Cheshire East
Strategic Housing Market Assessment

2013 Update

Report for Cheshire East Council
September 2013

Main Contact: Michael Bullock
arc4 Ltd
Email: michael.bullock@arc4.co.uk
Website: www.arc4.co.uk

Publishing Date: September 2013

TABLE OF CONTENTS

1. Introduction

Background and methodology

1.1 A comprehensive Strategic Housing Market Assessment (SHMA) for Cheshire East was published and adopted in September 2010. In order to provide outputs to support the preparation of the Council's Local Plan Core Strategy, the 2013 update uses recently released 2011 census data to update the general social, economic, demographic and dwelling stock context of the Unitary Authority. The update also aligns the SHMA evidence base to reflect the National Planning Policy Framework. The update follows the methodology for updating of the SHMA evidence base as presented in Appendix E of the 2010 SHMA:

- **reviewing** the general strategic housing market context and emerging issues.
- **updating baseline data** on housing needs and affordable housing requirements using updated house price and private sector rent information and updated information on the capacity of the social rented and intermediate tenure sectors; and draws upon
- **stakeholder consultation** with a range of agencies including estate agents, developers, Registered Providers representatives and Council officers carried out during 2012.

Definitions

1.2 A series of terms are used in work of this nature. To avoid ambiguities, these terms are clearly defined:

Housing demand is the quantity of housing that households are willing and able to buy or rent.
Housing need is the quantity of housing required for households who are unable to access suitable housing without financial assistance.
Housing markets are geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work.
Housing requirement is the combination of both housing need and housing demand.

1.3 Definitions relating to affordable housing have been revised in the National Planning Policy Framework March 2012 (Annex 2).

Affordable housing: Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

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

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

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

National Planning Policy Framework requirements

1.4 Local planning policies need to be grounded in robust and transparent evidence and key components of the evidence base include: a Strategic Housing Market Assessment and a Strategic Housing Land Availability Assessment. The SHMA should assess and identify the scale and mix of housing and the range of tenures the local population is likely to need over the Local Plan period which:

- Meets household and population projections, taking account of migration and demographic change;
- Addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as families with children, older people, people with disabilities, service families and people wishing to build their own homes); and
- Caters for housing demand and the scale of housing supply necessary to meet this demand.

1.5 This report provides an update of the first key piece of evidence to underpin planning policy, namely a SHMA which delivers the core outputs required through CLG SHMA guidance. Specifically, this research provides:

- Evidence for the Council to help them plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as families with children, older people, people with disabilities, service families and people wishing to build their own homes);
- A detailed understanding of the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and

- Identified affordable housing requirements.

Geography

1.6 Data from the 2009 household survey which was used in the preparation of the 2010 SHMA were prepared for parishes which were then aggregated to former Local Authority districts and for Cheshire East as a whole. For the purposes of the Core Strategy, Cheshire East has been stratified into 29 sub-areas built up from parishes (Table 1.1). The geographies have been rebased and revised for the purposes of the 2013 update to better reflect the settlement hierarchy work prepared to support the Core Strategy whilst ensuring the data for each sub-area remains statistically robust. The household survey data remains robust when recast into these new areas. A look-up table of parishes to sub-areas is presented at Appendix A.

2009 household survey and rebasing to 2011 census

1.7 The 2009 SHMA included a survey of households across Cheshire East, with 100% surveying in rural areas and sample surveys in urban areas, carried out in June/July 2009 (with a return deadline of the 24th July 2009). A total of 56,979 households were contacted in two mailings (47,560 in an initial mailing and a booster survey of 9.436 to improve response rates) and 7,796 questionnaires were returned either by post or online and used in data analysis. This represents a 13.7% response rate. The total number of questionnaires returned was well in excess of the 1,500 specified in Government guidance.

1.8 We recommend that household survey data remains valid for a 3 to 5 year time frame and therefore the household survey data collected in 2009 remains valid and has been used in the 2013 SHMA update. Survey data presented in the 2013 SHMA update are based on responses to the 2009 SHMA household survey which have been reweighted to take account of the sub-areas and the tenure and age profile of heads of household as presented in the 2011 census. This reweighting ensures that the household survey data is recast to reflect the latest tenure and age profile available.

Map 1.1 Spatial areas of Cheshire East

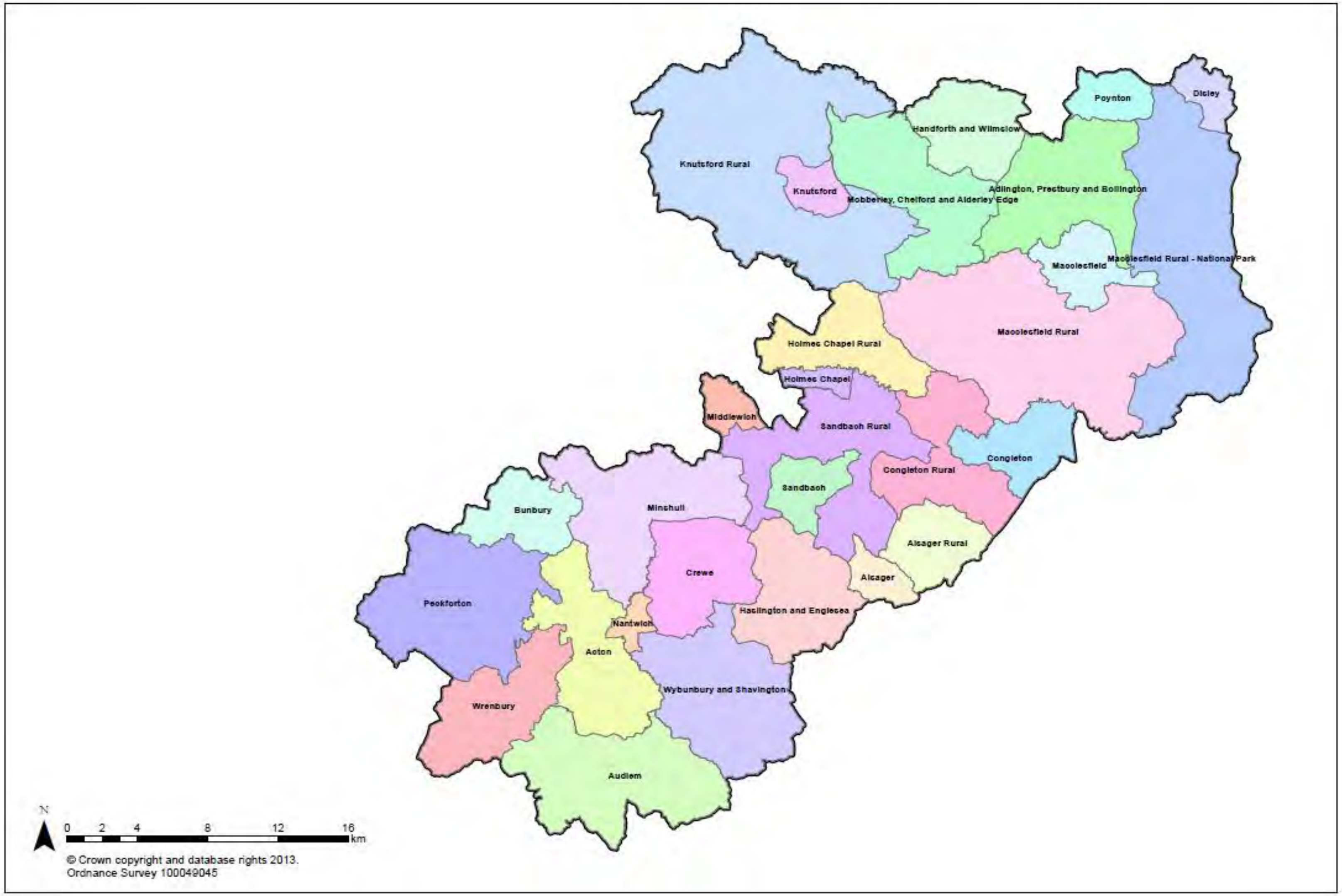


Table 1.1 2013 SHMA Sub-areas for Cheshire East

Sub-Areas for 2013 SHMA Update
Acton
Adlington Prestbury and Bollington
Alsager
Alsager Rural
Audlem
Bunbury
Congleton
Congleton Rural
Crewe
Disley
Handforth and Wilmslow
Haslington and Englesea
Holmes Chapel
Holmes Chapel Rural
Knutsford
Knutsford Rural
Macclesfield
Macclesfield Rural
Macclesfield Rural - National Park
Middlewich
Minshull
Mobberley Chelford and Alderley Edge
Nantwich
Peckforton
Poynton
Sandbach
Sandbach Rural
Wrenbury
Wybunbury and Shavington

Report structure

1.9 The Cheshire East 2013 SHMA update is structured as follows:

- Chapter 2 presents an overview of the national and regional policy context within which the research needs to be positioned;
- Chapter 3 considers the housing market and the extent to which this has changed since the 2010 SHMA was completed by drawing upon updated house price information and discussions with estate agents and developers;
- Chapter 4 refreshes the core SHMA outputs using updated information which is available;
- Chapter 5 presents a summary of future housing numbers based on the latest projections prepared by the Department for Communities and Central Government using Office for National Statistics population projection data.
- Chapter 6 concludes the report with a summary of findings from the update and a consideration of emerging strategic issues.

2. Policy and strategic review

2.1 Over the past ten years the strategic housing role of local authorities has evolved beyond focussing primarily on the delivery of social housing; it is now much more about working for the benefit of communities, through understanding, shaping and responding to wider housing markets and trends that impact upon local housing market areas. Strategic Housing Market Assessments have helped underpin this work, helping local authorities to understand:

- The housing needs and aspirations of their communities;
- Trends in the wider housing market, and how these impact locally;
- Actions needed to ensure a supply of affordable housing to meet local needs; and
- The requisite role of housing locally in supporting economic growth, as well as social and environmental well-being.

2.2 Evidence from SHMAs is therefore central in shaping and informing local strategic housing priorities. The effective collation and use of evidence, and delivery of the strategic housing role, at a local level has become increasingly important, arguably more so in the absence of robust regional strategic frameworks to structure local action and investment planning.

2.3 In order to make effective decisions regarding strategic housing priorities for Cheshire East, it is also important to understand the broader strategic context within which local authorities are operating. Since coming to power in 2010, the coalition Government has embarked upon a sustained and radical programme of reform to both housing and planning policy. Set within the context of national austerity measures, these reforms aim to transform the way housing is planned for, delivered, accessed and managed.

2.4 Appendix B of this report reviews the national strategic context for the SHMA and includes a review of:

- The national planning policy framework;
- The wider Government agenda including: economic growth; health and wellbeing; carbon reduction and tackling climate change; empowering people and communities; and deficit reduction;
- The national strategic policy context including the Government aspirations for housing and a review of the Housing Strategy for England.

2.5 The sub-regional and local strategic priorities are also presented, drawing upon the 'Ambition for All' Sustainable Community Strategy for Cheshire East and a review of key elements of the emerging spatial strategy along with a review of the Cheshire Sub-Regional Housing Strategy 2009-12.

2.6 The main purpose of the policy and strategy review is to consider the general policy and strategic context within which this research needs to be positioned. A new policy framework for housing and planning is emerging. The Government's housing priorities have been established and set within the context of local decision making and accountability, reduced capital expenditure on housing, fundamental changes to the benefit system, a changing role for social rented housing, and a need for future housing investment to support economic growth. Economic uncertainty, job security and restricted mortgage lending exacerbate the challenges faced.

2.7 The importance of having robust and up-to-date information to help inform decision making at local authority level is evermore essential. In a challenging economic climate, this SHMA update provides the Council and its partners with an excellent range of material to inform policy debate, contribute to the delivery of the Local Investment Plan, help inform and influence strategic responses, and shape local and sub regional strategic housing priorities to inform future investment plans.

3. Cheshire East Housing Market Context

Introduction

3.1 Cheshire East, along with Cheshire West and Chester, Halton and Warrington are the four unitary authorities covering the post-1974 county of Cheshire. The population of Cheshire East is around 370,127[1]. The District includes the Principal towns of Crewe and Macclesfield; the Key Service Centres of, Alsager, Congleton, Handforth, Knutsford, Middlewich, Nantwich, Poynton, Sandbach and Wilmslow; a network of Local Service Centres which form smaller towns and larger villages; and other settlements and rural villages

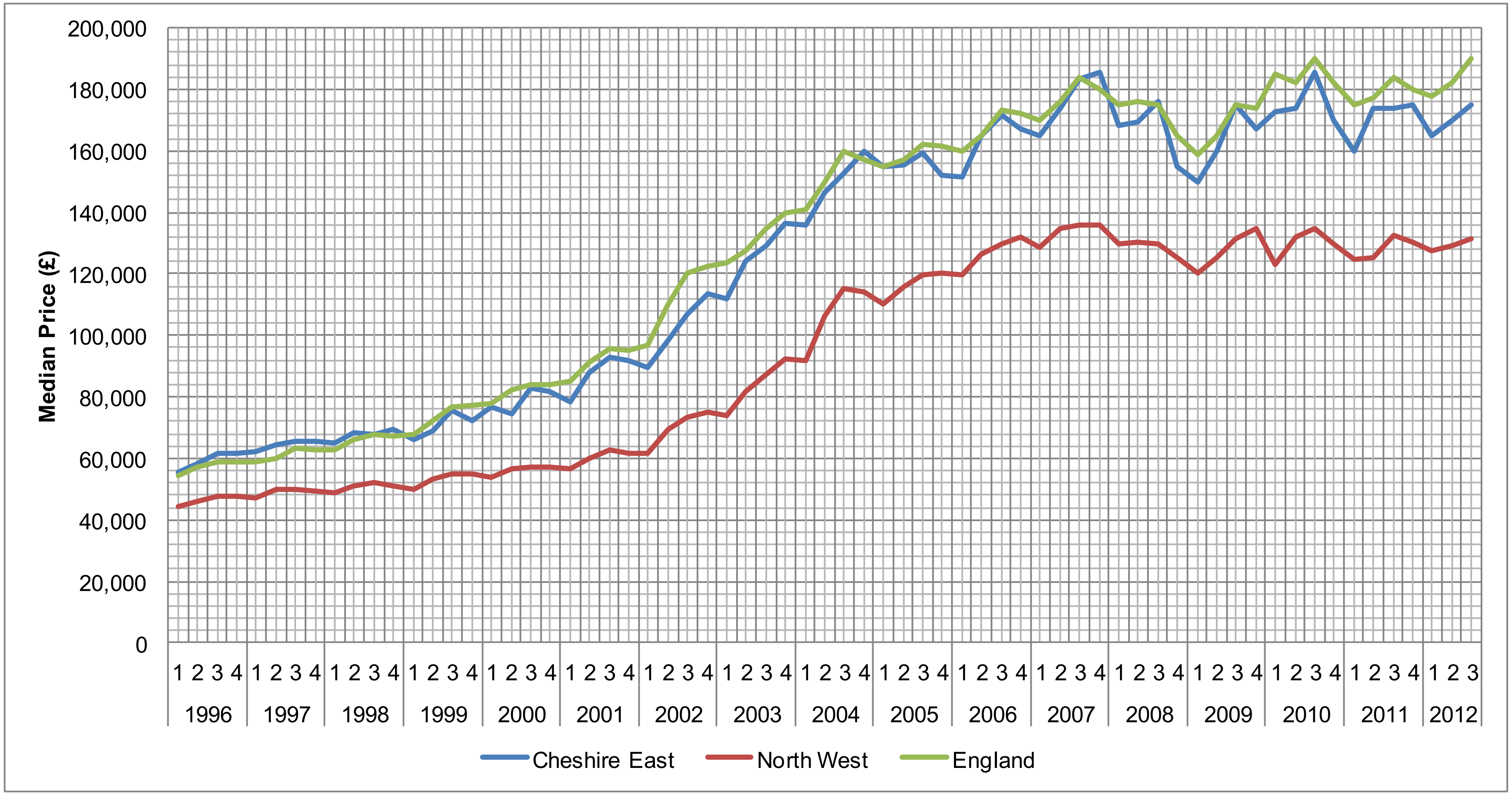
House prices and rates of change

3.2 Figure 3.1 shows how house prices across Cheshire East have increased 215.0% over the period 1996 to 2012, with median prices peaking at £185,843 during Q4 2007 and at £185,750 in Q3 2010. The median price across the Borough has been consistently higher than the regional median price but usually very slightly lower than the national median price.

3.3 The distribution of median house prices is illustrated in Map 3.1. This indicates that prices tend to be higher in rural areas of the Borough, with highest prices in High Legh and Prestbury wards; and lowest in the urban areas of Crewe.

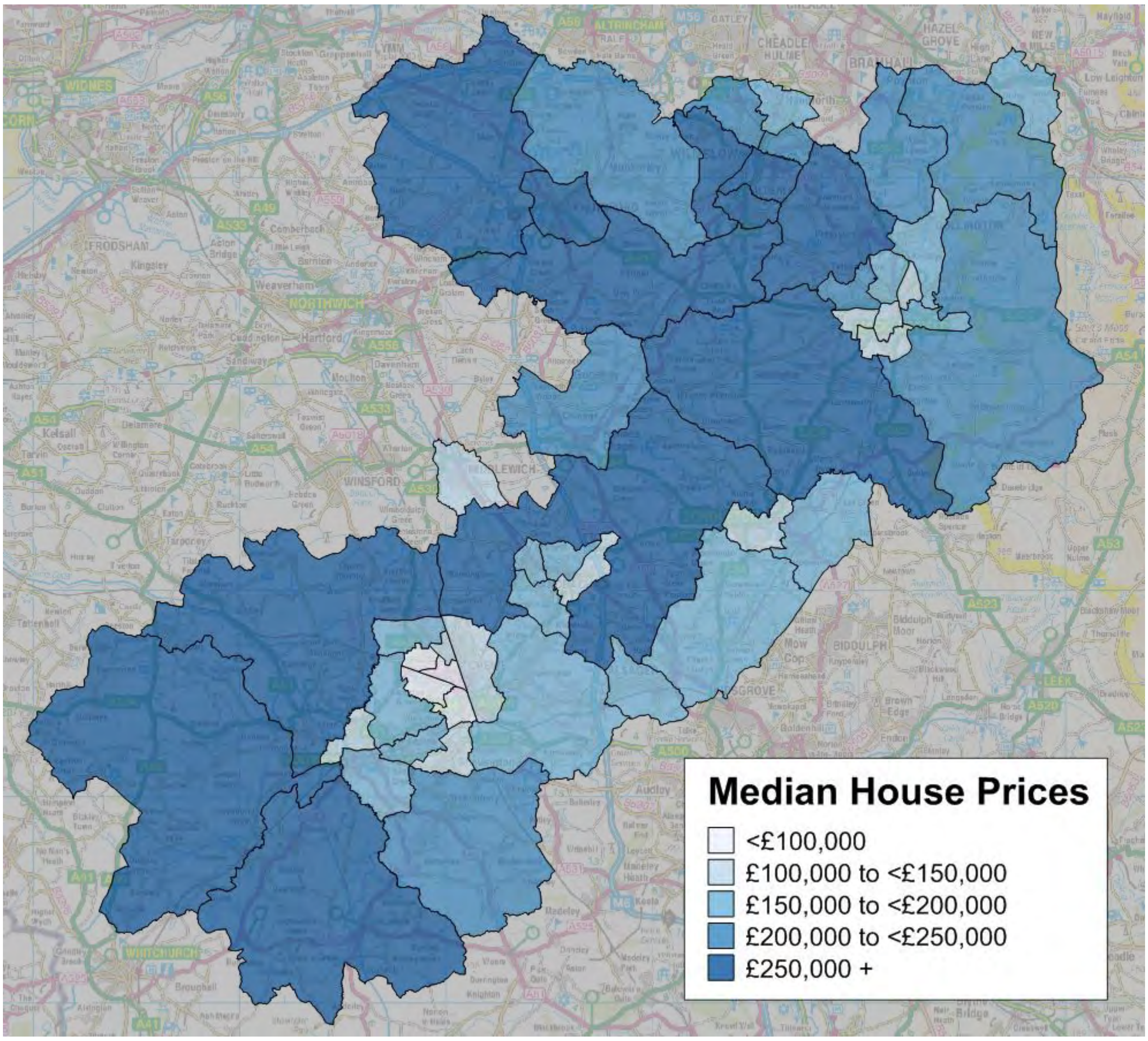
[1] ONS 2011 Census

Figure 3.1 House prices 1996 to 2012: Cheshire East, regional and national trends



Source: CLG house price statistics

Map 3.1 Median House Price 2012/13



Source: Land Registry. This data covers the transactions received at land Registry in the period 1 Feb 2012 to 25 Jan 2013. © Crown copyright 2012."

Relative affordability

3.4 The relative affordability of open market dwellings in Cheshire East is compared with the other 39 districts in the North West in Table 3.1. Table 3.1 presents lower quartile house prices, lower quartile gross income of full-time workers and a ratio of lower quartile incomes to house prices. Overall, Cheshire East is ranked the 6th least affordable district in the North West.

