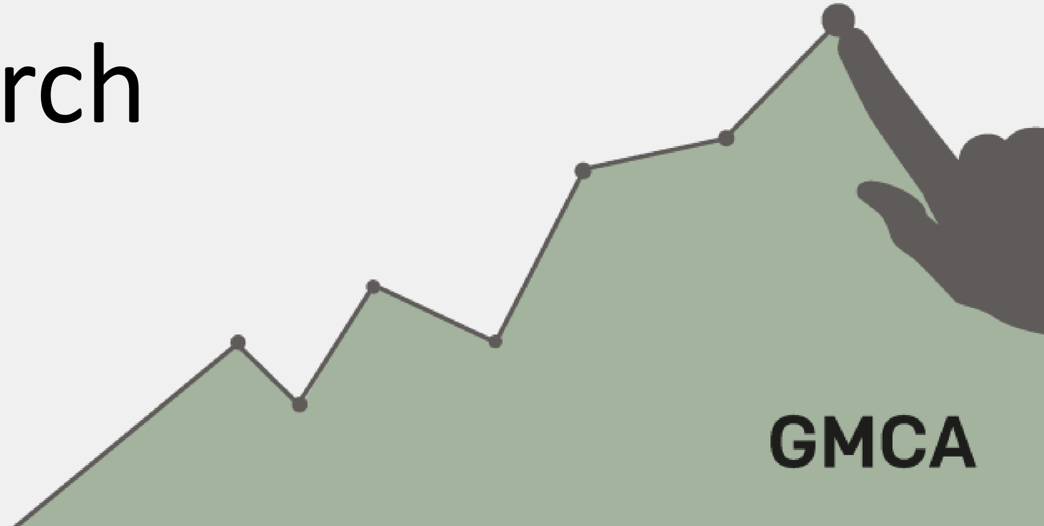
Greater Manchester Housing Market Monitor

June 2019

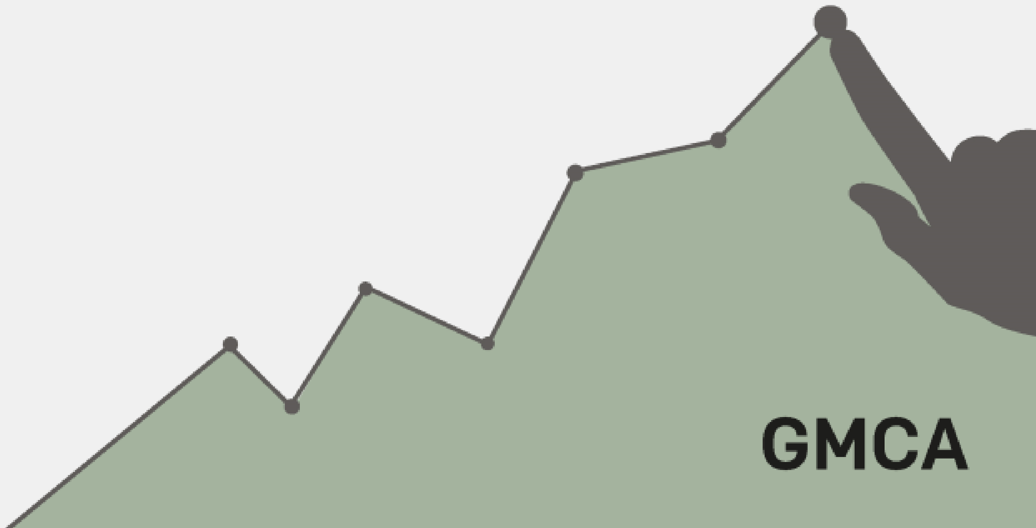
GMCA Research



Overview and contents

- This data pack provides an overview of the housing market in Greater Manchester. The data pack draws on published Government data and local data.
- The data pack covers the following areas:

1. GM Population
2. GM Housing Stock
3. Housing market – sales and private rents
4. Social Housing
5. Housing Benefit and Universal Credit
6. Homelessness

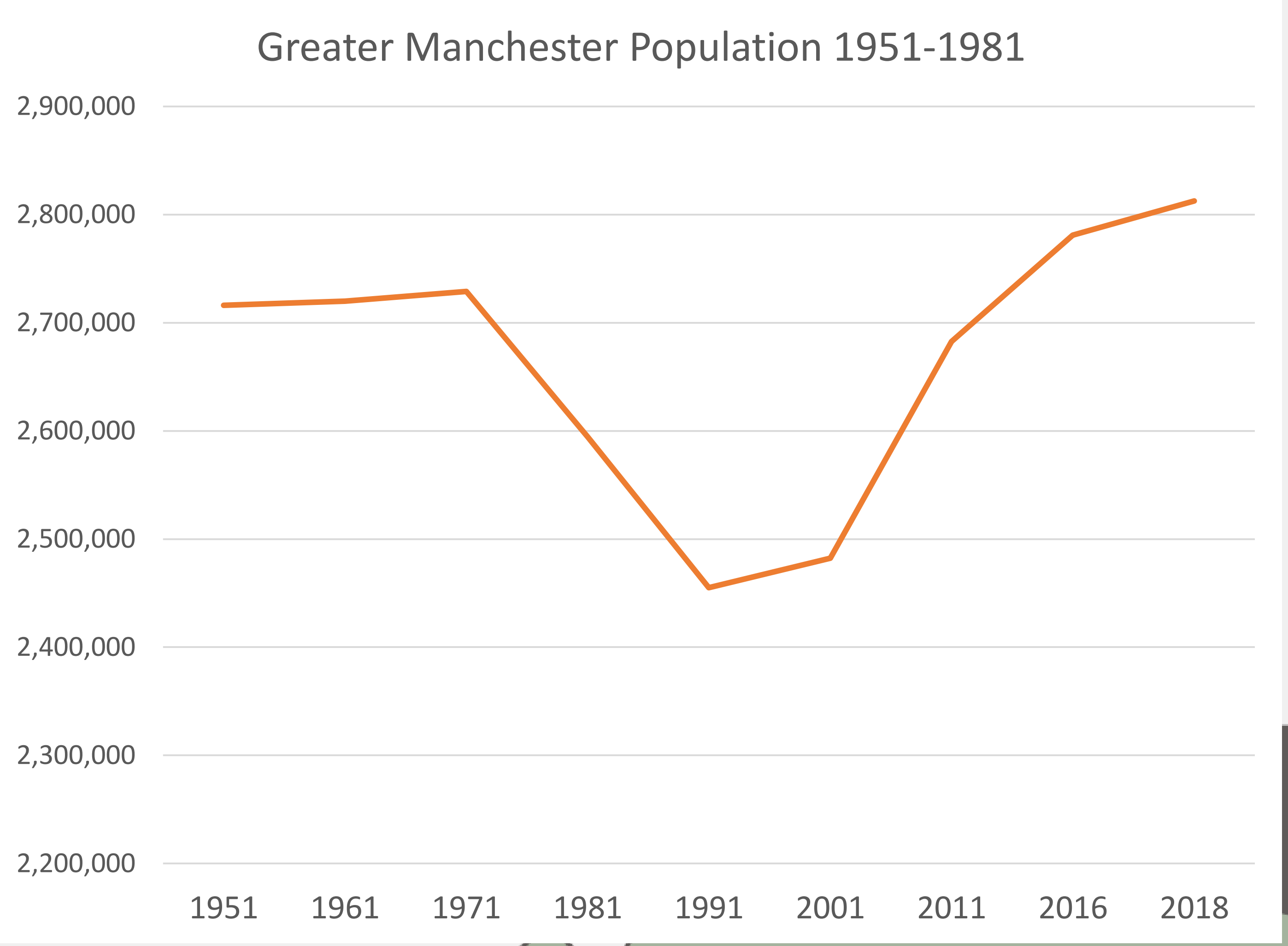


1. GM Population

1. Historic population trends
2. Spatial distribution of population
3. Population distribution
4. GM district population age profile
5. Population change 2016-2036
6. Household incomes
7. Spatial distribution of household incomes

1. Historic population trends

- There are 2.81 million people living in GM. This is higher than the 1971 previous peak of 2.71 million.
- From 1971 to 1991 there was an overall decline in the GM population.
- The population has been increasing since 2001.
- Between the 1991 and 2011 census there was an increase of 9% increase people living in GM
- The population projections suggest the GM population will continue to increase in the near future.



Source: Census 1951-2011
ONS: England Population mid-year estimate (2018)
https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/timeseries/enpop/pop

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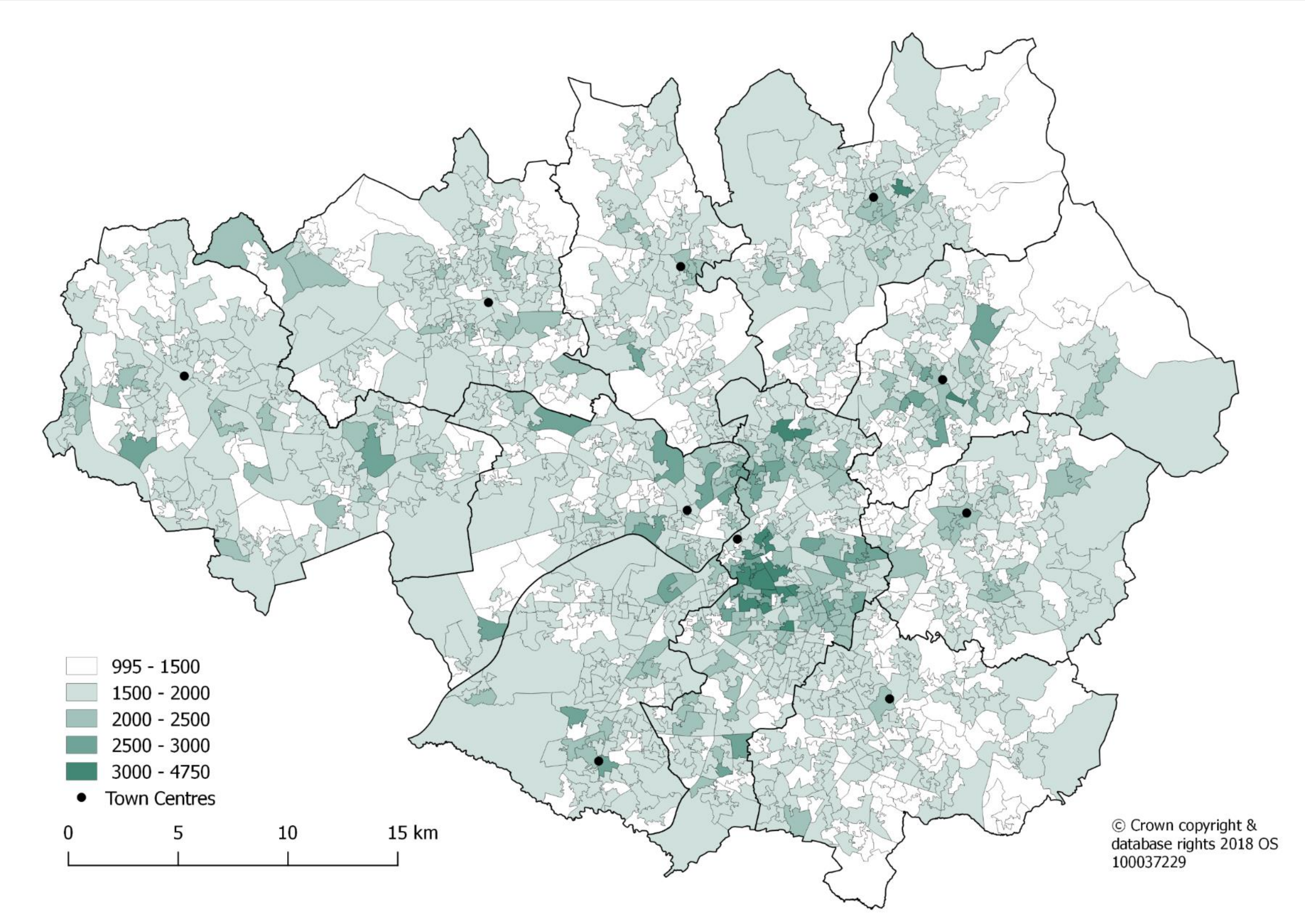
2. Spatial distribution of population



- The spatial distribution of population in the 2011 LSOAs indicates where there has been population change since the 2011 census.
- The average populating in an LSOA is 1,673 and the median is 1,594
- The LSOAs with the largest and smallest population are both in Manchester, ranging from 995 in Manchester 018E and 4,750 in Manchester 055C.
- Only 2/17 of the LSOAs with 3000+ population are outside Manchester, these are in Oldham and Rochdale

Source: ONS, 2017 MYPE
https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/lowersuperoutputareamidyearpopulationestimates

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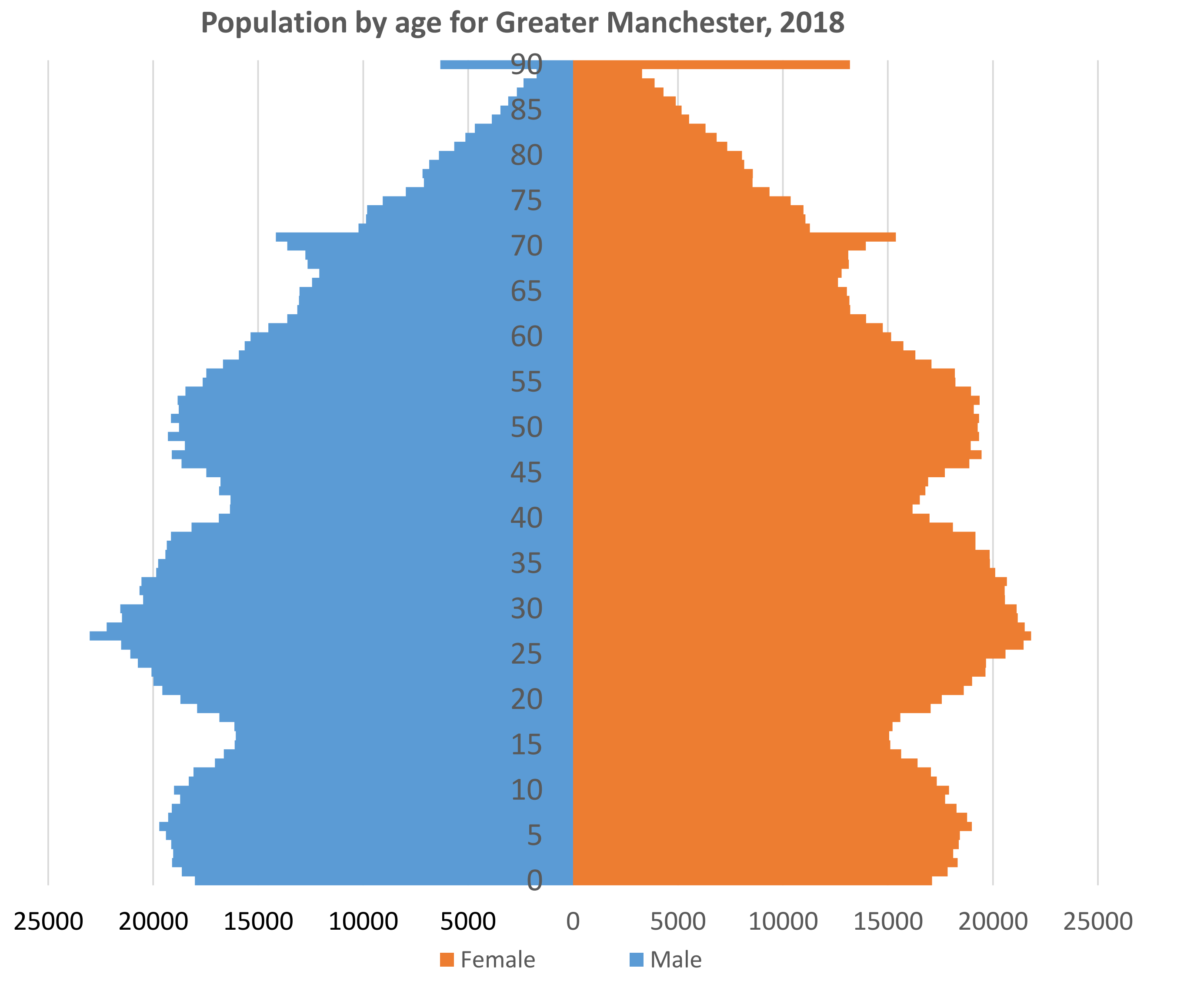
3. Population distribution



Source: ONS 2018, Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2018. Found online at:

- As of the 2018 Mid Year Population Estimates there were 2.81 million people in GM
- The largest proportion of the GM population are 19 to 35, and there is another spike in the population aged 45-55.
- There are 18,000 more females in GM than male, however in the younger age brackets there are more males from 0-30 years old. There are particularly more females from 70 years old onwards, and considerably more who are aged 90+ .

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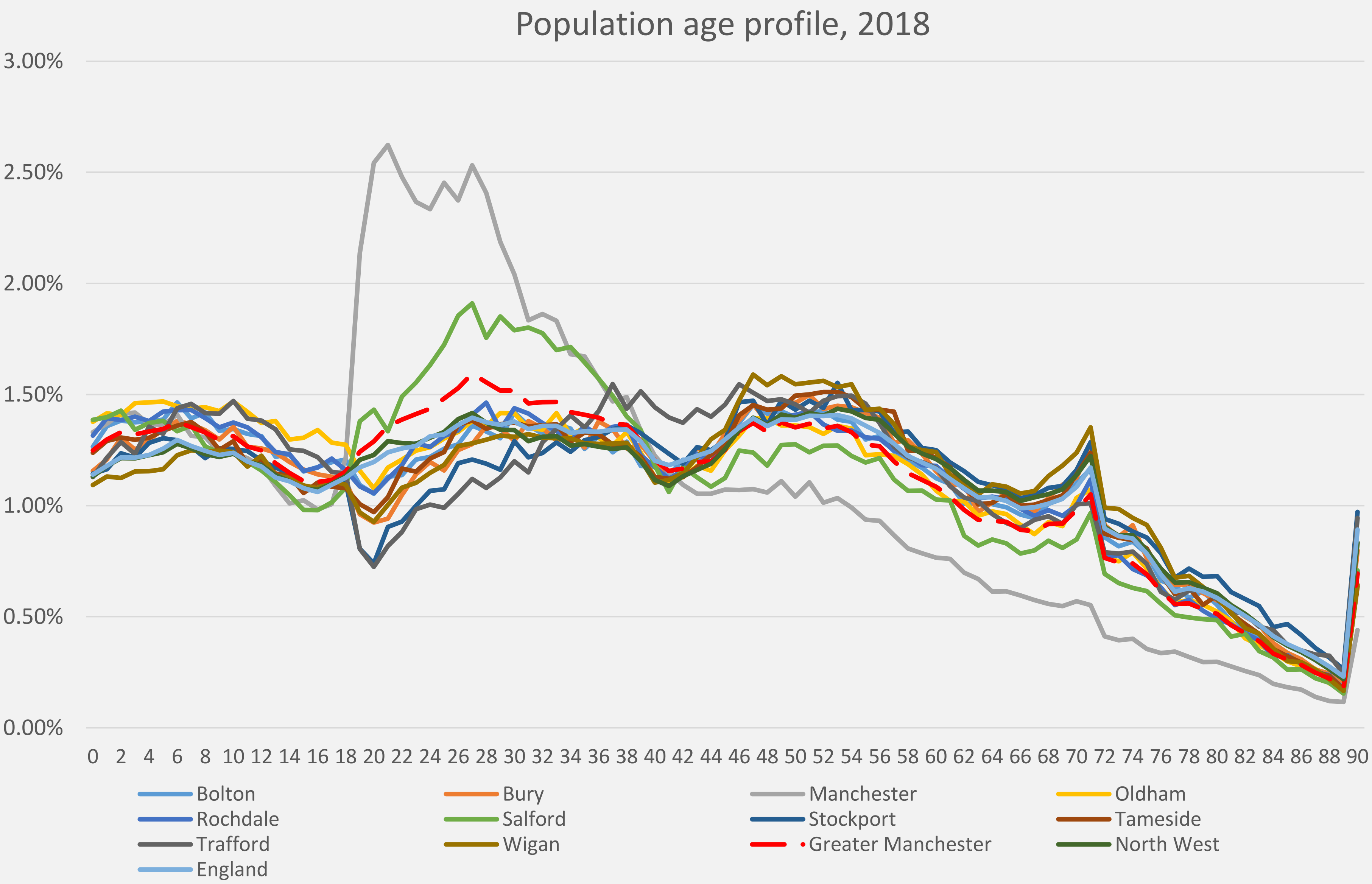
4. GM district population age profile



Source: ONS 2018, Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2018. Found online at: https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates

- Generally the districts follow the same population profile as Greater Manchester, the North west and England and wales.
- Manchester and to some extent Salford have a distinctly young population.

