

# Strategic Housing Market Assessment 2023/24

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Leeds City Council

Final Report

September 2024

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**Main Contact:** Dr Michael Bullock  
**Email:** [michael.bullock@arc4.co.uk](mailto:michael.bullock@arc4.co.uk)  
**Telephone:** 0800 612 9133  
**Website:** [www.arc4.co.uk](http://www.arc4.co.uk)

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Registered Address: arc4, 41 Clarendon Road, Sale, Manchester, M33 2DY

Email: [businesssteam@arc4.co.uk](mailto:businesssteam@arc4.co.uk) Web: [www.arc4.co.uk](http://www.arc4.co.uk)

arc4 Limited, Registered in England & Wales 6205180 VAT Registration No: 909 9814 77

Directors Helen Brzozowski and Michael Bullock

# Executive Summary

## Introduction

The Leeds Strategic Housing Market Assessment 2023/24 provides the Council with up-to-date evidence on housing need across all sections of the community over the period 2022 to 2040. The evidence will inform the update of the preparation of the Local Plan, other strategies, policies and decisions of the Council and its partners.

The SHMA has been prepared in accordance with the National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG).

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

## Dwelling stock

There are 365,399 dwellings and 341,476 households across the city in 2023. The vacancy rate is 3.3% which is similar to the rate for England (2.8%). Most dwellings are houses (69.7%), 5.8% are bungalows and 24.5% are flats. 57.0% of households are owner occupiers, 22.0% privately rent and 21.0% live in affordable housing.

## House prices and rents

In 2022, lower quartile prices were £155,000 (Yorkshire and The Humber £130,000 and England £174,000) and median prices were £210,000 (Yorkshire and the Humber £179,950 and England £260,000).

In 2022, lower quartile private rents were £724 each month (Yorkshire and The Humber £724 and England £802) and median rents were £897 (Yorkshire and The Humber £724 and England £1,248).

## Future dwelling mix and development priorities

The SHMA has carefully considered the future population and household projections over the period 2022 to 2040, the range of dwellings lived in by different households and their dwelling aspirations (likes) and expectations. This helps to determine an appropriate mix of dwellings to inform future development priorities to better reflect the housing needs of communities across Leeds.

The annual average net additional housing in need across 2023-2040 across Leeds is 3,022 excluding the 35% cities and urban uplift. The council should consider options to apply an uplift to the minimum need for 3,022 to support affordable housing delivery and/or transformational regeneration and infrastructure projects.

There is a considerable annual net shortfall of affordable housing of 2,136 each year which reflects an increase in need from the previous SHMA. This reflects the increased pressure households are under through the cost-of-living crisis and increasing private sector rents. The Council needs to maintain a robust affordable housing policy to help meet this strategic need, but planning guidance says that you do not need to meet this need in full.

When determining the overall affordable tenure split, the Council should be mindful of different outcomes when an allowance for First Homes is included. Given there is a need to prioritise social/affordable supply, it is recommended that the overall tenure split for policy making purposes is 80% rented and 20% affordable home ownership including an element of First Homes. Table C1 shows summarises the recommended tenure splits by sub-area. In terms of affordable rented stock, the council should be mindful that affordable rents at 80% of market rents may not be genuinely affordable, particularly if local housing allowance rates are lower than rents being charged.

**Table ES1 Affordable tenure split by sub-area**

Sub-area	Social rented (%)	Affordable rented (%)	Affordable Home Ownership (%)	Total (%)
City Centre	60.4	31.8	7.8	100.0
Inner East	49.3	23.8	26.9	100.0
Inner North East	52.5	27.4	20.2	100.0
Inner North West	47.4	26.0	26.6	100.0
Inner South	55.0	26.2	18.8	100.0
Inner West	57.3	28.0	14.6	100.0
Outer East	53.7	25.1	21.2	100.0
Outer North East	51.1	25.3	23.6	100.0
Outer North West	52.3	25.8	22.0	100.0
Outer South	58.7	29.5	11.8	100.0
Outer West	55.0	26.9	18.1	100.0
<b>City of Leeds</b>	53.2	26.5	20.3	100.0

The Council's affordable housing policy will continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs. The overall dwelling mix recommendations by tenure are set out in Table ES2. Note for level-access, this can include bungalows, ground floor flats and flats that have accessible lifts.

**Table ES2 Summary of overall dwelling mix by tenure**

Dwelling type/size	Market	Affordable Rented	Affordable home ownership	Overall range
1/2-bedroom house	10-15%	15-20%	15-20%	15-20%
3-bedroom house	20-25%	15-20%	15-20%	25-30%
4 or more-bedroom house	10-15%	5-10%	15-20%	15-20%
1-bedroom flat	5-10%	10-15%	5-10%	5-10%
2-bedroom flat	10-15%	10-15%	10-15%	10-15%
3 or more-bedroom flat	0-2%	0-2%	0-2%	0-2%
1-bedroom level-access	0-2%	5-10%	2-5%	2-5%
2-bedroom level-access	15-20%	20-25%	15-20%	15-20%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Affordable Rented	Affordable home ownership	Overall range
House	60-65%	40-45%	55-60%	60-65%
Flat	25-30%	40-45%	35-40%	30-35%
Bungalow/level-access	10-15%	10-15%	5-10%	10-15%
Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	5-10%	10-15%
2	35-40%	45-50%	40-45%	30-35%
3	30-35%	20-25%	25-30%	35-40%
4	10-15%	5-10%	10-15%	15-20%

## The needs of other groups

Particular needs which have been identified in the SHMA are:

- Increasing and diversifying the supply of specialist housing for older people. There is a need for 8,805 more units of accommodation for older people by 2040. This includes sheltered/retirement, Extra Care, co-housing and residential care.
- Based on an assessment of additional needs and longer-term demographics, 3.6% of new dwellings (109 each year) should be built to M4(3) wheelchair accessible standard; and all other new dwellings should be built to M4(2) accessible and adaptable standard which would include bungalows/level access accommodation.

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

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

## Summary of policy recommendations

Theme	Data	Action
Overall housing need	3,022 average each year which excludes the urban centres uplift and 4,080 including the uplift	Housing need figure to be noted. Adjustment to help meet support affordable housing delivery and/or transformational regeneration and infrastructure projects should be considered
Affordable housing need	Annual imbalance of 2,136 (based on 10 year remedy of backlog) which justifies need for robust affordable housing policy and delivery	Affordable housing policy to maximise delivery on market sites subject to viability and consider new ways of delivering affordable, particularly social rented housing. Note this is an overall strategic need but councils not expected to meet this need in full
	Affordable tenure mix of 80% rented and 20% affordable homes	Priority is to maximise delivery of social rent. First Homes should be acknowledged as part of the affordable home ownership mix.
Needs of different groups	3.6% of new dwellings to be M4(3) wheelchair accessible All new affordable and market dwellings to be built to M4(2) standard	Update relevant policies
	8,805 additional units of accommodation for older people by 2040 including 598 residential care bedspaces, 2,061 units of C2 Extra Care and 6,146 C3 dwellings, including leasehold sheltered	Diversify range of older persons accommodation including sheltered/retirement, Extra Care and cohousing. Continue to review need for residential care  Strengthen policies to enable people to live in their own homes for longer with appropriate support and adaptation
	Other needs groups	Ongoing review of need for specialist housing and build upon the needs evidence in this SHMA

# 1. Introduction

## Background, aims and objectives

- 1.1 The Leeds City Council Strategic Housing Market Assessment (SHMA) 2023 provides the Council with up-to-date evidence on housing need across all sections of the community over the period 2022 to 2040. The evidence will inform the update of the preparation of the Local Plan, other strategies, policies and decisions of the Council and its partners.

## National Planning Policy Framework

- 1.2 The evidence base needs to take account of the requirements of the National Planning Policy Framework (NPPF). The latest version was published in July 2021 and is supported by Planning Practice Guidance (PPG). The NPPF 2021 sets out the government's planning policies for England and how these are expected to be applied. Paragraph 11 of the NPPF states that plans, and decisions should apply a **'presumption in favour of sustainable development'**. As part of this, in relation to plan-making, it sets out that this means that **'strategic policies should, as a minimum, provide for objectively assessed needs for housing...'**

- 1.3 Paragraph 60 provides an important context to the policy for housing delivery, as follows:

**'To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay'**

- 1.4 Paragraphs 61 to 63 relate to the evidence base requirements which underpin this study:

Paragraph 61: **'To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.'**

Paragraph 62: **'Within this context, the size, type and tenure of housing need for different groups in the community, should be assessed and reflected in planning policies including but not limited to: those who require affordable housing; families with children; older people; students; people with disabilities; service families; travellers; people who rent their homes; and people wishing to commission or build their own homes.'**

Paragraph 63: **'where a need for affordable housing is identified, planning policies should specify the type of affordable housing required'**.

- 1.5 Paragraph 65 requires that: **‘strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. Within this overall requirement, strategic policies should set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.’**
- 1.6 The Localism Act 2010 introduced the ‘Duty to Co-operate’ as a replacement for Regional Spatial Strategy and this requirement is also established in National Planning Policy (NPPF 2019, Paragraphs 24-27). Section 110 requires local authorities and other bodies, including Local Enterprise Partnerships to co-operate in maximising the effectiveness of strategic matters within development plan documents. The provision of housing development is a strategic priority and the Council will have to ensure that it is legally compliant with the Localism Act at Local Plan examination.
- 1.7 The NPPF 2021 sets out affordable housing definitions which are presented at Technical Appendix A.

### Leeds Council Core Strategy

- 1.8 The Core Strategy (as amended by the Core Strategy Selective Review 2019) is the main strategic document within the Local Plan for Leeds and sets out the strategic policy framework for the district to 2028 and a housing requirement to 2033.

### Leeds Council Homelessness and Rough Sleeping Strategy 2023 - 2028

- 1.9 Leeds’ Homelessness Strategy 2023-2028 was launched in July 2023.
- 1.10 The four ambitions of the strategy:
- Universal Prevention – promoting self help options and prevention
  - Targeted Prevention – preventing and reducing hidden homelessness
  - Intervention and Recovery through Strong City Partnership Working
  - Shared and Integrated Approach to Building the Offer of Housing Options

### Age Friendly Leeds Strategy and action plan 2022 - 2025

- 1.11 The ambition for Age Friendly Leeds is to be the Best City to Grow Old in; a place where people age well – where older people are valued, feel respected and appreciated, and are seen as the assets they are.
- 1.12 Age friendly Leeds is one of the eight interconnected priority areas of work set out in the in the Best Council Plan 2020 – 2025 that flow in particular from Leeds’ three main cross cutting strategies: Inclusive Growth, Health and Wellbeing and Zero Carbon.

- 1.13 Housing is listed as one of six topic areas within the action plan which was adapted for Leeds from the Age Friendly City domains developed by the World Health Organisation.
- 1.14 The three objectives identified within Age Friendly Leeds action plan are:
- Improving housing quality / adaptations to support independence.
  - Increasing public and agency awareness of information and advice on housing options with preventative focus.
  - Increasing provision of age friendly housing options including accessible new housing and specialist housing with support.

## Asking You! and Leeds City Council Working Age Adults Accommodation Consultation Report 2022

- 1.15 Asking You! Were commissioned by Leeds City Council Working Age Adults Commissioning Team, within Adults and Health, to consult with people with long term disabilities, aged 18-64 years, including; learning disability, autism, mental health, physical disability, sensory impairment.
- 1.16 The purpose of the work was to find out what people thought about their accommodation with support provision with the information being used to create a 10 year Working Age Adults (WAA) Accommodation Strategy for Leeds.
- 1.17 Some of the main conclusions include;
- People with lived experience of having a disability should be included in the planning and design of accommodation, from the beginning, so that it is truly co-produced.
  - Co-production will lead to safer accommodation for individuals and greater happiness and satisfaction.
  - Participants want accessible housing, but also reported wider social care issues which might limit the suitability of accessible accommodation.
  - Individual noted the importance of living in areas where there is a sense of community, having freedom of choice and control over their lives and to be free from discrimination.

## General policy context

### The White Paper: Levelling Up the United Kingdom

- 1.18 Housing has a key role in the government's Levelling Up proposals. Housing is one of 12 missions, namely:
- *By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.*



- 1.19 The proposal for a new minimum standard for privately rented homes will have an impact, but only if the standards from the Decent Homes Review are ambitious and local authorities have the resources to enforce them.
- 1.20 The scrapping of the '80/20' rule, which sees some Homes England housing funds channelled to areas of the highest unaffordability will presumably mean the South East will receive a lower share.
- 1.21 The encouragement of "county deals" for resource allocation and coordination will place an onus on the district and county to work effectively together.
- 1.22 The White Paper has many, wide-ranging ambitions. However, there is limited detail on how the various targets, objectives and missions are to be achieved.

### National Housing Market changes including COVID19 impact

- 1.23 Although not a policy change, and whilst it is too soon to be definitive, the pandemic may be generating new and significant structural alterations in housing markets. It will be important that the pre-pandemic aspirations of extant policies are recalibrated in the light of four emerging phenomena :
  - the so called "race for space" linked in part with the emergence of more remote working (notwithstanding the anticipated emerging return of demand from marginal workers in cities)
  - the persisting aspiration for out-of-town housing in less populated locations
  - the decline in town centre retail and replacement with web-based purchasing and
  - possible changes in Higher Education residential requirements driven by more remote teaching approaches.
- 1.24 The lack of job security, lower employment and lower economic activity, plus fiscal changes like the 1.25% Health and Social Care Levy, are predicted to depress sale prices in the medium term. Shortages in skilled labour (HGV drivers and construction trades) and unskilled labour have created a 10% rise in median wage costs since February 2020. Added to input cost increases and combined with supply chain shortages an increase in house prices and slower house building is likely in the coming months.
- 1.25 The sharp rise in inflation and now stepping up of Bank Rate (which is predicted to continue) will be important determinants of sales volume and affordability in the short term.

### Climate change, and energy use

- 1.26 The government's original 10 Point Plan has now developed along three routes:
  - The Net Zero Strategy
  - The Heat and Building's Strategy
  - Wider Decarbonisation

- 1.27 Housing was not mentioned within the Glasgow Climate Pact's 20 pages. However, a third of emissions are ascribed to housing.
- 1.28 Funding is a key challenge. The Commons' Climate Change Committee has said that public investment for the transition needs to double. However, only around £7bn of new investment was announced in the Net Zero Strategy.
- 1.29 The 2021 Heat and Buildings Strategy is allocating a £450m budget for £5,000 grants for heat pumps from April 2022. However, this is only 10% of the scale of public funding required. Similarly, there is no funding for home insulation for the 60% of UK households, who own their own home and are not fuel poor.
- 1.30 The strategy signals the government's intention "to phase out the installation of new natural gas boilers (currently present in 85% of homes) from 2035". However, the alternative is not defined at this point. A proposal was announced to launch a Hydrogen Village trial to inform a decision on the role of that fuel in heating by 2026.
- 1.31 £3.9bn was allocated to support housing decarbonisation of which £800m was for the Social Housing Decarbonisation Fund. This is £3 billion *below* the 2019 manifesto commitment.
- 1.32 Notwithstanding this, all these commitments spending, heat and buildings remain a significant investment gap in green spending, with nearly £10bn additional investment needed this parliament to get on track to net zero.
- 1.33 In December 2021, the Department for Levelling Up, Homes and Communities (DLUHC) announced changes to building regulations operational from August 2022 which will require new CO2 emissions from new build homes to be around 30% lower than current standards.
- 1.34 The £320 million Heat Networks Investment Project (HNIP), which supports the development of heat networks (e.g. derived from water courses) across England and Wales, allocated £19 million in 2022 for projects in Liverpool, Kensington and Chelsea, Bristol and Worthing.
- 1.35 The National Infrastructure Bank will fund investment via a new green gilt potentially covering an additional £16bn of green major *infrastructure* spending.

### Housing strategy 2022-2027

- 1.36 The Leeds Housing Strategy sets out how we can support those in greatest housing need over the next five years.
- 1.37 The housing vision is: "effectively meeting affordable and social housing need, promoting independence and creating sustainable communities to make Leeds the best place to live."
- 1.38 The city's overarching priorities are encapsulated in the 3 pillars, alongside engagement and consultation with partners across the city and citizens, have informed the development of the 6 key themes which are a priority for the 5-year Housing Strategy:
  - Meeting affordable housing need
  - Improving housing quality

- Reducing homelessness and rough sleeping
  - Thriving and inclusive communities
  - Improving health through housing
  - Child and age friendly housing
- 1.39 Target outcomes are listed specifically for meeting affordable housing need and improving housing quality.

## Geography

- 1.40 Leeds City Council is located in West Yorkshire. The city occupies a prime strategic location, with excellent road links and rail connectivity across Northern England.
- 1.41 The resident population of Leeds was estimated to be **811,879 according to the 2021 Census**.
- 1.42 For the purposes of the SHMA, Leeds has been divided into 11 sub-areas (Map 1.1).
- 1.43 The SHMA also presents some data at Lower Super Output Area (LSOA) to provide a fine-grained analysis of selected household and housing market data.

