

Trafford Council

Housing Propositions - Sale



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INTRODUCTION

The Trafford Housing Needs Assessment (HNA) 2019 provides the latest available evidence to help shape the future housing related strategies and policies in Trafford. This study complements the Greater Manchester (GM) Strategic Housing Market Assessment (SHMA) by providing detailed local information and supports the development of the new local plan for Trafford. It considers the need for affordable housing and the size, type and tenure of housing needed for specific groups within the borough. This research provides up-to-date analysis of the social, economic, housing and demographic characteristics of the area.

The HNA evidence base is prepared in accordance with the requirements of the February 2019 National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG). The findings from the study provide an up-to-date, robust and defensible evidence base for policy development, in accordance with Government policy and guidance.

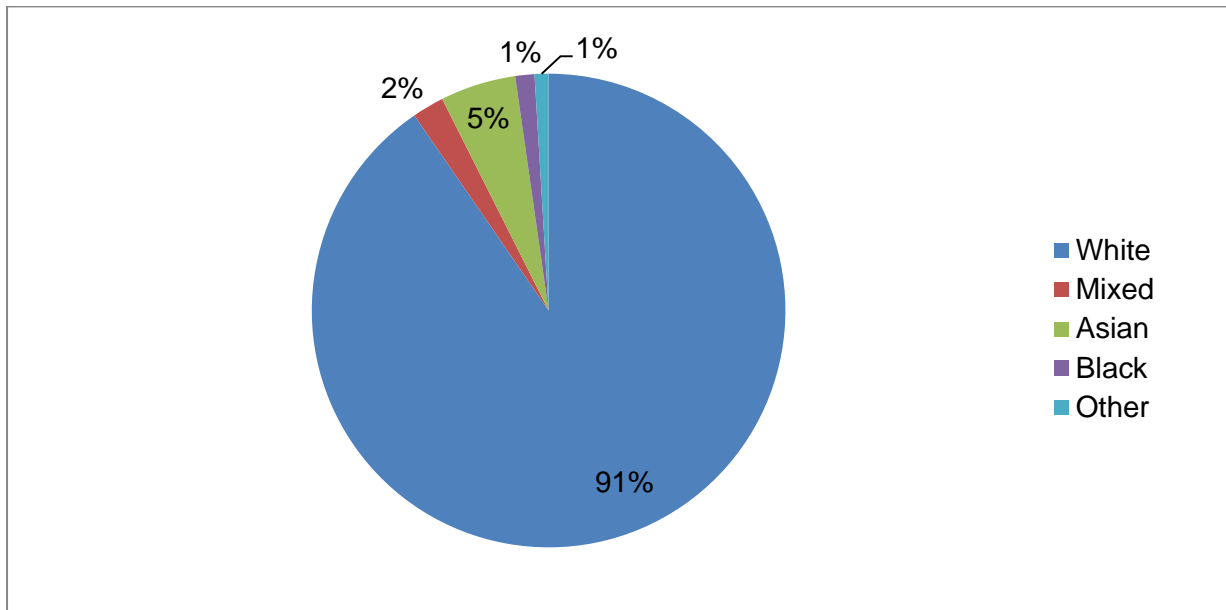
SALE

Sale consists of the wards of Ashton upon Mersey, St Mary's, Priory, Sale Moor and Brooklands with a population of around 55,000.

The Sale area is densely populated but with much of the area having good access to a number of outdoors recreational activities including at Sale Waterpark and the Bridgewater Canal.

Sale town centre is a key commercial, retail and leisure hub in Trafford. Sale Waterside and the Town Hall are located in the town centre. The M60 motorway, the A56 and the Bridgewater Canal all run through the area. There is also a Metrolink line running through the area including three Metrolink stations.

DEMOGRAPHICS



The graph above shows the ethnicity of residents who live in Sale. The majority of those are White (91%), followed by 5% being Asian, 2% being Mixed, 1% being Black and 1% being other. Therefore 8% of the residents in Sale are from the BME community. Note: this data is from 2011 Census and consideration must be given to changes in ethnicity since that time.

CURRENT DWELLING STOCK

Dwellings	Households
30,666	29,527

Table 1 shows that in 2019 there were 30,666 dwellings and 29,527 households in Sale.

Type/size	Percentage
1 bedroom house	0.8
2 bedroom house	10.6
3 bedroom house	43.5
4 or more bedroom house	19.1
1 bedroom flat	9.3
2 or more bedroom flat	12.4
1 bedroom bungalow	2.8
2 bedroom bungalow	0.3
3 or more bedroom bungalow	1.2
Total	100.00

Table 3: Dwelling Type in Sale	
Type	Percentage
House	74.0
Flat	21.7
Bungalow	4.3
Other	0.0
Total	100.0
Dwelling Size in Sale	
Type	Percentage
1 Bed	12.9
2 Bed	23.0
3 Bed	45.0
4 Bed	19.1
Total	100.0

Tables 2 and 3 shows that the majority of the properties in Sale are 3 bed houses.