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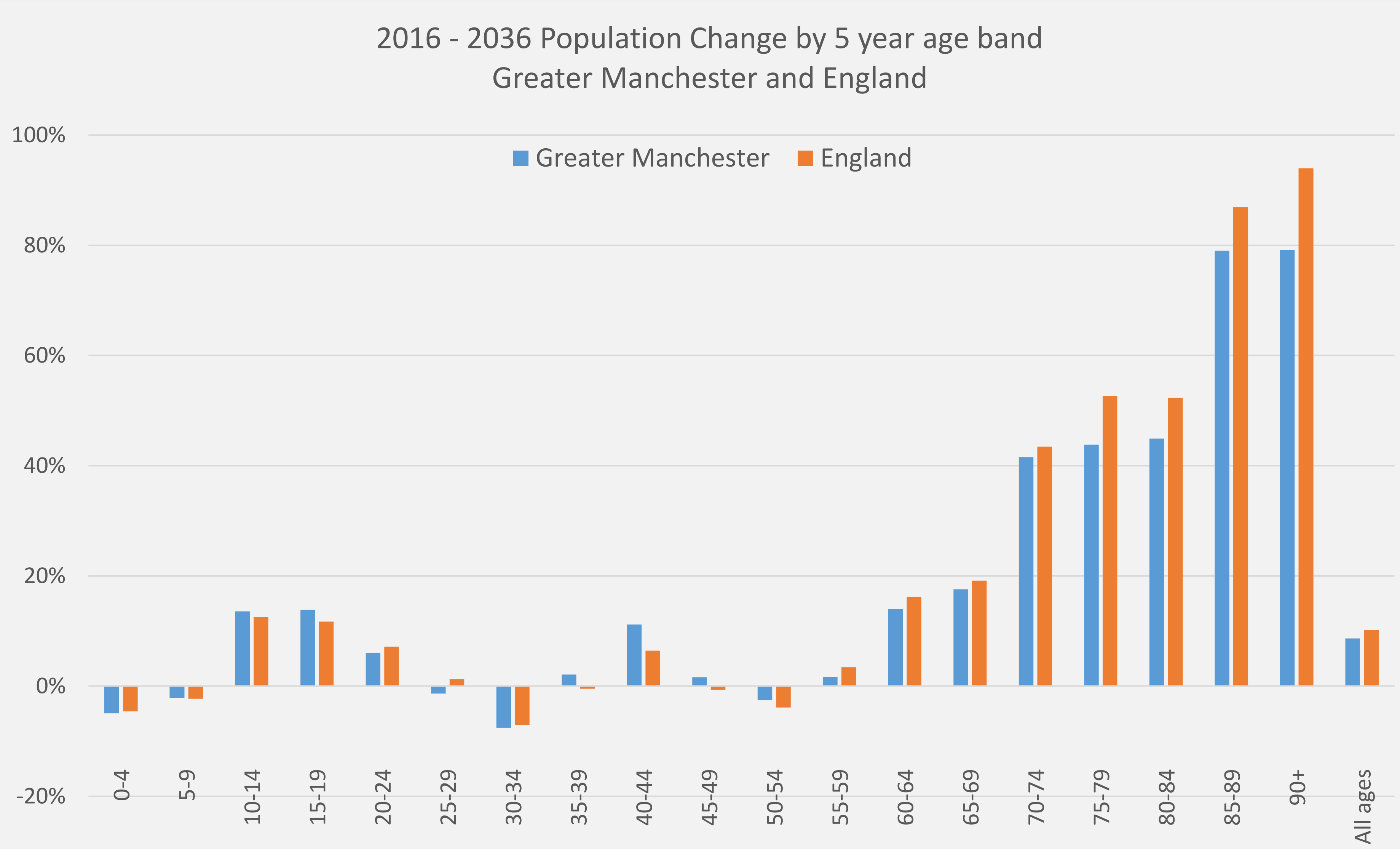
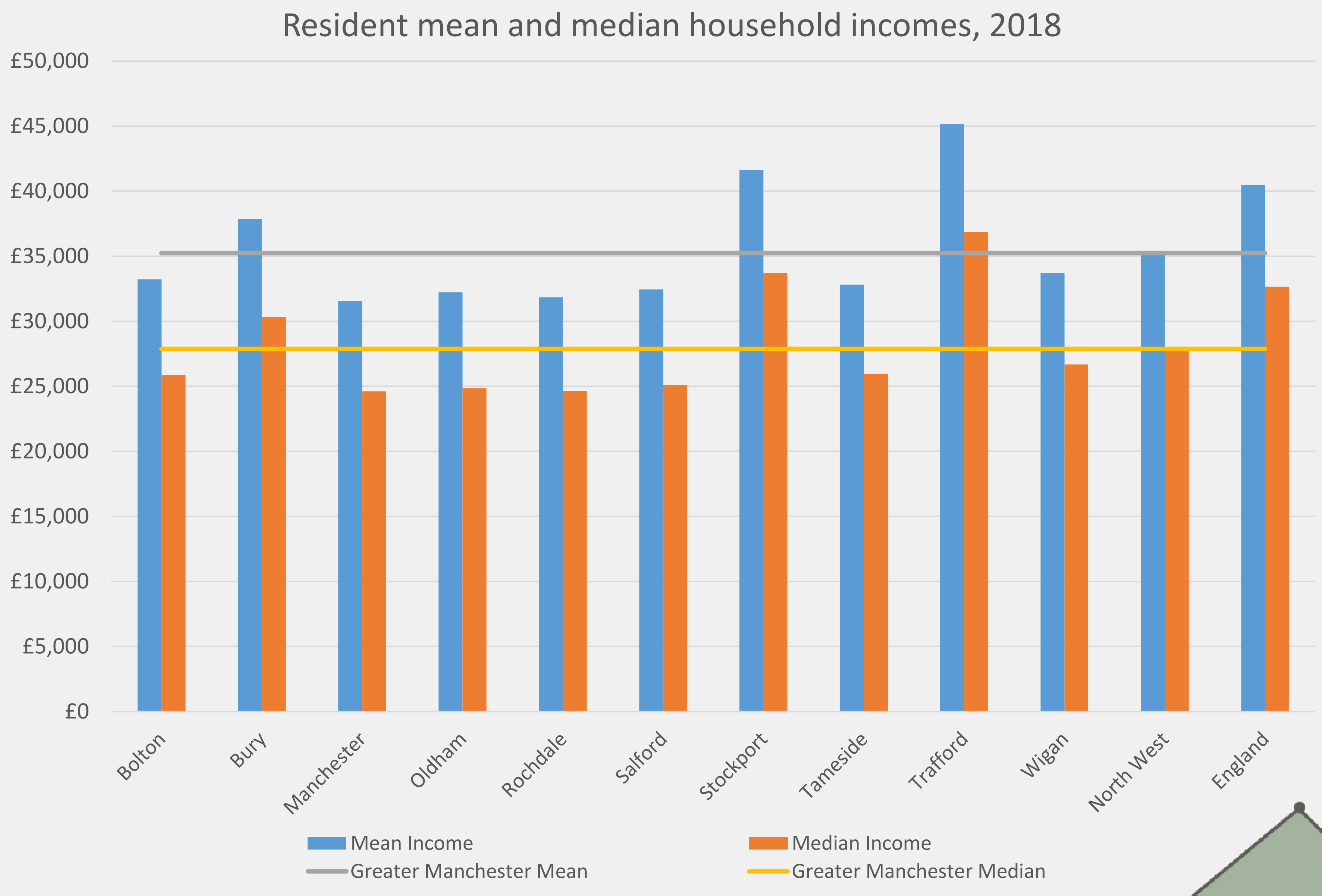
5. Population change 2016-2036



Source: ONS, 2016-based Sub National POpulation Projections (May 2018)

- The 2016 SNPP projects an overall 9% increase in the GM population from 2016 to 2036.
- The majority of the population change is driven by an ageing population.
- Around 170,000 of the additional population will be those over 65.
- GM has a slightly lower percentage increase of an ageing population in comparison to England as a whole.

6. Greater Manchester Household incomes



- The median GM household income is £27,865.
- GM mean and median incomes are similar to those in the North West but lower than the England incomes.
- Trafford, Stockport and Bury have median household incomes higher than the GM median income.
- Manchester and Oldham, Rochdale have median household incomes of just under £25,000

Source: CACI Paycheck 2018

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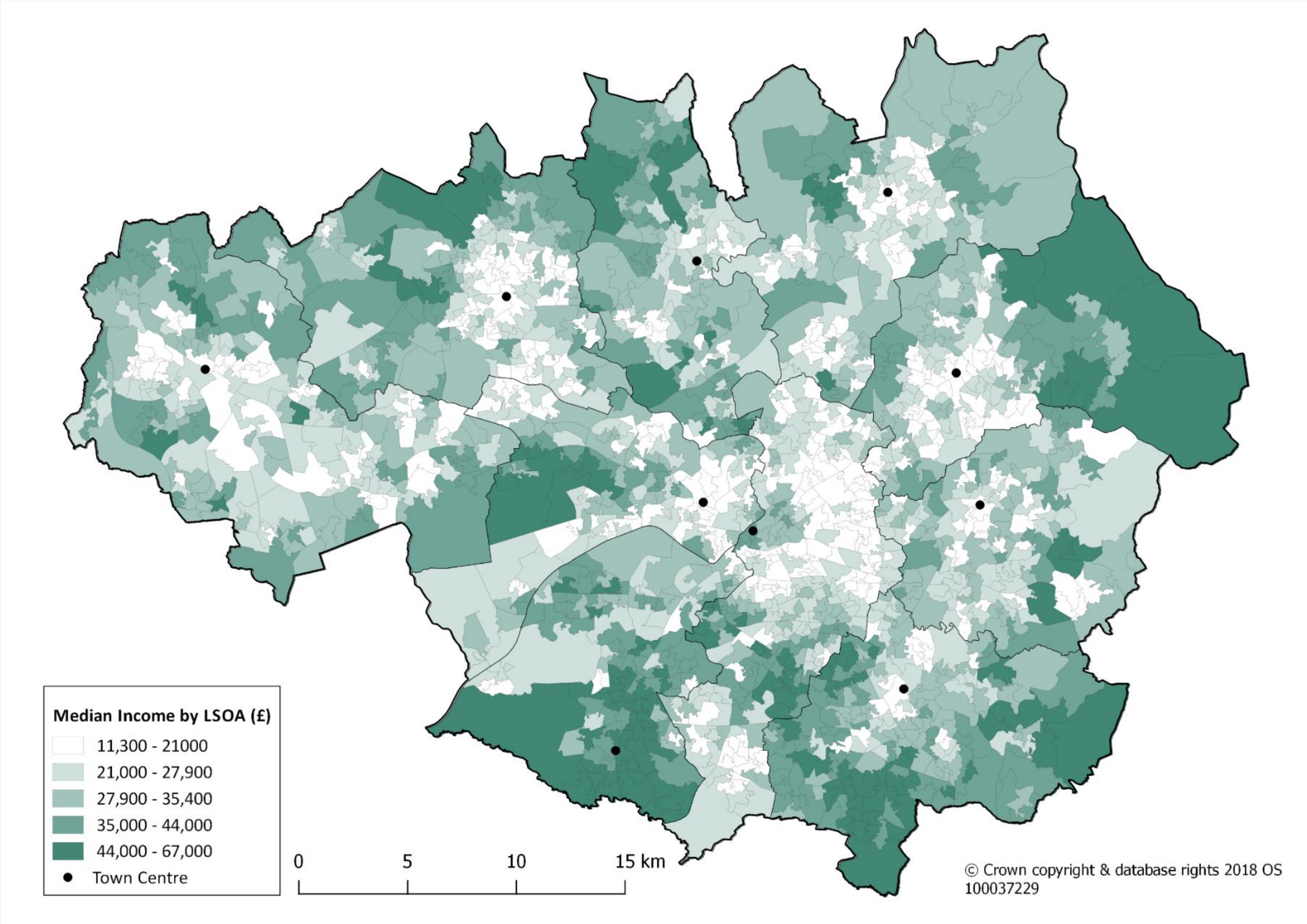
7. Spatial distribution of household incomes

Greater Manchester Median Household Income, 2018



- All areas have a mixture of higher and lower income areas. Largely, the highest income areas are in LSOAs on the edge of outskirts of GM.
- LSOAs in and around the town centres are largely lower income areas. However the exception is Manchester City Centre and Trafford where a high density of the highest earning band are located.
- Trafford and Stockport have the most LSOAs with the highest median incomes.
- Rochdale, Tameside and Wigan have the fewest LSOAs in the highest median income band.

Source: CACI Paycheck 2018

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2. GM Housing stock and supply

1. Tenure mix
2. Tenure change
3. Spatial distribution of tenure
4. Dwelling type
5. Council tax bands
6. Empty homes
7. Net additional dwellings
8. Completions

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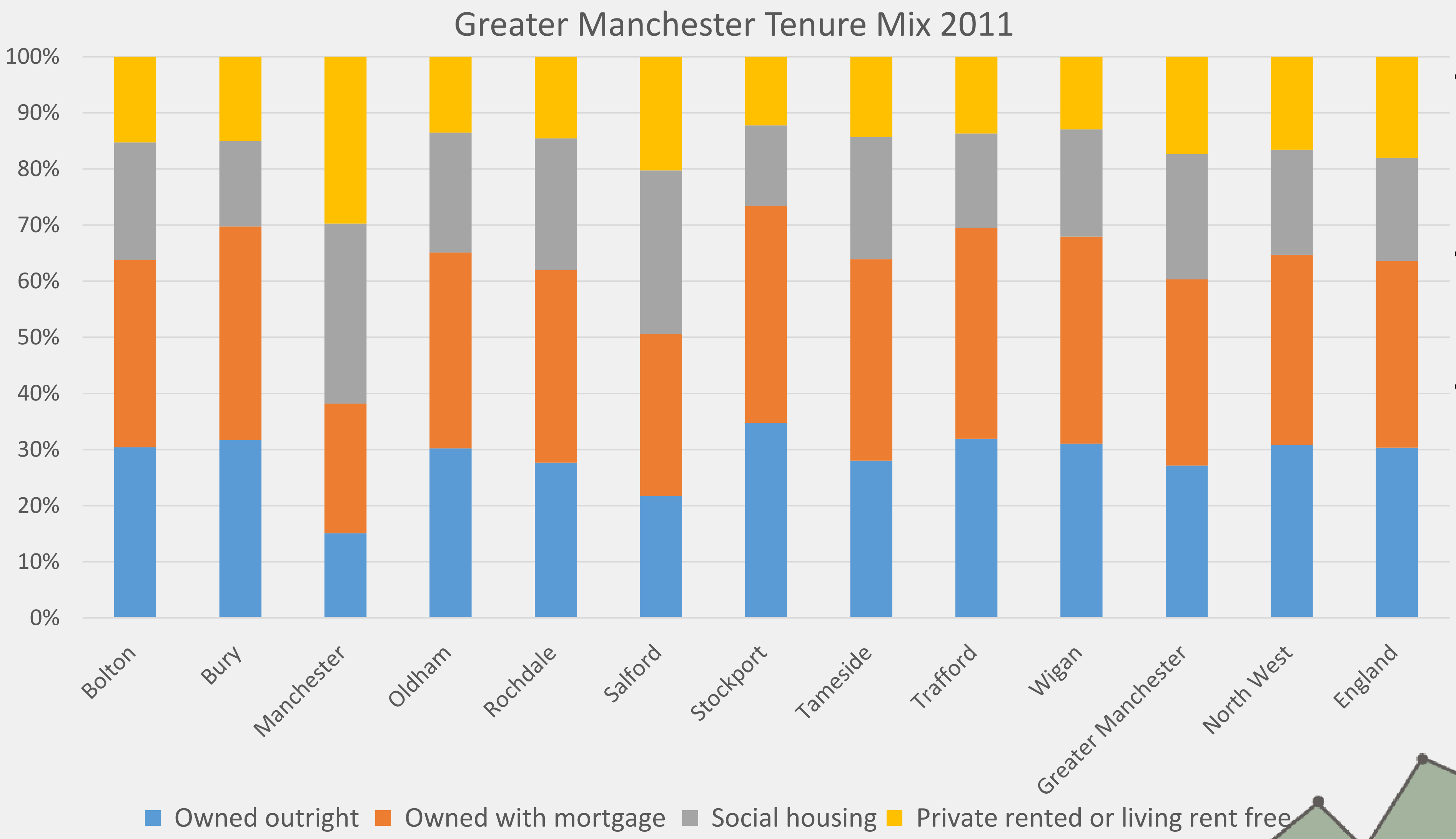
1. Tenure Mix 2011



- As of 2011 60% of households in Greater Manchester were owner occupiers.
- 22% of households lived in social housing and 17% in the private rented sector.
- Manchester has the lowest portion of owner occupiers and largest proportion of private renters.

Source: ONS, Census 2011, Table KS402EW

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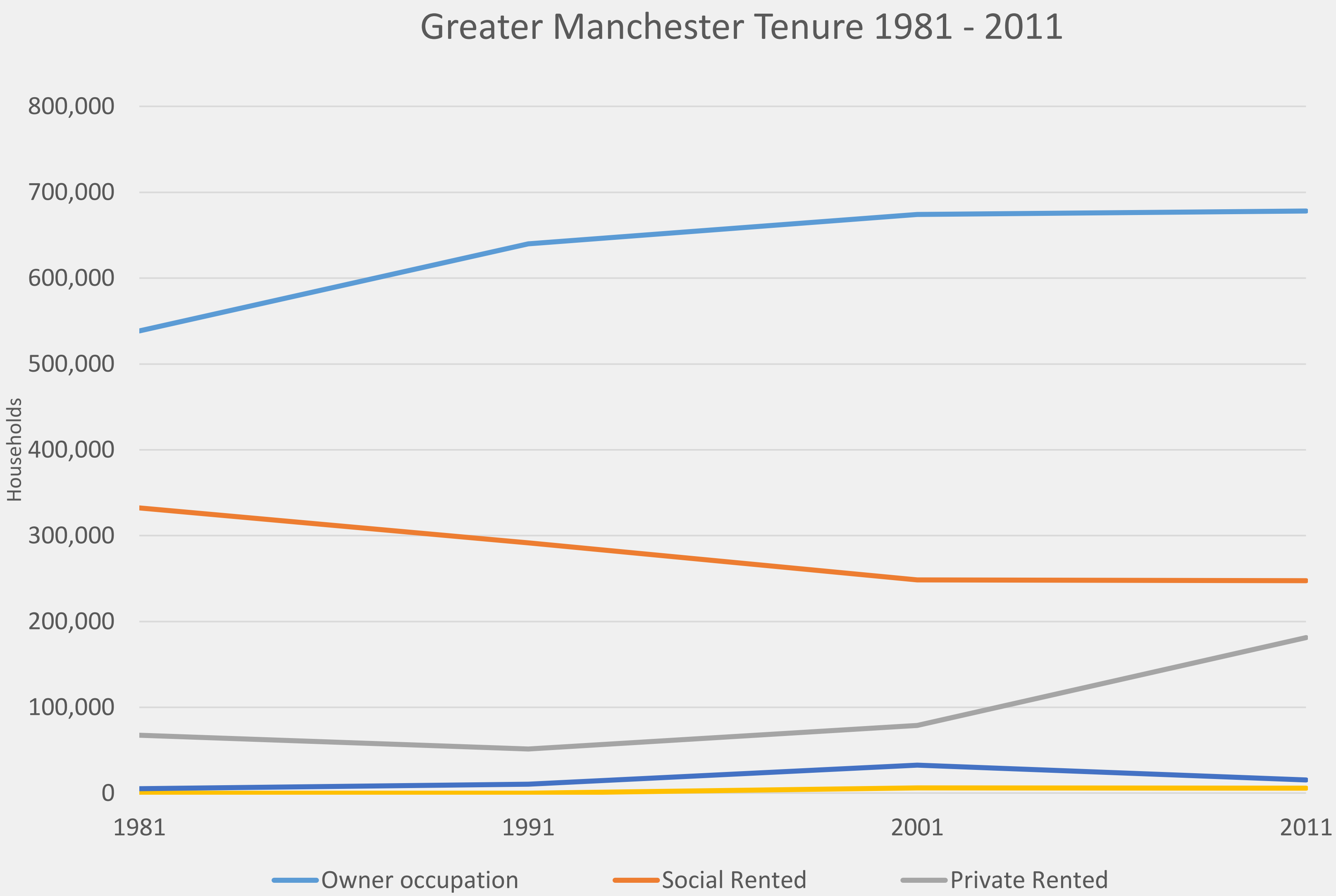
2. Tenure change

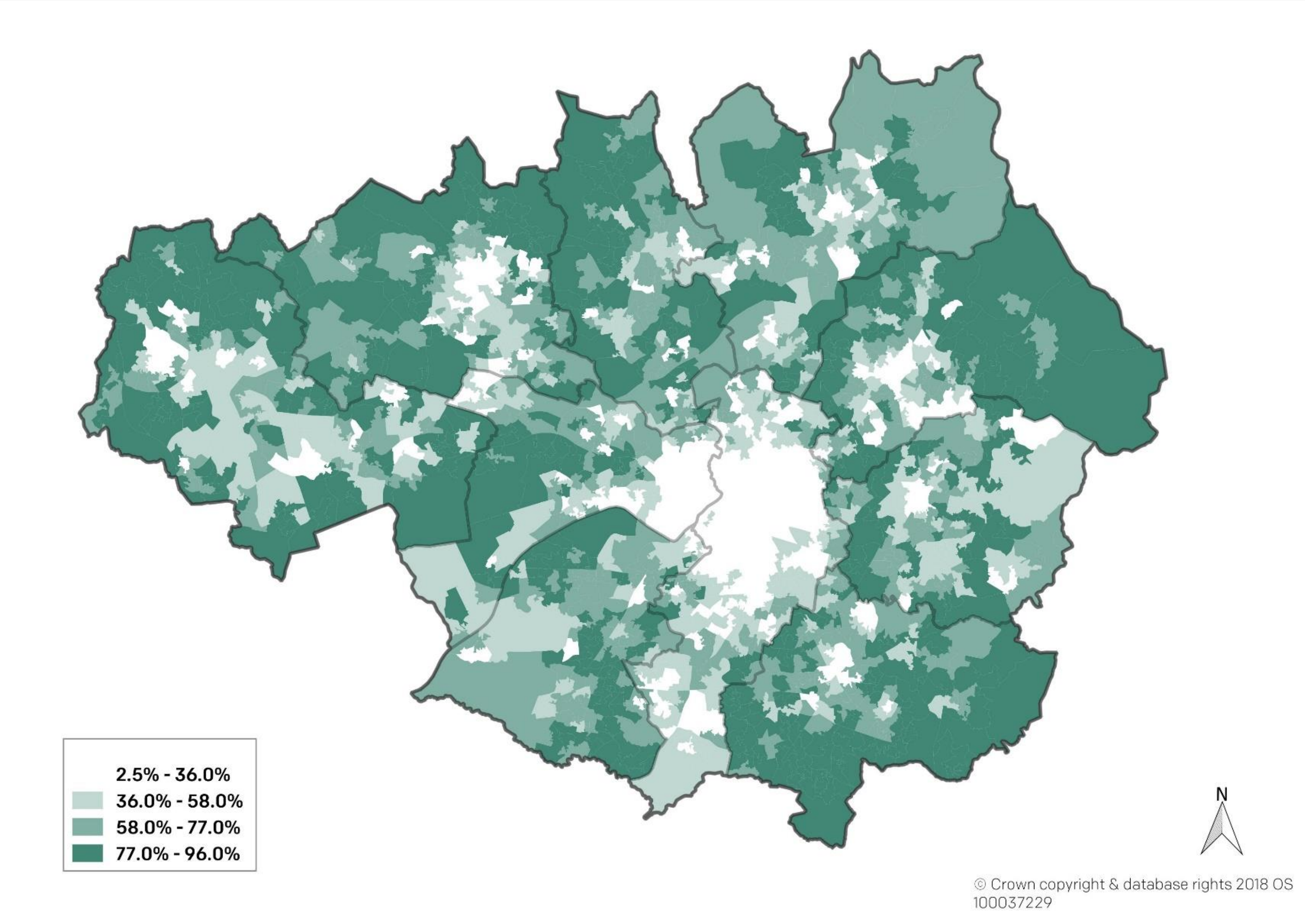


Source: Census 1981, 1991, 2001, 2011. Nomisweb

- Owner occupation has been the majority tenure type since 1981.
- Social housing is the second tenure type but in each census the number of social housing households has reduced.
- Private rent has been becoming more common since 1991. There was a 130% increase in private rented households between 2001 and 2011.
- Shared ownership was not recorded on the 1981 or 1991 census so is marked as 0 for those years. Shared ownership represents a very small proportion of tenure in Greater Manchester, numbering 5,730 in 2011.