## Research methodology

- 1.44 A multi-method approach has been used to prepare the 2023 SHMA comprising:
- An online survey of stakeholders which included 26 representatives from strategic and local organisations.
  - Interviews with estate and letting agents operating within Leeds City Council.
  - A review of relevant secondary data including the 2021 Census, house price trends, ONS sub-national population projections and DLUHC/ONS household projections, CORE lettings data and DLUHC statistics.
  - A comprehensive household survey which achieved 2,200 responses, from 27,767 households, representing a response rate of 6.6% and a sample error of +/- 2.9% at the borough level. Low response rates are expected and the sample errors achieved would be described by ONS as 'precise'.
  - A review of particular client groups relevant to NPPF Paragraph 61, including hard to reach and vulnerable groups.
- 1.45 Further information on the research methodology is presented in Technical Appendix A.

## Presentation of data

Data are clearly sourced throughout the SHMA report. Where possible, data are 'triangulated' which means several sources are drawn upon to establish a robust output.

## Report structure

1.46 The Leeds SHMA 2023 report is structured as follows:

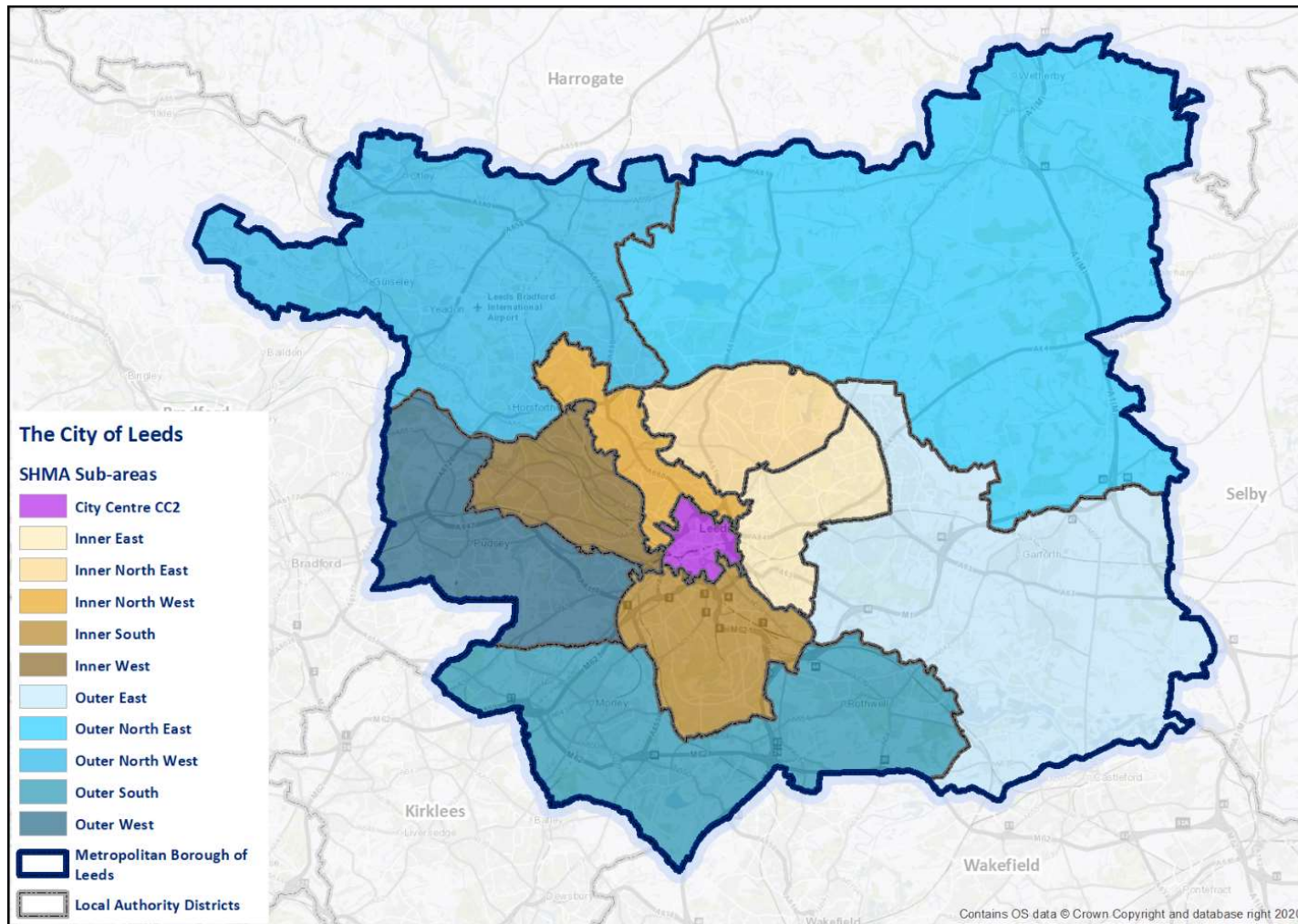
- Chapter 2 considers the housing market key drivers focusing on dwelling stock, demographic drivers, household characteristics including income, economic drivers and migration.
- Chapter 3 provides analysis of prices, rents and affordability.
- Chapter 4 considers overall housing need and affordable housing need.
- Chapter 5 considers the needs of different groups as referenced in the NPPF.
- Chapter 6 considers overall dwelling type and mix.
- Chapter 7 concludes the report with a summary of key findings and a consideration of strategic and policy issues.

1.47 The main report is accompanied by a separate technical appendix which provides detailed material that underpins the core outputs of the SHMA. The technical appendix material includes:

- Affordable housing tenure definitions (Appendix A).
- Research methodology (Appendix B).
- Affordable housing need calculations (Appendix C).
- Dwelling mix analysis (Appendix D).
- Stakeholder consultation (Appendix E).
- Agent review (Appendix F).

Please note that any references to data from the government department responsible for housing and planning matters has been standardised to the Department for Levelling Up, Housing and Communities (DLUHC).

Map 1.1 The City of Leeds sub-areas



## 2. Housing market and key drivers

### Introduction

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

### Dwelling stock, vacant stock and household estimates

- 2.2 Current estimates of dwelling stock, vacant stock and households from multiple sources are presented in Table 2.1. For the purposes of the 2023 SHMA, the total dwelling stock base is assumed to be **365,399** and the number of households as **341,476**. Around 3.3% of dwellings are vacant compared with the national rate of 2.6% based on DLUHC data (2021 latest). Table 2.2 shows the number of dwellings and household estimates for smaller geographies.

**Table 2.1 Dwelling stock and household estimates**

Dwelling stock	Dwellings	Source
2022 Valuation Office Agency (all dwellings)	366,590	VOA Table CTSOP3.0
2022 Valuation Office Agency (excluding annex and unknown)	352,140	VOA Table CTSOP3.0
2022 DLUHC Dwelling Stock Estimates	360,698	DLUHC Live Tables
2022 Council Tax data	<b>365,399</b>	Council Tax
Vacant stock	Dwellings	Source
2022 DLUHC Vacancy estimate (all dwellings)	11,861 (3.3%)	DLUHC Table LT_615
2022 DLUHC Long-term vacancy estimate (all dwellings)	2,412 (0.7%)	DLUHC Table LT_615
Households	Households	Source
2014-based DCLG Household Projections 2022 figure	345,734	DCLG (now DLUHC)
2018-based ONS Household Projections 2022 figure	<b>334,804</b>	ONS
2021 Census	<b>341,476</b>	ONS

### Dwelling type and size

- 2.3 The 2022 Valuation Office Agency data provides details on overall dwelling stock by type, number of bedrooms and council tax band. Table 2.3 presents the overall dwelling stock profile of the borough compared with Yorkshire and The Humber and England. Table 2.4 summarises dwelling type and size data for the City of Leeds.
- 2.4 In summary, Tables 2.3 to 2.4 show:

- 60.6% of dwellings in the City of Leeds are council tax band A or B properties and 39.4% are band C or above;
- 69.7% of dwellings are houses (28.1% terraced, 30.9% semi-detached and 10.7% detached), 24.5% are flats and 5.8% are bungalows; and
- 13.4% of dwellings have one bedroom, 30.9% two bedrooms, 42.3% three bedrooms and 13.5% four or more bedrooms.

2.5 Map 2.1 illustrates the predominant dwelling type and size by LSOA based on 2022 Valuation Office Agency data.

**Table 2.2 Dwelling stock and household estimate by sub-area**

Sub-area	Dwellings	Households
City Centre	19,368	10,040
Inner East	36,374	34,416
Inner North East	31,027	30,053
Inner North West	29,205	25,860
Inner South	31,739	30,292
Inner West	32,745	32,117
Outer East	40,367	38,739
Outer North East	28,224	27,152
Outer North West	41,351	40,112
Outer South	41,401	40,131
Outer West	33,598	32,564
<b>City of Leeds</b>	<b>365,399</b>	<b>341,476</b>

Source: Dwellings 2022 Council Tax; households 2021 Census

**Table 2.3 Dwelling type, number of bedrooms and council tax band for the City of Leeds and comparator areas**

Dwelling type and number of bedrooms	CT Band A	CT Band B	CT Band C-E	CT Band F+	Dwelling stock total City of Leeds	Dwelling stock total Yorks. & The Humber	Dwelling stock England Total
Bungalow 1-bedroom	0.4%	0.0%	0.0%	0.0%	0.5%	1.4%	1.1%
Bungalow 2-bedrooms	0.3%	0.6%	2.4%	0.0%	3.5%	5.5%	4.7%
Bungalow 3-bedrooms	0.0%	0.1%	1.4%	0.2%	1.6%	3.4%	3.0%
Bungalow 4 or more -bedrooms	0.0%	0.0%	0.1%	0.1%	0.2%	0.6%	0.6%
Flat 1-bedroom	9.1%	1.5%	1.2%	0.0%	11.8%	8.0%	10.9%
Flat 2-bedrooms	4.7%	3.0%	3.3%	0.1%	11.1%	6.7%	10.6%
Flat 3-bedrooms	0.5%	0.1%	0.2%	0.0%	0.9%	0.7%	1.8%
Flat 4 or more-bedrooms	0.1%	0.6%	0.0%	0.0%	0.7%	0.4%	0.5%
Terraced house 1-bedroom	0.9%	0.1%	0.0%	0.0%	1.0%	1.0%	0.5%
Terraced house 2-bedrooms	7.1%	2.4%	0.9%	0.0%	10.5%	10.8%	8.8%
Terraced house 3-bedrooms	7.1%	3.9%	2.1%	0.0%	13.1%	14.5%	14.9%
Terraced house 4 or more-bedrooms	1.2%	0.8%	1.4%	0.1%	3.5%	2.8%	2.4%
Semi-detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Semi-detached house 2-bedrooms	3.1%	2.0%	0.8%	0.0%	5.9%	5.2%	3.8%
Semi-detached house 3-bedrooms	4.2%	6.2%	12.2%	0.0%	22.6%	21.7%	17.6%
Semi-detached house 4 or more-bedrooms	0.2%	0.2%	1.8%	0.2%	2.5%	2.6%	2.6%
Detached house 1-bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Detached house 2-bedrooms	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.7%
Detached house 3-bedrooms	0.0%	0.0%	3.6%	0.5%	4.1%	5.3%	5.9%
Detached house 4 or more-bedrooms	0.0%	0.0%	3.4%	3.2%	6.6%	8.7%	9.4%
<b>City of Leeds Total</b>	39.1%	21.5%	34.9%	4.5%	100.0%		
<b>Yorks. &amp; The Humber Total</b>	42.3%	20.3%	32.7%	4.7%		100.0%	
<b>England Total</b>	23.5%	19.7%	47.6%	9.2%			100.0%

Base: Leeds 352,140; Yorks & The Humber 2,452,500; England 24,596,090 (excludes annex, other and missing)

Source: VOA 2022



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

Dwelling type	CT Band A	CT Band B	CT Band C-E	CT Band F+	City of Leeds Total
Bungalow	0.8%	0.7%	4.0%	0.2%	5.8%
Flat	14.5%	5.2%	4.7%	0.1%	24.5%
Terraced	16.3%	7.2%	4.4%	0.2%	28.1%
Semi-detached	7.6%	8.3%	14.8%	0.3%	30.9%
Detached	0.0%	0.0%	7.0%	3.7%	10.7%
<b>Total</b>	<b>39.1%</b>	<b>21.5%</b>	<b>34.9%</b>	<b>4.5%</b>	<b>100.0%</b>
Number of bedrooms	CT Band A	CT Band B	CT Band C-E	CT Band F+	City of Leeds Total
1-bedroom	10.5%	1.7%	1.2%	0.0%	13.4%
2-bedrooms	15.2%	8.0%	7.5%	0.1%	30.9%
3-bedrooms	11.8%	10.3%	19.4%	0.8%	42.3%
4 or more -bedrooms	1.6%	1.5%	6.8%	3.6%	13.5%
<b>Total</b>	<b>39.1%</b>	<b>21.5%</b>	<b>34.9%</b>	<b>4.5%</b>	<b>100.0%</b>

Source: VOA 2022

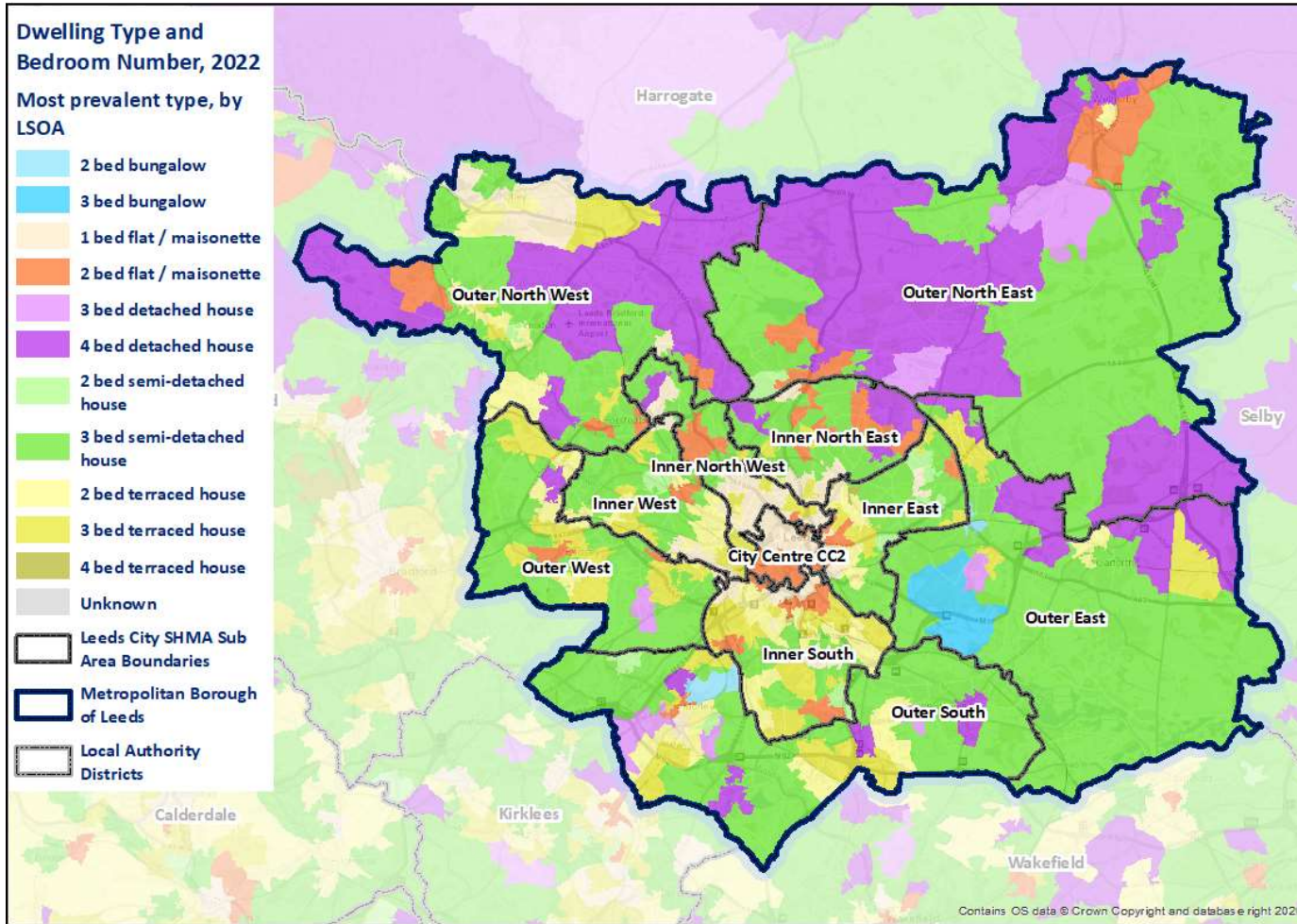
- 2.6 There are a 281 licenced houses in multiple occupancy (HMOs). Most are located in the Inner North West and Inner West sub-areas. The total number of HMOs in the City of Leeds are estimated to be 1,649 (LAHS data returns).