Table 3.1 Relative affordability of lower quartile prices by Local Authority

District	Lower Quartile House Price 2012*	LQ Gross Income per week 2012	Annual Gross Income 2012	Income to House Price Ratio
South Lakeland	£142,000	£315	£16,354	8.7
Eden	£125,000	£312	£16,203	7.7
Trafford	£142,000	£385	£20,036	7.1
West Lancashire	£126,250	£353	£18,340	6.9
Ribble Valley	£129,200	£366	£19,053	6.8
Cheshire East UA	**£122,500**	**£357**	**£18,559**	**6.6**
Fylde	£122,000	£357	£18,538	6.6
Cheshire West and Chester UA	£119,000	£349	£18,143	6.6
South Ribble	£108,000	£329	£17,108	6.3
Sefton	£110,000	£340	£17,696	6.2
Stockport	£117,000	£367	£19,100	6.1
Warrington UA	£108,000	£352	£18,288	5.9
Wyre	£103,000	£336	£17,472	5.9
Lancaster	£100,000	£331	£17,228	5.8
Wirral	£104,000	£357	£18,538	5.6
Chorley	£107,500	£370	£19,214	5.6
Allerdale	£90,000	£327	£17,014	5.3
North West	£93,453	£340	£17,696	5.3
Preston	£88,250	£323	£16,817	5.2
Manchester	£90,000	£332	£17,274	5.2
Carlisle	£89,000	£341	£17,737	5.0
Bury	£91,000	£359	£18,668	4.9
Tameside	£80,000	£322	£16,765	4.8
Salford	£83,500	£337	£17,508	4.8
Halton UA	£82,000	£337	£17,503	4.7
Blackpool UA	£70,500	£293	£15,220	4.6
Oldham	£77,000	£324	£16,864	4.6
Knowsley	£81,000	£343	£17,815	4.5
Rossendale	£75,000	£320	£16,645	4.5
Wigan	£79,950	£344	£17,904	4.5
St Helens	£76,000	£331	£17,191	4.4
Bolton	£73,000	£320	£16,640	4.4
Blackburn with Darwen UA	£65,550	£297	£15,418	4.3
Liverpool	£75,000	£342	£17,794	4.2
Rochdale	£75,000	£349	£18,143	4.1
Barrow-in-Furness	£73,000	£355	£18,434	4.0
Hyndburn	£60,000	£305	£15,844	3.8
Pendle	£58,000	£311	£16,177	3.6
Copeland	£81,000	£452	£23,478	3.5
Burnley	£45,450	£320	£16,640	2.7

*Q3 2012

Sources: CLG House Price Statistics; Annual Survey of Hours and Earnings 2012

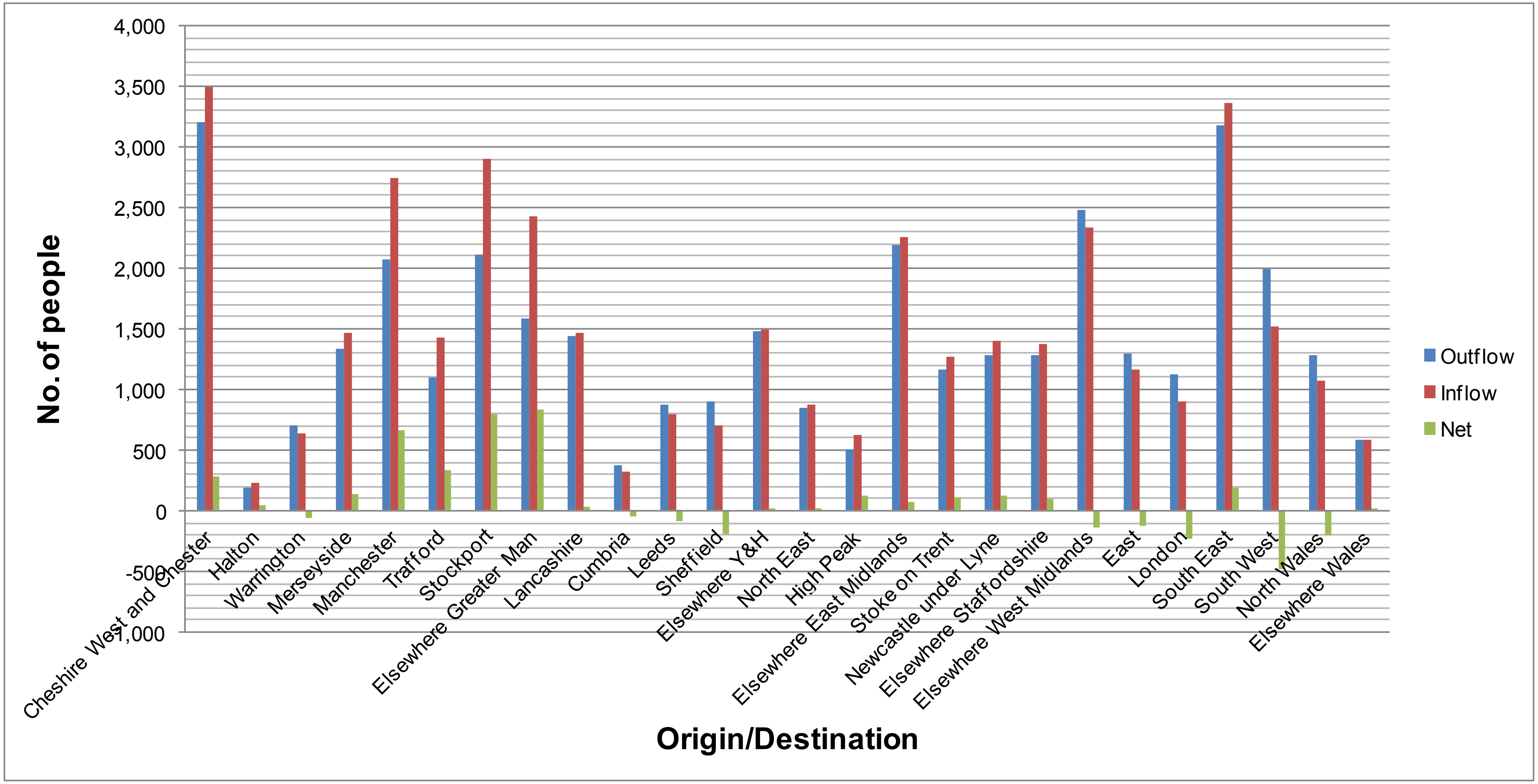
Household migration trends

3.5 Annual migration data is prepared by the Office of National Statistics (ONS) based on patient re-registrations with the National Health Service (NHS). Although it has limitations, it is the best annual source of internal migration data from within England and Wales. Over the period July 2008 to June 2011 (3 years) a total of 38,880 people have moved into Cheshire East, particularly from the South East Region and London, Cheshire West and Chester, Manchester, Stockport, the West Midlands and the East Midlands. 36,570 have moved out (with a similar pattern to those moving in to the Borough evidenced). The overall result is a net increase of 2,310 residents or 770 each year.

3.6 Data from the household survey indicated that around 46,570 households had moved home in the preceding 5 years. Accurate origin data was available for 40,730 households, of whom 68.5% (27,875) originated within Cheshire East and 31.5% (12,855) originated from outside the District. Although this is below the 70% figure suggested by CLG, it is only marginally below and as such, Cheshire East is an appropriate geography for planning purposes over which to assess and meet housing requirements. It is also noted that of the households that intended to move over the next two years following the 2009 household survey, 82.2% intended to remain in Cheshire East (see paragraph 3.9).

3.7 Table 3.2 presents information on the origin of moving households by sub-area and illustrates a series of inter-relationships between different sub-areas and the relative impact of migration. Most notable inflows are from Greater Manchester, elsewhere in Cheshire, Stoke/Newcastle and elsewhere in the UK.

Figure 3.2 Net flows of population between Cheshire East and other areas July 2008 to June 2011



Source: ONS Migration Flow Data from National Health Service Central Register

Table 3.2 Origin of moving households in preceding 5 years (%)

Sub-Area	Within Cheshire East			From outside Cheshire East							
	Within Same Sub-area	Elsewhere within Cheshire East	**Total Within**	Elsewhere Cheshire	Greater Manchester	Elsewhere NW	Stoke/Newcastle/ West Midlands	High Peak/East Midlands	Elsewhere UK	Outside UK	**Total Outside**
Acton	15.2	52.4	**67.5**	3.0	3.0	3.0	20.3	0.0	3.0	0.0	**32.5**
Adlington Prestbury and Bollington	37.5	32.3	**69.9**	0.0	19.0	2.5	0.0	0.5	8.2	0.0	**30.1**
Alsager	47.9	20.7	**68.6**	0.0	0.0	0.0	13.3	2.2	15.9	0.0	**31.4**
Alsager Rural	25.5	35.0	**60.5**	3.7	6.9	3.0	15.5	1.8	8.6	0.0	**39.5**
Audlem	30.6	22.5	**53.1**	7.3	0.0	0.0	23.0	3.7	12.9	0.0	**46.9**
Bunbury	6.4	28.2	**34.5**	34.5	0.0	6.4	3.2	0.0	18.2	3.2	**65.5**
Congleton	53.5	15.9	**69.4**	2.1	6.2	5.2	10.2	0.0	5.9	1.0	**30.6**
Congleton Rural	16.0	39.2	**55.3**	10.1	0.0	0.0	5.5	0.0	29.1	0.0	**44.7**
Crewe	66.2	20.9	**87.1**	0.8	0.0	4.6	2.2	0.9	4.3	0.0	**12.9**
Disley	26.6	1.2	**27.8**	2.4	55.2	0.0	0.0	8.2	6.4	0.0	**72.2**
Handforth and Wilmslow	56.2	13.1	**69.3**	1.4	16.9	5.8	0.0	1.5	5.2	0.0	**30.7**
Haslington and Englesea	21.7	42.8	**64.5**	3.1	2.1	0.9	13.7	0.0	13.7	2.1	**35.5**
Holmes Chapel	33.2	33.2	**66.3**	4.6	4.3	3.9	3.6	0.7	16.7	0.0	**33.7**
Holmes Chapel Rural	16.1	54.0	**70.2**	8.4	8.4	2.2	2.2	0.0	8.7	0.0	**29.8**
Knutsford	46.7	14.7	**61.3**	8.1	12.7	3.9	3.1	0.0	10.9	0.0	**38.7**
Knutsford Rural	29.2	20.0	**49.2**	8.9	32.1	3.4	0.0	0.0	5.1	1.3	**50.8**
Macclesfield	57.3	13.6	**70.9**	1.0	8.6	0.7	5.6	0.7	9.8	2.8	**29.1**
Macclesfield Rural - National Park	28.2	21.8	**50.0**	0.0	2.6	0.0	12.2	15.4	19.9	0.0	**50.0**
Macclesfield Rural	15.2	67.6	**82.8**	0.0	6.2	0.7	1.3	0.6	7.8	0.6	**17.2**
Middlewich	46.6	23.7	**70.3**	11.7	8.6	0.0	1.0	0.0	8.3	0.0	**29.7**
Minshull	17.2	37.4	**54.6**	16.0	8.6	8.0	0.0	0.0	12.9	0.0	**45.4**
Mobberley Chelford and Alderley Edge	12.2	21.7	**33.9**	3.6	13.6	2.0	0.8	5.3	40.8	0.0	**66.1**
Nantwich	24.0	40.6	**64.6**	3.8	6.5	2.2	2.4	2.6	17.8	0.0	**35.4**
Peckforton	13.6	27.2	**40.8**	42.7	0.0	7.8	0.0	0.0	8.7	0.0	**59.2**
Poynton	33.9	11.7	**45.6**	0.0	33.1	1.7	0.0	0.0	19.5	0.0	**54.4**
Sandbach	23.2	41.5	**64.7**	10.9	7.2	4.2	2.6	0.6	9.7	0.0	**35.3**
Sandbach Rural	9.6	52.8	**62.4**	6.1	7.7	1.9	11.5	0.0	10.4	0.0	**37.6**
Wrenbury	10.2	53.3	**63.5**	11.7	5.8	0.0	0.0	0.0	19.0	0.0	**36.5**
Wybunbury and Shavington	19.2	37.9	**57.1**	5.6	1.6	0.0	13.5	3.0	17.6	1.4	**42.9**
Cheshire East		68.5	**68.5**	3.3	8.7	2.8	4.5	1.2	10.3	0.7	**31.5**

*Base is total moving households specifying previous place of residence

Source: 2009 Household Survey; rebased to 2011 households

Households planning to move

3.8 Around 25,400 households plan to move in the next five years, with 23,820 stating their moving preferences. Table 3.3 summarises the moving intentions of households based on the first preference. Overall, 82.3% of households intend on remaining in Cheshire East and 17.7% intend to move out of the District. This includes moves to Cheshire West and Chester (3%), to Greater Manchester (3%) and Elsewhere in the UK (7.3%).

Table 3.3 First choice destination of households planning to move in next five years

Destination (first choice)		Destination (first choice)	
Within Cheshire East	**%**	**Outside Cheshire East**	**%**
Acton	0.3	Cheshire West and Chester	3.0
Adlington Prestbury and Bollington	2.6	Halton/Warrington	0.2
Alsager	2.9	Greater Manchester	3.0
Alsager Rural	0.5	Elsewhere in North West	0.6
Audlem	1.2	Staffordshire	0.6
Bunbury	0.2	Elsewhere West Midlands	0.6
Congleton	6.4	East Midlands	0.5
Congleton Rural	0.5	North Wales	1.0
Crewe	9.0	Elsewhere in UK	7.3
Disley	0.9	Outside UK	1.0
Handforth and Wilmslow	8.7	***Sub-Total***	***17.7***
Haslington and Englesea	2.5	Total	100.0
Holmes Chapel	1.6	Base (Valid Responses)	23820
Holmes Chapel Rural	1.0		
Knutsford	4.8	**Summary**	**%**
Knutsford Rural	0.5	Total Within Cheshire East	82.3
Macclesfield	11.1	Total Outside Cheshire East	17.7
Macclesfield Rural	1.1	Total	100.0
Macclesfield Rural - National Park	1.9	Base (Valid Responses)	23820
Middlewich	1.8		
Minshull	0.1		
Mobberley Chelford and Alderley Edge	2.3		
Nantwich	11.3		
Peckforton	0.1		
Poynton with Worth	2.3		
Sandbach	4.5		
Sandbach Rural	0.4		
Wrenbury	0.7		
Wybunbury and Shavington	1.1		
Sub-Total	***82.3***		

Source: 2009 Household Survey; rebased to 2011 households

Travel to work trends

3.9 The further release of 2011 census data will provide a detailed analysis of travel to work patterns and the extent to which residents in Cheshire East travel to other areas together with details of how many people commute into the area. This data is not expected to be available until 2014.

3.10 The 2009 Household Survey (rebased to 2011 census) can provide an indication of travel work patterns by considering the workplace of economically active Heads of Household. Analysis indicates that 68.8% worked within Cheshire East and 31.4% worked elsewhere, particularly Greater Manchester and elsewhere in Cheshire (Table 3.7).

Is Cheshire East a self-contained housing market area?

3.11 The Department of Communities and Local Government (CLG) suggests that a housing market is self-contained if upwards of 70% of moves (migration and travel to work) take place within a defined area. On the basis of migration analysis 68.5% of all households moving in the past 5 years moved within Cheshire East and 31.5% moved into the District.

3.12 No individual sub-areas can be described as self-contained housing markets. The highest degree of self-containment was in Greater Crewe (Crewe urban area plus surrounding villages) (68.2%) followed by Macclesfield and Bollington (59.6%), Congleton town (56.7%), Wilmslow and Alderley Edge (55.5%) and Knutsford Town (53.3%).

3.13 Further analysis would suggest that Cheshire East comprises several housing market areas based broadly on the former District boundaries as suggested in Table 3.4. The functional market areas are confirmed though an analysis of travel to work data, which suggests similar interactions with other areas (Table 3.5)

3.14 The functional market areas suggested by the data are:

- Former Crewe and Nantwich:
  - Relatively self-contained area, with migration from elsewhere in Cheshire East and North Staffordshire;
  - Most self-contained area in terms of workplace and relatively limited interaction with areas outside Cheshire East.
- Former Congleton:
  - Influenced by migration from elsewhere in Cheshire East, Greater Manchester and North Staffordshire;
  - Travel to work area includes other areas of Cheshire East, elsewhere in Cheshire, Greater Manchester and North Staffordshire.
- Former Macclesfield:
  - Relatively strong influence of migration from Greater Manchester;
  - This is reinforced by strong commuter flows to Greater Manchester.

Table 3.4 Self-containment and interactions with other areas by former district

% households originating from:	Former Crewe and Nantwich	Former Congleton	Former Macclesfield	Cheshire East
Same former District	67.7	50.9	59.7	59.9
Elsewhere Cheshire East	5.8	18.2	5.0	8.6
Within Cheshire East Total	**73.5**	**69.1**	**64.7**	**68.5**
Elsewhere in Cheshire	3.6	5.7	1.9	3.3
Greater Manchester	1.8	5.8	15.0	8.7
Elsewhere North West	3.6	2.8	2.2	2.8
North Staffordshire (Stoke/Newcastle)	5.5	6.7	2.6	4.5
Elsewhere West Midlands	1.4	0.5	1.5	1.2
East Midlands	10.1	9.2	11.0	10.3
Elsewhere	0.4	0.3	1.1	0.7
Outside Cheshire East Total	**26.5**	**30.9**	**35.3**	**31.5**
Total	100.0	100.0	100.0	100.0
Base	12259	10199	18270	40728

Source: 2009 Household Survey; rebased to 2011 census

Table 3.5 Travel to work patterns by former District

% residents working in:	Former Crewe and Nantwich	Former Congleton	Former Macclesfield	Cheshire East
Same former District	62.9	31.6	40.3	
Elsewhere Cheshire East	11.4	32.1	21.0	
Within Cheshire East	74.4	63.6	61.2	66.0
Elsewhere Cheshire	9.2	10.1	4.5	7.4
Greater Manchester	3.7	9.5	26.2	14.9
Elsewhere NW	0.8	1.8	2.2	1.6
North Staffordshire	4.2	9.5	0.4	3.9
Elsewhere West Midlands	2.9	1.9	0.7	1.7
East Midlands	0.4	0.1	1.3	0.7
Elsewhere	4.4	3.4	3.6	3.8
TOTAL	100.0	100.0	100.0	100.0
Base	59819	48096	81864	189779

Source: 2009 Household Survey; rebased to 2011 census

Views of stakeholders

3.15 Stakeholders[2] including the Cheshire East Housing Market Partnership were invited to participate in an on-line survey to help ascertain their views on the current housing market and the key strategic housing issues for Cheshire East. A list of participants of the Housing Market Partnership is presented in Appendix D

3.16 The Stakeholders including the Housing Market Partnership were contacted on the basis of their detailed, well informed and experienced views on the Cheshire East Housing Market. However, it should also be acknowledged that they also have vested interests which may, intentionally or unintentionally have biased their response. A summary of the issues raised follows.

3.17 Stakeholders felt that are were a number of drivers of housing market demand across Cheshire East, these include:

- Demography:
  - Population and household growth;
  - Increasing number of single households;
  - Increased life expectancy;
  - In migratory pressures; and
  - Household changes.
- Economic growth;
- Employment;
- Affordability;
- Lack of affordable housing;
- Lack of lending finance and high deposit requirements;
- Schools and education;
- Access to transport links; and
- Access to services.

3.18 The following market weaknesses were identified by stakeholders:

- Affordability issues and the lack of affordable housing – affordability was identified as a particular issue for the following areas: Macclesfield, Wilmslow, Sandbach, Holmes Chapel, and Alsager;
- Lack and inaccessibility of mortgage finance;
- The housing offer:

[2] A total of 104 stakeholders were contacted during November 2012. A stakeholder list was compiled by the Council which included the Housing Market Partnership and used as a basis for contacting respondents. A total of 40 responses were received. A copy of the stakeholder questions and a list of organisations in the Housing Market Partnership is included in Appendix D

- Lack of choice of efficient and easily maintained homes;
  - Lack of smaller homes, especially in high value areas;
  - Lack of extra care housing;
  - Under supply of new homes;
- Over-reliance on the private rented sector, which are often in poor condition;
- Lack of clear planning policy, and a failure to balance supply proposals with demand;
- Number of empty homes;
- Lack of first time buyers; and
- Viability – the availability of land in lower value weaker market areas, which are unable to support development proposals.

3.19 Stakeholders were also asked to identify what they felt to be the market strengths across Cheshire East, these included:

- Desire from developers to build new housing and 'kick start the economy' in the Borough;
- Overall stock condition is generally good, and the decent homes target has been delivered in the social rented sector;
- There is a strong private rented sector;
- It is an attractive area to live in and has thriving market towns with established businesses;
- There is a strong and diverse demand for housing;
- Low interest rates, low inflation and low house price growth should assist housing growth;
- Overall the Borough has a strong economic base; and
- The Borough's proximity to Manchester.

3.20 In terms of priorities, stakeholders felt that:

- Building new homes to buy on the open market was generally a medium to high priority;
- Building affordable homes with affordable rents was identified as generally a medium to high priority;
- Building affordable homes with social rents was generally identified as a high priority;
- Building affordable homes with intermediate rents was felt to be a medium to high priority;
- Building affordable housing for sale was generally a medium to high priority;
- Building executive housing received a mixed response with roughly a third ranking it a high priority, a third ranking as a medium priority and as a third a low priority;

- Building housing solutions for older people was identified as a medium to high priority;
- Building housing for people with specialist needs was generally a medium to high priority, although a few respondents did rank it as a low priority;
- Improving existing accommodation was felt to be a medium to low priority; and
- Providing more privately rented homes was felt to be a medium to high priority.

3.21 Stakeholders were asked to identify what they perceived to be other priorities for Cheshire East, these included:

- Building more homes to cater for the growing population;
- Improving the quality of existing stock; and
- Supporting everyone to achieve independent living.

Current market

3.22 The lack of first time buyers within the market was highlighted as a major issue and indicates that there is demand for 'alternative access products'. The age of first time buyers is increasing and there is less new build provision for this group – generally larger family homes are being developed. That said, since 2010 there has been a slowdown in the number of new homes being built although policies such as 'help to buy' are helping to stimulate the housing market.

3.23 Property prices are still below what they were in 2007, and it is unlikely that they will return to these levels soon. Demand for housing remains however, and is particularly strong in the rural areas of the Borough.

3.24 There has been an increased provision in the private rented sector, and a reduction in the availability of social rented housing set against a context of increasing demand for affordable homes. The shortage of affordable housing is particularly acute in the north of the Borough.

3.25 The market overall is characterised by a lack of supply and a lack of lending.

3.26 The lack of lending is causing considerable problems within the market, and has been cited as a key reason for the stagnation in housing markets across Cheshire East, and beyond. The lack of mortgage finance prevents people accessing owner occupation, and creates the perception that there is not a need or demand for housing. This is not necessarily the case, first time buyers cannot access mortgages due to insufficient deposits; older home owners cannot downsize as they cannot sell their homes as there are no purchasers due to insufficient access to mortgage finance and potential purchasers being stuck in homes that they themselves cannot sell. This indicates a latent demand for owner occupation. In Cheshire East the lack of mortgage finance has specifically:

- Increased provision in the private rented sector;
- Meant that people remain living with their parents for longer;

- Friends sharing homes; and
- Lack of first time buyers.

3.27 There has been an overall weakening of the market due the inability of households to finance moves.

New housing provision

3.28 In terms of new development, stakeholders felt the following should come forward:

- Family housing, three and four bed detached homes, or two and three bed terraced homes;
- No flats;
- Older persons housing;
- Specialist housing; and
- One and two bed homes to help address the outcome of welfare reform.

3.29 The following locations for new development were identified by respondents:

- The main conurbations and rural settlements;
- Priority locations of Macclesfield, Wilmslow, and Alderley Edge;
- Congleton, Shavington and Alsager;
- Social housing on small urban sites; and
- The stronger market areas with viable, unconstrained greenfield sites.

3.30 It was felt that the Council's current policy approach whereby new development is prioritized in the south of the Borough (around Crewe) hampers housing delivery and creates an artificially constrained market. Many respondents felt that sites in and around Crewe were not viable in the current market, and that as a result the Council needs to review its approach to land supply to enable development to come forward in more viable locations (generally in the north of the borough).

3.31 Respondents identified the following barriers to delivery of new housing:

- Cost of brownfield development;
- Nimbyism;
- Viability;
- Stalled sites (developers 'sitting' on sites);
- Lack of foresight regarding the effective use of green spaces;
- Local planning policy including:
  - Unrealistic planning objections;
  - Lack of housing allocations;

- Infrastructure requirements;
- Lack of a five year land supply; and
- Lack of up to date planning policy documents.

- Lack of purchasers, especially first time buyers;
- Lack of mortgage finance;
- Availability of funding;
- Job insecurity; and
- Politics.

Affordable housing

3.32 Demand for affordable housing is strong; and there is a shortage of affordable homes across the Borough, this is particularly a problem in the north of the Borough and across the rural areas, less so in Crewe.

3.33 Financing future affordable housing was identified by respondents as a significant issue, alongside affordability issues linked to the new affordable rent model (80% of market rents). Some respondents felt that the new model will make delivering affordable housing in East Cheshire slower and more difficult; and the issue of affordable rents combined with benefit changes was raised as a potential problem for the imminent future.

3.34 Supply issues linked to the lack of open market provision were identified, given that Section 106 agreements have provided the main source of affordable housing supply in the recent past.

3.35 Respondents identified a demand for low cost home ownership and intermediate housing products across the Borough.

3.36 There was a mixed response to the introduction of social housing reform measures, with some respondents feeling that these were negative measures, especially the introduction of the 'bedroom tax'. It was felt that there were increased risks of anti-social behaviour, and an increased demand for both smaller and larger affordable homes that are not currently available.

3.37 The following barriers to the delivery of new affordable housing were identified:

- Lack of planning consent;
- Land prices and build costs;
- Viability (especially linked to affordable housing);
- A lack of market housing coming forward;
- Lack of finance available to RPs;
- Access to mortgages;
- Planning delays; and
- Opposition.

3.38 In terms of new affordable housing, respondents felt that provision will need to be made for:

- A mix of provision to reflect identified needs (including social rented and affordable housing for sale options);
- More extra care provision in the north and east of the Borough;
- An increase in social housing provision generally; and
- Innovation to enable new affordable homes to be delivered.

3.39 In terms of affordable housing the key strategic messages respondents sought to highlight included:

- Delivery of good quality and well managed affordable housing schemes;
- Consideration needs to be given to the role of affordable housing in open market schemes to prevent it being ‘an expensive burden’;
- Greater flexibility is needed within the affordable housing financing regime (with the Homes and Communities Agency);
- Greater levels of grant subsidy are needed and less planning restrictions; and
- The importance of developing the right product in the right place. .

Private rented sector

3.40 The private rented sector evidently plays a significant supporting role across the Borough for those unable to buy, and those needing flexible accommodation solutions. This role has been growing as increasing numbers of households find themselves unable to access home ownership. The sector also bridges the gap between the affordable housing and owner occupied sectors. Some private rented sector stock in Cheshire East is available at affordable rent levels however many such properties have shortcomings in terms condition and security of tenure. In any event the potential role of private rented accommodation in meeting affordable housing needs is outside the CLG SHMA guidance.