Source: Census 1981-2011

3. Spatial Distribution of tenure: Owner Occupation



Source: Census 2011

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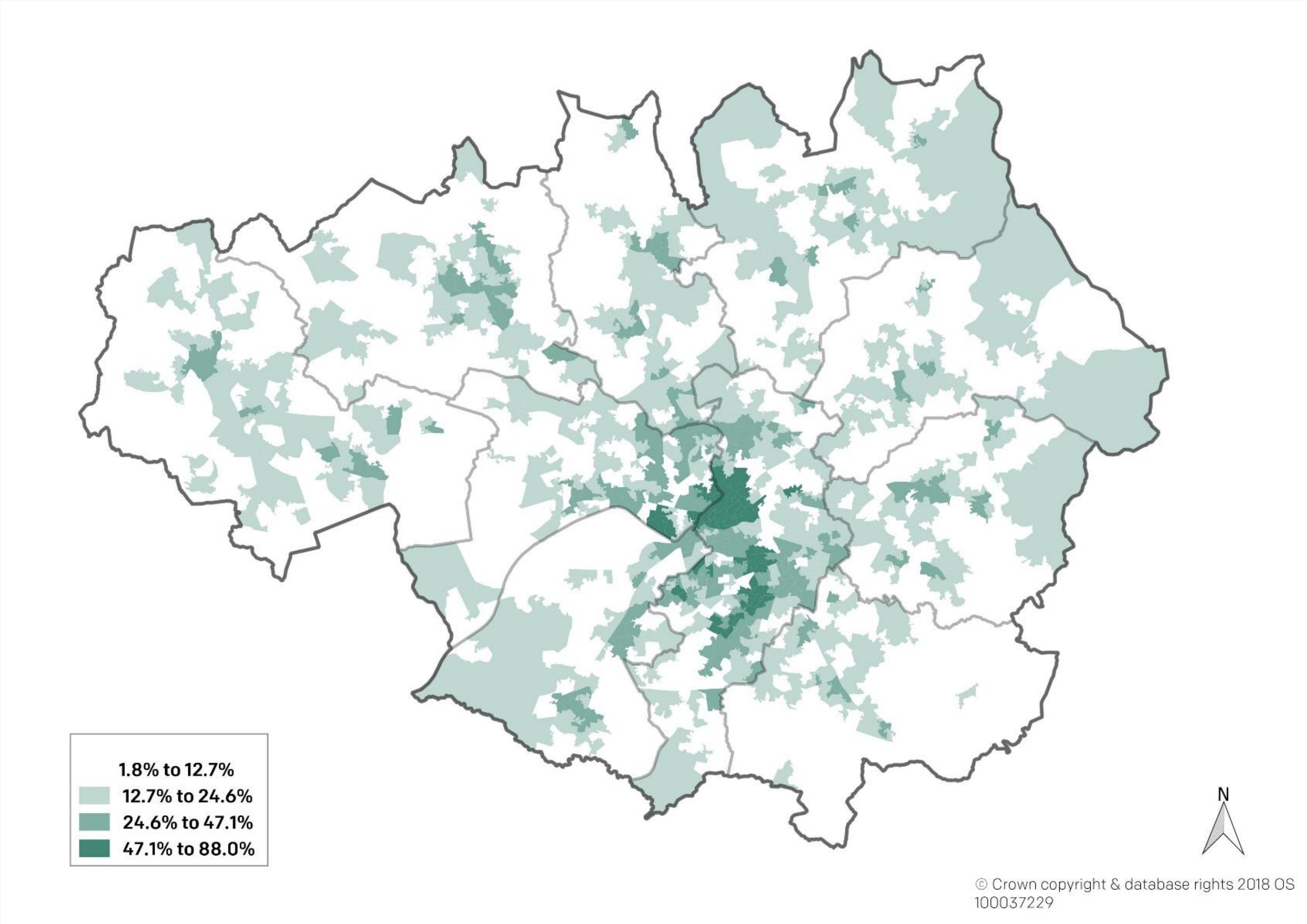
3. Spatial Distribution of tenure: Private Rent



Source: Census 2011

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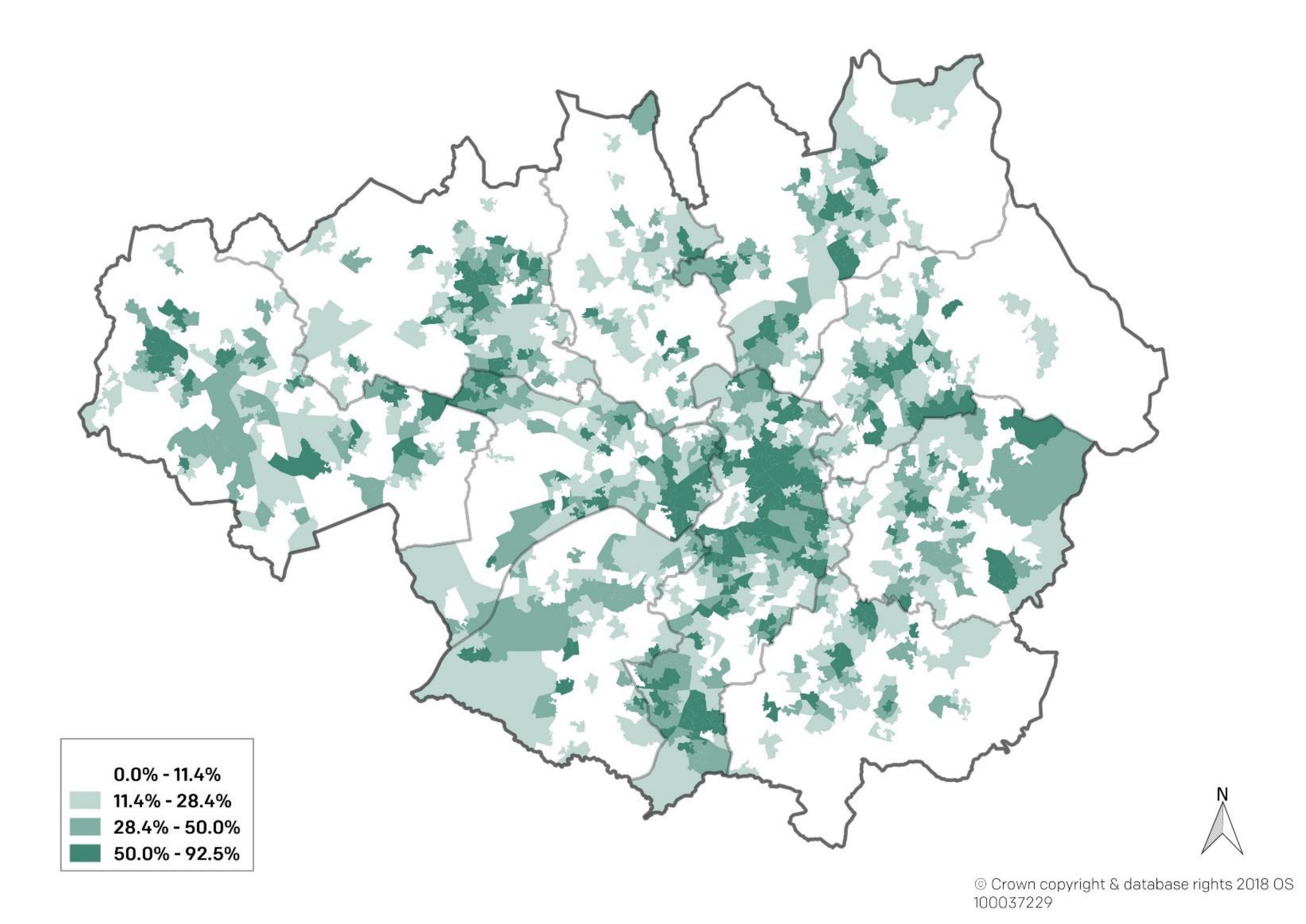
3. Spatial Distribution of tenure: Social housing



Source: Census 2011

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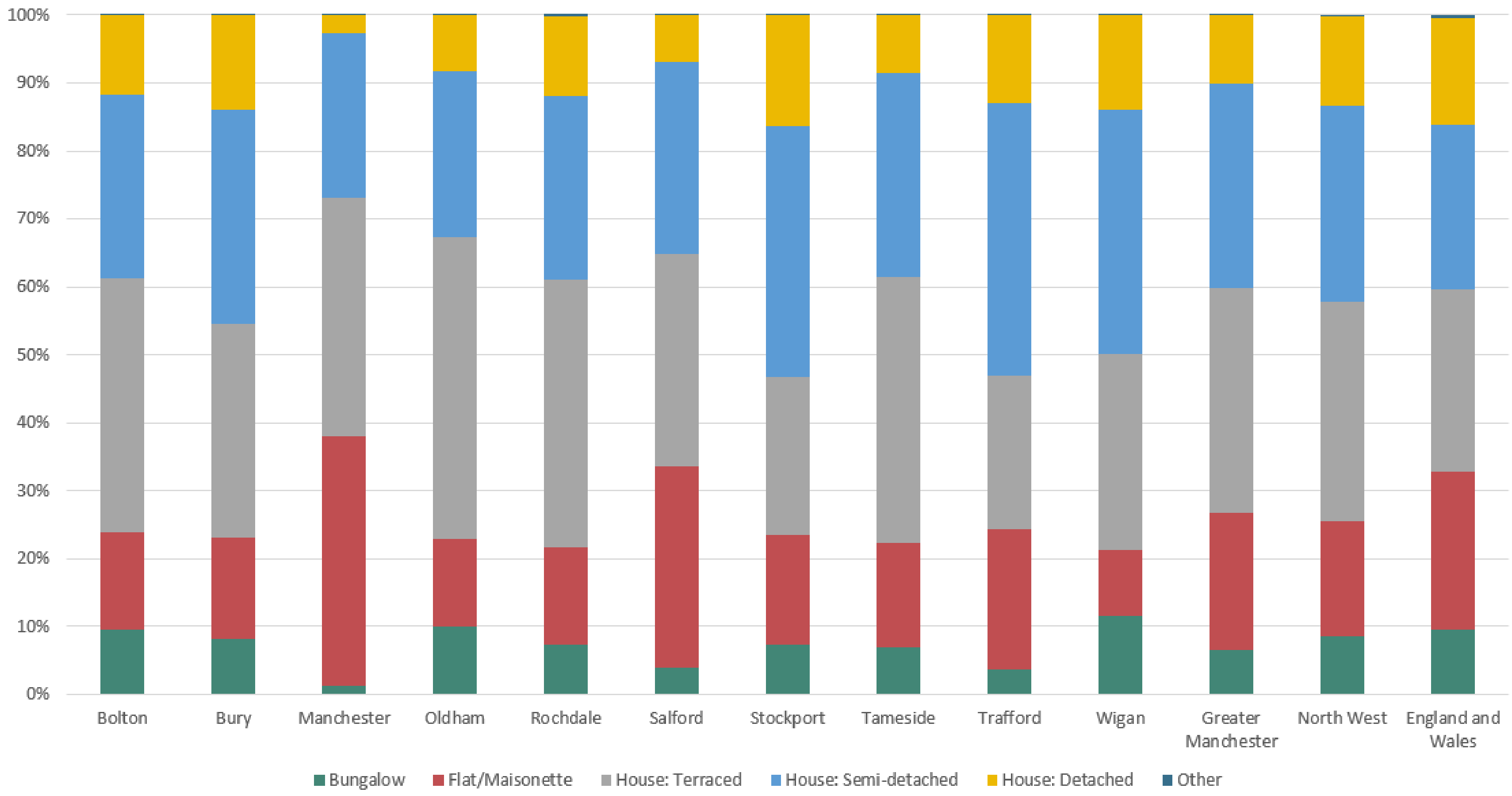
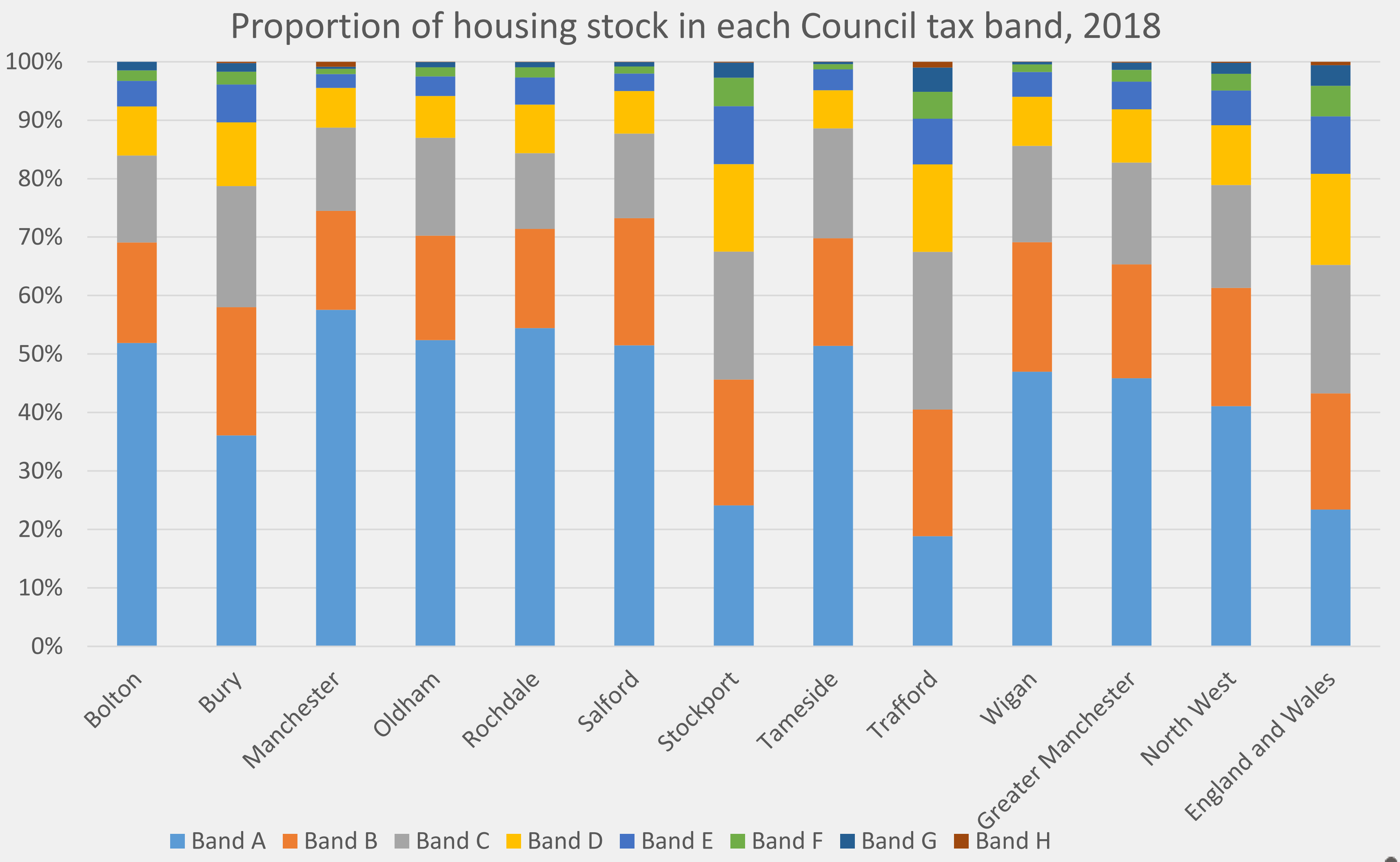
4. Total dwellings by type 2017



Source: Valuation Office Agency, Table CTSOP3.0: Number of properties by Council tax band, property type and region, county and local authority district, 2017. URL: https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2018

- There are 1.2 million dwellings in GM, 30% are semi-detached housing and 33% detached housing
- 37% of dwellings in Manchester are flats and 35% terraced housing
- Manchester, Oldham, Salford and Tameside have lower detached dwellings than the GM average where the other districts have more, and these districts have higher levels of terraced housing than GM average
- Trafford Stockport and Wigan have considerably more semi-detached housing than the GM average

5. Council tax



- The most common council tax band in Greater Manchester is band A, representing the lowest valued properties. Almost all of Greater Manchester's properties are Band D or below.
- Trafford and Stockport have a more similar distribution of council tax properties to England.

Source: Valuation Office Agency, Table CTSOP3.0: Number of properties by Council tax band, property type and region, county and local authority district, 2018. URL: https://www.gov.uk/government/statistics/council-tax-stock-of-properties-

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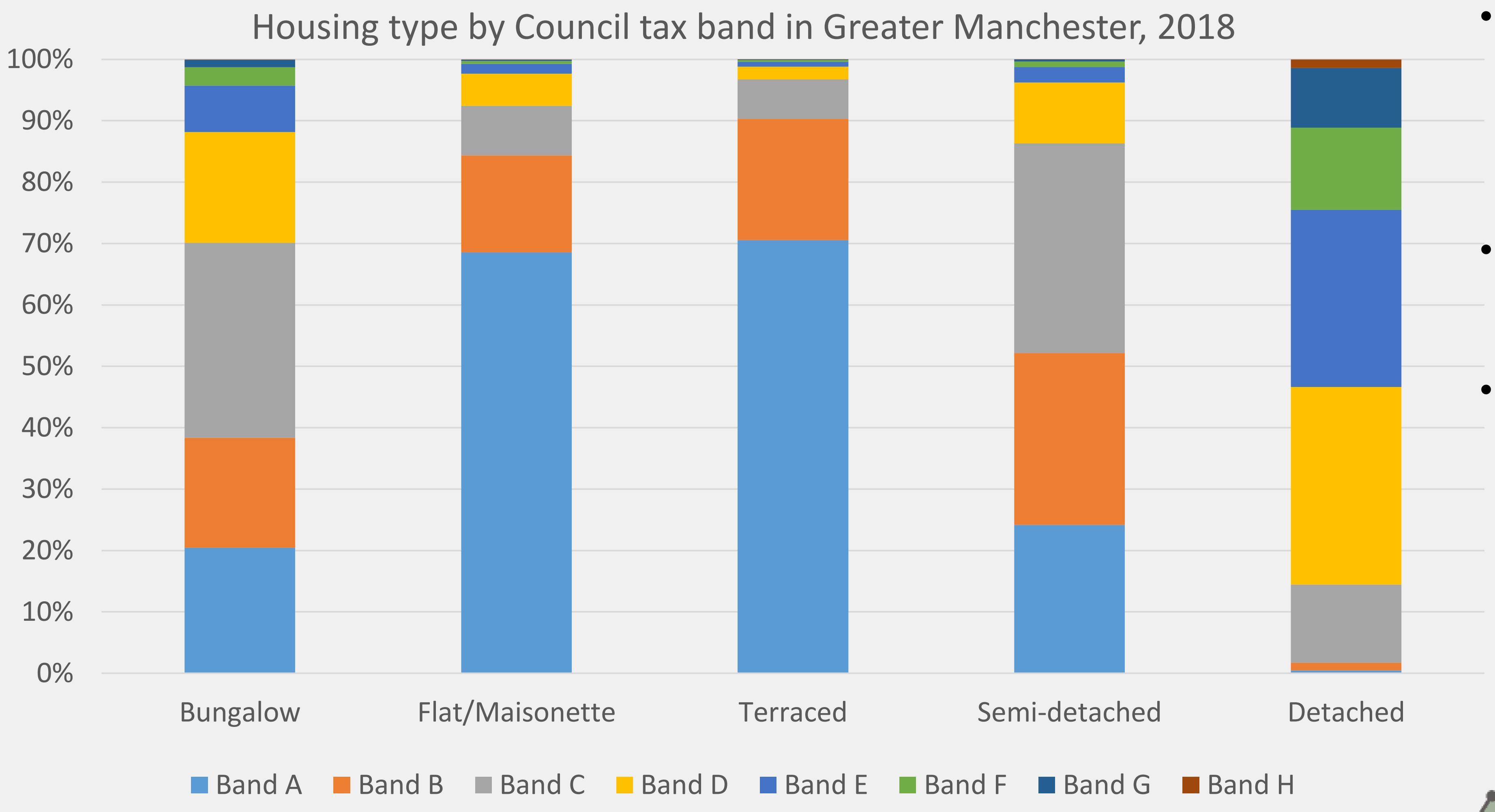
5. Council Tax



- The majority of flats/maisonettes and terraced housing is in Band A in GM, both around 70% of properties.
- Only detached housing has a significant proportion of housing above Band D
- Flats/maisonnettes and terraced housing have under 10% in band D or above

Source: Valuation Office Agency, Table CTSOP3.0: Number of properties by Council tax band, property type and region, county and local authority district, 2018. URL: https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2018

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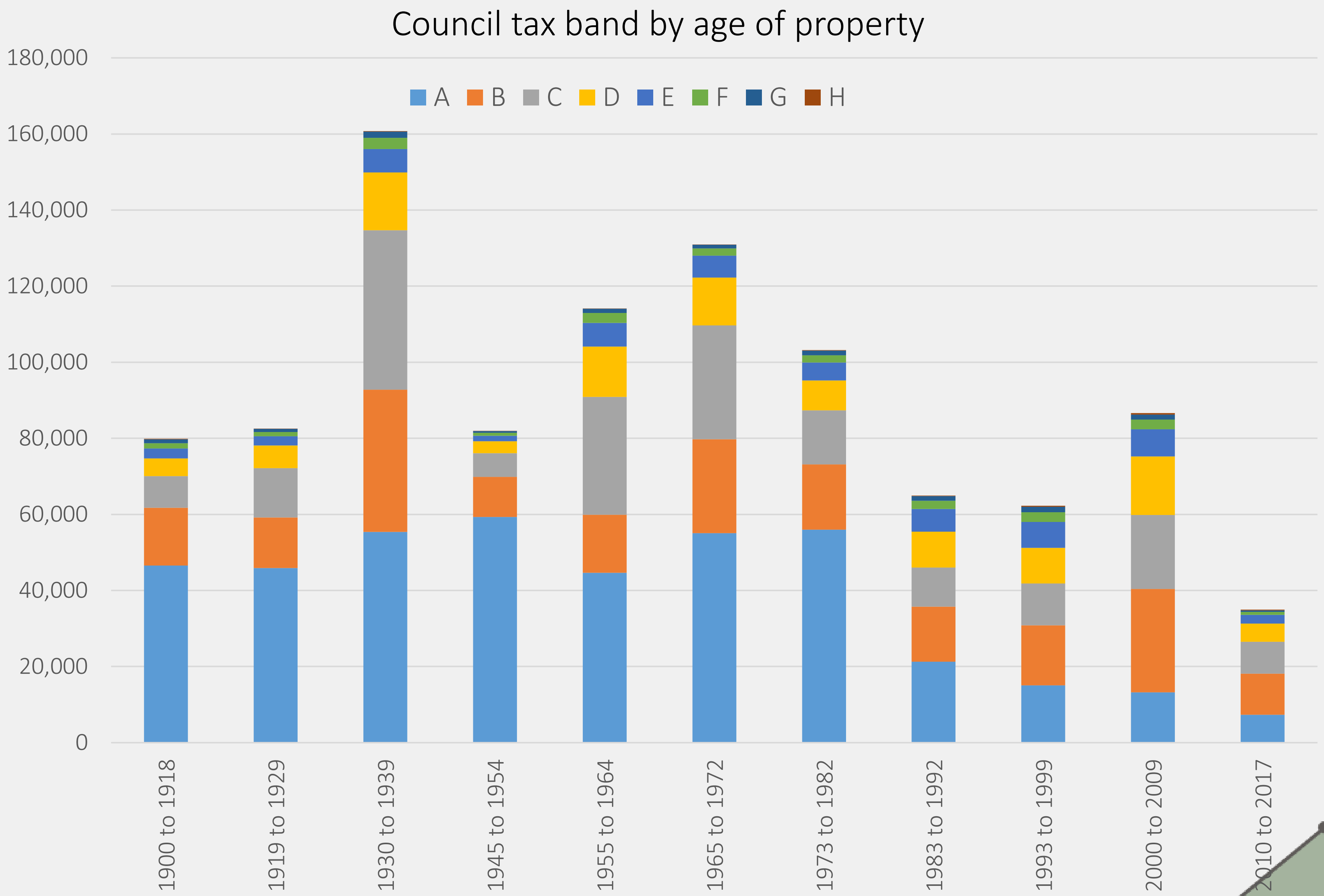
5. Council Tax



- Most properties constructed in Greater Manchester are band A properties.
- There has been a sharp decrease in the construction of lower value band A properties since the 1983-1992 period and an increase in the construction of more valuable band B, C and D properties.
- The number of properties constructed in the highest council tax bands has remained relatively stable but at a low level, with a slight decrease in the period following the 2008 financial crisis.

