MHCLG Vacancy estimate (all dwellings)	2609 (4.0%)	MHCLG Table LT_615
2023 MHCLG Long-term vacancy estimate (all dwellings)	1190 (1.8%)	MHCLG Table LT_615
Households	**Households**	**Source**
2014-based ONS Household Projections 2023 figure	59,887	ONS
2018-based ONS Household Projections 2023 figure	58,771	ONS
2021 Census	59,626	ONS

2.3   The 59,626 households figure is taken as a basis for re-weighting the 2021 household survey using 2021 Census data.

Table 2.2   Dwelling stock, household estimates, second homes and vacant properties by sub-area

Sub-area	Ward	Dwellings	Households (2021 Census)	Student Households	Second Homes	Vacant Properties
Central	City Centre	7,146	5,002	884	223	354
	Deepdale	3,722	3,213	62	27	110
	Fishwick & Frenchwood	3,816	3,475	44	18	227
	Plungington	5,781	4,372	912	191	170
	St Matthew's	4,851	4,186	78	43	167
	TOTAL	**25,316**	**20,248**	**1,980**	**502**	**1,028**
East	Brookfield	3,818	3,278	11	11	45
	Ribbleton	3,645	3,603	17	8	125
	TOTAL	**7,463**	**6,881**	**28**	**19**	**170**
North	Cadley	4,027	3,752	36	27	84
	Garrison	3,942	3,569	18	37	88
	Greyfriars	3,117	3,380	8	18	61
	Sharoe Green	3,496	3,426	20	26	63
	TOTAL	**14,582**	**14,127**	**82**	**108**	**296**
West	Ashton	4,880	4,068	53	48	155
	Ingol & Cottam	5,328	4,148	29	7	70
	Lea & Larches	3,669	4,030	20	7	55
	TOTAL	**13,877**	**12,246**	**102**	**62**	**280**
Sub-area	Parish	Dwellings	Households	Student Households	Second Homes	Vacant Properties
Rural East	Broughton	1,597	957	2	5	62
	Grimsargh	1,340	1,135	3	6	37
	Haighton	95	78	0	2	2
	Whittingham	1,659	1,170	6	3	54
	TOTAL	**4,691**	**3,340**	**11**	**16**	**155**
Rural North	Barton	608	593	4	2	7
	Goosnargh	668	499	1	4	12
	Woodplumpton	2,580	1,692	12	5	72
	TOTAL	**3,856**	**2,784**	**17**	**11**	**91**
Preston		**69,785**	**59,626**	**2,220**	**718**	**2,020**

Source: Council & 2021 Census

Dwelling type and size

2.4   The 2023 Valuation Office Agency data provides details on overall dwelling stock by type, number of bedrooms, and council tax band. Table 2.3 presents the overall dwelling stock profile of Preston compared with Central Lancashire, the North West, and England. Table 2.4 summarises dwelling type and size data for Preston.

2.5   In summary, Tables 2.3 to 2.4 show:

- 64.6% of dwellings in the City of Preston are council tax band A or B properties and 35.4% are band C or above;

- 73.2% of dwellings are houses (32.9% terraced, 25.4% semi-detached, and 14.9% detached), 21.1% are flats and 5.7% are bungalows; and

- 12.9% of dwellings have one bedroom, 26.2% two bedrooms, 46.4% three bedrooms, and 14.5% four or more bedrooms.

2.6   Map 2.1 illustrates the predominant dwelling type and size by LSOA based on 2023 Valuation Office Agency data.

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

Dwelling type and number of bedrooms	Council Tax Band				Dwelling stock totals			
	A	B	C-E	F+	Preston	Central Lancs.	North West	England Total
Bungalow 1-bedroom	0.7%	0.1%	0.0%	0.0%	0.8%	0.8%	1.0%	1.1%
Bungalow 2-bedrooms	0.2%	0.8%	2.1%	0.0%	3.1%	5.0%	4.0%	4.5%
Bungalow 3-bedrooms	0.0%	0.0%	1.5%	0.1%	1.6%	4.1%	2.7%	2.9%
Bungalow 4 or more -bedrooms	0.0%	0.0%	0.1%	0.0%	0.2%	0.7%	0.6%	0.6%
Flat 1-bedroom	11.6%	0.3%	0.0%	0.0%	11.9%	7.2%	8.7%	11.2%
Flat 2-bedrooms	4.3%	2.4%	0.7%	0.0%	7.4%	5.8%	8.2%	10.8%
Flat 3-bedrooms	0.4%	0.0%	0.0%	0.0%	0.5%	0.4%	0.8%	1.8%
Flat 4 or more-bedrooms	0.5%	0.3%	0.5%	0.0%	1.3%	0.6%	0.4%	0.5%
Terraced house 1-bedroom	0.2%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%	0.5%
Terraced house 2-bedrooms	9.9%	1.8%	0.1%	0.0%	11.8%	10.6%	12.7%	8.7%
Terraced house 3-bedrooms	12.9%	4.7%	1.5%	0.0%	19.1%	14.6%	16.1%	14.6%
Terraced house 4 or more-bedrooms	0.4%	0.6%	0.7%	0.0%	1.7%	1.4%	2.2%	2.4%
Semi-detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Semi-detached house 2-bedroom	0.4%	2.3%	0.8%	0.0%	3.6%	4.1%	4.0%	3.8%
Semi-detached house 3-bedroom	3.2%	6.2%	10.6%	0.0%	19.9%	21.9%	21.6%	17.4%
Semi-detached house 4 or more-bedrooms	0.1%	0.1%	1.7%	0.0%	1.9%	2.1%	3.0%	2.7%
Detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Detached house 2-bedrooms	0.0%	0.0%	0.3%	0.0%	0.3%	0.6%	0.4%	0.7%
Detached house 3-bedroom	0.0%	0.0%	4.8%	0.4%	5.2%	7.1%	5.0%	5.9%
Detached house 4 or more-bedroom	0.0%	0.0%	5.9%	3.5%	9.4%	12.6%	8.2%	9.6%
Preston	44.9%	19.7%	31.3%	4.1%	100.0%			
Central Lancs.	31.7%	22.7%	40.5%	5.0%		100.0%		
North West	39.8%	20.5%	34.6%	5.0%			100.0%	
England Total	23.3%	19.7%	47.7%	9.3%				100.0%

Base: Preston 67,010; Central Lancs.171,350 ; North West 3,396,910; England 25,049,180 (excludes annex, other and missing)

Source: VOA 2023

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

Dwelling type	Council Tax Band				Preston Total
	A	**B**	**C-E**	**F+**	
Bungalow	0.9%	0.9%	3.9%	0.1%	5.7%
Flat	16.8%	3.1%	1.2%	0.0%	21.1%
Terraced	23.5%	7.1%	2.3%	0.0%	32.9%
Semi-detached	3.7%	8.6%	13.1%	0.0%	25.4%
Detached	0.0%	0.0%	10.9%	3.9%	14.9%
Total	44.9%	19.7%	31.3%	4.1%	100.0%
Number of bedrooms	**A**	**B**	**C-E**	**F+**	**Preston Total**
1-bedroom	12.5%	0.4%	0.1%	0.0%	12.9%
2-bedrooms	14.9%	7.3%	4.0%	0.0%	26.2%
3-bedrooms	16.5%	11.0%	18.4%	0.4%	46.4%
4-bedrooms	1.0%	1.0%	8.9%	3.6%	14.5%
Total	44.9%	19.7%	31.3%	4.1%	100.0%

Source: VOA 2023

Map 2.1   Predominant dwelling type and size by LSOAs: Preston
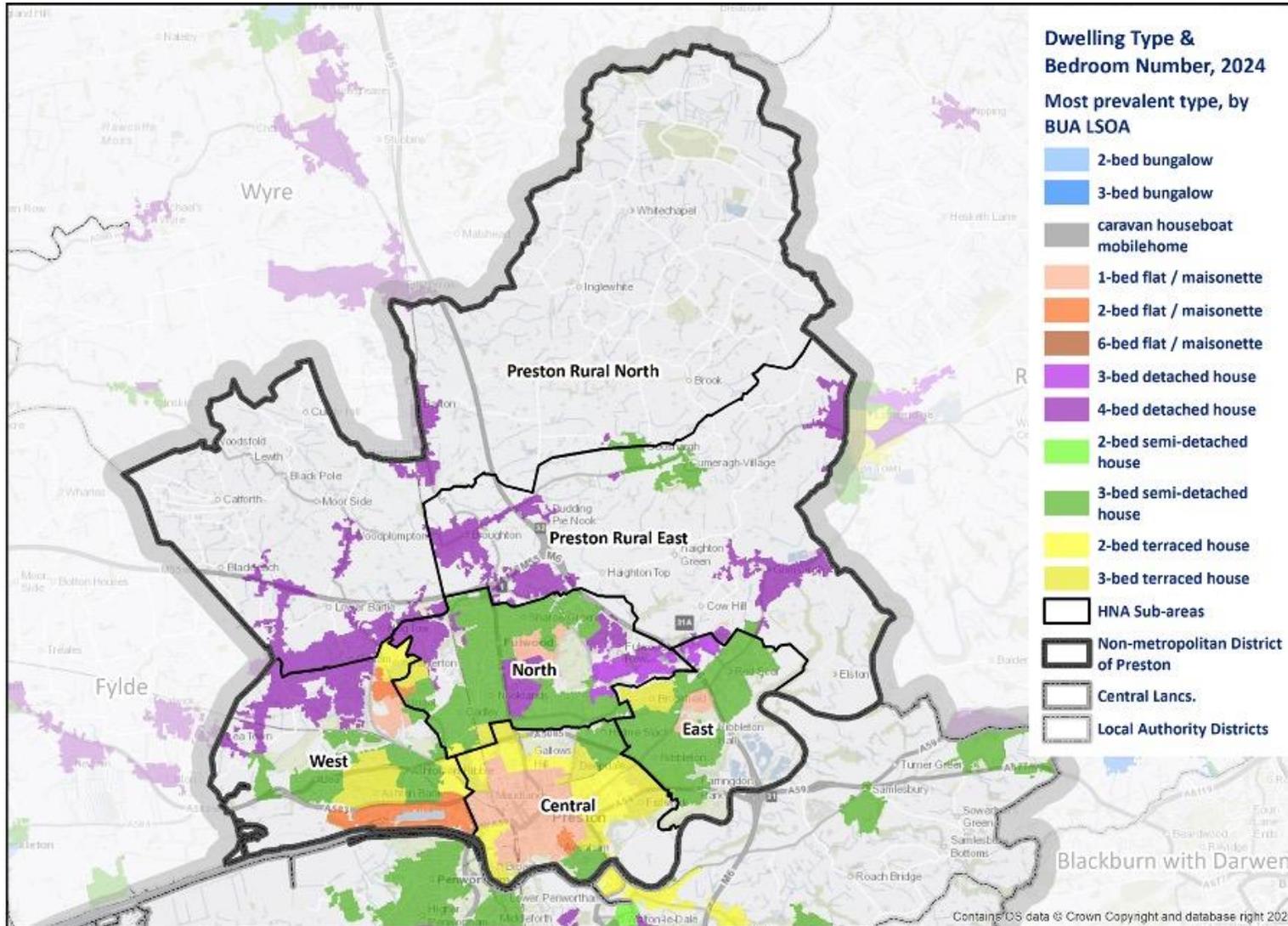
Source: VOA 2023

2.7   There are 1,960 licensed houses in multiple occupancy (HMOs). Most are located in the Central sub area and more specifically, the city centre and Plungington ward.

Table 2.5   HMO distribution across Preston

Sub-area	Ward	Number of licensed HMOs
Central	City Centre	803
	Deepdale	116
	Fishwick & Frenchwood	59
	Plungington	635
	St Matthew's	78
	TOTAL	**1,691**
East	Brookfield	17
	Ribbleton	14
	TOTAL	**31**
North	Cadley	43
	Garrison	33
	Greyfriars	8
	Sharoe Green	9
	TOTAL	**93**
West	Ashton	108
	Ingol & Cottam	7
	Lea & Larches	17
	TOTAL	**132**
Sub-area	**Parish**	**Number of licensed HMOs**
Rural East	Broughton	2
	Grimsargh	-
	Haighton	1
	Whittingham	7
	TOTAL	**10**
Rural North	Barton	-
	Goosnargh	2
	Woodplumpton	1
	TOTAL	**3**
Preston		**1,960**

Source: Council Tax Register

Property age and condition

2.8   The age profile of the dwelling stock in the city is summarised in Table 2.6. 39.2% of dwellings were built before 1945, 29.3% between 1945 and 1982 and 31.6% since 1983.

Table 2.6   Age of dwelling

Age of Dwellings	Number	%
pre-1919	15,530	22.6%
1919-44	11,410	16.6%
1945-64	9,860	14.4%
1965-82	10,210	14.9%
1983-99	9,280	13.5%
post 1999	12,410	18.1%
Total	68,700	100.0%

2.9   The 2021 survey (re-weighted to the 2021 Census) reviewed the extent to which households were satisfied with the state of repair of their home. Overall, 73.7% of respondents expressed satisfaction (35.5% were very satisfied and 38.2% were satisfied); 15.4% were neither satisfied nor dissatisfied; a total of 10.9% expressed degrees of dissatisfaction, of whom 7.6% were dissatisfied and 3.3% were very dissatisfied. Note that severe disrepair is a factor considered in assessing affordable housing need.

2.10   The English Housing Survey (EHS) produces national data on dwelling condition. Applying national trends to the stock profile of Preston (Table 2.7) would suggest that around 16.7% of dwelling stock is non-decent which is in line with the national average of 17.0%. The number of dwellings likely to fail the minimum standard of decent homes criteria is estimated to be 9.9% (compared with 9.9% nationally).

2.11   A full definition of what constitutes a decent home is available from DLUHC (source: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf) but in summary a decent home meets the following four criteria:

        a.   it meets the current statutory minimum for housing;

        b.   it is in a reasonable state of repair;

        c.   it has reasonably modern facilities and services; and

        d.   it provides a reasonable degree of thermal comfort.

Table 2.7   Dwelling stock condition in England and Preston estimates

England		Fails decent homes criteria (%)					All dwellings in group (000s)	% dwellings
Dwelling age (ehs)		Non-decent	Minimum standard	Repair	Modern facilities & services	Thermal Comfort		
pre-1919		32.0%	21.7%	7.3%	4.6%	7.8%	4,906	20.1%
1919-44		19.3%	11.0%	4.5%	3.4%	6.2%	3,738	15.3%
1945-64		16.1%	8.9%	4.7%	1.5%	4.2%	4,369	17.9%
1965-80		15.1%	8.1%	1.1%	1.1%	6.9%	4,872	20.0%
1981-90		16.5%	3.8%	1.0%	2.1%	12.1%	1,959	8.0%
post 1990		2.0%	1.8%	u	0.2%	0.0%	4,570	18.7%
Total		**17.0%**	**9.9%**	**3.3%**	**2.1%**	**5.6%**	**24,414**	**100.0%**
Preston		Fails decent homes criteria (estimate of number)					All dwellings in group (number)	% dwellings
Dwelling age (ehs)	Dwelling age (voa)	Non-decent	Minimum standard	Repair	Modern facilities & services	Thermal Comfort		
pre-1919	pre-1919	4,970	3,370	1,134	714	1,211	15,530	22.6%
1919-44	1919-44	2,202	1,255	513	388	707	11,410	16.6%
1945-64	1945-64	1,587	878	463	148	414	9,860	14.4%
1965-80	1965-82	1,542	827	112	112	704	10,210	14.9%
1981-90	1983-1992	866	200	53	110	635	5,250	7.6%
post 1990	Post 1992	329	296	*	33	0	16,440	23.9%
Total		**11,496**	**6,825**	**2,275**	**1,506**	**3,673**	**68,700**	100.0%
% of all stock		**16.7%**	**9.9%**	**3.3%**	**2.2%**	**5.3%**		
National %		**17.0%**	**9.9%**	**3.3%**	**2.1%**	**5.6%**		

Source: English Housing Survey, Table DA3201 (2019)

2.12   Table 2.8 considers how dissatisfaction with state of repair varies by tenure, property type, age and location. Dissatisfaction was highest amongst those living in private rented and affordable housing (which is more reflective of tenant expectations of landlord responses to repairs rather than the actual state of repair); those living in maisonettes, flats/apartments, and terraced/town housing; and those in properties built before 1944.

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

Tenure	No. of households Dissatisfied	% of households Dissatisfied	Base (households)
Owner occupier	2,636	6.4%	40,954
Private rented	1,342	17.5%	7,676
Affordable housing	2,495	22.7%	10,987
Total (all responses)	6,472	10.9%	59,617
Missing cases (where tenure was not stated)			0
Total (all households)			59,617

Property Type	No. of households Dissatisfied	% of households Dissatisfied	Base (households)
Detached house	571	4.1%	14,098
Semi-detached house	1,632	9.6%	17,084
Terraced house / town house	2,425	14.3%	16,931
Bungalow	261	8.9%	2,915
Maisonette	111	37.5%	297
Flat / apartment	1,464	18.9%	7,729
Caravan/part home / other	8	1.8%	449
Total (all responses)	6,472	10.9%	59,505
Missing cases (where property type was not stated)			112
Total (all households)			59,617

Property Age	Number of households Dissatisfied	% of households Dissatisfied	Base (households)
Pre 1919	1,036	10.1%	10,236
1919 to 1944	1,345	14.6%	9,213
1945 to 1964	270	4.8%	5,639
1965 to 1984	644	7.7%	8,363
1985 to 2004	612	5.6%	10,982
2005 onwards	347	6.8%	5,087
Don't know	2,218	22.0%	10,071
Total (all responses)	6,472	10.9%	59,591
Missing cases (where property age was not stated)			26
Total (all households)			59,617

Note: Response rate variations result in slight differences between base levels.
Source: 2021 household survey (re-weighted to the 2021 Census)

2.13   The tenure profile by sub-area is presented in Table 2.9. This is based on the 2021 Census. Overall, 58.3% of occupied dwellings are owner-occupied, 22.4% private rented, and 19.3% are affordable (including social rented from a council or housing association and shared ownership).

Table 2.9   Tenure profile by sub-area

Sub-area		Tenure (%)			Total	Total households
	Ward	**Owner occupied**	**Private rented**	**Affordable**		
Central	City Centre	28.4%	48.8%	22.8%	100.0%	5,002
	Deepdale	54.2%	28.8%	17.1%	100.0%	3,213
	Fishwick & Frenchwood	46.8%	29.1%	24.1%	100.0%	3,475
	Plungington	35.4%	43.9%	20.7%	100.0%	4,372
	St Matthew's	32.8%	32.3%	34.8%	100.0%	4,186
	TOTAL	**38.1%**	**37.8%**	**24.2%**	**100.0%**	**20,248**
East	Brookfield	58.0%	12.3%	29.7%	100.0%	3,278
	Ribbleton	47.3%	11.5%	41.3%	100.0%	3,603
	TOTAL	**52.4%**	**11.9%**	**35.7%**	**100.0%**	**6,881**
North	Cadley	70.8%	17.9%	11.3%	100.0%	3,752
	Garrison	74.0%	16.2%	9.8%	100.0%	3,569
	Greyfriars	85.1%	10.9%	4.0%	100.0%	3,380
	Sharoe Green	75.4%	15.2%	9.3%	100.0%	3,426
	TOTAL	**76.1%**	**15.1%**	**8.7%**	**100.0%**	**14,127**
West	Ashton	61.4%	30.6%	8.0%	100.0%	4,068
	Ingol & Cottam	60.1%	11.3%	28.6%	100.0%	4,148
	Lea & Larches	61.4%	12.7%	25.9%	100.0%	4,030
	TOTAL	**61.0%**	**18.2%**	**20.8%**	**100.0%**	**12,246**
Sub-area	**Parish**	**Owner occupied**	**Private rented**	**Affordable**	**Total**	**Total households**
Rural East	Broughton	86.6%	7.8%	5.7%	100.0%	957
	Grimsargh	84.9%	11.9%	3.3%	100.0%	1,135
	Haighton	91.1%	7.6%	1.3%	100.0%	78
	Whittingham	81.2%	10.4%	8.4%	100.0%	1,170
	TOTAL	**84.1%**	**10.2%**	**5.7%**	**100.0%**	**3,340**
Rural North	Barton	90.0%	5.8%	4.3%	100.0%	593
	Goosnargh	90.0%	7.8%	2.2%	100.0%	499
	Woodplumpton	84.4%	7.7%	7.9%	100.0%	1,692
	TOTAL	**86.7%**	**7.3%**	**6.0%**	**100.0%**	**2,784**
Preston		**58.3%**	**22.4%**	**19.3%**	**100.0%**	**59,626**

Source: 2021 Census TS054

Variations in dwelling types and households by tenure

2.14   The 2021 Census provides a useful insight into the characteristics of dwellings and households by tenure which are now presented.

Dwelling size – number of bedrooms

2.15   Table 2.10 summarises the number of bedrooms by tenure across occupied dwellings in Preston. Across the owner-occupied sector, 79.1% of dwellings have 3 or more bedrooms; 63.8% of social rented dwellings and 55.6% of private rented dwellings have 1 or 2 bedrooms.

Table 2.10   Dwelling size by tenure

Number of bedrooms	All tenures %	Owned %	Rented: Social rented %	Rented: Private rented or lives rent free %
1 bedroom	11.2%	2.0%	33.5%	17.3%
2 bedrooms	25.3%	18.8%	30.3%	38.3%
3 bedrooms	44.4%	52.0%	32.5%	34.0%
4 or more bedrooms	19.1%	27.1%	3.7%	10.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: 2021 census table RM136

Age profile and household type

2.16   Table 2.11 sets out the age profile of residents living in different tenures. It uses a 'row %' figure which indicates the proportion of household reference people (HRP) by age group in different tenures: for instance, 76.4% of all people aged 65 and over live in owner occupied properties, 17.8% live in social rented accommodation and 5.8% live in private rented accommodation.

Table 2.11   Age profile by tenure

Age group	Owned (row %)	Rented: Social rented (row %)	Rented: Private rented or lives rent free (row %)	Total	Base
Aged 16 to 64 years	53.7%	18.6%	27.6%	100.0%	45,412
Aged 65 years and over	76.4%	17.8%	5.8%	100.0%	14,189
Total	59.1%	18.4%	22.4%	100.0%	59,601

Source: 2021 census table RM201

2.17   Table 2.12 considers the general profile of household types by tenure. For instance, across the owner-occupied sector, 31.0% are families with children and 27.5% are singles; and 24.1% of social renter households are lone parent families; and 18.5% of households in the private rented sector are couples with children.

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Table 2.12   Household type by tenure (column %)

Household types	All tenures %	Owned %	Rented: Social rented %	Rented: Private rented or lives rent free %
Singles	21.4%	14.7%	29.5%	32.1%
Single 66+	11.2%	12.8%	15.5%	3.5%
Couples (no children)	15.3%	18.1%	6.6%	15.2%
Couples (with children)	25.4%	31.0%	15.9%	18.5%
Single family household (66 and over)	6.7%	10.1%	2.7%	0.9%
Lone parent family	12.1%	7.4%	24.1%	14.4%
Other	8.0%	5.9%	5.8%	15.4%
Total	100.0%	100.0%	100.0%	100.0%
Base	59,614	35,258	10,982	13,374

Source: 2021 census table RM135

2.18   Table 2.13 provides household type information in a different way. It considers how different household types are distributed across different tenures. For instance, 89.4% of all single-family households age 66 or over live in owner occupied dwellings and 63.6% of lone parents rent from a social or private landlord.

Table 2.13   Household type by tenure (row %)

Household types	Owned (row %)	Rented: Social rented (row %)	Rented: Private rented or lives rent free (row %)	Total	Base
Singles	40.8%	25.5%	33.7%	100.0%	12,729
Single 66+	67.5%	25.5%	7.0%	100.0%	6,672
Couples (no children)	69.9%	7.9%	22.2%	100.0%	9,140
Couples (with children)	72.2%	11.5%	16.3%	100.0%	15,147
Single family household (66 and over)	89.4%	7.4%	3.2%	100.0%	3,968
Lone parent family	36.4%	36.8%	26.8%	100.0%	7,188
Other	43.5%	13.4%	43.1%	100.0%	4,770
Total	59.1%	18.4%	22.4%	100.0%	59,614

Source: 2021 census table RM135

Economic activity and tenure

2.19   Table 2.14 shows that most owner occupier HRPs are either in employment or retired; 40.8% of social renter HRPS are in employment but 32.5% are economically inactive; and for private renters, most are economically active.

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Table 2.14   Economic activity by Household Reference Person and tenure

Economic activity (by household reference person)	All tenures %	Owned %	Rented: Social rented %	Rented: Private rented or lives rent free %
Economically active (in employment)	61.5%	66.2%	40.8%	66.2%
Retired	21.7%	28.5%	19.9%	5.0%
Economically inactive (including looking after home/family and long-term sick/disabled)	11.3%	3.9%	32.5%	13.5%
Student	3.4%	0.5%	2.9%	11.5%
Unemployed	2.0%	0.8%	3.9%	3.7%
Total	100.0%	100.0%	100.0%	100.0%
Base	59,598	35,252	10,980	13,366

Source: 2021 census table RM133

2.20   Table 2.15 illustrates that of all economically active household reference people (HRP), 63.7% own and 24.1% rent privately. 79.6% of economically inactive HRPs and 77.5% of unemployed people rent. 75.3% of student HRPs live in private rented accommodation. 77.9% of retired HRPs are owner occupiers.

Table 2.15   Household type by tenure (row %)

Economic activity	Owned (row %)	Rented: Social rented (row %)	Rented: Private rented or lives rent free (row %)	Total	Base
Economically active (in employment)	63.7%	12.2%	24.1%	100.0%	36676
Retired	77.9%	16.9%	5.2%	100.0%	12907
Economically inactive (including looking after home/family and long-term sick/disabled)	20.5%	52.8%	26.8%	100.0%	6762
Student	9.2%	15.6%	75.3%	100.0%	2050
Unemployed	22.5%	36.0%	41.5%	100.0%	1203
Total	59.1%	18.4%	22.4%	100.0%	59598

Source: 2021 census table RM133

Overcrowding and underoccupancy

2.21   Table 2.16 shows that 4.0% of all households are overcrowded and this was most pronounced in privately rented accommodation. Underoccupancy was

most apparent in owner occupied households with 84.2% having at least one spare bedroom.

Table 2.16   Occupancy by tenure (column %)

Occupancy	All tenures %	Owned %	Rented: Social rented %	Rented: Private rented or lives rent free %
Overcrowded	4.0%	2.5%	6.1%	6.2%
Sufficient bedrooms	27.5%	13.3%	59.8%	38.4%
Under occ +1	34.4%	35.7%	24.5%	39.3%
Under occ +2 or more	34.1%	48.5%	9.7%	16.1%
Total	100.0%	100.0%	100.0%	100.0%
Base	59,607	35,254	10,983	13,370

Source: 2021 census table RM099

Note: Based on bedroom standard which applies assumptions regarding household structure and bedrooms needed.

2.22   34.8% of overcrowded households were in the private rented sector (Table 2.17), which also showed around 37.1% of overcrowded households were owner occupiers and 28.2% social renters. 84.2% of under occupancy with at least 2 spare bedrooms was in the owner-occupied sector.

Table 2.17   Occupancy by tenure (row %)

Occupancy	Owned (row %)	Rented: Social rented (row %)	Rented: Private rented or lives rent free (row %)	Total	Base
Overcrowded	37.1%	28.2%	34.8%	100.0%	2,369
Sufficient	28.5%	40.1%	31.4%	100.0%	16,382
Under occ +1	61.3%	13.1%	25.6%	100.0%	20,528
Under occ +2 or more	84.2%	5.2%	10.6%	100.0%	20,328
Total	59.1%	18.4%	22.4%	100.0%	59,607

Source: 2021 census table RM099

Note: Based on bedroom standard which applies assumptions regarding household structure and bedrooms needed.

The owner-occupied sector

2.23   The 2021 Census identified that 58.3% (34,743) of households across the city are owner-occupiers. 30.6% of all households (18,219) own outright and 27.7% of all households (16,524) have a mortgage.

2.24   Over the period 2000 to 2023, Land Registry data reveals that lower quartile, median, and average house prices across the city have increased dramatically. This is summarised in Table 2.18.

2.25   It is interesting to note that in 2000, a household income of £8,743 was required for a lower quartile price to be affordable; by 2023 this had increased to £29,571. In comparison, an income of £12,640 was required for median priced housing to be affordable in 2000 compared with £66,857 in 2023.

Table 2.18   Lower quartile and median price and income required to be affordable 2000-2023

Year	House Price		Income to be affordable*	
	Lower Quartile	Median	Lower Quartile Price	Median Price
2000	£34,000	£49,156	£8,743	£12,640
2001	£37,000	£56,000	£9,514	£14,400
2002	£38,500	£59,950	£9,900	£15,416
2003	£50,000	£75,000	£12,857	£19,286
2004	£68,000	£98,000	£17,486	£25,200
2005	£83,500	£115,494	£21,471	£29,698
2006	£87,950	£120,000	£22,616	£30,857
2007	£96,500	£126,000	£24,814	£32,400
2008	£90,000	£120,000	£23,143	£30,857
2009	£89,950	£125,000	£23,130	£32,143
2010	£85,000	£118,000	£21,857	£30,343
2011	£82,000	£115,000	£21,086	£29,571
2012	£87,000	£125,000	£22,371	£32,143
2013	£85,000	£124,000	£21,857	£31,886
2014	£86,000	£124,000	£22,114	£31,886
2015	£88,000	£125,750	£22,629	£32,336
2016	£89,950	£132,500	£23,130	£34,071
2017	£94,000	£140,000	£24,171	£36,000
2018	£99,995	£145,000	£25,713	£37,286
2019	£99,995	£150,000	£25,713	£38,571
2020	£104,000	£154,950	£26,743	£39,844
2021	£115,907	£170,000	£29,805	£43,714
2022	£115,000	£160,000	£29,571	£41,143
2023	£115,000	£260,000	£29,571	£66,857

Source: HM Land Registry data © Crown copyright and database right 2023. This data is licensed under the Open Government Licence v3.0

*Assuming a 3.5x income multiple and a 10% deposit is available

2.26   A range of socio-economic and demographic information from respondents has been obtained from the 2021 household survey (re-weighted using the 2021

Census). Some further insights relating to owner-occupiers, based on household survey responses include:

- In terms of household type, 21.8% are couples with children under 18, 26.3% of owner-occupiers are older (65 or over) singles and couples, 19.3% are couples (under 65 with no children), 12.4% are couples with adult children (18+), 11.6% are singles (under 65), 1.8% are lone parents with adult children, 2.5% are lone parents with children under 18, 0.1% are student households and 4.3% are other household types.

- 62.3% of Household Reference People (HRP) *(HRP = Household Reference Person. This is usually the oldest person in the household and is now used as an alternative to 'Head of Household')* living in owner-occupied dwellings are in employment, a further 30.4% are wholly retired from work and 7.3% are not economically active.

- 13.5% of owner-occupied households receive less than £18,200 gross per year, 14.0% receive between £18,200 and £26,000 per year, 22.0% receive between £26,000 and £39,000 per year, and 50.4% receive more than £39,000 per year.