3.41 Across the Borough a range of private rented properties are available, owned by a mix of landlords – some buy to let and some reluctant landlords (home owners unable to sell their property). Generally, demand for private rented housing is more concentrated in urban as opposed to rural locations, with easy access to facilities and transport links – many tenants in the north and east of the Borough commute to jobs in Manchester. To the north of the Borough there is a requirement for accommodation to meet the needs of high earners.

3.42 In terms of the property types available, this is again linked to location, with a full range of private lets being available in Macclesfield, whilst the offer is more limited in Congleton, Crewe and Nantwich. One respondent identified shortfall of private lets in the rural areas as an issue.

3.43 Private landlords have seen an increase in the number of tenants now working from home and needing accommodation to reflect these requirements (i.e. access to a home office or study space). There has also been a growth in demand for three bed lets for families, again reflecting the fact that increasingly people locked out of home ownership are turning to the private rented sector for housing.

3.44 Overall the trend in demand has been for larger properties, and the range of tenants within the sector is growing. It is not yet clear what the impact of welfare reforms on the sector will be.

3.45 There is clearly a strong buy to let market across the Borough, and respondents identified that landlords buy according to demand and so directly address accommodation shortages in the market.

3.46 Concerns were raised by other respondents about the impact of the increasing size of the sector on community sustainability; with short term tenancies the private rented sector is not conducive to community 'buy in' and it does not provide security of tenure for tenants.

3.47 Respondents identified a number of measures that could help stimulate and improve the sector including:

- Building more properties suited to shared living (for example, with an extra bathroom and parking space);
- Encouraging the building of one bed/studio type accommodation suitable for discounted off plan purchase by buy to let investors;
- Developing smaller size blocks of flats to limit anti-social behaviour issues;
- Monitoring private landlords and providing help, advice and assistance to them as necessary;
- Financing schemes to facilitate new supply;
- Introduction of voluntary agreements to rent for longer periods of time; and
- Regulation across the sector to ensure high standards throughout.

3.48 In terms of the sector's future respondents identified that welfare reforms are likely to have a significant impact, including the following:

- There would be a downward pressure on rents;
- Increased demand from room renters, house shares, bedsits and one bed properties;
- A reduced demand for two bed properties;
- Increased homelessness; and
- A possible decline in supply.

3.49 In terms of student accommodation, the recent expansion of Manchester Metropolitan University in the south of the Borough has increased demand, and there are good returns for private landlords. However, the future of demand from this group is uncertain.

Specialist Accommodation

3.50 Stakeholders identified the following possible priorities for provision of specialist accommodation:

- Homes for larger families;
- Accommodation for the ageing population, including extra care housing in Macclesfield, Knutsford, Poynton, Sandbach and Congleton;
- Student accommodation; and
- Homes for single people.

3.51 Barriers to delivery were identified as being:

- The cost of the intensive management and support required;
- Development and running costs set against diminishing budgets and resources (reductions in the Supporting People budget);
- Local resistance and lack of understanding;
- Welfare reforms; and
- The Council.

3.52 There was no evidence cited of specific needs for housing for military personnel. Similarly, stakeholders were unsure of any demand for self-build housing.

Older people

3.53 Stakeholders identified a lack of choice in terms of housing solutions as a key issue for the Borough's ageing population. Other issues identified included:

- The need to encourage downsizing;
- The need for a range of accommodation options to be made available, from gradual support through to full care;
- The cost of providing accommodation, and lack of grant funding to do so, were identified as problematic;
- The lack of a detailed understanding of the wishes and aspirations of this age group, geographically profiled, was seen to be a key problem;
- There is a lack of awareness amongst the client group of their housing and support options;
- There is an over-supply currently of residential care and nursing homes; and
- There is a shortage of suitable sites.

3.54 Possible solutions identified by stakeholders included:

- Developing lifetime homes;
- Allowing more homes to be built;
- Provision of retirement accommodation for those aged 55 and over;
- Provision of assistance with downsizing;
- Use of neighbourhood planning tools to deliver solutions;
- Promotion, awareness raising and education about the issues and options;
- Development of non-tenure specific support services;

- Open market housing schemes with an older persons element restricted to prevent it reverting to general needs accommodation;
- Developing solutions in consultation with older people;
- Adopting a proactive approach to developing sheltered housing schemes; and
- Provision of more funding and discounted land.

Stock condition

3.55 Stock condition was not perceived to be a problem by stakeholders responding to the on line survey. All homes in the social housing sector meet the decent homes standard.

Empty properties

3.56 The issue of empty homes was not identified as a significant problem by respondents to the on line survey. However, there were felt to be opportunities for the following:

- Empty shops to become homes;
- Space above shops to be converted to housing;
- Conversion of empty commercial buildings to residential; and
- Use of increased and better incentives to drive change.

Views of estate agents

3.57 The current housing market was described as stagnant; prices have fallen and a downward pressure on values remains strong. Sellers remain reluctant to lower sales prices and this further contributes to stagnation within the market.

3.58 There are, however, differences across the Borough, with prices being stable and even increasing slightly to the north, whilst being stable and falling in the south. Rural areas continue to remain strong in terms of values and demand for homes in these areas is high.

3.59 The type of property being sold also makes a difference, for example, there is an oversupply of flats in Macclesfield town centre which then makes it difficult to sell and negatively affects their value. Rural housing remains relatively scarce so values are protected.

3.60 Demand from older people for alternative housing solutions is strong.

3.61 The lack of first time buyers is adversely affecting the market; this is primarily due to the inaccessibility of mortgage finance.

3.62 Overall agents felt that demand for housing remained high but the lack of availability of mortgage finance is hampering demand.

4. Strategic Housing Market Assessment Core Outputs

Introduction

4.1 The purpose of this chapter is to update where possible the core outputs required by the SHMA guidance relating to Cheshire East.

Core Output 1: Estimates of current dwellings in terms of size, type, condition, tenure

4.2 According to the 2011 census there were a total of 166,236 dwellings across Cheshire East and a total of 159,441occupied households. The total number of dwellings has increased by 11,064 from 155,172 in 2001.

4.3 According to the 2011 Housing Strategy Statistical Appendix there were 5,335 vacant dwellings across Cheshire East.

Property size and type

4.4 Table 4.1 reviews the profile of dwelling stock by size and type based on 2011 Valuation Office Agency data. Overall, the vast majority (76.5%) of properties are houses, 11.7% are bungalows, 10.9% are flats/maisonettes and 0.8% are other types of property including park homes/caravans or not known. Of all occupied properties, 7.2% have one bedroom, 26.6% two bedrooms, 45.8% three bedrooms, 19.5% four or more bedrooms and 0.9% are not known.

Table 4.1 Property type and size

Property type	No. Beds (Table %)						
	One	Two	Three	Four or more	Unknown	Total	Base
Detached house	0.0	1.1	9.1	17.2	0.1	27.6	45580
Semi-detached house	0.1	4.6	19.1	2.4	0.0	26.1	43240
Terraced House	0.5	10.0	12.4	0.0	0.0	22.8	37790
Flat/Maisonette	5.2	5.1	0.6	0.0	0.0	10.9	18100
Bungalow	1.3	5.8	4.6	0.0	0.0	11.7	19360
Other/not known	0.0	0.0	0.0	0.0	0.8	0.8	1330
Total	7.2	26.6	45.8	19.5	0.9	100.0	
Base	11830	43970	75760	32310	1530		165400

Source: 2011 Valuation Office Agency

Property condition

4.5 The 2009 Household Survey reviewed the extent to which households were satisfied with the state of repair of their dwellings. Data has been rebased to reflect the number of households and tenure in 2011. Overall 81.7% of respondents expressed satisfaction (39.2% were very satisfied and 42.5% were satisfied; 10.6% were neither satisfied nor dissatisfied; a total of 7.7% expressed degrees of dissatisfaction, although only 1.5% were very dissatisfied).

4.6 Table 4.2 explores how the level of dissatisfaction varied by dwelling tenure, age and type. Data suggests that private renters, social renters; households living in caravans/park homes and terraced houses; and households living in older (pre-1919 and 1919-1944) properties were most likely to express dissatisfaction with state of repair.

Table 4.2 Dissatisfaction with state of repair by property tenure, age and type

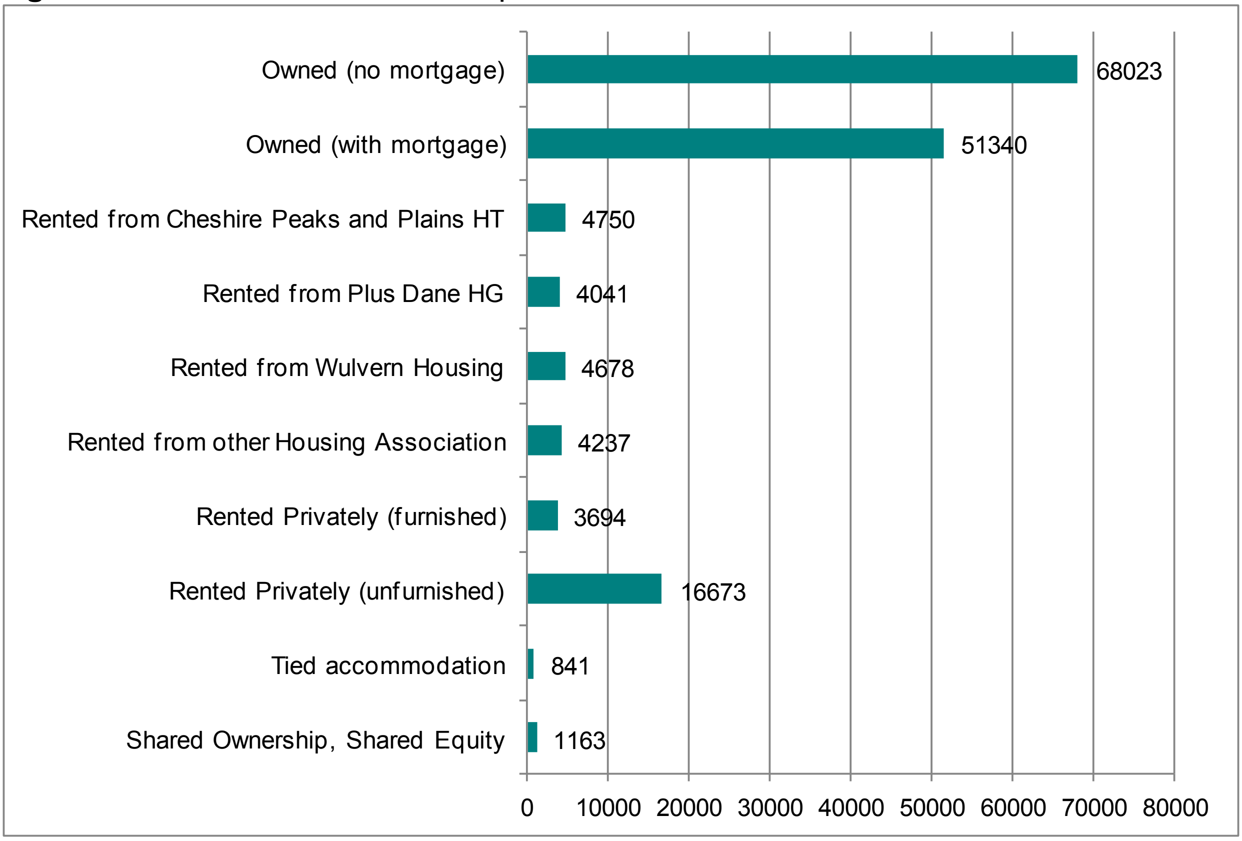
Tenure	% dissatisfied	Base
Owned (no mortgage)	3.3	68023
Owned (with mortgage)	8.3	51340
Rented from Cheshire Peaks and Plains HT	9.2	4750
Rented from Plus Dane HG	10.3	4041
Rented from Wulvern Housing	18.5	4678
Rented from other Housing Association	10.0	4237
Rented Privately (furnished)	14.5	3694
Rented Privately (unfurnished)	16.4	16673
Tied accommodation	17.7	841
Shared Ownership, Shared Equity	1.5	1163
Total	7.7	159441
Property Type		
Detached house/cottage	4.2	52170
Semi-detached house/cottage	9.8	42622
Terraced house/cottage	13.1	29122
Bungalow	2.0	18200
Maisonette	7.3	903
Flat/apartment	8.3	14121
Caravan/Park Home	16.8	960
Other	6.8	1341
Total	7.7	159441
Property Age		
Pre 1919	13.5	27016
1919-1944	12.4	20824
1945-1964	6.8	28912
1965-1984	4.9	39195
1985-2004	3.4	30415
2005 on	6.8	5655
Total	7.7	152016
Missing cases		7425
Grand Total		159441

Source: 2009 Household Survey; rebased to 2011 households

Property tenure

4.7 The tenure profile of Cheshire East based on 2011 census data is summarised in Figure 4.1. Overall, 74.9% of occupied dwellings are owner-occupied, 11.8% are affordable (social/affordable rented and intermediate tenure) and 13.3% are private rented.

Figure 4.1 Cheshire East tenure profile



Source: 2009 Household Survey; rebased to 2011 households

4.8 The tenure profile by sub-area is presented in Table 4.3. This shows some notable variations in tenure profile, for instance relatively higher proportions of privately renting households in Peckforton and Knutsford Rural; higher proportions of affordable/social rented households in Macclesfield and Crewe; and higher proportions of owner occupying households in the Wybunbury and Shavington.

Table 4.3 Tenure profile by Sub-Area

Sub-area	Tenure			Total	Base
	Owner occupied	Private Rented	Affordable		
Acton	76.2	13.9	9.9	100.0	927
Adlington Prestbury and Bollington	80.6	11.7	7.7	100.0	4992
Alsager	77.8	10.6	11.6	100.0	5099
Alsager Rural	82.9	8.5	8.6	100.0	3087
Audlem	80.4	14.5	5.1	100.0	1705
Bunbury	75.6	15.3	9.1	100.0	928
Congleton	76.3	10.2	13.5	100.0	11561
Congleton Rural	77.1	15.6	7.2	100.0	1093
Crewe	66.9	17.1	16.0	100.0	28845
Disley	75.1	18.4	6.5	100.0	2080
Handforth and Wilmslow	73.4	13.2	13.3	100.0	13696
Haslington and Englesea	85.2	11.2	3.6	100.0	4524
Holmes Chapel	82.2	10.9	6.9	100.0	2240
Holmes Chapel Rural	87.9	5.6	6.6	100.0	1813
Knutsford	72.0	12.4	15.6	100.0	5825
Knutsford Rural	73.6	20.3	6.1	100.0	3059
Macclesfield	68.7	13.9	17.4	100.0	21239
Macclesfield Rural	78.3	14.9	6.8	100.0	6060
Macclesfield Rural - National Park	84.6	14.5	1.0	100.0	1466
Middlewich	77.0	11.2	11.8	100.0	5576
Minshull	80.8	11.7	7.5	100.0	703
Mobberley Chelford and Alderley Edge	81.2	12.6	6.2	100.0	5059
Nantwich	66.4	18.5	15.1	100.0	6583
Peckforton	70.8	27.0	2.2	100.0	744
Poynton	85.7	7.3	7.0	100.0	5108
Sandbach	78.4	11.7	9.9	100.0	7840
Sandbach Rural	84.0	10.2	5.8	100.0	1400
Wrenbury	75.8	9.4	14.8	100.0	873
Wybunbury and Shavington	92.6	4.9	2.4	100.0	5316
Total	74.9	13.3	11.8	100.0	159441

Source: 2009 Household Survey; rebased to 2011 households

Core Output 2: Past and current housing market trends; balance between supply and demand; key drivers

Total dwelling stock

4.9 In 2011, there were a total of 166,236 residential dwellings in Cheshire East of which 159,441 are occupied by households[3]. How the profile of dwelling stock varies by Sub-Area is presented in Table 4.4.

Owner-occupied market

4.10 Of the 74.9% of households across Cheshire East who are owner occupiers, 42.7% own outright and 32.2% have a mortgage. 84.4% of owner occupied dwellings are houses, 11.1% are bungalows, 3.1% are flats/maisonettes and 1.4% are other property types including caravans. 78.6% of owner occupied dwellings had three or more bedrooms.

4.11 Over the period 1996 to the start of 1999, median prices across Cheshire East increased from around £59,833 to £70,974. Between 1999 and 2007, median prices increased by £104,859 (147.7%). Table 4.5 summarises how median property prices have changed over the period 1996 to 2012 and how rates of change have varied annually, with highest proportionate increases in 2003 and 2004. The rate of house price increase slowed after 2004 and fell during 2008 with a slight increase reported during 2010 but prices fell again in 2011.

4.12 It is interesting to note that in 1996, a household income of around £17,095 was required to ensure that a median-priced property was affordable. By 2007, an income of around £50,238 was required, an increase of 193.9% and far outstripping wage inflation over this period. During 2012, the level of household income required for a median priced property to be affordable was £49,986

[3] ONS 2011 Census

Table 4.4 Total dwelling stock by Sub-Area

Sub-area	Property type												
	Bungalow 1-2 Bed	Bungalow 3+ Bed	Flat 1 Bed	Flat 2 Bed	Flat 3+ Bed	Terraced House 1-2 Bed	Terraced House 3 Bed	Terraced House 4+ Beds	Semi-detached House 1-2 Bed	Semi-detached House 3 Bed	Semi-detached House 4+ Bed	Detached House 1-3 Bed	Detached House 4+ Bed
Acton	7.0	5.3		3.0		2.2	7.1		6.4	22.5	5.4	14.7	24.9
Adlington Prestbury and Bollington	3.5	3.9	4.4	4.3	0.2	7.0	12.6	1.4	3.3	17.9	2.9	8.0	30.1
Alsager	12.2	5.7	6.3	2.5		2.1	4.0	1.3	5.2	19.6	4.7	12.8	23.1
Alsager Rural	10.9	5.2	1.7			4.7	3.6	0.4	10.9	24.3	3.3	19.4	14.3
Audlem	11.1	8.4	0.2	0.6		2.5	5.7		3.9	12.0	1.9	20.1	31.8
Bunbury	7.8	5.3	2.2			5.0	1.5		3.1	21.2	6.0	11.9	35.3
Congleton	11.2	3.4	3.6	4.6		9.0	7.7	0.5	5.6	16.0	3.6	10.8	23.3
Congleton Rural	3.2	5.9	1.6			5.0	3.8	0.7	7.6	17.1	8.0	13.5	27.6
Crewe	7.9	4.2	3.8	7.6	0.0	12.4	14.8		6.4	21.2	3.0	7.1	11.2
Disley	3.5	7.0	3.7	6.2	0.4	18.9	5.8	0.4	3.8	15.1	6.8	12.1	16.1
Handforth and Wilmslow	2.5	2.7	5.7	7.5	0.2	8.1	7.5	0.2	4.3	8.7	5.5	15.8	29.6
Haslington and Englesea	9.4	5.5	0.4	2.0		1.9	3.1	1.0	7.8	16.7	3.2	13.7	35.1
Holmes Chapel	7.1	4.5	6.4	3.0		4.5	6.4	1.0	3.2	10.6	3.8	9.1	40.4
Holmes Chapel Rural	9.3	12.5		0.4		2.9	4.7	0.4	1.7	7.2	2.0	14.2	40.1
Knutsford	4.3	1.8	8.7	6.4	1.6	2.2	9.2	2.7	4.0	15.0	5.9	8.6	28.3
Knutsford Rural	5.6	4.3		0.2		3.0	4.9	2.5	3.7	10.3	5.2	21.9	34.6
Macclesfield	6.1	2.9	7.5	4.7	0.2	17.2	10.3	1.4	5.0	16.8	5.7	8.6	11.7
Macclesfield Rural	10.1	8.4	0.9	0.2	0.2	10.0	2.7	0.5	6.1	18.3	1.6	14.4	24.2
Macclesfield Rural - National Park	4.9	1.6				10.6	9.4	1.0	5.1	13.4	8.5	21.8	21.1
Middlewich	5.8	2.1	6.1	3.9	1.2	7.8	4.2	0.6	5.1	23.4	1.2	11.5	26.2
Minshull	4.8			1.0		4.7	1.9	2.0	2.8	16.5	6.3	15.1	32.5
Mobberley Chelford and Alderley Edge	5.9	4.0	2.9	4.7	1.8	10.6	8.4	2.9	2.7	12.5	4.3	10.0	23.9
Nantwich	2.5	3.8	7.9	11.3	2.5	8.7	10.3	1.5	5.3	22.5	3.5	7.9	11.8
Peckforton	3.1	3.4		2.4		1.1	3.4	1.1	6.8	16.9	6.6	11.9	36.4
Poynton	5.6	9.1	4.3	1.7		6.8	4.1	0.8	4.3	22.0	5.4	11.5	23.0
Sandbach	10.2	8.7	4.5	3.7		8.0	3.9	1.0	7.4	17.6	2.0	11.2	20.4
Sandbach Rural	6.7	7.0	1.2	2.3		1.3	2.9	2.1	2.7	16.7	7.6	15.6	31.6
Wrenbury	14.5	2.5	0.7	1.0	0.8	1.6	4.3		8.5	19.7	3.7	17.8	21.0
Wybunbury and Shavington	5.6	4.1	1.3	0.8	0.3	3.3	4.5		3.6	19.5	4.8	11.2	40.4
Cheshire East Total	**7.0**	**4.5**	**4.4**	**4.7**	**0.3**	**9.1**	**8.3**	**0.8**	**5.3**	**17.4**	**4.1**	**11.1**	**21.6**

Source: Valuation Office Agency (note there is a slight difference in baseline dwelling stock)

Table 4.5 Median property prices in Cheshire East 1996-2012, annual rate of change and income required to be affordable

Year	Cheshire East Median Price £	% change on previous year	Income required (£)*
1996	£59,833	~	£17,095
1997	£63,833	6.7	£18,238
1998	£67,650	6.0	£19,329
1999	£70,974	4.9	£20,278
2000	£78,665	10.8	£22,476
2001	£89,150	13.3	£25,471
2002	£101,667	14.0	£29,048
2003	£126,658	24.6	£36,188
2004	£149,475	18.0	£42,707
2005	£155,800	4.2	£44,514
2006	£164,833	5.8	£47,095
2007	£175,833	6.7	£50,238
2008	£165,000	-6.2	£47,143
2009	£165,000	0.0	£47,143
2010	£175,000	6.1	£50,000
2011	£170,000	-2.9	£48,571
2012**	£174,950	2.9	£49,986

*To be affordable, a property should cost no more than 3.5x household income
Data for 1996 -2007 derived from district median figures for Congleton, Crewe and Nantwich and Macclesfield Districts
**Q3 2012 data
Source: CLG Housing Statistics

Key market drivers

4.13 The factors underpinning housing markets in Cheshire East were explored in the 2010 SHMA. Essentially, there are three key primary drivers influencing the current (and future) housing market: demographic, economic and dwelling stock characteristics.

4.14 In summary, the following demographic drivers will continue to underpin the operation of Cheshire East's housing market:

- The population of Cheshire East is set to increase from 370,700 in 2010 to 410,200 by 2030, an increase of 39,400 based on demographic analysis prepared by Cheshire West and Chester Council on behalf of Cheshire East Council based on ONS 2011-interim projections extrapolated to 2030, representing an increase of 10.6%;
- Over the next few decades, there will be a 'demographic shift' with the number (and proportion) of older people increasing. Over the period 2011 to 2030 the number of residents aged 60 and over is expected to increase from 85,500 to 124,000 (or by 45.0%). The number aged 75 and over is expected to increase by 74.6% (from 33,800 in 2011 to 59,000 by 2030);

- Across Cheshire East, according to the 2011 Census, 93.6% describe themselves as White British (including English, Welsh, Scottish, Northern Irish and British). A further 3.2% are other White groups, 1.6% are Asian/Asian British, 1.0% are mixed/multiple ethnic, 0.4% are Black/Black British and 0.2% are other groups. Within the District, the proportion of residents associating with a BAME group is highest in the Crewe wards, with a high representation of other White groups (13.9% in Crewe Central, 12.2% in Crewe South, 8.1% in Crewe St Barnabas and 7.4% in Crewe West). This is most likely to be Eastern European migrants.
- Household projections prepared by the DCLG and based on ONS population projections indicate that the number of households is expected to increase by 6.5% from 159,600 in 2011 to 170,000 in 2030. This represents an increase of around 10,500 households;
- The 2011 Census reports that 27.1% of households across Cheshire East comprise couples with children, 12.6% are older person households (single person or couple aged 65 and over), 19.7% are couples with no children, 16.3% are singles under 65, 8.9% are lone parents and 4.2% are other household types.