Source: Council Tax Stock of Properties 2017
https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2017

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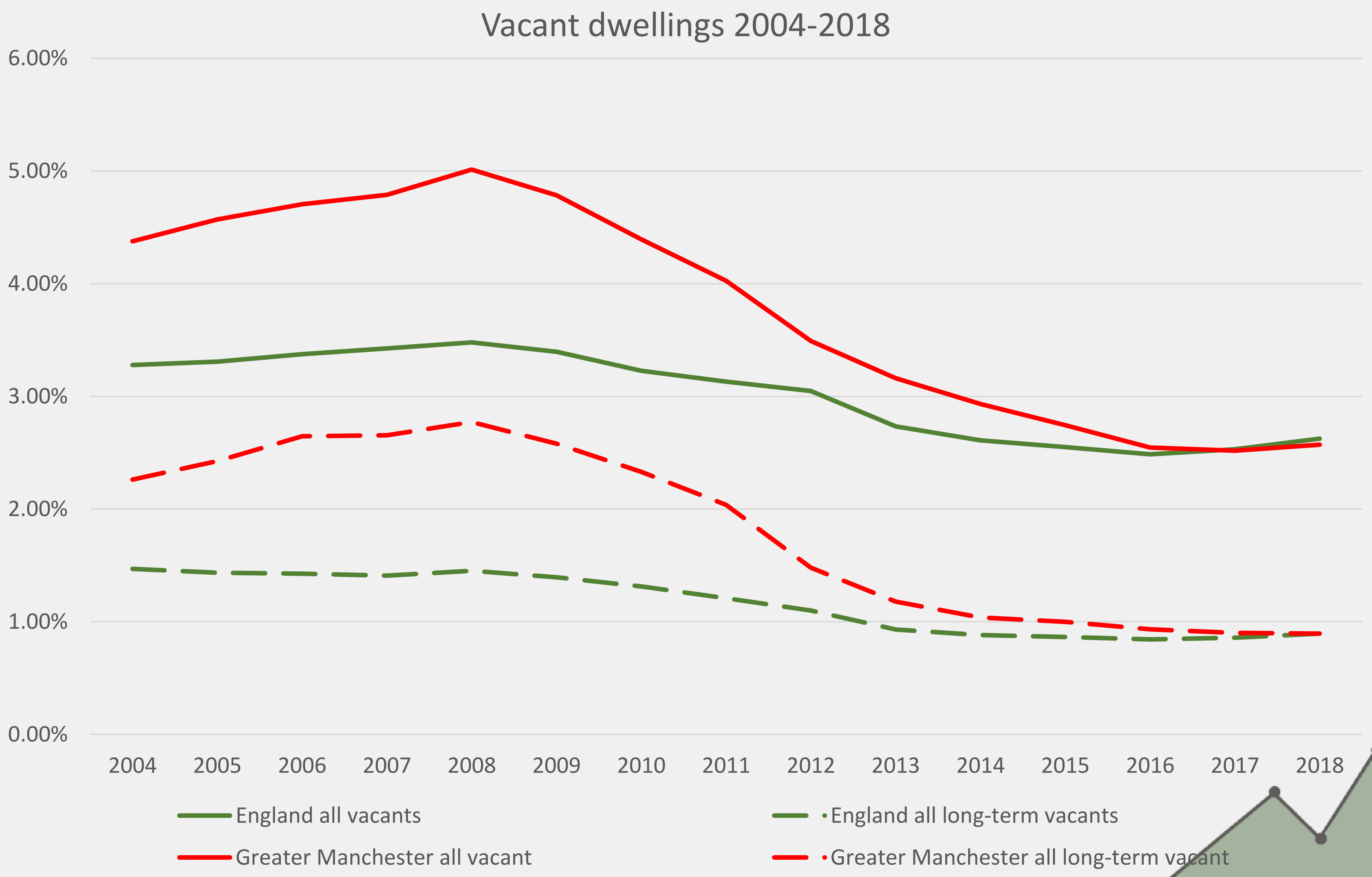
6. Empty Homes



- England as a whole has observed a reasonably significant reduction in vacant dwellings since 2008, from 3.5% to 2.5% in 2016.
- Reductions in Greater Manchester were more pronounced and now match the national average of 2.5%.
- Over the ten year period (2006 to 2016) the total number of vacant properties fell by 43% in Greater Manchester from just over 53,000 to 30,423 homes.

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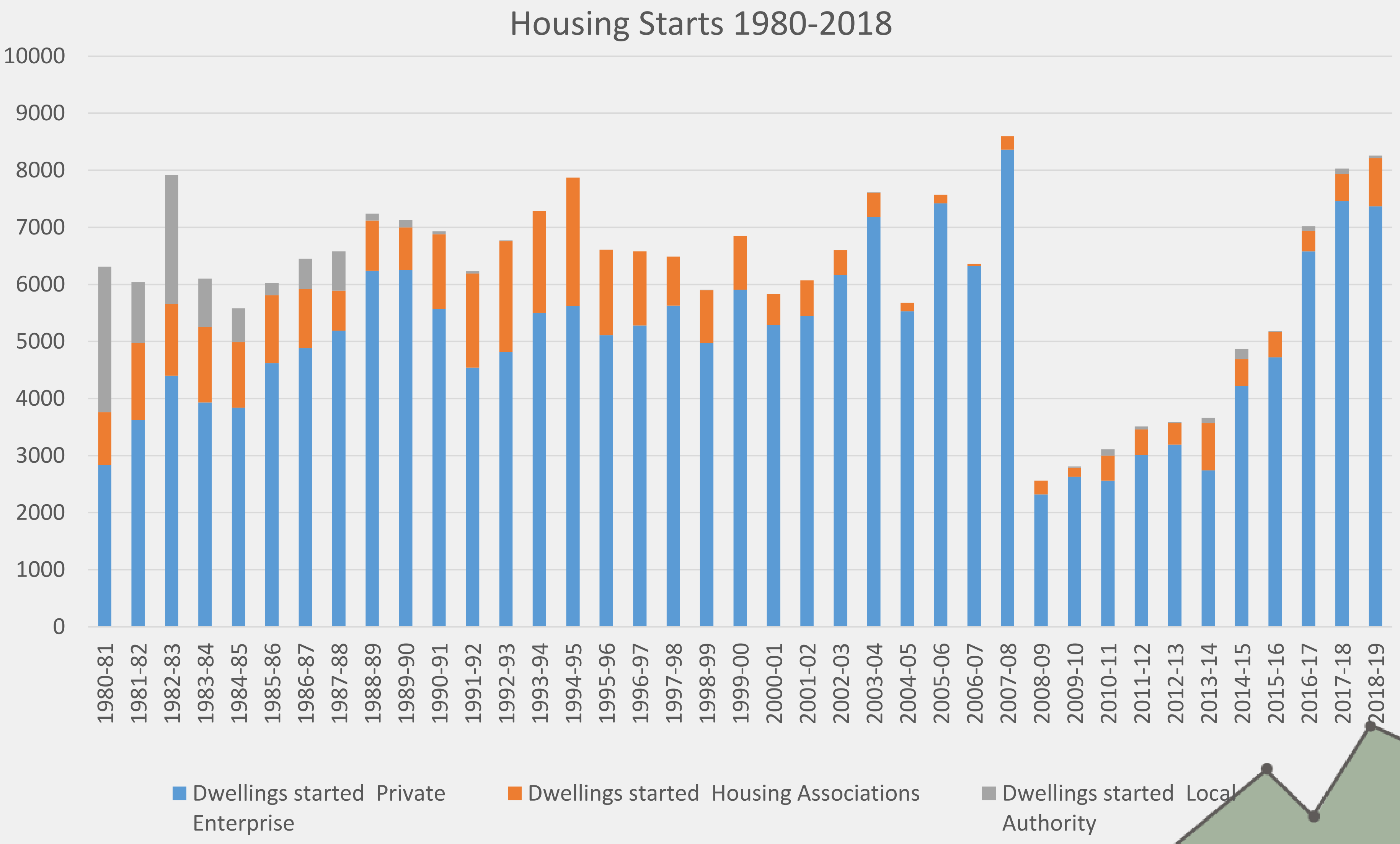
7. Housing Starts



- The number of residential starts on site have been steadily increasing since 2014-15.
- Housing starts peaked in 2007-08 at nearly 9000 units.
- The number of social housing starts reduced from the mid 1990s.

Source: MHCLG Live Table 253

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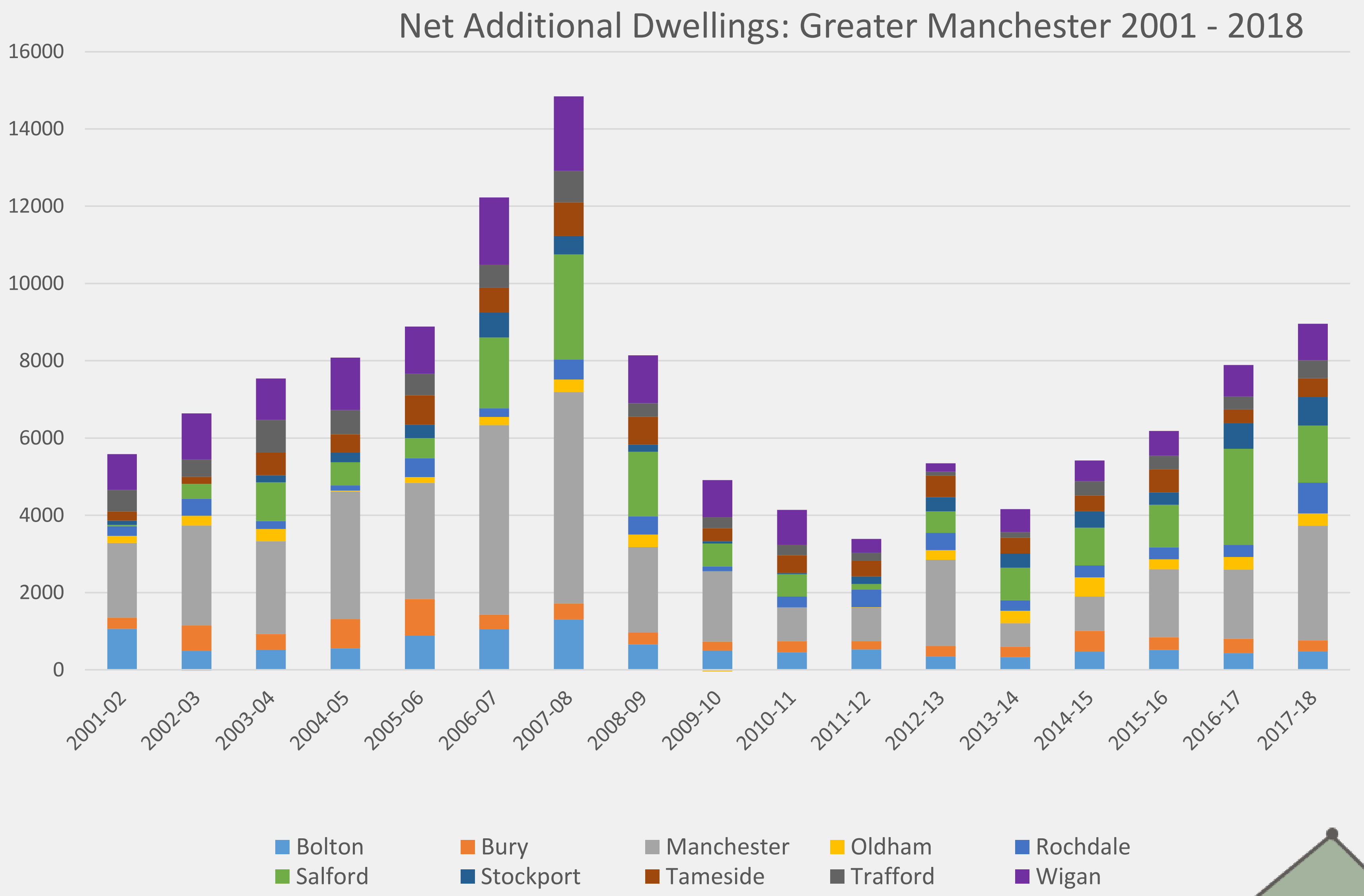
8. Net additional dwellings



Source: MHCLG Live Table 122 Net additional dwellings by local authority district, England. Found at: https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing

- There were 8,961 net additional dwellings completed in Greater Manchester in 2017/18, representing a 13.5% increase on the previous year.
- This figure sets out the number of net completions for Greater Manchester since 2001/02. As with trends seen nationally, Greater Manchester experienced a peak in completions around 2007/08 after which there was a significant decline in net completions to 2011, since when there has been a steady recovery.

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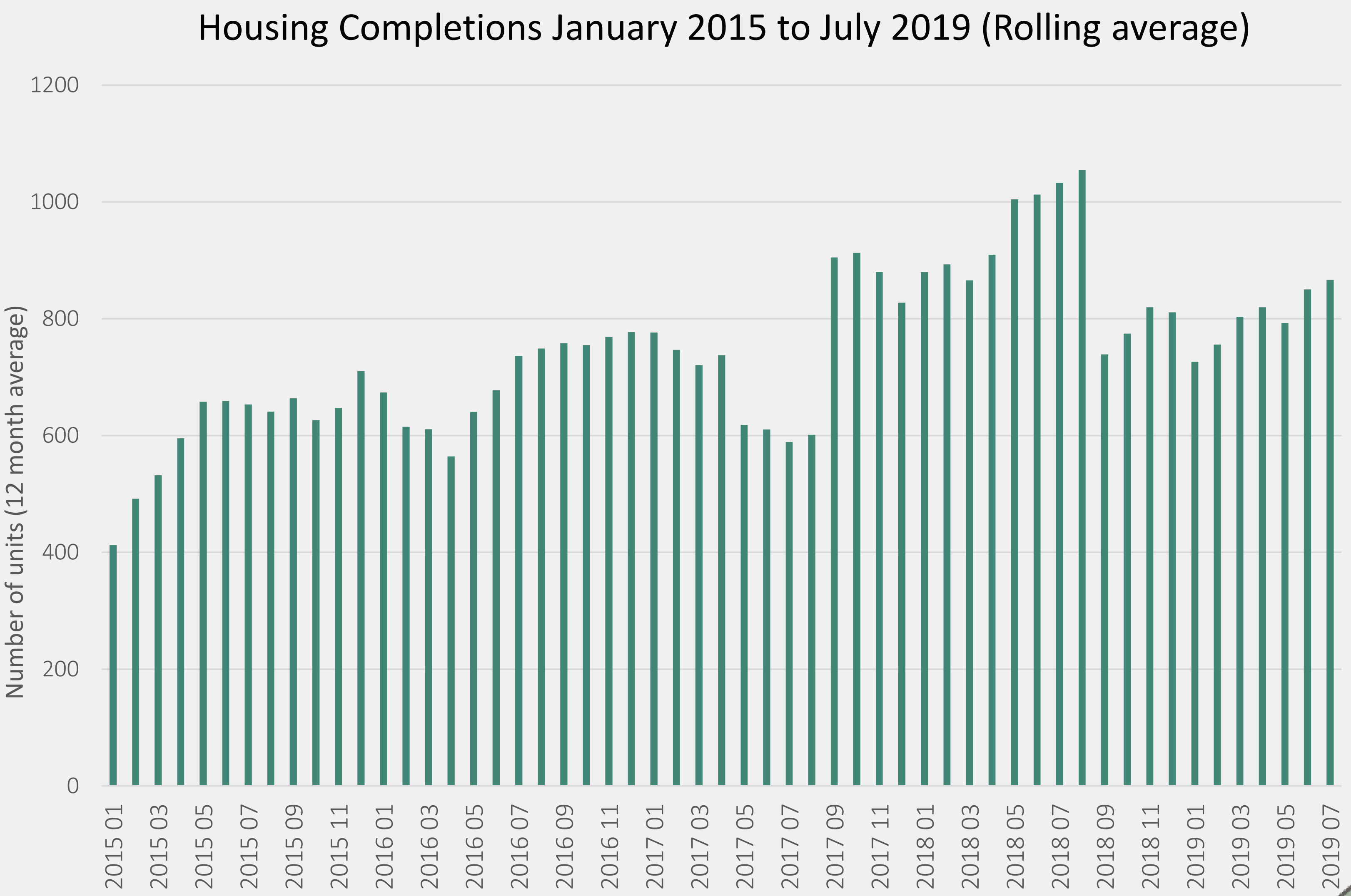
9. Completions



Source: Glenigans August 2019

- Glenigans completion data shows a broad (yet cyclical) upward trend in housing development between 2015 and 2019
- The 12 month averages per month were highest between May and August last year with completions over 1,000 per month.
- The latest 12 month average for housing completions in July 2019 is 867 an increase from 851 in June and 793 in May

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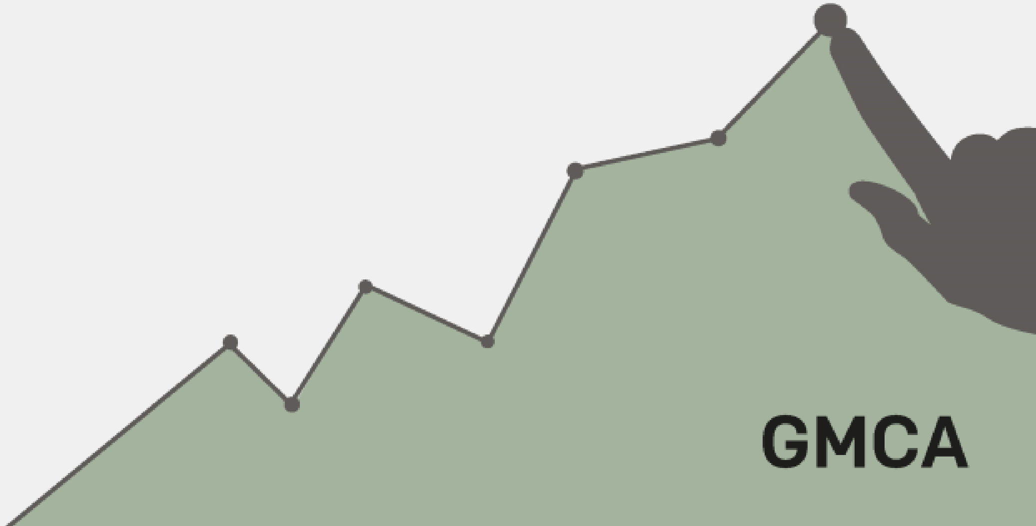
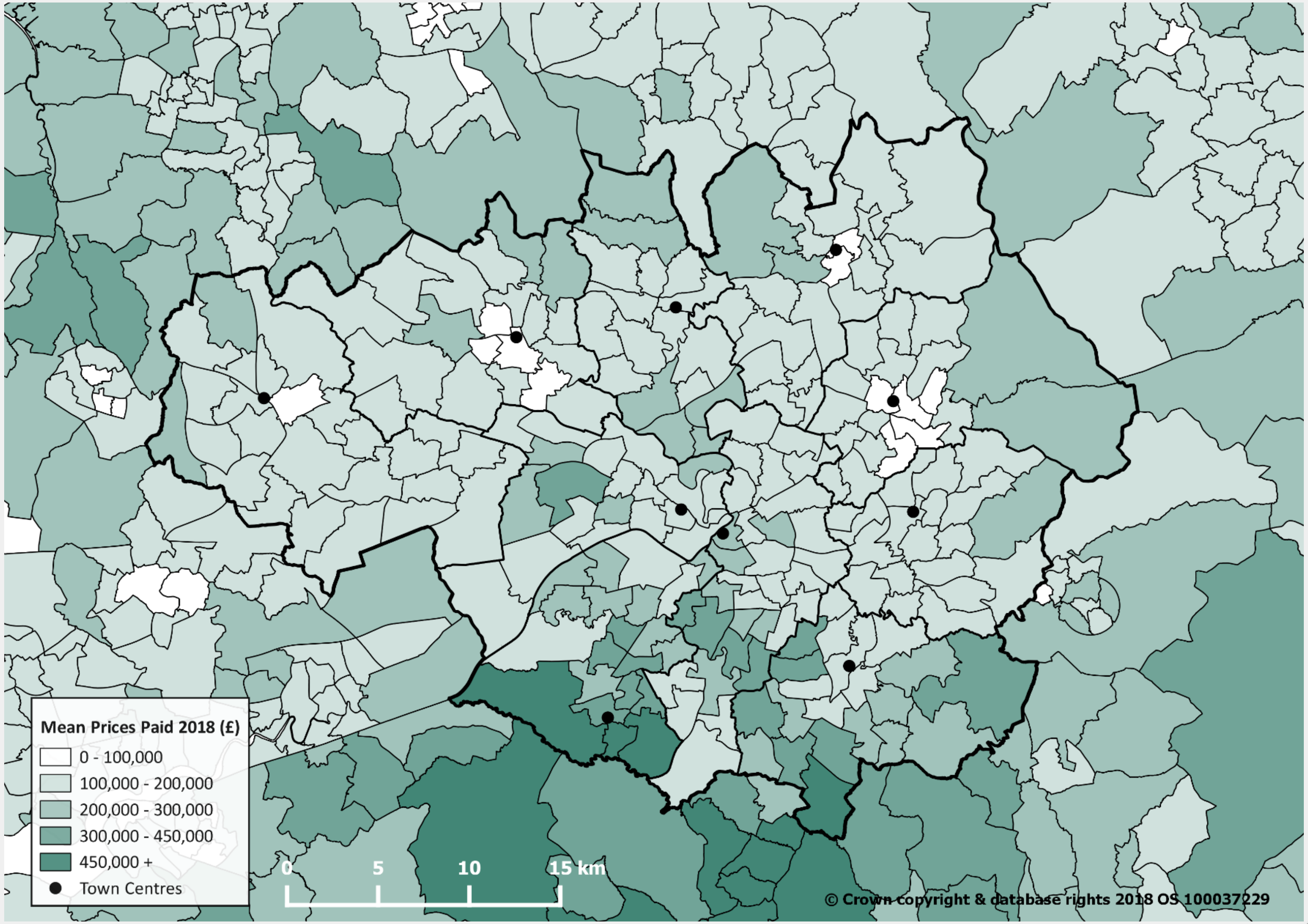
3. Housing market: Sales and Private Rents

1. Residential prices
2. Residential sales
3. Private rent



1. Residential Prices

Mean residential prices paid, 2018



- The highest mean residential prices paid were in the south of GM. Bowden, Hale Central and Hale Barns were the only wards with medians above £450,000 within GM.
- Median prices paid ranging from £300,000 to £450,000 only appeared in the south in Trafford, Manchester and Stockport, and Worsely in Salford
- 12 wards (6%) had mean house prices under £100,000 and these were all located in or near the town centres of Wigan, Bolton, Rochdale and Oldham
- 65% of wards had mean prices in the £100,000-£200,000 region and 20% of wards were in the category above.

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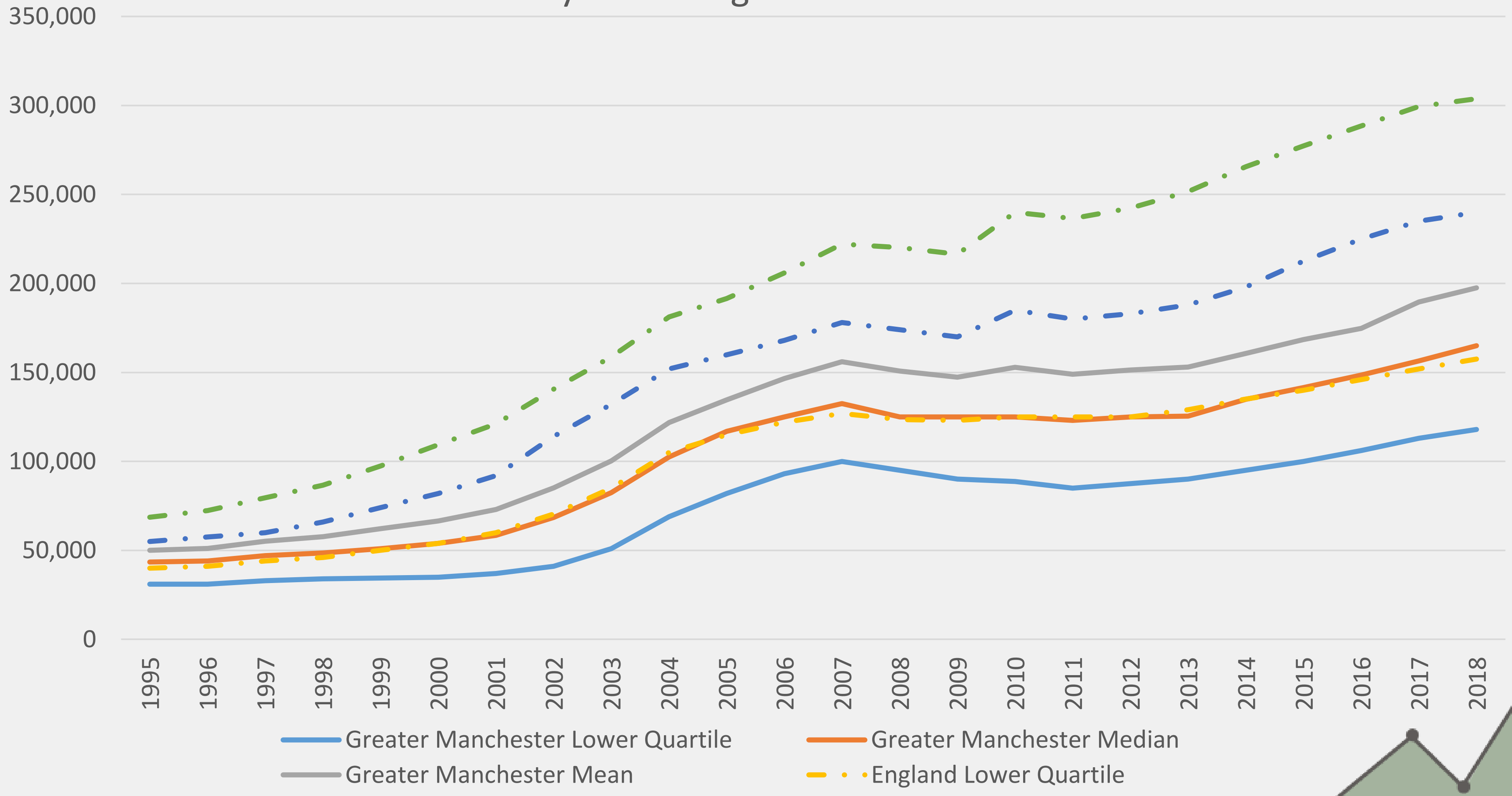
1. Residential prices

Average house prices in Greater Manchester, year ending December 1995 to year ending December 2018



- Since 1995 the Greater Manchester mean residential sale price is similar to the England Lower Quartile price.
- In 2018 the median GM residential price paid was just under £165,000. While the lower quartile price was £118,000.