- In terms of length of residency, 35.6% of owner-occupiers have lived in the same property for less than 10 years, 22.6% between 10 and up to 20 years and 41.8% for 20-years or more.

The Private Rented Sector (PRS)

2.27   The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment or to respond to changing circumstances and provides a housing option for those on low incomes. Across Preston, the proportion of households renting increased from 10.9% in 2001 to 22.4% in 2021 (ONS Census data). During this period, there has been growth of the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role in meeting housing need and affordable need, as well as providing an alternative to homeownership.

2.28   Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encouraging good quality management will improve the reputation of the sector and encourage longer term lets and lower turnover. However, this is a challenging task where existing partners need to be encouraged to participate and new partners and investors need to be identified.

Build to Rent

2.29   Build to Rent schemes can have a number of benefits. Schemes can quickly increase supply and provide improved quality and wider choice in housing markets; the accommodation and service offer provide better tenure options for

households looking to rent longer term compared to what is available in the current PRS. Standards are expected to be more professional, tenancies longer, and by introducing an affordable offer (minimum 20% below market rents), these schemes can meet an identified and specific need as affordable rental accommodation.

2.30 Local authorities already have tools and powers at their disposal to support Build to Rent. For example, as part of their plan-making and decision taking processes, authorities can:

- Identify sites in their Strategic Land Availability Assessments which might be well suited to particular types of development.

- Include policies in their Local Plans on Build to Rent.

- Choose whether or not to deploy the nationally described space standard, taking into account viability and need considerations.

2.31 Local authorities also have non-planning powers at their disposal through which they can support Build to Rent, such as using their own council land holdings.

Recommendations for a policy framework

2.32 Any decisions regarding discounts and the amount of affordable private rent to be secured will need to be affordable to local households and take into account viability assessment analysis. The council may wish to consider developing a planning policy to consider:

- What constitutes Build to Rent in terms of size of scheme.

- The percentage discounts that will be applied to Build to Rent schemes to secure affordable private rent as an affordable product for local people in line with their affordability policies. It is likely the evidence in this report will need to be tested against viability evidence.

- Whether it wishes to vary the proportion of and explore a trade-off between the number of affordable private rent units and the discount offered on them across the development, with the proviso being that these should accord with the headline affordable housing contribution agreed through the planning permission.

- The requirement that the affordable private rent units should be retained as affordable housing in perpetuity; there should be no break clause for the affordable housing which should remain as a community benefit in perpetuity.

- The groups that affordable private rent should be targeted toward (the product is affordable for lower and median income groups across various locations and property sizes).

- The size of units required for affordable private rent.

- Establishing an intermediate housing list and a mechanism for access to these properties.

- A requirement for applications to demonstrate how any negotiated discount is affordable to local incomes.

- The need for all options to be agreed jointly between the local authority and the developer as part of the planning permission.

- On-site provision to be a priority but, where this is not the requirement by the council, a commuted sum mechanism be developed to reflect the bespoke nature of Build to Rent.

2.33   Build to Rent and affordable private rent affords a number of benefits as a product to improve the quality of supply and management of rented accommodation in Preston. To ensure these benefits are realised, the council may wish to consider setting out specific requirements within their planning policy that confirms that Build to Rent, and any affordable associated products, must provide:

- Unified ownership and unified management of the private and affordable private rent elements of the scheme;

- Longer tenancies (three years or more) to all tenants – these should have break clauses for renters, which allow the tenant to end the tenancy with a month's notice any time after the first six months;

- Rent certainty for the period of the tenancy, the basis of which should be made clear to the tenant before a tenancy agreement is signed, including any annual increases which should always be formula-linked;

- For on-site management, this does not necessarily mean full-time dedicated on-site staff, but all schemes need to have a complaints procedure in place and are a member of a recognised ombudsman scheme;

- No up-front fees of any kind to tenants or prospective tenants, other than deposits and rent-in-advance;

- A range of unit sizes for affordable private rent in equal proportions of the Build to Rent units based on local market conditions;

- A bespoke eligibility agreement agreed with the council on all developments;

- An annual statement to demonstrate how the affordable private rent units are meeting local housing need;

- For all affordable private rent units to be tenure blind, and physically indistinguishable, and designed to the same high design quality and specification as the market homes; and

- For affordable private rent homes to be distributed throughout the scheme, to help support a mixed and balanced community.

2.34   Eligibility for occupying affordable private rented homes should be agreed locally between the local authority and the scheme operator, but with regard to criteria set out in planning guidance. Final decisions over the occupancy criteria for affordable private rent homes should be made by the Build to Rent scheme operator (which should reference part 6 allocations, the council's allocation policy, and choice-based lettings scheme), working with the authority, taking into account the criteria, the council's Allocation Policy including Local

Connection criteria (where applicable and not to the exclusion of those exempt) and other parameters as agreed.

2.35　The eligibility criteria for the affordable private rent homes should be set out in the Section 106 agreement.

2.36　The characteristics of tenants are diverse and the 2021 household survey (rebased to 2021 census) revealed that in particular the private rented sector accommodates singles (under 65) (24.2%), couples with children under 18 (17.1%), couples (under 65 with no children) (27.2%), older singles and couples (7.2%), lone parents with children under 18 (3.6%), lone parents with adult children (2.5%), couples with adult children (3.3%),student households (12.7%) and other household types (2.3%).

2.37　Just under two thirds (62.5%) of private renting households have lived in their accommodation for less than three years and overall 75.5% had lived in their accommodation for less than 5 years, 17.4% for between 5 and under 10 years, 5.7% between 10 and less than 20 years and 1.4% for 20 years or more.

2.38　In terms of income, the 2021 household survey (re-weighted to 2021 Census) found that 41.1% of households privately renting receive less than £18,200 gross per year, 19.1% receive between £18,200 and £26,000 per year, 9.6% receive between £26,000 and £39,000 per year, and 30.1% receive more than £39,000 per year.

2.39　63.8% of Household Reference People (heads of household) living in private rented accommodation are employed, 8.2% are wholly retired from work and 28.0% were not economically active.

The affordable housing sector

2.40　The latest Regulator of Social Housing Statistical Data Return (SDR) 2022 identified a total of 13,037 units of affordable housing across Preston, of which 10,521 were general needs units, 661 were supported housing, and 1,104 were housing for older people. In addition, there were 751 units of low-cost home ownership.

2.41　The 2021 household survey (re-weighted to the 2021 Census) found that there are around 10,987 households who live in an affordable (social rented or intermediate tenure) property across the city.

2.42　In terms of household composition, the 2021 household survey (re-weighted to the 2021 Census) found that 27.0% are singles under 65, 21.1% are older singles and couples (one or both aged over 65 years), 4.3% are couples or lone parents with adult children living at home, 11.2% are couples under 65 with no children, 15.9% are lone parents with children under 18, 15.0% are couples with children under 18, and a further 5.5% are other household types.

2.43　50.8% of Household Reference People living in affordable housing are in employment. A further 16.7% are wholly retired from work and 32.5% are not economically active, including　14.5% who are permanently sick/disabled.

2.44　Incomes are generally low, with 57.0% of households in affordable housing receiving an income of less than £18,200 gross per year. 17.1% receive

between £18,200 and £26,000 per year, 14.8% receive between £26,000 and £39,000 per year, and 11.0% receive more than £39,000 per year.

Past trends in housing delivery

2.45   Over the past 14 years (2010/11 to 2023/2024) 9,471 net new dwellings have been built across Preston (Table 2.19), over half of which have been built in the five years 2019/20 to 2023/24. In the past 5 years, an annual average of 1,439 net completions has been achieved. A comparison of annual completions with the annual policy target is presented in Figure 2.1. Over the past 14 years, the overall delivery has exceeded targets. The distribution of newbuild activity since 2007 is shown in Map 2.2.

Table 2.19   Dwelling completions 2010/11 to 2023/2024

Year	Net completions	Gross Affordable Completions	Housing target	Housing target - net completions
2010/11	127	0	507	-380
2011/12	265	38	507	-242
2012/13	202	66	507	-305
2013/14	142	35	507	-365
2014/15	488	16	507	-19
2015/16	282	178	507	-225
2016/17	791	137	507	284
2017/18	634	197	507	127
2018/19	785	213	507	278
2019/21*	1,656	430	1,014	642
2021/22	1,064	259	507	557
2022/23	1,405	433	507	898
2023/24	1,630	548	507	1,123
2010-2024 (Total 14 years)	9,471	2,550	7,098	2,373
Total (most latest 5 years)	5,755	1,670	2,535	3,220
Annual average (past 5 years)	**1,439**	**418**	**634**	**805**

*Covid lag

Source: Preston City Council Annual Monitoring Reports

Figure 2.1   Comparison of annual completions with annual housing requirement

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/21*	2021/22	2022/23	2023/24
Net completions	127	265	202	142	488	282	791	634	785	1656	1064	1405	1630
Housing target	507	507	507	507	507	507	507	507	507	1014	507	507	507
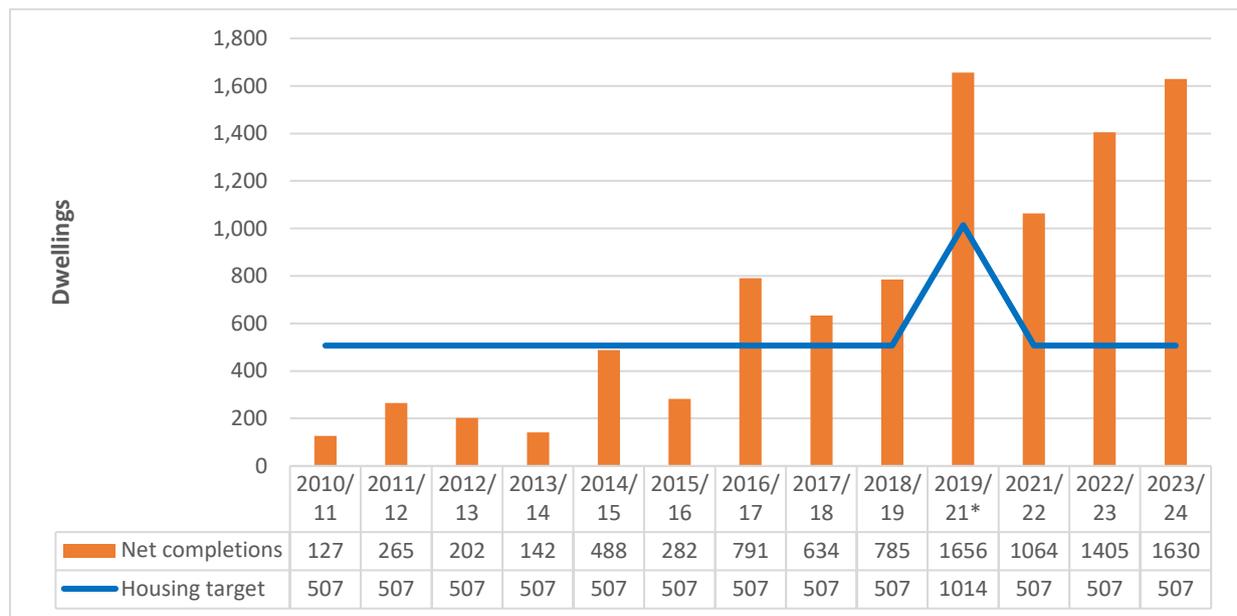
Source: Annual Monitoring Returns

Map 2.2   New build dwellings by LSOA over period 2007-2023
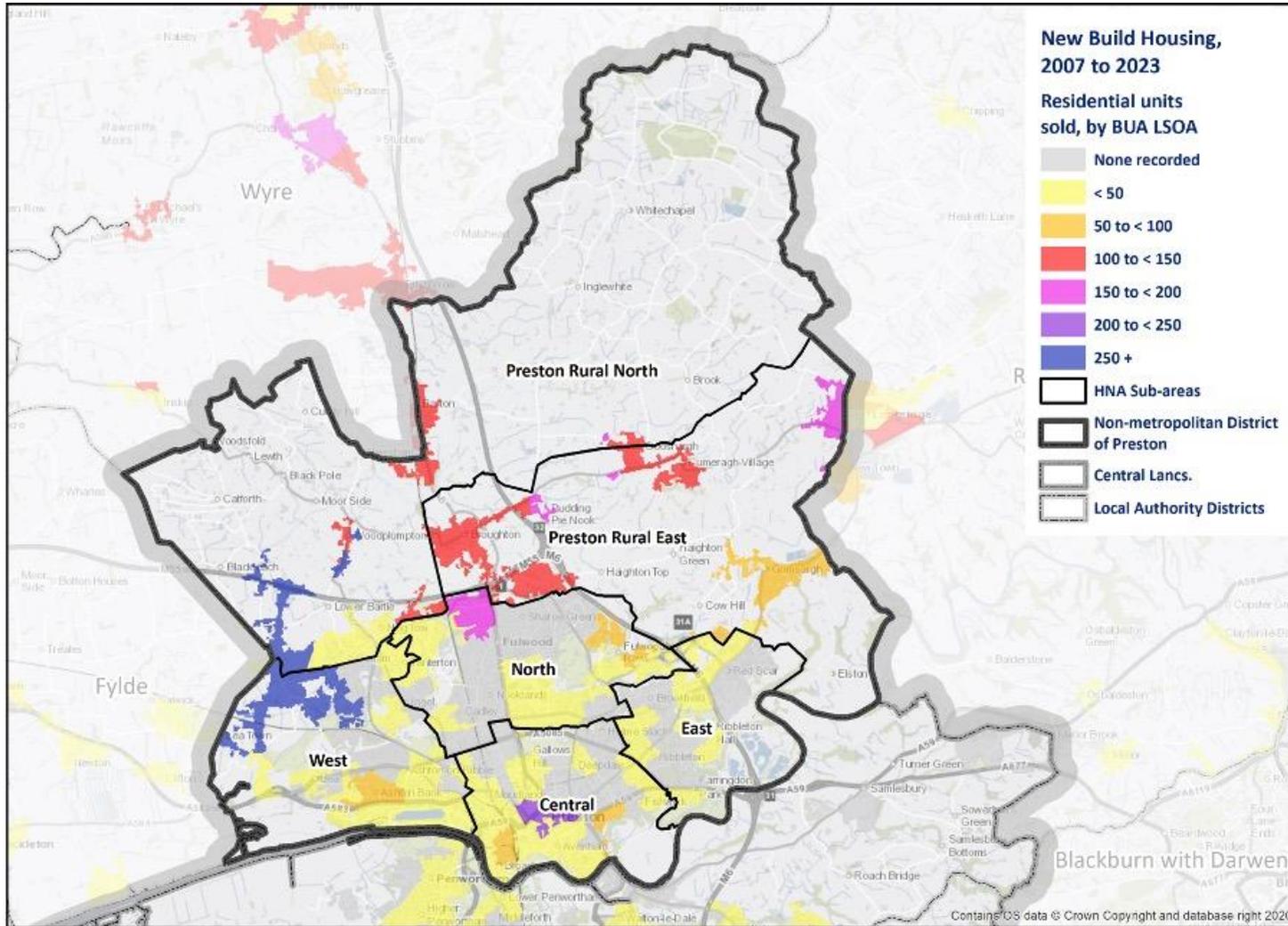
Source: Land Registry © Crown copyright 2007 to 2023

Demographic drivers: population, migration, and households

Population projections

2.46   National population projections are produced by the ONS regularly and the latest ones are 2018-based projections (Table 2.20)

Table 2.20   Change in population 2023-2041 by age group (2018-based ONS population projections)

Age groups	2023	2041	Number change 2023-2041	% change 2023-2041
0-19	37,594	36,782	-811	-2.2%
20-39	42,563	43,890	1,327	3.1%
40-54	24,843	25,764	921	3.7%
55-64	16,939	14,893	-2,046	-12.1%
65-74	11,590	13,457	1,867	16.1%
75-84	7,334	10,062	2,728	37.2%
85+	2,717	3,699	982	36.1%
All Ages	143,580	148,548	4,968	3.5%

Source: ONS, Principal Population Projections

Components of population change

2.47   The ONS publish mid-year population estimates at local authority level which includes an analysis of components of population change, that is natural change, national migration, and international migration. The component analysis also includes 'other' change which can include boundary adjustment and military population moves. The data for Preston 2012-2022 is shown in Figure 2.2. Over the period 2012 to 2022, the dominant driver of population change has been net international migration. The impact of natural change on population has reduced. Out-migration to elsewhere in the UK was a major driver in the period 2012 to 2016 but the net outflow has subsequently reduced. In 2022, there was also a notable increase in population due to international net in-migration.

Figure 2.2   Components of population change 2012 to 2022

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
■ Other	159	49	-40	-28	-26	-207	-341	-193	-406	-283	29
■ Net Migration (International)	343	616	656	945	1113	888	906	1935	1316	2015	3524
■ Net Migration (within UK)	-1024	-1216	-1449	-1118	-1930	-23	-314	-143	111	-234	-64
■ Natural change	684	637	689	658	696	608	432	608	267	376	307
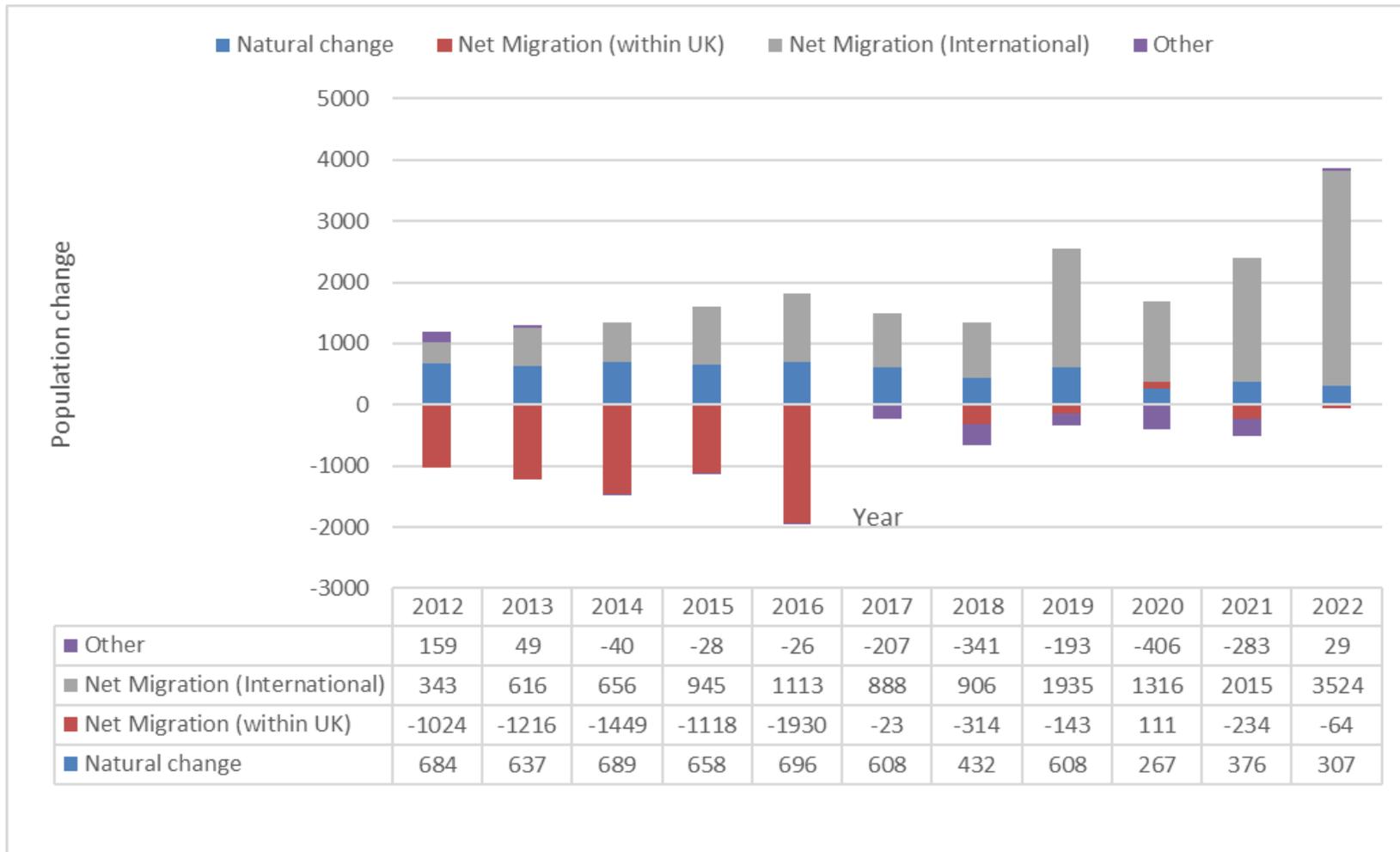
Source: ONS Population estimates and components of population change.

Migration trends 2014-2022

2.48   Table 2.21 presents a detailed analysis of internal and international migration by year and Table 2.22 summarises the data by broad age and year groups. The base numbers may differ slightly from the ONS components of change analysis due to rounding but provides useful insight into the age group of migrants, their origins and destinations and the relative importance of international migration.

2.49   Key trends in migration over the period 2014 to 2022 include:

- Overall annual net inflows in each year, averaging 994 over the period.

- Net outflows to elsewhere in Central Lancashire, Fylde, Ribble Valley but net inflows from the rest of Lancashire (that is districts that are not directly adjoining Preston)

- Some net outflow to the rest of the North West but no notable net flows to the rest of the UK.

- Significant international net inflow, averaging 1,478 people over the period but a pronounced increase in net international migration of 3,460 people in 2022.

- In terms of migration by age group over the period 2014 to 2022:
    - The key outflows were people in the under 30 and 30-64 age groups to neighbouring districts, with net inflows from the rest of Lancashire.
    - Notable net inflow of people in the 30-64 age group from the rest of England

- Net international migration of younger age groups has been a key driver of population increase over the period and in the 2020-2022 period here was a net inflow of 4,835 under 30s from outside the UK.

2.50   An analysis of migration flows indicates that overall, there has been a net loss of population through migration to neighbouring districts and elsewhere in the Uk, but the main driver of population increase has been considerable net international migration.

Table 2.21   National and International Migration by Year

YEAR	PRESTON	CENTRAL LANCS.			LANCASHIRE (CEREMONIAL COUNTY)				ELSEWHERE UK					TOTAL (UK internal)	INTERNATIONAL	TOTAL (internal & international)
		Chorley	South Ribble	TOTAL	Fylde	Ribble Valley	Wyre	Rest of Lancashire	Rest of North West	Rest of ENGLAND	NI	SCOTLAND	WALES			
2014	Migrated OUT to	445	1,247	1,692	406	362	349	972	2,397	2,661	35	205	138	9,217	1,565	10,782
	Migrated IN from	319	955	1,274	220	258	351	1,131	2,268	2,362	45	136	163	8,209	2,221	10,430
	NET	-126	-292	-418	-185	-105	2	159	-129	-298	10	-69	25	-1,008	656	-352
2015	Migrated OUT to	435	1,351	1,785	412	345	314	875	2,289	2,569	58	183	177	9,009	1,434	10,443
	Migrated IN from	329	960	1,289	272	251	272	1,171	2,145	2,679	52	160	183	8,473	2,379	10,852
	NET	-106	-391	-497	-140	-95	-42	296	-144	110	-7	-23	6	-536	945	409
2016	Migrated OUT to	463	1,331	1,794	391	360	364	1,108	2,253	2,576	62	180	172	9,259	1,331	10,590
	Migrated IN from	354	861	1,215	309	281	195	1,176	2,191	2,510	49	159	163	8,247	2,444	10,691
	NET	-109	-470	-579	-82	-79	-169	68	-62	-66	-13	-21	-9	-1,012	1,113	101
2017	Migrated OUT to	427	1,237	1,664	362	306	312	977	2,365	2,884	40	160	184	9,253	1,368	10,621
	Migrated IN from	323	846	1,169	250	353	225	1,231	2,372	2,973	49	97	160	8,879	2,256	11,135
	NET	-104	-391	-495	-111	47	-87	254	7	89	9	-62	-24	-374	888	514
2018	Migrated OUT to	410	1,177	1,587	391	308	369	1,115	2,348	2,907	37	126	158	9,346	1,435	10,781
	Migrated IN from	353	967	1,320	278	324	225	1,257	2,186	2,794	46	139	200	8,770	2,341	11,111
	NET	-56	-210	-266	-113	16	-144	142	-162	-113	8	13	42	-576	906	330
2019	Migrated OUT to	401	1,173	1,574	396	344	314	1,159	2,422	2,858	51	148	179	9,443	1,631	11,074
	Migrated IN from	417	987	1,404	258	350	250	1,319	2,104	2,889	38	154	142	8,908	3,566	12,474
	NET	16	-185	-169	-138	6	-64	160	-318	31	-13	7	-36	-535	1,935	1,400
2020	Migrated OUT to	432	1,130	1,561	365	404	342	1,036	2,293	2,650	42	140	182	9,015	2,425	11,440
	Migrated IN from	370	890	1,260	257	346	387	1,409	2,246	2,705	110	133	146	8,998	3,741	12,739
	NET	-61	-240	-301	-108	-58	44	373	-47	55	68	-7	-36	-17	1,316	1,299
2021	Migrated OUT to	464	1,297	1,761	541	463	492	1,296	2,765	3,176	52	155	181	10,881	1,616	12,497
	Migrated IN from	487	1,031	1,518	310	392	350	1,625	2,662	3,334	103	182	172	10,647	3,631	14,278
	NET	23	-266	-243	-231	-71	-142	329	-103	158	51	27	-9	-234	2,015	1,781
2022	Migrated OUT to	451	1,423	1,875	452	420	404	1,467	2,874	3,436	34	162	168	11,291	1,795	13,086
	Migrated IN from	483	1,064	1,547	300	465	377	1,894	2,933	3,336	83	133	158	11,227	5,319	16,546
	NET	31	-360	-328	-152	46	-27	428	59	-100	50	-28	-10	-64	3,524	3,460

Source: ONS migration data

Table 2.22   Summary of national and international migration by year group and age group

PERIOD	AGE GROUP	PRESTON	CENTRAL LANCS.			LANCASHIRE (CEREMONIAL COUNTY)				ELSEWHERE UK					TOTAL (UK internal)	INTERNATIONAL	TOTAL (internal & international)
			Chorley	South Ribble	TOTAL	Fylde	Ribble Valley	Wyre	Rest of Lancashire	Rest of North West	Rest of ENGLAND	NI	SCOTLAND	WALES			
2014-2016	<30	Migrated OUT to	687	1,948	2,635	496	522	493	1,985	5,586	6,059	114	337	356	18,582	2,928	21,510
		Migrated IN from	530	1,431	1,961	408	382	456	2,302	5,447	5,843	128	303	412	17,642	4,555	22,197
		NET	-157	-517	-673	-88	-140	-38	317	-139	-216	14	-34	56	-940	1,627	687
	30-64	Migrated OUT to	545	1,692	2,237	542	418	400	874	1,225	1,565	39	197	119	7,617	1,355	8,972
		Migrated IN from	391	1,066	1,456	333	328	291	1,058	1,044	1,550	10	132	80	6,282	2,441	8,723
		NET	-155	-626	-781	-209	-90	-109	184	-181	-15	-29	-65	-39	-1,335	1,086	-249
	65+	Migrated OUT to	111	289	399	171	127	134	96	128	181	3	35	11	1,286	47	1,333
		Migrated IN from	81	279	360	61	79	72	117	120	152	5	17	22	1,003	48	1,051
		NET	-30	-10	-39	-110	-48	-63	21	-9	-30	2	-18	10	-283	1	-282
2017-2019	<30	Migrated OUT to	600	1,694	2,294	450	488	411	2,129	5,349	6,526	86	236	369	18,338	2,928	21,266
		Migrated IN from	565	1,328	1,894	380	534	397	2,407	5,024	6,394	112	235	373	17,750	5,255	23,005
		NET	-35	-366	-401	-71	46	-14	279	-325	-132	26	-1	4	-588	2,327	1,739
	30-64	Migrated OUT to	511	1,571	2,082	510	356	426	997	1,645	1,877	39	171	136	8,240	1,455	9,695
		Migrated IN from	436	1,172	1,608	332	409	248	1,270	1,501	2,090	21	128	114	7,720	2,856	10,576
		NET	-75	-399	-474	-178	53	-179	273	-144	213	-18	-43	-22	-520	1,401	881
	65+	Migrated OUT to	126	322	448	188	113	157	125	141	246	3	26	15	1,464	51	1,515
		Migrated IN from	93	300	393	75	84	55	129	144	167	4	31	14	1,096	52	1,148
		NET	-33	-22	-55	-113	-29	-103	4	3	-79	1	5	-1	-368	1	-367
2020-2022	<30	Migrated OUT to	878	2,348	3,227	771	837	738	2,705	6,409	7,423	109	322	420	22,960	3,700	26,660
		Migrated IN from	826	1,848	2,674	510	749	739	3,488	6,108	7,201	270	319	383	22,441	8,535	30,976
		NET	-53	-500	-553	-261	-88	2	783	-300	-222	161	-3	-37	-519	4,835	4,316
	30-64	Migrated OUT to	555	1,772	2,327	630	513	546	1,317	1,896	2,282	26	168	132	9,836	2,077	11,913
		Migrated IN from	541	1,271	1,812	362	488	418	1,701	2,167	2,684	36	151	118	9,938	4,045	13,983
		NET	-14	-501	-515	-268	-24	-128	384	272	402	10	-17	-14	102	1,968	2,070
	65+	Migrated OUT to	125	351	476	172	145	136	163	156	215	3	25	12	1,503	59	1,562
		Migrated IN from	187	365	552	136	139	165	255	193	249	13	31	15	1,748	111	1,859
		NET	61	15	76	-36	-6	29	92	37	34	10	6	3	245	52	297

Source: ONS migration data

Further information from the Household Survey on households moving home

2.51   Information from the household survey relating to **households who moved home in the previous five years to 2021** includes:

- In terms of tenure, 29.7% of moving households previously lived in an owner-occupied property, 36.0% previously lived in private rented or tied accommodation, around 9.9% had lived in affordable accommodation, 20.9% had been living with family or friends, and around 3.4% stated 'other';

- The three main reasons for wanted a nicer home (26.0%), wanted a nicer area (17.6%), and sharing and seeking a place of my/our own (14.4%).

- 27.6% said they are planning to move again within the next 5 years, with around 9.7% stating they would like to move but are unable to; and

- Of those planning to move again, over 62.3% would like to move to a house (23.2% detached, 30.3% semi-detached and 8.8% terraced), 17.2% to a flat/maisonette, 11.4% to a bungalow and 9.1% to other property types including park homes.

2.52   The 2021 household survey (re-weighted using the 2021 Census) found that 14,260 (27.6%) households **planned to move in the next five years.** A further 4,987 (9.7%) households would like to move but are unable to. Of all the reasons listed for being unable to move, 63.7% said that this is because they cannot afford to move and 30.3% mentioned a lack of suitable accommodation with adaptions needed in the area they want to move to.

2.53   The 2021 household survey (re-weighted to the 2021 Census) identified the following characteristics relating to those households planning to move in the next five years:

- In terms of the number of bedrooms, around 73.3% of households would like three or more bedrooms and 41.9% would expect three bedrooms as a minimum in their next property.