4.15 The following economic drivers will continue to underpin the operation of Cheshire East's housing market:

- 70.6% of residents 16 to 44 are economically active according to the 2011 Census which is slightly higher than the regional average of 67.8%. Unemployment in 2011 was 3.2%, compared with 4.7% regionally[4]**;**
- 2009 household survey data (reweighted to 2011 households) suggests that 8.5% of employees work from home, 58.6% work elsewhere within Cheshire East and 32.9% commute to other areas, most notably to Manchester (7.6%) and Cheshire West and Chester (5.5%). Table 4.6 (overage) summarises the relationship between place of residence and workplace. It shows, for instance, strong interactions with Greater Manchester workplaces with the sub-areas of Disley and Handforth/Wilmslow and Poynton; and Stoke-on-Trent as a workplace with the sub-areas of Alsager and Alsager Rural.
- Cheshire East boasts a highly qualified population, with 42.9% of working age residents having an NVQ Level 4 qualification (e.g. a degree) and a further 13.6% having an NVQ Level 3 qualification[5];
- Lower Quartile incomes across Cheshire East have risen slightly since 2009 as illustrated in Table 4.7. In 2012 Lower Quartile earnings were £18,559, an increase of 4.1% on 2009 data. This compares with marginal increases of 2.1% regionally and 3.6% nationally. In contrast, median incomes have fallen by 1.1% within Cheshire East compared with an increase of 2.7% regionally and 3.4% nationally.

[4] ONS 2011 Census

[5] ONS Annual Population Survey Jan 10 to Dec 10

Table 4.6 Place of residence and place of work

Workplace	Area of residence (column %)												
	Acton	Adlington Prestbury and Bollington	Alsager	Alsager Rural	Audlem	Bunbury	Congleton	Congleton Rural	Crewe	Disley	Handforth and Wilmslow	Haslington and Englesea	Holmes Chapel
Home	28.6	11.6	10.9	4.9	20.8	10.0	5.5	26.2	4.0	9.0	8.3	9.1	9.6
Crewe	24.5	1.8	12.8	14.1	16.9	11.4	1.4	6.6	60.1	0.9	0.2	36.3	5.5
Nantwich	23.6	0.0	0.9	1.2	10.0	6.4	0.5	0.0	6.9	0.0	0.5	3.3	0.0
Congleton, Alsager	0.7	0.2	24.6	24.6	0.9	0.0	37.5	22.4	2.1	0.0	0.4	5.5	2.2
Middlewich, Sandbach	0.0	0.0	2.7	5.3	3.1	1.5	3.5	10.0	4.1	0.0	0.9	5.7	6.0
Holmes Chapel	0.0	0.0	0.9	1.3	0.0	0.0	1.1	0.6	0.3	0.0	0.0	1.2	19.7
Macclesfield	1.3	37.4	2.6	4.5	0.9	0.0	12.3	9.6	5.0	4.3	6.8	1.4	6.7
Knutsford, Alderley Edge	1.0	10.4	1.4	0.0	0.9	0.0	6.2	3.4	0.5	0.5	17.0	2.3	13.4
Elsewhere in Cheshire East	6.0	7.1	0.7	0.9	8.7	15.7	2.7	2.6	0.8	15.9	14.9	3.5	3.8
Cheshire West and Chester	6.1	2.2	4.1	3.4	6.5	32.5	2.3	0.0	4.8	1.8	1.6	5.7	6.5
Warrington	0.0	0.0	1.8	0.9	0.0	2.8	0.5	0.0	1.2	1.4	2.1	0.6	3.9
Halton, Widnes	0.8	0.0	0.5	0.9	0.0	0.0	0.0	0.0	0.5	0.5	0.0	0.9	0.3
Manchester	0.0	8.4	3.2	2.2	1.2	3.7	6.4	9.0	1.8	17.4	23.1	4.0	7.8
Stockport	0.8	7.3	0.5	0.5	0.0	0.7	2.4	0.0	0.3	22.0	8.4	1.3	2.8
Trafford	0.0	2.9	0.0	1.4	0.0	0.0	0.5	0.0	0.5	0.0	3.7	0.0	1.9
Elsewhere in Greater Manchester	0.0	3.1	0.0	0.5	0.9	0.7	0.5	1.8	0.2	4.9	3.6	0.3	1.3
Merseyside	0.0	1.7	0.5	0.0	0.4	3.0	0.5	0.6	0.0	0.5	0.9	1.7	0.7
Elsewhere in North West	1.0	0.8	0.5	1.4	0.0	0.7	1.1	1.0	0.2	1.8	2.0	2.0	1.3
Stoke on Trent	0.8	0.0	16.5	21.3	4.5	0.0	6.2	2.4	1.1	0.0	0.0	4.9	1.9
Newcastle under Lyme	2.4	0.0	6.1	6.6	5.7	0.7	2.4	0.0	1.4	0.0	0.4	2.3	0.7
Elsewhere in West Midlands	2.7	1.4	5.3	1.4	13.5	6.4	2.4	0.6	0.8	1.7	1.2	1.9	1.3
East Midlands	0.0	1.6	0.0	0.0	1.3	0.0	0.3	1.3	0.3	12.3	0.0	0.6	0.0
Elsewhere in UK	0.0	2.0	3.6	2.3	3.8	3.7	3.6	1.8	3.0	4.7	4.0	5.2	2.6
Overseas	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.2	0.3
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base (people in employment)	844	3926	4564	2869	1524	963	10994	1134	26703	1776	13378	4836	2208

Source: 2009 Household Survey; rebased to 2011 households and includes workplace information on respondent and next oldest person in household

Workplace	Area of residence (column %)														
	Knutsford Rural	Macclesfield	Macclesfield Rural - National Park	Macclesfield Rural	Middlewich	Minshull	Mobberley Chelford and Alderley Edge	Nantwich	Peckforton	Poynton	Sandbach	Sandbach Rural	Wrenbury	Wybunbury and Shavington	Total
Home	20.2	5.5	24.2	9.8	5.7	19.0	12.8	8.3	26.9	9.0	10.0	9.5	8.2	9.5	8.5
Crewe	1.7	0.9	1.0	1.4	7.7	23.0	1.2	25.3	7.0	0.0	21.2	5.9	14.3	28.1	16.9
Nantwich	0.5	0.3	0.0	0.0	1.4	9.1	0.4	28.9	8.2	0.0	2.6	0.5	16.0	11.2	3.6
Congleton, Alsager	0.2	1.9	0.0	5.1	2.9	1.0	0.1	1.7	0.0	0.0	3.4	9.0	1.0	0.8	5.6
Middlewich, Sandbach	0.7	1.5	0.0	0.8	24.5	9.2	0.8	1.8	0.0	0.0	25.5	17.4	2.1	1.4	4.4
Holmes Chapel	0.4	0.0	0.0	0.6	2.2	0.0	0.4	0.0	0.0	0.0	0.0	2.6	1.0	0.3	0.8
Macclesfield	3.5	52.1	28.2	49.7	2.3	0.0	12.2	1.3	0.0	13.1	0.0	6.1	0.0	0.6	14.6
Knutsford, Alderley Edge	15.3	6.5	3.8	8.3	5.7	2.1	23.1	0.6	1.0	3.5	4.0	3.2	1.0	0.0	6.9
Elsewhere in Cheshire East	5.2	4.6	9.7	7.3	3.2	4.6	18.6	1.4	11.3	20.2	2.8	3.3	17.7	7.2	5.8
Cheshire West and Chester	5.3	2.4	1.0	1.0	24.7	20.7	2.9	10.1	22.0	1.4	8.0	11.3	19.3	8.1	5.5
Warrington	5.6	0.9	2.2	0.4	3.4	0.0	1.1	0.0	1.2	0.5	3.4	2.1	0.0	3.7	1.6
Halton, Widnes	1.4	0.0	0.0	0.0	2.2	0.0	0.4	0.0	0.0	0.0	0.4	0.0	0.0	0.3	0.3
Manchester	12.1	8.4	5.2	2.7	2.3	1.0	13.4	3.2	2.0	18.7	5.9	6.9	3.8	3.9	7.6
Stockport	1.8	5.5	5.5	2.6	0.6	0.0	3.5	0.0	0.0	21.7	2.0	3.6	0.0	0.0	3.5
Trafford	12.1	0.8	1.9	1.7	2.6	1.0	2.6	0.0	0.0	3.2	1.6	1.5	1.0	0.6	1.7
Elsewhere in Greater Manchester	3.2	3.4	0.0	1.7	1.7	1.0	0.9	0.0	0.0	2.9	0.4	1.0	0.0	0.0	1.6
Merseyside	1.6	0.6	1.2	0.1	0.6	0.0	1.2	0.7	3.2	0.0	1.6	2.1	1.0	0.3	0.7
Elsewhere in North West	3.2	0.6	2.3	1.1	0.8	1.0	1.1	0.0	2.0	0.5	0.0	1.5	1.0	0.6	0.9
Stoke on Trent	0.0	0.0	1.4	0.5	2.0	0.0	0.2	3.1	1.1	1.0	2.0	3.4	3.0	4.1	2.4
Newcastle under Lyme	0.4	0.0	0.5	0.0	0.3	0.0	0.8	1.4	0.0	0.0	2.7	3.9	0.0	1.7	1.2
Elsewhere in West Midlands	0.0	0.3	0.0	0.5	0.6	2.1	0.2	4.9	4.2	0.0	0.3	2.8	4.2	10.7	1.7
East Midlands	0.0	1.4	8.4	1.8	0.0	0.0	0.0	0.4	2.1	0.5	0.0	0.0	0.0	0.3	0.7
Elsewhere in UK	5.3	1.8	3.6	2.7	2.5	5.1	1.9	6.5	8.0	3.0	2.0	2.6	5.7	5.9	3.3
Overseas	0.2	0.7	0.0	0.1	0.0	0.0	0.2	0.4	0.0	0.9	0.4	0.0	0.0	0.6	0.2
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base (people in employment)	3502	21438	1575	5745	5670	693	4626	5049	821	4704	7006	1487	838	6208	152038

Source: 2009 Household Survey; rebased to 2011 households and includes workplace information on respondent and next oldest person in household

Table 4.7 Earnings in Cheshire East, the North West and England

	Cheshire East	North West	England
2009			
Lower Quartile Earnings	£17,826	£17,332	£18,283
Median Earnings	£26,281	£23,930	£25,792
2012			
Lower Quartile Earnings	£18,559	£17,696	£18,933
Median Earnings	£25,979	£24,570	£26,660
% Change 2009-2012			
Lower Quartile	4.1	2.1	3.6
Median	-1.1	2.7	3.4

Source: Annual Survey of Hours and Earnings

4.16 In terms of dwelling stock drivers:

- 77.7% of properties are houses, 9.4% are flats/maisonettes 11.4% bungalows, and 1.4% are other property types (e.g. caravans);
- A majority of properties (68.5%) have been built since 1945 (with 49.5% built since 1965), a further 17.8% were built before 1919 and the remainder (13.7%) built between 1919 and 1945;
- 74.9% of properties are owner-occupied, 11.8% are affordable (social/affordable rent and intermediate tenure) and 13.3% are privately rented. This compares with regional figures of 64.5% for owner occupation, 18.8% affordable tenures and 16.7% private renting;
- There is a particularly strong aspiration for houses.

4.17 The 2009 household survey asked how satisfied respondents were with the area in which they lived. A net satisfaction score could be generated by calculating the proportion expressing satisfaction minus the proportion expressing dissatisfaction. Analysis by ward indicates that in 17 out of 29 sub-areas, the net satisfaction score exceeded 90% (with the highest scores in Macclesfield Rural – National Park (98.8%), Macclesfield Rural (98.1%) and Holmes Chapel Rural (97.1%). Lowest net satisfaction scores were in Crewe (50.1%) and Middlewich (57.2%).

Core Output 3: Future households

4.18 According to 2011-based ONS interim household projections, the 2011 baseline population in Cheshire East is 370,700 and this is forecast to increase to 410,200 by 2030. This represents an overall increase of 39,400 people (10.6%) (1,970 each year). The total number of households is expected to increase by around 1,050 annually over the period 2011 to 2021 according to CLG household projections based on ONS 2011-based interim population projections

4.19 Over the next few decades, the age profile of residents in Cheshire East is expected to change. The population is ageing and over the period 2011 to 2030, the number aged pensionable age and above is forecast to increase from 85,500 in 2011 (23.1% of the population) to 124,000 in 2030 (30.2% of the population).

Core Output 4: Current households in need

4.20 A robust and defensible assessment of housing need is essential for the development of affordable housing policies which need to be articulated in Local Plans. Housing need can be defined as:

'the quantity of housing required for households who are unable to access suitable housing without financial assistance'.

4.21 This 2013 SHMA update uses a range of robust primary and secondary data sources to update information on housing need. This includes the 2009 household survey reweighted to reflect 2011 household tenure and age profile. The reanalysis of housing need is presented in detail at Appendix C of this report and follows CLG modelling guidance. This guidance includes the highly optimistic assumption that the backlog need for affordable housing (4,388 in Cheshire East) will be fully addressed within the forthcoming five years and also the newly arising needs over that time period will also be met.

4.22 Across Cheshire East, there are 10,174 existing households in need. Reasons for housing need are summarised in Table 4.8. A large part of the need is identified in the mismatch of housing need and dwellings category. The Government have introduced measures through the Welfare Reform Act 2012 which aim to make better use of the existing housing stock by reducing under occupancy in the social rented sector. This is likely to reduce some of this identified need.

4.23 The distinction between housing demand and need is fundamentally economic. If a household can satisfy its own requirement for housing in the private market it is termed 'demand' but if some sort of subsidy is required then it is termed 'need'.

Table 4.8 Housing need in Cheshire East

Category	Factor	No. Households
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	739
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	1570
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	2388
	N4 Too difficult to maintain	3159
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	192
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	2340
Dwelling amenities and condition	N7 Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	0
	N8 Subject to major disrepair or unfitness and household does not have resource to make fit	778
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	1177
Total no. households in need		10,174
Total Households		159,441
% households in need		6.4

Note: A household may have more than one housing need.
Source: 2009 Household Survey; rebased to 2011 households

4.24 Table 4.9 summarises the total number of households in need by Sub-Area. Levels of housing need are highest in Crewe (10.1%), Acton (9.3%) and Peckforton (9.3%).

4.25 Table 4.10 demonstrates how the proportion of households in housing need varies by tenure and household type. Private renters and lone parents with three or more children are more likely to experience housing need compared with the general population.

Table 4.9 Housing need by Sub-Area

Sub-area	No. households in need	Total number of households	% households in need
Acton	87	928	9.3
Adlington Prestbury and Bollington	154	4993	3.1
Alsager	274	5098	5.4
Alsager Rural	218	3087	7.1
Audlem	98	1704	5.8
Bunbury	27	927	2.9
Congleton	458	11561	4.0
Congleton Rural	66	1093	6.0
Crewe	2904	28845	10.1
Disley	183	2079	8.8
Handforth and Wilmslow	748	13696	5.5
Haslington and Englesea	248	4524	5.5
Holmes Chapel	90	2241	4.0
Holmes Chapel Rural	78	1813	4.3
Knutsford	424	5824	7.3
Knutsford Rural	177	3060	5.8
Macclesfield	1242	21239	5.8
Macclesfield Rural - National Park	124	1466	8.4
Macclesfield Rural	249	6059	4.1
Middlewich	344	5576	6.2
Minshull	18	702	2.5
Mobberley Chelford and Alderley Edge	248	5059	4.9
Nantwich	477	6584	7.2
Peckforton	70	745	9.3
Poynton	320	5107	6.3
Sandbach	500	7840	6.4
Sandbach Rural	124	1400	8.9
Wrenbury	75	872	8.6
Wybunbury and Shavington	151	5317	2.8
Total	**10174**	**159441**	**6.4**

Source: 2009 Household Survey; rebased to 2011 households

Table 4.10 Housing need by tenure and household type

Tenure	%	Base
Owner Occupied	4.7	119,364
Private Rented	14.4	21,208
Affordable/Social Rented	8.3	18,870
Total	**6.4**	**159,441**

Household type	%	Base
Single Adult (under 60)	6.4	18754
Single Adult (60 or over)	3.9	25351
Couple only (both under 60)	5.6	21403
Couple only (one or both 60 or over)	4.3	38841
Couple (under 60) with 1 or 2 child(ren)	4.3	24627
Couple (under 60) with 3 or more children	20.1	5521
Couple (under 60) with adult child(ren)	5.5	6893
Lone Parent (under 60) with 1 or 2 child(ren)	14.1	7291
Lone Parent (under 60) with 3 or more children	31.9	636
Lone Parent (under 60) with adult child(ren)	13.2	1733
Other older	13.1	6307
Other type of household	13.2	2084
Total	**6.4**	**159,441**

Source: 2009 Household Survey; rebased to 2011 households

Core Output 5: Future households requiring affordable housing

4.26 A detailed analysis of household formation rates based on a review of past trends and future intentions was presented in the 2010 SHMA report. Survey evidenced suggests a household formation rate of 1,468 each year across Cheshire East. A reanalysis of house prices and rents in 2013 suggests that the proportion of newly-forming households who could not afford open market prices or rents is 56.1%.

Core Output 6: Future households requiring market housing

4.27 The 2009 Household Survey provides a range of valuable evidence on general market requirements. Rebasing to the 2011 census indicates that:

- Around 18,460 households were intending to move within Cheshire East in the open market over the two years following the survey (around 9,230 each year);
- Figure 4.3 indicates that the households most likely to be moving in the open market are couples under 60, couples with children and singles under 60;

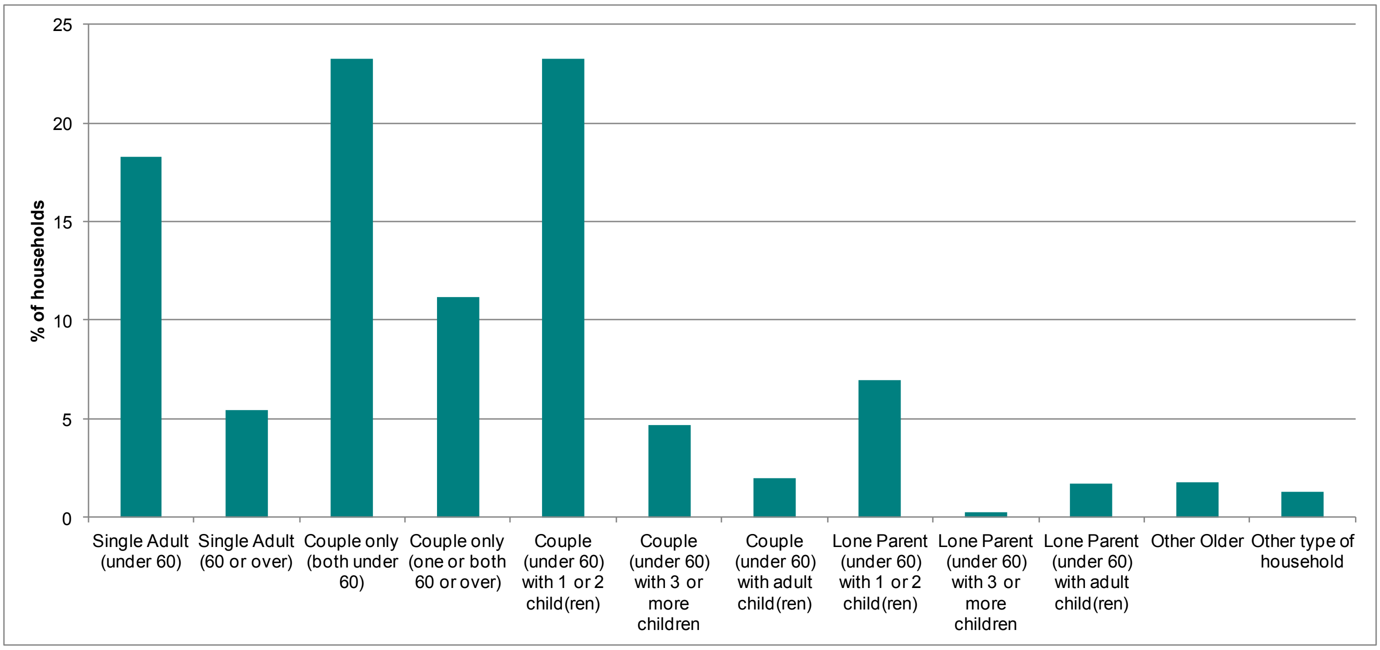
- Of households moving, most (79.3%) are considering a house, 33.5% are considering a bungalow and 18.6% a flat (Table 4.11).

Table 4.11 Market preferences of existing households planning to move in next two years

Property type	% would consider
House	79.3
Detached	56.6
Semi-Detached	52.5
Smaller Terraced	16.2
Larger Terraced	27.2
Flat	18.6
Bungalow	33.5

Base 18,460 households intending to move in next two years
Note: Household could state more than one preference
Source: 2009 Household Survey, rebased to 2011 households

Figure 4.3 Types of household intending to move in the open market over the next two years



Source: 2009 Household Survey; rebased to 2011 households

4.28 The data presented in Table 4.12 provides a useful review of how market demand varies by household type. The table shows the percentage of households by household type who would consider a particular property type and size. Data indicates that:

- Houses remain the most popular choice of most households (except for older singles and couples), particularly detached and semi-detached properties, with three bedroom houses most popular overall. Note that singles under 60 would consider a range of dwelling types and sizes;

- Flats are most likely to be considered by singles and also ‘other’ household types;
- There is a strong preference for bungalows amongst older person households (mentioned by 49.5% of older singles and 72.9% of older couples) along with 72.9% of lone parents with adult children and 66.5% of lone parents generally.

Table 4.12 Market preferences by household type

Property size/type	Household Type and % who would consider												
	Single Adult (under 60)	Single Adult (60 or over)	Couple only (both under 60)	Couple only (one or both 60 or over)	Couple (under 60) with 1 or 2 child(ren)	Couple (under 60) with 3 or more children	Couple (under 60) with adult child(ren)	Lone Parent (under 60) with 1 or 2 child(ren)	Lone Parent (under 60) with 3 or more children	Lone Parent (under 60) with adult child(ren)	Other Older	Other type of household	Total
House	72.5	69.8	89.5	55.6	88.9	87.2	69.6	78.9	100.0	91.3	58.6	62.5	79.3
Detached	55.2	36.1	59.8	39.0	73.8	74.5	43.7	42.0	100.0	18.5	25.8	62.5	56.6
Semi-detached	58.1	33.1	67.5	25.3	49.1	43.6	38.0	65.1	0.0	85.0	47.3	41.2	52.5
Small Terr	30.8	12.7	19.4	9.2	5.1	1.2	10.4	25.6	0.0	65.8	0.0	0.0	16.2
Large Terr	40.0	2.9	37.5	6.5	23.2	42.6	10.4	21.1	0.0	65.8	6.2	3.8	27.2
2 Bed House	52.6	39.9	41.5	24.3	5.7	0.0	23.6	45.6	0.0	79.3	8.3	44.1	31.2
3 Bed House	59.2	34.3	62.6	37.6	53.4	34.3	19.8	40.6	0.0	82.5	45.3	44.2	51.4
4 Bed House	20.2	7.1	19.9	11.2	54.0	69.7	8.3	17.5	100.0	8.8	11.2	3.0	27.8
5 Bed House	11.7	0.0	7.1	0.6	17.8	41.2	2.2	10.0	0.0	5.7	0.0	7.9	10.8
Flat	24.1	12.9	2.4	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.4	6.3
1 Bed Flat	22.4	12.9	2.4	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.5
2 Bed Flat	34.1	37.6	6.3	17.8	1.1	0.0	10.4	20.4	0.0	79.3	0.0	37.4	15.4
3 Bed Flat	18.1	10.3	5.7	14.5	0.4	3.5	0.0	6.6	0.0	79.3	0.0	37.4	9.3
Bungalow	35.5	49.5	15.1	72.9	11.8	40.1	34.0	66.5	0.0	72.7	51.5	47.1	33.5
Detached	32.9	39.9	12.4	54.5	11.4	29.9	31.3	33.9	0.0	72.7	51.5	47.1	26.9
Semi-detached	29.4	28.8	7.8	31.2	3.5	26.5	14.9	61.9	0.0	72.7	21.6	0.0	20.5
Terraced	14.6	8.2	2.9	4.1	1.6	25.5	10.4	26.0	0.0	72.7	0.0	0.0	9.0
1 Bed Bungalow	10.9	4.5	4.5	5.1	0.0	0.0	0.0	6.1	0.0	0.0	0.0	0.0	4.3
2 Bed Bungalow	31.5	29.2	10.9	39.7	2.5	0.0	26.8	52.8	0.0	72.7	10.7	41.2	21.1
3 Bed Bungalow	29.5	28.4	11.4	39.6	8.6	25.0	8.1	19.7	0.0	72.7	47.0	44.2	21.4
4 Bed Bungalow	12.4	2.3	3.9	11.8	6.8	39.2	0.0	13.7	0.0	0.0	0.0	0.0	9.0
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base (households moving)	3370	997	4289	2066	4294	863	364	1283	48	314	329	243	18460

Source: 2009 Household Survey; rebased to 2011 households
Base: Preferences of 18,460 households planning to move in the open market in the next two years

4.29 The general market realisations of newly-forming households are summarised in Table 4.13 and is based on the range of dwellings moved into by newly-forming households within the open market. The majority moved into houses and to a lesser extent flats; with most moving to a property with two or three bedrooms.