**Table 2.5 HMO distribution across the City of Leeds**

Sub-area	Number of HMOs Licenced	Number of HMOs Not Licenced	Number of HMOs Total
City Centre	8	157	165
Inner East	13	185	198
Inner North East	24	126	150
Inner North West	97	305	402
Inner South	23	177	200
Inner West	85	209	294
Outer East	11	62	73
Outer North East	1	20	21
Outer North West	7	47	54
Outer South	4	47	51
Outer West	8	33	41
<b>City of Leeds</b>	<b>281</b>	<b>1,368</b>	<b>1,649</b>

Source: Council data &amp; LAHS data returns, England 2020-21: Section F – Condition of Dwelling Stock

**Map 2.1** Predominant dwelling type and size by LSOAs: City of Leeds



Source: Valuation Office Agency 2022

## Property age and condition

### The age and condition of housing in the City of Leeds

- 2.7 The age profile of the dwelling stock in the borough is summarised in Table 2.6. 37.5% of dwellings were built before 1945, 37.4% between 1945 and 1982 and 25.2% since 1983.

**Table 2.6 Age of dwelling**

Age of Dwellings	Number	%
pre-1919	64,650	17.9%
1919-44	70,970	19.6%
1945-64	71,090	19.7%
1965-82	64,070	17.7%
1983-99	33,240	9.2%
post 1999	57,730	16.0%
<b>Total</b>	<b>361,750</b>	<b>100.0%</b>
<b>Unknown</b>	<b>4,630</b>	
<b>Grand Total</b>	<b>366,380</b>	

Source: VOA 2022

- 2.8 The English Housing Survey (EHS) produces national data on dwelling condition. Applying national trends to the stock profile of the City of Leeds (Table 2.7) would suggest that around 16.5% of dwelling stock is non-decent, which is in line with the national average of 17.0%. The number of dwellings likely to fail the minimum standard of decent homes criteria is estimated to be 9.8% (compared with 9.9% nationally).
- 2.9 A full definition of what constitutes a decent home is available from DLUHC (source: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7812/138355.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf)) but in summary a decent home meets the following four criteria:
- it meets the current statutory minimum for housing;
  - it is in a reasonable state of repair;
  - it has reasonably modern facilities and services; and
  - it provides a reasonable degree of thermal comfort.

**Table 2.7a Dwelling stock condition in England – percentage of dwellings failing decent homes criteria estimate**

Dwelling age (ehs)	-	% fail Non-decent	% fail Minimum Standard	% fail Repair	% fail Modern facilities and services	% fail Thermal Comfort	All dwellings in group (number)	Percentage of dwellings in group
pre-1919	-	32.0	21.7	7.3	4.6	7.8	4,906	20.1
1919-44	-	19.3	11.0	4.5	3.4	6.2	3,738	15.3
1945-64	-	16.1	8.9	4.7	1.5	4.2	4,369	17.9
1965-80	-	15.1	8.1	1.1	1.1	6.9	4,872	20.0
1981-90	-	16.5	3.8	1.0	2.1	12.1	1,959	8.0
post 1990	-	2.0	1.8	u	0.2	0.0	4,570	18.7
<b>Total</b>	-	<b>17.0</b>	<b>9.9</b>	<b>3.3</b>	<b>2.1</b>	<b>5.6</b>	<b>24,414</b>	<b>100.0</b>

**Table 2.7b Dwelling stock condition in the City of Leeds – number of dwellings failing decent homes criteria estimate**

Dwelling age (ehs)	Dwelling age (voa)	Estimate number fail Non-decent	Estimate number fail Minimum Standard	Estimate number fail Repair	Estimate number fail Modern facilities & services	Estimate number fail Thermal Comfort	All dwellings in group (number)	Percentage of dwellings in group
pre-1919	pre-1919	20,688	14,029		4,719	2,974	64,650	17.9%
1919-44	1919-44	13,697	7,807		3,194	2,413	70,970	19.6%
1945-64	1945-64	11,445	6,327		3,341	1,066	71,090	19.7%
1965-80	1965-82	9,675	5,190		705	705	64,070	17.7%
1981-90	1983-1992	2,883	664		175	367	17,470	4.8%
post 1990	Post 1992	1,470	1,323		*	147	73,500	20.3%
<b>Total</b>		<b>59,858</b>	<b>35,339</b>		<b>12,134</b>	<b>7,672</b>	<b>361,750</b>	<b>100.0%</b>
<b>% of all stock</b>		<b>16.5</b>	<b>9.8</b>		<b>3.4</b>	<b>2.1</b>		
<b>National %</b>		<b>17.0</b>	<b>9.9</b>		<b>3.3</b>	<b>2.1</b>		

Source: English Housing Survey 2019 data applied to 2022 Valuation Office Agency dwelling stock age

Note '\*\*' indicates sample size too small for reliable estimate

- 2.10 The 2023 household survey provides an indication of household satisfaction with the state of repair of accommodation. Overall 71.8% of respondents expressed satisfaction (31.9% were very satisfied and 39.9% were satisfied); 16.5% were neither satisfied nor dissatisfied. A total of 11.7% expressed degrees of dissatisfaction, of whom 8.1% were dissatisfied and 3.6% were very dissatisfied.
- 2.11 Table 2.8 considers how dissatisfaction with state of repair varies by tenure, property type, age and location. Dissatisfaction was highest amongst those living in affordable housing (which is more reflective of tenant expectations of landlord responses to repairs rather than the actual state of repair); those in semi-detached, terraced/town houses and flats/apartments; and those in properties built before 1964.

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

<b>Tenure</b>	<b>No. of households dissatisfied</b>	<b>% of households dissatisfied</b>	<b>Base (households)</b>
Owner occupier	9,847	4.3%	226,728
Private rented	8,804	19.7%	44,768
Affordable housing	21,356	30.6%	69,696
Total (all responses)	40,007	11.7%	341,192
Missing cases (where tenure was not stated)			104
Total (all households)			341,296
<b>Property Type</b>	<b>No. of households dissatisfied</b>	<b>% of households dissatisfied</b>	<b>Base (households)</b>
Detached house	974	1.8%	53,300
Semi-detached house	10,701	8.9%	120,613
Terraced house / town house	12,223	16.6%	73,729
Bungalow	1,221	4.7%	25,847
Maisonette	1,462	66.8%	2,189
Flat / apartment	12,954	21.1%	61,312
Caravan/part home / other	472	12.8%	3,679
Total (all responses)	40,007	11.7%	340,668
Missing cases (where property type was not stated)			628
Total (all households)			341,296
<b>Property Age</b>	<b>Number of households dissatisfied</b>	<b>% of households Dissatisfied</b>	<b>Base (households)</b>
Pre 1919	5,844	14.3%	40,909
1919 to 1944	4,274	7.1%	59,820
1945 to 1964	7,221	11.5%	62,830
1965 to 1984	3,629	5.6%	65,025
1985 to 2004	1,937	5.4%	35,808
2005 onwards	1,296	5.4%	24,195
Don't know	15,540	30.0%	51,770
Total (all responses)	39,741	11.7%	340,358
Missing cases (where property age was not stated)			938
Total (all households)			341,296

Source: 2023 household survey

## Housing tenure

- 2.12 The tenure profile by sub-area is presented in Table 2.9 This is based on the 2021 Census. Overall, 57.0% of occupied dwellings are owner-occupied, 22.0% are private rented (including tied accommodation and student housing) and 21.0% are affordable (including social rented from a council or housing association and shared ownership). There are considerable variations in tenure profile by sub-area.

**Table 2.9 Tenure profile by sub-area**

Sub-area	% Owner occupied	% Private rented	% Affordable	Total	Total households
City Centre	16.5%	74.1%	9.4%	100.0%	9,958
Inner East	33.9%	24.6%	41.5%	100.0%	34,416
Inner North East	61.8%	20.8%	17.4%	100.0%	30,053
Inner North West	32.1%	45.0%	22.8%	100.0%	25,860
Inner South	40.5%	26.4%	33.2%	100.0%	30,292
Inner West	43.4%	26.3%	30.3%	100.0%	32,117
Outer East	71.3%	12.0%	16.7%	100.0%	38,739
Outer North East	76.9%	11.8%	11.3%	100.0%	27,152
Outer North West	74.7%	12.8%	12.6%	100.0%	40,112
Outer South	70.2%	16.4%	13.4%	100.0%	40,131
Outer West	66.3%	16.7%	17.0%	100.0%	32,564
<b>City of Leeds</b>	<b>57.0%</b>	<b>22.0%</b>	<b>21.0%</b>	<b>100.0%</b>	<b>341,394</b>

Source: 2021 Census KS402EW and 2021 household estimate

## The owner-occupied sector

- 2.13 An analysis of house prices and trends over time is presented in Chapter 3.

## Stakeholder views on the owner-occupied sector

- 2.14 A full analysis of the findings of the online stakeholder survey and from discussions with estate agents is set out in Technical Appendix E. Key points raised by stakeholders include:
- Despite more people wanting to move to larger or more rural properties following the pandemic, there remains a good residential market in town centres, particularly for first-time buyers and young professionals; a key target market for town-centre living.
  - There is a clear market for older people who may live alone and no longer drive and who benefit from living in close proximity to services and facilities.
  - Young people are generally well catered for within town/city centre markets. The range of the housing offer is generally reflective of the housing need.

- One of the biggest strengths of the housing market is the significant demand for new homes, encompassing a range of types and sizes across the area as a whole. There are also plenty of affordable areas where average prices are less than £200k making them attractive to property buyers.
- The housing market in Leeds has become increasingly difficult to navigate in the last 2-4 years, due to the lack of affordable mortgage homes, and almost no council properties. Where houses are council-owned, they tend to be high rise flats or maisonettes, which are not suitable for everyone.
- The current supply pipeline for houses does not meet the broader spectrum of demand. It is heavily focussed on the city centre and inner areas with a large amount of student accommodation contributing to overall numbers and particularly the provision of 1-bedroom flats within the city centre.
- Family housing, particularly for 2- and 3-bedroom houses with gardens, have an acute shortage of supply. The supply of housing across the area needs to be more evenly distributed with some areas having a clear shortfall of delivery against need.
- Leeds has an aging housing stock which is no longer fit for purpose. The market place is polarised with poor housing pooled in certain areas and higher quality housing in others. The market seems to be split between high value purchase and affordable rent units, with limited middle ground in between.

2.15 Appendix F provides a summary of market activity by broad sub-area.

## The private rented sector

- 2.16 The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment, to respond to changing circumstances and provides a housing option for those on low incomes. Across the city, the proportion of households renting increased from 12.5% in 2001 to 22.0% in 2021 (ONS census data). Increasing house prices pre-2007 and the struggling sales market when the downturn came are both factors that have underpinned the growth of the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role in meeting housing need, affordable need as well as providing an alternative to homeownership.
- 2.17 Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encouraging good quality management will improve the reputation of the sector and encourage longer term lets and lower turnover. However, this is a challenging task where existing partners need to be encouraged to participate and new partners and investors need to be identified.



## Build to Rent

- 2.18 Build to Rent schemes can have a number of benefits. Schemes can quickly increase supply and provide improved quality and wider choice in housing markets; the accommodation and service offer provide better tenure options for households looking to rent longer term compared to what is available in the current PRS. Within Leeds, there are markets for single family and multi-family Build to Rent schemes. Standards are expected to be more professional, tenancies longer and by introducing an affordable offer (minimum 20% below market rents), these schemes can help diversify the range of affordable rental accommodation in Leeds.
- 2.19 Local authorities already have tools and powers at their disposal to support Build to Rent. For example, as part of their plan-making and decision taking processes, authorities can:
- Identify sites in their Strategic Land Availability Assessments which might be well suited to particular types of development.
  - Include policies in their Local Plans on Build to Rent.
  - Choose whether or not to deploy the nationally described space standard, taking into account viability and need considerations.
- 2.20 Local authorities also have non-planning powers at their disposal through which they can support Build to Rent, such as using their own council land holdings.

## Recommendations for a policy framework for Build to rent

- 2.21 Any decisions regarding discounts and the amount of affordable private rent to be secured will need to be affordable to local households and take into account viability assessment analysis. The Council would need to develop a planning policy to consider:
- what constitutes Build to Rent in terms of size of scheme;
  - the percentage discounts that will be applied to Build to Rent schemes to secure affordable private rent as an affordable product for local people in line with their affordability policies to ensure homes are truly affordable. It is likely the evidence in this report will need to be tested against viability evidence;
  - (the Council may wish to consider) whether it wishes to vary the proportion of and explore a trade-off between the number of affordable private rent units and the discount offered on them across the development, with the proviso being that these should accord with the headline affordable housing contribution agreed through the planning permission;
  - the requirement that the affordable private rent units should be retained as affordable housing in perpetuity; there should be no break clause for the affordable housing which should remain as a community benefit in perpetuity;

- the groups that affordable private rent should be targeted toward (the product is affordable for lower and median income groups across various locations and property sizes);
- (the Council may wish to consider) establishing an intermediate housing list and a mechanism for access to these properties;
- a requirement for applications to demonstrate how any negotiated discount is affordable to local incomes;
- the need for all options to be agreed jointly between the local authority and the developer as part of the planning permission; and
- on site provision to be a priority but where this is not the requirement by the Council, a commuted sum mechanism be developed to reflect the bespoke nature of Build to Rent.

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

- unified ownership and unified management of the private and affordable private rent elements of the scheme;
- longer tenancies (three years or more) to all tenants - these should have break clauses for renters, which allow the tenant to end the tenancy with a month's notice any time after the first six months;
- rent certainty for the period of the tenancy, the basis of which should be made clear to the tenant before a tenancy agreement is signed, including any annual increases which should always be formula-linked;
- for on-site management, this does not necessarily mean full-time dedicated on-site staff, but all schemes need to have a complaints procedure in place and are a member of a recognised ombudsman scheme;
- no up-front fees of any kind to tenants or prospective tenants, other than deposits and rent-in-advance;
- a range of unit sizes for affordable private rent in equal proportions of the Build to Rent units based on local market conditions;
- a bespoke eligibility agreement agreed with the Council on all developments;
- an annual statement to demonstrate how the affordable private rent units are meeting local housing need;
- for all affordable private rent units to be tenure blind, and physically indistinguishable, and designed to the same high design quality and specification as the market homes; and
- for affordable private rent homes to be distributed throughout the scheme, to help support a mixed and balanced community.

- 2.23 Eligibility for occupying affordable private rented homes should be agreed locally between the local authority and the scheme operator, but with regard to criteria set out in planning guidance. Final decisions over the occupancy criteria for affordable private rent homes should be made by the Build to Rent scheme operator (which should reference part 6 allocations, the Council's allocation policy and choice-based lettings scheme), working with the authority, taking into account the criteria, the Councils Allocation Policy including Local Connection criteria (where applicable and not to the exclusion of those exempt ) and other parameters as agreed.
- 2.24 The eligibility criteria for the affordable private rent homes should be set out in the Section 106 agreement.

### Stakeholder views on the private rented sector

- 2.25 A full analysis of the findings of the online stakeholder survey is set out in Technical Appendix E. A short summary for the private rented sector is provided here.
- 2.26 Stakeholders commented that:
- Private rented opportunities have expanded significantly over the last 20 years resulting in a wide range of properties to rent across the city.
  - Since 2000, the city has seen an increase in the private rented sector mainly at the expense of the owner/occupation market with some areas of the city it being the dominant tenure.
  - The overall quality of housing in the rental sector is mixed. There are improving standards being driven up by good landlords but still far too much poor quality privately rented housing. A lack of decent rented accommodation which is affordable and suitable for young people is a concern
  - Renters are faced with a choice between old, average quality private rented accommodation with poor management or schemes including amenities with a rental premium of c.25%.
  - The council are developing built to rent products for families to help diversify the range of affordable housing options.

### Affordable housing

- 2.27 There are 73,616 affordable dwellings across the City of Leeds according to the Regulator of Social Housing Statistical Data Return (SDR) 2022 data. Of these, 73.3% are council dwellings (54,034) and 26.7% are registered provider dwellings (19,582). The stock is further broken down as follows:
- 63,411 general needs rented units (of which 49,923 are council and 13,488 housing association);
  - 8,544 supported housing/housing for older people units (of which 4,102 are Council and 4,442 housing association); and

- 1,661 low-cost home ownership units which will include shared ownership (although the breakdown by affordable home ownership types is not available on the SDR return)
- 2.28 The SDR figures may differ slightly from information held by the Council.