- There is a strong desire for owner-occupation, with around 58.3% of households planning to move stating they would most likely move to this tenure. 24.6% would most likely move to affordable housing and 7.7% to move to private rented accommodation.

- The main reasons why households plan to move are to move to a nicer area (34.6%), want a garden or bigger garden (30.5%), and to move to a nicer house (30.5%).

Household projections

2.54   The latest ONS 2018-based household projections provide estimates of the proportions of people who are likely to be Household Reference People by age, gender, and household type based on census data. Variant household projections are also produced.

2.55   According to the 2018-based projections, the total number of households in 2023 was projected to be 58,771 and expected to increase to 62,384 by 2041.

2.56   Table 2.23 provides a detailed breakdown of household type by the age of Household Reference Person to 2041 using 2018-based household projections. Currently available data shows that the overall household type profile is not expected to change over the 2023 to 2041 period, with the dominant household types being 'one person' and 'other households with two or more adults', with the proportion for both 'one person' and 'other households with two or more adults' expected to increase. Additionally, as illustrated in Figure 2.3, there will be a marked increase in the number of households where the Household Reference Person is aged 45-54 and 65 or over.

Figure 2.3   Profile of households by age of Household Reference Person in 2023 and 2041 projections

	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
2023	3,183	9,677	10,559	10,364	10,613	7,074	5,290	2,012
2041	3,556	9,867	10,174	11,137	9,305	8,285	7,300	2,760
Change	373	190	-385	773	-1,308	1,211	2,010	749
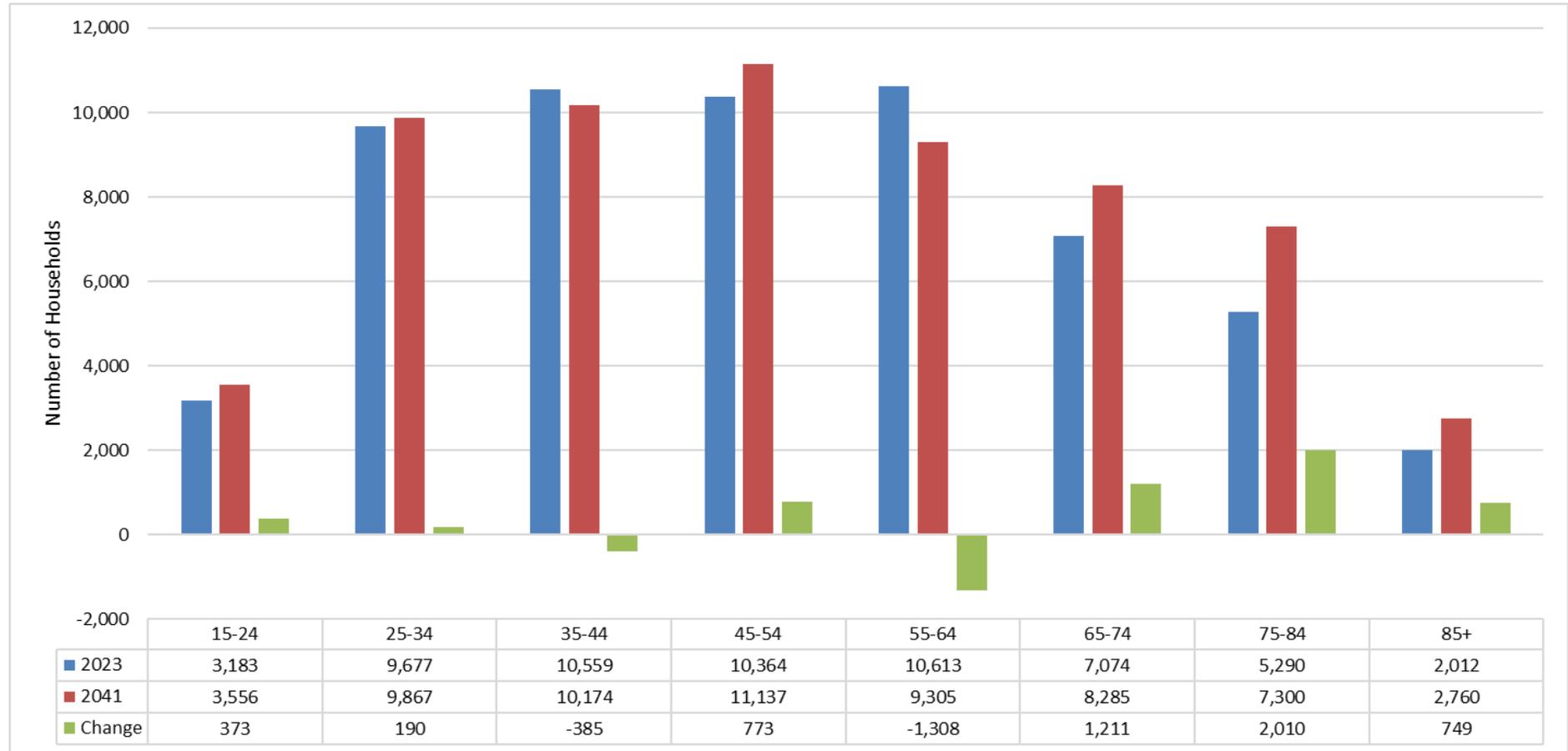
Source: 2018-based ONS household projections

Table 2.23   Household types and change 2023 to 2041 (by age of household reference person (HRP)

Year and household type	Age of household reference person (HRP)									
2023	**15-24**	**25-34**	**35-44**	**45-54**	**55-64**	**65-74**	**75-84**	**85+**	**TOTAL**	**%**
One Person	1,297	3,243	3,511	3,483	3,925	3,028	2,556	1,309	22,352	38.0%
Household with 1 dependent child	607	1,822	1,985	1,719	871	186	65	14	7,269	12.4%
Household with 2 dependent children	229	1,298	2,036	1,312	364	29	5	0	5,273	9.0%
Household with 3 or more dependent children	110	894	1,291	523	99	10	5	1	2,932	5.0%
Other households with two or more adults	941	2,419	1,736	3,327	5,355	3,822	2,659	687	20,945	35.6%
Total	3,183	9,677	10,559	10,364	10,613	7,074	5,290	2,012	58,771	100.0%
2041	**15-24**	**25-34**	**35-44**	**45-54**	**55-64**	**65-74**	**75-84**	**85+**	**TOTAL**	**%**
One Person	1,433	3,326	3,396	3,720	3,418	3,534	3,490	1,777	24,094	38.6%
Household with 1 dependent child	679	1,848	1,886	1,856	757	210	88	19	7,342	11.8%
Household with 2 dependent children	259	1,312	1,969	1,461	314	31	7	0	5,354	8.6%
Household with 3 or more dependent children	124	897	1,247	587	83	11	6	2	2,956	4.7%
Other households with two or more adults	1,061	2,484	1,676	3,514	4,733	4,498	3,709	963	22,638	36.3%
Total	3,556	9,867	10,174	11,137	9,305	8,285	7,300	2,760	62,384	100.0%
Change 2023-2041	**15-24**	**25-34**	**35-44**	**45-54**	**55-64**	**65-74**	**75-84**	**85+**	**TOTAL**	**%**
One Person	136	83	-115	237	-507	506	934	467	1,741	48.2%
Household with 1 dependent child	72	26	-99	137	-114	24	23	5	74	2.0%
Household with 2 dependent children	30	14	-67	149	-50	3	2	0	81	2.2%
Household with 3 or more dependent children	15	3	-44	64	-16	1	2	1	24	0.7%
Other households with two or more adults	120	65	-59	187	-621	676	1,050	276	1,694	46.9%
Total	373	190	-385	773	-1,308	1,211	2,010	749	3,614	100.0%

Source: ONS 2018-based household projections (Principal projection)

General household characteristics

2.57 The range of households living in Preston is illustrated in Maps 2.3 and 2.4. Map 2.3 illustrates the distribution of key household typologies and indicates a predominance of pre-family couples and singles plus younger couples with children in the Central sub-area. The North and East sub-areas have a mix of all household types with more of a predominance towards elders in retirement. Older families and mature couples are mostly based in Preston Rural North and Preston Rural East and families with school-aged children are located more on the West sub-area.

2.58 Map 2.4 considers income groups, broadly illustrating that lower income households are concentrated in the south of Preston in the West, Central and East sub-areas with the highest concentration in the Central sub-area. The West and North sub-areas have the broadest range of income with households ranging from poorer households to wealthy households. Preston Rural North and Preston Rural East are dominated by wealthy households.

Map 2.3   Household characteristics: household type by LSOA, 2024
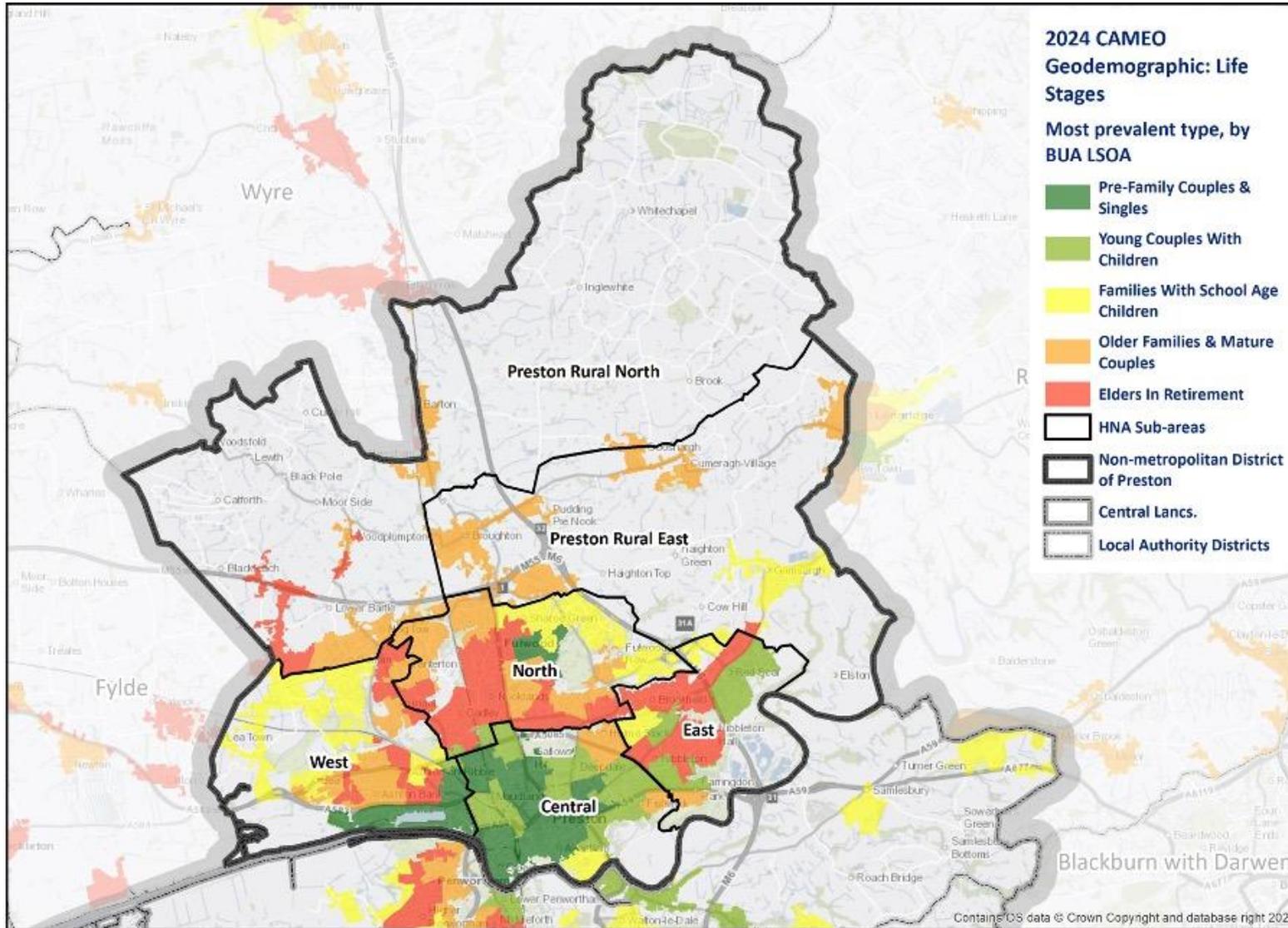
Source: CAMEO UK

Map 2.4   Household characteristics: income type by LSOA, 2024
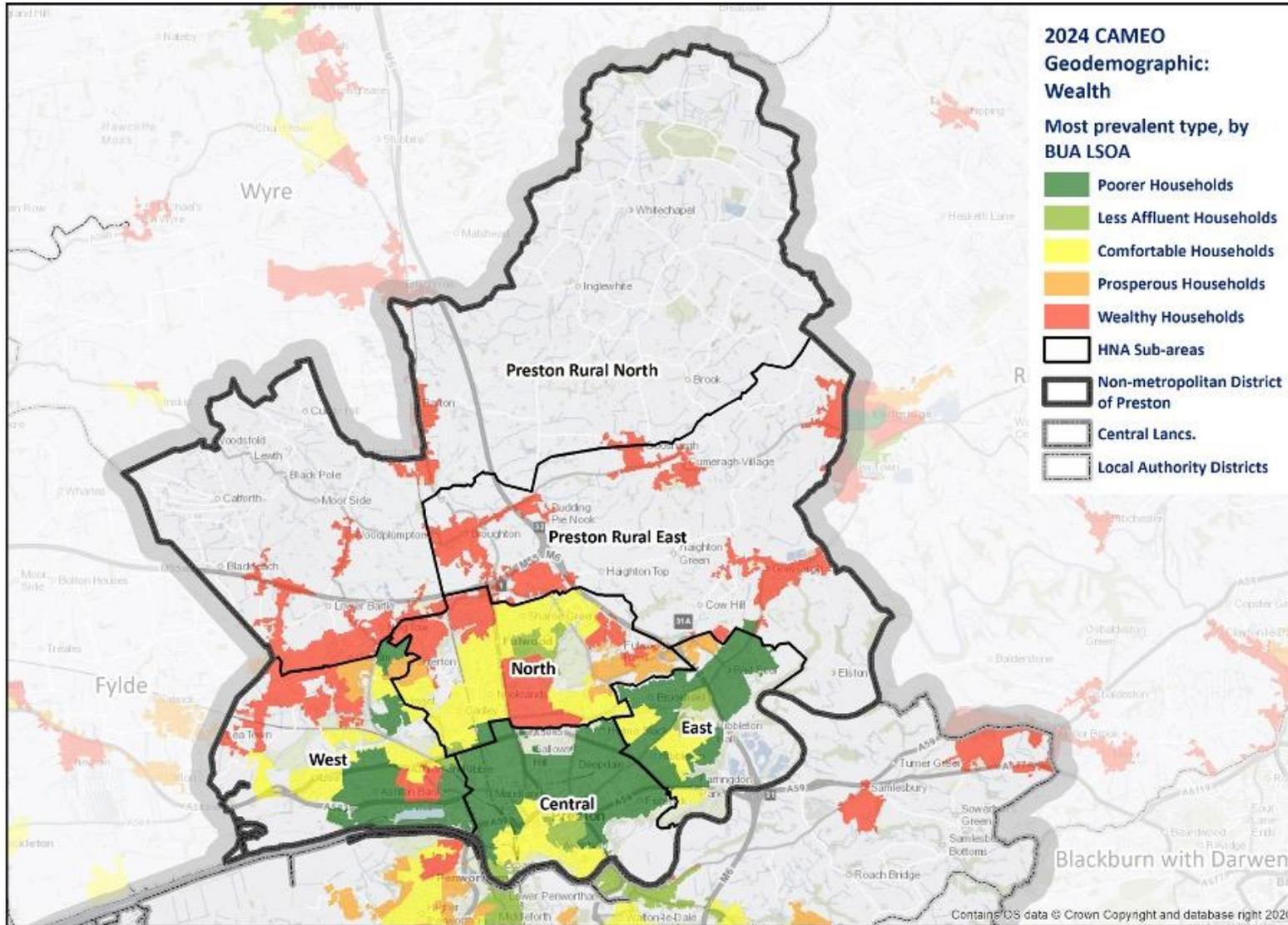
Source: CAMEO UK

Income data

2.59   There are a range of income data sources available to inform this study which are now summarised. 2023 CAMEO income data provide range, quartile, and average data of gross household income by sub-area. ONS Annual Survey of Hours and Earnings data provides gross <u>earnings</u> of economically active residents at the city level. These two sources can provide a realistic estimate of earnings and household income across Preston (Table 2.24).

2.60   The 2023 Annual Survey of Hours and Earnings resident-based data indicates lower quartile earnings are £24,407, median earnings are £33,188, and average earnings are £36,930 across Preston.

Table 2.24   Annual gross household income by sub-area

Sub-area	Ward	Annual gross household income									Lower Quartile	Median	Average
		<£10k	£10k to <£20k	£20k to <£30k	£30k to <£40k	£40k to <£50k	£50k to <£75k	£75k or more	Unknown	Total			
Central	City Centre	21.7%	47.6%	14.7%	3.2%	1.3%	0.3%	0.0%	11.2%	100.0%	£15,000	£15,000	£15,531
	Deepdale	10.3%	71.3%	13.8%	1.7%	0.6%	0.0%	0.0%	2.3%	100.0%	£15,000	£15,000	£15,882
	Fishwick & Frenchwood	12.7%	67.3%	15.2%	1.2%	0.0%	0.0%	0.0%	3.6%	100.0%	£15,000	£15,000	£15,503
	Plungington	23.0%	39.1%	25.2%	2.6%	1.3%	0.0%	0.0%	8.7%	100.0%	£5,000	£15,000	£16,238
	St Matthew's	22.9%	64.0%	7.9%	0.5%	0.5%	0.0%	0.0%	4.2%	100.0%	£15,000	£15,000	£13,683
	TOTAL	**19.1%**	**55.7%**	**15.5%**	**2.0%**	**0.8%**	**0.1%**	**0.0%**	**6.8%**	**100.0%**	**£15,000**	**£15,000**	**£15,360**
East	Brookfield	9.7%	61.9%	20.6%	2.6%	1.3%	3.2%	0.0%	0.6%	100.0%	£15,000	£15,000	£18,555
	Ribbleton	18.1%	55.6%	15.6%	6.3%	0.6%	0.0%	0.0%	3.8%	100.0%	£15,000	£15,000	£16,234
	TOTAL	**14.0%**	**58.7%**	**18.1%**	**4.4%**	**1.0%**	**1.6%**	**0.0%**	**2.2%**	**100.0%**	**£15,000**	**£15,000**	**£17,394**
North	Cadley	2.8%	19.8%	29.9%	25.4%	11.9%	6.2%	1.7%	2.3%	100.0%	£25,000	£25,000	£30,896
	Garrison	5.7%	12.5%	16.1%	19.3%	25.0%	17.7%	1.6%	2.1%	100.0%	£25,000	£35,000	£37,407
	Greyfriars	0.0%	3.6%	16.6%	38.5%	29.6%	11.2%	0.0%	0.6%	100.0%	£35,000	£35,000	£38,705
	Sharoe Green	3.4%	4.1%	13.7%	39.7%	24.7%	7.5%	0.0%	6.8%	100.0%	£35,000	£35,000	£36,415
	TOTAL	**3.1%**	**10.4%**	**19.3%**	**30.0%**	**22.7%**	**11.0%**	**0.9%**	**2.6%**	**100.0%**	**£25,000**	**£35,000**	**£35,838**
West	Ashton	2.1%	19.6%	35.1%	20.6%	11.9%	7.2%	0.0%	3.6%	100.0%	£25,000	£25,000	£29,947
	Ingol & Cottam	6.1%	28.5%	8.4%	14.0%	23.8%	16.8%	0.9%	1.4%	100.0%	£15,000	£35,000	£34,123
	Lea & Larches	3.3%	40.7%	26.0%	14.7%	12.0%	1.3%	0.0%	2.0%	100.0%	£15,000	£25,000	£24,626
	TOTAL	**3.9%**	**28.7%**	**22.4%**	**16.5%**	**16.5%**	**9.3%**	**0.4%**	**2.3%**	**100.0%**	**£15,000**	**£25,000**	**£30,128**
Sub-area	Parish	<£10k	£10k to <£20k	£20k to <£30k	£30k to <£40k	£40k to <£50k	£50k to <£75k	£75k or more	Unknown	Total	Lower Quartile	Median	Average
Rural East	Broughton	0.0%	4.6%	14.9%	14.9%	18.4%	35.6%	8.0%	3.4%	100.0%	£35,000	£45,000	£48,929
	Grimsargh	0.0%	0.0%	9.1%	25.8%	51.5%	12.1%	1.5%	0.0%	100.0%	£35,000	£45,000	£43,371
	Haighton	0.0%	0.0%	0.0%	11.1%	44.4%	22.2%	11.1%	11.1%	100.0%	£45,000	£45,000	£53,438
	Whittingham	0.0%	8.5%	14.1%	29.6%	33.8%	12.7%	1.4%	0.0%	100.0%	£35,000	£35,000	£39,754
	TOTAL	**0.0%**	**3.4%**	**10.3%**	**22.3%**	**32.3%**	**24.7%**	**4.4%**	**2.6%**	**100.0%**	**£35,000**	**£45,000**	**£45,986**
Rural North	Barton	2.8%	0.0%	0.0%	19.4%	41.7%	25.0%	11.1%	0.0%	100.0%	£45,000	£45,000	£51,042
	Goosnargh	0.0%	0.0%	1.7%	22.4%	27.6%	37.9%	5.2%	5.2%	100.0%	£35,000	£45,000	£51,591
	Woodplumpton	6.2%	0.0%	0.8%	7.8%	44.2%	23.3%	14.8%	3.0%	100.0%	£45,000	£45,000	£52,280
	TOTAL	**5.5%**	**0.0%**	**0.6%**	**10.3%**	**43.6%**	**23.6%**	**13.9%**	**2.5%**	**100.0%**	**£45,000**	**£45,000**	**£52,003**
Preston		**9.8%**	**33.4%**	**16.6%**	**13.3%**	**13.7%**	**7.8%**	**1.5%**	**3.9%**	**100.0%**	**£15,000**	**£25,000**	**£27,719**

Source: CAMEO UK

Summary

2.61   Across Preston, there are an estimated 66,025 dwellings and 59,626 households and 4.0% of dwellings are vacant.

2.62   In terms of occupied dwelling stock:

- 58.3% of occupied dwellings are owner-occupied, 22.4% are private rented, and 19.3% are affordable (including social/affordable renting and shared ownership);

- 73.2% of dwellings are houses (32.9% terraced, 25.4% semi-detached, and 14.9% detached), 21.1% are flats, and 5.7% are bungalows; and

- 12.9% of dwellings have one bedroom, 26.2% two bedrooms, 46.4% three bedrooms, and 14.5% four or more bedrooms.

2.63   Over the 14 years 2011/12 to 2023/2024, 9,471 net new dwellings have been built across Preston. In the past 5 years to 2023/2024, an annual net average of 1,439 dwellings have been built across the city.

2.64   2018-based projections estimate a population in 2023 of 143,580 and this is projected to increase by 3.5% to 148,548 by 2041, with the largest increases in the 65-74, 75-84, and 85+ age categories. 2018-based ONS household projections suggest a total of 58,771 households in 2023 and this is projected to increase by 3,614 (6.1%) to 62,384 by 2041. Largest increases will be one person and other households with two or more adults, and households with a Household Reference Person aged 65 and over.

3.　Price, Rents, and Affordability

Introduction

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

House price trends

3.2　Figure 3.1 shows how median house prices in the city have changed over the period 2000 to March 2023, based on full-year Land Registry price paid data. This is compared with Lancashire, the North West, and England.

3.3　Median house prices in the city have been consistently lower than those for Lancashire, the North West and England.

3.4　Overall, median prices have increased from £49,156 in the year 2000 to £160,000 in March 2023, an increase of 225.5%. Table 3.1 sets out comparative house price change over this period, which indicates that this rate of growth is in line with that experienced across Lancashire (+227.3%) but lower than the North West (+254.0%) and England as a whole (+253.7%). Lower quartile prices shown in Table 3.2 have increased from £34,000 in 2000 to £115,000 in March 2023, an increase of 238.2%.

Figure 3.1 **Median house price trends 2000 to 2023 (March): Preston, Lancashire, the North West, and England**
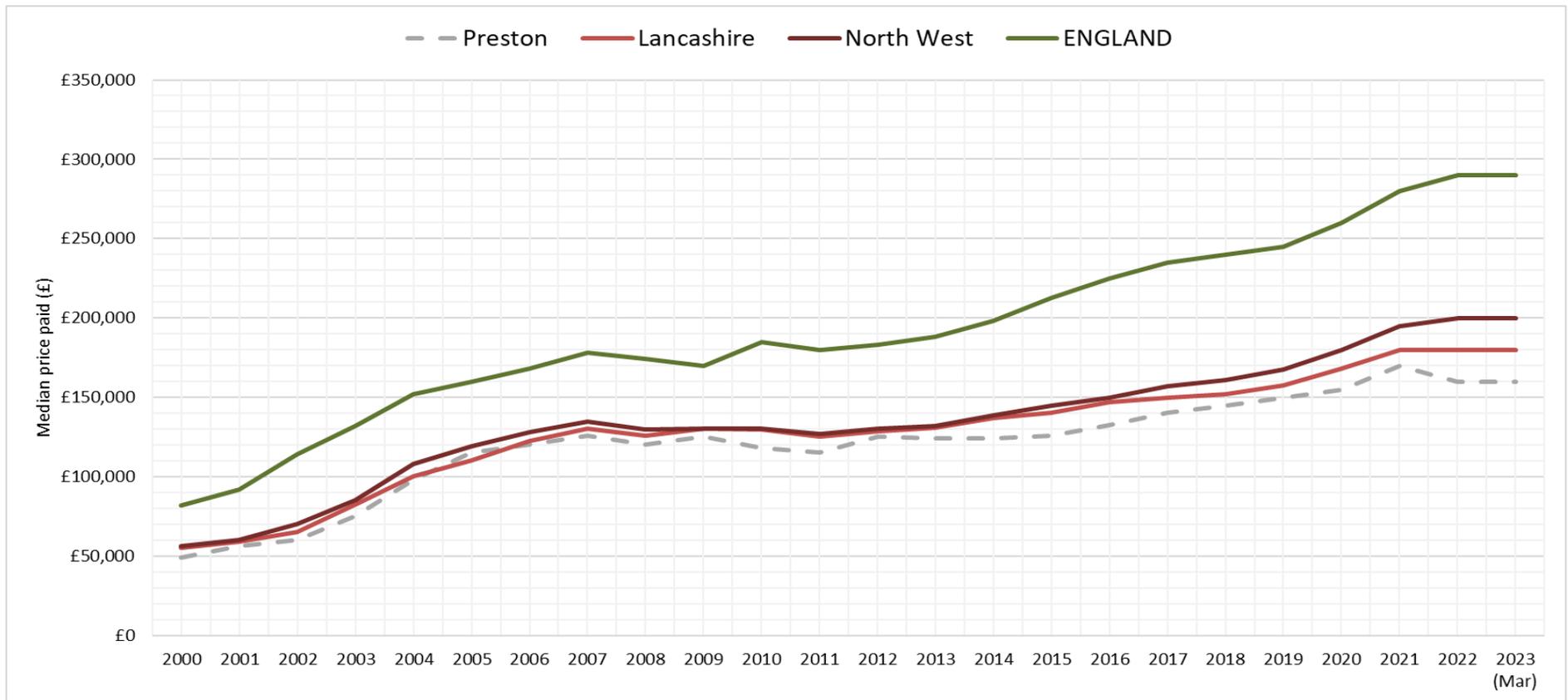
Source: ONS House Price Statistics for Small Areas (HPSSAs) LQ and Median comparator 1995 onwards

Table 3.1   Comparative median house price change 2000-2023 with neighbouring districts, Lancashire, the North West, and England

Location	Median price (£) 2000	Median price (£) 2023 (Mar)	% Change 2000-2023
ENGLAND	£82,000	£290,000	253.7%
North West	£56,500	£200,000	254.0%
Lancashire	£55,000	£180,000	227.3%
Preston	**£49,156**	**£160,000**	**225.5%**
Chorley	£60,000	£200,000	233.3%
Fylde	£71,500	£229,950	221.6%
Ribble Valley	£68,950	£260,000	277.1%
South Ribble	£58,500	£195,000	233.3%
Wyre	£60,000	£182,000	203.3%

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

Table 3.2   Comparative lower quartile price changes 2000-2023 with neighbouring districts, Lancashire, the North West, and England

Location	LQ price (£) 2000	LQ price (£) 2023 (Mar)	% Change 2000-2023
ENGLAND	£54,000	£190,000	251.9%
North West	£37,000	£140,000	278.4%
Lancashire	£36,500	£125,000	242.5%
Preston	**£34,000**	**£115,000**	**238.2%**
Chorley	£44,000	£141,000	220.5%
Fylde	£52,500	£160,000	204.8%
Ribble Valley	£48,500	£185,000	281.4%
South Ribble	£45,000	£150,000	233.3%
Wyre	£46,800	£142,500	204.5%

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

3.5   Table 3.3 sets out the change in house prices by sub-area over the period 2007 to 2023 (Note: Land Registry ward level analysis is only possible from 2007). During this period, median prices increased by +19.0% overall but varies considerably at sub-area level. The table also sets out the lower quartile data for the same period, and shows an overall increase of +11.9% with considerable variation at sub area and ward level.

3.6   Maps 3.1 and 3.2 provide an illustration of lower quartile and median prices using Lower Super Output Area. The maps show a range of market prices with the highest prices in clusters throughout the West sub-area with a larger predominance in the North sub-area (lower quartile) and Preston Rural East (median). Lower prices are more predominantly focused in the Central sub-area with smaller clusters in the North, East and West sub-areas.