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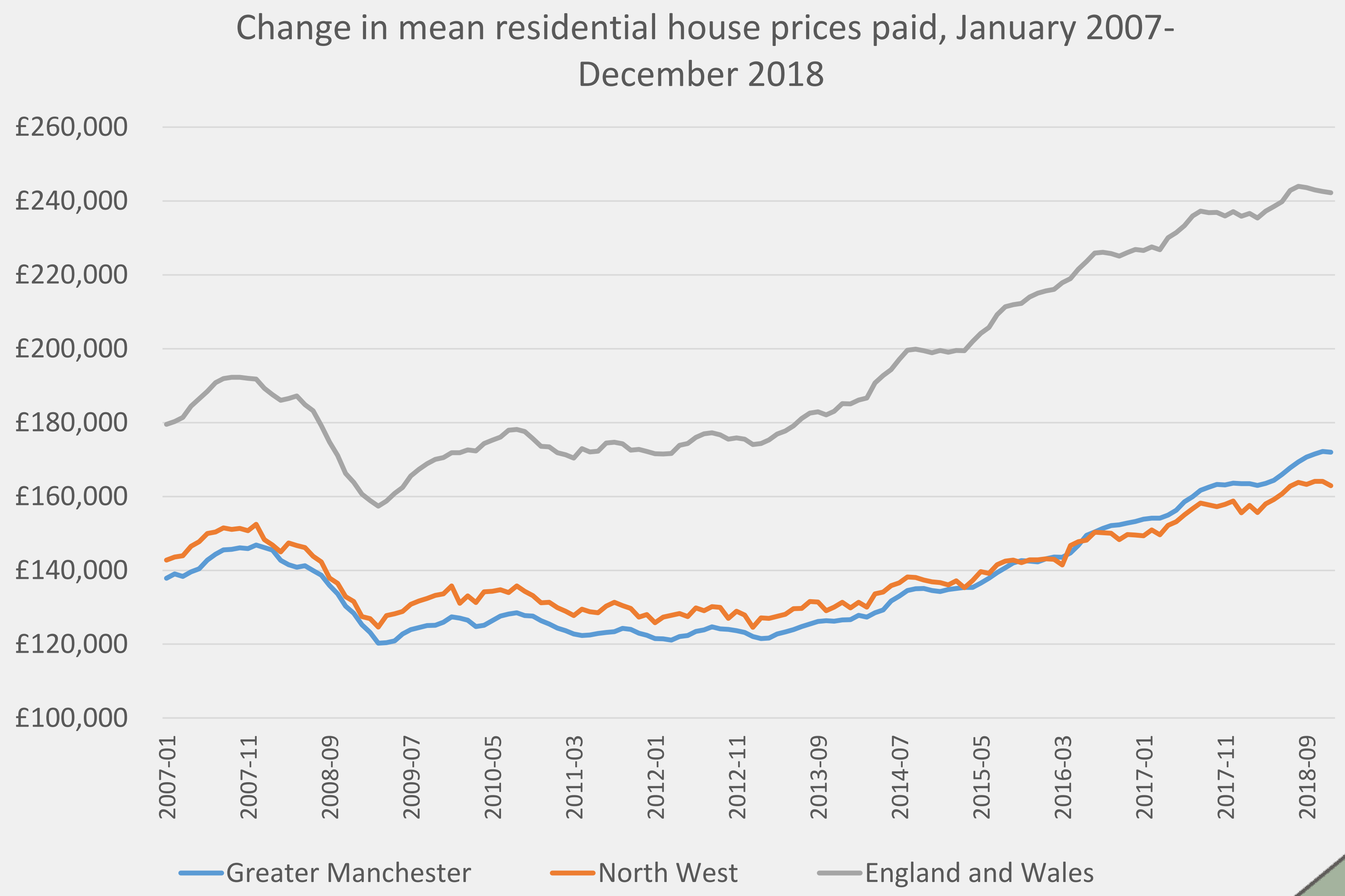
1. Residential prices



- Over this period GM prices have largely mirrored national trends but have recovered more slowly from the 2008 crash
- Sustained growth in GM prices started at the beginning of 2013, and prices recovered to pre-crash (end of 2007) levels in mid-2016
- Since August 2016, GM mean prices have experienced more growth than regional prices
- In the last four months of 2018 whilst national prices declined, GM prices still had a steady increase

Source: HM Land Registry Data 2018 URL: http://landregistry.data.gov.uk/app/ukhpi/browse?from=2018-02-01&location=http%3A%2F%2Flandregistry.data.gov.uk%2Fid%2Fregion%2Funited-kingdom&to=2019-02-01

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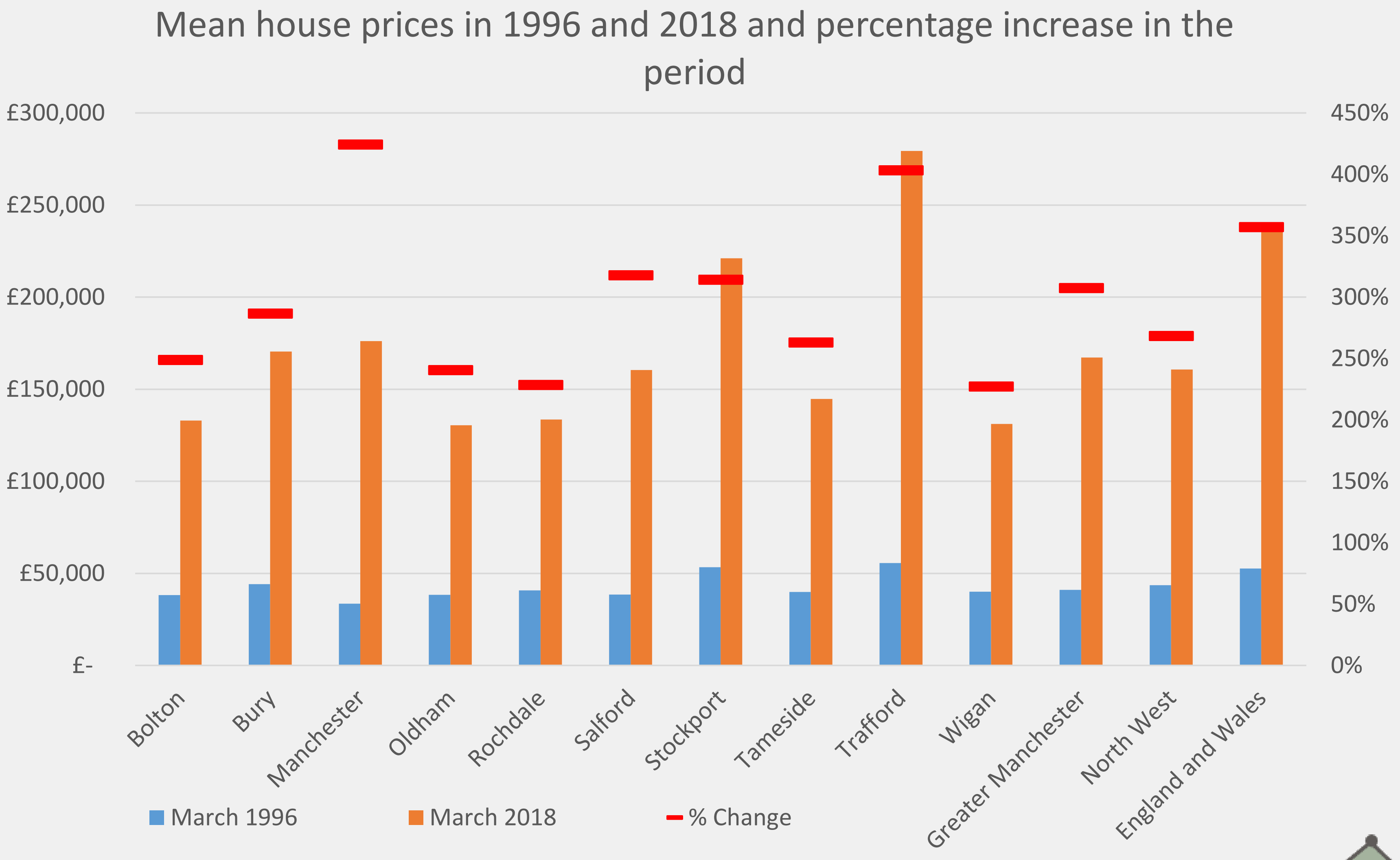
1. Residential prices



- In 1996 mean prices were lowest in Manchester and highest in Trafford, in 2018 it is still highest in Trafford – down to the 400% increase in mean prices
- Manchester has had an even greater increase with a 424% increase since 1996 and now has the third most expensive house prices
- Wigan and Rochdale saw the smallest percentage increase in mean house prices, however still experienced an increase three times of the worth in 1996

Source: HM Land Registry Data 2018 URL: http://landregistry.data.gov.uk/app/ukhpi/browse?from=2018-02-

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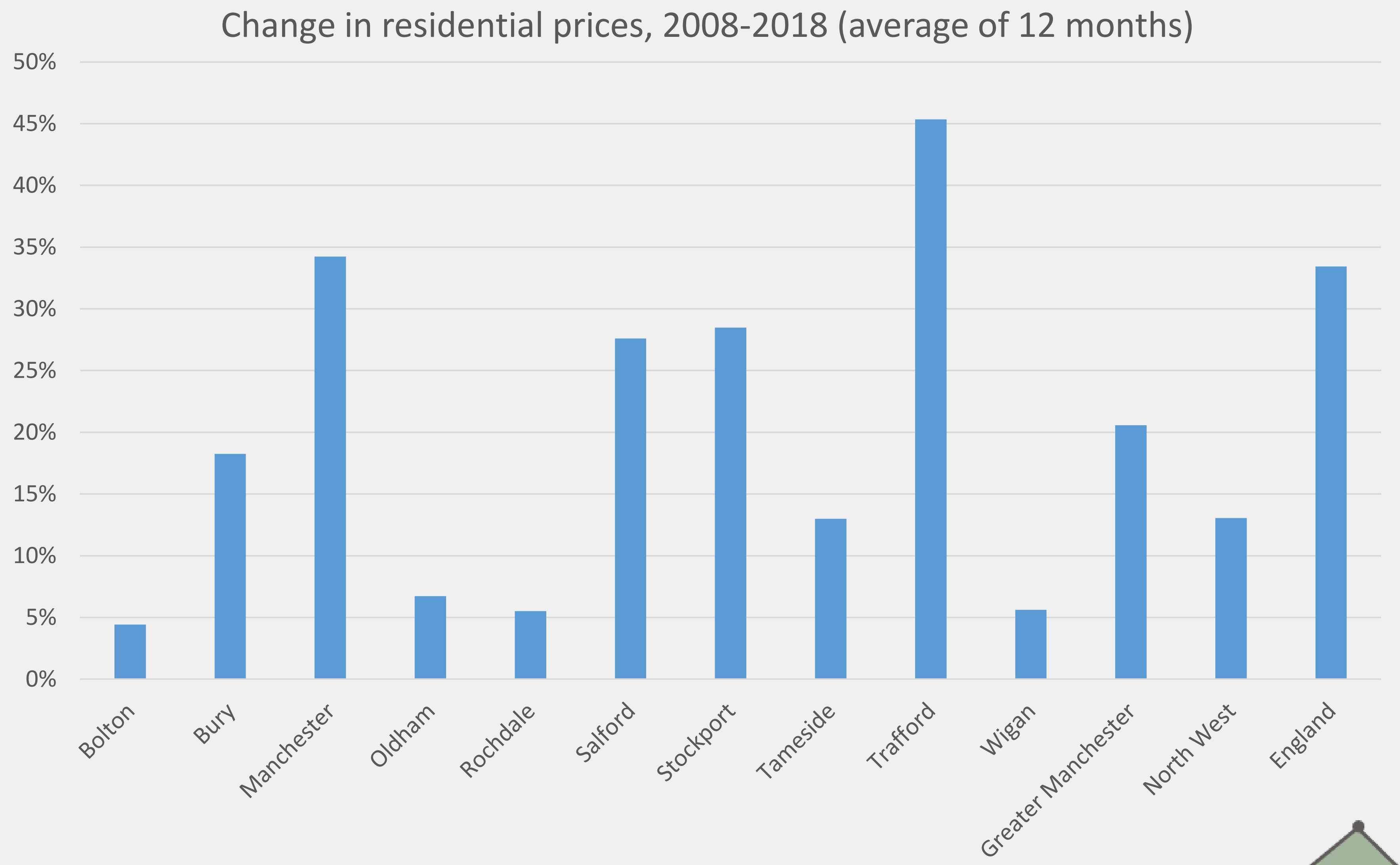
1. Residential prices



- All districts saw an increase in the time period shown. This contrasts with the period 2007-2017 where Bolton, Rochdale and Wigan all saw percentage reductions in residential prices.
- Greater Manchester had a 21% increase on average which is more than the regional growth of 13% however less than the national rates at 33%
- However, clearly the GM average growth varies between the districts. 45% increase in Trafford contrasts to the lowest increase in Bolton of 4%.

Source: HM Land Registry Data 2018. Found at: http://landregistry.data.gov.uk/app/ukhpi/browse?from=2018-02-01&location=http%3A%2F%2Flandregistry.data.gov.uk%2Fid%2Fregion%2Funited-kingdom&to=2019-02-01

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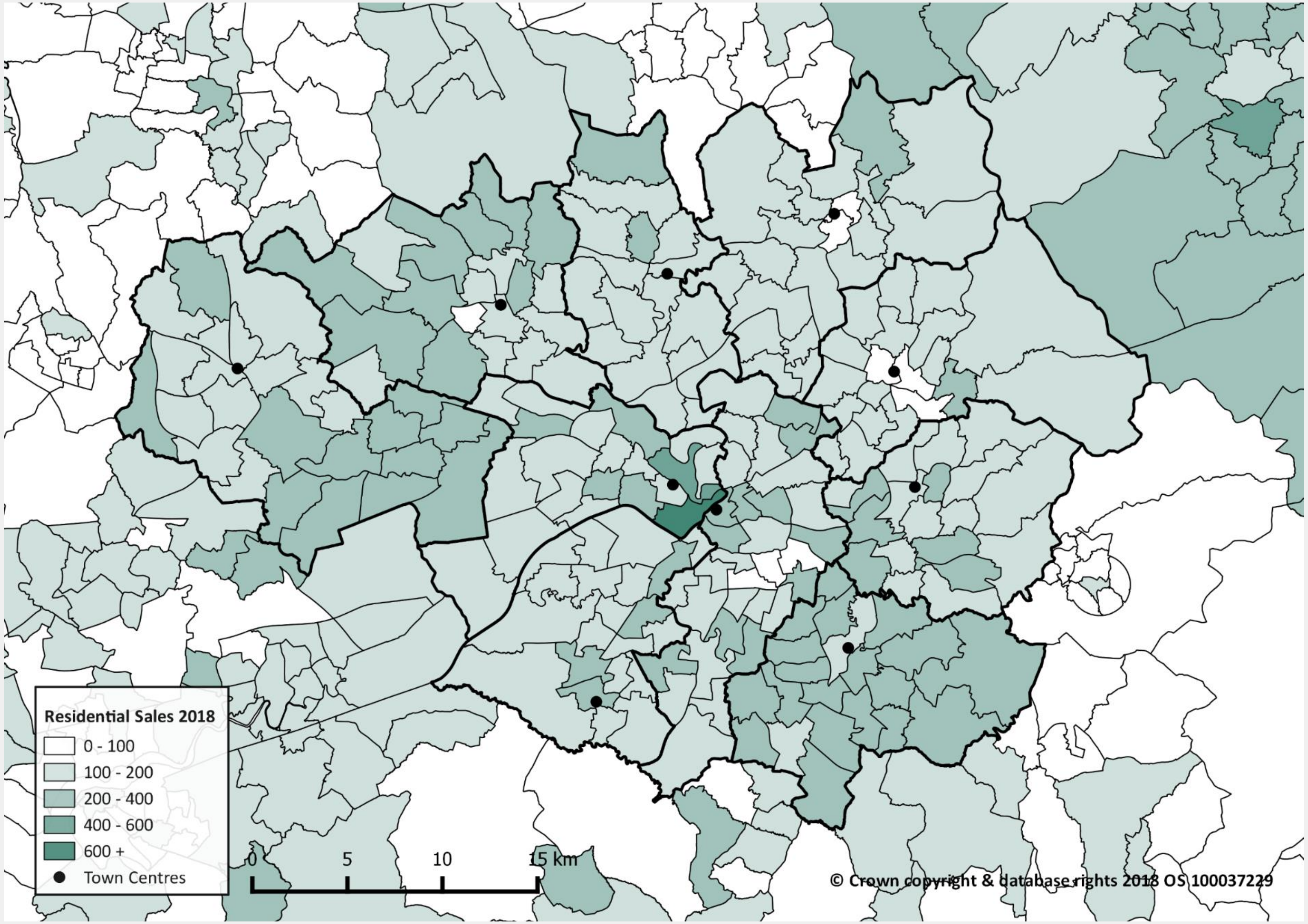
2. Residential sales

Residential Sales, Greater Manchester and neighbouring wards 2018



- Residential sales over the year were highest in the regional centre, with Manchester and Salford centre
- The north west and south east had significant sale activity in 2018. All but two Stockport wards have 200-400 residential sales a year. Bolton and Wigan also had the majority of sales in this band – however largely the sales were in the lower quartile of this band.
- 9 wards have under 100 sales and these mirror some of the wards with lowest mean prices
- 63% of wards had 100-200 residential sales in 2018.

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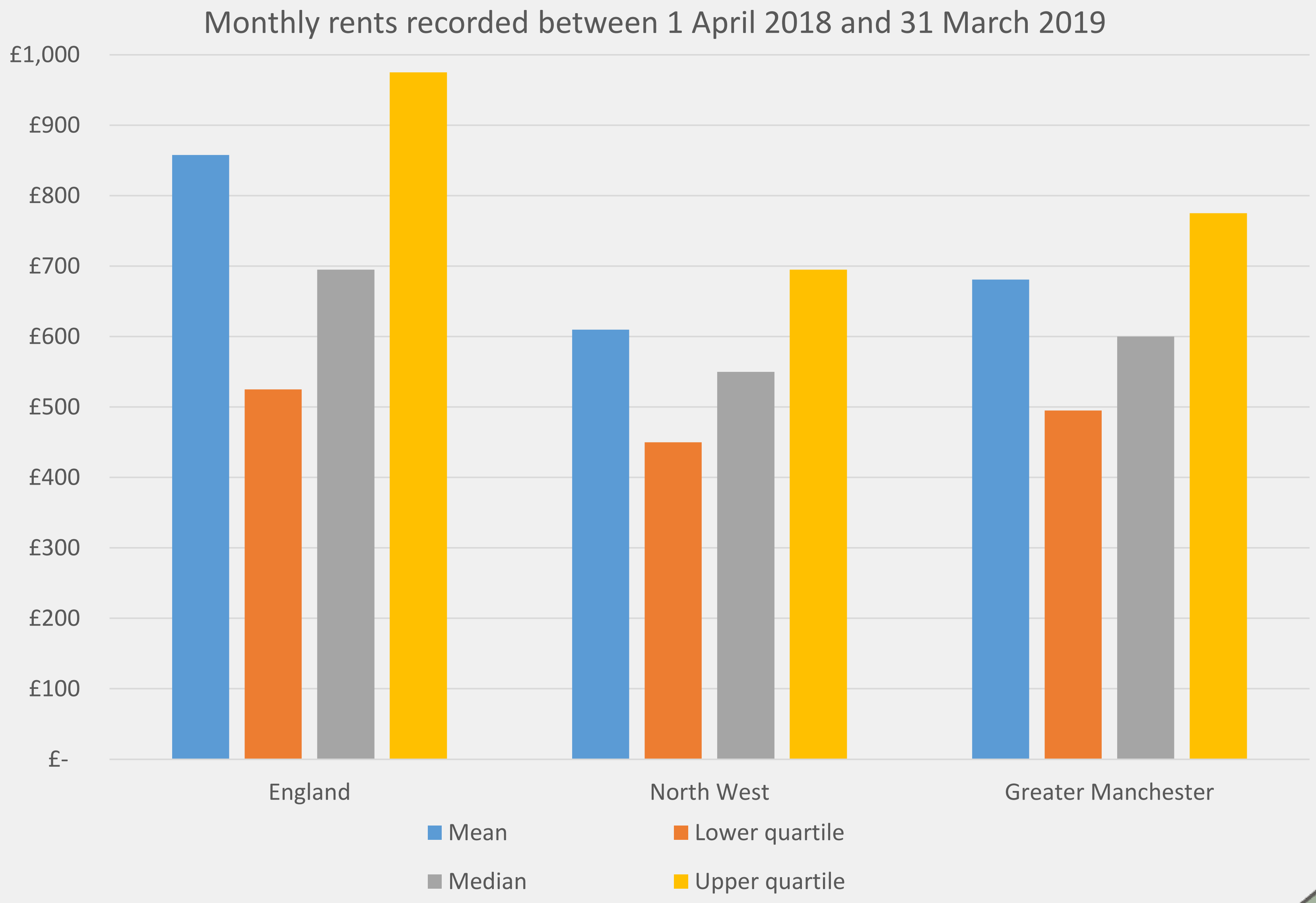
4. Private Rents



- Monthly rent prices in Greater Manchester are higher than in the North West, but lower than England as a whole.
- The mean monthly rent within Greater Manchester is £681, compared to £610 in the North West and £858 in England as a whole.
- The lower quartile rent in Greater Manchester is £495, which is slightly higher than that of the North West, and is only marginally lower than in England as a whole (£525).