Table 4 : Recommended Need/Stock Profile (%) in Sale	
Type/size	Percentage
1 bedroom house	-0.2
2 bedroom house	5.3
3 bedroom house	-4.2
4 or more bedroom house	-4.2
1 bedroom flat	0.8
2 or more bedroom flat	-4.0
1 bedroom bungalow	4.0
2 bedroom bungalow	1.0
3 or more bedroom bungalow	1.1
Other	0.3

Table 4 shows where there are shortfalls in types/sizes of accommodation in Sale. It doesn't mean there is no need for other types of accommodation just that supply and demand need to be more in balance. As the table shows there are particular shortages in 3 and 4 bed houses and 2 or more bedroom flats in Sale.

Table 5: Current property tenure split in Sale			
Owner occupied	Private rented	Affordable	Base
70.4	15.0	14.6	29,527

Table 5 shows that the largest tenure in Sale at 70.4% is owner occupation.

HOUSING NEED INCLUDING OLDER PERSON'S HOUSING NEED

Table 6: Households in need in Sale		
No. of households in need in Sale	% of households in need	Total No. households in Sale
1,674	5.7	29,527

Table 6 summarises overall housing need by sub-area. In Sale there are 1,674 households in need which represents 5.7% of the total number of households in Sale.

Using information from the household survey the majority of over 65s in Sale would prefer to move within Trafford, 86.6% would prefer to stay in Trafford and 13.2% would prefer to move outside Trafford. Compared to other areas in Trafford this is one of the highest percentage of older people who want to stay in Trafford. The survey also shows that 36% would prefer to live in a 3 bedroom house and 30.4% would prefer to live in a 2 bedroom flat.

In answer to a separate question the household survey also showed that 71.1% of older people in Sale would like to continue living in their own home with support when needed, 34.1% would like sheltered accommodation and 31.2% would like to live in an extra care scheme (respondents could tick more than one box).

Using data from the household survey 2019 Sale has a high number of respondents needing care and support. In addition 30.3% of respondents in Sale stated they had sufficient space in their home for a carer to stay overnight.

AFFORDABLE HOUSING NEED

Table 7: Net annual affordable housing imbalance by no. of bedrooms 2018/19 to 2022/23 in Sale		
Number of bedrooms	Sale	Trafford total
1	28	145
2	19	241
3	12	113
4	0	43
5 or more	3	3
Annual imbalance	62	545

Table 7 shows that the annual net affordable housing need in Sale is **62** dwellings.

Table 8: Required tenure split of affordable housing in Sale			
Tenure			Base (annual gross need)
Affordable/social rented	Intermediate tenure	Total	
49.0	51.0	100.00	62

Table 8 sets out the tenure split based on preferences of existing and newly forming households in Sale. This means that of those that will need affordable housing 51.0% would prefer intermediate tenure and 49.0% would prefer affordable or social rent.

Table 9: Affordable Housing Need by Dwelling Type/Size in Sale	
Type/size	Percentage
1 bedroom house	33.9
2 bedroom house	0.0
3 bedroom house	19.0
4 or more bedroom house	4.7
1 bedroom flat	9.7
2 or more bedroom flat	30.9
1 bedroom bungalow	1.9
2 bedroom bungalow	0.0
3 or more bedroom bungalow	0.0
Total	100.00
Annual net need	62

Table 9 shows that there is a greatest need for affordable 1 and 3 bed houses and 2 or more bed flats.

HOUSE PRICES AND RENTS

Table 10: Comparative median house price change 2007-2018 for Sale			
	Median price by year (Median £)		2007-2018 % age change
	2007	2018	
Sale	190,000	272,500	43.4

Tables 10 sets out comparative house price change by sub-area between 2007 and 2018. Sale has seen an increase of 43.4% in sale prices.

Table 11: Median Rents for Sale compared to Trafford overall	
Sale	Trafford
£750	£776

Table 11 shows median rents in 2018. The data indicates that Sale has lower rents compared to the borough-wide level. Median level rents for Sale in 2018 were £750 compared to £776 for Trafford.

Table 12: Cost of alternative tenures in Sale	
Tenure option	
Social Rent (average)	£380
Affordable Rent	£600
Market Rent-Lower Quartile	£650
Market Rent - Median	£750
Market Sale – Lower Quartile	£192,000
Market Sale – Median	£272,500
Market Sale – Average	£293,048
Starter Home	£218,000
Shared Ownership (50%)	£136,250
Shared Ownership (25%)	£68,125
Help to Buy	£204,375
Discounted Home Ownership	£219,786

Table 12 sets out the cost of alternative tenure options in Sale ranging from £380 a month for a social rented property to a purchase price of a market sale property of £293,048.