Table 3.3   Comparative lower quartile and median house price change 2007-2023 by sub-areas

Sub-area	Ward	LQ house price			Median house price		
		2007	2023	% change	2007	2023	% change
Central	City Centre	£92,750	£93,000	0.3%	£118,000	£115,000	-2.5%
	Deepdale	£80,000	£93,750	17.2%	£94,000	£114,250	21.5%
	Fishwick & Frenchwood	£74,975	£68,500	-8.6%	£90,250	£95,000	5.3%
	Plungington	£97,500	£98,000	0.5%	£118,000	£120,000	1.7%
	St Matthew's	£74,000	£70,000	-5.4%	£84,475	£89,999	6.5%
	TOTAL	**£84,700**	**£86,500**	**2.1%**	**£104,000**	**£107,000**	**2.9%**
East	Brookfield	£87,500	£118,000	34.9%	£119,100	£148,000	24.3%
	Ribbleton	£87,500	£117,000	33.7%	£106,000	£143,000	34.9%
	TOTAL	**£87,500**	**£117,500**	**34.3%**	**£110,000**	**£145,500**	**32.3%**
North	Cadley	£118,375	£135,000	14.0%	£145,500	£179,473	23.3%
	Garrison	£154,000	£154,000	0.0%	£190,000	£225,000	18.4%
	Greyfriars	£168,000	£187,000	11.3%	£190,000	£237,250	24.9%
	Sharoe Green	£139,000	£180,000	29.5%	£162,000	£220,000	35.8%
	TOTAL	**£143,000**	**£160,000**	**11.9%**	**£173,000**	**£212,000**	**22.5%**
West	Ashton	£108,250	£118,000	9.0%	£124,950	£137,000	9.6%
	Ingol & Cottam	£96,500	£110,800	14.8%	£138,450	£169,950	22.8%
	Lea & Larches	£109,000	£120,000	10.1%	£129,950	£146,000	12.4%
	TOTAL	**£105,375**	**£118,000**	**12.0%**	**£129,152**	**£147,996**	**14.6%**
Sub-area	**Parish**	**2007**	**2023**	**% change**	**2007**	**2023**	**% change**
Rural East	Broughton	£215,000	£139,000	-35.3%	£262,500	£304,250	15.9%
	Grimsargh	£177,000	£220,000	24.3%	£225,000	£270,000	20.0%
	Haighton	£195,000	£627,500	221.8%	£319,500	£813,750	154.7%
	Whittingham	£165,000	£130,973	-20.6%	£214,250	£275,000	28.4%
	TOTAL	**£180,000**	**£157,000**	**-12.8%**	**£226,500**	**£275,000**	**21.4%**
Rural North	Barton	£248,000	£255,000	2.8%	£290,000	£365,000	25.9%
	Goosnargh	£286,400	£319,995	11.7%	£411,000	£410,000	-0.2%
	Woodplumpton	£210,000	£154,568	-26.4%	£332,500	£270,000	-18.8%
	TOTAL	**£242,500**	**£176,000**	**-27.4%**	**£333,250**	**£275,000**	**-17.5%**
Preston		**£96,500**	**£108,000**	**11.9%**	**£126,000**	**£149,954**	**19.0%**

Map 3.1   Lower quartile house prices by built up areas with the LSOAs of Preston
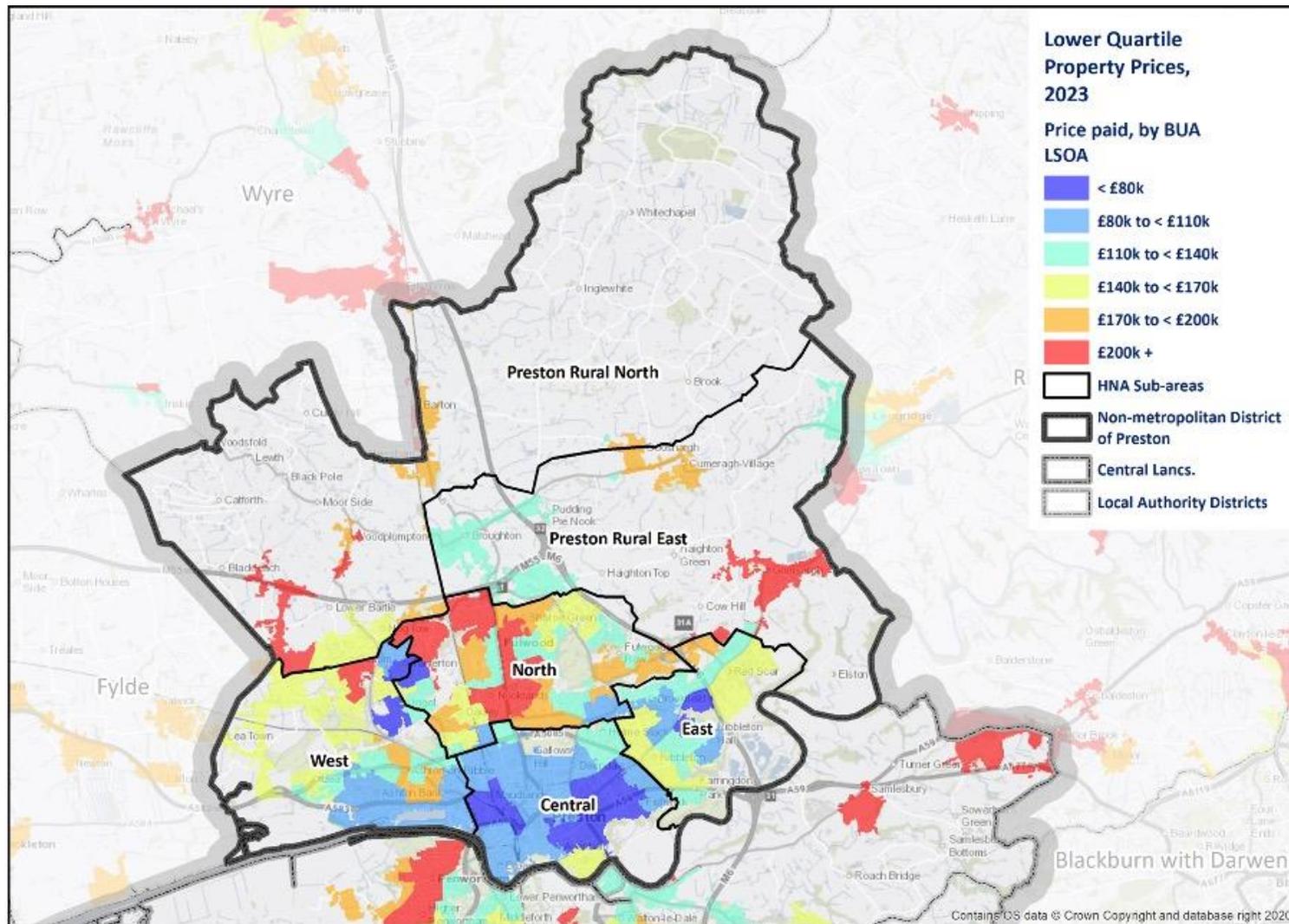
Source: HM Land Registry data © Crown copyright and database right 2023. This data is licensed under the Open Government Licence v3.0

Map 3.2   Median house prices by built up areas with the LSOAs of Preston
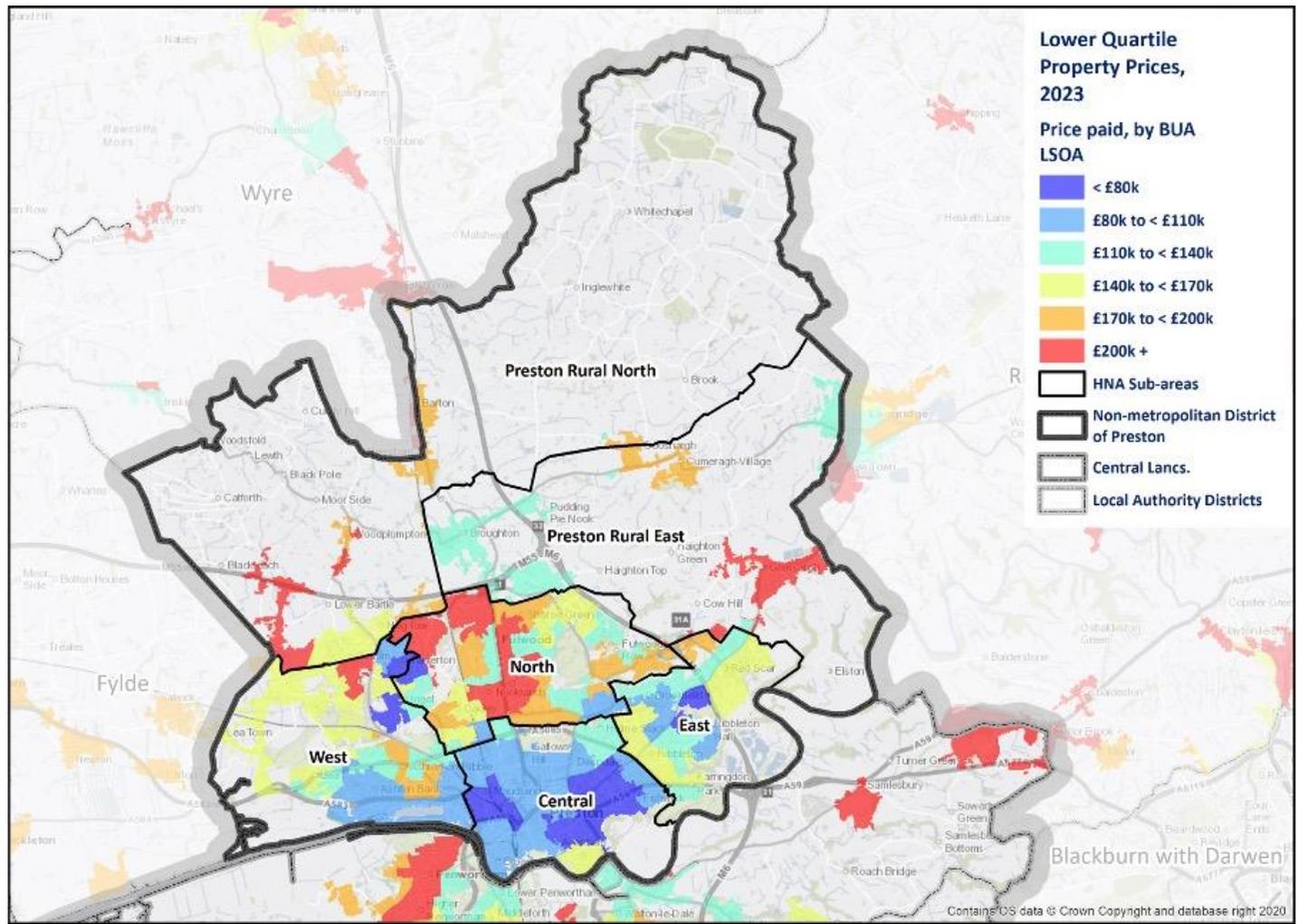
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Private renting

3.7   Table 3.4 provides an overview of the cost of renting privately across the city
        and compares prices with Lancashire, the North West region, and England as a
        whole. Over this time, lower quartile rents have increased by 32.2% and
        median rents have increased by 43.1%. These increases are generally below
        those experienced across Lancashire and other comparator areas with the
        exception of median rent increases which are higher than Lancashire. Table 3.5
        summarises 2023 price data by sub-areas.

Table 3.4   Comparative lower quartile and median rental price 2010-2023

Location	Lower quartile price by year (£)		% change 2010-2023
	2010	2023	
Preston	£472	£624	32.2%
Central Lancs.	£472	£650	37.7%
North West	£472	£693	46.8%
England	£598	£923	54.3%
Location	Median price by year (£)		% change 2010-2023
	2010	2023	
Preston	£524	£750	43.1%
Central Lancs.	£546	£750	37.4%
North West	£546	£901	65.0%
England	£893	£1,473	64.9%

Source: © 2023 Zoopla Limited

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Table 3.5   Lower quartile and median rents by sub-area 2023

Sub-area	Ward	Lower quartile	Median
		(£ each month)	(£ each month)
Central	City Centre	£598	£724
	Deepdale	£650	£750
	Fishwick & Frenchwood	£563	£650
	Plungington	£596	£776
	St Matthew's	£576	£702
	TOTAL	**£598**	**£745**
East	Brookfield	£702	£802
	Ribbleton	£672	£750
	TOTAL	**£693**	**£772**
North	Cadley	£685	£776
	Garrison	£693	£802
	Greyfriars	£702	£897
	Sharoe Green	£793	£899
	TOTAL	**£702**	**£849**
West	Ashton	£624	£702
	Ingol & Cottam	£676	£849
	Lea & Larches	£598	£706
	TOTAL	**£637**	**£724**
Sub-area	**Parish**	**Lower quartile**	**Median**
Rural East	Broughton	£841	£962
	Grimsargh	£724	£875
	Haighton	£1,950	£1,950
	Whittingham	£897	£1,127
	TOTAL	**£849**	**£962**
Rural North	Barton	£550	£1,075
	Goosnargh	£1,148	£1,200
	Woodplumpton	£999	£1,200
	TOTAL	**£1,001**	**£1,179**
Preston		**£624**	**£750**

Source: © 2023 Zoopla Limited

3.8   The amount that can be claimed for assistance with rental costs is capped to a local allowance that varies by area. The cap is estimated by the VOA and published in the form a Local Housing Allowance (LHA) rate for a broad market area. (BRMA). The City of Preston is located within the Central Lancs BRMA. Table 3.6 summarises lower quartile rents, the LHA for the BRMA and the variance between lower quartile rents and the LHA. This shows the considerable shortfall in the amount of rent covered by the LHA.

Table 3.6   Broad Rental Market Area Local Housing Allowance Rates (April 2023) – Central Lancs BRMA

No. of Bedrooms	Rate per week (£)	Monthly rate	2023 LQ rent	Variance between LQ rent and LHA
Shared Accommodation	£66.50	£288	£542	-£254
1 Bedroom	£90.90	£394	£520	-£126
2 Bedroom	£115.07	£499	£676	-£177
3 Bedroom	£132.33	£573	£776	-£203
4 Bedroom	£182.96	£793	£1,049	-£256

Source: Zoopla 2023

3.9   More detailed rental data within built-up areas at a small area level (Lower Super Output Areas) are presented in Map 3.3 (lower quartile) and Map 3.4 (median). This illustrates that rents are generally lower towards the south of the area in Central. West and East sub-areas.

3.10   The private rented sector accommodates a proportion of low-income households that are eligible for assistance with rental costs. Map 3.5 illustrates the proportion of households in receipt of housing benefit assistance across the city. This shows a particularly high concentration in the Central, West and East sub-areas.

Map 3.3   2023 lower quartile rents across Preston by built up areas within LSOAs
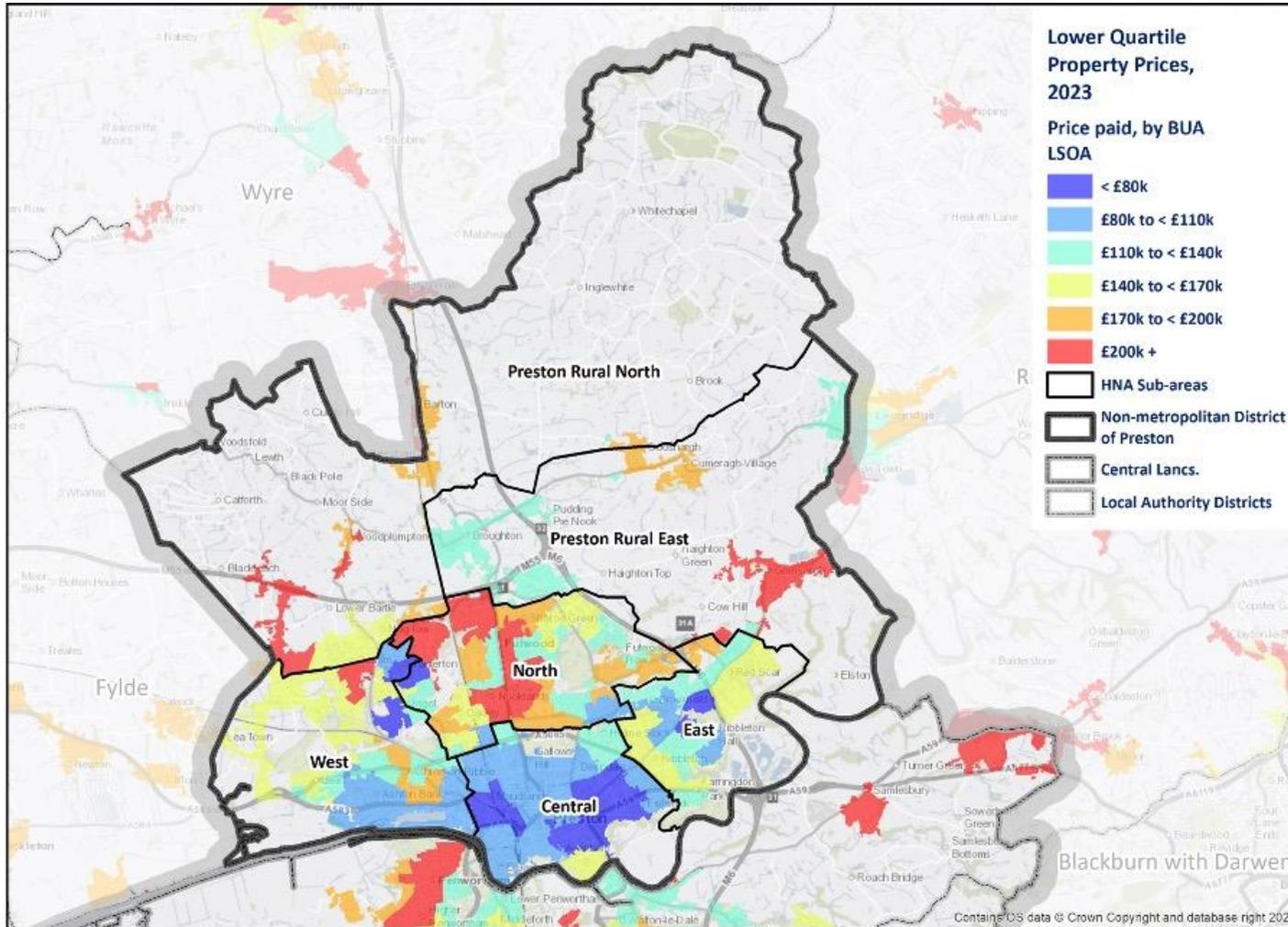
Source: Zoopla Lettings 2023

Map 3.4   2023 median rents across Preston by built up areas within LSOAs
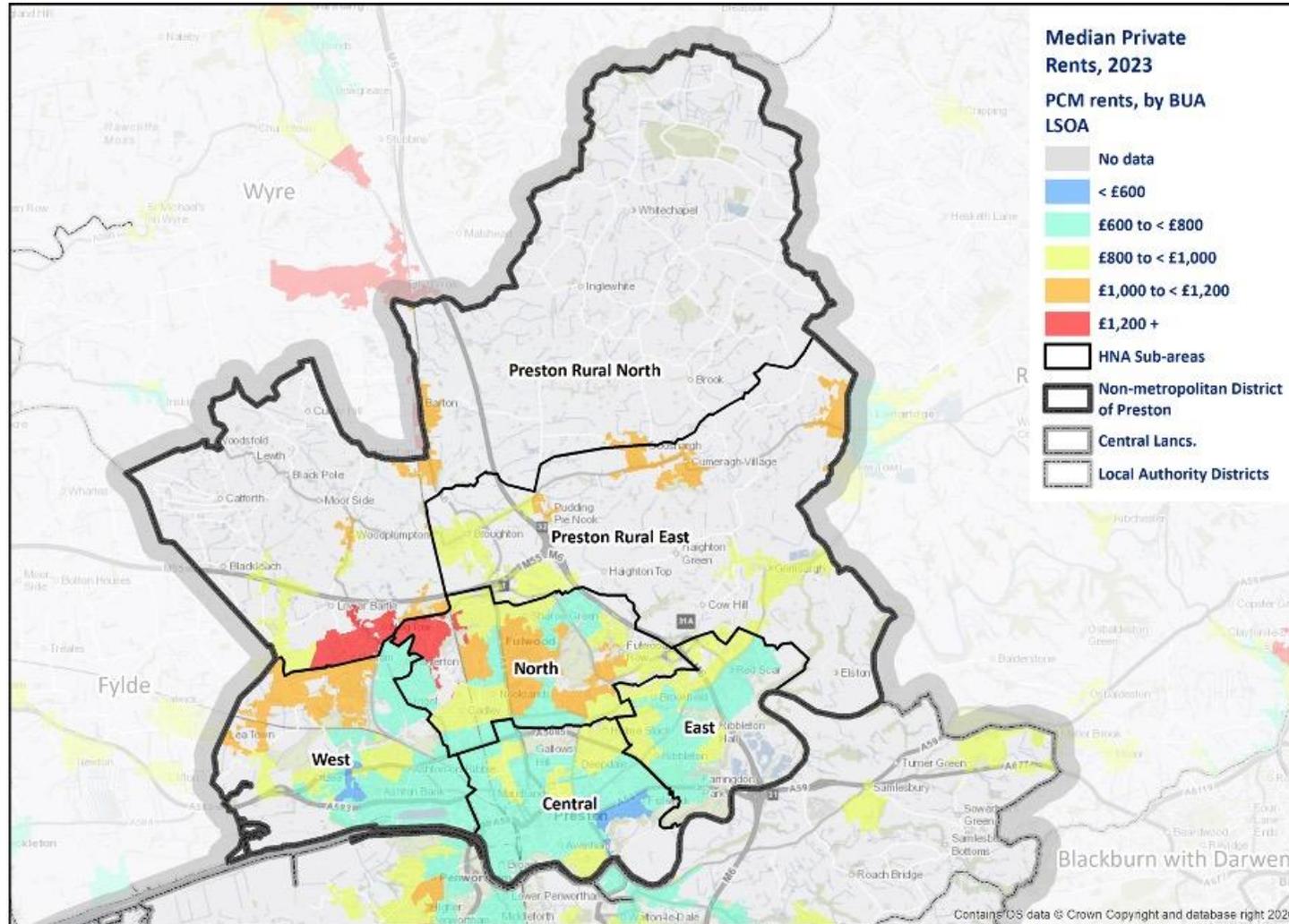
Source: Zoopla Lettings 2023

Map 3.5   Private Rented Sector Non-Passported Housing Benefit 2023
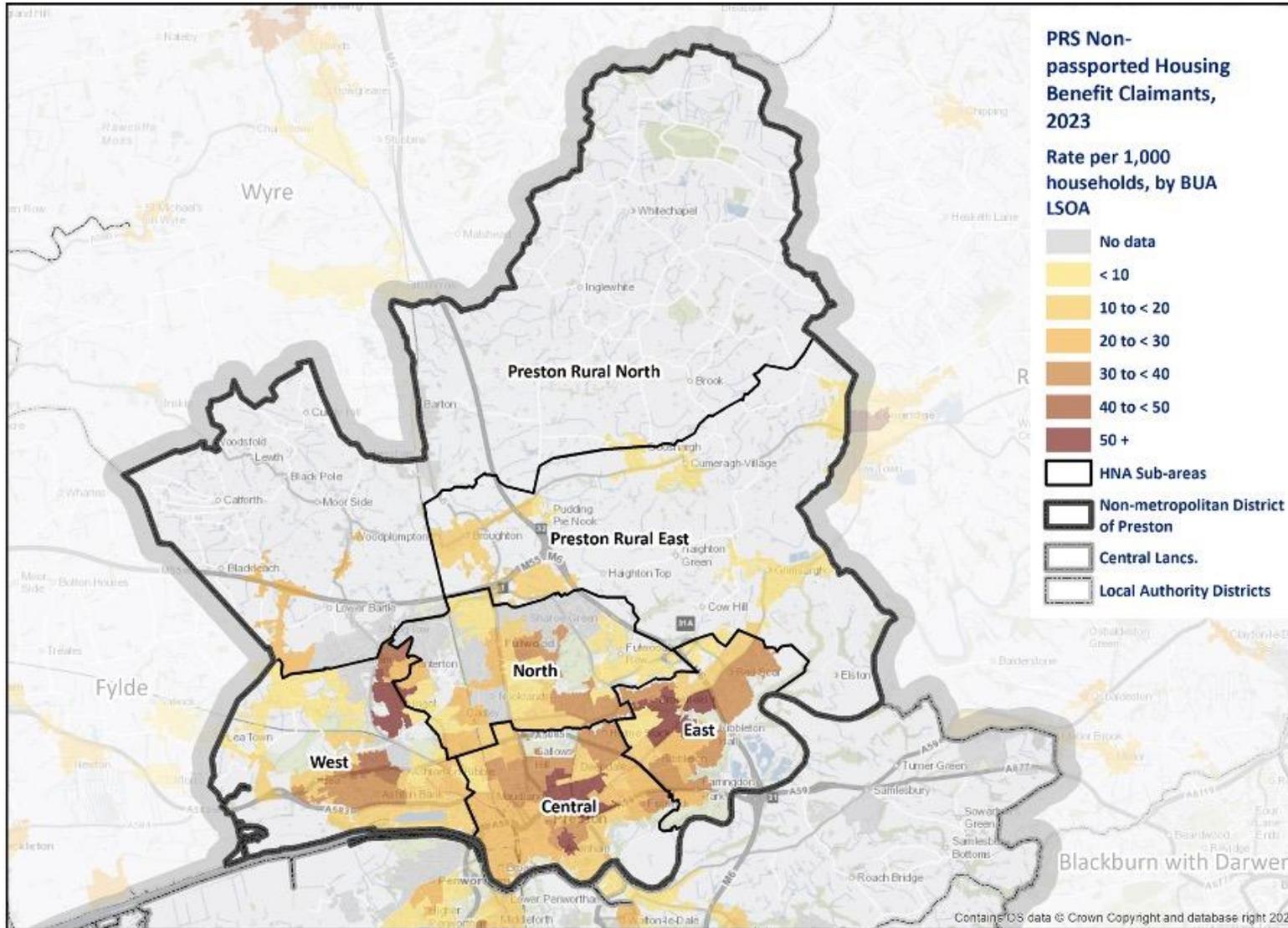
Source: 2023 DWP Stat Xplore

Relative affordability

3.11   The relative affordability of open market dwellings in Preston is compared with the other local authorities in Lancashire and neighbouring local authorities in Table 3.7. These tables are produced by the MHCLG, based on a ratio of earnings to house prices using Land Registry Price Paid and ONS Annual Survey of Hours and Earnings data.

3.12   In terms of relative affordability (ranked based on 2023 least-to-most affordable), Preston is the most affordable local authority area compared with other areas of Lancashire. At a ratio of 5.3, Preston has a lower ratio than Lancashire, the North West and England.

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

Locality	2023 Median	
	Workplace-based	Residence-based
Preston	5.3	4.8
Chorley	6.9	6.2
Fylde	5.7	6.2
Ribble Valley	6.1	6.5
South Ribble	5.9	6.0
Wyre	6.5	5.6
Lancashire	5.7	5.6
North West	6.1	6.1
ENGLAND	8.3	8.3

Sources: ONS Ratio of house price to residence-based and workplace-based earnings

Relative affordability of housing tenure options and defining genuinely affordable housing

3.13   The relative cost of alternative housing options across the city and sub-areas has been considered from two perspectives. Firstly, analysis considers prevailing prices at housing market sub-area level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.

3.14   The starting point for assessing thresholds for what is affordable and not affordable are as follows:

- For renting, 25% of gross household income is used as the 'tipping point' for affordability, with properties not affordable if more than 25% of income is spent on rent. There is no official guidance on what proportion of income

should be used. Former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income; and

- For buying, affordability is based on a 3.5x gross household income multiple. Former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household with a single earner and 2.9x for a dual earner.

3.15 The former 2007 SHMA guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.

3.16 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered. This is the maximum single or joint household income multiple offered by First Direct for example.

3.17 For this study, the following assumptions are considered by arc4 with reference to affordability is:

- For buying up to 3.5x gross household income; and
- For renting up to 25% gross household income.

3.18 Table 3.8 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties. The cost of alternative affordable and market tenure options by sub-area is set out in Table 3.9. Table 3.10 shows the gross household incomes needed to afford the tenure based on the 25% rental and 3.5x income multiples. Table 3.11 considers the impact of deposits on sale price.

3.19 This analysis indicates that for open market housing at citywide-level, the minimum income required is £29,952 (for lower quartile or entry-level renting) or £27,771 (for lower quartile or entry-level house prices). These amounts do vary by sub-area, for example income requirements for entry-level renting range between £28,704 in the Central sub-area and £48,048 in Preston Rural North. For entry-level home ownership, income requirements range between £22,243 in Central and £45,257 in Preston Rural North.

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

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Social rent	2023 average prices	25% of income	Regulator of Social Housing Statistical Data Return 2023
Affordable rent	80% of median market rent	25% of income	GLA 2023-23
Market Rent – lower quartile	2023 prices	25% of income	Zoopla 2023
Market Rent – median	2023 prices	25% of income	Zoopla 2023
Market Sale – lower quartile	2023 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – median	2023 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – average	2023 prices	90% LTV, 3.5x income	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required; annual service charge £395, Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20%, 5% deposit required, annual service charge £395. Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Help to Buy	Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5%. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from yr7 at RPI+1%	70% LTV, 3.5x income	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 30%	70% of median price (note this is comparable to the proposed government First Home tenure option). Mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 30%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 25%	75% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 25%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 20%	80% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 20%	Assumptions applied to Land Registry Price Paid data

Table 3.9   Cost of alternative tenure options sub-area and Preston

Tenure option	Price / equity requirement (2023)	Sub-area					
	Preston	Central	East	North	Preston Rural East	Preston Rural North	West
Social Rent (average)	£364	£364	£364	£364	£364	£364	£364
Affordable Rent	£600	£596	£618	£679	£770	£943	£579
Market Rent - Lower Quartile	£624	£598	£693	£702	£849	£1,001	£637
Market Rent – Median	£750	£745	£772	£849	£962	£1,179	£724
Market Rent – Average	£972	£999	£831	£950	£1,025	£1,200	£802
Market Sale - Lower Quartile	£108,000	£86,500	£117,500	£160,000	£157,000	£176,000	£118,000
Market Sale – Median	£149,954	£107,000	£145,500	£212,000	£275,000	£275,000	£147,996
Market Sale – Average	£224,561	£199,952	£201,411	£232,464	£337,686	£323,285	£185,981
Shared ownership (50%)	£74,977	£53,500	£72,750	£106,000	£137,500	£137,500	£73,998
Shared ownership (25%)	£37,489	£26,750	£36,375	£53,000	£68,750	£68,750	£36,999
Help to buy	£112,466	£80,250	£109,125	£159,000	£206,250	£206,250	£110,997
Discounted Home Ownership (30%)	£104,968	£74,900	£101,850	£148,400	£192,500	£192,500	£103,597
Discounted Home Ownership (25%)	£112,466	£80,250	£109,125	£159,000	£206,250	£206,250	£110,997
Discounted Home Ownership (20%)	£119,963	£85,600	£116,400	£169,600	£220,000	£220,000	£118,397

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

Tenure option	Income required (2023)	Sub-area					
	Preston	Central	East	North	Preston Rural East	Preston Rural North	West
Social Rent (average)	£17,470	£17,470	£17,470	£17,470	£17,470	£17,470	£17,470
Affordable Rent	£28,800	£28,608	£29,645	£32,602	£36,941	£45,274	£27,802
Market Rent - Lower Quartile	£29,952	£28,704	£33,264	£33,696	£40,752	£48,048	£30,576
Market Rent – Median	£36,000	£35,760	£37,056	£40,752	£46,176	£56,592	£34,752
Market Rent – Average	£46,656	£47,952	£39,888	£45,600	£49,200	£57,600	£38,496
Market Sale - Lower Quartile	£27,771	£22,243	£30,214	£41,143	£40,371	£45,257	£30,343
Market Sale – Median	£38,560	£27,514	£37,414	£54,514	£70,714	£70,714	£38,056
Market Sale – Average	£57,744	£51,416	£51,791	£59,776	£86,834	£83,130	£47,824
Shared ownership (50%)	£28,967	£21,082	£28,150	£40,357	£51,922	£51,922	£28,608
Shared ownership (25%)	£23,451	£17,146	£22,797	£32,559	£41,806	£41,806	£23,164
Help to buy	£27,849	£19,871	£27,021	£39,371	£51,071	£51,071	£27,485
Discounted Home Ownership (30%)	£26,992	£19,260	£26,190	£38,160	£49,500	£49,500	£26,639
Discounted Home Ownership (25%)	£28,920	£20,636	£28,061	£40,886	£53,036	£53,036	£28,542
Discounted Home Ownership (20%)	£30,848	£22,011	£29,931	£43,611	£56,571	£56,571	£30,445

Source: Data produced by Land Registry © Crown copyright 2023, Zoopla 2023, CLG

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

Market sale price	Amount of deposit				City Average Price
	10%	20%	30%	40%	
Market sale - lower quartile	£97,200	£86,400	£75,600	£64,800	£108,000
Market sale - median	£134,959	£119,963	£104,968	£89,972	£149,954
Market sale - average	£202,105	£179,649	£157,193	£134,737	£224,561
Household income required (3.5x multiple)	10%	20%	30%	40%	
Market sale - lower quartile	£27,771	£24,686	£21,600	£18,514	
Market sale - median	£38,560	£34,275	£29,991	£25,706	
Market sale - average	£57,744	£51,328	£44,912	£38,496	
Household income required (5x multiple)	10%	20%	30%	40%	
Market sale - lower quartile	£19,440	£17,280	£15,120	£12,960	
Market sale - median	£26,992	£23,993	£20,994	£17,994	
Market sale - average	£40,421	£35,930	£31,439	£26,947	

Source: Data derived from Land Registry © Crown copyright 2023

3.20   Figure 3.2 summarises in graphical form the relative affordability of alternative tenures at citywide level, setting out the income and deposit required for different options set against prevailing lower quartile and median earnings. It uses lower quartile and median earnings derived from the ONS Annual Survey of Hours and Earnings for 2022.