Table 4.13 Household realisations (newly-forming households)

Property type	Number of bedrooms (Table %)					
	One	Two	Three	Four	Five or more	Total
Detached house/cottage	0.4	2.1	8.0	4.5	0.9	15.8
Semi-detached house/cottage	0.8	9.0	14.7	1.5		26.0
Terraced house/cottage		19.9	7.6	0.2		27.7
Bungalow		6.2	0.3			6.4
Maisonette	0.4					0.4
Flat/apartment	6.2	16.1	0.4			22.7
Caravan/Park Home/Other	0.2	0.8				1.0
Total	8.0	54.0	31.0	6.1	0.9	100.0

Base: 5,290 newly-formed households over 5 years preceding household survey
Source: 2009 Household Survey, rebased to 2011 households

Core Output 7: Size of affordable housing required

4.30 A detailed analysis of the following factors determines overall affordable housing requirements:

- Households currently in housing which is unsuitable for their use and who are unable to afford to buy or rent in the market (backlog need);
- New households forming who cannot afford to buy or rent in the market;
- Existing households expected to fall into need;
- The supply of affordable housing through social renting and intermediate tenure stock[6]

4.31 The needs assessment model advocated by the CLG was used in the 2010 SHMA. This 2013 update recasts the data for Sub-Areas; aligns survey data with 2011 census tenure and age profiles; and also updates the number of existing households in need requiring affordable housing using updated house price and rent information and includes updated affordable housing capacity data.

4.32 The 2013 update indicates there is a net annual affordable housing imbalance of 1,401 dwellings each year (Table 4.14) and a gross imbalance of 1,871 dwellings each year. These figures assume (in line with the CLG guidance) the existing backlog need is fully addressed within five years[7]. It is important to state

[6] private rented stock is excluded for the reasons set out in paragraph 3.40

[7] If a 10 year time period was used to resolve the backlog the equivalent figures would be 962 net and 1,520 (gross)

that this is a measure of the imbalance of affordable need relative to supply: it is not a target for delivery. Economic viability work currently ongoing will determine the extent to which affordable housing can be delivered on a site by site basis to reduce this imbalance and also determine the percentage split between open market and affordable delivery.

Table 4.14 Annual affordable housing requirement 2013/14 to 2017/18
Net

Sub-area	Designation and no. beds						
	General Needs				Older Person		Total
	1	2	3	4+	1	2+	
Acton	6	-18	-3	0	1	0	-14
Adlington Prestbury and Bollington	1	11	0	1	2	0	15
Alsager	-6	38	15	2	5	0	54
Alsager Rural	14	0	8	6	14	-7	35
Audlem	4	-6	16	4	0	3	22
Bunbury	18	-1	0	1	0	0	18
Congleton	27	-49	10	46	37	-12	58
Congleton Rural	1	1	4	2	0	2	11
Crewe	50	-51	149	37	12	20	217
Disley	6	-21	27	1	1	-1	13
Handforth and Wilmslow	-10	-35	49	5	13	3	25
Haslington and Englesea	1	11	19	10	1	1	44
Holmes Chapel	2	-6	12	1	4	-3	10
Holmes Chapel Rural	0	10	7	-5	2	4	17
Knutsford	8	34	-62	49	10	-1	38
Knutsford Rural	16	1	1	5	7	0	30
Macclesfield	-112	103	116	-1	80	-6	180
Macclesfield Rural - National Park	9	2	8	0	0	0	19
Macclesfield Rural	9	6	23	11	2	8	59
Middlewich	26	22	8	0	4	4	65
Minshull	1	2	2	0	2	0	8
Mobberley Chelford and Alderley Edge	16	17	11	13	9	22	87
Nantwich	40	-27	15	35	16	-1	78
Peckforton	5	4	3	0	1	0	13
Poynton	24	45	19	4	-8	35	118
Sandbach	18	33	18	9	11	5	94
Sandbach Rural	13	2	-8	3	2	0	12
Wrenbury	0	15	-9	12	2	0	20
Wybunbury and Shavington	8	20	7	12	1	7	54
Total	**197**	**163**	**464**	**263**	**230**	**84**	**1401**

GROSS

Sub-area	Designation and no. beds						
	General Needs				Older Person		Total
	1	2	3	4+	1	2+	
Acton	6			0	1		7
Adlington Prestbury and Bollington	1	11	0	1	2	0	15
Alsager		38	15	2	5	0	60
Alsager Rural	14	0	8	6	14		42
Audlem	4		16	4	0	3	28
Bunbury	18			1		0	20
Congleton	27		10	46	37		119
Congleton Rural	1	1	4	2	0	2	11
Crewe	50		149	37	12	20	268
Disley	6		27	1	1		35
Handforth and Wilmslow			49	5	13	3	70
Haslington and Englesea	1	11	19	10	1	1	44
Holmes Chapel	2		12	1	4		19
Holmes Chapel Rural	0	10	7		2	4	23
Knutsford	8	34		49	10		101
Knutsford Rural	16	1	1	5	7	0	30
Macclesfield		103	116		80		299
Macclesfield Rural - National Park	9	2	8	0	0	0	19
Macclesfield Rural	9	6	23	11	2	8	59
Middlewich	26	22	8	0	4	4	65
Minshull	1	2	2	0	2	0	8
Mobberley Chelford and Alderley Edge	16	17	11	13	9	22	87
Nantwich	40		15	35	16		106
Peckforton	5	4	3	0	1	0	13
Poynton	24	45	19	4		35	126
Sandbach	18	33	18	9	11	5	94
Sandbach Rural	13	2		3	2	0	20
Wrenbury	0	15		12	2	0	29
Wybunbury and Shavington	8	20	7	12	1	7	54
Total	**324**	**377**	**546**	**270**	**239**	**115**	**1871**

NOTE: The gross table only shows where there absolute shortfalls and therefore excludes the minus figures show in the net table. For example, if there is a shortfall of 10no. 2 bed dwellings and an excess of 4no. 3 bed dwellings, the net figure would be 6 but the gross figure (i.e. absolute shortfall) would be 10.

4.33 The tenure preferences of households requiring affordable housing have been explored in Appendix C. This has considered the aspirations of households and the relative affordability of intermediate tenure products assuming different levels of equity.

4.34 A tenure split of 62.4% affordable/social rented and 37.6% intermediate tenure is suggested based on reweighted 2009 survey data. This remains broadly in line with a 65% affordable/social rented and 35% intermediate tenure split being advocated by the Council. Analysis of income, equity and savings would suggest that 44.4% could afford an £80,000 equity share and 36.3% a £100,000 equity share.

4.35 The actual proportion of affordable dwellings to be intermediate tenure should be determined on the basis of this evidence coupled with the findings of the economic viability assessment.

4.36 Analysis of property type preferences suggests that primarily, delivery of houses and flats is a priority, with an additional need to provide bungalows.

Core Output 8: Estimates of household groups who have particular housing requirements

Introduction

4.37 There are a range of household groups who have particular housing requirements.

Families

4.38 Families account for around 29.3% of households across Cheshire East. Analysis of market preferences (Table 4.12) suggests that:

- Couples with children had a strong preference for houses, particularly detached, semi-detached and larger terraces; preferences for bungalows were also noted amongst larger families; and couples with children were most likely to consider properties with three or more bedrooms;
- Lone Parent families were most likely to consider detached and semi-detached houses and properties with two or three bedrooms (with larger lone parent families with three or more children most likely to consider 4 bedroom properties);
- Couples with non-dependent (adult) children were most likely to consider houses (detached and semi-detached) and bungalows, with strongest preferences for dwellings with two and three bedrooms.
- Lone Parents with non-dependent (adult) children were most likely to consider houses (detached and semi-detached) along with terraced houses and bungalows; and properties with two and three bedrooms in particular.

4.39 Analysis of affordable housing requirements suggests that a range of affordable dwellings are required including larger three and four bedroom dwellings. It is important that particular care is taken to ensure that properties are built to reflect the demand from families and in the interests of long-term community sustainability.

Older people

4.40 A major strategic challenge for the Council is to ensure a range of appropriate housing provision, adaptation and support for Cheshire East's growing older population. The number of people aged 60 or over is projected to increase by 45.0% from 85,500 in 2011 to 124,000 by 2030[8].

4.41 The 2009 household survey identified that the vast majority of older people want to stay in their own homes with help and support when needed and the vast majority are owner occupiers. Particularly noted is the need for help with repair/maintenance and gardening, and cleaning. Better insulation/heating and adaptations to bathrooms are particular requirements stated by older people. Resources for aids and adaptations remain tight, particularly for households in the private sector. Alternative sources of funding, such as equity loans, should be seriously considered to finance remedial measures required by older person households.

4.42 There is a degree of interest in new forms of older persons' accommodation, for instance older persons' apartments and properties in a retirement/care village. Providing a wider range of older persons' accommodation has the potential to free-up larger family accommodation (although price could still remain a barrier to entry).

General support requirements

4.43 The 2009 Household Survey provided evidence of the need for particular adaptations by unitary ward, tenure and household type. Overall, households are tending to require remedial measures to their property to provide better heating and insulation; in addition to double glazing requirements, kitchen and bathroom adaptations (Table 4.15).

4.44 The household survey also provides information on the need for other forms of assistance, such as assistance with repair and maintenance, gardening, cleaning, and other practical tasks etc (Table 4.16). This provides valuable evidence to support initiatives such as Home Improvement Agencies.

[8] Based on ONS 2011-interim population projections extrapolated to 2030

Table 4.15 Adaptations required either now or in next 5 years

Adaptation Required	% Households
Better Heating	11.7
Insulation	16.9
Double glazing	9.7
Kitchen adaptations	4.7
Bathroom adaptations	9.8
Internal hand rails	5.3
External hand rails	3.2
Downstairs WC	3.6
Stair lift	4.0
Improvements to access	2.0
Wheelchair adaptations	1.8
Lever door handles	0.7
Room for a carer	0.9
Community alarm	2.6
Security alarm	6.0
Increase the size of property	5.5
Base (total households)	159,441

Source: 2009 Household Survey; rebased to 2011 households

Table 4.16 Type of assistance required either now or in next 5 years

Support required	% Households
Help with repair and maintenance of home	19.0
Help with gardening	17.6
Help with cleaning home	10.6
Help with other practical tasks (e.g. changing light bulbs, collecting prescriptions)	9.1
Help with personal care	4.4
Want company / friendship	4.3
Base (total households)	141,142

Source: 2009 Household Survey; rebased to 2011 households

Specialist support requirements

4.45 The Supporting People team have a particular responsibility to ensure that there is adequate accommodation and support provision for a range of specialist client requirements e.g. domestic violence, HIV/Aids, Offending/Ex-Offending and Teenage Pregnancy.

4.46 RP specialist provision in Cheshire East particularly focuses on older people with support needs and single homeless people with support needs.

Homeless households

4.47 Over the period 2009/10 to 2010/11, the number of households accepted as homeless has increased dramatically, from an acceptance of 55 in 2009/10 to 111 in 2011/12.

Black, Asian and Minority Ethnic households

4.48 Across Cheshire East, the 2011 census reports that 93.6% of residents describe themselves as White British, a further 3.2% are other White Groups and 3.2% are from other ethnicities. The 2009 household survey (rebased to 2011 census data) reports that 3.1% of households have a head of household who are not described as White British.

4.49 Overall, 9.8% of Black, Asian and Minority Ethnic (BAME) households were in some form of housing need which compares with 6.4% for the overall population. Affordability, difficulty in maintaining and being under notice/threat of notice were most likely to be cited as reasons for being in need.

4.50 A Cheshire-wide study into the accommodation requirements of Gypsies and Travellers[9] indicated that there are currently 101 pitches across Cheshire East. The study calculated an additional requirement of between 37 and 54 pitches across Cheshire East over the period 2006-2016 plus 4 pitches for travelling showpeople (in the former Congleton area).

4.51 The Gypsy and Traveller Accommodation Assessment is currently being updated on behalf of the sub-region (Cheshire West and Chester, Halton and Warrington Borough Councils) to inform the Cheshire East Local Plan.

[9] Cheshire Partnership Area Gypsy and Traveller Accommodation and Related Needs Assessment, University of Salford May 2007

5. Cheshire East analysis of future housing numbers

Introduction

5.1 ONS 2011-based interim household projects indicate that the total number of households across Cheshire East is set to increase by 1,050 each year over the ten year period 2011 to 2021. It should be noted that the 2009 SHMA reported a strong overall demand for housing exceeding CLG projections. This was based on aspirational assumptions and the 2013 SHMA update draws upon CLG projections to establish a baseline requirement for dwelling stock using the objectively assessed need approach as advocated by the National Planning Policy Framework.

Dwelling stock

5.2 As at 1st April 2011, there were 165,422 dwellings in Cheshire East and 5,335 were vacant, resulting in 160,087 occupied dwellings

5.3 Table 5.2 compares dwelling stock figures over the period 2001 and 2011 and the overall change in occupied dwellings and total dwellings over the period. Overall, the total number of occupied dwellings has increased by 9,329 or an average of 933 each year however the total number of dwellings has increased by 10,250 or around 1,025 each year.

Table 5.2 Dwelling stock in Cheshire East

Year	Dwelling stock				
	Total	Vacant	Occupied	5 year Dwelling change	5 year occupied household change
2001	155,172	4,414	150,758		
2006	159,900	5,498	154,402	4,728	3,644
2011	165,422	5,335	160,087	5,522	5,685

Source: HIP and HSSA returns

Vacancy rates

5.4 The Government is keen to ensure that best use is made of available stock. Across Cheshire East 3.2% of dwelling stock (5,335) is vacant according to 2011 HSSA figures. The number of vacant properties has increased from 2.8% in 2001. This presents an opportunity to bring vacant properties back into use to help provide sufficient housing for an increasing population.

6. Conclusion: policy and strategic issues

6.1 This document has been prepared to provide robust, defensible and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. It has delivered core outputs required under the CLG Strategic Housing Market Assessment Guidance by updating key elements of the 2009 SHMA and recasts the findings in the context of a changing policy environment and the 2011 census.

6.2 The work also takes account of the new National Planning Policy Framework which came into effect in March 2012. The SHMA will help local authorities 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 SHMA identifies the size, type and tenure of market housing required and also identifies a continued affordable housing requirement across the Cheshire East area.

6.3 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets; the interactions of Cheshire East area with other areas; and considers strategic priorities.

The current housing market

6.4 This study provides up to date information on the housing stock in Cheshire East. The 2011 census reports that there are a total of 166,236 dwellings and a total of 159,441 occupied households. Overall, across Cheshire East:

- 77.7% of properties are houses, 9.4% are flats/maisonettes 11.4% bungalows, and 1.4% are other property types (e.g. caravans);
- A majority of properties (68.5%) have been built since 1945 (with 49.5% built since 1965), a further 17.8% were built before 1919 and the remainder (13.7%) built between 1919 and 1945;
- 74.9% of properties are owner-occupied, 11.8% are affordable (social/affordable rent and intermediate tenure) and 13.3% are privately rented. This compares with regional figures of 64.5% for owner occupation, 18.8% affordable tenures and 16.7% private renting.

Market interactions and self-containment

6.5 A range of material has been gathered to help identify market drivers and the characteristics of housing market areas across Cheshire East and linkages with other areas.

6.6 An analysis of household mobility suggests that of households moving in the past 5 years, 68.8% moved within Cheshire East and 31.6% had moved into the area, with particular in-flows from Greater Manchester, elsewhere in Cheshire and Stoke/Newcastle.

6.7 In terms of travel to work patterns, 68.8% of residents work in Cheshire East and 31.4% work outside the Borough, particularly Greater Manchester (13.6%) and elsewhere in Cheshire (7.9%).

6.8 An analysis of travel to work and migration data would suggest that Cheshire East comprises several housing market areas broadly based on the former three Districts of Crewe and Nantwich, Congleton and Macclesfield.

Future housing market

6.9 Household forecasts point to an overall increase in households across Cheshire East over the period 2011 to 2021 of 10,500 or 1,050 each year.

6.10 Managing demographic change will become an increasingly important issue. Population forecasts prepared by the Council suggest that the proportion of the population in Cheshire East of pensionable age and above will continue to grow, with an increase from 83,521 in 2010 to 124,544 by 2030.

Housing need and demand

Delivering new housing

6.11 A challenge for Cheshire East is to align future housing development with trends relating to household growth, household aspirations and the need for affordable housing. Crucially, the nature of household change needs to be better reflected in strategic housing and planning policies.

6.12 Analysis of general market aspirations and expectations suggests that:

- Of households moving, most would like to move to a house (75.2%), 6.6% would like to move to a flat and 18.1% to a bungalow. This compares with 76.7% who expect to move to a house, 9.6% to a flat and 13.7% to a bungalow. A much higher proportion would like to move to a detached house (50.8%) but 30.8% expect to. In contrast, higher proportions expect to move to a semi-detached house (32.7%) than would prefer to (19.8%).
- In terms of property size, the majority of respondents expect to move to a property with two (32.4%), three (42.4%) or four or more (20.7%) bedrooms. A higher proportion of households would like a property with four or more bedrooms (31.3%).

6.13 Future development should focus on delivering to address identified requirements and help to address the mismatches between aspirations and expectations to the extent that this is reasonable and practical.

6.14 In terms of affordable housing, an annual net shortfall of 1,401 affordable dwellings has been calculated based on the CLG housing needs assessment model presented in the CLG SHMA guidance. It must be reiterated that this is the degree of imbalance that exists between the need for affordable housing relative to supply, based on parameters set by the CLG guidance (for instance the proportion of income which should be spent on housing). It is not a target for delivery. The actual proportion of affordable housing to be delivered is being assessed through an Economic Viability Assessment.

6.15 It should be noted that demand for new housing does not necessarily represent a level of need that has to be met. Demand for housing is a much wider concept than need and includes things like aspirations to move to a different or larger property, even if the property they currently live in is sufficient for their needs. Local Planning Authorities are not expected to simply translate the figures from the Strategic Housing Market Assessment into actual housing targets to be met. They are only part of the evidence that needs to be considered against other factors, including economic viability, cross boundary issues and other factors

6.16 A tenure split of 62.4% affordable (social) rented and 37.6% intermediate tenure is suggested for affordable housing. This remains broadly in line with a 65% affordable/social rented and 35% intermediate tenure split being advocated by the Council.

6.17 In summary, key drivers in determining the tenure and type of future development include:

- The need to continue development to satisfy household aspirations and expectations, in particular the development of detached and semi-detached houses and properties with two, three and four bedrooms;
- Responding to the impact of demographic change on dwelling requirements and in particular developing an increasing range of housing and support products for older people. Adopting lifetime homes standards should be viewed as a priority along with diversifying the range of new build dwellings appropriate for a growing number of older person households whilst maintaining the delivery of homes to reflect the aspirations of economically active and younger households;
- Delivering additional affordable housing to help offset the identified net shortfalls; and diversifying the range of affordable options by developing intermediate tenure dwellings and products;
- The economic viability of delivering affordable housing on sites across the Cheshire East.

Affordable housing policy recommendations

6.18 The SHMA demonstrates an ongoing requirement for affordable housing across Cheshire East. The actual proportion of affordable dwellings to be sought on sites should be based on an assessment of economic viability.

Improving the quality of existing stock

6.19 Strategic challenges include reducing the level of vacant dwellings and improving the quality of existing dwellings through better energy efficiency and modernisation.

Empty stock

6.20 There are an estimated 5,335 empty properties across Cheshire East and these are mainly in the private sector. Properties can be empty for a variety of reasons which include: the properties are too difficult to repair or are in the process of being repaired; they are in the process of being sold; they have been bought for capital investment; or they are in probate.

6.21 The Council should continue to consider identifying the reasons why properties are empty and identify mechanisms for bringing them back into use. Mechanisms could include:

- Financial/professional help for repairs and improvements in the form of equity loans; grant aid for renovation and subsequent leasing to an Housing Association for a fixed term; a professional service to manage repairs or full renovation; and
- Assistance with letting management or the sale of a property.

Satisfaction and repair

6.22 Although the vast majority of households (81.7%) were satisfied with the condition of their dwellings, 7.7% of households were dissatisfied or very dissatisfied. Levels of dissatisfaction were highest amongst private renters, social renters; households living in caravans/park homes and terraced houses; and households living in older (pre-1919 and 1919-1944) properties were most likely to express dissatisfaction with state of repair.

6.23 Improving the energy efficiency of dwellings and modernisation of stock is an important driver to improving the quality of existing stock and extends beyond those households expressing dissatisfaction. Given the need to reduce energy consumption, improve thermal comfort and future proof households from spikes in energy prices, retrofitting stock with improved insulation, heating systems and solar panels is likely to become a significant strategic issue.

The ageing population and addressing the needs of vulnerable people

6.24 The proportion of older people is expected to increase over the next few decades. Between 2010 and 2030, the number of households:

- aged Pensionable age to 74 is forecast to increase by 13,300;
- aged 75-84 is forecast to increase by 14,000;
- aged 85 and over is forecast to increase by 11,200; and

- an overall increase of people of pensionable age and above of 38,500.

6.25 This trend has significant policy implications, given the greater need for appropriate housing and support as people age. Currently, the majority want to stay in their own homes with help and support when needed.

6.26 A key challenge is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this.

6.27 Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people, the development of Extra Care accommodation and co-housing[10].

Impact of welfare reform

6.28 The impact of the Welfare Reform Act are yet to be fully felt, however there is concern amongst RPs as to the effect that the welfare reform changes the introduction of Universal Credit will have on tenants' capacity to pay their rent. It is anticipated that rent arrears will increase, as will the costs to RPs of rent recovery. Conversely, welfare reforms may assist in reducing some need by encouraging a better use of the existing social rented housing stock through reductions in under occupancy of bedrooms.

6.29 Similarly, the full extent of housing benefit reforms and the introduction of Universal Credit in terms of the private rented sector is unclear. However, it is reasonable to assume that private landlords will limit access to their properties to those tenants whom they are confident will pay their rent. More vulnerable groups are likely to struggle to find accommodation within the private rented sector. This is likely to lead to increased pressure on affordable housing stock.

6.30 The Council will need to work closely with providers to monitor and better understand the impact of welfare reforms so that it can mitigate against any negative consequences.

NPPF requirements

6.31 Paragraph 159 of the NPPF states that Local Planning Authorities should have a clear understanding of housing needs in their area and they should:

- Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period that:
- Meets household and population projections, taking account of migration and demographic change;

[10] Extra Care accommodation is designed with the needs of frailer older people in mind; it includes flats, bungalows and retirement villages; residents have their own front door and domestic support and personal care are available. Co-housing is your own home in a small community which shares facilities (e.g. laundry) and activities

- Addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes); and
- Caters for housing demand and the scale of housing supply necessary to meet this demand.