### Stakeholder views on affordable housing

- 2.29 A full analysis of the findings of the online stakeholder survey is set out in Technical Appendix E. A short summary for the affordable sector is provided here.
- 2.30 Stakeholders commented that:
- There is also an existing and growing provision of affordable rent apartments which is ensuring the city is well served in this area. There has been recent expansion in the market – both in terms of private developments and developments with links to the Council as a result of healthy engagement between the Council and providers.
  - Unintended consequences of this market trend in Leeds means a significant under delivery of affordable housing and a significant lack of housing mix, notably a lack of 1 and 2 bedroom properties, family homes and specialist housing for older people.
  - Although there is a large amount of development within the region there is a distinct lack of development, or specifically affordable housing delivery in higher value areas, specifically in the north of the city.
  - Affordable housing delivery across all tenures is a challenge but is particularly acute within social housing which has seen a net decrease since 2017.
  - There are areas of the city that are unaffordable for people on benefits or average earnings. Over recent years, the numbers of areas where people can afford to live have reduced and are really now restricted to inner city areas around the city centre..
  - There is a shortage across all tenures of affordable housing but is particularly acute outside of central areas, for larger family units, and for socially rented units.

## Past trends in housing delivery

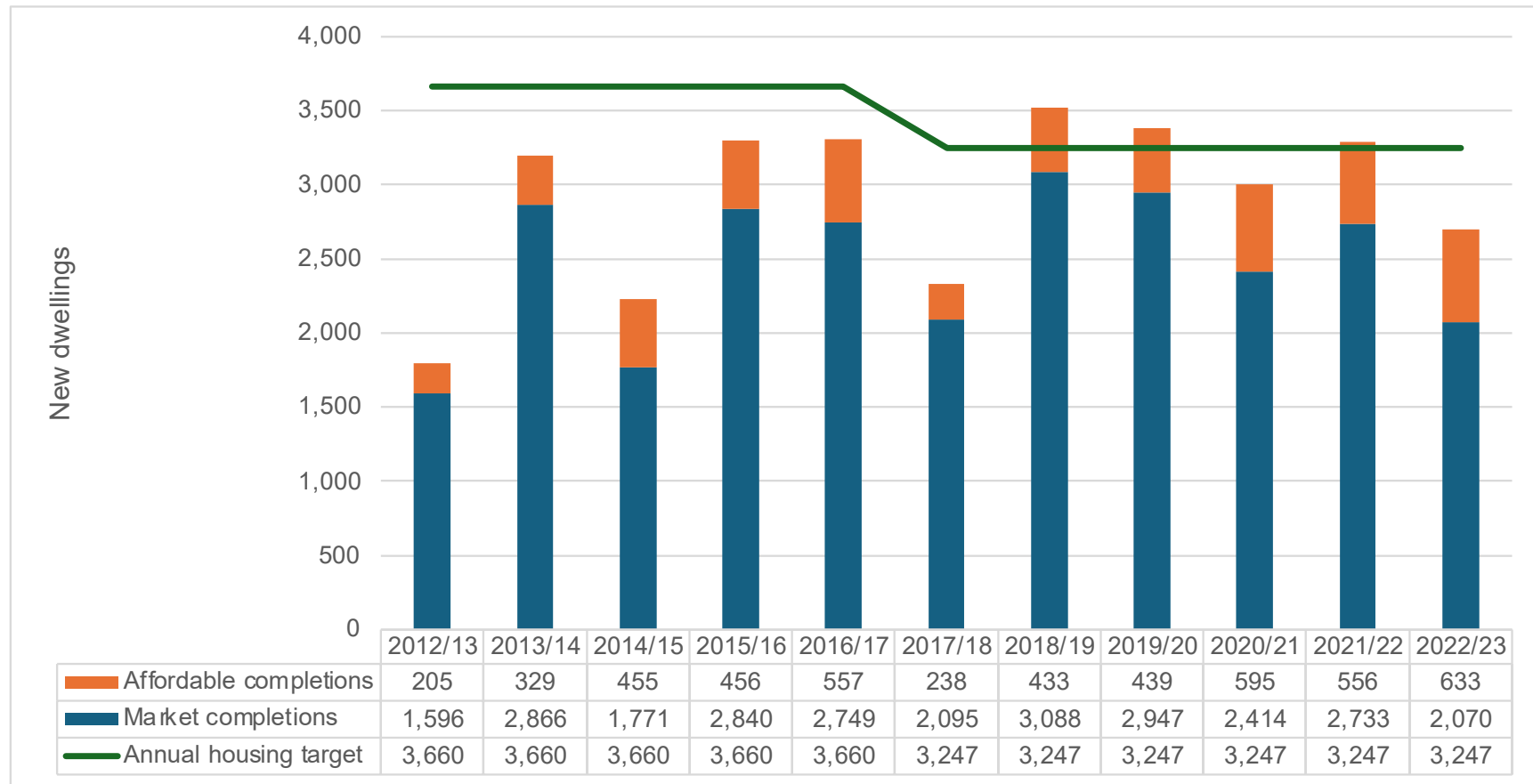
- 2.31 Over the past 11 years (2012/13 to 2022/2023) 32,065 net new dwellings have been built across Leeds (Table 2.10), around half of which have been built in the five years 2018/19 to 2022/23. In the past 5 years, an annual average of 3,182 net completions has been achieved. A comparison of annual completions with the annual housing requirement is presented in Figure 2.1. Between the years 2012/13 to 2017/18, annual delivery was below the Core Strategy requirement of 3,247 dwellings each year. However, over the 5-year period 2017/18 to 2021/22 delivery has been broadly in line with housing targets, with an average annual delivery of 3,182 compared with a target of 3,247. There has been an under delivery of 327 dwellings over the 5-year period compared with targets.
- 2.32 The distribution of newbuild activity since 2007 is shown in Map 2.2.

**Table 2.10 Dwelling completions 2012/13 to 2022/2023**

Year	Total net completions	Net completions Market	Net completions Affordable	Housing Requirement	Surplus/ Deficit against target
2012/13	1,801	1,596	205	3,660	-1,859
2013/14	3,195	2,866	329	3,660	-465
2014/15	2,226	1,771	455	3,660	-1,434
2015/16	3,296	2,840	456	3,660	-364
2016/17	3,306	2,749	557	3,660	-354
2017/18	2,333	2,095	238	3,247	-914
2018/19	3,521	3,088	433	3,247	274
2019/20	3,386	2,947	439	3,247	139
2020/21	3,009	2,414	595	3,247	-238
2021/22	3,289	2,733	556	3,247	42
2022/23	2,703	2,070	633	3,247	-544
2012-2023 (Total 14 years)	32,065	27,169	4,896	37,782	-5,717
Total (past 5 years)	15,908	13,252	2,656	16,235	-327
<b>Annual average (past 5 years)</b>	<b>3,182</b>	<b>2,650</b>	<b>531</b>	<b>3,247</b>	<b>-65</b>

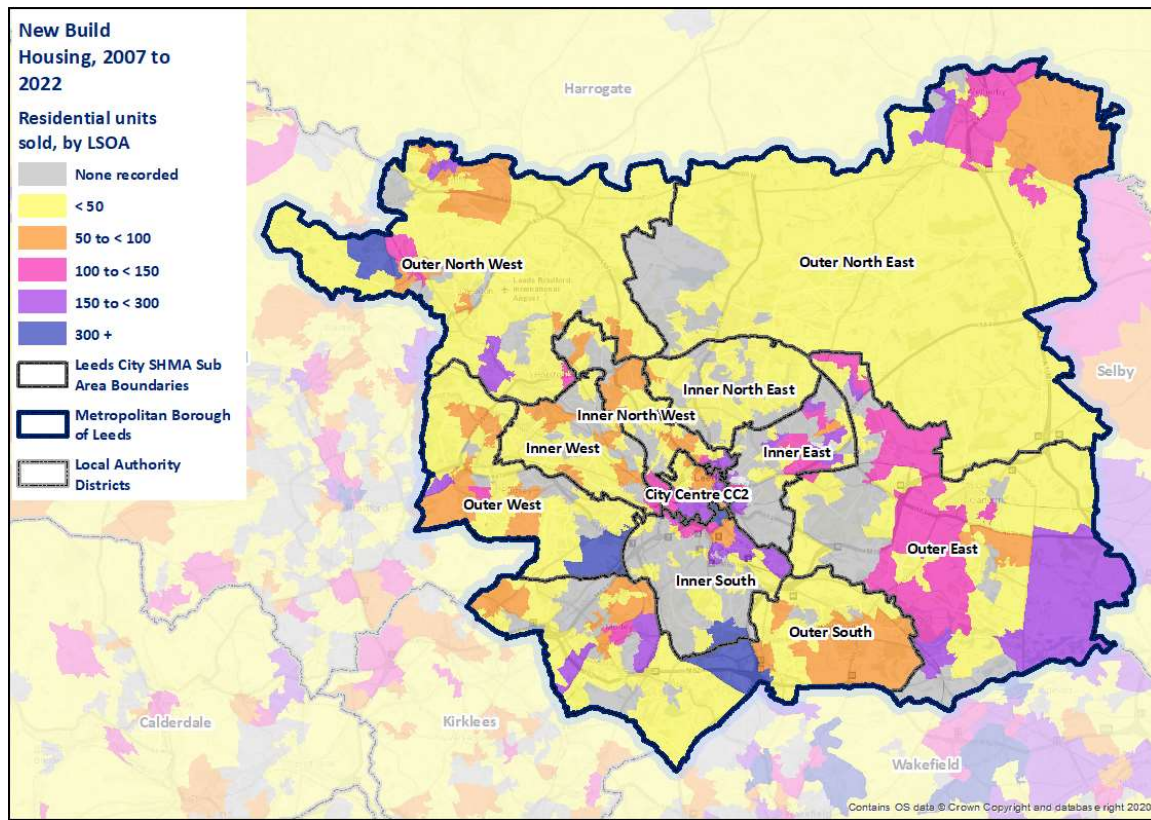
Source: Leeds Council Annual Monitoring Returns/Reports

**Figure 2.1 Dwelling completions compared with the annual requirement, 2012/13 to 2021/22**



Source: Council Annual Monitoring Returns/Reports

**Map 2.2 New build dwellings by LSOA over period 2007-2022**



Source: Land Registry © Crown copyright 2007 to 2022

## Demographic drivers: population and households

### Population projections

2.33 The ONS produces population projections every two years. The latest 2018-based principal ONS population projections report a 2022 population of 799,872 across the city which is expected to increase by 37,377 (4.7%) to 837,250 by 2040 (Table 2.11). There is an increase across most age cohorts with the exception of the 55 to 64 age group. Older age groups saw the largest increases. Table 2.11 also shows the 2014-based ONS population projection totals. These projections underpin the 2014-based DLUHC household projections which inform the standard method to calculate housing need. They show a higher level of population growth compared with the 2018-based projections.

**Table 2.11a Change in population 2022-2040 by age group – 2018-based ONS population projections**

Age groups	2022	2040	Number change 2022-2040	% change 2022-2040
0-19	198,591	202,019	3,428	1.7%
20-39	249,733	263,746	14,013	5.6%
40-54	138,272	138,770	498	0.4%
55-64	86,325	78,254	-8,071	-9.3%
65-74	65,854	73,443	7,589	11.5%
75-84	44,030	56,653	12,623	28.7%
85+	17,067	24,364	7,298	42.8%
All Ages	799,872	837,250	37,377	4.7%

**Table 2.11b Change in population 2022-2037 by age group – 2014-based ONS population projections**

Age groups	2022	2037	Number change 2022-2037	% change 2022-2037
All Ages	806,686	877,581	70,895	8.8%

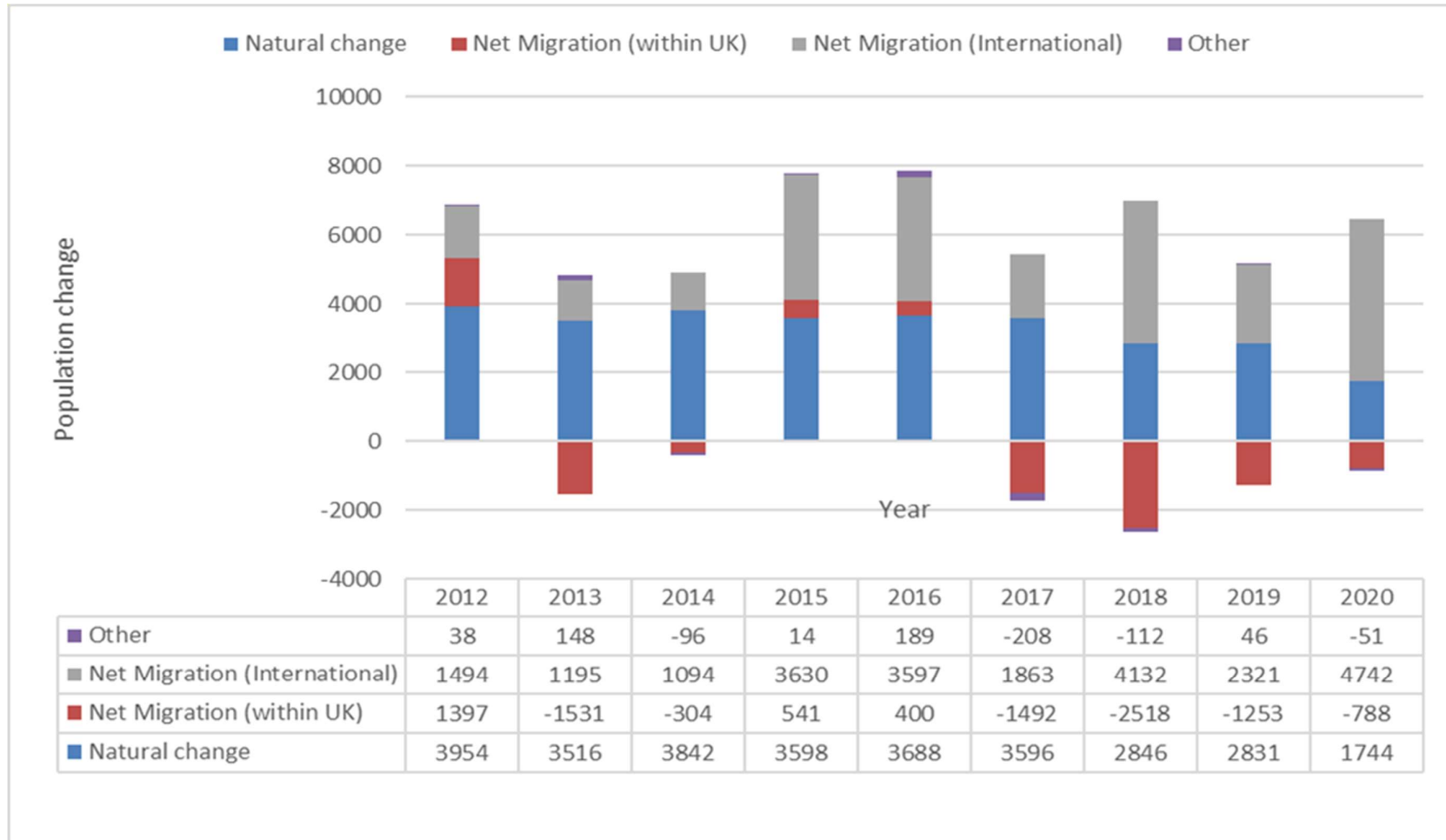
Source: 2018-based and 2014-based ONS population projections

### Components of population change

2.34 The ONS publish mid-year population estimates at local authority level which includes an analysis of components of population change, that is natural change, national migration and international migration. The component analysis also includes 'other' change which can include boundary adjustment and military population moves. The data for the City of Leeds 2012-2020 is shown in Figure 2.2. Over the period 2012 to 2020, net in-migration (international) has consistently had the greatest impact on population change.



**Figure 2.2 Components of population change 2012 to 2020**



Source: ONS Population estimates and components of population change. Detailed time series 2012 to 2020

## Migration trends 2012-2020

- 2.35 Table 2.12 presents a detailed analysis of internal and international migration by year and Table 2.13 summarises the data by broad age and year groups. The base numbers may differ slightly from the ONS components of change analysis due to rounding but provides useful insight into the age group of migrants, their origins and destinations and the relative importance of international migration.
- 2.36 Key trends in migration over the period 2012 to 2020 include:
- Overall annual net outflows in each year, averaging 1,150 over the period with the majority movement to Wakefield;
  - Considerable net inflows from Yorkshire and The Humber (averaging 416 over the period) and Rest of England (928 annual average)
  - Significant international net inflow, averaging 2,674 people over that period
  - In terms of migration by age group over the period 2012 to 2020:
    - The key inflows were people in the under 30 age group from Yorkshire and the Humber and the Rest of England.
    - The key net outflows were the 30 – 64 age group to Wakefield, Yorkshire and The Humber and the Rest of England.
  - Net international migration of younger age groups has been a key driver of population increase over the period 2012-2020.
- 2.37 An analysis of migration flows indicates that considerable net inflows and lower levels of net outflows have helped to increase population levels across the City of Leeds.