3.21   This indicates that social renting and shared ownership are affordable for households with lower quartile earners. For households with median income earners, a broader range of tenure options are available, including shared ownership, help to buy, discounted home ownership, and lower quartile market rent.

Figure 3.2   Preston household income and housing costs
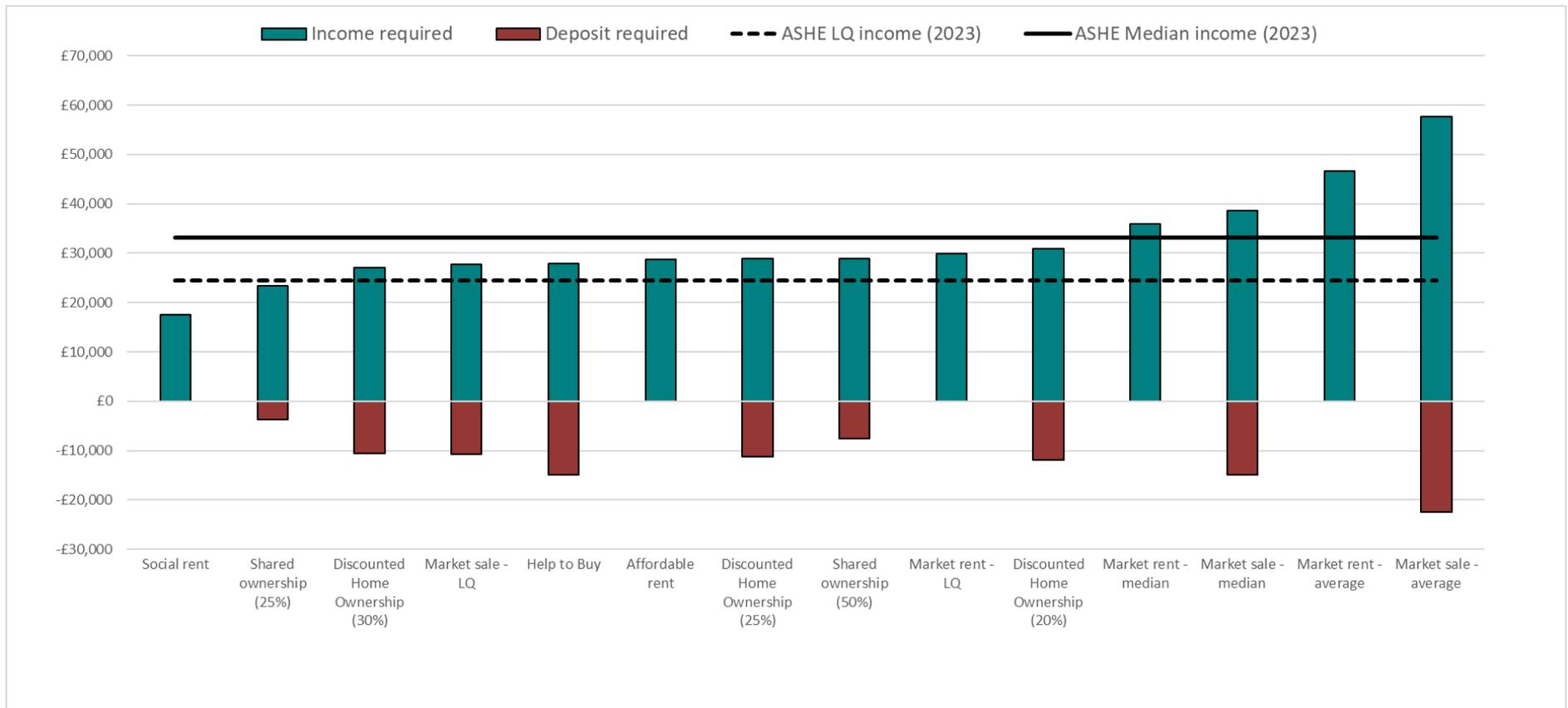
Source: Data produced by Land Registry © Crown copyright 2023, Zoopla 2023, CLG, ASHE 2012

Note: The deposit requirements are shown on the table as a negative number

What is genuinely affordable housing in the Preston context?

3.22   Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the city and how this relates to prevailing prices. This analysis helps to establish what is genuinely affordable based on reasonable income multipliers for renting and buying. The analysis takes into account:

- Lower quartile and median household incomes from the 2023 CAMEO data;

- 2023 entry-level incomes from a range of key worker occupations;

- Incomes associated with 2023 minimum and living wages (using single, dual income, and 1.5x income measures);

- The proportion of income a household would need to spend on rent;

- The extent to which affordable rental options are genuinely affordable to households; and

- The extent to which households could afford home ownership based on multiples of household income, with up to 4x being affordable.

Genuinely affordable rents

3.23   Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the city and how this relates to current market prices and rents. The analysis helps to establish the extent to which different tenures are affordable and what are genuinely affordable prices and rents based on local incomes.

3.24   Table 3.12 focuses on the affordability of market renting and shows the cost of renting a lower quartile and median priced property by sub-area and ward, how this compares with incomes, and what would be genuinely affordable based on local incomes. For example, lower quartile rents are £624 across Preston where the lower quartile income is £1,250. This means that a household is spending 49.9% of income on rent. To be genuinely affordable, that is, costing no more than 25% of gross income, a lower quartile rent should be £313 each month and median rent should be £750 each month. There are affordability issues in most urban wards most parishes.

Affordable home ownership options

3.25   Table 3.13 focuses on the affordability of home ownership and shows the cost of buying a lower quartile and median-priced property. This shows that prices are generally unaffordable, with only two parishes across Preston (less than the 3.5x recommended figure). Citywide, a property should cost no more than £52,500 to be affordable to households on lower quartile incomes and £87,500 to households on median incomes.

Table 3.12　　Affordability of private rents by sub-area

Sub-area	Ward	LQ Rent and Income				Median rent and income			
		Actual LQ rent 2023	LQ Gross household income 2023 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2023	Median Gross household income 2023 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income
Central	City Centre	£598	£1,250	47.8	£313	£724	£1,250	57.9	£313
	Deepdale	£650	£1,250	52.0	£313	£750	£1,250	60.0	£313
	Fishwick & Frenchwood	£563	£1,250	45.0	£313	£650	£1,250	52.0	£313
	Plungington	£596	£417	143.0	£104	£776	£1,250	62.1	£313
	St Matthew's	£576	£1,250	46.1	£313	£702	£1,250	56.2	£313
	TOTAL	**£598**	**£1,250**	**47.8**	**£313**	**£745**	**£1,250**	**59.6**	**£313**
East	Brookfield	£702	£1,250	56.2	£313	£802	£1,250	64.2	£313
	Ribbleton	£672	£1,250	53.8	£313	£750	£1,250	60.0	£313
	TOTAL	**£693**	**£1,250**	**55.4**	**£313**	**£772**	**£1,250**	**61.8**	**£313**
North	Cadley	£685	£2,083	32.9	£521	£776	£2,083	37.2	£521
	Garrison	£693	£2,083	33.3	£521	£802	£2,917	27.5	£729
	Greyfriars	£702	£2,917	24.1	£729	£897	£2,917	30.8	£729
	Sharoe Green	£793	£2,917	27.2	£729	£899	£2,917	30.8	£729
	TOTAL	**£702**	**£2,083**	**33.7**	**£521**	**£849**	**£2,917**	**29.1**	**£729**
West	Ashton	£624	£2,083	30.0	£521	£702	£2,083	33.7	£521
	Ingol & Cottam	£676	£1,250	54.1	£313	£849	£2,917	29.1	£729
	Lea & Larches	£598	£1,250	47.8	£313	£706	£2,083	33.9	£521
	TOTAL	**£637**	**£1,250**	**51.0**	**£313**	**£724**	**£2,083**	**34.8**	**£521**
Sub-area	**Parish**	Actual LQ rent 2023	LQ Gross household income 2023 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2023	Median Gross household income 2023 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income
Rural East	Broughton	£841	£2,917	28.8	£729	£962	£3,750	25.7	£938
	Grimsargh	£724	£2,917	24.8	£729	£875	£3,750	23.3	£938
	Haighton	£1,950	£3,750	52.0	£938	£1,950	£3,750	52.0	£938
	Whittingham	£897	£2,917	30.8	£729	£1,127	£2,917	38.6	£729
	TOTAL	**£849**	**£2,917**	**29.1**	**£729**	**£962**	**£3,750**	**25.7**	**£938**
Rural North	Barton	£550	£3,750	14.7	£938	£1,075	£3,750	28.7	£938
	Goosnargh	£1,148	£2,917	39.4	£729	£1,200	£3,750	32.0	£938
	Woodplumpton	£999	£3,750	26.6	£938	£1,200	£3,750	32.0	£938
	TOTAL	**£1,001**	**£3,750**	**26.7**	**£938**	**£1,179**	**£3,750**	**31.4**	**£938**
Preston		**£624**	**£1,250**	**49.9**	**£313**	**£750**	**£2,083**	**36.0**	**£521**

Key

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

Sources: CAMEO

arc⁴

Table 3.13   Affordability of owner-occupation by sub-area

Sub-area	Ward	LQ Rent and Income				Median rent and income			
		Actual LQ price 2023	LQ Gross household income 2023 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual median price 2023	Median Gross household income 2023 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
Central	City Centre	£93,000	£15,000	5.6	£52,500	£115,000	£15,000	6.9	£52,500
	Deepdale	£93,750	£15,000	5.6	£52,500	£114,250	£15,000	6.9	£52,500
	Fishwick & Frenchwood	£68,500	£15,000	4.1	£52,500	£95,000	£15,000	5.7	£52,500
	Plungington	£98,000	£5,000	17.6	£17,500	£120,000	£15,000	7.2	£52,500
	St Matthew's	£70,000	£15,000	4.2	£52,500	£89,999	£15,000	5.4	£52,500
	TOTAL	**£86,500**	**£15,000**	**5.2**	**£52,500**	**£107,000**	**£15,000**	**6.4**	**£52,500**
East	Brookfield	£118,000	£15,000	7.1	£52,500	£148,000	£15,000	8.9	£52,500
	Ribbleton	£117,000	£15,000	7.0	£52,500	£143,000	£15,000	8.6	£52,500
	TOTAL	**£117,500**	**£15,000**	**7.1**	**£52,500**	**£145,500**	**£15,000**	**8.7**	**£52,500**
North	Cadley	£135,000	£25,000	4.9	£87,500	£179,473	£25,000	6.5	£87,500
	Garrison	£154,000	£25,000	5.5	£87,500	£225,000	£35,000	5.8	£122,500
	Greyfriars	£187,000	£35,000	4.8	£122,500	£237,250	£35,000	6.1	£122,500
	Sharoe Green	£180,000	£35,000	4.6	£122,500	£220,000	£35,000	5.7	£122,500
	TOTAL	**£160,000**	**£25,000**	**5.8**	**£87,500**	**£212,000**	**£35,000**	**5.5**	**£122,500**
West	Ashton	£118,000	£25,000	4.2	£87,500	£137,000	£25,000	4.9	£87,500
	Ingol & Cottam	£110,800	£15,000	6.6	£52,500	£169,950	£35,000	4.4	£122,500
	Lea & Larches	£120,000	£15,000	7.2	£52,500	£146,000	£25,000	5.3	£87,500
	TOTAL	**£118,000**	**£15,000**	**7.1**	**£52,500**	**£147,996**	**£25,000**	**5.3**	**£87,500**
Sub-area	Parish	Actual LQ price 2023	LQ Gross household income 2023 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual median price 2023	Median Gross household income 2023 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
Rural East	Broughton	£139,000	£35,000	3.6	£122,500	£304,250	£45,000	6.1	£157,500
	Grimsargh	£220,000	£35,000	5.7	£122,500	£270,000	£45,000	5.4	£157,500
	Haighton	£627,500	£45,000	12.6	£157,500	£813,750	£45,000	16.3	£157,500
	Whittingham	£130,973	£35,000	3.4	£122,500	£275,000	£35,000	7.1	£122,500
	TOTAL	**£157,000**	**£35,000**	**4.0**	**£122,500**	**£275,000**	**£45,000**	**5.5**	**£157,500**
Rural North	Barton	£255,000	£45,000	5.1	£157,500	£365,000	£45,000	7.3	£157,500
	Goosnargh	£319,995	£35,000	8.2	£122,500	£410,000	£45,000	8.2	£157,500
	Woodplumpton	£154,568	£45,000	3.1	£157,500	£270,000	£45,000	5.4	£157,500
	TOTAL	**£176,000**	**£45,000**	**3.5**	**£157,500**	**£275,000**	**£45,000**	**5.5**	**£157,500**
Preston		**£108,000**	**£15,000**	**6.5**	**£52,500**	**£149,954**	**£25,000**	**5.4**	**£87,500**

Key

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

Sources: CAMEO

arc⁴

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

3.26   The extent to which citywide open market rents are affordable to selected keyworkers and households on minimum and living wages are explored in Table 3.14. Most key workers on entry-level grades are having to spend more than 25% of their income on rent.

3.27   Table 3.15 considers the income multiples needed to buy a property based on the incomes of selected key workers and households on minimum/living wages. Analysis assumed that a 10% deposit was available and indicates that multiples in excess of 3.5x were generally needed when buying a property.

Table 3.14   Incomes of key workers and households on minimum/living wage and rental affordability

Income/Occupation/ Wage	Gross household income 2023 (Annual £)	Gross household income 2023 (Monthly £)	LQ Rent	Median Rent	LQ Rent	Median Rent
Police officer						
Pay Point 2	£29,751	£2,479	25.2	30.3	£624	£750
Pay Point 4	£32,163	£2,680	23.3	28.0	£624	£750
Nurse						
Band 1	£22,383	£1,865	33.5	40.2	£624	£750
Band 3	£22,816	£1,901	32.8	39.4	£624	£750
Band 5	£28,407	£2,367	26.4	31.7	£624	£750
Fire officer						
Trainee	£27,178	£2,265	27.6	33.1	£624	£750
Competent	£36,226	£3,019	20.7	24.8	£624	£750
Teacher						
Unqualified (min)	£20,598	£1,717	36.4	43.7	£624	£750
Main pay range (min)	£30,000	£2,500	25.0	30.0	£624	£750
Minimum/Living Wage						
Age 23 and over						
Single household	£20,319	£1,693	36.9	44.3	£624	£750
1xFull-time, 1xPart-time	£30,479	£2,540	24.6	29.5	£624	£750
Two working adults	£40,638	£3,387	18.4	22.1	£624	£750
Age 21 and 22						
Single household	£19,851	£1,654	37.7	45.3	£624	£750
1xFull-time, 1xPart-time	£29,777	£2,481	25.1	30.2	£624	£750
Two working adults	£39,702	£3,309	18.9	22.7	£624	£750

Key

(pink)	More than 35% of income spent on rent
(yellow)	Between 25% and 35% of income spent on rent
(green)	Less than 25% of income spent on rent

Table 3.15   Incomes of households, selected key workers, and households on minimum/living wage and open market prices

Property prices		LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to Buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>		£108,000	£149,954	£74,977	£37,489	£112,466	£104,968	£112,466	£119,963
Price after deposit/loan>>		£97,200	£134,959	£67,479	£33,740	£97,470	£94,471	£101,219	£107,967
Gross household income 2023 (Annual £)		**Ratio of house price to income**							
CAMEO UK Household Income	LQ income £15,000	6.5	9.0	4.5	2.2	6.5	6.3	6.7	7.2
	Median income £25,000	3.9	5.4	2.7	1.3	3.9	3.8	4.0	4.3
	Average income £27,719	3.5	4.9	2.4	1.2	3.5	3.4	3.7	3.9
ONS Annual Survey of Hours and Earnings	ASHE LQ £24,407	4.0	5.5	2.8	1.4	4.0	3.9	4.1	4.4
	ASHE Median £33,188	2.9	4.1	2.0	1.0	2.9	2.8	3.0	3.3
	ASHE Average £36,930	2.6	3.7	1.8	0.9	2.6	2.6	2.7	2.9
Occupation	**Wage**	**Ratio of house price to income**							
Police officer*									
Pay point 2	£29,751	3.3	4.5	2.3	1.1	3.3	3.2	3.4	3.6
Pay point 4	£32,163	3.0	4.2	2.1	1.0	3.0	2.9	3.1	3.4
Nurse**									
Band 1	£22,383	4.3	6.0	3.0	1.5	4.4	4.2	4.5	4.8
Band 3	£22,816	4.3	5.9	3.0	1.5	4.3	4.1	4.4	4.7
Band 5	£28,407	3.4	4.8	2.4	1.2	3.4	3.3	3.6	3.8
Fire officer**									
Trainee	£27,178	3.6	5.0	2.5	1.2	3.6	3.5	3.7	4.0
Competent	£36,226	2.7	3.7	1.9	0.9	2.7	2.6	2.8	3.0
Teacher***									
Unqualified (min)	£20,598	4.7	6.6	3.3	1.6	4.7	4.6	4.9	5.2
Main pay range (min)	£30,000	3.2	4.5	2.2	1.1	3.2	3.1	3.4	3.6
Minimum/living wage****									
Single household (25 and over)	£20,319	4.8	6.6	3.3	1.7	4.8	4.6	5.0	5.3
1xFull-time, 1xPart-time	£30,479	3.2	4.4	2.2	1.1	3.2	3.1	3.3	3.5
Two working adults	£40,638	2.4	3.3	1.7	0.8	2.4	2.3	2.5	2.7
Single household (21-24)	£19,851	4.9	6.8	3.4	1.7	4.9	4.8	5.1	5.4
1xFull-time, 1xPart-time	£29,777	3.3	4.5	2.3	1.1	3.3	3.2	3.4	3.6
Two working adults	£39,702	2.4	3.4	1.7	0.8	2.5	2.4	2.5	2.7

Key

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

arc⁴

Concluding comments

3.28   In 2023, lower quartile house prices were £108,000 and median prices were £150,000 across Preston. Prices across the city were lower compared with Lancashire and the North West. Lower quartile private rents in 2023 were £624 and median rents were £750.

3.29   The relative affordability of dwellings to buy or rent was explored at sub-area level. Across Preston, the minimum income required for entry-level/lower quartile renting was around £29,952. For buying an entry-level/lower quartile property, the minimum income required was around £27,771. These calculations assumed that a rent is affordable if no more than 25% of household income is spent on rent and, if buying a property, should cost no more than 3.5x household income.

3.30   Analysis considered the affordability of rents and prices at district level. Overall, households had to spend 49.9% of lower quartile income on a lower quartile rent and 36.0% of median income for median rents. Rents were relatively more affordable in just three parishes. Notable affordability pressures are identified across all sub-areas, where the proportion of lower quartile income needed for lower quartile rents was generally above 26%.

3.31   For open market purchase, the ratio of lower quartile income to price across Preston was 6.5x and for median income to median price it was 5.4x. The median ratio is above the benchmark of 3.5x income and ratio. Without substantial deposits, the ability to buy is a challenge to many households.

3.32   Specific analysis of the affordability of renting and buying for key worker incomes and those on minimum/living wages was carried out. Key workers on entry-level grades are generally having to spend more than 25% of their income on rent.

3.33   Private renting was generally unaffordable for those in key worker occupations and those on minimum or living wage, with most having to spend more than 25% of income on rent. Single earners on minimum/living wage have to spend nearly 40% of their income on lower quartile rents.

3.34   For buying, analysis assumed that a 10% deposit was available but indicated that income multiples in excess of 3x were generally needed to buy on the open market.

3.35   Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent and purchase price across Preston (Table 3.16). This is based on local incomes and assumes that no more than 25% of income is spent on rent and a household income multiple of 3.5x is applied to local household incomes when testing the affordability of buying. These figures should be considered when considering the extent to which new affordable housing is truly affordable.

Table 3.16   Genuinely affordable rents and purchase prices by sub-area

Sub-area	Ward	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Central	City Centre	£313	£313	£52,500	£52,500
	Deepdale	£313	£313	£52,500	£52,500
	Fishwick & Frenchwood	£313	£313	£52,500	£52,500
	Plungington	£104	£313	£17,500	£52,500
	St Matthew's	£313	£313	£52,500	£52,500
	TOTAL	**£313**	**£313**	**£52,500**	**£52,500**
East	Brookfield	£313	£313	£52,500	£52,500
	Ribbleton	£313	£313	£52,500	£52,500
	TOTAL	**£313**	**£313**	**£52,500**	**£52,500**
North	Cadley	£521	£521	£87,500	£87,500
	Garrison	£521	£729	£87,500	£122,500
	Greyfriars	£729	£729	£122,500	£122,500
	Sharoe Green	£729	£729	£122,500	£122,500
	TOTAL	**£521**	**£729**	**£87,500**	**£122,500**
West	Ashton	£521	£521	£87,500	£87,500
	Ingol & Cottam	£313	£729	£52,500	£122,500
	Lea & Larches	£313	£521	£52,500	£87,500
	TOTAL	**£313**	**£521**	**£52,500**	**£87,500**

Sub-area	Parish	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
Rural East	Broughton	£729	£938	£122,500	£157,500
	Grimsargh	£729	£938	£122,500	£157,500
	Haighton	£938	£938	£157,500	£157,500
	Whittingham	£729	£729	£122,500	£122,500
	TOTAL	**£729**	**£938**	**£122,500**	**£157,500**
Rural North	Barton	£938	£938	£157,500	£157,500
	Goosnargh	£729	£938	£122,500	£157,500
	Woodplumpton	£938	£938	£157,500	£157,500
	TOTAL	**£938**	**£938**	**£157,500**	**£157,500**
Preston		**£313**	**£521**	**£52,500**	**£87,500**

4. The Needs of Different Groups

Introduction

4.1   Paragraph 63 of the NPPF refers to housing needs for different groups in the community and these fall into two broad groups: housing for people with additional needs and housing for specific household types.

Housing for people with additional needs

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

Figure 4.1   Establishing need associated with age, health, and life experience
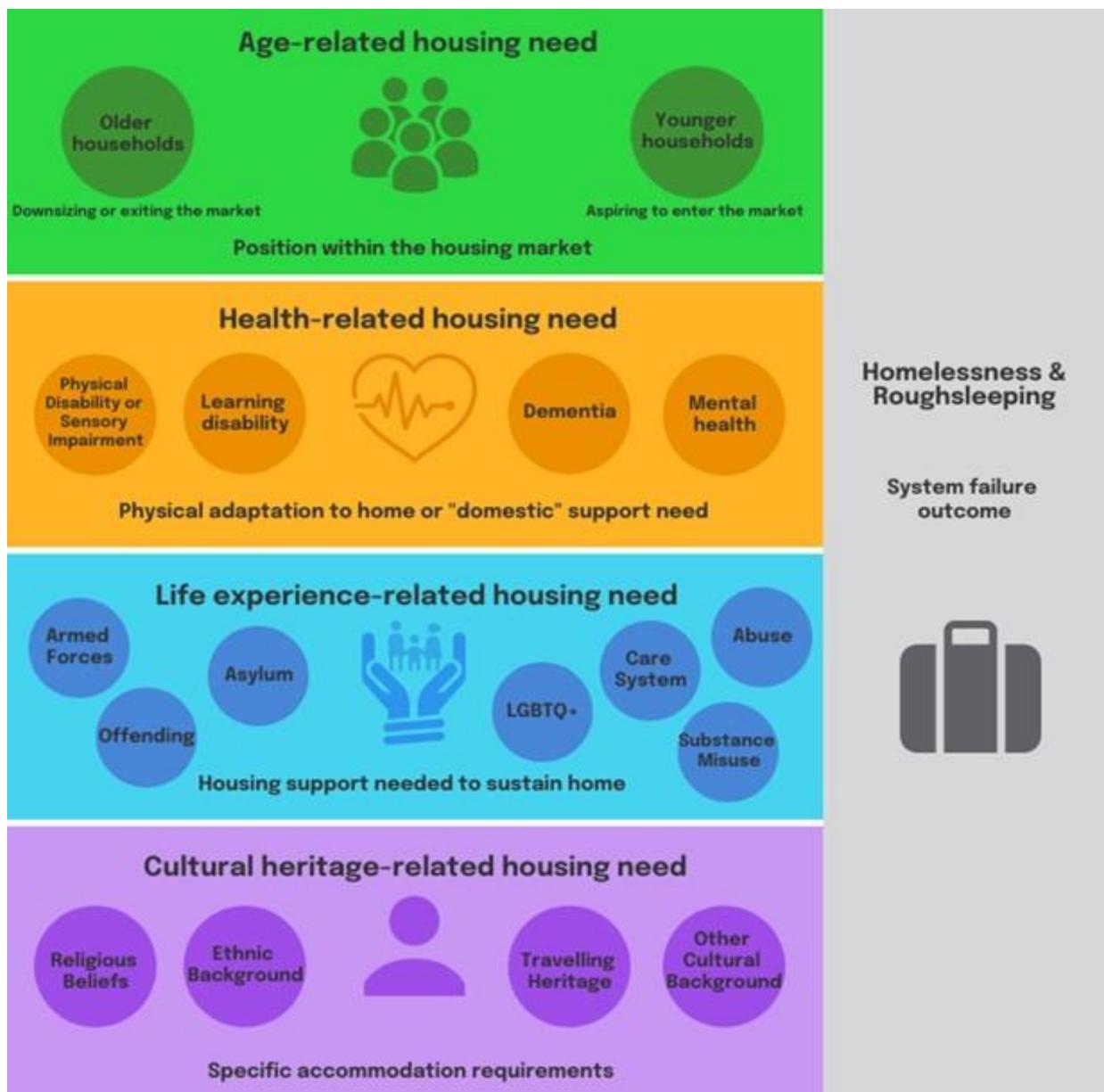
4.3   The evidence base relating to additional needs groups has been established based around these broad principles:

- People with additional needs are generally accommodated in mainstream housing and provided with care and support when needed;

- Some people will have complex and multiple needs and therefore may fall into several different categories of need;

- Some people require long-term accommodation to provide support for ongoing needs; and some require short-term supported housing which aims to support people for a period of time before moving on/back into mainstream housing; and

- Most people with additional needs will not need specialist supported housing but they may need adaptations to their homes and/or care and support provided in other ways.

Age-related housing need

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

Housing for older people

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

4.6   PPG recommends the following are considered in an assessment of older persons need:

- The future need for specialist accommodation (including but not restricted to age-restricted general market housing, retirement living or sheltered accommodation, Extra Care or housing with care), broken down by type and tenure.

- The need for care in residential care and nursing homes (C2).

- The need for co-housing communities.

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

4.7   PPG notes that **'plan-making authorities will need to count housing provided for older people against their housing requirement'** (source: PPG June 2019 Paragraph: 016 Reference ID: 63-016-20190626).

4.8   Over the period 2023 to 2041, the number of people aged 65 and over is expected to increase by 25.8% (ONS 2018-based population projections). Similarly, the number of households headed by someone aged 65 or over is expected to increase by 3,970 (27.6%) by 2041 (ONS 2018-based household projections).

4.9   The 2021 household survey (re-weighted to the 2021 Census) indicates that the majority of older people (59.0%) want to remain in their current home with help and support when needed (Table 4.1). There is also interest in a range of options including buying a dwelling on the open market, residential/nursing home, co-housing, sheltered accommodation and rent from the council or housing association.

Table 4.1   Older persons' housing options by age group

Housing option	65-74 (%)	75-84 (%)	85+ (%)	All 65+ (%)
Continue to live in current home with support when needed	51.8%	77.6%	66.4%	59.0%
Buying a dwelling on the open market	32.3%	11.9%	0.0%	24.8%
Rent a dwelling from a private landlord	3.0%	3.1%	0.0%	2.8%
Rent from housing association	9.2%	4.9%	0.0%	7.5%
Rent from the council	9.2%	6.0%	0.0%	7.7%
Sheltered accommodation - To rent	9.1%	6.8%	1.1%	7.9%
Sheltered accommodation - To buy	5.4%	14.9%	1.1%	7.2%
Sheltered accommodation - Part rent/buy (shared ownership)	3.3%	9.2%	36.5%	7.5%
Extra Care housing - To rent	5.1%	2.7%	6.3%	4.7%
Extra Care housing - To buy	1.8%	3.1%	1.1%	2.1%
Extra Care housing - Part rent/buy (shared ownership)	1.7%	0.4%	24.8%	3.4%
Supported housing for people with learning disabilities and autism	0.0%	0.0%	1.1%	0.1%
Supported housing for mental health conditions	0.3%	2.3%	0.0%	0.7%
Residential nursing/care home	4.8%	19.6%	23.7%	9.8%
Co-housing - your own home in a small community which shares facilities (e.g. laundry) and activities	11.3%	0.8%	0.0%	7.9%
Go to live with children or other relatives/friends	2.3%	5.7%	24.8%	5.0%
Other	2.7%	2.9%	7.8%	3.2%
Base (total households responding)	4,897	1,641	612	7,150

Source: 2021 household survey (re-weighted to the 2021 Census)

4.10   The 2021 household survey (reweighted to the 2021 Census) indicates 46.8% of older people planning to move would like to move to a property with fewer

bedrooms, 44.0% would like to move to a property with the same number of bedrooms, and 9.2% would like a larger property (Table 4.2). The general conclusion is that smaller dwellings are needed to accommodate older movers but there are households who would require the same or even an increase in the number of bedrooms in their properties.