6.32 The material in this SHMA provides an evidence base to inform strategic decision making. The SHMA has:

- considered future dwelling requirements on the basis of forecasts prepared by the Council;
- evidenced the scale of housing need and the specific affordable requirements necessary to offset the imbalance between supply and need;
- reviewed market demand and the range of dwellings required to satisfy household expectations and aspirations;
- reflected upon the needs of different groups of the population in particular older people and those requiring specialist support requirements. Stakeholder consultation has ensured that the needs of a wide range of people have been considered in the research.

Final comments

6.33 Appropriate housing and planning policies have a fundamental role to play in the delivery of thriving, inclusive and sustainable areas. These policies need to be underpinned with high quality data. This study has provided a wealth of up-to-date social, economic, demographic and housing data for the Cheshire East area.

6.34 This research has reflected upon the housing market attributes of the Cheshire East area and interactions with other areas. The report signposts future strategic challenges which include the ongoing delivery of new market and affordable housing to address need and support economic growth; diversifying the range of affordable tenures available to local residents; improving the condition and energy efficiency of existing stock; and addressing the requirements of an increasingly ageing population and vulnerable groups.

Appendix A: Parish to sub-area look up table

Civil Parish	Sub-Area
Acton CP	Acton
Adlington CP	Adlington Prestbury and Bollington
Agden CP	Knutsford Rural
Alderley Edge CP	Mobberley Chelford and Alderley Edge
Alpraham CP	Bunbury
Alsager CP	Alsager
Arclid CP	Sandbach Rural
Ashley CP	Knutsford Rural
Aston By Budworth CP	Knutsford Rural
Aston Juxta Mondrum CP	Minshull
Audlem CP	Audlem
Austerson CP	Acton
Baddiley CP	Wrenbury
Baddington CP	Acton
Barthomley CP	Haslington and Englesea
Basford CP	Haslington and Englesea
Batherton CP	Wybunbury and Shavington
Betchton CP	Sandbach Rural
Bexton	Knutsford Rural
Bickerton CP	Peckforton
Blakenhall CP	Wybunbury and Shavington
Bollington CP	Adlington Prestbury and Bollington
Bosley CP	Macclesfield Rural
Bradwall CP	Sandbach Rural
Brereton CP	Sandbach Rural
Bridgemere CP	Wybunbury and Shavington
Brindley CP	Peckforton
Broomhall CP	Acton
Buerton CP	Audlem
Bulkeley CP	Peckforton
Bunbury CP	Bunbury
Burland CP	Acton
Calveley CP	Bunbury
Checkley cum Wrinehill CP	Wybunbury and Shavington
Chelford CP	Mobberley Chelford and Alderley Edge
Cholmondeley CP	Peckforton
Cholmondeston CP	Minshull
Chorley	Peckforton
Chorley CP	Mobberley Chelford and Alderley Edge
Chorlton CP	Wybunbury and Shavington
Church Lawton CP	Alsager Rural
Church Minshull CP	Minshull

Congleton CP	Congleton
Coole Pilot CP	Acton
Cranage CP	Holmes Chapel Rural
Crewe Green CP	Haslington and Englesea
Crewe Unparished Area	Crewe
Disley CP	Disley
Dodcott cum Wilkesley CP	Audlem
Doddington	Wybunbury and Shavington
Eaton CP	Macclesfield Rural
Edleston CP	Acton
Egerton CP	Peckforton
Faddiley CP	Peckforton
Gawsworth CP	Macclesfield Rural
Goostrey CP	Holmes Chapel Rural
Great Warford CP	Mobberley Chelford and Alderley Edge
Handforth CP	Handforth and Wilmslow
Hankelow CP	Audlem
Haslington CP	Haslington and Englesea
Hassall CP	Sandbach Rural
Hatherton CP	Wybunbury and Shavington
Haughton CP	Peckforton
Henbury CP	Macclesfield Rural
Henhull CP	Acton
High Legh CP	Knutsford Rural
Higher Hurdsfield CP	Macclesfield Rural
Holmes Chapel CP	Holmes Chapel
Hough CP	Wybunbury and Shavington
Hulme Walfield CP	Congleton Rural
Hunsterson CP	Wybunbury and Shavington
Hurleston CP	Acton
Kettleshulme CP	Macclesfield Rural - National Park
Knutsford CP	Knutsford
Lea CP	Wybunbury and Shavington
Leighton CP	Crewe
Little Bollington CP	Knutsford Rural
Little Warford CP	Knutsford Rural
Lower Withington CP	Macclesfield Rural
Lyme Handley CP	Macclesfield Rural - National Park
Macclesfield Forest and Wildboarclough CP	Macclesfield Rural - National Park
Macclesfield Unparished Area	Macclesfield
Marbury cum Quoisley CP	Wrenbury
Marthall CP	Knutsford Rural
Marton CP	Macclesfield Rural
Mere CP	Knutsford Rural
Middlewich CP	Middlewich
Millington CP	Knutsford Rural

Minshull Vernon CP	Minshull
Mobberley CP	Mobberley Chelford and Alderley Edge
Moreton cum Alcumlow CP	Congleton Rural
Moston CP	Sandbach Rural
Mottram St. Andrew CP	Adlington Prestbury and Bollington
Nantwich CP	Nantwich
Nether Alderley CP	Mobberley Chelford and Alderley Edge
Newbold Astbury CP	Congleton Rural
Newhall CP	Audlem
Norbury CP	Wrenbury
North Rode CP	Macclesfield Rural
Odd Rode CP	Alsager Rural
Ollerton CP	Knutsford Rural
Over Alderley CP	Adlington Prestbury and Bollington
Peckforton CP	Peckforton
Peover Inferior CP	Knutsford Rural
Peover Superior CP	Knutsford Rural
Pickmere CP	Knutsford Rural
Plumley CP	Knutsford Rural
Poole CP	Minshull
Pott Shrigley CP	Macclesfield Rural - National Park
Poynton-with-Worth CP	Poynton
Prestbury CP	Adlington Prestbury and Bollington
Rainow CP	Macclesfield Rural - National Park
Ridley CP	Peckforton
Rope CP	Crewe
Rostherne CP	Knutsford Rural
Sandbach CP	Sandbach
Shavington cum Gresty CP	Wybunbury and Shavington
Siddington CP	Macclesfield Rural
Smallwood CP	Congleton Rural
Snelson CP	Mobberley Chelford and Alderley Edge
Somerford Booths CP	Congleton Rural
Somerford CP	Congleton Rural
Sound CP	Acton
Spurstow CP	Peckforton
Stapeley CP	Wybunbury and Shavington
Stoke CP	Acton
Styal CP	Handforth and Wilmslow
Sutton CP	Macclesfield Rural
Swettenham CP	Holmes Chapel Rural
Tabley Inferior CP	Knutsford Rural
Tabley Superior CP	Knutsford Rural
Tatton CP	Knutsford Rural
Toft CP	Knutsford Rural
Twemlow CP	Holmes Chapel Rural
Walgherton CP	Wybunbury and Shavington

Wardle CP	Bunbury
Warmingham CP	Minshull
Weston CP	Haslington and Englesea
Wettenhall CP	Minshull
Willaston CP	Crewe
Wilmslow CP	Handforth and Wilmslow
Wincle CP	Macclesfield Rural - National Park
Wirswall CP	Wrenbury
Wistaston CP	Crewe
Woolstanwood CP	Crewe
Worleston CP	Minshull
Wrenbury cum Frith CP	Wrenbury
Wybunbury CP	Wybunbury and Shavington

Appendix B: Policy and strategy review

The National Planning Policy Framework

B.1 The National Planning Policy Framework was published on 27th March 2012 and came into effect on the same day, revoking Planning Policy Statement 3 Housing, which had previously formed the basis for housing planning policy. As part of its commitment to economic growth, localism and decentralisation, the Government has used the Framework to streamline all existing national policy documents into one short Policy Framework.

B.2 The Framework stresses the need for councils to work with communities and businesses to seek opportunities for sustainable growth to rebuild the economy; helping to deliver the homes, jobs, and infrastructure needed for a growing population whilst protecting the environment. A presumption in favour of sustainable development means that proposals should be approved promptly unless they compromise the twelve sustainable development principles set out in the Framework.

B.3 The Framework identifies three dimensions to sustainable development: economic, social and environmental. The social role is defined as: *'supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations….'*[11] These three dimensions (or roles) are seen as mutually dependent.

B.4 The Framework must be taken into account in the preparation of local and neighbourhood plans, and it is a material consideration in decision making. Up to date local plans are seen as a prerequisite and the following guidance is given:

'The National Planning Policy Framework does not change the statutory status of the development plan as the starting point for decision making. Proposed development that accords with an up-to-date Local Plan should be approved and proposed development that conflicts should be refused unless other material considerations indicate otherwise. … The National Planning Policy Framework constitutes guidance for local planning authorities and decision-takers both in drawing up plans and as a material consideration in determining applications.'[12]

B.5 Robust and comprehensive evidence bases (in particular Strategic Housing Market Assessments and Strategic Housing Land Availability Assessments) are seen as essential to *'delivering a wide choice of high quality homes'*; the Framework states that local planning authorities should '*use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with policies set out within the Framework, including identifying key*

[11] CLG National Planning Policy Framework March 2012 para 7

[12] CLG National Planning Policy Framework March 2012 paras 12 and 13

sites which are critical to the delivery of the housing strategy over the plan period.'[13]

B.6 The need to *'plan for a mix of housing based on current need and future demographic trends, market trends and the needs of different groups in the community'* is emphasised. The Frameworks also states that local planning authorities should:

- 'identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and
- 'where they have identified that affordable housing is needed set policies for meeting this need on site…'[14]

B.7 Authorities will need to illustrate the expected rate of housing delivery through a housing trajectory for the plan period and a Housing Implementation Strategy for the full range of housing.

B.8 New definitions of affordable housing are also included at Annex 2 covering social rented housing, affordable rented housing and intermediate housing.

The wider Government agenda

B.9 It is also helpful to understand the Government's overall ambitions, as it is within this context that both national and local housing priorities need to be viewed.

B.10 The following summary[15] outlines the Government's key overall themes and provides a helpful guide to inform thinking and debate about how to respond to priorities locally, within this wider context:

- Economic growth;
- Health and wellbeing;
- Carbon reduction and tackling climate change;
- Empowering people and communities; and
- Deficit reduction.

Each of these themes is now taken in turn.

Economic growth

B.11 The Government seeks to deliver a nationally sustainable and resilient economy that is rebalanced across regions and sectors (public, private, voluntary and community). Housing's contribution to the economy is generally considered in terms of supply:

[13] CLG National Planning Policy Framework March 2012 para 47

[14] CLG National Planning Policy Framework March 2012 para 50

[15] Chartered Institute of Housing Practice on line Strategic Housing support

- The provision of new homes in an area to accommodate new workers, and so bring new inward investment; and
- The creation of employment opportunities through the construction industry.

B.12 However, the relationship is more complex with the contribution of housing being far greater.

B.13 To encourage economic growth the Government has put in place a new framework to create *'the right conditions for a private sector led recovery.'* This includes measures to rebalance the economy using:

- Business-led **Local Enterprise Partnerships** - LEPs have been established across the country, focussing on specific localities (for example the Cheshire and Warrington LEP which includes Cheshire East, Cheshire West and Chester and Warrington Borough. LEPs are responsible for determining local economic priorities and undertaking activities to drive economic growth and local job creation. LEPs have replaced Regional Development Agencies; and
- The **Regional Growth Fund** – the RGF has been set up to support areas heavily dependent upon the public sector to enable them to make the transition to private sector led growth. The RGF has been heavily oversubscribed.

B.14 The Government outlined its initial housing investment plans for the period April 2011 to March 2015 in the Comprehensive Spending Review of 20th October 2010. This delivered:

- A total investment in new affordable housing of £4.5billion to deliver 150,000 new affordable homes;
- £100million to bring empty homes back to use;
- £200million for mortgage rescue to protect vulnerable homeowners;
- £900million for the New Homes Bonus to encourage communities to accept new housing;
- £1.4billion capital funding (RGF) to support economic growth especially where areas are currently dependent on the public sector;
- £2billion to halve the backlog of non-decent council housing;
- £400million Homelessness Grant to support homelessness prevention initiatives and reduce homelessness presentations;
- £6.5 billion Supporting People funding to help vulnerable people live independently; and
- £725million Disabled Facilities Grant funding to help towards the cost of adapting homes to enable residents to continue to live there. [16]

B.15 Within this context it is of critical importance for local authorities to be clear about how housing and the economy relate within their area, to take a strategic view and to communicate this with partners.

[16] Source: Chartered Institute of Housing Briefing Paper on Comprehensive Spending Review

Health and wellbeing

B.16 The Government is aiming to improve health outcomes whilst reducing health inequalities. It wants to enable greater independence, choice and control for people, and radical reforms to healthcare are being implemented. In terms of housing's contribution to health and wellbeing, this is generally considered in the context of access to healthy, safe, secure and suitable homes. Housing is a wider determinant of health and an inability to access healthy, safe, secure and suitable accommodation has an adverse impact on health.

B.17 However, housing has a role in improving health beyond provision of decent homes, the Chartered Institute of Housing identifies the following local authority enabling activities:

- Spatial planning for housing;
- Environmental health action to ensure homes are healthy and free from hazards;
- Investment in new homes, and improvements and adaptations to existing homes;
- Housing and neighbourhood management services to people renting affordable homes;
- Housing services that enable people to access a homes when their needs change; and
- Housing services that enable people to live independently and help prevent crises e.g. housing support and adaptations.

B.18 The Department of Health White Paper *Caring for our future: reforming care and support* positions housing and support as key preventative services that can help reduce health costs.

B.19 A local authority's strategic housing role is central to developing a greater understanding of housing's requisite role in health and wellbeing at a local level. Potential changes brought about by housing and welfare reform could impact negatively unless this is managed strategically by the local authority with its partners; this is a key role of the Housing Strategy.

Carbon reduction and tackling climate change

B.20 Targets set by the previous Government in the 2008 Climate Change Act remain (to reduce greenhouse gas emissions by 34% by 2020 and by 80% by 2050). Housing has a strong role to play in helping meet these targets, not least in terms of improving the energy efficiency of existing housing stock. To this end participation in the Green Deal is key (see below).

Empowering people and communities

B.21 Since its inception the Government has stressed its commitment to decentralisation, localism and the 'Big Society', and its '*Programme for Government'* set the scene for a radical devolution of power to local authorities and community groups; critical to this has been the Localism Act 2011. The Act included measures to reform:

- The planning system;
- Social housing; and
- The council house finance system.

B.22 The Act provided:

- New freedoms and flexibilities for local government;
- New rights for individuals;
- Reform to make the planning system more democratic and effective; and
- Reform to ensure that decisions about housing are taken locally.

B.23 The Act introduced most elements of the Government's housing reform programme, including changes to homelessness, social housing tenancies (introduction of five year minimum tenancy), mobility, regulation, and access to the Ombudsman. The Act also reformed council housing finance.

B.24 In keeping with the Government's localism ethos, much of the legislation within the Act is permissive, meaning that it is open to interpretation locally in terms of how members, professionals and communities decide to use its powers. Much of the Act came into effect in April 2012.

Deficit reduction

B.25 The Government's main priority is to reduce the national budget deficit. This prime objective is influencing the way in which all other priorities are tackled. Deficit reduction is central to the expectation that the private sector and local communities will deliver in place of the public sector. For example, the introduction of the new affordable rent model is fundamentally about securing more affordable housing for less public subsidy. The Green Deal is another example of a publicly funded scheme (Warm Front) being replaced by private investment arrangements, whereby energy companies and individuals pay for energy efficiency improvements themselves.

B.26 In summary, housing is seen by Government as key to creating and sustaining local communities. It is seen as contributing to the economy and supporting economic growth and employment, both directly and indirectly, which is why housing issues need to be addressed at a local level but in a planned and strategic way. The primary role therefore for local authorities is to understand and address the needs and aspirations of their communities.

National strategic policy context

B.27 The Department for Communities and Local Government has outlined what the Government wants to achieve in terms of housing as:

- Increase the number of houses available to buy and rent, including affordable housing;
- Improve the flexibility of social housing (increasing mobility and choice) and promote homeownership;
- Protect the vulnerable and disadvantaged by tackling homelessness and support people to stay in their homes; and
- Make sure that homes are of high quality and sustainable.

B.28 The Government published its Housing Strategy for England, ***Laying the Foundations: A Housing Strategy for England (2011),*** which set out its *'intended direction of travel for housing, its role in the wider economy and its contribution to social mobility. It sets out ideas on the shape of housing provision that the Government wants to see, which involve the primacy of home ownership; social housing as welfare; and an increasing role for the private rented sector.'*[17]

B.29 The Strategy presented both existing initiatives and policies and introduced a series of new interventions and approaches, along the following themes:

- **Increasing supply, more homes, stable growth** including a newbuild indemnity scheme led by the Home Builders Federation and Council for Mortgage Lenders to provide up to 95% loan to value mortgages for newbuild properties in England, backed by a housebuilder indemnity fund; and a £400m 'Get Britain Building' investment fund;
- **Social and affordable housing reform** which includes implementing a radical programme of reform to make better use of social housing to support those who need it most; and re-invigorating Right to Buy by introducing new higher levels of discount, and the proposed one for one replacement of homes sold;
- **A thriving private rented sector**, through supporting investment in homes to rent, marketing new Built to Rent pilot sites and encouraging local authorities to make full use of powers to tackle dangerous and poorly-maintained homes;
- **A strategy for empty homes,** with a commitment to bring empty homes back into use through awarding the New Homes Bonus to empty properties brought back into use, providing information and practical advice to local authorities and communities and proposing changes to Empty Dwelling Management Orders to tackle the worst long-term empty homes;
- **Quality of housing experience and support**, through supporting the most vulnerable households to prevent and tackle homelessness and providing a better deal for older people, with greater choice and support to live independently; and
- **Quality, sustainability and design**, by encouraging the promotion of imaginative, innovative, locally distinctive, well designed new homes and neighbourhoods; a commitment to Zero Carbon homes by 2016; reviewing building regulations to further improve energy efficiency and carbon emission standards of new buildings.

[17] CIH *Summary Laying the Foundations: A Housing Strategy for England* November 2011

B.30 These themes provide a useful framework for reviewing the current national policy position.

Increasing supply, more homes and stable growth

B.31 There have been a number of measures introduced aimed at delivering housing growth, these are briefly summarised here.

B.32 To encourage housing growth specifically the Local Growth White Paper introduced the **New Homes Bonus**, to incentivise housing growth and increase supply. The scheme commenced in April 2011 and is now a permanent feature of the local government finance system. However, from 2013 any allocated new homes bonus is deducted from a local authority's general support grant from Government, so, in effect, this ceases to be an additional resource available to local authorities; it should also be noted that the new homes bonus is not ring-fenced for housing provision.

B.33 The **Affordable Rent Model** was introduced to utilise £2.5billion of capital investment alongside resources raised through tenancies offered to new social rented tenants at 80% of market rents. Where this combination of higher rent and lower grant is insufficient to make new schemes viable, existing social rent tenancies are converted to affordable rent (or intermediate tenure for sale) when properties are vacated, to cross-subsidise new provision.

B.34 Despite this investment, levels of housing supply have continued to struggle, with development levels reaching all-time lows. Confirming the role of housing growth in the economic recovery, the Government has subsequently introduced a series of measures aimed at increasing housing supply, these include:

- Planning reform and the National Planning Policy Framework;
- The Community Right to Build;
- Get Britain Building; and
- Additional housing growth measures (the September Growth Package).

Planning Reform and the National Planning Policy Framework

B.35 The Government perceives planning as acting as a brake on the delivery of new housing supply. To this end a fundamental review of planning policy has been undertaken culminating in the introduction of the National Planning Policy Framework. In addition to this, other planning related measures have been announced aimed at facilitating housing development on stalled sites in the short term and these are summarised below under additional housing growth measure.

B.36 The **National Planning Policy Framework** was published on 27th March 2012 and came into effect on the same day, revoking Planning Policy Statement 3 Housing, which had previously formed the basis for housing planning policy. As part of its commitment to economic growth, localism and decentralisation, the Government has used the Framework to streamline all existing national policy documents into one short Policy Framework.

B.37 The Framework stresses the need for councils to work with communities and businesses to seek opportunities for sustainable growth to rebuild the economy; helping to deliver the homes, jobs, and infrastructure needed for a growing population whilst protecting the environment. A presumption in favour of sustainable development means that proposals should be approved promptly unless they compromise the twelve sustainable development principles set out in the Framework.

B.38 The Framework identifies three dimensions to sustainable development: economic, social and environmental. These three dimensions (or roles) are seen as mutually dependent.

B.39 The Framework must be taken into account in the preparation of local and neighbourhood plans, and it is a material consideration in decision making.

B.40 New definitions of affordable housing were also included in the Framework covering social rented housing, affordable rented housing and intermediate housing.

Community Right to Build

B.41 Aimed at enabling local people to bring forward small scale, site specific, community led development, the Community Right to Build was introduced through the 2011 Localism Act's neighbourhood planning provisions; they became law on 6th April 2012. Under the Right communities are to determine the type of development that they wish to see, including the property type and tenure of any housing.

Get Britain Building

B.42 In November 2011, as part of its National Housing Strategy *Laying the Foundations,* the Government announced the launch of the Get Britain Building fund. The initial round has been subsequently followed with a second round of funding in June 2012. With an overall programme of £570million, the Fund aims to deliver up to 2,000 new homes. As a recoverable investment, the programme is intended to address difficulties in accessing development finance faced by smaller developers.

Housing Growth Package

B.43 In September 2012 the Prime Minister also announced an additional series of planning and housing measures aimed at facilitating housing growth, these include:

- Enabling developers to **renegotiate Section 106 agreements**: legislation is planned for 2013 (now enacted) which will allow any developer of a site deemed unviable due to affordable housing planning obligations to appeal with immediate effect. The Planning Inspectorate will then review the application to determine the number of affordable homes that need to be removed to reach viability. The original Section 106 agreement will then be suspended for a three year period. On agreements made prior to April 2010 the Government is already consulting on legislation to allow developers to renegotiate affordable housing planning obligations for a temporary period[18].

- The introduction of an **Infrastructure (Financial Assistance) Bill** to guarantee £40 billion for major infrastructure projects and £10billion for new homes – the aim being to deliver more homes for the same cost using cheaper borrowing;
- **Additional £300million capital funding** for affordable housing, drawn from under-spending across other departments. This money is to be used to deliver up to 15,000 new affordable homes and bring 5,000 empty homes back into use;
- **Accelerating the release of public sector land**, this will be done by strengthening the role of the Homes and Communities Agency outside London through a targeted programme of land transfers from other Government departments and agencies. The Government also plans to prepare land for market, and develop a single 'shop window' for all surplus public sector land;
- Investing **£200million in private rented housing** to deliver 5,000 homes through provision of loans or equity to provide project finance. This is in direct response to the Montague Review recommendations (see below), including establishing a Task Force to bring together developers, institutional investors and management bodies;
- Supporting an additional 16,500 **first time buyers** by extending the FirstBuy scheme using an additional £280million to be matched by house builders up until March 2014;
- **Supporting purchase of new homes** by working with the House Builders Federation and lenders to increase the number of both developers and lenders taking part in the NewBuy scheme
- **Accelerating the planning process for development** by legislating to allow the Planning Inspectorate to determine planning applications where a local authority has a poor track record in respect of the speed or quality of its planning decisions; and
- **Temporary relaxation of planning controls** to increase existing permitted development rights for extensions to homes and businesses in non-protected areas for a three year period.

Social and affordable housing reform

B.44 Access to housing has been a key focus of the Government's social housing reform agenda. The Government initially set out its key objectives for social housing reform, and its proposals to achieve them, in a consultation paper *Local Decisions: a fairer future for social housing*. The five key objectives of social housing reform being:

- Localism, fairness and focusing social housing on those most in need in a way that enables them to use it as a springboard to opportunity;

[18] This consultation closed on 8th October 2012

- That social housing is flexible and available to more people and to those that genuinely need it;
- To make the best use of the four million social rented homes;
- To increase the freedoms available to all social landlords to determine the type of tenancy they grant to new tenants; and
- To protect the rights of existing tenants.