Source: Valuation Office Agency Private Rental Market Statistics
https://www.gov.uk/government/statistics/private-rental-market-summary-statistics-april-2018-to-march-2019

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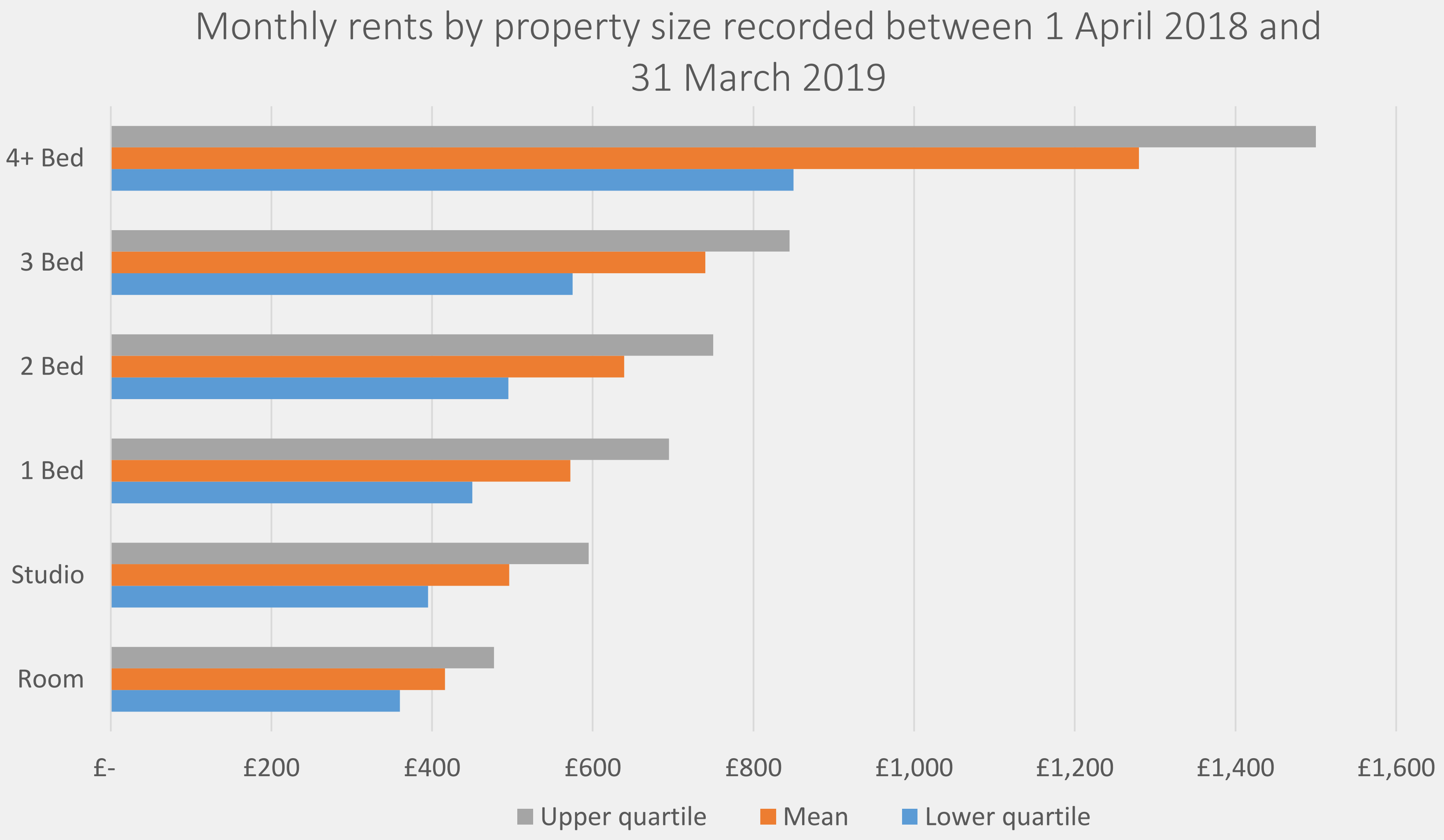
4. Private Rents



- The mean room rent is £416 per calendar month, an £18 increase from the previous year
- Monthly rental costs for most homes range from £450 for a one bed property at lower quartile prices to £845 for three bed properties at the upper quartile
- Mean rental costs for a three and two bedroom property in GM are £740 and £639 respectively
- The largest range in each property type appears in the 4+ bedroom properties.

Source: Valuation Office Agency Private Rental Market Statistics, Private rental market summary statistics: April 2018 to March 2019. URL: https://www.gov.uk/government/statistics/private-rental-market-summary-statistics-april-2018-to-march-2019

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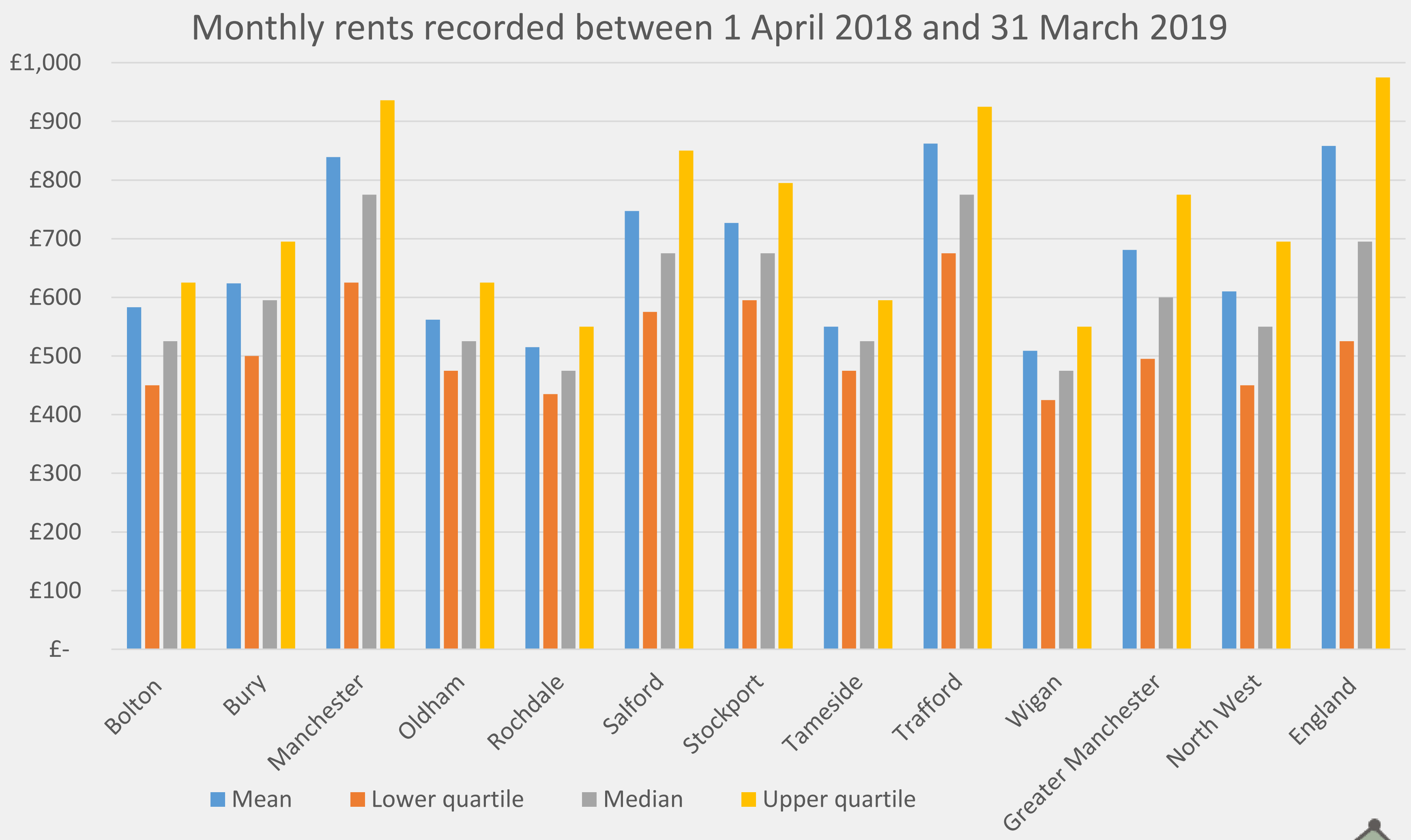
4. Private Rents



- The highest mean monthly rents are in Trafford (£862) and the lowest in Wigan (£509)
- All districts but Trafford have lower monthly mean rent than the England mean, Manchester also comes closes to the England mean
- Manchester, Salford, Stockport and Trafford have monthly mean rents greater than the GM mean
- The difference between the upper and lower quartile is lowest in Rochdale (£115) and highest in Manchester (£311)

Source: Valuation Office Agency Private Rental Market Statistics, Private rental market summary statistics: April 2018 to March 2019. URL: https://www.gov.uk/government/statistics/private-rental-market-summary-statistics-april-2018-to-march-2019

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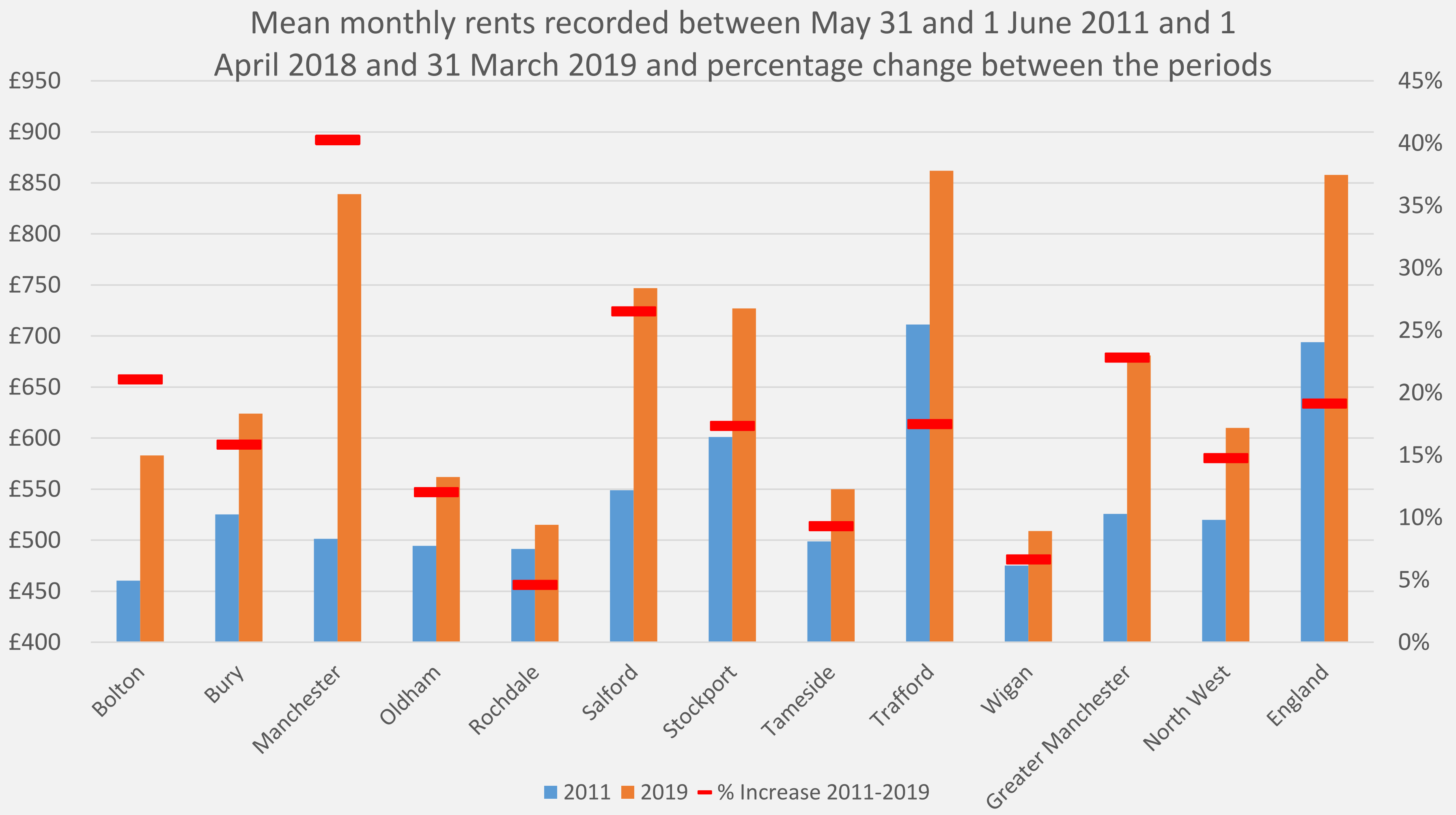
4. Private Rents



Source: Valuation Office Agency Private Rental Market Statistics, Private rental market summary statistics: June 2011 and April 2018 to March 2019. URLs: https://webarchive.nationalarchives.gov.uk/20141002132856/http://www.voa.gov.uk/corporate/statisticalReleases/PrivateRentalMarketStatistics.html & https://www.gov.uk/government/statistics/private-rental-market-summary-statistics-april-2018-to-march-2019

- Rental growth in GM has been larger over this period than the North West and England
- Within GM, Manchester has had the largest increase, with growth being double the national average
- Rochdale, Tameside and Wigan have seen under 10% increase in average rental prices in the period
- Bolton, Manchester and Salford have experienced a larger percentage increase in average rental prices than both regional and national figures over the period

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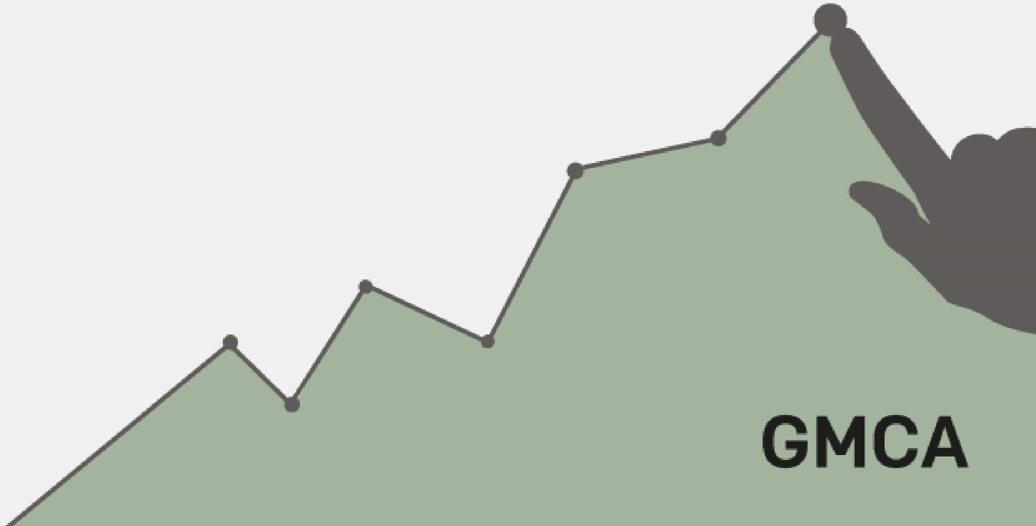
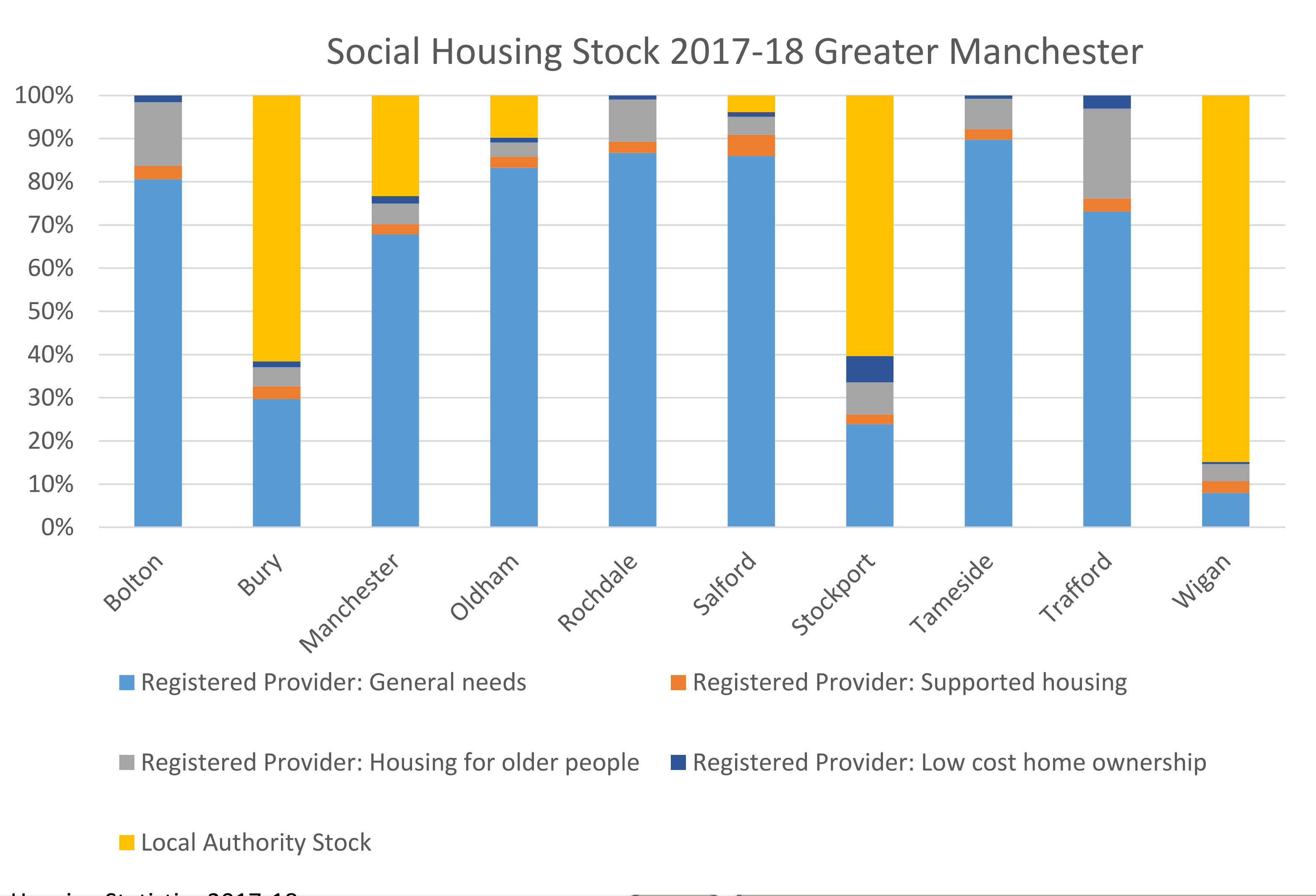
5. Social housing

1. Social housing stock
2. GM Housing Provider Stock
3. Social housing rents
4. Social housing stock movement
5. Right to Buy trends
6. Affordable housing completions
7. Affordable housing starts on site
8. Social Housing Registers



1.Greater Manchester Social Housing Stock

- There are just over 263,000 units of social housing stock in Greater Manchester.
- 77% of the stock is owned and managed by the 107 Registered Providers who operate in Greater Manchester. These providers range from small specialist supported housing providers with a handful of units to large regional and national providers who operate in group structures.
- The ten largest registered providers own over 50% of the Registered Provider Stock. They are generally large stock transfer organisations.
- Four local authorities (Bury, Manchester, Stockport and Wigan) have retained their council housing stock.



Source: MHCLG Statistical Data Return 2017-18 and Local Authority Housing Statistics 2017-18
Published November 2018. Next update due November 2019

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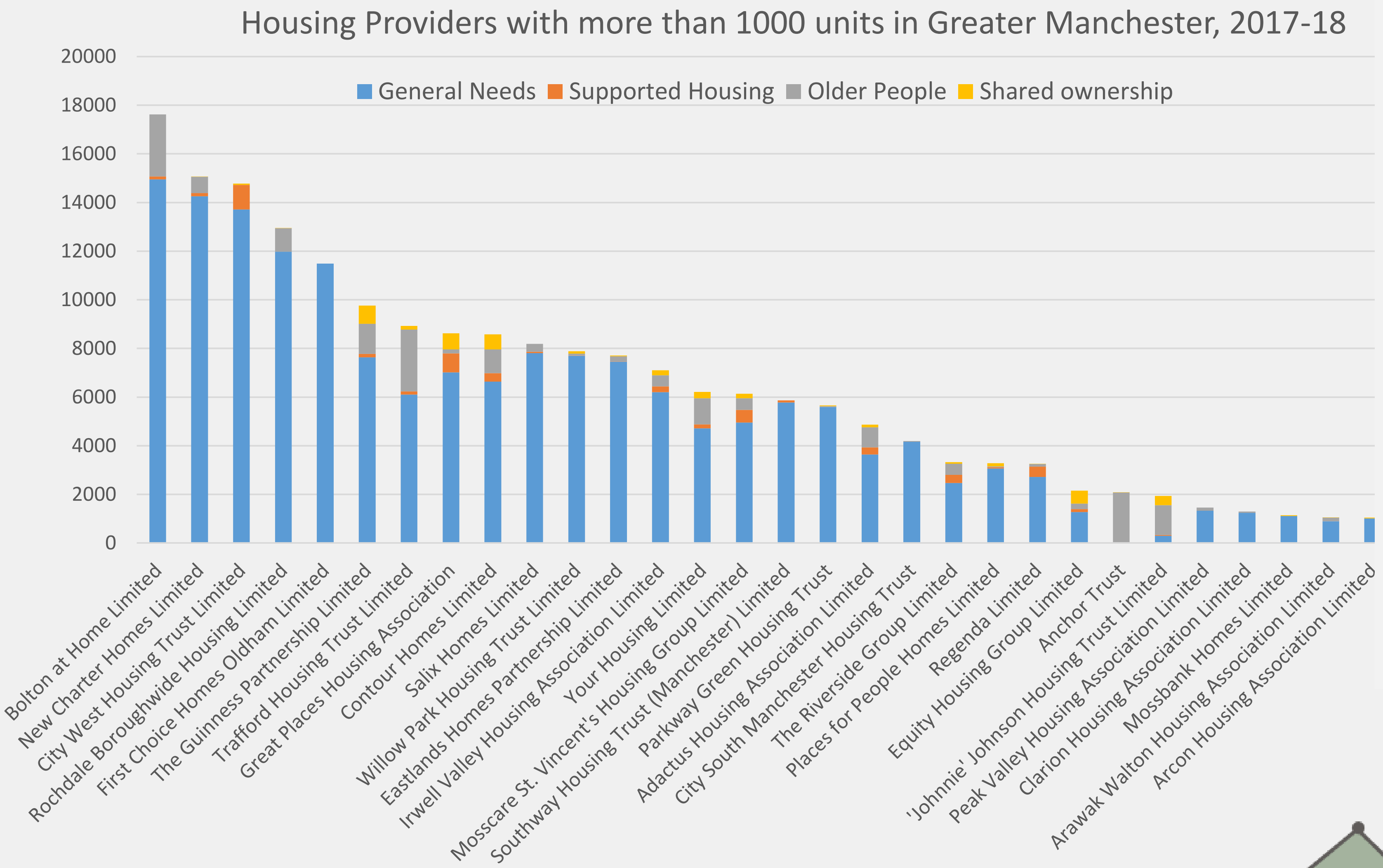
2. GM Housing Provider Stock



Source: MHCLG Statistical Data Return 2017-18

- There are 31 registered providers with over 1000 units of social housing in Greater Manchester. Additionally there are four local authorities who have retained their social housing stock.
- The largest registered providers are generally stock transfer organisations.
- The majority of stock owned by the large organisations are general needs stock. There however are some significant portfolios of older peoples housing.