Table 4.2   Future housing choices of older households (rightsizing)

Housing choice	Aspiration (%)	Expectation (%)
Downsizing (moving to a smaller property)	46.8%	47.9%
Staying same	44.0%	47.1%
Upsizing (moving to larger property)	9.2%	5.0%
Total	**100.0%**	**100.0%**
Base (households responding)	**2,897**	**2,778**

Source: 2021 household survey (re-weighted to the 2021 Census)

Future need for specialist older person accommodation and residential care provision

4.11   Across Preston, latest data would suggest there are around 2,833 units/bedspaces of specialist older persons accommodation comprising 1,353 specialist older accommodation units (C3 planning use class), 155 Extra Care/Housing with Care (C2 use class), and 1,325 bedspaces residential care (C2 use class). Map 4.1 and Table 4.3 shows the current number of older persons units of accommodation across the city using data provided by the Elderly Accommodation Counsel.

Table 4.3   Categories of older person accommodation

Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
Age-exclusive housing (C3)	427	**EAC definition:** Schemes or developments that cater exclusively for older people, usually incorporate design features helpful to older people and may have communal facilities such as a residents' lounge, guest suite, and shared garden, but do not provide any regular on-site support to residents. **PPG definition:** This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.
Care homes (C2)	524	**EAC definition:** A residential setting where a number of older people live, usually in single rooms, and have access to on-site care services. Since April 2002, all homes in England, Scotland, and Wales are known as 'care homes', but are registered to provide different levels of care. A home registered simply as a **care home** will provide personal care only – help with washing, dressing, and giving medication.

Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
		PPG definition: These have individual rooms within a residential building and provide a high level of care, meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.
Care home with nursing (C2)	801	A home registered as a **care home with nursing** will provide the same personal care but also have a qualified nurse on duty twenty-four hours a day to carry out nursing tasks. These homes are for people who are physically or mentally frail or people who need regular attention from a nurse.
Enhanced sheltered/close case (C3)	-	Sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the full range of provision that is found in an Extra Care housing scheme.
Retirement/sheltered housing (C3)	926	EAC definition: **Sheltered housing (S)** means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. **Retirement housing ©** means housing developments of a similar type to sheltered housing, but built for sale, usually on a leasehold basis. The term sheltered housing is now largely superseded by retirement housing. PPG definition: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room, and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.
Extra Care (EC) housing or housing with care (HC) (C3)	95 (EC) 60(HC	EAC definition: Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors, and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates, and retirement villages.

Category (and planning use category)	Current number of C3 units/ C2 bedspaces	Description
		It is a popular choice among older people because it can sometimes provide an alternative to a care home.
		PPG definition: This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an on-site care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages – the intention is for residents to benefit from varying levels of care as time progresses.
		Note Extra Care can also provide accommodation for people with additional needs who are not older people.
Total	2,833	

Source: EAC data 2023

4.12   This HDNA will help provide evidence of the need for different accommodation options and support needs. Given the ageing of the population, the need for specialist older person accommodation is expected to increase.

4.13   Table 4.4 sets out an assessment of need for different types of older persons accommodation based on latest metrics provided by the Housing Learning and Information Exchange (Housing LIN). This establishes:

- A need in 2023 for 653 residential care bedspaces increasing to 894 by 2041. This compares to a current supply of 1,325 bedspaces.

- A need in 2023 for 452 Extra Care units increasing to 619 by 2041. This compares to a current supply of 155 bedspaces.

- A need in 2023 for 2,010 C3 specialist older person dwelling units rising to 2,752 by 2041. This compares with a current supply of 1,353 units.

4.14   Based on the analysis of demographic change and the Housing LIN estimates, Table 4.4 sets out the overall need for older persons specialist accommodation by type of provision and tenure to 2041. This indicates a net need for 1,399 additional C3 dwelling units over the period 2023 to 2041 or 78 each year, a need for 464 C2 Extra Care units or 26 each year . There is a sufficient supply of C2 residential care . There is a particular need for leasehold sheltered housing, enhanced sheltered, and Extra Care housing for sale. Preston has a good supply of dementia-friendly older persons accommodation through existing provision.

Map 4.1   Current older persons accommodation across Preston
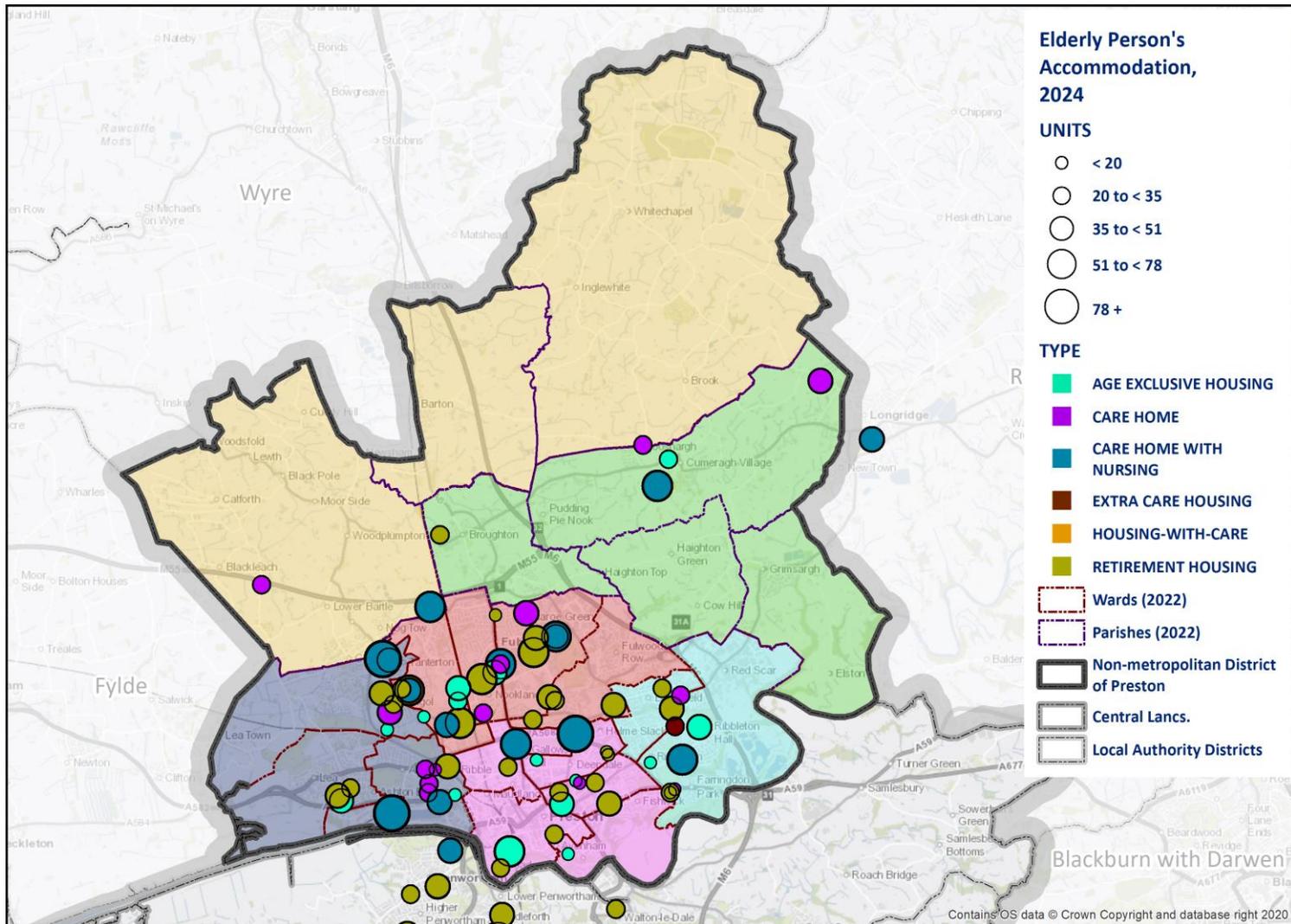
Source: Elderly Accommodation Counsel 2023

Table 4.4   Analysis of future need for specialist older person accommodation 2023 – 2041

	Supply	Modelled need	Modelled need	Change		
	2024	2023	2041	2023 to 2041		
	A	B	C	D=C-B	E	
Population 75+		10,051	13,761	3,710		
Type of accommodation		2023	2041	Change in need	Total need 2041 E=D+B-A	Annual need = E/18
Conventional sheltered housing to rent	1,024	603	826	223	-198	-11
Leasehold sheltered housing	329	1,206	1,651	445	1,322	73
Enhanced sheltered housing (divided 50:50 between that for rent and for sale)	0	201	275	74	275	15
Extra Care housing for rent	155	151	206	56	51	3
Extra Care housing for sale	0	302	413	111	413	23
TOTAL C3	1,353	2,010	2,752	742	1,399	78
TOTAL C2 Extra Care	155	452	619	167	464	26
TOTAL C2 residential care	1,325	653	894	241	-431	-24
GRAND TOTAL	2,833	3,116	4,266	1,150	1,433	80

Source: Housing LIN, 2014-based MHCLG population projection

Senior cohousing communities

4.15　Senior cohousing is specifically mentioned in PPG as a housing option for older people. Senior co-housing communities are created and run by residents, based on the intention to live with a group of people of a similar age. The sites often consist of self-contained private homes as well as shared community space. Some communities offer an additional option for informal care.

4.16　This option should be considered by the council as part of a diverse range of accommodation for older people. The 2021 household survey (re-weighted to the 2021 Census) identified a total of 849 households interested in co-housing, with interest in a range of dwelling types and sizes including 3 or more bedroom houses (51.8%), 2 bedroom properties (29.9%), and 1 bedroom properties (18.3%).

People with dementia and early onset dementia

4.17　The PPG makes specific reference to dementia and that **'there should be a range of housing options and tenures available to people with dementia, including mainstream and specialist housing. Innovative and diverse housing models should be considered where appropriate'** *(source:* June 2019 PPG Paragraph: 019 Reference ID: 63-019-20190626).

4.18　The PPG also outlines the characteristics of a dementia-friendly communities:

- Easy to navigate physical environment;

- Appropriate transport;

- Communities shaped around the views of people with dementia and their carers;

- Good orientation and familiarity;

- Reduction in unnecessary clutter; and

- Reduction in disorienting visual and auditory stimuli.

4.19　2020 POPPI/PANSI data estimates there are 37 people aged 30 to 64 with early onset dementia and 1,426 people aged 65 and over with dementia (Table 4.5). By 2041, the number of people aged 65 and over with dementia is projected to increase by 35.7%, with an increase of 34.9% amongst the 85+ age group. The number with early onset dementia is expected to slightly reduce.

Table 4.5   People with dementia

Dementia	2023	2041	% Change 2023-2041
Early onset dementia (30-64)	37	35	-5.4%
Dementia (65-74)	266	319	19.9%
Dementia (75-84)	584	839	43.7%
Dementia (85 and over)	576	777	34.9%
Dementia (total 65+)	1,426	1,935	35.7%

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

4.20   A report by the All Party Parliamentary Group (APPT) on Housing and Care for Older People published a report on Housing for People with Dementia in July 2021 **click here for link to report.**

4.21   This set out 23 recommendations which included:

- Recognise potential future loneliness and how we can maintain our family connections and wider social networks in the communities we live in before or after diagnosis.

- Consider whether to move whilst we are able: rightsizing and moving to the right place and environment whilst able to still develop new routes and make new friends.

- Make preventive changes, incrementally, to the home environment, such as when upgrading property or installing new technology, or where we require additional personal care and support to help us to live independently.

4.22   Regarding housing and planning, the report recommended:

- Support increased provision of Extra Care housing / assisted living accommodation and retirement housing that is dementia-ready, with top-sliced grant-aid through Homes England.

- Strengthen MHCLG guidance to local planning authorities. LPAs should respond to demographic change and the need for more homes designed for older people, including those with dementia, through Local Plans specifying requirements for age-friendly housing.

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

4.23   The profile of dwellings occupied by households aged 65 and over by age group, based on the 2021 household survey (re-weighted to the 2021 Census), is summarised in Table 4.6. This shows that the majority (73.8%) live in houses, particularly with 3 or more bedrooms, 10.7% live in bungalows, 13.3% in flats, and 2.2% in other dwelling types.

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

Dwelling type and size	65 to 74 (%)	75 to 84 (%)	85+ (%)	Total (%)
1 or 2-bedroom house	12.6%	7.5%	19.1%	11.9%
3 bedroom house	35.5%	38.7%	27.6%	35.7%
4 or-more bedroom house	30.5%	19.1%	4.8%	26.2%
1-bedroom bungalow	2.6%	0.6%	0.7%	2.0%
2 or more-bedroom bungalow	7.3%	11.3%	14.5%	8.7%
1-bedroom flat	3.4%	10.6%	16.3%	5.9%
2 or more-bedroom flat	8.0%	7.9%	0.0%	7.4%
Other	0.1%	4.4%	17.0%	2.2%
Total	100.0%	100.0%	100.0%	100.0%
Base	9,679	3,200	933	13,812

Source: 2021 household survey (re-weighted to the 2021 Census)

4.24   The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. PPG also asks councils to consider the extent to which existing dwelling stock can help meet the needs of older people (source: PPG 2019 Paragraph: 017 Reference ID: 2a-017-20190220).

4.25   Given that the majority of older people want to remain in their own homes with help and support when needed, the 2021 household survey (re-weighted to the 2021 Census) provides a useful insight into the proportion of households who need care and support, and the extent which properties are adapted (Table 4.7) and by sub-area (Table 4.8).

4.26   Table 4.7 shows that 8.3% of all households require care and support to enable them to stay in their home. This is highest amongst 85+ age group and from households living in affordable housing. Of households with a Household Reference Person aged 85 and over, 36.4% require help and support to enable occupiers to stay in their own home.

4.27   63.7% of households have sufficient space for a carer to stay overnight if needed – and this increases to 71.8% across 75 to 84 age group and 61.2% in the 85+ age group. Owner-occupiers were most likely to have space available, and private and social renters were less likely. Around 35.7% of respondents in affordable housing had sufficient space for a carer. Properties in Preston Rural North (81.9% and North sub-area (72.6%) have the most space and properties in the Central sub-area (53.0%) the least space to accommodate a carer staying overnight.

4.28   Around 7.6% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem, or disability. This was highest amongst affordable housing occupants (16.4%) and lowest amongst owner-occupiers (5.4%). Older people were more likely to live in an adapted home, with 14.1% of households with a HRP aged 75-84 and 26.2% with a HRP aged 85+ living in adapted homes. East sub-area (9.6%) and West sub-area (9.3%) has the highest number of adapted homes and Preston Rural North (3.8%) and Preston Rural East (3.9%) the least number of adapted homes.

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

	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Has your current home been adapted or purpose-built for a wheelchair user?
Tenure	**Yes (%)**	**Yes (%)**	**Yes (%)**	**Yes (%)**
Owner Occupied	72.7%	5.9%	5.4%	3.2%
Private Rented	54.8%	6.8%	6.6%	2.2%
Affordable	35.7%	18.2%	16.4%	7.1%
All tenures	**63.7%**	**8.3%**	**7.6%**	**3.8%**
Age of household reference person	**Yes (%)**	**Yes (%)**	**Yes (%)**	**Yes (%)**
Under 65	58.9%	7.6%	6.7%	3.9%
65 to 74	82.3%	9.0%	7.7%	3.4%
75 to 84	71.8%	8.3%	14.1%	4.5%
85 and over	61.2%	36.4%	26.2%	0.0%
All age groups	**63.7%**	**8.3%**	**7.6%**	**3.8%**

Source: 2021 household survey (re-weighted to the 2021 Census)

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

	Is there sufficient space in your home for a carer to stay overnight, if this was needed? (%)	Do you, or any other members of your household, require care or support to enable you/them to stay in this home? (%)	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability? (%)	Has your current home been adapted or purpose-built for a wheelchair user?
Central	53.0%	6.9%	7.6%	5.4%
East	48.9%	14.3%	9.6%	5.4%
North	72.6%	10.5%	6.8%	2.0%
Preston Rural East	81.9%	3.9%	3.9%	2.3%
Preston Rural North	86.4%	3.2%	3.8%	4.1%
West	68.5%	7.2%	9.3%	2.9%
PRESTON	**63.7%**	**8.3%**	**7.6%**	**3.8%**

Source: 2021 household survey (re-weighted to the 2021 Census)

Estimating future need for adaptations and home improvement

4.29   The 2021 household survey (re-weighted to the 2021 Census) provides evidence of the range of adaptations and home improvements needs based on the age group of the Household Reference Person (Table 4.9).

4.30   Better heating, more insulation and double glazing were most frequently mentioned improvements needed.

4.31   Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom and kitchen adaptations, internal and external handrails/grabrails, and stair lift / vertical lift. The need for adaptations was generally highest amongst the 65-74 and 75+ age group.

4.32   These requirements are self-determined by residents responding to the 2021 household survey (re-weighted to the 2021 Census) and may not necessarily reflect actual requirements following an independent assessment in the home.

Table 4.9   Adaptations and home improvements required by age group

Adaptation/improvement required	Age group (% of households)			Total
	Under 65	65-74	75+	
Home improvement				
More insulation (loft, wall cavities)	17.4%	12.5%	9.1%	16.1%
Better heating	17.5%	18.5%	11.2%	17.2%
Double glazing	16.0%	7.9%	9.4%	14.2%
Improved ventilation	10.3%	3.1%	4.0%	8.7%
Downstairs WC	8.3%	5.9%	8.7%	7.9%
Adaptations				
Adaptations to bathroom	11.7%	19.9%	16.2%	13.3%
Adaptations to kitchen	10.3%	5.6%	7.6%	9.4%
External handrails /grab rails	4.4%	6.5%	13.3%	5.4%
Internal handrails /grab rails	6.6%	14.3%	19.4%	8.8%
Stair lift / vertical lift	4.3%	8.3%	11.4%	5.4%
Lever door handles	3.6%	4.7%	7.5%	4.0%
Room for a carer	3.9%	3.1%	2.0%	3.6%
Base (all households)	45,805	9,679	4,133	59,617

Source: 2021 household survey (re-weighted to the 2021 Census)

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

Assistance in the home

4.34   The 2021 household survey (re-weighted to the 2021 Census) also provides information on a range of practical assistance required from households by age group (Table 4.10). Overall, the highest level of need is help for repair and maintenance, gardening, and cleaning. For all types of assistance, the level of need increases with age, which includes the need for company/friendship mentioned by 25.9% of people aged 75+.

Table 4.10   Type of assistance required age group

Type of help needed now or in next 5 years	% households needing help by age group of HRP			
	Under 65	**65-74**	**75+**	**All**
Help with repair and maintenance of home	27.6%	44.5%	48.6%	31.8%
Help with gardening	15.0%	34.6%	48.9%	20.5%
Help with cleaning home	13.0%	24.4%	44.5%	17.0%
Help with other practical tasks	10.8%	20.0%	32.5%	13.8%
Help with personal care	9.3%	10.7%	31.9%	11.1%
Want company / friendship	9.6%	9.7%	25.9%	10.8%
Base (all households)	45,805	9,679	4,133	59,617

Source: 2021 household survey (re-weighted to the 2021 Census)

Health-related housing need

4.35   A range of sources can be drawn upon to establish the overall scale of disability/support needs across Preston. In summary:

- The 2021 Census reported that across the city, 81.5% were in good health and 5.6% were not good health (particularly across older age groups). Which compares with 82.2% and 5.2% respectively across England. A total of 8,241 residents were in not good health.

- 18.2% of residents reported that they were disabled, as defined under the Equality Act, with 8.2% saying their daily activities were limited 'a lot' and 10.0% 'a little' which compares with 7.0% and 9.9% respectively across England. This is mainly associated with older age groups.

- The ONS Family Resources Survey 2018/19 estimates that around 21% of the population nationally has a disability. Based on the age profile of people with disabilities, for Preston an estimated 26,840 people have a disability (18.2%) in 2023, which is projected to increase to around 26,969 by 2041.

4.36   The 2021 household survey (re-weighted to the 2021 Census) considered illness/disability. The survey estimated a total of 32,696 people or 22.9% had an illness/disability which is higher than the national ONS estimate. Table 4.11 shows the number of people stating an illness/disability and the type of illness/disability. The most frequently mentioned illness/disability was a long-standing illness or health condition (11.8%), physical/mobility impairment

(5.9%), mental health issue (5.9%) and older age related illness or disability (2.9%).

Table 4.11   Number of people stating illness/disability

Illness/disability	Number of People	% of total Population
Physical / mobility impairment	8,446	5.9%
Learning disabilities	2,298	1.6%
Autism	1,523	1.1%
Mental health issue	8,489	5.9%
Visual impairment	2,936	2.1%
Hearing impairment	4,027	2.8%
Long-standing illness or health condition	16,802	11.8%
Older age-related illness or disability	4,211	2.9%
Other	3,400	2.4%
Total population (ONS, 2018-based Proj. for 2021)	142,960	
Total number of people with an illness/disability	32,696	22.9%
Households with at least one person with an illness/disability	**Number of households**	**% of households**
Total	24,179	40.6%

Source: 2021 household survey (re-weighted the 2021 Census)

Physical disability

4.37   POPPI and PANSI (Projecting Older People Population Information/Projecting Adult Needs and Service Information, Oxford Brookes University/Institute of Public Care) provides data on the likely prevalence in 2023 of a range of physical disabilities and how this is expected to change by 2041 (Table 4.12). In 2023, there were an estimated 8,304 people with mobility issues across all age groups which is projected to increase to 9,430 by 2041, mainly due to an increase in the number of people aged 65 with mobility issues.

Table 4.12   Physical disability prevalence

Disability (age group)	2023	2041	% change 2023-2041
Impaired mobility (18-64)	4,458	4,259	-4.5%
Mobility (unable to manage at least one activity on own) (65+)	3,846	5,172	34.5%
Moderate or serious personal care disability (18-64)	3,921	3,776	-3.7%
Serious visual impairment (18-64)	58	58	-0.3%
Moderate or severe visual impairment (65+)	1,902	2,466	29.6%
Severe hearing loss (18-64)	486	465	-4.3%
Severe hearing loss (65+)	1,646	2,258	37.2%
All with mobility issues (impaired mobility 18-64 and mobility 65+	8,304	9,430	13.6%

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

4.38   Regarding visual impairment, the RNIB has produced a document Visibly Better Housing (click here to view document). This includes recommendations for managing the home environment to reduce the impact of sight impairment and sight loss. Suggestions include appropriate lighting, anti-glare windows to reduce reflections which can be disorientating; and use of lighter fabrics and furnishings.

Learning disability and autism

4.39   A learning disability is the label given to a group of conditions present before the age of 18 that affect how an individual communicates and understands information. Autism is a lifelong developmental condition which affects how people communicate with, and relate to, other people and how they interact with the world around them.

4.40   The number of people across all age groups with moderate or severe learning disabilities is estimated to be around 559 in 2023, rising to 575 by 2041 (Table 4.13). There is a notable growth in the number of people aged 65 and over with learning disabilities. Around 1,116 people have autistic spectrum disorders in 2023 and this is expected to increase to 1,176 by 2041.

Table 4.13   Learning disability and autism

Learning disability (age group)	2023	2041	% change 2023-2041
Total (18-64)	2,185	2,184	0.0%
Total (65+)	451	585	29.6%
Moderate or severe (18-64)	498	498	0.0%
Moderate or severe (65+)	61	77	26.4%
Moderate or severe (all ages)	559	575	2.9%
People with LD living with a parent (18-64)	198	202	2.2%
Downs syndrome (18+)	57	57	0.2%
Challenging behaviour (18-64)	40	40	-0.3%
Autistic spectrum disorders (18-64)	910	908	-0.2%
Autistic spectrum disorders (65+)	206	269	30.4%
Autistic spectrum disorders (all ages)	1,116	1,176	5.4%

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

Mental health

4.41   Mental health refers to an individual's emotional, psychological, and social well-being. 2020 POPPI/PANSI data estimates there are around 16,619 residents with a common mental health disorder (Table 4.14). The number of people aged 18-64 with a common mental health disorder is expected to decrease by -0.2% over the period to 2041. Depression amongst people aged 65 or over is expected to increase considerably.

Table 4.14   Mental health prevalence

Mental health 18-64	2023	2041	% change 2023-2041
Common mental disorder	16,619	16,581	-0.2%
Borderline personality disorder	2,111	2,106	-0.2%
Antisocial personality disorder	3,015	3,008	-0.2%
Psychotic disorder	620	619	-0.2%
Psychotic disorders (2 or more)	6,370	6,356	-0.2%
Older people with depression	2023	2041	% change 2023-2041
Depression 65+	1,842	2,399	30.2%
Severe depression (65+)	589	783	32.9%

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

Accessible and wheelchair standard housing

4.42   PPG states that **'where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the NPPF). To help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:**

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

- **M4(2) Category 2: Accessible and adaptable dwellings; and**

- **M4(3) Category 3: Wheelchair user dwellings**

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

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

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

- **the likely future need for housing for older and disabled people (including wheelchair user dwellings).**

- **size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).**

- **the accessibility and adaptability of existing housing stock.**

- **how needs vary across different housing tenures.**

- **the overall impact on viability.'** (source: Para: 007 Reference ID: 56-007-20150327).

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

Table 4.15   Summary of accessible housing standards

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

4.45   It should be noted that Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable dwellings (a home that can be easily adapted to meet the needs of a household including wheelchair users) (source: PPG Paragraph: 009 Reference ID: 56-009-20150327).

4.46   In order to establish an appropriate target for M4(3) dwellings, Table 4.16 sets out a series of assumptions regarding wheelchair use from the English Housing Survey and a report by Aspire Housing Association. Applying these assumptions would suggest a target of 5% of newbuild to meet the M4(3)(b) wheelchair accessible standard is required.

4.47   According to PPG (source: PPG Paragraph: 009 Reference ID: 56-009-20150327), 'Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.' This would imply that the onus on wheelchair accessible housing delivery is with the local authority/registered providers, but private developers should also be encouraged to build to M4(3) wheelchair accessible or adaptable homes where appropriate. Any final targets should be set within the context of likely levels of delivery.

Table 4.16   Wheelchair use assumptions and resulting annual need

Assumption	% requirement	Number each year (based on 441annual net housing need)
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair all the time	0.6%	3
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair either indoors or outdoors	3.0%	13
Preston has 2,197 current users of wheelchairs inside and outside the home based on the re-weighted household survey. This equates to 3.7% of households.	3.7%	16
Aspire report on wheelchair accessible housing (*)	10.0%	44
Average of indicators	4.3%	19

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

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

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

Age group	Number of bedrooms (Table %)			Total
	1	2	3	
Under 65	6.0%	30.3%	40.1%	76.4%
65 and over	7.2%	8.6%	7.8%	23.6%
Total	13.2%	38.9%	47.9%	100.0%
Age group	Number of bedrooms (needed each year by age group)			Total
	1	2	3	
Under 65	1	6	8	15
65 and over	1	2	1	4
Total	2	8	9	19

Source: 2021 household survey (re-weighted to the 2021 Census)

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

- 4% of new dwellings are built to M4(3) wheelchair accessible standard (this would imply an average target of around 19 each year); and

- All remaining new dwellings are built to M4(2) accessible and adaptable standards to take account of the ageing demographics of Preston. This will ensure that new dwellings can be occupied and also visited by people needing accessible/adaptable dwellings.

Looked after children

4.50   The Government believes that every child should have a loving, secure home close to their communities. To achieve this Government priority, it is necessary to ensure that an appropriate amount and type of accommodation for looked after children, in the right locations, is planned for and provided. The Department for Education's definition of a looked-after child is: 'A child is looked after by a local authority if they are provided with accommodation for a continuous period of more than 24 hours (section 20 Children Act 1989) or are subject to a care order (defined in section 22(1) Children Act 1989). To support the provision of this type of housing, there is an explicit reference to looked after children in paragraph 63 of NPPF, which sets out that the housing needs for different groups in the community should be assessed and reflected in planning policies.

4.51   Evidence of need for looked after children can be found in Children's Social Care Sufficient strategies. Lancashire County Council produce a sufficiency strategy which includes Preston but does not show specific data for the city. Lancashire County Council has a statutory duty to ensure that there is a range of local homes available, sufficient to meet the needs of the children and young people in care of the local authority; and to promote co-operation with relevant partners to improve the well-being of children in the local area.

4.52   The number of looked after children has declined from 2,127 in March 2019 to 1,875 in March 2023, with the age profile in March 2023 being 38% under 10, 41% 10 to 15 and 22% 16 and over. 81% of looked after children live within Lancashire, with most of the remainder being elsewhere in the North West or in Yorkshire towns close to the Lancashire border.

4.53   The number of unaccompanied Asylum-seeking children has also been increasing and was 57 in June 2023 across Lancashire.

4.54   Looked-after children live in a range of accommodation settings including: living with parents; foster homes; live with connected (with kinship connection) foster carers; non connected foster carers; children's homes; and secure welfare homes. There is also supported accommodation / independent living (SAIL) provision for people aged 16+ who require a transitional home at some stage between 16 and 18 to support their pathway to a long-term stable home.

4.55   For those needing independent accommodation, there are a range of challenges including a lack of social rented housing; private rents higher than local housing allowance rates; and inconsistent provision across the county.

4.56   In Preston, a Local House Project has been established which enables 8-10 young people each year to be supported to move into their own home prior to turning 18. This is supported by 4 registered providers.

4.57   Accommodation-related commissioning priorities across Lancashire include:

- Increasing the number of in-house foster homes

- Ensuring appropriate children's homes are available for children in care, particularly those who require additional support and resources

- Expanding SAIL provision, for instance through collaboration with private market providers to increase provision and choice, with a focus on sustainable, affordable homes.

- Develop and strengthen partnership work with councils to ensure that the housing needs of Care Leavers are considered in their strategic housing planning and building applications.

Black and Global Majority (BGM) population and households

4.58   Around 27.4% of the population in Preston identify as BGM. The distribution of BGM people within the city is shown in Table 4.18. The Central (45.8%) and North sub-areas (26.6%) have the highest proportions of people who identify as BGM. Rural North has the lowest proportion with 8.8% of the population identifying as BGM.

4.59   Based on the 2021 household survey (re-weighted to the 2021 Census), housing information relating to BGM households includes:

- Around 68.6% are owner-occupiers, 20.1% rent privately, and 11.4% live in affordable housing (social rented or intermediate tenures).

- 30.1% BGM households were in some form of housing need (compared with 16.4% of all households), with 'overcrowded according to the bedroom standard model' and 'under notice, real threat of notice or lease coming to an end'; as the main reasons of households in need.

- Of moving BGM households, there were particular aspirations towards larger dwellings (52.3% 4 or more bedroom houses and 24.1% 3-bedroom houses). Expectations were 44.2% 4 or more bedrooms and 28.4% 3-bedroom houses.