B.45 Proposals to achieve these objectives included:

- The introduction of a new, more flexible, local authority affordable rent tenancy with a minimum fixed term of five years (this will be in addition to secure and introductory tenancies);
- Investment of £100million to bring empty properties in to use as affordable housing;
- Reforming the social housing allocations system by giving local authorities the powers to manage their housing waiting lists;
- Introduction of a nationwide social home swap programme for social tenants;
- Enabling local authorities to fully discharge a homelessness duty to secure accommodation by arranging an offer of suitable accommodation in the private rented sector without requiring the applicant's agreement;
- Introducing reforms to tackle overcrowding; and
- Replacing the Housing Revenue Account subsidy system with transparent self-financing arrangements.

B.46 Where appropriate, reforms were enacted in the 2011 Localism Act and generally came into effect in April 2012.

B.47 Alongside social housing reform sits the reform to the welfare system, which, with its changes to benefit, eligibility and entitlement, will impact significantly on housing supply and demand. The **Welfare Reform Act** received Royal Assent on 8th March 2012; it introduces Universal Credit as well as changes to housing benefit and other welfare benefits. The Act also introduces a new 'personal independence payment' to replace the existing disability living allowance.

B.48 In addition, the Act gives the Government powers to implement housing benefit reforms outlined in the June 2010 Budget and the October 2010 Comprehensive Spending Review, these include:

- Introducing a size criteria to the calculation of housing benefit for social sector tenants;
- Up-rating future Local Housing Allowance rates in line with Consumer Price Index rather than actual rents (from April 2013); and
- Introducing household benefit caps of £500 per week for couples and £350 per week for single claimants.

B.49 Changes already introduced to housing benefit following the June 2010 Budget include:

- Capping the maximum Local Housing Allowance payable for each property size and applying a four-bed limit. This mainly affects households living in London (from April 2011);
- Calculating Local Housing Allowance rates using the 30th percentile of market rents rather than the 50th percentile (from October 2011);
- Limiting housing benefit for working age tenants so that it only covers the size of property they are judged to need (from April 2013);
- Increasing deductions for non-dependents (no longer frozen at £7.40 per week for non-earners and linked to prices since April 2011);
- Time limiting full housing benefit and Local Housing Allowance payable to people on Job Seekers' Allowance so that after 12 months housing benefit is reduced by 10% (from April 2013);
- Increasing discretionary housing payments (from October 2010); and
- Resourcing an additional bedroom for carers (from April 2011).

B.50 Additionally, the age at which the single room rate is applied increased from 25 to 35 from January 2012. This increased the age that single people can qualify for housing benefit for a self-contained property.

A thriving private rented sector

B.51 The Government sees the provision of a healthy, robust private rented sector as essential to meeting housing need and demand. It's approach to ensuring a thriving private rented sector is twofold, focusing on:

- **Maintaining standards:** local authorities should ensure that standards are maintained across the sector, using their powers to address fitness and disrepair issues; and
- **Increasing supply** by supporting investment in new private rented provision. To this end the Montague Review was commissioned.

The Montague Review of the barriers to institutional investment in private rented homes

B.52 The Government sees the private rented sector as playing a vital role in meeting housing needs and supporting economic growth. Rapid growth in the sector over recent years has seen a significant number of people making long term family homes in the sector. To help grow capacity in this sector the Government commissioned Sir Adrian Montague to *'Review the barriers to institutional investment in private rented homes' (2012).*

B.53 The Review made a number of recommendations aimed at attracting large-scale institutional investors into the sector to develop 'build to let' homes. The recommendations include:

- Local authorities using flexibilities within the planning system to plan for and enable the development of private rented homes where there is an identified need;

- The Government releasing public sector land to facilitate delivery of private rented housing developments;
- Developing a body of good practice and facilitating the swift development of demonstration projects, there is therefore a need for the Government to provide targeted incentives to stimulate the development of new business models;
- The Government establishing a dedicated Task Force to act as an enabler; and
- Developing a *'new sense of identity'* for the build to let product, with the Housing Task Force working with other industry bodies to develop voluntary standards to be adopted across the build to let sector.

B.54 The Government has responded to these recommendations from the review in the September Growth Package (see above).

A strategy for empty homes

B.55 The Government's initial £100million 2010 Comprehensive Spending Review commitment to bring empty homes back into use, together with entitlement to new homes bonus, firmly established work on empty properties as a priority for local authorities – there being a need for local empty homes strategies to be developed and supported. Resources to further aid empty homes work were announced as part of the September Growth Package (see above).

Quality of housing experience and support

B.56 The Government has prioritised the provision of housing and support to help older, vulnerable or disadvantaged people:

'Many older, vulnerable or disadvantaged people experience crises that affect their health and wellbeing. They need housing support to help them lead full and active lives. A home should help people be independent and give them the security to be active members of their communities.'[19]

B.57 The means through which assistance is available are:

- Disabled Facilities Grant allocations; and
- Supporting People.

B.58 The **draft Care and Support Bill** follows the Law Commission's review of care legislation, which concluded that current legislation is too complex. Together with the White Paper '*Caring for our future: reforming care and support',* the Bill addresses this issue and attempts to simplify it. The Bill aims to:

- Modernise law around people's needs, promoting the wellbeing of the individual;
- Clarify people's entitlements, so they know what help they can receive and where to go to get it, so that they can make plans for their futures;

[19] www.communities.gov.uk/housing/olderpeople/

- Support the needs of local communities through access to information and advice, promoting prevention and reducing dependency;
- Simplify the system and give more flexibility to innovate and achieve better results; and
- Consolidate existing legislation with a single statute, supported by new regulations and a single bank of good practice. [20]

B.59 In terms of **safeguarding vulnerable adults**, housing has a strong role to play alongside social services, health, the police and other agencies. The draft Care and Support Bill sets out a new safeguarding power, and places a duty on local authorities to respond to safeguarding concerns by making enquiries as necessary to decide on whether, and what, action is needed.

B.60 The Bill also includes various proposals to support integrated working, including a duty of cooperation and partnership between police, health and local authorities.

B.61 From the April 1st 2013 **Health and Wellbeing Boards**, which will include Directors of Public Health, will become statutory committees of local authorities. They will be responsible for encouraging integrated working on health and wellbeing issues, including development of Joint Health and Wellbeing Strategies, and Joint Strategic Needs Assessments.

Older people

B.62 In addition to Disabled Facilities Grants ("DFGs") and Supporting People programmes the Government flags the following work currently being undertaken to help older people live at home longer:

- Research has been commissioned into Lifetime neighbourhoods;
- Home Improvement Agencies are in place to help private tenants and home owners advising on potential improvements and adaptations to their home;
- Handypersons schemes;
- FirstStop, free and independent national information and advice service; and
- The Housing Learning and Improvement Network knowledge hub.

B.63 In January 2012 the Government announced a new deal for older people to help them continue living independently, this included £51million for Home Improvement Agencies to provide:

- Housing advice, including help to move to more suitable accommodation if needed;
- Handyperson services, including small home repairs, home safety and security adaptations;
- Energy efficiency advice; and
- Arranging for adaptations and home repairs.[21]

[20] Chartered Institute of Housing member briefing and request for feedback September 2012 Shaping Housing and Community Agendas

B.64 An additional £20million for DFGs was also announced.

B.65 In September 2012 the care services minister announced an extra £100 million to fund specialist housing for older people. The fund is designed to stimulate the market in specialised housing, and the additional £100million takes the capital grant fund total to £300million, which aims to provide up to 9,000 specialist new homes for older people to move into.

Homelessness

B.66 In August 2012 the Government published its Homelessness Strategy, '*Making every contact count: A joint approach to preventing homelessness'.* The Strategy focuses on prevention and aims to *'make sure that every contact local agencies make with vulnerable people and families really counts.'*[22]

B.67 The report identifies ten local challenges that need to be addressed by local authorities, these are:

- Adopt a corporate commitment to prevent homelessness which has buy-in across all local authority services;
- Actively work in partnership with voluntary sector and other local partners to address support, education, employment and training needs;
- Offer a Housing Options prevention service, including written advice to all clients;
- Adopt a *no second night out* model or an effective local alternative;
- Have housing pathways agreed, or in development, with each key partner and client group, which include appropriate accommodation and support;
- Develop a suitable private rented sector offer for all client groups, including advice and support to all clients and landlords;
- Actively engage in preventing mortgage repossessions including through the Mortgage Rescue Scheme;
- Have a Homelessness Strategy which sets out a proactive approach to preventing homelessness and is reviewed annually so that it is responsive to emerging needs;
- Not place any young person aged 16 or 17 in Bed and Breakfast accommodation; and
- Not place any families in Bed and Breakfast accommodation unless in an emergency, and then for no longer than six weeks.[23]

Quality, sustainability and design

B.68 The Government's commitment to delivering Zero Carbon homes; along with other binding carbon reduction targets agreed by the previous Government,

---

[21] www.communities.gok.uk

[22] CLG Making every contact count Aug 2012 page 3

[23] CLG Making every contact count Aug 2012 page 4

make energy efficiency and tackling fuel poverty key issues for housing (especially as more than a quarter of emissions are produced in homes)[24]. Tackling energy efficiency in existing stock remains the sector's biggest challenge, and therefore utilising the Green Deal is important.

B.69 Introduced by the Energy Act 2011, the Green Deal intends to revolutionise the energy efficiency of properties across the county (both business and residential). Launched in October 2012, with funding available from January 2013, the financial mechanisms under the Deal eliminate the need for households to pay for energy efficiency improvements up front; instead the cost of improvements are to be covered by savings in energy bills and through a charge on household energy bills. The central rationale for the Green Deal is to reduce carbon emissions cost effectively.

B.70 The Act also introduces a new Energy Company Obligation (ECO), which integrates with the Green Deal to address energy efficiency improvements in the housing sector.

Local strategic priorities

Sustainable Community Strategy

B.71 'Ambition for All' is the sustainable community strategy for Cheshire East published in 2010. This sets out how over the next 15 years (up to 2025) the Council *'will ensure that Cheshire East continues to prosper for the benefit of residents, businesses and visitors.'* The strategy is being implemented through the PACE (Partnerships for Action in Cheshire East) partnership via a series of thematic groups covering:

- Safer Cheshire East Partnership;
- Children's Trust;
- Health and Wellbeing;
- Economic Development, Learning and Skills; and
- Environment and Sustainability.

B.72 The Local Area Partnerships (LAPs) covering each of the key areas (Knutsford, Wilmslow, Poynton, Macclesfield, Congleton, Crewe, and Nantwich) feed into these thematic groups. The vision of the strategy is that by 2025 *'Cheshire East is a prosperous place where all people can achieve their potential, regardless of where they live.'* To deliver this the following aims have been identified:

- *All our people fulfil their potential;*
- *People live independent, active and healthy lives;*

[24] Chartered Institute of Housing The green agenda update 1st May 2012

- *People are involved in local decisions;*
- *We have a strong, sustainable economy;*
- *Cheshire East is well connected and accessible;*
- *All our towns are thriving;*
- *Rural communities are thriving;*
- *Cheshire East is clean, safe and more beautiful than ever;* and
- *We will protect and enhance the environment.*

B.73 To do this the strategy adopts the following priorities:

- Nurture strong communities;
- Create conditions for business growth;
- Unlock the potential of our towns;
- Support our children and young people;
- Ensure a sustainable future;
- Prepare for an increasingly older population; and
- Drive out the causes of poor health.

Emerging Spatial Strategy

B.74 The Council is developing a new Local Plan for Cheshire East that will form the basis of planning decisions in the Borough up to 2030. The aim is for the new plan to help deliver economic growth by *'identifying and unlocking development opportunities'*.

B.75 Consultation on the Council's overall Development Strategy and Policy Principles took place earlier this year (15^{th} January to 26th February 2013), and responses are currently being considered by the Council. The Cheshire East Development Strategy for Jobs and Sustainable Communities focuses on a strategy for providing jobs and growth, whilst ensuring that the character of Cheshire East is retained. The new Local Plan Development Strategy has been developed around six key points:

- Jobs and growth;
- Infrastructure improvements;
- A Town Centre First policy;
- Development of three new settlements to minimise the impact of building in the Green Belt and to protect the individuality of towns and villages by the introduction of 'Strategic Open Gaps' across the Borough;
- A Housing Growth Policy based around existing towns to meet local demand and ensure that the five year housing supply target of 7,000 new homes is met; and
- Making best use of the Borough's natural resources.

B.76 In terms of housing numbers, the consultation Development Strategy identifies that there is an on-going need for additional housing in the Borough, which reflects 'population growth, changes in household size and composition, family breakdown and other societal changes plus patterns of migration.'[25] The Development Strategy proposes gradually increasing housing provision from 'the current RSS[26] annual total of 1150 dwellings through to an average annual provision of 1500 homes per annum after 2020.'[27]

B.77 The Council's emerging Local Plan Development Strategy Policy Principles consultation details the proposed policy approach for Cheshire East, including that for housing including:

- Policy SC3 Residential Mix:
  - All new residential development should maintain, provide or contribute to a mix of housing tenures, types and sizes to help support the creation of mixed, balanced and inclusive communities;
  - To meet the needs arising from the increasing longevity of the Borough's older residents the Council will require developers to demonstrate how their proposal will be capable of meeting and adapting to the long term needs of this specific group of people. This could include the provision of lifetime homes and bungalows and, if there is a need, extra care homes.
- Policy SC4 Housing to meet local needs:
  - In developments of 15 or more dwellings (or 0.4 hectares) in the Principal Towns, Key Service Centres and Local Service Centres at least 30% of all units to be affordable.
  - In developments of three or more dwellings (or 0.2 hectares) in all other locations at least 30% of all units are to be affordable.
- Policy SC5 Rural Exceptions Housing for local needs:
  - Rural exceptions housing for local needs will be permitted as an exception to other policies concerning the countryside; to meet locally identified affordable housing need, subject to meeting of certain specified criteria. .

B.78 Consultation on the Local Plan Core Strategy will take place later this year (2013).

Local Housing Strategy

B.79 The Cheshire Sub-Regional Housing Strategy 2009-2012 (which relates to Cheshire East and also to Cheshire West and Chester) presents a vision:

"To provide a housing offer that supports the creation of balanced, sustainable communities and the regeneration of the sub-region's most deprived

[25] Cheshire East Local Plan Shaping our Future A Development Strategy for Jobs and Sustainable Communities Summary Consultation para 8.3

[26] The North West Regional Spatial Strategy was revoked on 20th May 2013

[27] Cheshire East Local Plan Shaping our Future A Development Strategy for Jobs and Sustainable Communities Summary Consultation para 8.4

neighbourhoods, through effective lobbying, partnership working and community engagement, to create a sub-region where all residents can achieve independent living in good quality, affordable homes that are appropriate to their needs."

B.80 The sub-regional strategy identifies four key priorities:

PRIORITY ONE	To increase the supply of affordable housing to support economic growth and development;
PRIORTY TWO	To make best use of the sub-region's existing housing stock;
PRIORITY THREE	To meet housing and accommodation-related support needs of the sub-region's most vulnerable residents;
PRIORITY FOUR	To increase the supply of market housing to support continued economic growth and regeneration and to meet local housing needs.

B.81 The Cheshire East Housing Strategy 'Moving Forward' 2011-2016 sets out five key priorities for delivering a balanced housing market that meets the varied needs of residents:

- Delivering market and affordable housing;
- Making the best use of existing stock;
- Meeting the needs of the most vulnerable residents;
- Meeting the needs of an ageing population; and
- Investing in neighbourhoods.

Appendix C: Housing need calculation update

Summary of contents

Introduction

C.1 Housing need can be defined as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. The 2010 SHMA which was based on the 2009 Household Survey and secondary data provided a robust range of information to quantify housing need in Cheshire East to support affordable housing policies. This 2013 update reflects the housing market situation by considering changes in house prices, private sector rents and the capacity of the social rented and intermediate tenure market on overall affordable requirements. Data have been reanalysed taking account the tenure and age of heads of households using the 2011 census and prepared for sub-areas proposed for the Local Plan.

C.2 In summary, the housing needs model reviews in a step-wise process:

Stage 1: Current housing need (gross backlog)
Stage 2: Future housing need
Stage 3: Affordable housing supply
Stage 4: Estimate of annual housing need

C.3 Table C1 summarises the different steps taken in assessing housing need and evidencing the extent to which there is a surplus or shortfall in affordable housing across Cheshire East by Table C2 presents this data on a sub-area basis. Modelling has taken into account household type and property size requirements.

C.4 Overall, analysis indicates that the scale of affordable housing requirement has increased since the 2010 SHMA and currently stands at a net shortfall of 1,401 each year.

Table C1 CLG Needs Assessment Summary

Step	Stage and Step description	Calculation	Cheshire East
		Total no. H'holds>>>	159441
	Stage1: CURRENT NEED		
1.1	Homeless households and those in temporary accommodation	Current need	1601
1.2	Overcrowding and concealed households	Current need	2389
1.3	Other groups	Current need	7783
1.4	Total current housing need (gross)	Total no. of housholds with one or more needs	10173
	Stage 2: FUTURE NEED		
2.1	New household formation (Gross per year)		2594
2.2	% of new households who could not afford open market prices/rents	56.1% overall	
2.2	Number of new households requiring affordable housing	Number cannot afford	1454
2.3	Existing households falling into need	Annual requirement	10
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	1464
	Stage 3: AFFORDABLE HOUSING SUPPLY		
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	1565
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0
3.3	Committed supply of new affordable units	Annual	647
3.4	Units to be taken out of management	None assumed	0
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	2212
3.6	Annual supply of social re-lets (net)	Annual Supply (3yr ave)	928
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply (3yr ave)	12
3.8	Annual supply of affordable housing	3.6+3.7	940
	Stage 4: ESTIMATE OF ANNUAL HOUSING NEED		
4.1	Total backlog need	1.4-3.5	7961
	% cannot afford open market prices/rents	55.1%	
	Total		4388
4.2	Quota to reduce over 1 year	20%	20%
4.3	Annual backlog reduction	Annual requirement	878
4.4	Newly-arising need	2.4	1464
4.5	Total annual affordable need	4.3+4.4	2342
4.6	Annual affordable capacity	3.8	941
4.7	**Net annual shortfall**	**Net**	**1401**

Table C2 CLG Needs Assessment Summary – Cheshire East and sub-areas

Step	Stage and Step description	Calculation	Cheshire East	Sub-area: Acton	Adlington Prestbury and Bollington	Alsager	Alsager Rural	Audlem	Bunbury	Congleton	Congleton Rural	Crewe	Disley
		Total no. H'holds>>>	159441	928	4993	5098	3087	1704	927	11561	1093	28845	2079
	Stage1: CURRENT NEED												
1.1	Homeless households and those in temporary accommodation	Current need	1601	0	0	0	27	0	6	65	47	473	18
1.2	Overcrowding and concealed households	Current need	2389	17	35	118	65	29	7	119	22	741	44
1.3	Other groups	Current need	7783	69	119	156	153	69	20	340	44	2163	138
1.4	Total current housing need (gross)	Total no. of housholds with one or more needs	10173	86	154	274	218	98	27	458	66	2904	182
	Stage 2: FUTURE NEED												
2.1	New household formation (Gross per year)		2594	15	81	83	50	28	15	188	18	469	34
2.2	% of new households who could not afford open market prices/rents	56.1% overall		82.5	29.9	59.9	35.3	54.8	100.0	49.6	37.5	71.0	68.0
2.2	Number of new households requiring affordable housing	Number cannot afford	1454	12	24	50	18	15	15	93	7	333	23
2.3	Existing households falling into need	Annual requirement	10							1		3	
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	1464	12	24	50	18	15	15	94	7	336	23
	Stage 3: AFFORDABLE HOUSING SUPPLY												
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	1565	14	43	36	9	14	0	130	6	407	27
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0										
3.3	Committed supply of new affordable units	Annual	647	0	28	37	17	10	0	24	8	52	39
3.4	Units to be taken out of management	None assumed	0										
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	2212	14	71	73	26	24	0	154	14	459	66
3.6	Annual supply of social re-lets (net)	Annual Supply (3yr ave)	928	34	14	19	6	4	2	76	1	360	23
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply (3yr ave)	12							1			2
3.8	Annual supply of affordable housing	3.6+3.7	940	34	14	19	6	4	2	77	1	360	25
	Stage 4: ESTIMATE OF ANNUAL HOUSING NEED												
4.1	Total backlog need	1.4-3.5	7961	72	83	201	192	74	27	304	52	2445	116
	% cannot afford open market prices/rents	55.1%		54.0	29.3	58.8	59.8	72.1	100.0	67.1	44.8	49.1	65.8
	Total		4388	39	24	118	115	53	27	204	23	1201	76
4.2	Quota to reduce over 1 year	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
4.3	Annual backlog reduction	Annual requirement	878	8	5	24	23	11	5	41	5	240	15
4.4	Newly-arising need	2.4	1464	12	24	50	18	15	15	94	7	336	23
4.5	Total annual affordable need	4.3+4.4	2342	20	29	73	41	26	20	135	11	576	38
4.6	Annual affordable capacity	3.8	941	34	14	19	6	4	2	77	1	360	25
4.7	**Net annual shortfall**	**Net**	**1401**	**-14**	**15**	**54**	**35**	**22**	**18**	**58**	**11**	**217**	**13**

Step	Stage and Step description	Calculation	Cheshire East	Sub-area									
				Handforth and Wilmslow	Haslington and Englesea	Holmes Chapel	Holmes Chapel Rural	Knutsford	Knutsford Rural	Macclesfield	Macclesfield Rural - National Park	Macclesfield Rural	Middlewich
		Total no. H'holds>>>	159441	13696	4524	2241	1813	5824	3060	21239	1466	6059	5576
	Stage1: CURRENT NEED												
1.1	Homeless households and those in temporary accommodation	Current need	1601	108	26	26	17	72		272		30	134
1.2	Overcrowding and concealed households	Current need	2389	241	26	21	13	59	15	216	8	70	43
1.3	Other groups	Current need	7783	507	222	68	66	364	162	1025	116	179	301
1.4	Total current housing need (gross)	Total no. of housholds with one or more needs	10173	748	248	89	79	424	176	1242	124	249	343
	Stage 2: FUTURE NEED												
2.1	New household formation (Gross per year)		2594	223	74	36	29	95	50	345	24	99	91
2.2	% of new households who could not afford open market prices/rents	56.1% overall		19.8	54.1	41.5	28.3	23.0	38.5	71.9	85.7	45.9	66.4
2.2	Number of new households requiring affordable housing	Number cannot afford	1454	44	40	15	8	22	19	249	20	45	60
2.3	Existing households falling into need	Annual requirement	10					1		3			1
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	1464	44	40	15	8	23	19	252	20	45	61
	Stage 3: AFFORDABLE HOUSING SUPPLY												
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	1565	46	0	22	13	82	10	353	0	6	74
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0										
3.3	Committed supply of new affordable units	Annual	647	29	1	84	10	0	23	61	0	25	51
3.4	Units to be taken out of management	None assumed	0										
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	2212	75	1	106	23	82	33	414	0	31	125
3.6	Annual supply of social re-lets (net)	Annual Supply (3yr ave)	928	71	7	1	1	25	2	187	4	1	26
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply (3yr ave)	12	1		2		1		1	1		1
3.8	Annual supply of affordable housing	3.6+3.7	940	72	7	3	1	26	2	188	5	1	27
	Stage 4: ESTIMATE OF ANNUAL HOUSING NEED												
4.1	Total backlog need	1.4-3.5	7961	673	247	-17	56	342	143	828	124	218	218
	% cannot afford open market prices/rents	55.1%		40.0	22.7	56.2	91.7	59.5	44.2	70.7	12.9	35.1	68.8
	Total		4388	269	56	-10	51	203	63	585	16	77	150
4.2	Quota to reduce over 1 year	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
4.3	Annual backlog reduction	Annual requirement	878	54	11	-2	10	41	13	117	3	15	30
4.4	Newly-arising need	2.4	1464	44	40	15	8	23	19	252	20	45	61
4.5	Total annual affordable need	4.3+4.4	2342	98	51	13	19	64	32	369	24	61	91
4.6	Annual affordable capacity	3.8	941	72	7	3	1	26	2	188	5	1	27
4.7	**Net annual shortfall**	**Net**	**1401**	**26**	**44**	**10**	**18**	**38**	**30**	**181**	**19**	**59**	**65**

Step	Stage and Step description	Calculation	Cheshire East	Sub-area								
				Minshull	Mobberley Chelford and Alderley Edge	Nantwich	Peckforton	Poynton	Sandbach	Sandbach Rural	Wrenbury	Wybunbury and Shavington
		Total no. H'holds>>>	159441	702	5059	6584	745	5107	7840	1400	872	5317
	Stage1: CURRENT NEED											
1.1	Homeless households and those in temporary accommodation	Current need	1601		5	127		19	77			52
1.2	Overcrowding and concealed households	Current need	2389		41	130	9	124	104	30	27	15
1.3	Other groups	Current need	7783	18	207	347	60	195	397	94	48	136
1.4	Total current housing need (gross)	Total no. of housholds with one or more needs	10173	18	248	478	69	320	501	124	75	151
	Stage 2: FUTURE NEED											
2.1	New household formation (Gross per year)		2594	11	82	107	12	83	128	23	14	86
2.2	% of new households who could not afford open market prices/rents	56.1% overall		54.8	73.5	54.0	54.8	100.0	52.0	11.1	100.0	50.7
2.2	Number of new households requiring affordable housing	Number cannot afford	1454	6	61	58	7	83	66	3	14	44
2.3	Existing households falling into need	Annual requirement	10						1			
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	1464	6	61	58	7	83	67	3	14	44
	Stage 3: AFFORDABLE HOUSING SUPPLY											
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	1565	0	16	128	0	19	80	10	20	0
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0									
3.3	Committed supply of new affordable units	Annual	647	0	0	0	0	0	94	13	0	41
3.4	Units to be taken out of management	None assumed	0									
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	2212	0	16	128	0	19	174	23	20	41
3.6	Annual supply of social re-lets (net)	Annual Supply (3yr ave)	928		6	28	1	6	22	0	0	1
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply (3yr ave)	12			1			1			
3.8	Annual supply of affordable housing	3.6+3.7	940	0	6	29	1	6	23	0	0	1
	Stage 4: ESTIMATE OF ANNUAL HOUSING NEED											
4.1	Total backlog need	1.4-3.5	7961	18	232	350	69	301	327	101	55	110
	% cannot afford open market prices/rents	55.1%		66.7	70.7	69.9	55.7	68.6	74.9	46.5	53.7	52.2
	Total		4388	12	164	245	38	207	245	47	30	57
4.2	Quota to reduce over 1 year	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
4.3	Annual backlog reduction	Annual requirement	878	2	33	49	8	41	49	9	6	11
4.4	Newly-arising need	2.4	1464	6	61	58	7	83	67	3	14	44
4.5	Total annual affordable need	4.3+4.4	2342	9	93	107	14	124	116	12	20	55
4.6	Annual affordable capacity	3.8	941	0	6	29	1	6	23	0	0	1
4.7	**Net annual shortfall**	**Net**	**1401**	**9**	**87**	**78**	**13**	**118**	**93**	**12**	**20**	**55**

Stage 1: Current need

C.5 Housing need can be defined as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance'. The SHMA Guidance suggests types of housing that should be considered unsuitable, as summarised in Table C3.