**Table 2.12 National and international migration by year**

YEAR	Leeds	WEST YORKSHIRE					ELSEWHERE UK					TOTAL (UK internal)	International	TOTAL (internal & international)		
		Bradford	Calderdale	Kirklees	Wakefield	TOTAL	Harrogate	Selby	Rest of YORKS. AND THE HUMBER	Rest of ENGLAND	NI				SCOTLAND	WALES
2012	<i>Migrated OUT to</i>	2,686	594	1,932	2,232	7,444	1,286	752	4,638	22,018	153	783	577	37,651	5,103	42,754
	<i>Migrated IN from</i>	3,277	587	1,764	1,927	7,556	896	509	5,080	23,438	213	742	609	39,044	6,597	45,641
	<i>NET</i>	591	-7	-168	-305	112	-389	-243	442	1,420	61	-41	32	1,393	1,494	2,887
2013	<i>Migrated OUT to</i>	2,756	561	1,873	2,217	7,407	1,249	704	4,607	21,882	173	802	537	37,360	5,216	42,576
	<i>Migrated IN from</i>	3,420	536	1,801	1,897	7,654	846	493	4,775	20,648	200	615	598	35,829	6,411	42,240
	<i>NET</i>	664	-25	-72	-320	247	-403	-211	168	-1,234	28	-187	61	-1,531	1,195	-336
2014	<i>Migrated OUT to</i>	2,884	538	1,796	2,286	7,504	1,331	776	4,630	22,353	175	874	529	38,172	6,750	44,922
	<i>Migrated IN from</i>	3,266	542	1,825	2,012	7,644	1,013	522	5,113	22,173	174	638	591	37,868	7,844	45,712
	<i>NET</i>	381	4	29	-274	140	-319	-254	483	-180	0	-235	62	-304	1,094	790
2015	<i>Migrated OUT to</i>	3,112	469	1,923	2,606	8,110	1,349	796	4,637	21,213	171	844	528	37,648	5,198	42,846
	<i>Migrated IN from</i>	3,201	558	1,804	1,899	7,463	991	531	5,124	22,625	169	652	634	38,189	8,828	47,017
	<i>NET</i>	89	89	-119	-706	-647	-358	-265	487	1,413	-2	-192	106	541	3,630	4,171
2016	<i>Migrated OUT to</i>	3,154	663	1,956	2,655	8,428	1,280	857	4,817	20,863	178	821	505	37,749	5,993	43,742
	<i>Migrated IN from</i>	3,222	527	1,747	1,980	7,476	992	532	5,148	22,566	169	642	625	38,149	9,590	47,739
	<i>NET</i>	69	-136	-210	-675	-952	-288	-324	330	1,703	-9	-179	119	400	3,597	3,997
2017	<i>Migrated OUT to</i>	3,626	633	2,383	3,429	10,071	1,512	1,016	5,378	25,195	156	675	590	44,594	6,252	50,846
	<i>Migrated IN from</i>	3,421	668	2,139	1,899	8,127	1,130	512	5,875	26,081	192	613	571	43,102	8,115	51,217
	<i>NET</i>	-205	35	-244	-1,530	-1,944	-383	-504	498	886	37	-62	-19	-1,492	1,863	371
2018	<i>Migrated OUT to</i>	3,876	627	2,351	3,870	10,724	1,445	1,161	5,687	25,585	167	739	570	46,078	5,608	51,686
	<i>Migrated IN from</i>	3,608	589	2,133	1,783	8,113	1,005	478	5,798	26,777	184	529	677	43,560	9,740	53,300
	<i>NET</i>	-267	-39	-218	-2,087	-2,611	-440	-682	110	1,192	17	-210	106	-2,518	4,132	1,614
2019	<i>Migrated OUT to</i>	4,199	647	2,402	3,863	11,111	1,534	1,096	5,675	26,904	191	683	601	47,795	7,224	55,019
	<i>Migrated IN from</i>	3,700	623	2,189	2,088	8,601	1,123	571	6,329	28,430	178	559	751	46,542	9,545	56,087
	<i>NET</i>	-498	-23	-214	-1,775	-2,510	-412	-525	654	1,525	-13	-123	150	-1,253	2,321	1,068
2020	<i>Migrated OUT to</i>	3,326	547	2,204	3,528	9,604	1,363	796	5,322	24,879	175	616	629	43,384	5,483	48,867
	<i>Migrated IN from</i>	3,252	525	1,908	1,730	7,415	945	487	5,896	26,508	250	543	552	42,596	10,225	52,821
	<i>NET</i>	-74	-21	-296	-1,797	-2,188	-418	-309	574	1,629	75	-73	-77	-788	4,742	3,954

Sources:

**Internal:** ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001- 2020 (Table: MYEB2)

**Table 2.13 Summary of national and international migration by year group and age group**

PERIOD	AGE GROUP	Leeds	WEST YORKSHIRE					ELSEWHERE UK					TOTAL (UK internal)	International	TOTAL (internal & international)		
			Bradford	Calderdale	Kirklees	Wakefield	TOTAL	Harrogate	Selby	Rest of YORKS. AND THE HUMBER	Rest of ENGLAND	NI				SCOTLAND	WALES
2012-2014	<30	Migrated OUT to	4,270	958	3,204	3,458	11,891	1,709	1,004	8,871	51,664	336	1,414	1,147	78,036	9,086	87,122
		Migrated IN from NET	5,567	1,036	3,389	3,244	13,236	1,355	817	10,738	53,905	472	1,274	1,407	83,204	15,693	98,897
		1,297	77	185	-214	1,345	-354	-187	1,867	2,241	135	-140	260	5,168	6,607	11,775	
	30-64	Migrated OUT to	3,479	681	2,132	2,897	9,189	1,807	1,056	4,320	13,416	153	943	455	31,339	7,516	38,855
		Migrated IN from NET	3,950	587	1,846	2,344	8,727	1,167	612	3,649	11,197	111	663	336	26,462	4,798	31,260
			471	-94	-286	-554	-463	-640	-444	-671	-2,219	-42	-279	-119	-4,877	-2,718	-7,595
65+	Migrated OUT to	316	124	200	110	750	129	62	1,540	1,174	10	102	41	3,808	467	4,275	
	Migrated IN from NET	446	37	157	345	985	233	95	422	1,090	2	54	46	2,928	361	3,289	
		130	-87	-44	235	235	104	33	-1,117	-83	-8	-48	5	-880	-106	-986	
2015-2017	<30	Migrated OUT to	4,887	961	3,544	4,263	13,656	1,689	1,127	9,291	51,919	325	1,408	1,109	80,523	9,793	90,316
		Migrated IN from NET	5,344	1,049	3,427	3,158	12,977	1,513	839	11,745	57,662	423	1,157	1,422	87,738	19,736	107,474
		456	88	-117	-1,106	-679	-176	-288	2,454	5,744	97	-251	313	7,215	9,943	17,158	
	30-64	Migrated OUT to	4,359	749	2,438	3,958	11,505	2,000	1,309	4,762	14,026	162	847	460	35,072	7,173	42,245
		Migrated IN from NET	3,977	649	2,038	2,321	8,986	1,346	626	3,803	12,179	98	669	345	28,053	6,324	34,377
			-382	-100	-400	-1,636	-2,519	-654	-683	-958	-1,848	-65	-178	-115	-7,019	-849	-7,868
65+	Migrated OUT to	55	280	225	9	569	10	6	2,329	1,326	17	85	54	4,396	477	4,873	
	Migrated IN from NET	72	13	280	468	835	253	110	792	1,338	2	55	62	3,446	473	3,919	
		18	-267	55	460	266	243	104	-1,538	12	-15	-30	8	-950	-4	-954	
2018-2020	<30	Migrated OUT to	5,574	1,015	3,840	5,627	16,056	1,809	1,297	10,541	60,285	346	1,151	1,271	92,757	9,891	102,648
		Migrated IN from NET	5,725	1,097	3,784	3,087	13,693	1,562	762	13,199	65,759	504	1,075	1,536	98,091	22,054	120,145
		151	82	-56	-2,540	-2,363	-247	-535	2,658	5,474	158	-77	265	5,334	12,163	17,497	
	30-64	Migrated OUT to	5,061	726	2,841	5,020	13,647	2,066	1,533	5,222	15,698	175	765	466	39,572	8,001	47,573
		Migrated IN from NET	4,294	592	2,174	2,227	9,286	1,284	634	4,188	14,396	100	500	378	30,766	6,910	37,676
			-767	-134	-667	-2,793	-4,361	-783	-899	-1,034	-1,302	-75	-265	-88	-8,806	-1,091	-9,897
65+	Migrated OUT to	554	149	260	411	1,374	328	136	1,508	1,386	12	121	63	4,928	423	5,351	
	Migrated IN from NET	386	50	293	392	1,122	227	140	664	1,560	8	56	65	3,841	546	4,387	
		-168	-99	34	-19	-252	-101	4	-844	174	-4	-65	3	-1,087	123	-964	

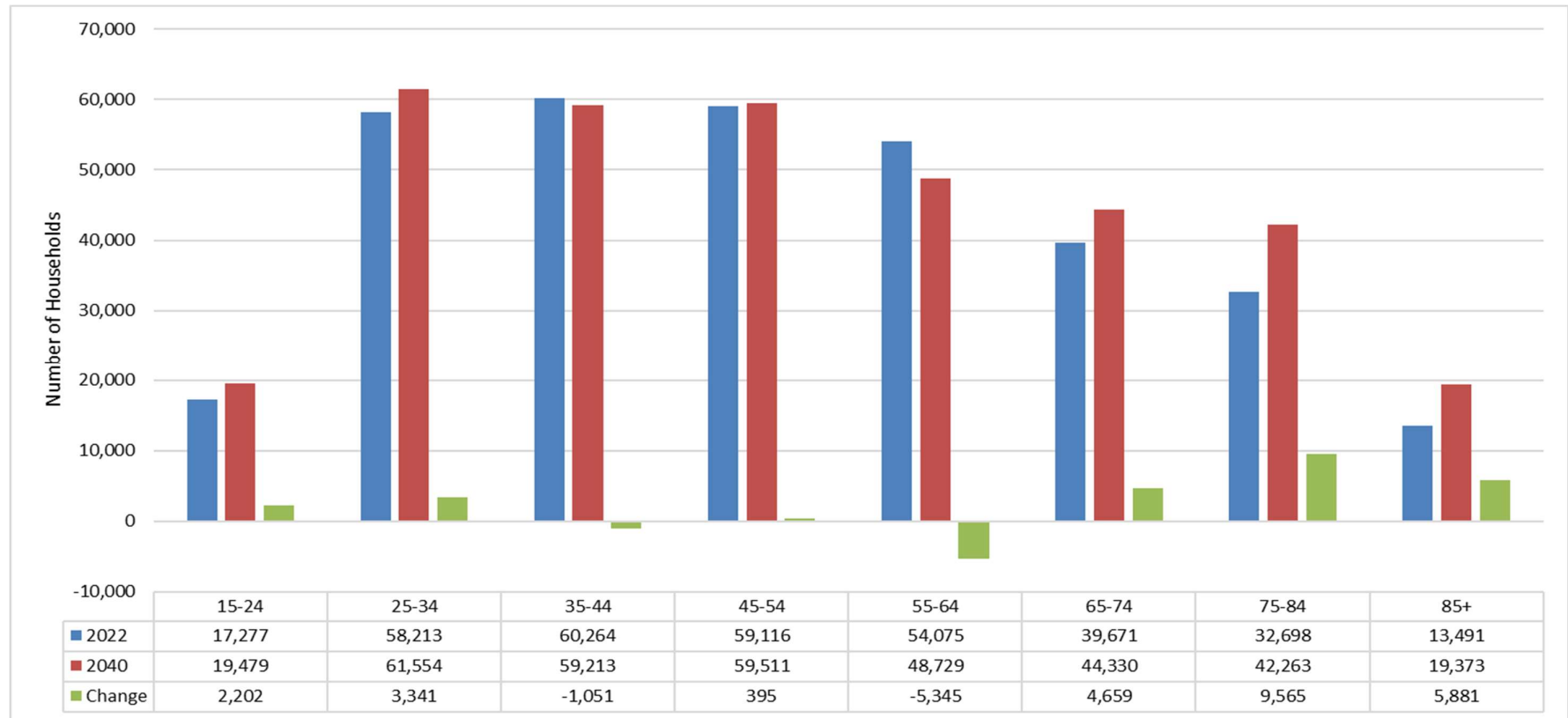
Sources:

**Internal:** ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001 -2020 (Table: MYEB2)

## Household projections

- 2.38 The ONS produces household projections which are based on population projections. The ONS estimates the proportions of people who are likely to be Household Reference people by age, gender and household type based on census data. Variant household projections are also produced.
- 2.39 According to the 2018-based principal ONS household projections there are 334,804 households across the city in 2022 and this is projected to increase by 19,647 (5.9%) to 354,451 by 2040. Note however that the 2021 Census reports a higher number of households (341,500) and subsequent ONS projections may show a lower level of household growth.
- 2.40 Table 2.14 provides a detailed breakdown of household type by the age of Household Reference Person to 2040. Currently available data shows that the overall household type profile is not expected to change over the 2022 to 2040 period, with the dominant household types being 'other households with two or more adults' and 'one person' households. Additionally, as illustrated in Figure 2.3, there will be a marked increase in the number of households where the Household Reference Person is aged 65 or over.

**Figure 2.3 Profile of households by age of Household Reference Person 2022 and 2040 projections**



Source: 2018-based ONS household projections

**Table 2.14 Household types and change 2022 to 2040 (by age of Household Reference Person (HRP))**

Year and household type	Age of Household Reference Person (HRP)										
	2022	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL	%
One Person	4,166	17,454	18,418	18,279	19,244	16,787	16,567	9,223	120,137	35.9%	
Household with 1 dependent child	3,166	9,436	12,566	11,512	4,566	614	177	41	42,078	12.6%	
Household with 2 dependent children	1,252	6,745	11,813	7,933	1,719	140	17	0	29,620	8.8%	
Household with 3 or more dependent children	602	3,976	5,401	2,606	454	23	12	0	13,074	3.9%	
Other households with two or more adults	8,091	20,602	12,066	18,785	28,091	22,107	15,926	4,227	129,895	38.8%	
<b>Total</b>	17,277	58,213	60,264	59,116	54,075	39,671	32,698	13,491	334,804	100.0%	
	2040	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL	%
One Person	4,713	18,442	18,150	18,364	17,356	18,740	21,409	13,118	130,292	36.8%	
Household with 1 dependent child	3,569	9,981	12,217	11,684	4,037	673	223	64	42,448	12.0%	
Household with 2 dependent children	1,417	7,133	11,620	8,203	1,498	151	20	0	30,043	8.5%	
Household with 3 or more dependent children	679	4,192	5,358	2,725	384	25	15	0	13,378	3.8%	
Other households with two or more adults	9,101	21,805	11,869	18,535	25,454	24,741	20,595	6,190	138,290	39.0%	
<b>Total</b>	19,479	61,554	59,213	59,511	48,729	44,330	42,263	19,373	354,451	100.0%	
<b>Change 2022-2040</b>		15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL	%
One Person	547	988	-268	85	-1,888	1,952	4,843	3,895	10,155	51.7%	
Household with 1 dependent child	403	545	-349	172	-529	59	46	23	370	1.9%	
Household with 2 dependent children	165	388	-194	270	-221	11	4	0	423	2.2%	
Household with 3 or more dependent children	77	216	-43	119	-70	2	3	0	304	1.5%	
Other households with two or more adults	1,010	1,203	-198	-250	-2,637	2,634	4,669	1,964	8,395	42.7%	
<b>Total</b>	2,202	3,341	-1,051	395	-5,345	4,659	9,565	5,881	19,647	100.0%	