Table 13: Household income required for alternative tenure options in Sale (based on 25% for income for rents and 3.5x income multiple for buying)		
Tenure option	Sale	Trafford
Social Rent (average)	£18,240	£18,240
Affordable Rent	£28,800	£34,061
Market Rent-Lower Quartile	£31,200	£31,200
Market Rent - Median	£36,000	£37,440
Market Sale – Lower Quartile (assumes 10% deposit)	£49,371	£47,571
Market Sale – Median (assumes 10% deposit)	£70,071	£66,857
Market Sale – Average (assumes 10% deposit)	£75,355	£83,395
Starter Home	£56,057	£53,486
Shared Ownership (50%)	£51,463	£49,169
Shared Ownership (25%)	£42,412	£40,533
Help to Buy	£54,500	£52,000
Discounted Home Ownership	£58,610	£64,862

Table 13 sets out the indicative incomes required in Sale based on rental property being affordable, if up to 25% of household income is spent on rent; and owning is affordable if a 3.5x household income multiple is used assuming deposits of up to 10%. This shows that in some cases higher incomes are needed to rent or buy a house in Sale than in Trafford as a whole.

Table 14: Median rents, household incomes and what could be afforded in Sale							
Monthly median rent that could be afforded by percentage of income spent on rent						Median Rent and income	
25% of income	30% of income	35% of income	40% of income	45% of income	50% of income	Actual median rent 2018	Median gross household income 2018 (monthly £)
£729	£875	£1,021	£1,167	£1,313	£1,458	£750	£2,917

Note: Rent cells indicate property is not affordable to rent and green cells indicate rent is affordable.

Table 14 presents local income levels in Sale based on median rents to determine what is affordable. As can be seen due the higher incomes in Sale median rents of £875 are affordable based on 30% of income and above.

Table 15: Median house prices compared with median household income buying capacity in Sale					
Potential buying capacity of median priced properties based on income multiples				Median Price and Income	
3.5x	5x	7.5x	10x	Actual Median price 2018	Median Gross household income 2018 (Monthly £)
£122,500	£175,000	£262,500	£350,000	£272,500	£2,917

Note: Red cells indicate property is not affordable to buy and green cells indicate property is affordable to buy.

The situation is worse for median house prices and incomes (Table 15) where it is not possible to access median quartile house prices of £272,500 in Sale unless income multiples exceed 10 times income.

Table 16: Rents and house prices which would be genuinely affordable in Sale.			
Lower Quartile Rents (25% of income)	Median Rents (25% of income)	Lower quartile purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
£521	£729	£87,500	£122,500

Using the evidence collected it is possible to establish genuinely affordable rents and purchase prices (Table 16). Genuinely affordable median rents in Sale should be £729 and median purchase price (assuming 3.5 times income) should be £122,500.

SUMMARY

- The majority of residents in Sale are White (91%) with 8% being from the BME community.
- Current dwelling stock in Sale is 30,666 and there are 29,527 households.
- The majority of the properties in Sale are 3 bedroom houses.
- The current tenure split in Sale is 70.4% owner occupied, 15% private rented and 14.6% affordable.
- 26.4% of BME households across Trafford live in Sale.
- The number of households in need in Sale is 1,674 which equates to 5.7% of the current households in Sale.
- In respect of market housing there are particular shortages in 3 and 4 bed houses and 2 or more bedroom flats in Sale.
- The survey also shows that 36% of older people in Sale would prefer to live in a 3 bedroom house and 30.4% would prefer to live in a 2 bedroom flat.
- The household survey also showed that 71.1% of older people in Sale would like to continue living in their own home with support when needed, 34.1% would like sheltered accommodation and 31.2% would like to live in an extra care scheme.
- There is a need for 62 affordable units per annum with the split being 51% intermediate tenure and 49% affordable/social rent.
- The type of affordable dwellings needed in Sale is 33.9% one bedroom houses, 19% three bedroom houses and 4.7% four or more bedroom houses. 9.7% one bedroom flats, 30.9% two or three bedroom flats and 1.9% two bedroom bungalows.
- Median house prices have increased by 43.4% in Sale from £190,000 to £272,500 between 2007 and 2018.
- Median monthly rents of £750 in Sale are lower than the average equivalent for Trafford with a median rent of £776.
- Based on a monthly gross household income of £3,750 median rents of £750 are affordable in Sale if 30% of income is spent on rent.

- Based on a monthly gross household income of £2,917 it is not possible to purchase median priced properties in Sale unless income multiples exceed 7.5x income.
- Genuinely affordable median rents in Sale should be £729 and median purchase price (assuming 3.5 times income) should be £122,500.