Table C3 Summary of current housing need in Cheshire East

Category	Factor	No. Households
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	739
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	1570
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	2388
	N4 Too difficult to maintain	3159
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	192
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	2340
Dwelling amenities and condition	N7 Lacks a bathroom, kitchen or inside WC and household does not have resource to make fit	0
	N8 Subject to major disrepair or unfitness and household does not have resource to make fit	778
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	1177
Total no. households in need		10,174
Total Households		159,441
% households in need		6.4

Note: A household may have more than one housing need.

Step 1.1 Homeless households and those in temporary accommodation

C.6 CLG SHMA guidance suggests that information on homeless households and those in priority need who are currently housed in temporary accommodation should be considered in needs modelling. The scale of need from these types of household can be derived from several sources.

C.7 Homelessness statistics for 2011/12[28] indicate that a total of 198 decisions were made on households declaring themselves as homeless across Cheshire East (this compares with a three-year average of 160 decisions). Of these households, 111 were classified as homeless and in priority need (compared with a three-year average of 82).

C.8 The household survey provides further evidence on households who were homeless or living in temporary accommodation. The survey identified 1601 households across Cheshire East who were previously homeless or living in temporary accommodation who had moved into their current accommodation in the previous 5 years. The model assumes this is the total requirement over 5 years from households who are homeless or living in temporary accommodation.

Step 1.2 Overcrowding and concealed households

C.9 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.

C.10 Analysis identifies 2,389 households who are living in overcrowded accommodation or are concealed households and want to move. This figure is taken as the backlog of need from overcrowded and concealed households.

[28] CLG Homeless Statistics Table 627: Local authorities' action under the homelessness provisions of the 1985 and 1996 Housing Acts, by district

Step 1.3 Other groups

C.11 Table C1 identified a series of households who were in housing need for other reasons including the property is too expensive, difficult to maintain, household containing people with mobility impairment/special need, lacking amenities, disrepair and harassment.

C.12 A total of **7,783** households were identified to be experiencing one or more of these needs factors. This is taken as the backlog of need from other groups.

Summary of Stage 1: Current need

C.13 Having established the scale of need in Steps 1.1, 1.2 and 1.3, total current housing need from existing households across Cheshire East before any analysis of the ability of households to afford open market solutions is 10,173.

Stage 2: Future need

Step 2.1 New household formation (gross per year)

C.14 Over the period 2008/9 to 2011/12, national gross household formation rates reported in the English Housing Survey have averaged 1.6%[29]. Applying this rate to households in Cheshire East results in an annual gross household formation rate of 2,594 across Cheshire East. Note that this does not take into account household dissolution (e.g. households moving away or through death).

Step 2.2 New households unable to buy or rent in the open market

C.15 A review of the ability of newly-forming households to access open market accommodation has been carried out in the 2013 update. This suggests that overall 56.1% could not afford open market prices or rents which is assumed in modelling which results in a requirement for 1,454 affordable dwellings each year from newly-forming households

[29] English Housing Survey Table FT4302 shows total number of new households and using data from Table FA4131 it is possible to derive a gross household formation rate as a proportion of total households

Step 2.3 Existing households expected to fall into need

C.16 An estimate of the number of existing households falling into need each year has been established by drawing upon RP Core lettings data. This suggests that annually 10 households across Cheshire East moved into social rented accommodation from another tenure because they fell into housing need and were homeless.

Step 2.4 Total newly arising housing need (gross per year)

C.17 Total newly arising need is calculated to be 1,464 households each year.

Stage 3: Affordable housing supply

C.18 The CLG model reviews the supply of affordable units, taking into account how many households in need are already in affordable accommodation, stock surpluses, committed supply of new affordable dwellings and dwellings being taken out of management (for instance pending demolition or being used for decanting).

Step 3.1 Affordable dwellings occupied by households in need

C.19 This is an important consideration in establishing the net levels of housing need as the movement of these households within affordable housing will have a nil effect in terms of housing need[30].

C.20 A total of **1,565** households are current occupiers of affordable housing in need.

Step 3.2 Surplus stock

C.21 A proportion of vacant properties are needed to allow households to move within housing stock. Across the social rented sector, this proportion is generally recognised as being 2%. Stock above this proportion is usually assumed to be surplus stock. It is assumed that there are no surplus vacant social rented properties across Cheshire East.

30 Strategic Housing Market Assessment Guidance (CLG, August 2007)

Step 3.3 Committed supply of new affordable units

C.22 There is a committed supply of 647 affordable units across Cheshire East which is considered in modelling.

Step 3.4 Units to be taken out of management

C.23 The model assumes there will be no social rented units taken out of management over the next five years.

Step 3.5 Total affordable housing stock available

C.24 It is assumed that there are **1,565** social/affordable rented dwellings available over the 5 year period arising from households moving within the stock. However it is assumed that these will be occupied by households moving within the social rented sector. There are currently **647** additional affordable dwellings planned to be built across Cheshire East which have been factored into the model.

Step 3.6 Annual supply of social re-lets

C.25 The CLG model considers the annual supply of social re-lets. Lettings data for the period 2009/10, 2010/11 and 2011/12 has been used in the 2013 update. RP supported lets are excluded from analysis as the focus of the modelling is on affordable and not supported housing requirements.

C.26 CORE [31]lettings data for every let was obtained so further analysis could be run on the characteristics of households moving in to social rented accommodation. For the purposes of analysis, it is important focus on the ability of households requiring affordable housing to access it. Therefore, the annual supply figures derived from CORE lettings data and used in modelling:

- **exclude** those moving into accommodation from outside Cheshire East and households moving within the social rented stock; and
- **Include** households who moved into social renting from another tenure, newly-forming households moving in social renting and households moving from specialist/supporting housing into affordable housing.

C.27 Over the three years 2009/10, 2010/11 and 2011/12, a total of 3,702 RP lettings were reported in CORE data across Cheshire East. Of these, 2,784 were to new tenants i.e. households originating in Cheshire East who either moved into social

[31] CORE stands for COntinuous Recording of Lettings and Sales in Social Housing in England. See https://core.communities.gov.uk for more information

renting from another tenure, were newly-forming households, or who moved from supported/specialist accommodation.

C.28 By reconciling the annual three-year average for RP lettings, the annual capacity of social rented stock across Cheshire East can be established. 2013 update modelling assumes an annual capacity of **928** dwellings for new tenants. Table C4 illustrates how the annual capacity figure is broken down by sub-area, designation (general needs and older person) and property size.

Table C4 Annual capacity of affordable/social rented sector (based on RP CORE lettings data)

Sub-area	Designation and no. bedrooms						
	General Needs				Older Person		
	1	2	3	4	1	2	Total
Acton	7	21	4	0	1	1	34
Adlington Prestbury and Bollington	3	5	7	0	0	0	14
Alsager	12	1	4	2	0	0	19
Alsager Rural	0	3	2	0	0	0	6
Audlem	1	0	1	0	2	0	4
Bunbury	1	1	0	0	0	0	2
Congleton	22	35	17	0	2	0	76
Congleton Rural	0	0	0	0	0	0	1
Crewe	103	154	89	2	10	1	360
Disley	6	15	1	0	1	0	23
Handforth and Wilmslow	35	27	9	0	0	1	71
Haslington and Englesea	2	0	2	1	3	0	7
Holmes Chapel	0	1	0	0	0	0	1
Holmes Chapel Rural	0	1	0	0	0	0	1
Knutsford	6	11	6	0	0	1	25
Knutsford Rural	0	0	2	0	0	0	2
Macclesfield	67	88	18	1	9	3	187
Macclesfield Rural - National Park	1	0	2	0	0	0	4
Macclesfield Rural	0	0	1	0	0	0	1
Middlewich	12	10	4	0	0	0	26
Minshull	0	0	0	0	0	0	0
Mobberley Chelford and Alderley Edge	3	1	2	0	0	0	6
Nantwich	12	12	2	0	2	1	28
Peckforton	0	0	0	0	0	0	1
Poynton	3	2	1	0	0	0	6
Sandbach	4	12	7	0	0	0	22
Wybunbury and Shavington	0	0	0	0	0	0	1
Total	**299**	**401**	**181**	**7**	**31**	**9**	**928**

Source: RP General Core Lettings – based on average lettings 2009/10, 2010/11 and 2011/12

Step 3.7 Annual supply of intermediate re-lets/sales

C.29 There is a small annual supply of intermediate properties which are either sold or re-let (Table C5). Over the three year period 2009/10 to 2011/12, the annual re-let average was 13 dwellings across Cheshire East which has been used in modelling.

Table C5 Annual intermediate tenure capacity

Sub-area	Designation and no. bedrooms						
	General Needs				Older Person		
	1	2	3	4	1	2	Total
Congleton	0	0	0	0	0	1	1
Disley	0	1	0	0	0	0	2
Handforth and Wilmslow	0	0	1	0	0	0	1
Haslington and Englesea	0	0	0	0	0	0	0
Holmes Chapel Rural	0	1	1	0	0	0	2
Knutsford Rural	0	0	1	0	0	0	1
Macclesfield	0	1	0	0	0	1	2
Macclesfield Rural - National Park	0	0	0	0	0	0	1
Middlewich	0	1	0	0	0	0	1
Minshull	0	0	0	0	0	0	0
Nantwich	0	0	0	0	0	0	1
Poynton	0	0	0	0	0	0	0
Sandbach	0	1	0	0	0	0	1
Wybunbury and Shavington	0	0	0	0	0	0	0
Total	**0**	**7**	**3**	**0**	**0**	**3**	**13**

Source: RP General Core Lettings – based on average lettings 2009/10, 2010/11 and 2011/12

Stage 4: The housing requirements of households in need

C.30 For critical stages of the needs assessment model (Step 1.1, Step 1.4, Step 2.4 and Step 3.8), information is broken down by sub-area, household type (general needs and older (65 and over)) and property size.

C.31 This goes beyond the requirement of the SHMA guidance but allows a detailed assessment of the overall housing requirements of households in need and provides clear affordable requirement information. In turn, this can help identify where there are shortfalls and sufficient capacity of affordable housing and help to shape policy responses.

Stage 5: Estimate of annual housing need

Steps 5.1 and 5.2 Net and Gross shortfalls

C.32 Analysis has carefully considered how housing need is arising within Cheshire East by identifying existing households in need (and who cannot afford market solutions), newly-forming households in need and existing households likely to fall into need.

C.33 This has been reconciled with the supply of affordable dwellings which considers location, size and designation (i.e. for general needs or older person). Based on the CLG modelling process, analysis suggests that the overall affordable shortfall is 1,401 and a gross shortfall of 1,871.

C.34 The gross figure is a sum of where there are absolute shortfalls in dwelling stock by sub-area, designation and size. Net requirement considers where there is capacity elsewhere to offset identified needs. For instance, if in an area there is a shortfall of 10 no. 2 bedroom houses and a surplus of 5 no. 1 bedroom flats, the gross requirement would be 10 dwellings (focusing on the shortfall) but a net requirement of 5 (factoring in the surplus).

C.35 Table C6 summarises the net and gross affordable housing requirements across Cheshire East.

C.36 Analysis based on CLG modelling clearly justifies the need for affordable housing in Cheshire East. However, targets in the Local Plan should also be determined with reference to land availability (evidenced through a Strategic Housing Land Availability Assessment) and the assessment of the economic viability of delivering affordable housing on available sites. It should be noted that demand for new housing does not necessarily represent a level of need that has to be met. Demand for housing is a much wider concept than need and includes things like aspirations to move to a different or larger property whilst the property they live is sufficient for their needs. Local Planning Authorities are not expected to simply translate the figures from the Strategic Housing Market Assessment into actual housing targets to be met. They are only part of the evidence that needs to be considered against other factors, including economic viability, cross boundary issues and other factors

Table C6 Net and Gross affordable housing requirements – annual requirements 2013/14 to 2017/18

Net

Sub-area	Designation and no. beds						
	General Needs				Older Person		Total
	1	2	3	4+	1	2+	
Acton	6	-18	-3	0	1	0	-14
Adlington Prestbury and Bollington	1	11	0	1	2	0	15
Alsager	-6	38	15	2	5	0	54
Alsager Rural	14	0	8	6	14	-7	35
Audlem	4	-6	16	4	0	3	22
Bunbury	18	-1	0	1	0	0	18
Congleton	27	-49	10	46	37	-12	58
Congleton Rural	1	1	4	2	0	2	11
Crewe	50	-51	149	37	12	20	217
Disley	6	-21	27	1	1	-1	13
Handforth and Wilmslow	-10	-35	49	5	13	3	25
Haslington and Englesea	1	11	19	10	1	1	44
Holmes Chapel	2	-6	12	1	4	-3	10
Holmes Chapel Rural	0	10	7	-5	2	4	17
Knutsford	8	34	-62	49	10	-1	38
Knutsford Rural	16	1	1	5	7	0	30
Macclesfield	-112	103	116	-1	80	-6	180
Macclesfield Rural - National Park	9	2	8	0	0	0	19
Macclesfield Rural	9	6	23	11	2	8	59
Middlewich	26	22	8	0	4	4	65
Minshull	1	2	2	0	2	0	8
Mobberley Chelford and Alderley Edge	16	17	11	13	9	22	87
Nantwich	40	-27	15	35	16	-1	78
Peckforton	5	4	3	0	1	0	13
Poynton	24	45	19	4	-8	35	118
Sandbach	18	33	18	9	11	5	94
Sandbach Rural	13	2	-8	3	2	0	12
Wrenbury	0	15	-9	12	2	0	20
Wybunbury and Shavington	8	20	7	12	1	7	54
Total	**197**	**163**	**464**	**263**	**230**	**84**	**1401**

GROSS

Sub-area	Designation and no. beds						
	General Needs				Older Person		Total
	1	2	3	4+	1	2+	
Acton	6			0	1		7
Adlington Prestbury and Bollington	1	11	0	1	2	0	15
Alsager		38	15	2	5	0	60
Alsager Rural	14	0	8	6	14		42
Audlem	4		16	4	0	3	28
Bunbury	18			1		0	20
Congleton	27		10	46	37		119
Congleton Rural	1	1	4	2	0	2	11
Crewe	50		149	37	12	20	268
Disley	6		27	1	1		35
Handforth and Wilmslow			49	5	13	3	70
Haslington and Englesea	1	11	19	10	1	1	44
Holmes Chapel	2		12	1	4		19
Holmes Chapel Rural	0	10	7		2	4	23
Knutsford	8	34		49	10		101
Knutsford Rural	16	1	1	5	7	0	30
Macclesfield		103	116		80		299
Macclesfield Rural - National Park	9	2	8	0	0	0	19
Macclesfield Rural	9	6	23	11	2	8	59
Middlewich	26	22	8	0	4	4	65
Minshull	1	2	2	0	2	0	8
Mobberley Chelford and Alderley Edge	16	17	11	13	9	22	87
Nantwich	40		15	35	16		106
Peckforton	5	4	3	0	1	0	13
Poynton	24	45	19	4		35	126
Sandbach	18	33	18	9	11	5	94
Sandbach Rural	13	2		3	2	0	20
Wrenbury	0	15		12	2	0	29
Wybunbury and Shavington	8	20	7	12	1	7	54
Total	**324**	**377**	**546**	**270**	**239**	**115**	**1871**

NOTE: The gross table only shows where there absolute shortfalls and therefore excludes the minus figures show in the net table. For example, if there is a shortfall of 10no. 2 bed dwellings and an excess of 4no. 3 bed dwellings, the net figure would be 6 but the gross figure (i.e. absolute shortfall) would be 10.

Each cell is rounded up to the nearest whole number

Tenure and dwelling type profile of affordable dwellings

C.37 Affordable housing includes both social rented and intermediate tenure dwellings. In order to recommend an appropriate split between social rented and intermediate tenure, the stated preferences of households and the relative affordability of intermediate tenure products is now reviewed.

Household preferences

C.38 Households were asked to state tenure preferences. Table C7 summarises the preferences of both existing households in need and newly forming households by tenure. Overall, this gives a tenure split of 62.4% social rented and 37.6% intermediate tenure across Cheshire East. This remains broadly in line with a 65% affordable/social rented and 35% intermediate tenure split being advocated by the Council.

Table C7 Affordable tenure preferences (2012 update)

Tenure	Existing households in need	Newly-forming households	Total
Affordable (Social) Rent	71.4	57.0	62.4
Intermediate Tenure	28.6	43.0	37.6
Total	100.0	100.0	100.0
Base (annual requirement)	878	1464	2342

Source: 2009 Household Survey; rebased to 2011 households

Affordability of intermediate tenure dwellings

C.39 Table C8 summarises the overall proportions of existing and newly-forming households who could afford intermediate tenure products based on different equity shares.

Table C8 Summary of intermediate tenure affordability by existing and newly-forming households

Price	% could afford		
	Existing households in need	Newly-forming households	Total
£80,000 or more	41.3	45.9	44.9
£100,000 or more	36.4	35.4	36.3
£120,000 or more	33.0	24.3	28.0
Base	878	1464	2342

Source: 2009 Household Survey; rebased to 2011 households

C.40 Overall, evidence suggests that intermediate tenure dwellings could make a contribution to affordable housing provision across Cheshire East. Around 37.6% of existing and newly forming households who could not afford open market prices stated a preference for intermediate tenure housing. A detailed analysis of the ability of these households to afford intermediate tenure dwellings indicates that 44.9% could afford a £80,000 equity share and 36.3% a £100,000 equity share.

C.41 There is clearly scope for an intermediate tenure market in Cheshire East. The final proportion of intermediate tenure dwellings to be delivered needs to be reconciled with the economic viability of delivering affordable housing on sites; the appetite of the HCA to fund intermediate tenure dwellings; and the ability of households to secure mortgages.

Dwelling type

C.42 Table C9 considers the range of affordable property types households would consider based on the aspirations of existing households in need and newly-forming households requiring affordable accommodation. Overall, analysis suggests that primarily, delivery of houses and flats is a priority, with an additional need to provide bungalows.

Table C9 Affordable property type preferences across Cheshire East

Type preferences	Existing (%)	Newly-forming (%)	Total (%)
House	42.0	59.2	52.8
Flat/Apartment	18.8	33.9	28.3
Bungalow	39.2	6.8	19.0
Total	100.0	100.0	100.0
Base	878	1464	2342

Source: 2009 Household Survey; rebased to 2011 households

Comparison with housing register

C.43 A total of 8,725 households were recorded on the Housing Register as at 1st April 2011. Table C10 summarises the property size requirements of these households.

Table C10 Dwelling size requirements of households on Housing Register as at 1st April 2011

Requirement	No. of households	% of households
1 Bedroom	2,773	31.8
2 Bedrooms	3,453	39.6
3 bedrooms	1,553	17.8
3+ bedrooms	325	3.7
Unspecified	621	7.1
Total	8,725	100

Source: Housing Strategy Statistical Appendix

C.44 The housing register analysis suggests that a range of dwelling sizes are required which is corroborated with the 2013 needs analysis.

Appendix D: Housing Market Partnership Membership

Adams Planning and Development	Johnnie Johnson Housing Trust
AGMA	Jones Homes
Anwyl Construction	Knight Frank
Arley Homes	Ludlam Associates
Bellway Homes Ltd North West	Martin and Co
Bloor Homes	McDyre & Co
BNP Paribas Real Estate	MLA
Bower Edleston Architects Ltd	Morris Homes
Butters John Bee	Muller Group
CBRE	Nathaniel Lichfield & Partners
Cheshire East Council	NJL
Cheshire West and Chester Council	Origin3
Colliers International	Peak District National Park
Countryside Properties	Peaks and Plains
David Wilson Homes	Persimmon Homes
DC Architects	Plus Dane
DPP Consulting Ltd	Regenda
Drivers Jonas Deloitte	Richard Lee Project Planning
Emery Planning Partnership	Richborough Estates Ltd
Environment Agency	Roger Tym & Partners
Fox Land and Property	RPS
Frank Marshall	Sanderson Weatherall
Gladman Care Homes	Seddon Homes
Gladman Developments	Smiths Gore
Great Places	Strategic Land Group Limited
GVA	Strutt and Parker
Harris Lamb	Summit Planning Associates
Harrow Estates	Symphony Housing Group
HBF	Taylor Wimpey
Higham and Co	THE EMERSON GROUP
Hinson Parry and Company	The Planning Bureau Ltd
Homes and Community Agency	Thomas Jones and Sons
Hourigan Connolly	Wain Homes Developments
How Planning	Warrington Borough Council
Peel	WCE Properties Ltd
J10 Planning	Worklifers
JASP Planning	Wulvern Housing
Jay Ashall Associates	WVB Architects
JB Planning	

Glossary

BAME	Black and Minority Ethnic
CLG	Department of Communities and Local Government
CSR	Comprehensive Spending Review
DFG	Disabled Facilities Grant
HCA	Homes and Communities Agency
HPDG	Housing and Planning Delivery Grant
LAA	Local Area Agreement
LAs	Local Authorities
LDF	Local Development Framework
MAA	Multi Area Agreement
NAHP	National Affordable Housing Programme
NHS	National Health Service
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PFI	Private Finance Initiative
PWE	Price Waterhouse Coopers
RDA	Regional Development Agency
RES	Regional Economic Strategy
RHS	Regional Housing Strategy
RSL	Registered Social Landlord
RSS	Regional Spatial Strategy
SHMA	Strategic Housing Market Assessment
TSA	Tenants Services Authority