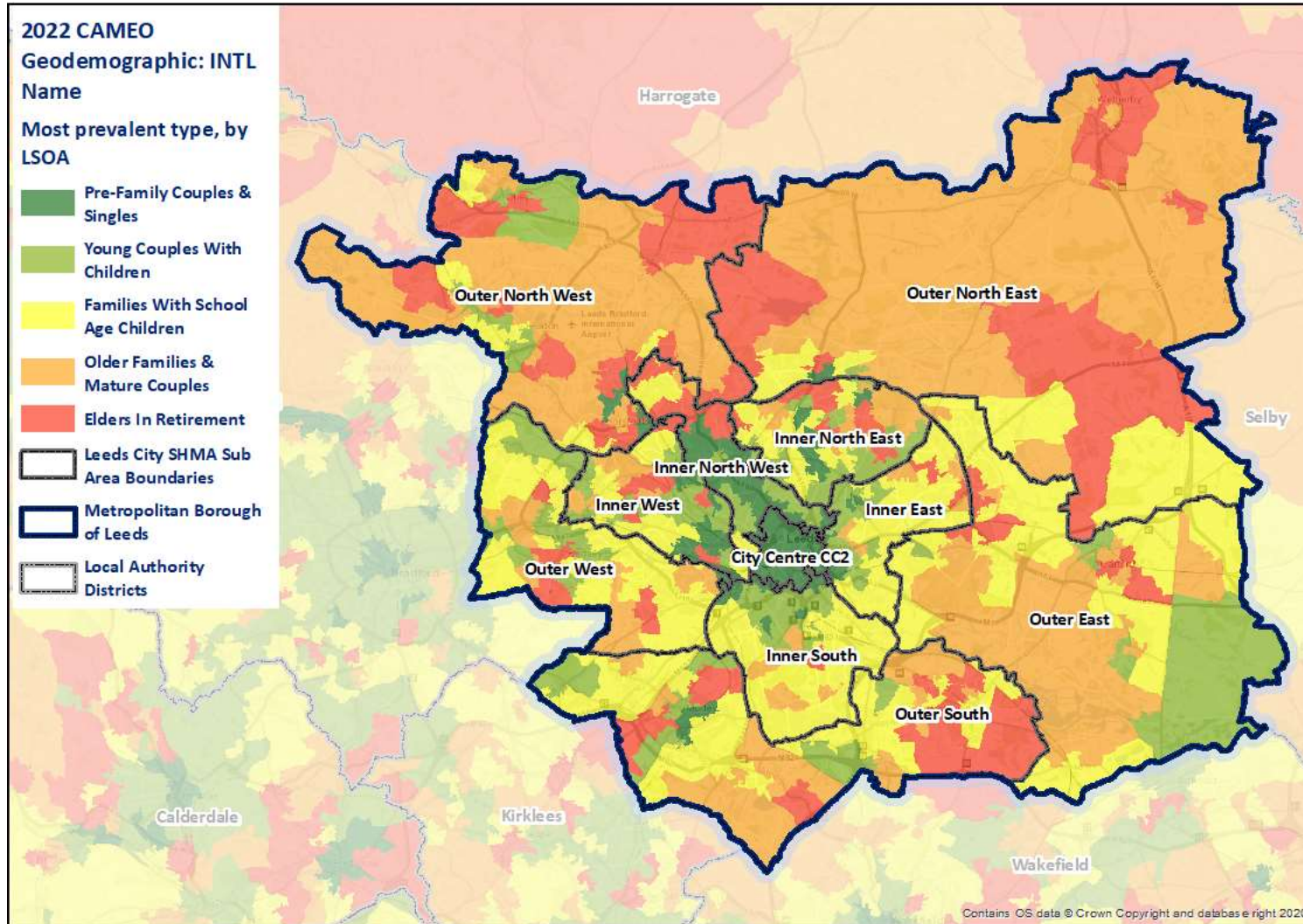
Source: 2018-based ONS household projections

## General household characteristics

- 2.41 The range of households living in the City of Leeds is illustrated in Maps 2.3 and 2.4. Map 2.3 illustrates the distribution of key household typologies and indicates a predominance of older families, mature couples and elders in retirement in the north of the city. Families with school age children and young couples concentrated towards the south of the city. Pre family couples and singles are based in central Leeds.
- 2.42 Map 2.4 considers income groups, broadly illustrating that prosperous households are concentrated in the west of the city and wealthy households are located in the north of the city. Comfortable, less affluent and poorer households are scattered across the south of the city and can be identified in the city centre. There are pockets of prosperous and wealthy households throughout the city.

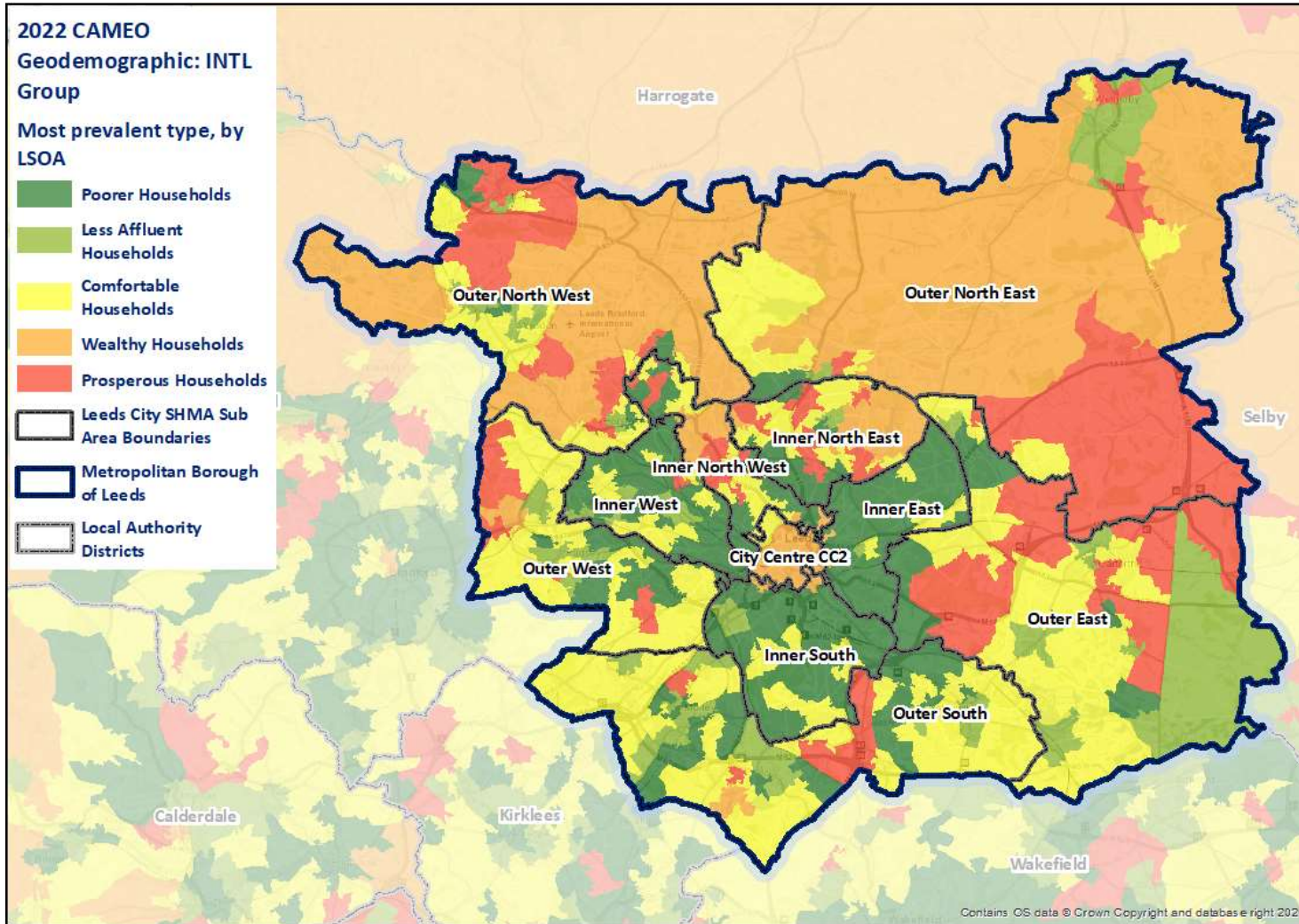


Map 2.3 Household characteristics: household type by LSOA, 2022



Source: CAMEO UK

Map 2.4 Household characteristics: income type, by LSOA, 2022



Source: CAMEO UK

## Income data

- 2.43 There are a range of income data sources available to inform this study which are now summarised. 2021 CAMEO income data provide range, quartile and average data of gross household income by sub-area. ONS Annual Survey of Hours and Earnings data provides gross earnings of economically active residents at district level.
- 2.44 Table 2.15 summarises gross income by sub-area using 2021 CAMEO UK data and indicates a citywide lower quartile household income of £15,000 and an average income of £31,148.
- 2.45 The 2020 Annual Survey of Hours and Earnings (ASHE) resident-based data indicates lower quartile earnings are £24,092, median earnings are £32,381 and average earnings are £38,920 across the City of Leeds.
- 2.46 Note that CAMEO and ASHE are different sources of income data but ONS ASHE data is used in the standard method calculation.

**Table 2.15 Annual gross household income by sub-area**

Sub-area	<£10k	£10k to <£20k	£20k to <£30k	£30k to <£40k	£40k to <£50k	£50k to <£75k	£75k or more	Unknown	Total	Lower Quartile	Median	Average
City Centre	12.2%	18.7%	16.1%	8.5%	11.3%	7.6%	1.9%	0.9%	22.8%	£15,000	£25,000	£29,586
Inner East	17.3%	63.8%	12.6%	2.7%	0.7%	0.1%	0.0%	0.0%	2.9%	£15,000	£15,000	£15,322
Inner North East	5.4%	17.6%	13.9%	23.8%	20.5%	14.0%	2.4%	0.5%	2.0%	£25,000	£35,000	£35,964
Inner North West	16.5%	35.1%	13.8%	8.7%	8.1%	8.5%	1.8%	0.1%	7.3%	£15,000	£15,000	£25,095
Inner South	11.3%	55.8%	19.1%	6.9%	1.4%	0.3%	0.0%	0.1%	5.1%	£15,000	£15,000	£17,950
Inner West	6.8%	40.4%	29.1%	14.0%	4.0%	1.7%	0.0%	0.0%	4.1%	£15,000	£25,000	£22,329
Outer East	2.8%	24.4%	25.6%	23.7%	12.6%	7.1%	0.6%	0.0%	3.3%	£15,000	£25,000	£30,118
Outer North East	1.3%	6.6%	10.5%	17.8%	20.0%	29.2%	6.9%	1.2%	6.4%	£35,000	£45,000	£47,548
Outer North West	1.5%	6.4%	14.9%	22.3%	21.8%	21.1%	5.5%	0.7%	5.7%	£35,000	£45,000	£43,657
Outer South	2.1%	16.9%	28.3%	24.5%	13.6%	9.8%	0.5%	0.0%	4.4%	£25,000	£35,000	£32,386
Outer West	2.8%	20.1%	29.1%	24.8%	12.7%	5.6%	0.9%	0.1%	3.9%	£25,000	£25,000	£30,375
<b>City of Leeds</b>	<b>6.1%</b>	<b>32.4%</b>	<b>20.1%</b>	<b>18.8%</b>	<b>12.4%</b>	<b>8.7%</b>	<b>1.0%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>£15,000</b>	<b>£25,000</b>	<b>£31,148</b>

Source: CAMEO UK 2021. Note: data is show for broad income bands and sometime lower quartile and median earnings fall within the same band.

## Summary

- 2.47 Across the City of Leeds there are an estimated 365,399 dwellings and 341,476 households and 3.3% of dwellings are vacant.
- 2.48 In terms of occupied dwelling stock:
- 57.0% of occupied dwellings are owner occupied, 22.0% are private rented and 21.0% are affordable (including social/affordable renting and shared ownership);
  - 69.7% of dwellings are houses (28.1% terraced, 30.9% semi-detached and 10.7% detached), 24.5% are flats and 5.8% are bungalows;
  - Most dwellings have 2 or 3 bedrooms, 13.4% of dwellings have one bedroom, 30.9% two bedrooms, 42.3% three bedrooms and 13.5% four or more bedrooms; and
  - 37.5% of dwellings were built before 1945, 37.4% between 1945 and 1982 and 25.2% since 1983. An estimated 16.5% of all dwelling stock is non-decent.
- 2.49 Over the 10 years 2012/13 to 2021/2022, 29,362 net new dwellings have been built across Leeds. In the past 5 years to 2021/2022, an annual net average of 3,108 dwellings have been built across the city compared with a current requirement of 3,247 dwellings each year.
- 2.50 The population in 2022 was 799,872 and this is projected to increase by 37,377 to 837,250 by 2040, with the largest increases in the 75-84 and 85+ age categories. 2018-based ONS household projections suggest a total of 334,804 households (which is lower than the 2021 Census figure) and this is projected to increase by 19,647 (5.9%) to 354,451 by 2040. Largest increases will be one person and other households with two or more adults, and households with a Household Reference Person aged 65 and over.
- 2.51 An analysis of migration flows indicates that considerable net inflows from within and outside the UK have helped to increase population levels across the City of Leeds.

## 3. Price, rents and affordability

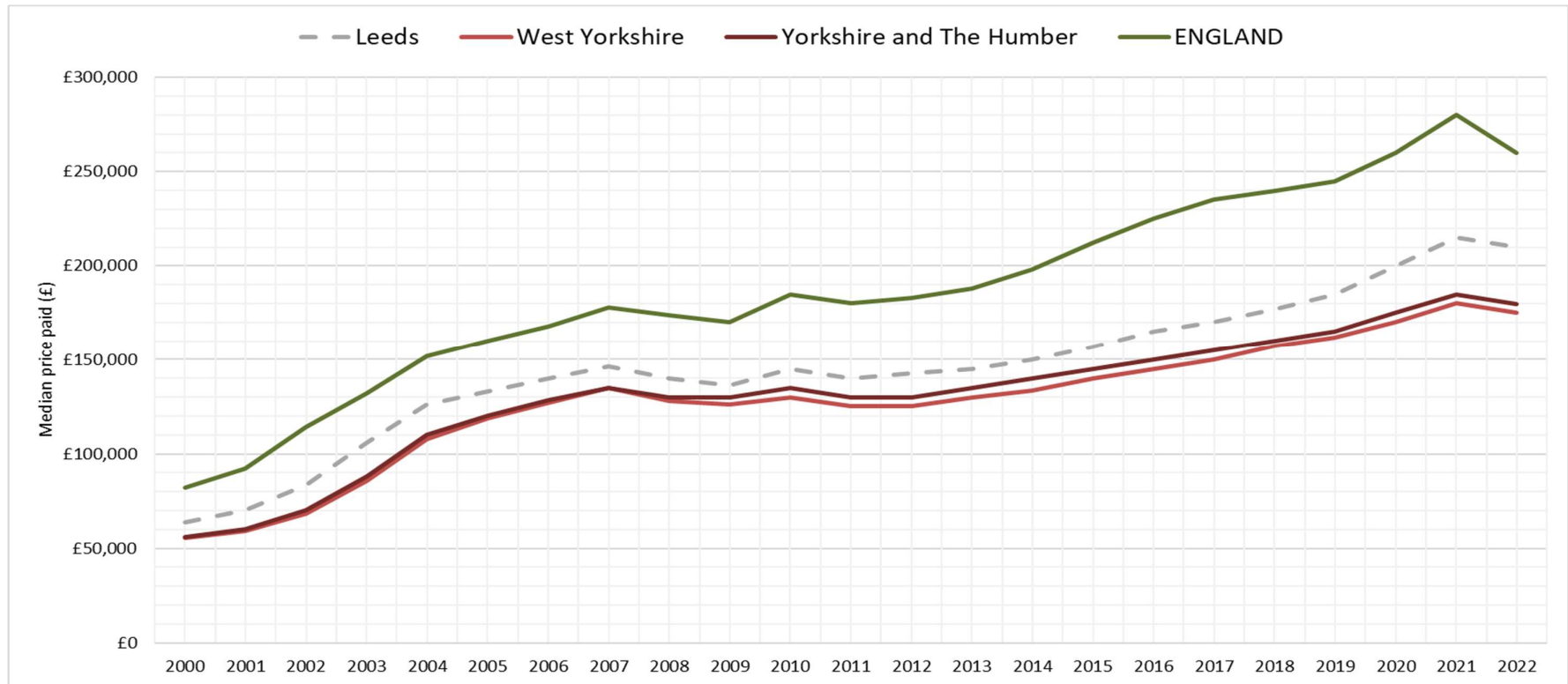
### Introduction

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

### House price trends

- 3.2 Figure 3.1 shows how house prices in Leeds have changed over the years 2000 to 2022, based on full-year Land Registry price paid data. This is compared with West Yorkshire, Yorkshire and The Humber and England.
- 3.3 Median house prices across Leeds have tended to be some of the highest across neighbouring districts and also higher than West Yorkshire and Yorkshire and The Humber. Overall, median prices have increased from £64,000 in 2000 to £210,000 in 2022, an increase of +228.1%. Lower quartile prices have increased from £44,950 in 2000 to £155,000 in 2022, an increase of +244.8%. Tables 3.1 and 3.2 show how price change in Leeds compares with neighbouring districts, West Yorkshire, Yorkshire and The Humber and England.