Table 4.18   Distribution of BGM households across Preston

Sub-area	Ward	BGM population	% of BGM population in each sub-area	% of population in each area who identity as BGM	All people
Central	City Centre	4,426	18.1%	37.1%	11,940
	Deepdale	6,265	25.7%	64.8%	9,666
	Fishwick & Frenchwood	5,315	21.8%	56.3%	9,434
	Plungington	3,698	15.1%	32.3%	11,457
	St Matthew's	4,711	19.3%	43.7%	10,780
	TOTAL	**24,415**	**100.0%**	**45.8%**	**53,277**
East	Brookfield	1,627	55.9%	19.7%	8,273
	Ribbleton	1,281	44.1%	14.1%	9,075
	TOTAL	**2,908**	**100.0%**	**16.8%**	**17,348**
North	Cadley	1,403	15.4%	16.5%	8,505
	Garrison	3,074	33.7%	33.6%	9,154
	Greyfriars	2,146	23.5%	25.7%	8,347
	Sharoe Green	2,508	27.5%	30.3%	8,264
	TOTAL	**9,131**	**100.0%**	**26.6%**	**34,270**
West	Ashton	1,114	41.3%	12.9%	8,668
	Ingol & Cottam	825	30.6%	8.9%	9,261
	Lea & Larches	759	28.1%	8.2%	9,268
	TOTAL	**2,698**	**100.0%**	**9.9%**	**27,197**

Sub-area	Parish	BGM population	% of BGM population in each sub-area	% of population in each area who identity as BGM	All people
Rural East	Broughton	503	65.0%	20.4%	2,467
	Grimsargh	113	14.6%	3.9%	2,901
	Haighton	18	2.3%	10.2%	177
	Whittingham	140	18.1%	4.6%	3,027
	TOTAL	**774**	**100.0%**	**9.0%**	**8,572**
Rural North	Barton	120	18.6%	7.8%	1,538
	Goosnargh	34	5.3%	2.6%	1,326
	Woodplumpton	491	76.1%	11.0%	4,467
	TOTAL	**645**	**100.0%**	**8.8%**	**7,331**
Preston		**40,571**		**27.4%**	**147,995**

Source: 2021 Census

Table 4.19   Summary of BGM dwelling likes and expectations

Dwelling type and size	Like %	Expect %	Blend of like/expect %
1 bedroom house	0.0%	0.0%	0.0%
2 bedroom house	13.4%	13.6%	13.5%
3 bedroom house	24.1%	28.4%	26.3%
4+ bedroom house	52.3%	44.2%	48.3%
1 bedroom flat	3.3%	3.3%	3.3%
2 bedroom flat	5.4%	7.5%	6.5%
3+ bedroom flat	0.0%	0.0%	0.0%
1 bedroom bungalow	0.0%	0.0%	0.0%
2 bedroom bungalow	1.5%	1.5%	1.5%
3+ bedroom bungalow	0.0%	1.5%	0.7%
Total	100%	100%	100%
Base	7,694	7,694	7,694

Source: 2021 household survey (re-weighted to the 2021 Census)

4.60   Overall, 30.1% of households who identify as BGM are in housing need. This compares to 16.4% in housing need when considering all households. Table 4.20 considers the number of bedrooms needed compared with all households who are in housing need. This demonstrates that around 30.5% of BGM households who are in housing need require a property with 4 or more bedrooms, whereas for all household this proportion is 11.5%.

Table 4.20   Households in housing need: number of bedrooms required by ethnicity

Number of bedrooms needed	Ethnicity		
	BGM	Non-BGM	Total
1	13.4%	53.8%	44.4%
2	25.0%	26.5%	26.2%
3	31.2%	14.0%	18.0%
4	24.6%	5.7%	10.1%
5 or more	5.9%	0.0%	1.4%
Total	100.0%	100.0%	100.0%
Base	3,271	6,488	9,759

Source: 2021 household survey (re-weighted to the 2021 Census)

4.61   As part of stakeholder consultation for the 2022 HDNA, a focus group discussion took place with the Preston Asian Housing Engagement Group to consider the specific needs of Asian heritage households. Key points raised included:

- A need to recognise the specific needs of the Asian community when considering housing need. The group were concerned that despite existing

evidence of the needs from Asian households, this has not filtered into strategic thinking.

- There is a need for larger 5-6 bedroom dwellings, and the group reported about 30% of Asian households are overcrowded (which the 2021 survey confirmed was a key reason why households were in need).

- There are specific housing and support needs amongst Asian elders. Those living on their own can feel isolated. It may be appropriate to provide accommodation in a setting where people can interact and engage with others whilst maintaining their own independent homes.

- There needs to be a better understanding of the cultural and religious needs of Asian households. For instance, there is a lack of new provision for multi-generational families and living in proximity to mosques and temples is important. For younger people who move out of the family home, being close to their parents to provide support is important. This also supports community sustainability. Living in some areas is challenging due to racism and not being close to cultural facilities.

- Whilst Asian households like to own their own homes, there are social and affordable home options – particularly for larger dwellings which should be considered. There are larger owner occupied and private rented homes but these are often in larger Victorian houses which may not meet aspirations, be of poor quality and too expensive to modernise. There is a lack of environmentally friendly accommodation.

- There is a lack of larger affordable dwellings available. There is also a lack of understanding within the community about affordable home ownership options.

- The group strongly recommends that a housing association considers the development of some larger dwellings to reflect the underlying needs of the Asian community which are evidenced by the Housing Engagement Group and also from the 2021 household survey. Households tend to apply for affordable housing if it's likely be available – hence registers tend to have applicants for smaller properties. If 5 bed properties are not available, people are not necessarily going to apply for them.

4.62   Given the ethnic profile of Preston and long-standing concerns of a lack of appropriate housing provision for BGM groups, in particular from the Asian Community, it is recommended that that the council takes into account the specific needs of BGM communities and reflected in housing and planning policies. It is recommended that:

- The specific need for larger family accommodation with at least 5 bedrooms is recognised.

- A programme for delivering larger affordable dwellings is developed. A specific target should be set for the delivery of larger properties based on the evidence in Table 4.20 and the overall gross affordable need set out in Table C.10. There is an overall gross need for 8.6% of all affordable dwellings to have 4 or more bedrooms.

- To recognise the specific needs of BAME communities, 10.7% of new affordable dwellings should have 4 bedrooms and 2.6% of all new affordable dwellings should have 5 or more bedrooms. Table 4.21 sets out how this figure is derived.

Table 4.21   Calculating the need for larger affordable dwellings

From Table 4.20	A. 24.6% of BGM households in housing need require 4 bedrooms and 5.9% require 5 or more bedrooms. This sums to 30.5% of all BGM households needing a larger property with 4 or more bedrooms. B. For BGM needing larger properties, this translates to 80.6% need 4 bedrooms and 19.4% need 5 or more bedrooms
From Table C.10	13.3% of gross need is for affordable dwellings with 4 or more bedrooms. Based on the BGM need summarised at B, 80.6% of the 13.3% gross need is for 4 bedroom dwellings (10.7%) and 19.4% of the gross need is for 5 bedroom dwellings (2.6%)

Gypsy, Traveller, and Travelling Showperson need

4.63   The 2024 Central Lancashire Gypsy and Traveller Accommodation Assessment update identified an overall need for 36 residential pitches over the period 2024/25 to 2041/42, with 17 in the first five years 2024/25 to 2028/29 and 19 over the longer-term 2029/30 to 2040/41. No need was identified for Travelling Showperson plots. For transit need, a blend of different approaches may be appropriate, with an emphasis on negotiated stopping arrangements rather than a dedicated transit site.

Other groups with particular housing requirements

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

People who rent their homes

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

Self-build and custom housebuilding

4.66   The NPPF 2023 set out that the government wants to enable more people to build their own homes and wants to make this form of housing a mainstream housing option. A total of 3 households are currently on the self and custom build register in Preston; two in the North sub-area and one in Preston Rural east sub-area.

4.67   No further information on dwelling preferences is available.

Student housing need

4.68   A comprehensive assessment of student housing need was carried out by Cushman and Wakefield in 2019. This report concluded that:

- Student numbers at the University of Central Lancashire (UCLan) have not grown as anticipated by the 2012 Local Plan. Despite this, purpose-built student accommodation (PBSA) has and continues to be developed. Over 1,000 PBSA bedspaces have been built since 2016 at a time when bedspace demand has been falling.

- The development of pipeline PBSA is not being driven by student demand but by development appraisals and perceived financial returns.

- Falling numbers of students living in HMOs.

- An unhealthy student to bed ratio in Preston has resulted in a large number of voids in purpose-built stock.

- A lack of quality in the general market.

- There continues to be a need to deliver better quality, largely en-suite schemes that support modern student living habits and enhance the student experience.

4.69   Regarding future policy, the report concluded:

- There is a need for UCLan to work proactively with the council to oppose unsuitable schemes going forward.

- The university should consider guaranteeing accommodation to first year students which is a key tool in recruiting students.

- Students wish to live as close to campus as possible. Priority should be given to applications close to campus, with a presumption against those located more than 10 minutes from the campus edge.

- There is a lack of quality in the PBSA market, with a lack of social and amenity spaces. The council may look to impose minimum standards in terms of the amount of social space offered by developments so that new schemes can only raise the quality of stock of Preston.

- Limited demand for studio bed spaces which is reflected in void levels and change of use to house key workers.

- The council should prepare for a reduction in the number of students in HMOs, but with potential for higher quality schemes overall.

Conclusion

4.70   This chapter has considered the needs of different groups in line with the NPPF and requirements of the brief. Key findings are now summarised.

4.71   In terms of older people, it is evident that the vast majority of older people wish to stay within their existing homes. For most, this is an informed and appropriate choice where current and future housing needs can be addressed through in situ solutions (including adaptations).

4.72   There are currently around 2,833 units of specialist older persons' accommodation comprising 1,353 specialist older accommodation units (C3 planning use class), 155 Extra Care (C2 use class), and 1,325 bedspaces residential care (C2 use class). It is estimated there is a need for 1,399 additional C3 dwelling units over the period 2023 to 2041 or 78 each year, a need for 464 C2 Extra Care units or 26 each year, sufficient supply of C2 residential care bedspaces.

4.73   A key conclusion is that there needs to be a broader housing offer for older people across the city and the HDNA has provided evidence of scale and range of dwellings needed.

4.74   The HDNA does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that 'any single development may contain a range of different types of specialist housing' (source: PPG June 2019 Paragraph: 010 Reference ID: 63-010-20190626).

4.75   A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across the population of the city. Although it is a challenge to quantify the precise accommodation and support requirements, the HDNA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups.

4.76   It is estimated there are around 28,303 people with a disability across the city based on ONS disability estimates and is projected to increase to around 30,700 by 2041. Regarding housing for people with disabilities, the 2021 household survey (re-weighted to the 2021 Census) suggests around 7.6% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability.

4.77   Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to wheelchair accessible M4(3) standard. All remaining new dwellings are built to M4(2) accessible and adaptable standard, to take account of the ageing demographics of the city.

4.78   There is a specific need for larger affordable homes for BGM households, with 10.7% of new affordable dwellings to have 4 bedrooms and 2.6% to have five or more bedrooms to help meet this need.

5.   Overall Dwelling Type and Mix

Introduction

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

Overall housing need

5.1   The Central Lancashire Housing Needs Assessment 2024 update identifies an annual housing need of 441 dwellings across Preston and 1,237 across Central Lancashire ((Table 5.1).

Table 5.1   Annual housing need 2023 to 2041 across Central Lancashire

Authority	Annual Housing Need
Chorley	410
Preston	**441**
South Ribble	386
Total	**1,237**

Source: Central Lancashire Housing Needs Assessment update

Affordable housing need

5.2   A detailed analysis of affordable housing need in accordance with PPG is presented in Technical Appendix C. This establishes an overall gross affordable need of 1,145. The net need is heavily influenced by the assumed time to reduce the backlog of existing need: if it is cleared over 5 years, the annual affordable need is 681; if it is cleared over 10 years, the annual affordable need is 130. In the 2022 HDNA, the gross annual need was 1,127 and, after taking into account affordable lettings and pipeline newbuild, the net shortfall was 395 each year. The 2024 HDNA confirms there is a shortfall of affordable housing but due to increases in the annual supply of affordable housing, the net need has reduced.

5.3   Planning Practice Guidance is clear that only a proportion of need is expected to be delivered through the planning process.

Affordable tenure mix

5.4   The recommended affordable tenure mix based on latest evidence is 52% social rent, 24% affordable rent and 24% affordable home ownership.

Dwelling type and mix

5.5   Dwelling mix analysis is underpinned by a demographic scenario model which takes into account projected household change to 2041 using 2018-based ONS household projections. To support flexibility in delivery, dwelling type and mix by tenure is presented as a broad range which also considers household aspirations and expectations. Table 5.2 summarises dwelling mix by tenure for the city and Table 5.3 summarises dwelling mix by sub-area. Further details of analysis are presented in Technical Appendix D.

Conclusions

5.6   The annual need of 441 dwellings has been identified in the Central Lancashire housing needs assessment update

5.7   The HDNA has established future household change and the implications this has for dwelling type, size, and tenure mix. This helps the council and its partners make informed decisions on the range and size of dwellings to be built to meet need over the period to 2041.

5.8   Given the level of net affordable need (at least 130 homes each year), the Local Plan needs to maintain a robust affordable housing policy setting out targets and tenure split in order to maximise new supply. An affordable policy should therefore continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs.

Table 5.2   Overall annual dwelling type/size and tenure mix recommendations

Dwelling type/size	Market	Affordable/ social rented	Affordable home ownership including First Homes	Total
Overall % split>>	**75%**	**19%**	**6%**	**100%**
1/2-bedroom house	10-15%	20-25%	15-20%	10-15%
3-bedroom house	30-35%	20-25%	25-30%	30-35%
4+ bedroom house	20-25%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	0-2%	2-5%
2+ bedroom flat	2-5%	10-15%	2-5%	5-10%
1/2-bedroom level access	10-15%	15-20%	5-10%	10-15%
3+ bedroom level access	10-15%	5-10%	5-10%	10-15%
Dwelling type	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
House	70-75%	50-55%	80-85%	65-70%
Flat	5-10%	20-25%	5-10%	5-10%
Bungalow/level-access	20-25%	25-30%	10-15%	20-25%
Number of bedrooms	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
1	2-5%	15-20%	2-5%	5-10%
2	25-30%	45-50%	25-30%	30-35%
3	45-50%	25-30%	35-40%	40-45%
4+	20-25%	5-10%	30-35%	20-25%

Table 5.3   Overall dwelling type/size mix recommendations by tenure by sub-area and Preston

Sub-area	Tenure and dwelling mix	1 and 2-bedroom house	3-bedroom house	4 or more-bedroom house	1-bedroom flat	2 and 3-bedroom flat	1 and 2-bedroom bungalow/ level-access	3 or more-bedroom bungalow/ level-access
Central	Market	15-20%	35-40%	15-20%	2-5%	5-10%	5-10%	5-10%
	Social/affordable rented	30-35%	20-25%	5-10%	15-20%	10-15%	5-10%	2-5%
	Affordable home ownership	20-25%	30-35%	30-35%	0-2%	5-10%	0-2%	0-2%
East	Market	15-20%	35-40%	20-25%	2-5%	2-5%	10-15%	5-10%
	Social/affordable rented	10-15%	25-30%	15-20%	10-15%	2-5%	15-20%	5-10%
	Affordable home ownership	5-10%	25-30%	30-35%	5-10%	5-10%	10-15%	5-10%
North	Market	2-5%	30-35%	25-30%	0-2%	2-5%	10-15%	20-25%
	Social/affordable rented	0-2%	20-25%	0-2%	5-10%	0-2%	25-30%	40-45%
	Affordable home ownership	0-2%	25-30%	30-35%	0-2%	2-5%	10-15%	20-25%
Preston Rural East	Market	5-10%	15-20%	40-45%	2-5%	0-2%	10-15%	15-20%
	Social/affordable rented	5-10%	15-20%	20-25%	10-15%	5-10%	15-20%	10-15%
	Affordable home ownership	5-10%	5-10%	50-55%	0-2%	0-2%	25-30%	5-10%
Preston Rural North	Market	5-10%	25-30%	35-40%	0-2%	2-5%	10-15%	10-15%
	Social/affordable rented	5-10%	15-20%	0-2%	5-10%	25-30%	35-40%	2-5%
	Affordable home ownership	5-10%	10-15%	20-25%	0-2%	5-10%	45-50%	0-2%
West	Market	10-15%	25-30%	20-25%	0-2%	0-2%	15-20%	15-20%
	Social/affordable rented	10-15%	15-20%	5-10%	10-15%	5-10%	35-40%	5-10%
	Affordable home ownership	20-25%	25-30%	30-35%	0-2%	0-2%	2-5%	15-20%
City of Preston	Market	10-15%	30-35%	20-25%	0-2%	2-5%	10-15%	10-15%
	Social/affordable rented	20-25%	20-25%	5-10%	10-15%	10-15%	15-20%	5-10%
	Affordable home ownership	15-20%	25-30%	30-35%	0-2%	2-5%	5-10%	5-10%

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6.   Conclusion: Policy and Strategic Issues

Introduction

6.1   This document has been prepared to equip the council and their partners with robust, defensible, and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of existing and emerging government policy and guidance.

6.2   The Preston HDNA will help the council plan for a mix of housing based on current and future demographic trends, market trends, and the needs of different groups in the community. Specifically, the HDNA identifies the size, type, and tenure of housing required by considering current market demand relative to supply and also identifies a continued affordable housing shortfall across the city.

6.3   This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets and key local strategic issues.

Overall housing need

6.4   The annual average net additional housing in need across 2023-2041 across Preston is 441.

Dwelling type, tenure, and mix

6.5   The relationship between household change and dwelling type/size and tenure requirements have been fully explored. The evidence will help the council deliver an appropriate range of dwelling stock for residents over the plan period. It is recommended that future planning policy references the broad mixes evidenced in Table 6.1 and is taken into account when determining future applications.

6.6   Regarding affordable need, there is an annual net shortfall of at least 130 dwellings. A recommended tenure split is 75% rented and 25% affordable home ownership. Delivery of affordable housing is subject to economic viability and the council does not need to plan to meet this number in full but affordable housing delivery should be maximised at every possible opportunity.

Table 6.1   Summary of overall dwelling mix

Dwelling type/size	Market	Affordable/ social rented	Affordable home ownership including First Homes	Total
Overall % split>>	**60%**	**30%**	**10%**	**100%**
1/2-bedroom house	10-15%	20-25%	15-20%	10-15%
3-bedroom house	30-35%	20-25%	25-30%	30-35%
4+ bedroom house	20-25%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	0-2%	2-5%
2+ bedroom flat	2-5%	10-15%	2-5%	5-10%
1/2-bedroom level access	10-15%	15-20%	5-10%	10-15%
3+ bedroom level access	10-15%	5-10%	5-10%	10-15%
Dwelling type	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
House	70-75%	50-55%	80-85%	65-70%
Flat	5-10%	20-25%	5-10%	5-10%
Bungalow/level-access	20-25%	25-30%	10-15%	20-25%
Number of bedrooms	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
1	2-5%	15-20%	2-5%	5-10%
2	25-30%	45-50%	25-30%	30-35%
3	45-50%	25-30%	35-40%	40-45%
4+	20-25%	5-10%	30-35%	20-25%

Meeting the needs of older people, those with disabilities and other specialist housing requirements

6.7   There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities. Although the majority of older people want to remain in their own home with support when needed, there is a need to diversify options available to older people wanting to move to more appropriate accommodation.

6.8   There are currently around 2,833 units of specialist older persons' accommodation comprising 1,353 specialist older accommodation units (C3 planning use class), 155 Extra Care (C2 use class), and 1,325 bedspaces residential care (C2 use class). It is estimated there is a need for 1,399 additional C3 dwelling units over the period 2023 to 2041 or 78 each year, a need for 464 C2 Extra Care units or 26 each year but a sufficient supply of C2 residential care bedspaces. The C3 units should be included in the overall housing figure. Delivery of C2 units would be in addition to this figure.

6.9   A key conclusion is that there needs to be a broader housing offer for older people across Preston and this HDNA has provided evidence of scale and range of dwellings needed.

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6.10   A range of information has been assembled from various sources which helps to scope out the likely level of disability across Preston's population.

6.11   Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to M4(3) wheelchair accessible and adaptable standard and all remaining new dwellings are built to M4(2) accessible and adaptable standard to take account of the ageing demographics of Preston.

6.12   It is expected that some of this need will be met through the development of C3 accommodation and there is overlap between affordable, specialist older person and M4(3) need. For instance, the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.

6.13   It is also assumed that there will be ongoing adaptation of existing dwellings to support those with additional needs.

6.14   There is a specific need for larger affordable homes for BGM households, with 10.7% of new affordable dwellings to have 4 bedrooms and 2.6% to have five or more bedrooms to help meet this need.

Final comments

6.15   The evidence presented in this HDNA suggests that there are three main policy areas that require particular attention from both a planning policy and social policy perspective:

- The challenge of enabling the quantity and mix of housing that needs to be delivered, including an appropriate level of affordable housing.

- The challenge of ensuring that the housing and support needs of older people are met going forward.

- The challenge of ensuring that the needs of people with disabilities is appropriately addressed.

Technical Appendix A: Research Methodology

Overall approach

A.1 A multi-method approach was adopted in order to prepare a robust and credible Local Housing Needs Assessment for Preston:

- a comprehensive household survey which achieved 1,563 responses, from 16,425 households, representing a response rate of 9.5% and a sample error of +/- 2.4%. Low response rates are expected and the sample errors achieved would be described by ONS as 'precise' if +/-5% or lower and 'reasonably precise' if between +/-5% to under +/-10%.

- A review of relevant secondary data including the 2021 Census, house price trends, CORE lettings data, and MHCLG Statistics.

Technical Appendix B: Affordable Housing Definitions

Affordable housing definitions

Definitions relating to affordable housing are presented in the NPPF 2024 (Annex 2):

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions90:

a)   **Social Rent**: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent; (b) the landlord is 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.

b)   **Other affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for 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).

c)   **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d)   **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

First Homes

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

- First Homes are a discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes.

- They must be discounted by a minimum of 30% against market value. After the discount has been applied, the first sale must be at a price no higher than £250,000 outside London.

- They must be sold to people meeting eligibility criteria which includes first-time buyers and household incomes should not exceed £80,000.

- The discount is passed onto each subsequent purchaser.

NPPF 2024 (paragraph 66 footnote 30) states that 'the requirement to deliver a minimum of 25% of affordable housing as First Homes, as set out in 'Affordable Homes Update' Written Ministerial Statement dated 24 May 2021, no longer applies. Delivery of First Homes can, however, continue where local planning authorities judge that they meet local need.

Technical Appendix C: Housing Need Calculations

Introduction

C.1   Identifying the scale of affordable housing need is a key consideration of planning practice guidance. This is a separate calculation to the overall housing need figure derived using the standard model and set out in PPG paragraphs 18 (Reference ID: 2a-018-20190220) to 24 (Reference ID: 2a-024-20190220). The affordable housing need analysis helps to establish the overall scale of affordable housing need by location, type, size, and tenure and whether the council should plan for more dwellings to help meet the need for affordable housing.

C.2   PPG states that **'all households whose needs are not met by the market can be considered in affordable housing need'** (PPG Paragraph: 018 Reference ID: 2a-018-20190220). PPG then considers how affordable housing need should be calculated:

   'Strategic policy-makers will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).' (PPG Paragraph: 019 Reference ID: 2a-019-20190220).

C.3   The PPG focuses on the use of existing (secondary data) but does not preclude the use of primary survey evidence.

C.4   There are four broad components to the needs assessment method. These have remained relatively unchanged through the different guidance issued by government and focus on:

   • Step A. Existing households in need (current unmet gross need).

   • Step B. Future households in need.

   • Step C. Affordable supply.

   • Step D. Annual need for affordable housing.

Affordability assumptions

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

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- A household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and

- A household can be considered able to afford market renting where the rent payable was up to 25% of gross household income.

C.6 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.

C.7 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered. This is the maximum single or joint household income multiple offered by First Direct July 2020.

C.8 Based on this data, the principal assumption considered by arc4 with reference to affordability is:

- For buying up to 3.5x gross household income; and

- For renting up to 25% gross household income.

Step A: Current unmet gross need

C.9 PPG Paragraph: 020 Reference ID: 2a-021-20190220 states that 'strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:

- The number of homeless households;

- The number of those in priority need who are currently housed in temporary accommodation;

- The number of households in over-crowded housing;

- The number of concealed households;

- The number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and

- The number of households from other tenures in need and those that cannot afford their own homes, either to rent or to own if that is their aspiration.'

C.10 PPG notes that care should be taken to avoid double-counting and to only include those households who cannot afford to access suitable housing in the market. Table C1 sets out the overall scale of current need before affordability of market housing is considered.

Table C1   Current gross unmet need (before affordability testing)

Reason for need	Total in need	Comment	Source
A1 Homeless households	**452**	Number of households identified as homeless 2022/23	MHCLG Live tables
A2 Priority need / temporary accommodation	**452**	Households identified as threatened with homelessness in 2022/23 plus households living in temporary accommodation (based on quarterly average) in 2023	MHCLG Live tables
A3 Overcrowded	**2,372**	2021 Census data households	2021 Census TS052
A4 Concealed household	**882**	Census definition refers to couples and lone parents living within another family unit.	2021 Census RM009
A5 Existing affordable tenants in need	**1,906**		Re-weighted (2021 Census) Household survey
A6 Other tenures in need	**5,370**		Re-weighted (2021 Census) Household survey
A7 Sum of households in A3 to A6 with one or more needs	**10,530**	Sum of A3 to A6 **BOLD figures**	
A8 Total in A7 adjusted to remove any double counting	**9,759**	This is the total number of households with one or more needs	
A9. All households in need (A1+A2+A8)	**10,663**	Represents 17.9% of all households.	

Note: table subject to rounding

Further Notes to Table C1:

A3. Overcrowding

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

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

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A4. Concealed households

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

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

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

A7 and A8. Sum of households

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

Affordability of open market options

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

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

Sub-area	Ward	Lower quartile price 2023	Lower quartile private rent 2023
Central	City Centre	£598	£93,000
	Deepdale	£650	£93,750
	Fishwick & Frenchwood	£563	£68,500
	Plungington	£596	£98,000
	St Matthew's	£576	£70,000
	TOTAL	**£598**	**£86,500**
East	Brookfield	£702	£118,000
	Ribbleton	£672	£117,000
	TOTAL	**£693**	**£117,500**
North	Cadley	£685	£135,000
	Garrison	£693	£154,000
	Greyfriars	£702	£187,000
	Sharoe Green	£793	£180,000
	TOTAL	**£702**	**£160,000**
West	Ashton	£624	£118,000
	Ingol & Cottam	£676	£110,800
	Lea & Larches	£598	£120,000
	TOTAL	**£637**	**£118,000**
Sub-area	**Parish**	**Lower quartile price 2023**	**Lower quartile private rent 2023**
Rural East	Broughton	£841	£139,000
	Grimsargh	£724	£220,000
	Haighton	£1,950	£627,500
	Whittingham	£897	£130,973
	TOTAL	**£849**	**£157,000**
Rural North	Barton	£550	£255,000
	Goosnargh	£1,148	£319,995
	Woodplumpton	£999	£154,568
	TOTAL	**£1,001**	**£176,000**
Preston		**£624**	**£108,000**

Source: Data produced by Land Registry © Crown copyright 2023, Zoopla 2023

C.12   Table C3 sets out the proportion of households in need who could not afford open market prices or rents. Where no prices/rents are available, city average prices/rents have been used. The affordability analysis uses data on ward-level lower quartile prices and rents and assumes that a property is affordable if up to

25% of household income is spent on rent and buying costs up to 3.5x household income.

C.13   It is reasonably assumed that all households in A1 (homeless) and A2 (priority need/in temporary accommodation) cannot afford open market prices or rents given their housing circumstances (and income information is not available from secondary data source).

C.14   The affordability of open market options is tested on the remaining households in need (rows A3 to A6 in Table C1) based on 2021 household survey (re-weighted to the 2021 Census).

C.15   Analysis concludes that **5,504** households across Preston are in housing need and cannot afford to buy or rent at lower quartile market prices.

Table C3   Affordability of open market housing for households in need

Needs groups	Number of households	% cannot afford to buy or rent	Number cannot afford to buy or rent
Sum of A1 and A2 households	904	100%	904
Sum of households in with one or more needs (A8)	9,759	47.1%	4,600
Total cannot afford to buy or rent			**5,504**

Housing register need – existing households

C.16   The September 2024 housing register has a total of 8,932 existing households needing affordable housing in Preston. The register has been considered as part of the assessment of overall affordable need.

Step B: Future households in need

C.17   **PPG Paragraph 021 Reference ID: 2a-021029190220** states that 'projections of affordable housing need will have to reflect new household formation, the proportion of newly-forming households unable to buy or rent in the market area, and an estimate of the number of existing households falling into need. The process will need to identify the minimum household income required to access lower quartile (entry level) market housing. It can then assess what proportion of newly-forming households will be unable to access market housing.'

New household formation

C.18   The most useful data sources for assessing the level of new household formation are:

- DLUHC/ONS household projections, from which an annual net increase in households can be derived; and

- The English Housing Survey, from which a national gross household formation rate can be derived and referenced as a data source in the PPG.

C.19 Based on the requirements of PPG, the gross annual formation rate used in analysis is 880. This is the household formation rate derived from a range of projections set out in Table C4. Through the standard method of calculating need, allowance is made for increasing the level of housing delivery to support household formation through the affordability adjustment.

Table C4   Net and gross household formation 2023-2041

Scenario	Annual household formation	Notes	Source
A. MHCLG 2014-based household projections	234	3,748 NET increase between 2023 and 2039	MHCLG 2014-based household projections
B. ONS 2018-based household projections	201	3,614 NET increase between 2023 and 2041	ONS 2018-based household projections
C. Average gross household formation rate based on applying national rate to total households over the period 2022-2040 (2014-based projections)	889	Gross household formation rate of 1.435%	English Housing Survey 3- year average 2017/18 to 2019/20
D. Average gross household formation rate based on applying national rate to total households over the period 2022-2040 (2018-based projections)	870	Gross household formation rate of 1.439%	English Housing Survey 3 year average 2017/18 to 2019/20
G. Blended rate of gross household formation (C, D)	880		

NOTE: this analysis is based on DCLG 2014-based household projections which run to 2041

New households likely to be in affordable housing need

C.20 Analysis of the incomes of households who have formed in the past 5 years using the 2021 household survey (re-weighted to the 2021 Census) concludes that 45.7% could not afford buying or renting lower quartile (entry level) properties. Based on a gross formation rate of **880**, 402 households are estimated to be in affordable housing need.

Existing households expected to fall into need

C.21   The 2021 household survey (re-weighted to the 2021 Census) identifies 965 households who have fallen into need in the past 5 years and require affordable housing or 193 each year.

Total newly arising affordable housing need (gross per year)

C.22   Total newly arising need is therefore 595 each year as summarised in Table C5.

Table C5   Total newly-arising affordable housing need

A. Number of newly-forming households		880
B. Proportion unable to afford market housing	45.7%	402
C. Existing households falling into need		193
Total newly arising affordable need (B+C)		595

Step C: Affordable housing supply

C.23   PPG Paragraph 022 Reference ID: 2a-022-20190220 notes that 'there will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply.' There are five aspects to affordable supply to be considered as set out in Table C6.