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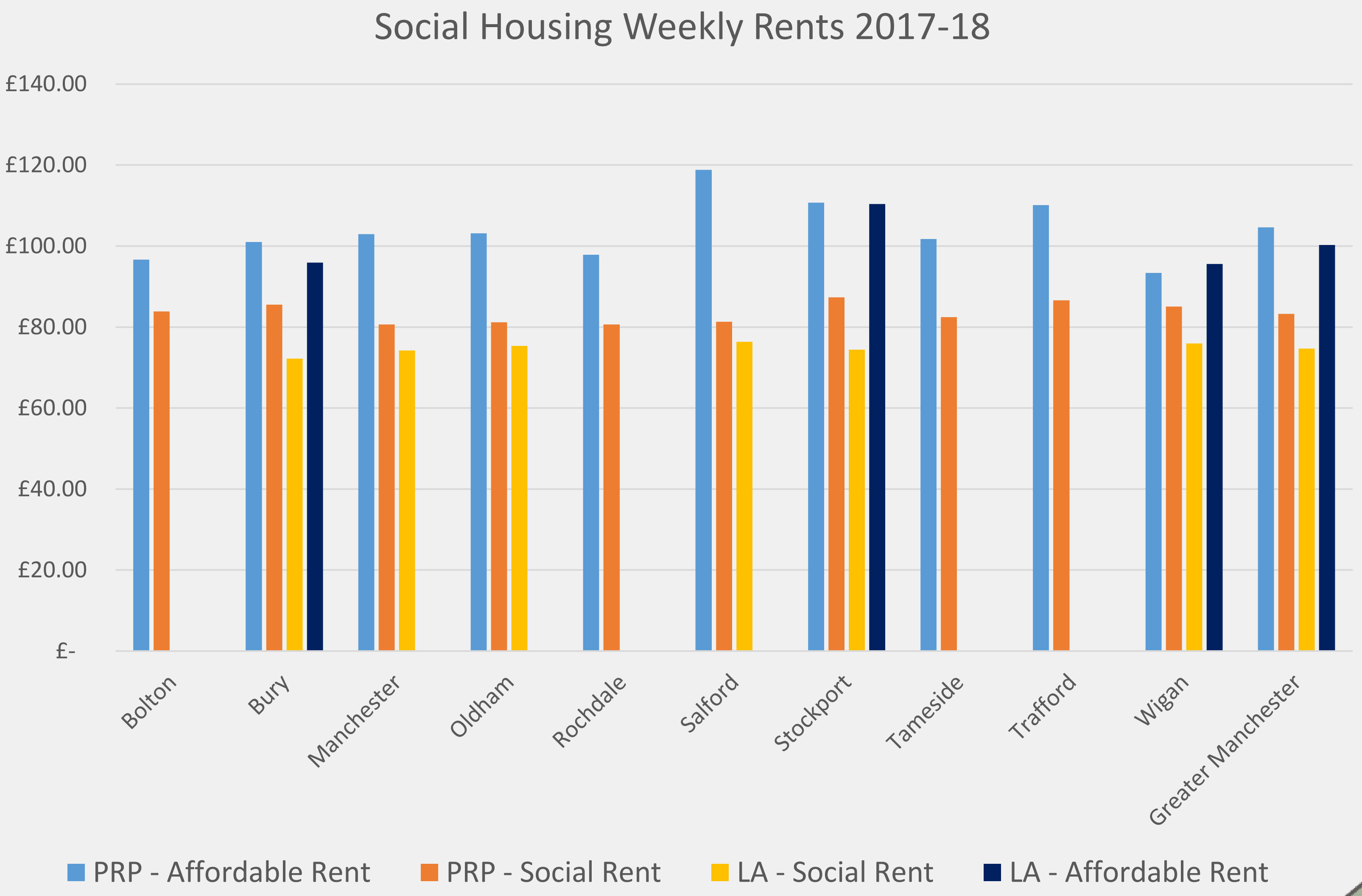
3. Social Housing Rents



- There are two main rent types in social housing. Affordable Rent and Social Rent.
- In 2017-18 the average weekly affordable rent was around £100 per week. The variation on affordable rents across GM reflects the differences in the markets and the application of the affordable rent policy.
- Social rent was less at £83 per week for Registered Provider tenants and £75 per week for council tenants. There is not much variation in social rents across GM.
- In some areas, the lower quartile private rents are lower than affordable rent.

Source: MHCLG Statistical Data Return 2017-18 and Local Authority Housing Statistics 2017-18
Published November 2018. Next update due November 2019

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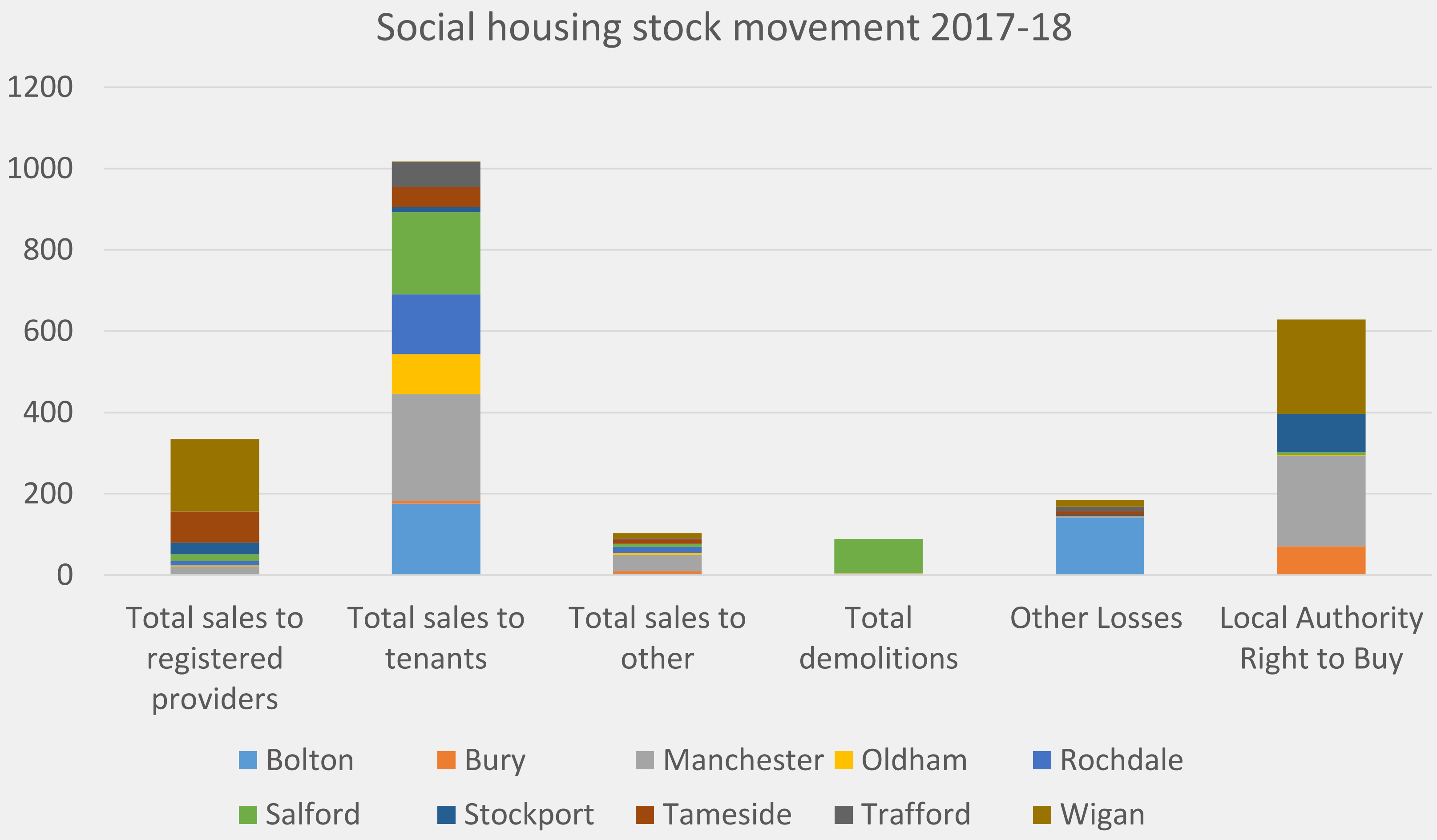
4. Social Housing Stock Movement



- In 2017-18 there were 1600 social housing homes sold to tenants in Greater Manchester. Sales to tenants were a combination of Right to Buy sales, retained Right to Buy, Social Homebuy and other sales to sitting tenants.
- There were just over 300 sales of sales of homes to other registered providers and 89 demolitions.

Source: MHCLG Statistical Data Return 2017-18 and Local Authority Housing Statistics 2017-18
Published November 2018. Next update due November 2019

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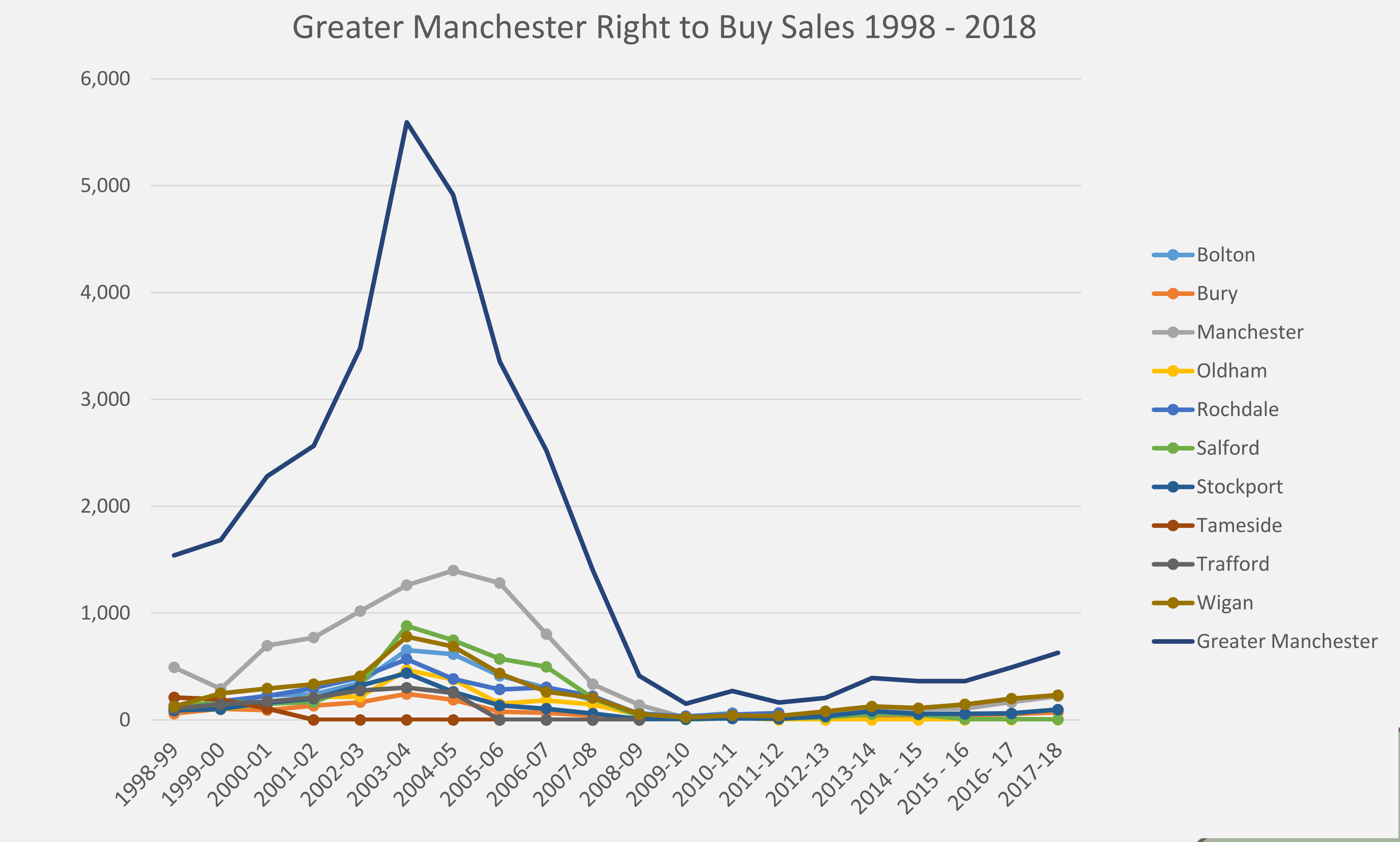
5. Right to Buy Trends



- In 2017-18 there were 629 Right to Buy Sales of local authority owned stock an increase of 28% on the previous year. The District with the most sales was Wigan with 232 sales followed by Manchester with 222 sales.
- Provisional data from MHCLG suggests that in 2018-19 there were 474 Right to Buy Sales.

Source: MHCLG Tables 685 and 691
Published November 2018. Next update due November 2019

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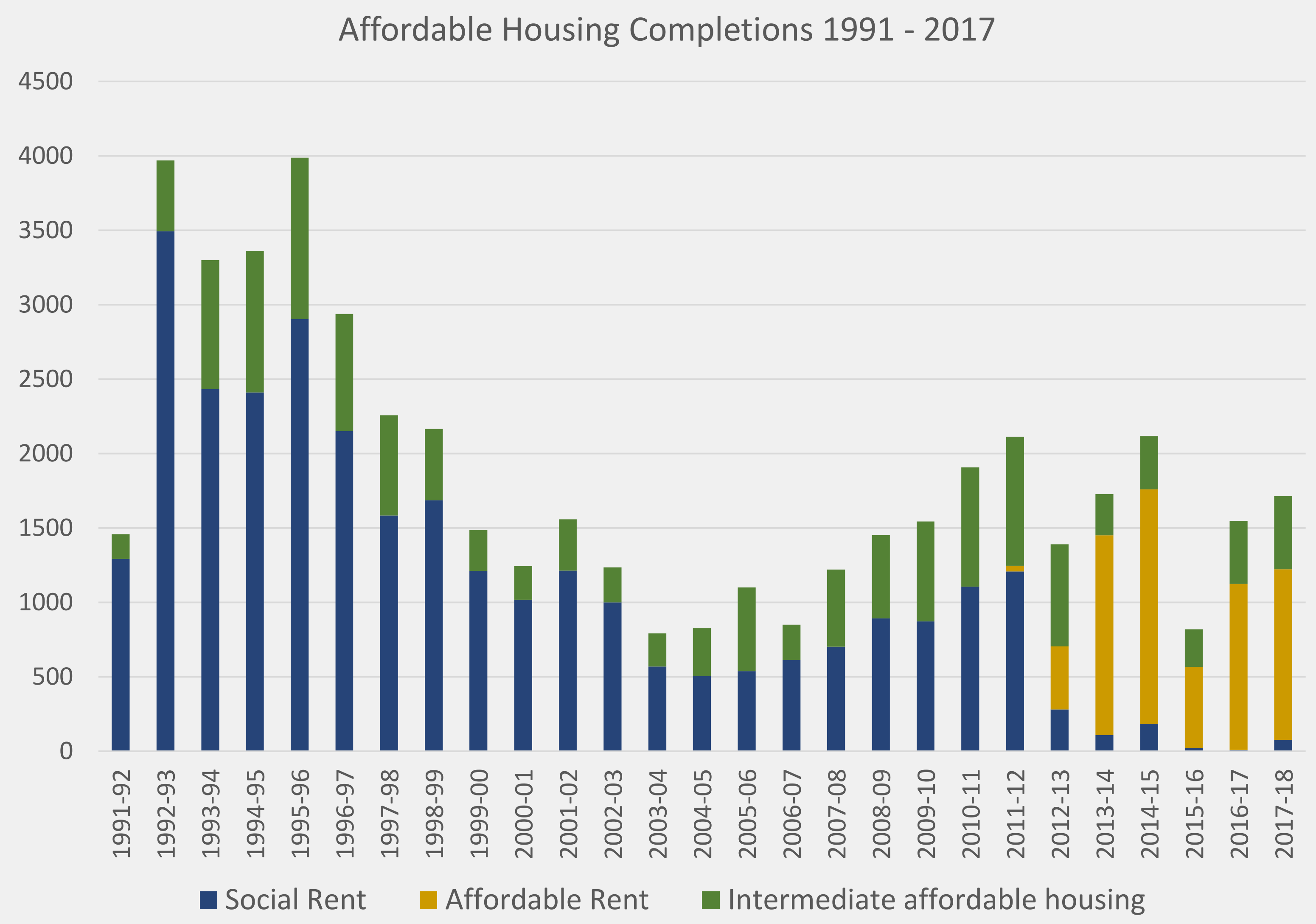
6. Affordable housing completions



- In 2017-18 there were 1715 affordable homes developed. Of these 1586 were new builds and the remaining 129 were rehabs or acquisition.
- Of the 1715 affordable homes over half were for affordable rent. 76 of the homes were for social rent.
- In 2012-13 there was shift from development of social rent to affordable rent.
- The peak in affordable housing completions was 1995-96 with nearly 4000 homes built.

Source: MHCLG Live Tables 1006-1009.
Published 18 June 2019. Next update due November 2019

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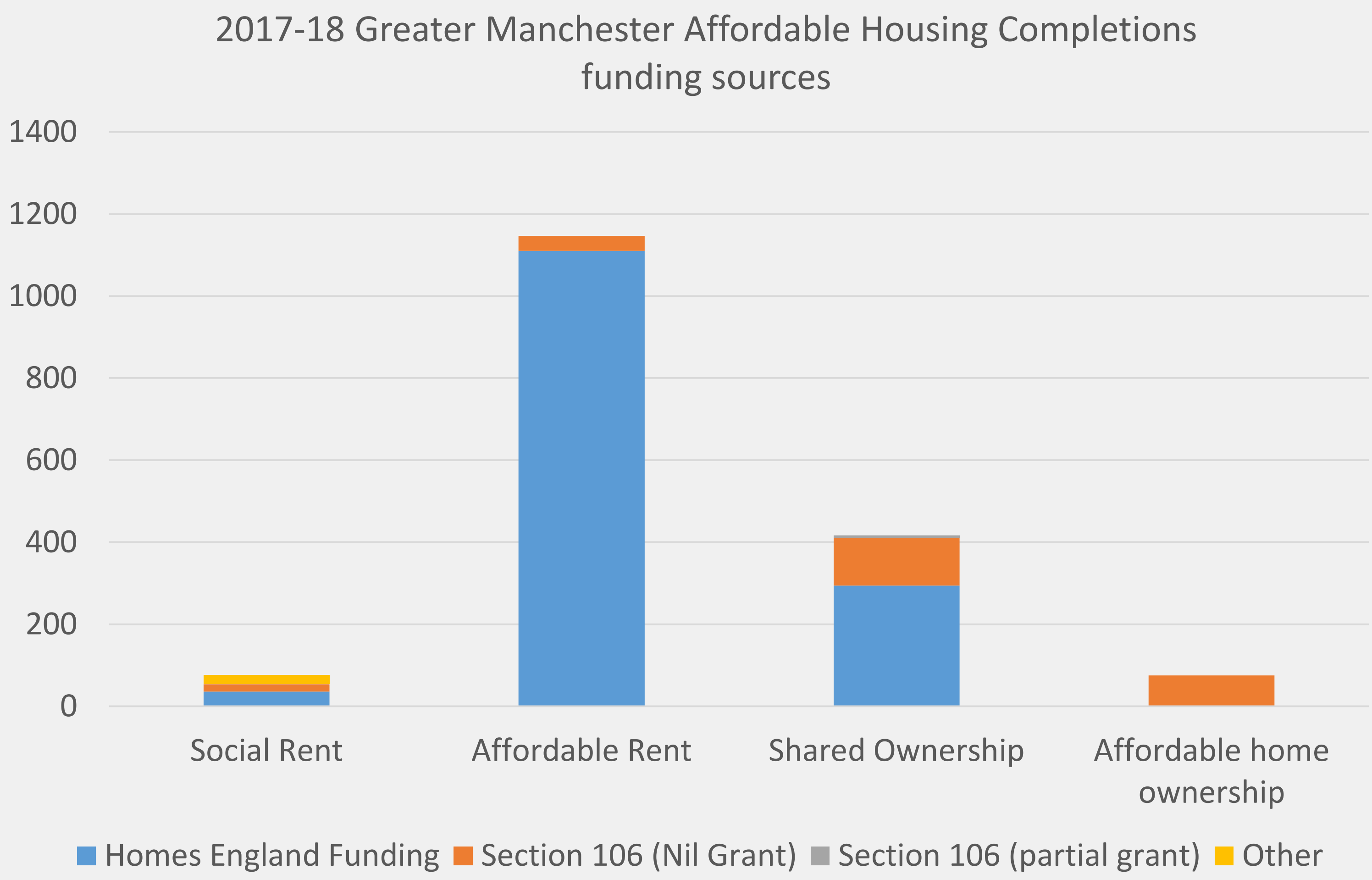
6. Affordable housing completions



- MHCLG provide data from 2015-16 to 2017-18 setting out the funding for affordable housing.
- In 2017-18 1440 units completed were partially funded by Homes England and 253 were delivered via section 106 agreements.
- Completions are a combination of new build, refurbishments and acquisitions.
- S106 affordable housing mainly delivered shared ownership properties.

Source: MHCLG Live Tables 1011.
Published 18 June 2019. Next update due November 2019

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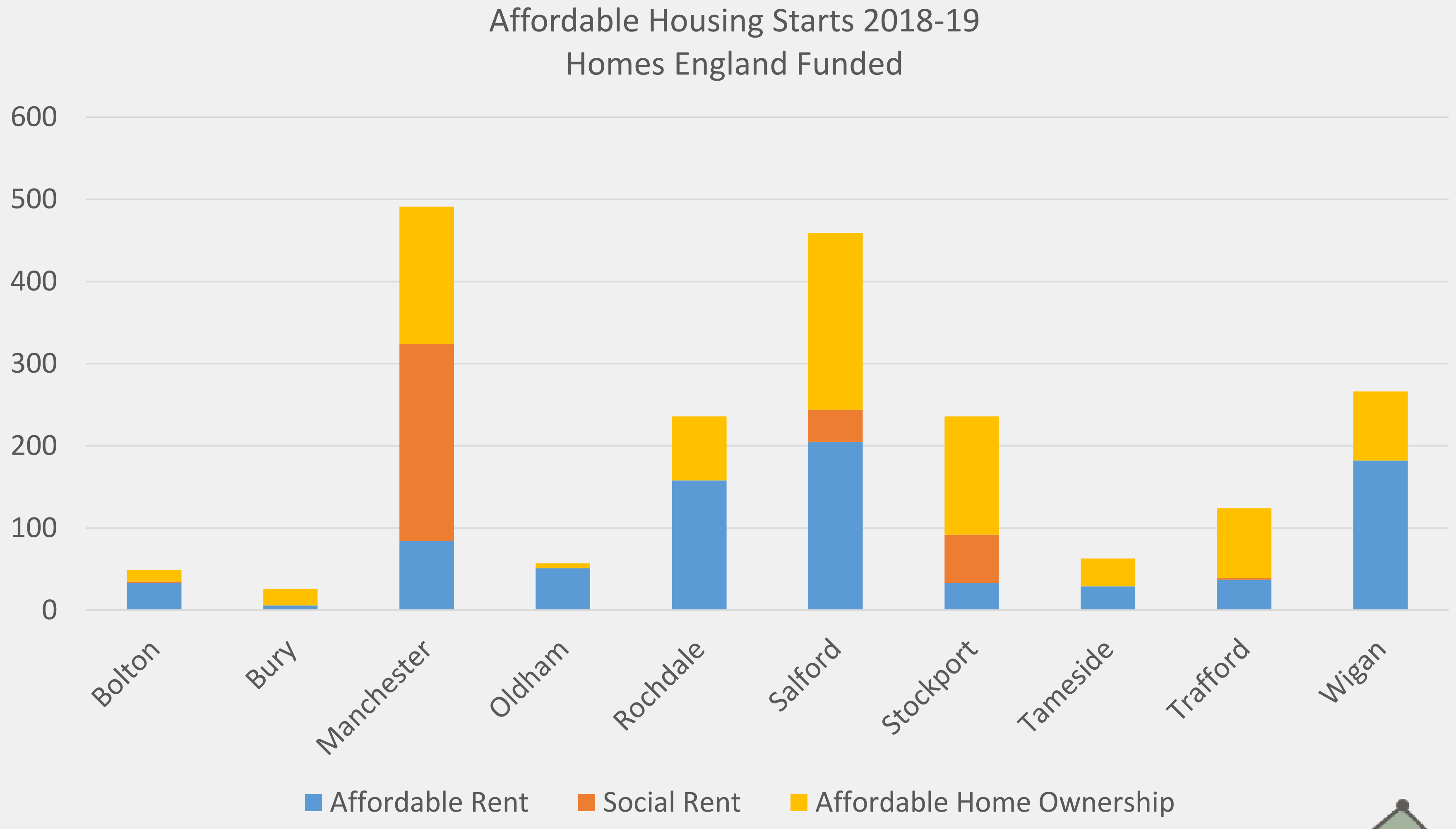
7. Affordable housing starts on site



- In 2018-19 853 homes started on site funded by Homes England.
- The majority of the units are for shared ownership or affordable home ownership.