**Figure 3.1 Median house price trends 2000 to 2022: Leeds, West Yorkshire, Yorkshire and The Humber and England**



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

**Table 3.1 Comparative median house price change 2000-2022 with neighbouring districts, West Yorkshire, Yorkshire and The Humber and England**

Location	Median price (£) 2000	Median price (£) 2022	% Change 2000- 2022
ENGLAND	£82,000	£260,000	217.1%
Yorkshire and The Humber	£56,000	£179,950	221.3%
West Yorkshire	£55,500	£175,000	215.3%
<b>Leeds</b>	<b>£64,000</b>	<b>£210,000</b>	<b>228.1%</b>
Bradford	£49,750	£150,000	201.5%
Calderdale	£48,000	£160,000	233.3%
Kirklees	£53,000	£170,000	220.8%
Wakefield	£53,500	£170,000	217.8%
Harrogate	£90,500	£287,998	218.2%
Selby	£65,000	£225,000	246.2%

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

**Table 3.2 Comparative lower quartile (LQ) house price change 2000-2022 with neighbouring districts, West Yorkshire, Yorkshire and The Humber and England**

Location	Lower quartile (£) 2000	Lower quartile (£) 2022	% Change 2000- 2022
ENGLAND	£54,000	£174,000	222.2%
Yorkshire and The Humber	£38,500	£130,000	237.7%
West Yorkshire	£38,000	£127,000	234.2%
<b>Leeds</b>	<b>£44,950</b>	<b>£155,000</b>	<b>244.8%</b>
Bradford	£34,000	£107,000	214.7%
Calderdale	£33,000	£116,000	251.5%
Kirklees	£37,500	£125,000	233.3%
Wakefield	£38,500	£127,500	231.2%
Harrogate	£65,500	£215,000	228.2%
Selby	£48,500	£167,500	245.4%

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

- 3.4 Table 3.3 sets out the change in house prices by sub-area over the period 2007 to 2022 (Note: Land Registry ward level analysis is only possible from 2007). During this period, median prices increased by +26.0% overall but varies considerably at sub-area level. The table also sets out LQ data for the same period and shows an overall increase of +33.0% with considerable variation at across sub-areas.
- 3.5 Maps 3.1 and 3.2 provide an illustration of LQ and median prices using Lower Super Output Area. The maps show a range of market prices, with highest prices in the Outer North East sub area of the city and the lowest in the Inner South and Inner East sub areas.

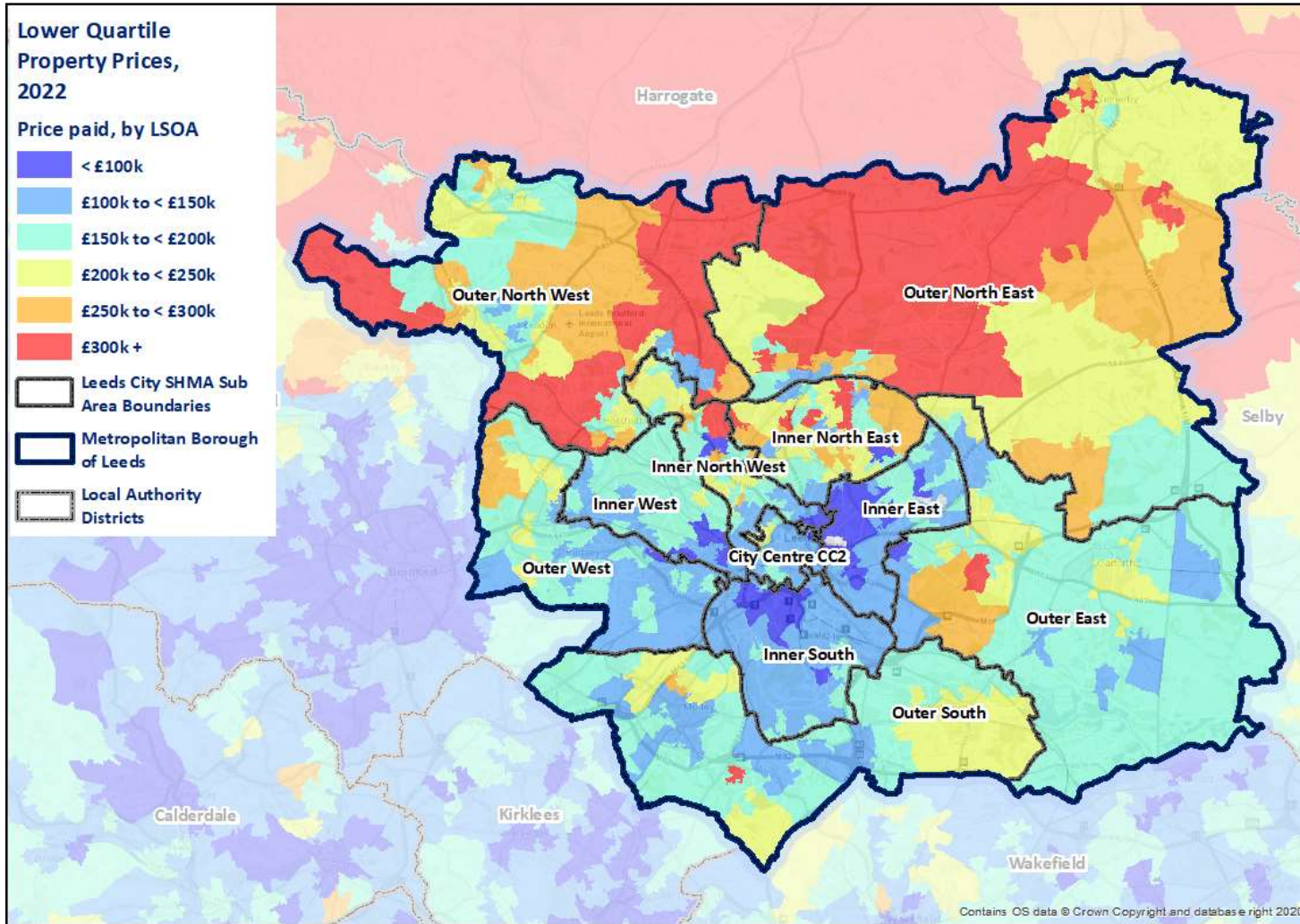


**Table 3.3 Comparative lower quartile and median house price change 2007-2022 for sub-areas**

Sub-area	LQ price 2007	LQ price 2022	LQ price % change	Median price 2007	Median price 2022	Median % change
City Centre	£127,500	£140,000	9.8%	£147,500	£175,000	18.6%
Inner East	£84,995	£105,000	23.5%	£103,000	£135,000	31.1%
Inner North East	£147,000	£206,500	40.5%	£186,000	£290,000	55.9%
Inner North West	£136,950	£180,800	32.0%	£182,000	£245,000	34.6%
Inner South	£82,000	£110,000	34.1%	£99,125	£140,000	41.2%
Inner West	£104,995	£137,250	30.7%	£122,750	£175,000	42.6%
Outer East	£123,000	£172,500	40.2%	£153,000	£225,000	47.1%
Outer North East	£175,000	£250,000	42.9%	£238,400	£360,000	51.0%
Outer North West	£150,000	£217,250	44.8%	£183,500	£285,000	55.3%
Outer South	£119,500	£157,750	32.0%	£143,000	£208,875	46.1%
Outer West	£117,000	£150,000	28.2%	£139,950	£198,000	41.5%
<b>City of Leeds</b>	<b>£115,000</b>	<b>£153,000</b>	<b>33.0%</b>	<b>£170,619</b>	<b>£215,000</b>	<b>26.0%</b>

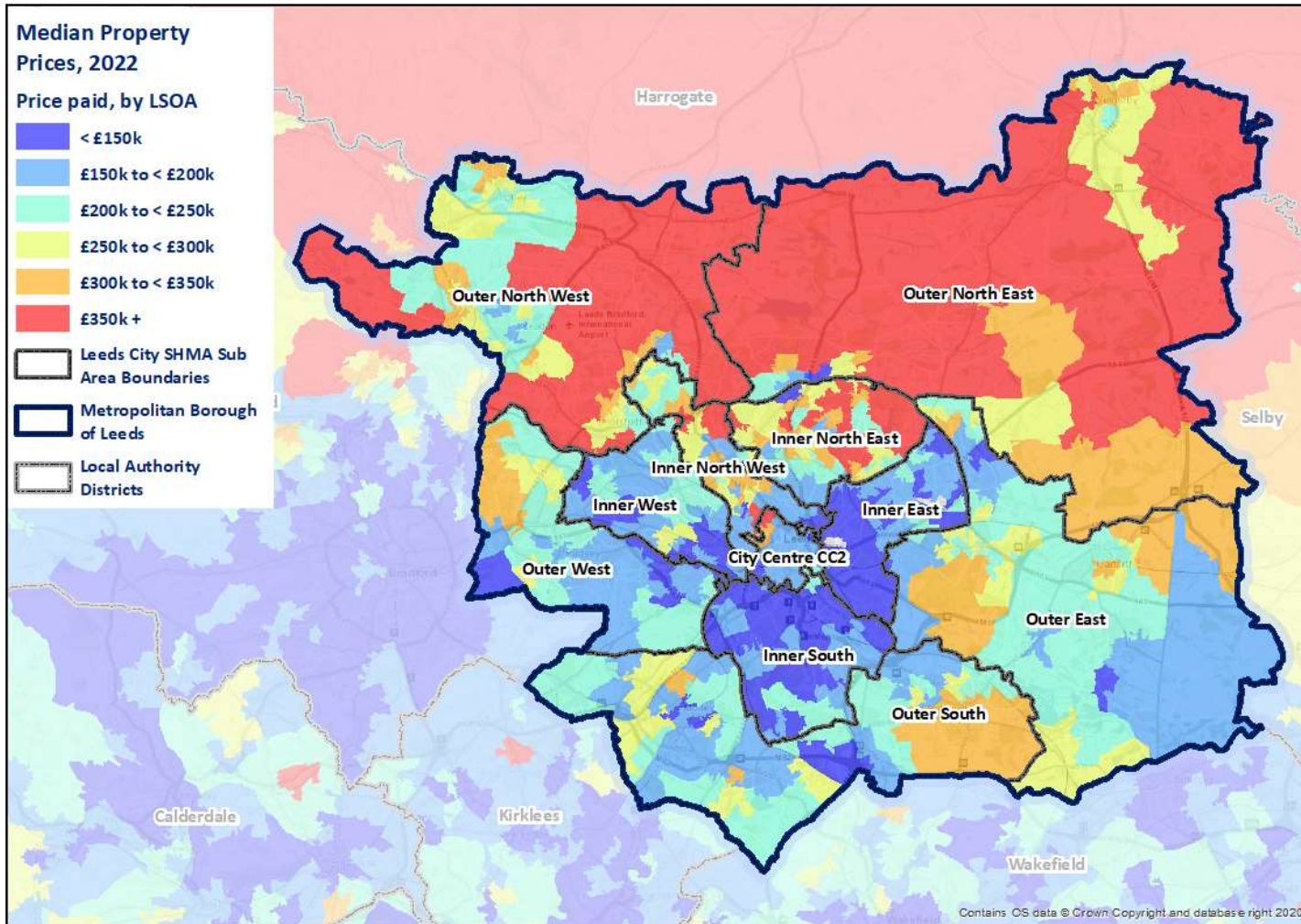
Source: Data produced by Land Registry © Crown copyright 2007 to 2022

**Map 3.1 Lower quartile house prices 2022 by built-up areas within the LSOAs of the City of Leeds**



Source: Data produced by Land Registry © Crown copyright 2022

**Map 3.2** Median house prices 2022 by built-up areas within the LSOAs of the City of Leeds



Source: Data produced by Land Registry © Crown copyright 2022

## Private renting

- 3.6 Table 3.4 provides an overview of the cost of renting privately across Leeds and compares prices with Yorkshire and The Humber and England over the period 2010 to 2022. Over this time, lower quartile rents have increased by 53.4% and median rents have increased by 60.5%. These increases are above those experienced across the Yorkshire and The Humber and England. Table 3.5 summarises 2022 price data by sub-areas.

**Table 3.4 Comparative lower quartile and median rent price 2010 - 2022**

Location	Lower Quartile price (£) 2010	Lower Quartile price (£) 2022	% change 2010-2022
Leeds	£472	£724	53.4%
Yorkshire and The Humber	£429	£576	34.3%
England	£598	£802	34.1%
Location	Median price (£) 2010	Median price (£) 2022	% change 2010-2022
Leeds	£559	£897	60.5%
Yorkshire and The Humber	£524	£724	38.2%
England	£893	£1,248	39.8%

Source: Zoopla Lettings 2022

**Table 3.5 Lower quartile and median rents by sub-area 2022**

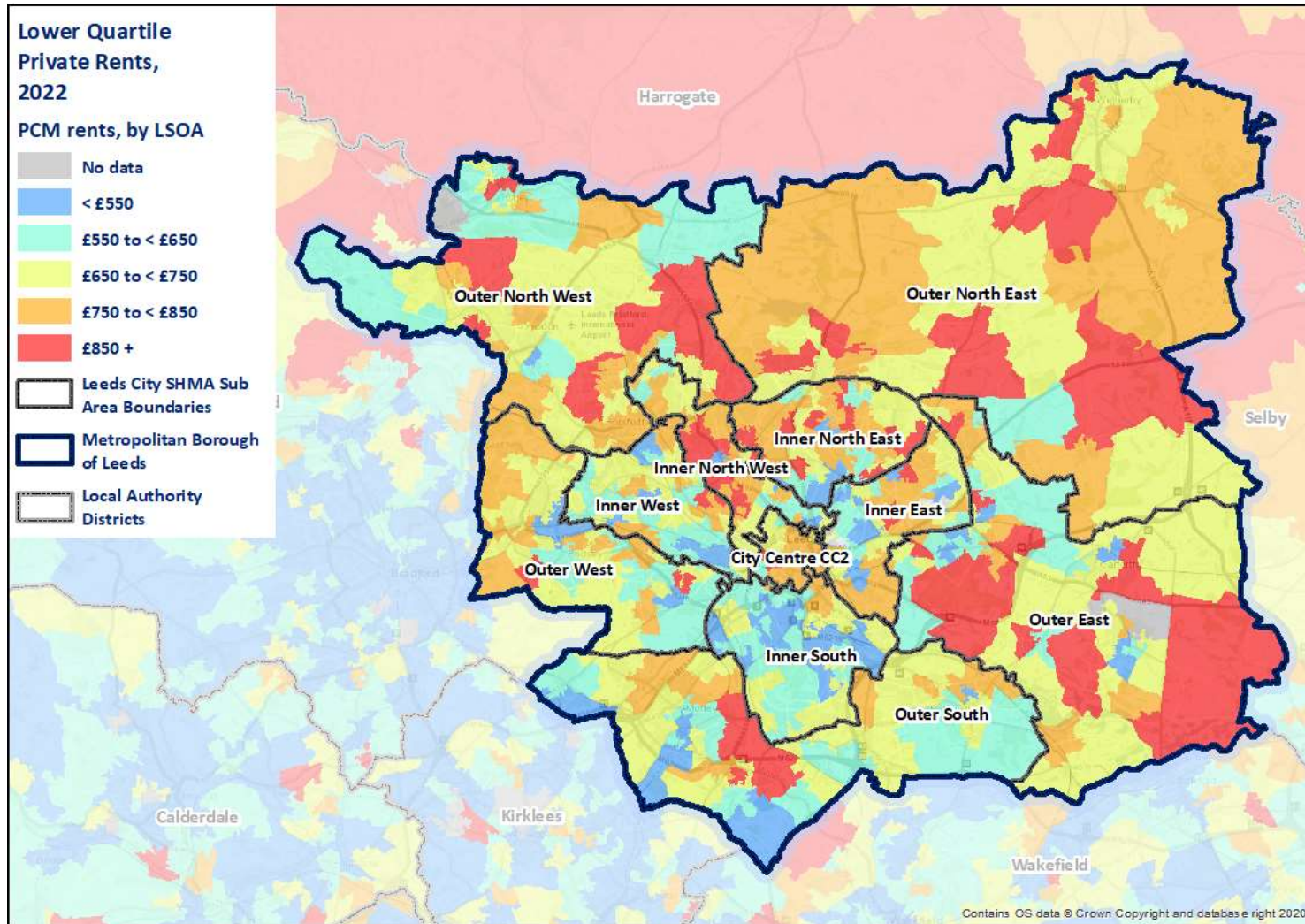
Sub-area	Lower quartile (£ each month)	Median (£ each month)
City Centre	£776	£949
Inner East	£650	£776
Inner North East	£724	£897
Inner North West	£802	£1,291
Inner South	£650	£750
Inner West	£650	£802
Outer East	£676	£802
Outer North East	£776	£949
Outer North West	£750	£849
Outer South	£650	£750
Outer West	£676	£750
<b>City of Leeds</b>	<b>£724</b>	<b>£897</b>

Source: Zoopla Lettings 2022

- 3.7 More detailed rental data within built-up areas at a small area level (Lower Super Output Areas) are presented in Map 3.3 (lower quartile) and Map 3.4 (median). This illustrates that rents are generally lower in the inner sub areas, particularly, inner South and inner East and higher in outer North East and outer North West sub areas.