Table C6   Affordable housing supply

Source of supply/stock loss	Data source	Data
The number of affordable dwellings that are going to be vacated by occupiers that are fit for use by other households in need	RP lettings data over most recent 4-year period	Annual average of 683 general needs affordable dwellings have been let 2019/20 to 2022/23.
Suitable surplus stock (vacant properties)	MHCLG vacant dwelling statistics	383 vacant affordable (council and housing association excluding not available for letting) dwellings reported as vacant in 2023 or 3.1% of total affordable stock. This is above the transactional rate of around 2% to allow movement in stock so suitable surplus stock available
The committed supply of new net affordable homes at the point of assessment (number and size)	Council data	Total of 1,473 pipeline affordable dwellings. Assume all built over 5 years. Annual of 295 used in supply calculation as proxy for committed supply
Supply of affordable home ownership through <u>resale</u>	English Housing Survey Table FA4131	EHS indicates 5.9% of owner occupiers with a mortgage moved to their accommodation in the past year. This is used as a basis for estimating the number of resales of affordable home ownership products at 5% each year. Based on 751 dwellings there are an estimated 38 resales each year
Units taken out of management	Local authority data	None identified
Total annual supply	Calculation	683 lettings + 0 vacant + 295 newbuild + 37 AHO resales – 0 units taken out of management = 1,015 each year

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

C.24   Overall, the model assumes a total annual affordable housing stock supply of **1,015** including an allowance for newbuild dwellings.

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

C.25   Table C7 summarises the total annual need for affordable housing across Preston which establishes a gross annual need of 1,145 and, after taking into account supply, a net need of 130 affordable dwellings each year assuming a clearance of gross unmet need over 5 years. Table C8 presents the data for individual sub-areas.

Table C7   Gross and net annual affordable need

Scenario	Factor	Number	Data source/assumption
A1	Current gross unmet need (before affordability test)	10,663	Table C1 row A9
A2	Current gross unmet need (after affordability test)	5,504	Table C3
A3	Annualised need	550	Assume unmet need is cleared over a 10-year period to reflect the standard method 10 year time period
B	Newly-arising annual need	595	Table C5
TGN	Total gross need	1,145	A3+B
C	Affordable annual housing supply	1,015	Table C6
	Total annual net need	**130**	**TGN – C**

Notes: Table subject to rounding errors

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

Factor	A1	A2	A3	B	TGN	C	-
-	Current gross unmet need (before affordability test)	Current gross unmet need (after affordability test)	Annualised need	Newly-arising annual need	Total gross need	Affordable annual housing supply	Total annual net need
Number	10,663	5,504	550	595	1,145	1,015	130
Sub-area	Table C1 row A9	Table C3	10 year clearance	Table C5	A3+B	Table C6	Total gross need - C
Central	4,513	2,516	252	246	497	442	55
East	1,246	762	76	103	179	223	-43
North	2,469	1,222	122	110	232	105	128
West	1,876	732	73	100	173	227	-53
Preston Rural East	310	153	15	19	35	13	22
Preston Rural North	250	118	12	16	28	6	22
Total	**10,663**	**5,504**	**550**	**595**	**1,145**	**1,015**	**130**
Factor	A1	A2	A3	B	TGN	C	-
-	Current gross unmet need (before affordability test)	Current gross unmet need (after affordability test)	Annualised need	Newly-arising annual need	Total gross need	Affordable annual housing supply	Total annual net need
Number	10,663	5,504	550	595	1,145	1,015	130
Rural East and Rural North Parishes	Table C1 row A9	Table C3	10 year clearance	Table C5	A3+B	Table C6	Total gross need - C
Barton	88	42	4	4	8	1	7
Broughton	62	34	3	6	9	1	9
Goosnargh	53	18	2	2	4	0	4
Grimsargh	114	60	6	7	13	4	9
Haighton	19	6	1	0	1	0	1
Whittingham	110	51	5	6	11	8	3
Woodplumpton	114	60	6	10	16	5	11
Total	**560**	**272**	**27**	**35**	**62**	**19**	**43**

Variant analysis and comparison with previous HDNA

C.26   Table C9 considers the annual affordable need under alternative assumptions regarding the length of time assumed to clear the backlog need and assumptions around committed supply. The previous HNDA assumed a 10-year backlog and included pipeline supply and identified an annual need for 396 affordable dwellings.

Table C9   Affordable housing need variant analysis

	Principal scenario	Variant 1	Variant 2	Variant 3
Backlog clearance	10 years	5 years	10 years	5 years
Newbuild	Included	Included	Excluded	Excluded
Annual net need	130	681	425	976

Affordable need by number of bedrooms

C.27   Table C10 summarises the dwelling needs of these households based on the <u>housing register</u>. This shows that most need is for smaller 1 and 2-bedroom dwellings.

Table C10   Affordable need based on the housing register

Number of bedrooms	%
1	25.4%
2	35.1%
3	25.2%
4	14.3%
Total	100.0%
Base	7233

Source: Preston Housing Register September 2024

Affordable need by dwelling type and number of bedrooms

C.28 Data from the household survey has been analysed to take account of dwelling type preferences as well as bedroom need (Table C11). Across Preston, analysis suggests a broad split of 57.0% houses, 20.1% flats and 22.9% bungalows/level access dwellings.

Table C11   Affordable dwelling type and size mix

Dwelling type	Number of bedrooms (number)				Total
	1	2	3	4+	
House	2	25	30	17	74
Flat	14	10	2	0	26
Level-access	2	19	9	0	30
Total	18	54	41	17	130
Dwelling type	Number of bedrooms (Table %)				Total
	1	2	3	4+	
House	1.2%	19.2%	23.3%	13.3%	57.0%
Flat	10.7%	7.9%	1.5%	0.0%	20.1%
Level-access	1.6%	14.5%	6.8%	0.0%	22.9%
Total	13.5%	41.6%	31.6%	13.3%	100.0%

C.29 Table C12 presents a recommended dwelling type and size mix based on households in affordable need by sub-area.

Table C12   Affordable dwelling mix by sub-area, number of bedrooms and dwelling type

Dwelling type/size	Sub-area						
	Central	East	North	Preston Rural East	Preston Rural North	West	PRESTON
1/2-bedroom house	28.4%	13.3%	0.2%	7.4%	7.2%	13.4%	20.3%
3-bedroom house	24.0%	29.1%	24.3%	14.2%	18.4%	21.6%	23.3%
4+ bedroom house	15.8%	21.9%	5.5%	27.4%	3.5%	12.0%	13.3%
1-bedroom flat	10.7%	9.7%	4.9%	11.2%	5.0%	8.6%	10.7%
2 bedroom flat	8.7%	4.9%	0.6%	7.7%	24.6%	6.6%	7.9%
3+ bedroom flat	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
1/2-bedroom level-access	7.0%	15.1%	24.5%	18.7%	37.9%	28.5%	16.2%
3+ bedroom level-access	2.7%	6.0%	39.9%	13.4%	3.4%	9.2%	6.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Annual Need (gross)	497	179	232	35	28	173	1,145
Annual Need (net)	55	-43	128	22	22	-53	130

Comparison of current housing stock and current/future needs

C.30   PPG states that 'strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future need (PPG Paragraph 023 Reference ID: 2a-023-20190220). Table C13 sets out this comparison with need derived from household survey and housing register information. This suggests the highest imbalance supply of 2 and 4 or more bedroom dwellings, although there remains need for all dwelling sizes.

Table C13   Comparison between current affordable supply and annual gross need

Number of bedrooms	Current supply estimate	%	Annual gross need %	Variance %
1-bedroom	3,329	27.1%	13.5%	13.6%
2-bedroom	4,209	34.3%	41.6%	-7.4%
3-bedroom	4,428	36.0%	31.6%	4.5%
4 or more -bedroom	321	2.6%	13.3%	-10.7%
Total	12,286	100.0%	100.0%	

Sources: SDR 2022, housing register; 2021 household survey (re-weighted to the 2021 Census)

First Homes

C.31   First Homes are described at Appendix B.

C.32   Table C14 considers the price of First Homes using different discounts based on median prices across the city. Table C16 shows that based on median prices, the First Home product at city level is within the £250,000 threshold. The First Home discount should be consistent across a local authority area. Based on house price data for Preston as a whole, First Homes could be delivered at a 40% discount and be affordable to households on median incomes. This assumes that the First Home prices is a discount to the overall median price in the city.

Table C14   First Home prices

Tenure option		Price (2023) City of Preston
Market price (median) 2023		£150,000
Discount to median price		
	30%	£105,000
	40%	£90,000
	50%	£75,000
Note To be eligible as a First Home, the maximum price after discount is £250,000		
Income required (10% deposit and 3.5x household income)		
Discount to median price		
	30%	£27,000
	40%	£23,143
	50%	£19,286
Actual household income (2022 CAMEO)		
Median		£25,000
Comparison between household income and income required for a First Home		
(Less than 1 or 1 is affordable (green) ; greater than 1 is not affordable (red))		
Income required (10% deposit and 3.5x household income)		
Discount to median price		
	30%	1.1
	40%	0.9
	50%	0.8

Tenure mix

C.33   Analysis needs to consider the range of affordable tenures as set out in Annex 2 of the NPPF that may be appropriate for existing households in need and newly-forming households.

C.34   For need arising from homeless households and those in temporary accommodation, it is assumed they all require social rented accommodation. For newly-forming households and existing households in need, a split between affordable rented and affordable home ownership should be considered. This is based on household survey data and considers household income and access to equity/savings. Analysis establishes the proportions of households who could afford social rent, affordable rent, and affordable home ownership options.

C.35   Table C15 summarises the overall tenure split between affordable rented options (social and affordable rent) and affordable home ownership solutions (including shared ownership, discounted for sale and other tenures as set out in Annex 2 of the NPPF).

Table C15   Affordable housing tenure preferences

Sub-area	Social Rented (%)	Affordable Rented (%)	Affordable Home Ownership (%)	Total
Central	43.4%	22.7%	33.9%	100.0%
East	62.1%	19.0%	19.0%	100.0%
North	55.5%	27.5%	17.0%	100.0%
Preston Rural East	60.7%	24.5%	14.8%	100.0%
Preston Rural North	68.8%	15.6%	15.6%	100.0%
West	52.1%	23.9%	23.9%	100.0%
PRESTON	**51.9%**	**24.0%**	**24.1%**	**100.0%**

Source: Housing Register; 2021 household survey (re-weighted to the 2021 Census)

C.36   Analysis would suggest an overall tenure split rounded to 75% affordable rented and 25% affordable home ownership across Preston. In terms of the split between social and affordable rented, it is recommended that social rented is maximised where possible, the incomes of existing and newly-forming households have been considered against the costs of social and affordable renting.

Technical Appendix D: Dwelling Mix and Modelling

Introduction

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

Starting points

D.2   There are four main data sources which underpin the analysis:

- Household projections;

- Dwelling stock information;

- Data identifying the relationships between households and dwellings derived from the 2021 household survey (re-weighted using the 2021 Census); and

- Data derived from affordable housing need analysis.

Household projections

D.3   These are used to establish the number of households by Household Reference Persons (HRP) and household type using the 2018-based data, and how this is expected to change over the period 2023 to 2041.

D.4   The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly over the plan period, the potential impact on type and number of bedrooms of future dwellings can be determined.

Relationship between households and dwellings

D.5   The relationship between the age of Household Reference Person, household type, and dwellings occupied by type and size can be derived from the 2021 Survey (re-weighted using the 2021 Census).

D.6   The data available is summarised in Table D1. For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been estimated.

D.7   The 2021 household survey (re-weighted using the 2021 Census) also provides data on household aspirations and what households would expect to move to. This data can also be broken down by HRP age group and household type.

D.8   By combining this range of data, it is possible to model the likely change in dwelling type/size requirements with reference to:

- The current relationship between HRP/household type and dwelling type/size and this remains constant over the plan period (demographic baseline);

- Household aspirations by HRP/household type (aspirations); and

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

Table D1   Age groups, household type, and dwelling types used

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

Applying the data at authority level

D.9   Applying the data at authority level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections. Assuming that the dwelling needs of these households do not change over the plan period, the overall impact on type/size of dwellings can be determined.

D.10   Table D2 presents the baseline demographic data for Preston. The total number of households is expected to increase by around 3,614 over the period 2023-2041 using 2018-based ONS household projections. Growth is mainly expected across older age cohorts. Figure D1 illustrates how the number of households by HRP age is expected to change over the period 2023-2041.

Table D2   Change in number of households by age group and household type 2023 to 2041

2023	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	1,297	607	229	110	941	3,183
25-34	3,243	1,822	1,298	894	2,419	9,677
35-44	3,511	1,985	2,036	1,291	1,736	10,559
45-54	3,483	1,719	1,312	523	3,327	10,364
55-64	3,925	871	364	99	5,355	10,613
65-74	3,028	186	29	10	3,822	7,074
75-84	2,556	65	5	5	2,659	5,290
85+	1,309	14	0	1	687	2,012
TOTAL	22,352	7,269	5,273	2,932	20,945	58,771

2041	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	1,433	679	259	124	1,061	3,556
25-34	3,326	1,848	1,312	897	2,484	9,867
35-44	3,396	1,886	1,969	1,247	1,676	10,174
45-54	3,720	1,856	1,461	587	3,514	11,137
55-64	3,418	757	314	83	4,733	9,305
65-74	3,534	210	31	11	4,498	8,285
75-84	3,490	88	7	6	3,709	7,300
85+	1,777	19	0	2	963	2,760
TOTAL	24,094	7,342	5,354	2,956	22,638	62,384

Change 2023-2041	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	136	72	30	15	120	373
25-34	83	26	14	3	65	190
35-44	-115	-99	-67	-44	-59	-385
45-54	237	137	149	64	187	773
55-64	-507	-114	-50	-16	-621	-1,308
65-74	506	24	3	1	676	1,211
75-84	934	23	2	2	1,050	2,010
85+	467	5	0	1	276	749
TOTAL	1,741	74	81	24	1,694	3,614

Source: ONS 2018-based household projections

Figure D1   Change in HRP age groups 2023-2041

	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
Change in HRP 2023 to 2041	373	190	-385	773	-1,308	1,211	2,010	749
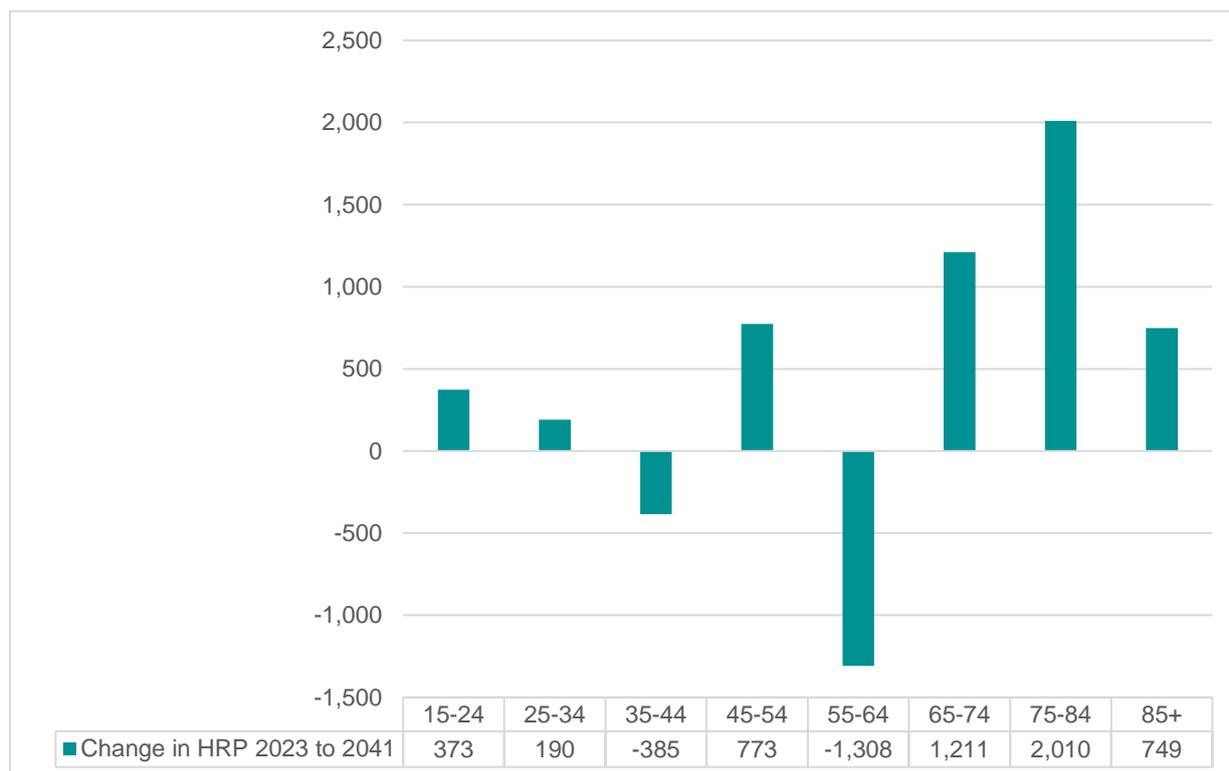
Source: 2018-based ONS household projections

D.11   Table D3 applies household survey data on dwelling occupancy to the demographic profile in 2041. The two right hand columns indicate the likely change in demand for dwelling types and sizes and how this translates to an overall percentage dwelling requirement.

Table D3   Impact of change in households by age group on dwellings occupied by 2041

Dwelling type and size	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
1-bedroom bungalow/level access	4	2	36	123	68	257	39	19	591	0.9%
1-bedroom flat	754	413	1,099	552	416	287	1,216	310	5,221	8.4%
1-bedroom house	6	218	130	75	74	56	44	0	622	1.0%
1-bedroom other	0	169	3	0	10	232	0	0	416	0.7%
2-bedroom bungalow/level access	29	115	127	202	280	185	440	0	1,300	2.1%
2-bedroom flat	781	852	942	499	295	611	518	96	4,723	7.6%
2-bedroom house	548	3,223	1,640	1,568	1,046	1,024	482	537	10,139	16.3%
2-bedroom other	8	21	13	29	6	50	207	0	333	0.5%
3-bedroom house	311	3,811	3,495	4,738	3,619	3,001	2,745	1,131	22,740	36.5%
3 or more-bedroom bungalow/level access	40	44	102	177	209	366	258	337	1,575	2.5%
3 or more-bedroom flat	705	55	295	63	34	66	129	0	1,336	2.1%
3 or more-bedroom other	21	9	11	31	19	6	63	21	175	0.3%
4 or more-bedroom house	349	932	2,280	3,081	3,230	2,143	1,159	310	13,212	21.2%
Total	3,556	9,867	10,174	11,137	9,305	8,285	7,299	2,760	62,384	100.0%
Number of bedrooms	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
1	764	803	1,268	749	568	832	1,299	329	6,851	11.0%
2	1,367	4,212	2,722	2,298	1,626	1,871	1,647	633	16,495	26.4%
3	1,076	3,920	3,904	5,009	3,881	3,439	3,194	1,489	25,826	41.4%
4 or more	349	932	2,280	3,081	3,230	2,143	1,159	310	13,212	21.2%
Total	3,556	9,867	10,174	11,137	9,305	8,285	7,299	2,760	62,384	100.0%

Note: totals by age group may vary slightly due to rounding errors; Source: ONS 2018-based household projections and 2021 survey (re-weighted using the 2021 Census)
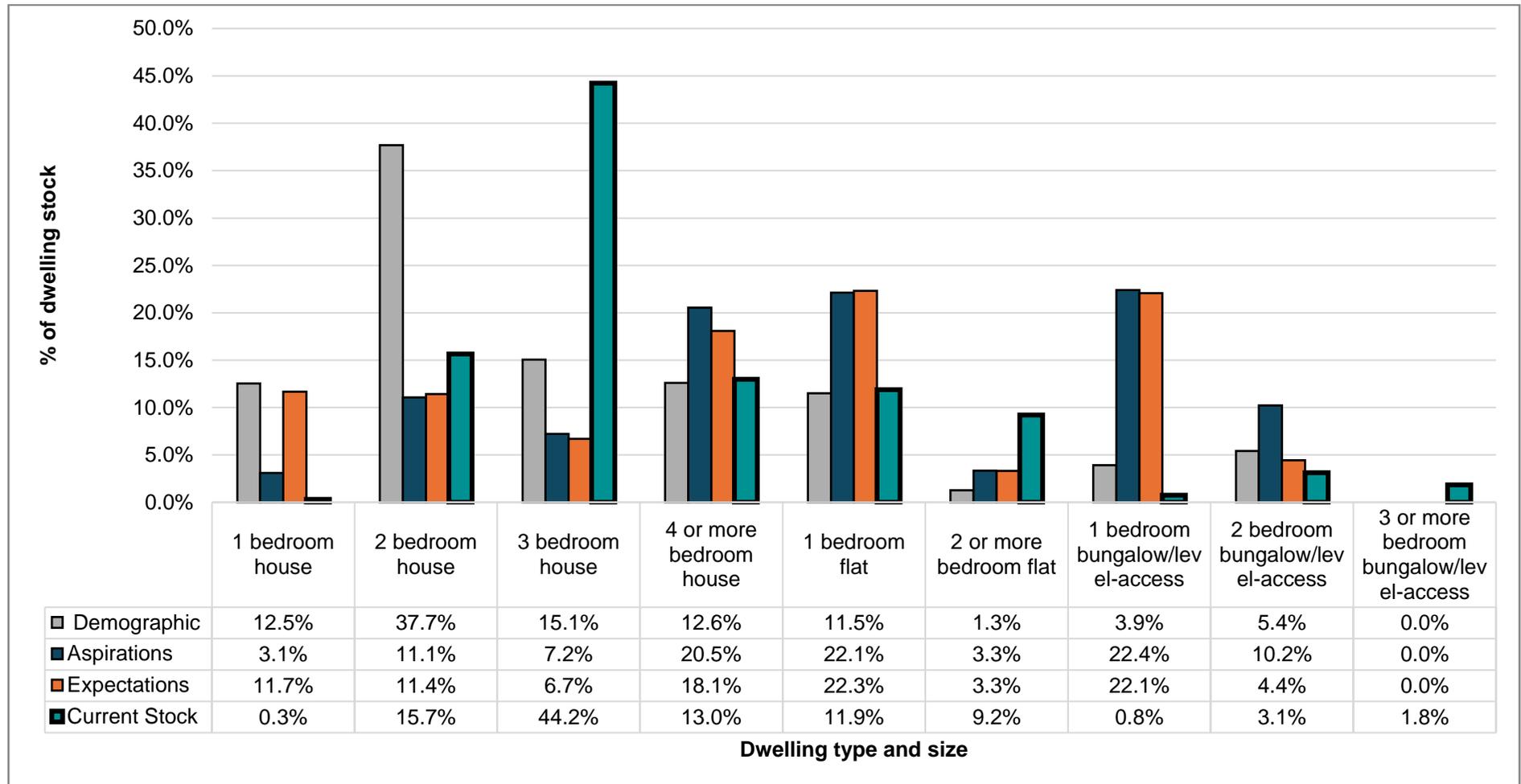
D.12 Table D4 sets out how the profile of dwelling stock changes when aspirations and expectations of households are considered. This indicates a notable shift towards bungalow/level-access accommodation and two-bedroom dwellings.

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

Dwelling type and size	Demographic	Aspirations	Expectations	Current stock
1 bedroom house	12.5%	3.1%	11.7%	0.3%
2 bedroom house	37.7%	11.1%	11.4%	15.7%
3 bedroom house	15.1%	7.2%	6.7%	44.2%
4 or more bedroom house	12.6%	20.5%	18.1%	13.0%
1 bedroom flat	11.5%	22.1%	22.3%	11.9%
2 or more bedroom flat	1.3%	3.3%	3.3%	9.2%
1 bedroom bungalow/level-access	3.9%	22.4%	22.1%	0.8%
2 bedroom bungalow/level-access	5.4%	10.2%	4.4%	3.1%
3 or more bedroom bungalow/level-access	0.0%	0.0%	0.0%	1.8%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dwelling type	**Demographic**	**Aspirations**	**Expectations**	**Current stock**
House	77.9%	41.9%	47.9%	55.9%
Flat	12.8%	25.4%	25.6%	21.3%
Bungalow/level access	9.3%	32.6%	26.5%	22.8%
Total	100.0%	100.0%	100.0%	100.0%
Number of bedrooms	**Demographic**	**Aspirations**	**Expectations**	**Current stock**
1	14.2%	25.6%	22.6%	20.8%
2	24.5%	42.3%	51.7%	39.5%
3	46.3%	24.9%	19.1%	30.1%
4	15.1%	7.2%	6.7%	9.7%
Total	100.0%	100.0%	100.0%	100.0%

D.13 Figure D2 summarises the dwelling profiles under the scenarios considered and compares this with current dwelling stock. Under the baseline demographic scenario, the majority of newbuild should be houses (particularly 2 bedroom and 3 bedroom) and some flats and bungalows/level-access accommodation. Under the aspirations and expectations scenarios, there is an increasing emphasis on flats and bungalows/level-access.

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

	1 bedroom house	2 bedroom house	3 bedroom house	4 or more bedroom house	1 bedroom flat	2 or more bedroom flat	1 bedroom bungalow/level-access	2 bedroom bungalow/level-access	3 or more bedroom bungalow/level-access
□ Demographic	12.5%	37.7%	15.1%	12.6%	11.5%	1.3%	3.9%	5.4%	0.0%
■ Aspirations	3.1%	11.1%	7.2%	20.5%	22.1%	3.3%	22.4%	10.2%	0.0%
■ Expectations	11.7%	11.4%	6.7%	18.1%	22.3%	3.3%	22.1%	4.4%	0.0%
■ Current Stock	0.3%	15.7%	44.2%	13.0%	11.9%	9.2%	0.8%	3.1%	1.8%

Dwelling type and size

Source: 2021 household survey (re-weighted to 2021 Census) and 2018-based household projections

arc⁴

Overall dwelling mix by tenure

D.14　Table D5 summarises dwelling type/size mix based on the demographic scenario relating to the period 2023 to 2041. This analysis assumes a minimum 25% affordable housing target and an affordable tenure split of around 75% rented and 25% affordable home ownership. The analysis factors in the dwelling type/size analysis carried out as part of the affordable housing needs calculation and the dwelling type/size choices of households considering affordable home ownership solutions based on the range of dwellings currently available.

D.15　The analysis can be revised if annual targets and affordable housing delivery targets are updated.

Table D5　　Summary of overall dwelling mix by tenure

Dwelling type/size	Market	Affordable/ social rented	Affordable home ownership including First Homes	Total
Overall % split>>	60%	30%	10%	100%
1/2-bedroom house	10-15%	20-25%	15-20%	15-20%
3-bedroom house	30-35%	20-25%	25-30%	25-30%
4+ bedroom house	20-25%	5-10%	30-35%	20-25%
1-bedroom flat	0-2%	10-15%	0-2%	2-5%
2+ bedroom flat	2-5%	10-15%	2-5%	5-10%
1/2-bedroom level access	10-15%	15-20%	5-10%	10-15%
3+ bedroom level access	10-15%	5-10%	5-10%	10-15%
Dwelling type	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
House	70-75%	50-55%	80-85%	65-70%
Flat	5-10%	20-25%	5-10%	10-15%
Bungalow/level-access	20-25%	25-30%	10-15%	20-25%
Number of bedrooms	**Market**	**Affordable/ social rented**	**Affordable home ownership**	**Total**
1-2	35-40%	65-70%	30-35%	45-50%
3	40-45%	30-35%	40-45%	35-40%
4+	15-20%	2-5%	25-30%	10-15%

Overall dwelling mix by sub-area

D.16　Further analysis considers the range of dwellings by sub-area and tenure. This is based on the need for affordable/social rented dwellings, the need for affordable home ownership, and open market need. This takes account of the dwelling type aspirations and expectations of households and the number of bedrooms needed.

D.17   Table D6 summaries affordable (social/affordable) rented need. Table D7 summarises affordable (affordable home ownership) need and Table D8 market need. Market mix is based on underlying demographics of the city blended with the expectations of existing and newly-forming households planning on moving in the general market. It is important that both planners and developers maintain a flexible approach to what is built within Preston and helps to determine the relative priorities of development in the area

Table D6   Social/Affordable dwelling mix by sub-area

Dwelling type/size	Sub-area						PRESTON
	Central	East	North	Preston Rural East	Preston Rural North	West	
1 and 2-bedroom house	30-35%	10-15%	0-2%	5-10%	5-10%	10-15%	20-25%
3-bedroom house	20-25%	25-30%	20-25%	15-20%	15-20%	15-20%	20-25%
4 or more-bedroom house	5-10%	15-20%	0-2%	20-25%	0-2%	5-10%	5-10%
1-bedroom flat	15-20%	10-15%	5-10%	10-15%	5-10%	10-15%	10-15%
2 and 3-bedroom flat	10-15%	2-5%	0-2%	5-10%	25-30%	5-10%	10-15%
1 and 2-bedroom bungalow/level-access	5-10%	15-20%	25-30%	15-20%	35-40%	35-40%	15-20%
3 or more-bedroom bungalow/level-access	2-5%	5-10%	40-45%	10-15%	2-5%	5-10%	5-10%

Source: 2014-based DCLG household projections; 2021 household survey (re-weighted to the 2021 Census

Table D7   Affordable (affordable home ownership) by sub-area

Dwelling type/size	Sub-area						PRESTON
	Central	East	North	Preston Rural East	Preston Rural North	West	
1 and 2-bedroom house	20-25%	5-10%	0-2%	5-10%	5-10%	20-25%	15-20%
3-bedroom house	30-35%	25-30%	25-30%	5-10%	10-15%	25-30%	25-30%
4 or more-bedroom house	30-35%	30-35%	30-35%	50-55%	20-25%	30-35%	30-35%
1-bedroom flat	0-2%	5-10%	0-2%	0-2%	0-2%	0-2%	0-2%
2 and 3-bedroom flat	5-10%	5-10%	2-5%	0-2%	5-10%	0-2%	2-5%
1 and 2-bedroom bungalow/level-access	0-2%	10-15%	10-15%	25-30%	45-50%	2-5%	5-10%
3 or more-bedroom bungalow/level-access	0-2%	5-10%	20-25%	5-10%	0-2%	15-20%	5-10%

Source: 2014-based DCLG household projections; 2021 household survey (re-weighted to the 2021 Census)

Table D8   Open Market dwelling mix by sub-area

Dwelling type/size	Sub-area						PRESTON
	Central	**East**	**North**	**Preston Rural East**	**Preston Rural North**	**West**	
1 and 2-bedroom house	15-20%	15-20%	2-5%	5-10%	5-10%	10-15%	10-15%
3-bedroom house	35-40%	35-40%	30-35%	15-20%	25-30%	25-30%	30-35%
4 or more-bedroom house	15-20%	20-25%	25-30%	40-45%	35-40%	20-25%	20-25%
1-bedroom flat	2-5%	2-5%	0-2%	2-5%	0-2%	0-2%	0-2%
2 and 3-bedroom flat	5-10%	2-5%	2-5%	0-2%	2-5%	0-2%	2-5%
1 and 2-bedroom bungalow/level-access	5-10%	10-15%	10-15%	10-15%	10-15%	15-20%	10-15%
3 or more-bedroom bungalow/level-access	5-10%	5-10%	20-25%	15-20%	10-15%	15-20%	10-15%

Source: 2014-based DCLG household projections; 2021 household survey (re-weighted to the 2021 Census)