Source: MHCLG Live Tables 1011.
Published 18 June 2019. Next update due November 2019

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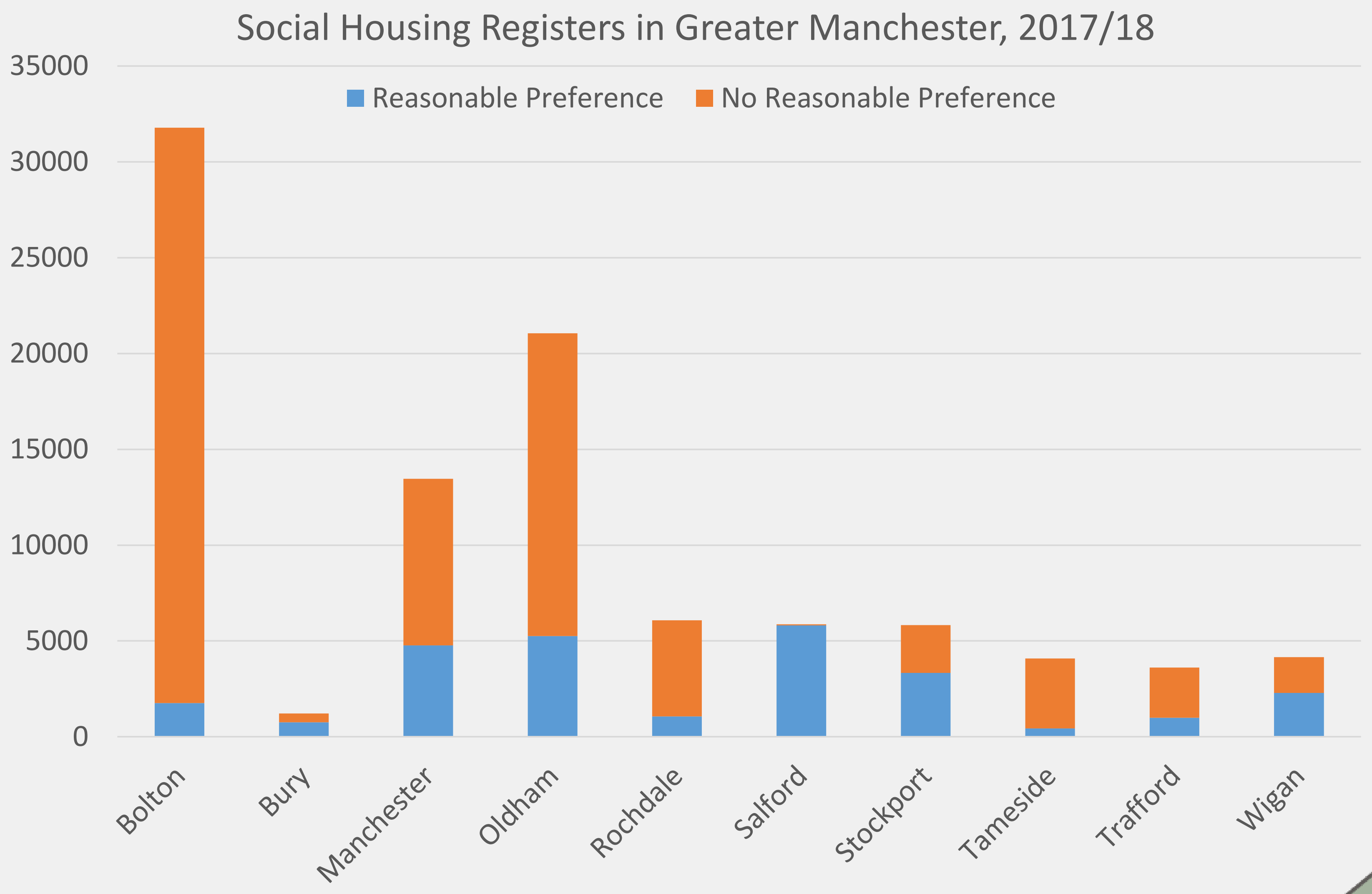
8. Social Housing Registers



- In 2017/18 there were just over 97,000 households on the Greater Manchester housing registers.
- Of the 97,000 on the registers 26,469 were in reasonable preference.
- Variation between the registers is due to differences in local policies.

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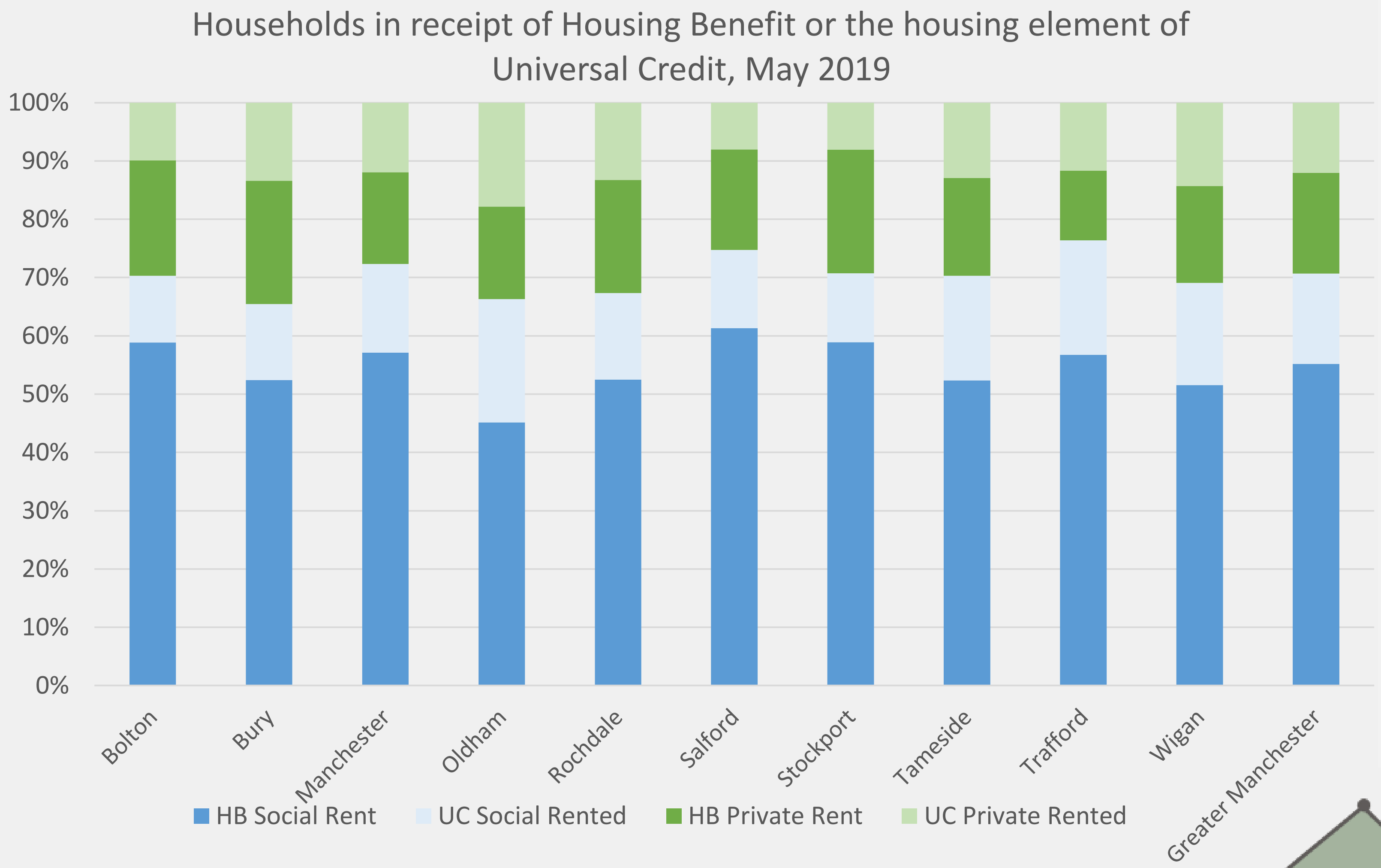
6. Housing Benefit

1. Total HB and UC claimants
2. Spatial distribution of HB and UC claimants

1. Total HB and UC claimants



- In May 2019 there were 243,000 households in Greater Manchester in receipt of Housing Benefit or the housing element of Universal Credit.
- The majority of the households are social housing tenants.
- 30% of the recipients live in the private rented sector and are younger and more economically active than those in social housing in receipt of housing benefits.

Source: DWP. Stat-Xplore

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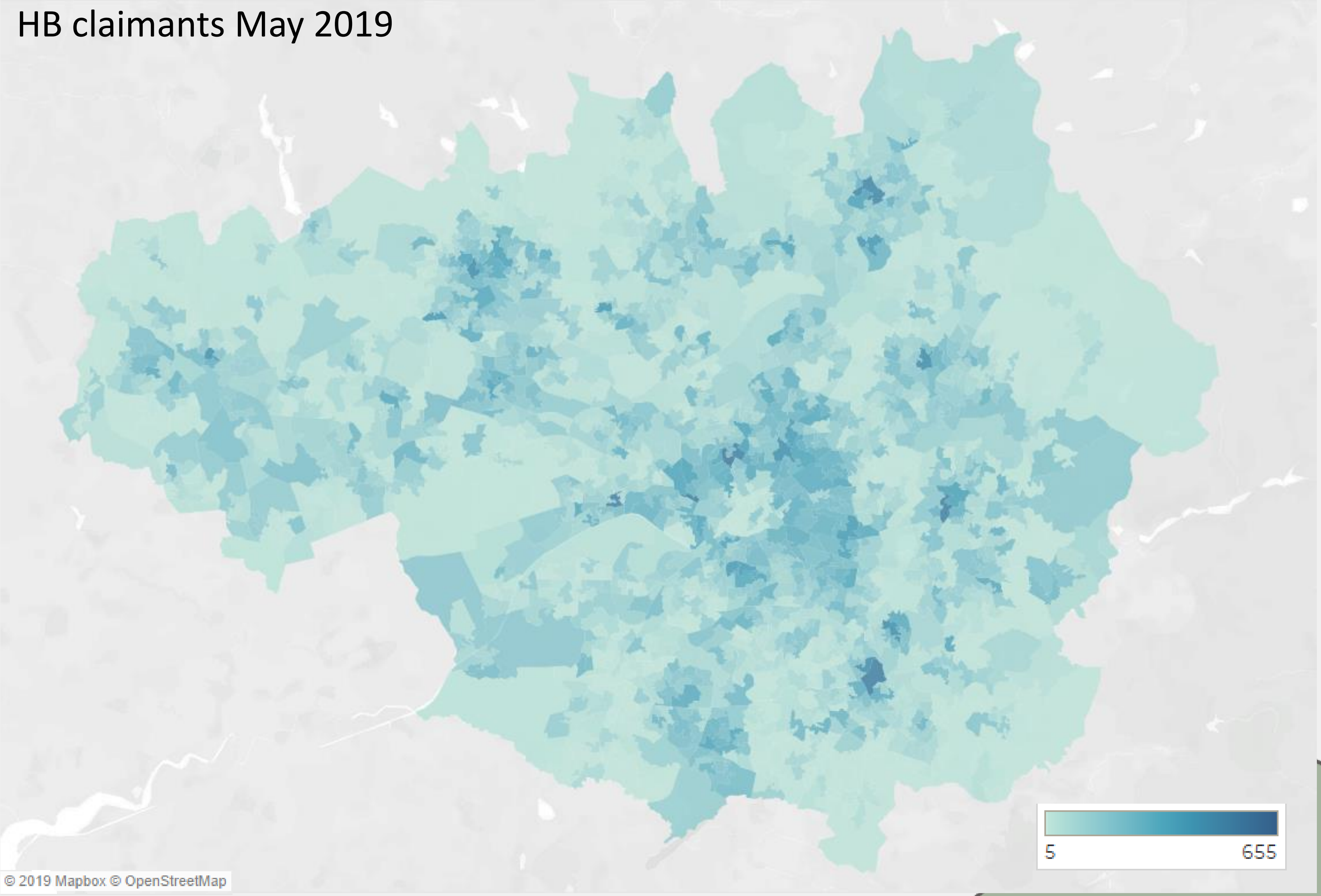
2. Spatial distribution of HB and UC claimants



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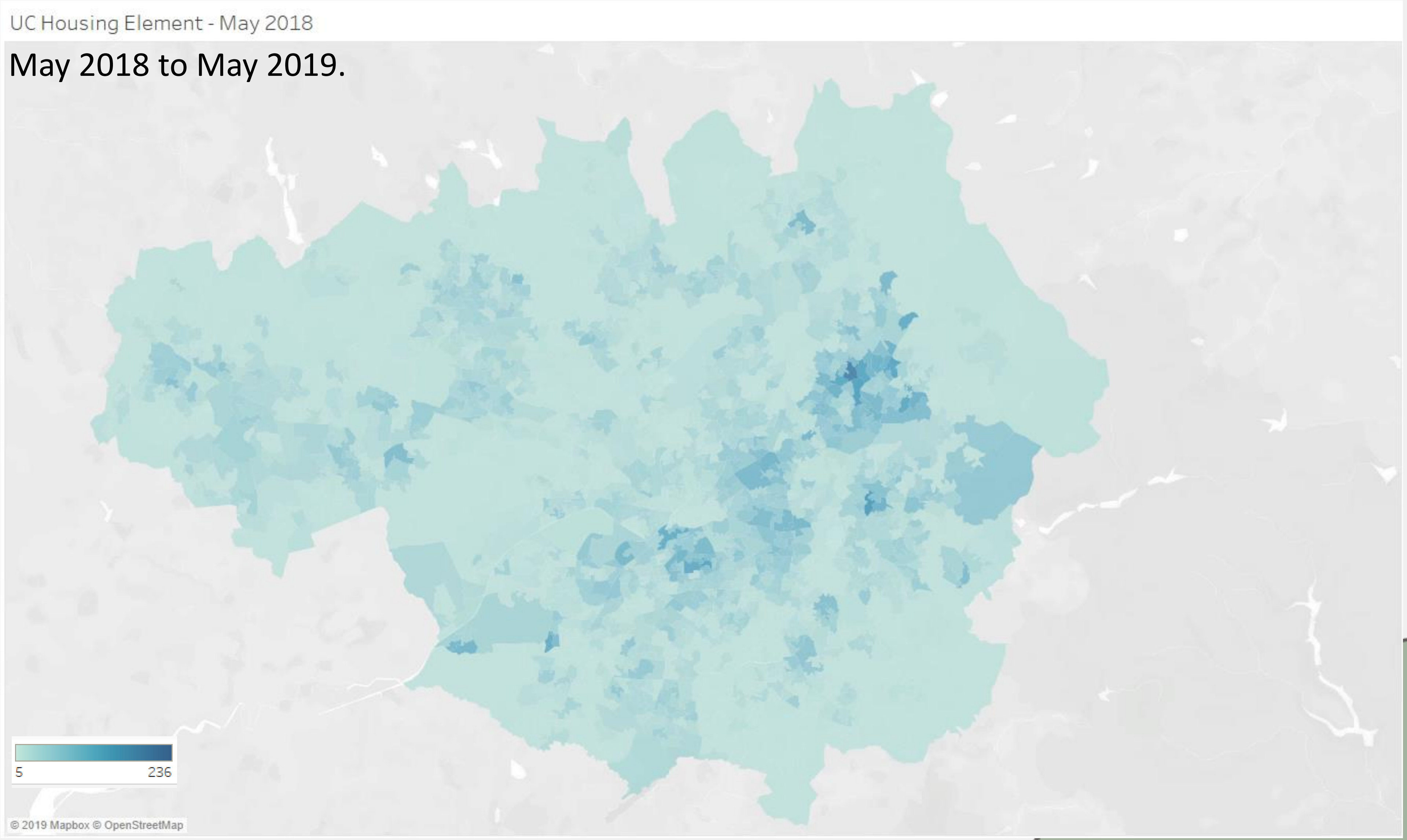
2. Spatial distribution of HB and UC claimants



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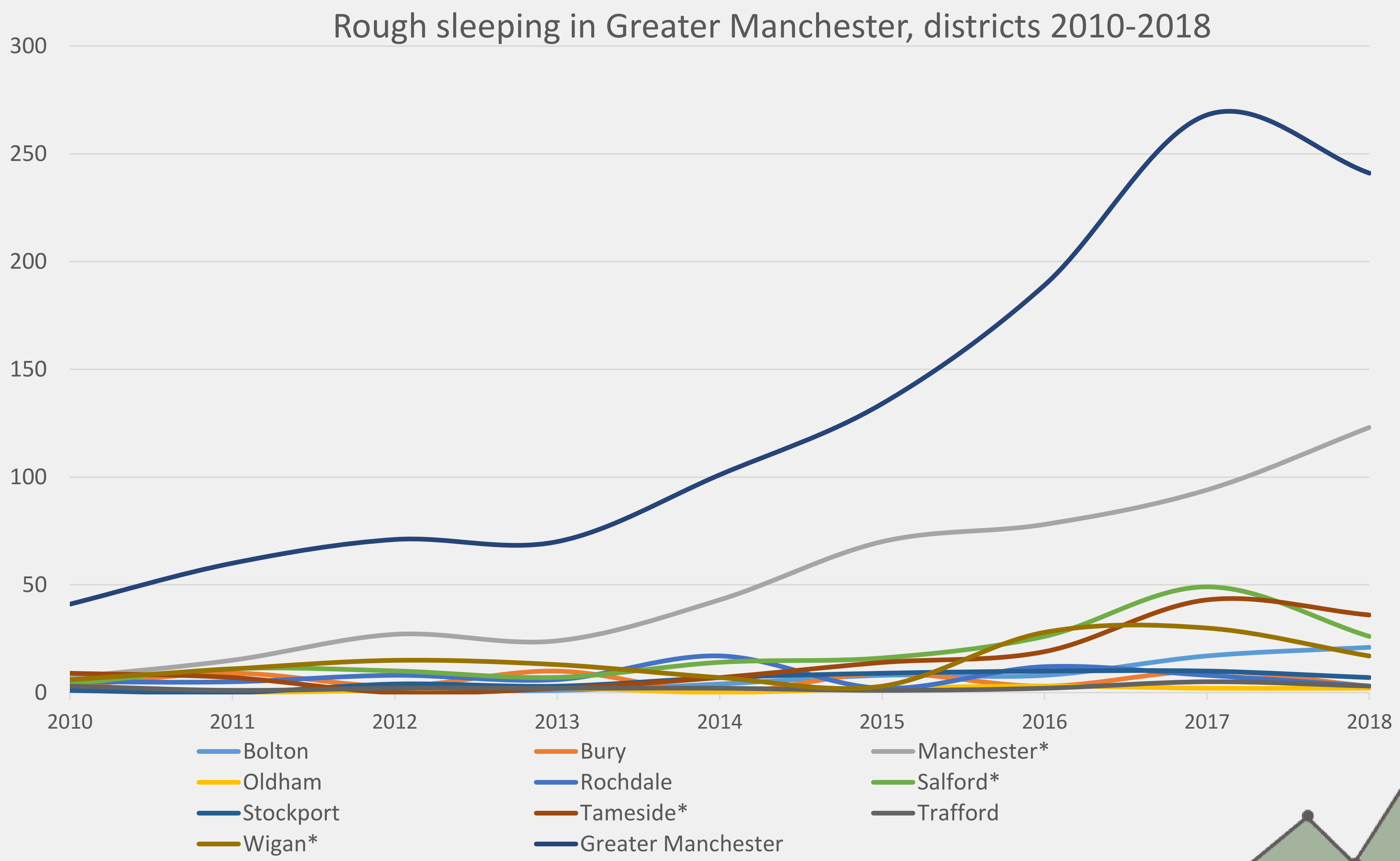
7. Homelessness

1. Rough sleepers
2. Homeless decisions in Greater Manchester

1. Rough sleeping



- The annual count or estimate of rough sleepers provides an indication of the trends in rough sleeping.
- The 2018 annual count saw a reduction in rough sleepers in GM from 268 in 2017 to 241 in 2018.
- Manchester has the highest number of rough sleepers and has seen a rise since 2019. While Salford, Tameside and Wigan have seen a small reduction in the number of rough sleepers

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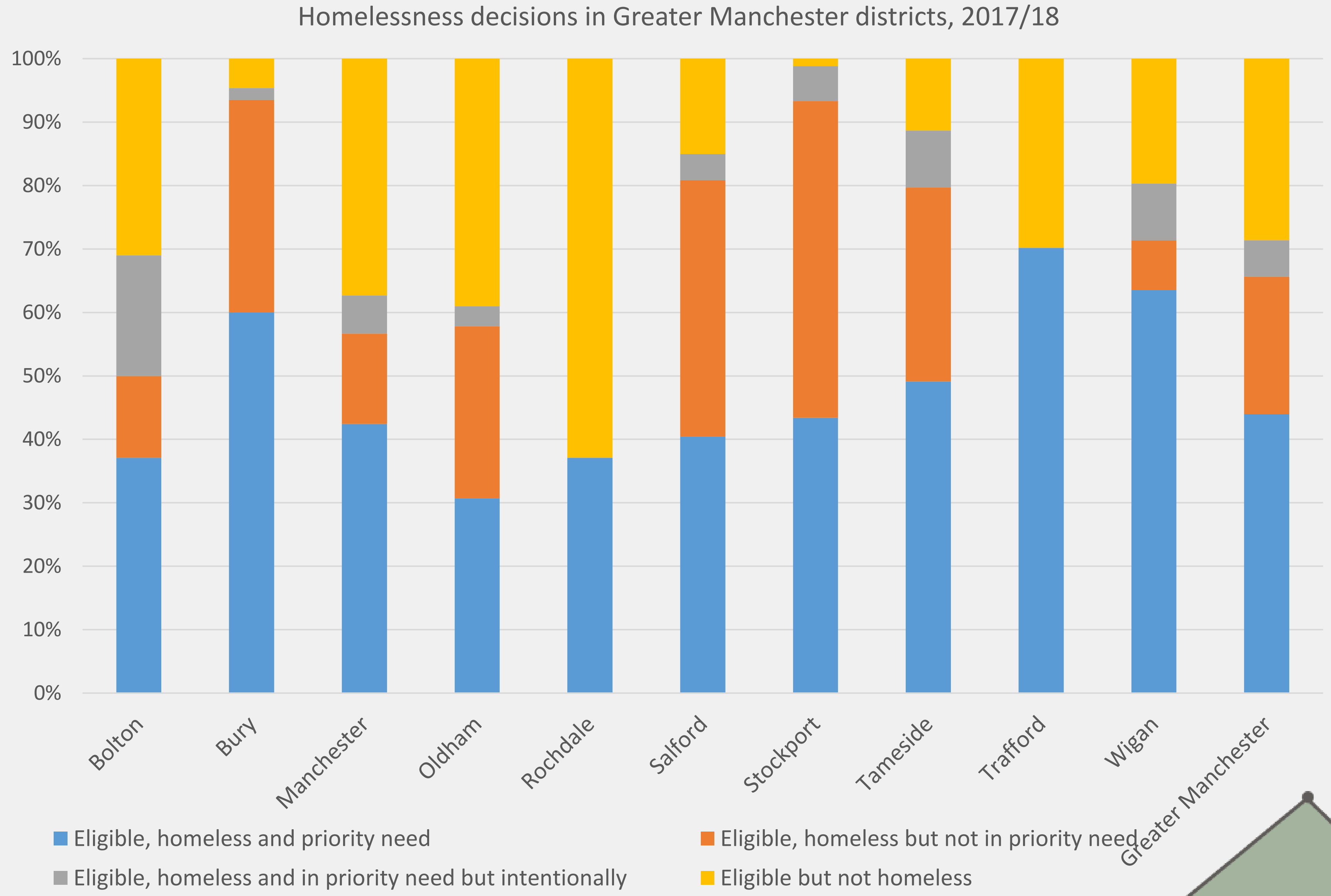
2. Homelessness decisions



- 44% (3,428) of decisions in GM were households who were eligible, homeless and priority need.
- 29% were eligible but not homeless.
- 22% were eligible, homeless but not in priority need.
- 6% were eligible, homeless and in priority need but deemed to be intentionally homeless .
- 37% of decisions were made in Manchester

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