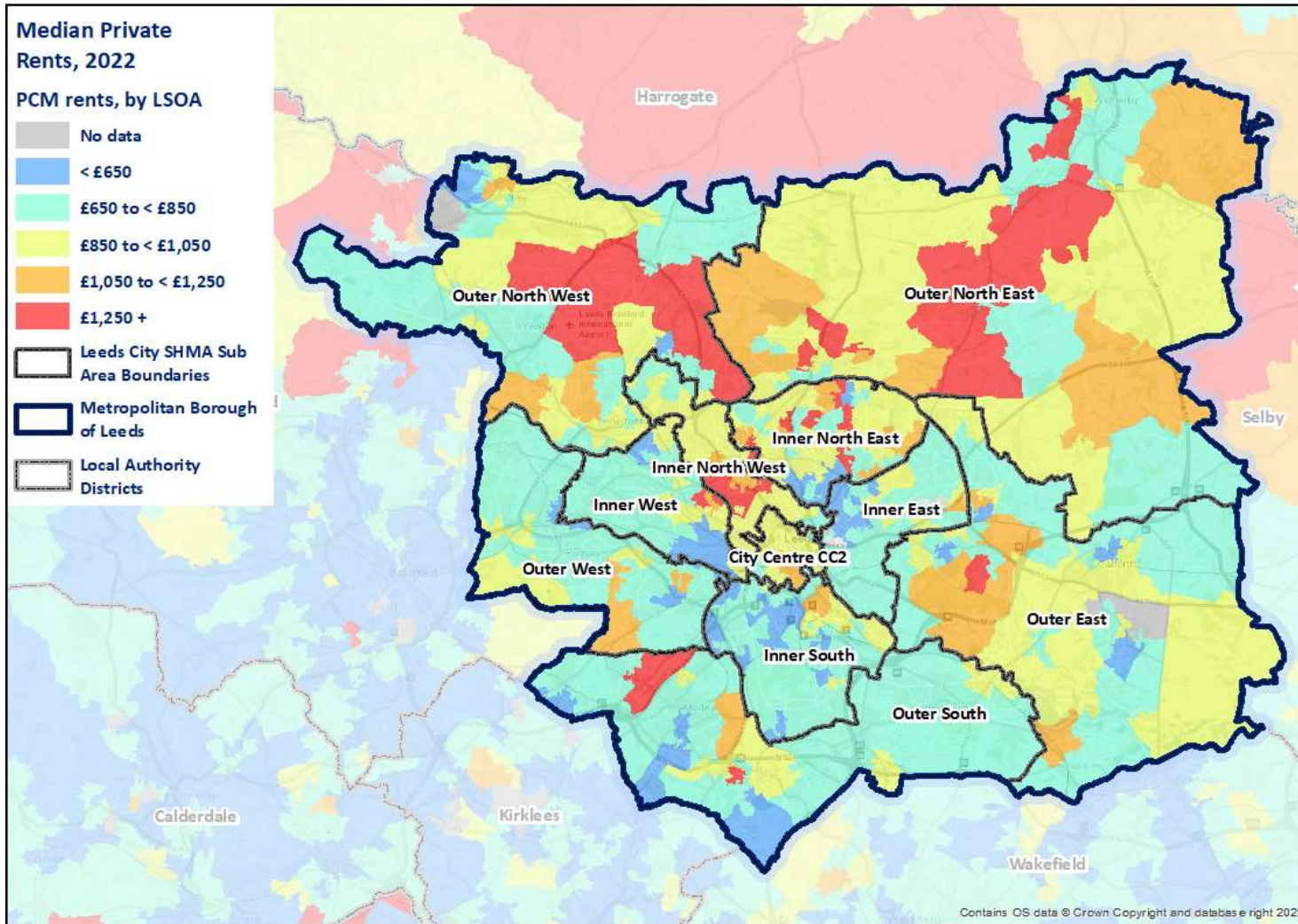
- 3.8 The private rented sector accommodates a proportion of low-income households that are eligible for assistance with rental costs. Map 3.5 illustrates the proportion of households in receipt of housing benefit assistance across the city. This shows a particularly high concentration around the city centre in the inner east and inner south sub areas with smaller pockets in the inner west, inner north west and inner north east sub areas.

**Map 3.3 2022 lower quartile rents across the City of Leeds by built up areas within LSOAs**



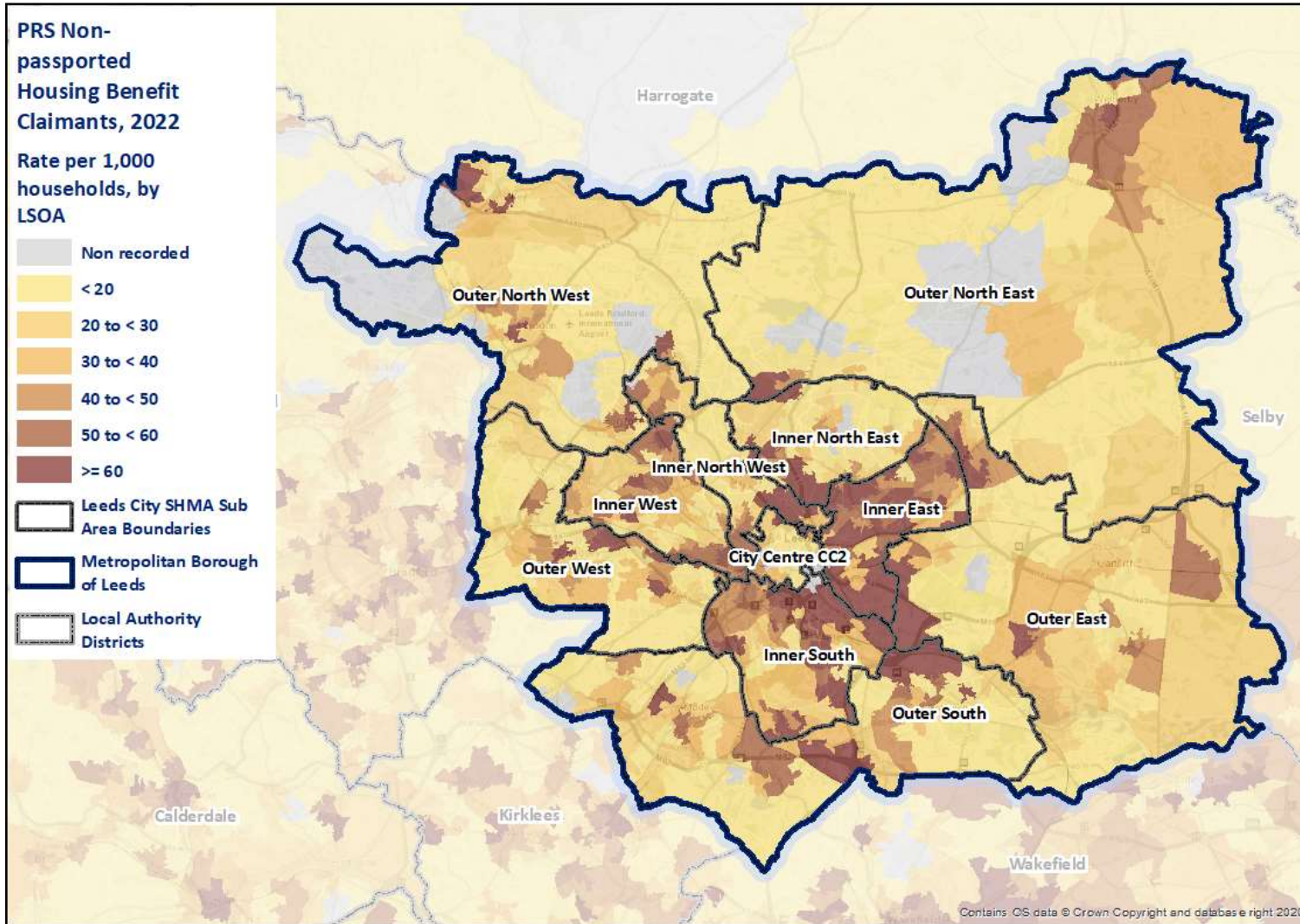
Source: Zoopla Lettings 2022

**Map 3.4** 2022 median rents across the City of Leeds by built up areas within LSOAs



Source: Zoopla Lettings 2022

### Map 3.5 Private rented sector Non-Passported Housing Benefit Claimants 2022



Source: 2022 DWP Stat Xplore



- 3.9 The amount that can be claimed for assistance with rental costs is capped to a local allowance that varies by area. The cap is estimated by the VOA and published in the form of a Local Housing Allowance (LHA) rate for a broad market area (BRMA). The City of Leeds is located within two BRMAs (Table 3.6), Bradford / South Dales and Leeds BRMAs. Table 3.6 summarises the LHA for the city's BRMAs and the variance between lower quartile and median rents and the LHA. The difference between LHA and median rents is particularly challenging, particularly for 4-bedroom dwellings.

**Table 3.6a Broad Rental Market Area Local Housing Allowance Rates (April 2022) – Bradford and South Dales BRMA**

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 LQ rent	Variance between LQ rent and LHA
Shared Accommodation	£68.30	£296	£524	-£228
1 Bedroom	£80.55	£349	£351	-£2
2 Bedroom	£103.56	£449	£399	£50
3 Bedroom	£120.82	£524	£546	-£22
4 Bedroom	£141.53	£613	£823	-£210

Source: Valuation Office Agency

**Table 3.6b Broad Rental Market Area Local Housing Allowance Rates (April 2022) - Leeds BRMA**

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 LQ rent	Variance between LQ rent and LHA
Shared Accommodation	£66.16	£287	£433	-£146
1 Bedroom	£120.82	£524	£425	£99
2 Bedroom	£136.93	£593	£546	£47
3 Bedroom	£161.10	£698	£624	£74
4 Bedroom	£207.12	£898	£1,352	-£454

Source: Valuation Office Agency

**Table 3.6c Broad Rental Market Area Local Housing Allowance Rates (April 2022) – Bradford and South Dales BRMA**

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 Median rent	Variance between Median rent and LHA
Shared Accommodation	£68.30	£296	-	-
1 Bedroom	£80.55	£349	£394	-£45
2 Bedroom	£103.56	£449	£841	-£392
3 Bedroom	£120.82	£524	£899	-£375
4 Bedroom	£141.53	£613	£1,798	-£1,185

Source: Valuation Office Agency

**Table 3.6d Broad Rental Market Area Local Housing Allowance Rates (April 2022) - Leeds BRMA**

No. of Bedrooms	Rate per week (£)	Monthly rate	2022 Median rent	Variance between Median rent and LHA
Shared Accommodation	£66.16	£287	£650	-£363
1 Bedroom	£120.82	£524	£693	-£169
2 Bedroom	£136.93	£593	£875	-£282
3 Bedroom	£161.10	£698	£1,101	-£403
4 Bedroom	£207.12	£898	£2,201	-£1,303

Source: Valuation Office Agency

## Relative affordability

- 3.10 The ONS produces national data on the ratio of earnings to house prices. Two sets of data are available: workplace-based and resident-based. For each, lower quartile and median ratios are produced. The data are based on Land Registry Price Paid data and ONS Annual Survey of Hours and Earnings data.
- 3.11 Table 3.7 sets out the 2022 lower quartile and median affordability ratios for Leeds and compares these with neighbouring areas, Yorkshire and The Humber and England. Using workplace-based median ratios to illustrate the data, prices are 7.2x income in Leeds. This ratio is higher than all neighbouring areas with the exception of Harrogate and regional figures but slightly lower than national ratios.

**Table 3.7 Relative affordability of lower quartile and median prices by local authority area, Yorkshire and The Humber and England (workplace-based and residence-based)**

Locality	2022 Lower Quartile Workplace-based	2022 Lower Quartile Residence-based	2022 Median Workplace-based	2022 Median Residence-based
Leeds	7.2	6.6	7.1	6.8
Bradford	4.6	4.8	4.9	5.1
Calderdale	4.9	5.0	5.3	5.2
Kirklees	5.7	5.4	5.8	5.6
Wakefield	5.7	5.8	6.0	6.2
Harrogate	9.2	8.9	10.2	9.3
Selby	7.2	7.3	7.3	7.2
Yorkshire and The Humber	5.7	5.6	6.2	6.1
ENGLAND	7.4	7.4	8.3	8.3

Source: ONS Ratio of house price to residence-based & workplace-based earnings (lower quartile and median), 1997 to 2022

## Relative affordability of housing tenure options and defining genuinely affordable housing

- 3.12 The relative cost of alternative housing options across the borough and housing market sub-areas has been considered from two perspectives. Firstly, analysis considers prevailing prices at housing market sub-area level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.
- 3.13 The thresholds for what is affordable and not affordable are as follows:
- for renting, 25% of gross household income is used as the 'tipping point' for affordability, with properties not affordable if more than 25% of income is spent on rent. There is no official guidance on what proportion of income should be used. Former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income; and
  - for buying, affordability is based on a 3.5x gross household income multiple. Former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household with a single earner and 2.9x for a dual earner.
- 3.14 Table 3.8 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties. The cost of alternative affordable and market tenure options by sub-area is set out in Table 3.9. Table 3.10 shows the gross household incomes needed to afford the tenure based on the 25% rental and 3.5x income multiples. Table 3.11 considers the impact of deposits on sale price.

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

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Social rent	2022 average prices	25% of income	Regulator of Social Housing Statistical Data Return 2022
Affordable Rent	2022 average prices which are based on Local Housing Allowance rates	25% of income	Regulator of Social Housing Statistical Data Return 2022
Market Rent – lower quartile	2022 prices	25% of income	Zoopla 2022
Market Rent – median	2022 prices	25% of income	Zoopla 2022
Market Sale – lower quartile	2022 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – median	2022 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – average	2022 prices	90% LTV, 3.5x income	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required; annual service charge £395, Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20%, 5% deposit required, annual service charge £395. Annual rent based on 2.75% of remaining equity	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Help to buy	Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5%. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from yr7 at RPI+1%	70% LTV, 3.5x income	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 50%	50% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 50%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 40%	60% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 40%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 30%	70% of median price (note this is comparable to the proposed government <u>First Home</u> tenure option). Mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 30%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 25%	75% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 25%	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 20%	80% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 20%	Assumptions applied to Land Registry Price Paid data

**Table 3.9 Cost of alternative tenures by sub-area and City of Leeds**

Tenure option	Price/equity requirement (2022)	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
	Leeds											
Social Rent (average)	£368	£368	£368	£368	£368	£368	£368	£368	£368	£368	£368	£368
Affordable Rent (monthly cost)	£718	£759	£621	£718	£1,033	£600	£642	£642	£759	£679	£600	£600
Market Rent - Lower Quartile	£724	£776	£650	£724	£802	£650	£650	£676	£776	£750	£650	£676
Market Rent - Median	£897	£949	£776	£897	£1,291	£750	£802	£802	£949	£849	£750	£750
Market Rent - Average	£1,188	£1,050	£775	£955	£1,766	£831	£1,044	£988	£1,121	£942	£797	£801
Market Sale - Lower Quartile	£153,000	£140,000	£105,000	£206,500	£180,800	£110,000	£137,250	£172,500	£250,000	£217,250	£157,750	£150,000
Market Sale - Median	£215,000	£175,000	£135,000	£290,000	£245,000	£140,000	£175,000	£225,000	£360,000	£285,000	£208,875	£198,000
Market Sale - Average	£257,653	£185,912	£148,342	£325,993	£283,938	£152,978	£183,210	£237,850	£453,438	£337,613	£230,915	£218,195
Shared ownership (50%)	£107,500	£87,500	£67,500	£145,000	£122,500	£70,000	£87,500	£112,500	£180,000	£142,500	£104,438	£99,000
Shared ownership (25%)	£53,750	£43,750	£33,750	£72,500	£61,250	£35,000	£43,750	£56,250	£90,000	£71,250	£52,219	£49,500
Help to buy	£161,250	£131,250	£101,250	£217,500	£183,750	£105,000	£131,250	£168,750	£270,000	£213,750	£156,656	£148,500
Discounted Home Ownership (50%)	£107,500	£87,500	£67,500	£145,000	£122,500	£70,000	£87,500	£112,500	£180,000	£142,500	£104,438	£99,000
Discounted Home Ownership (40%)	£129,000	£105,000	£81,000	£174,000	£147,000	£84,000	£105,000	£135,000	£216,000	£171,000	£125,325	£118,800
Discounted Home Ownership (30%)	£150,500	£122,500	£94,500	£203,000	£171,500	£98,000	£122,500	£157,500	£252,000	£199,500	£146,213	£138,600
Discounted Home Ownership (25%)	£161,250	£131,250	£101,250	£217,500	£183,750	£105,000	£131,250	£168,750	£270,000	£213,750	£156,656	£148,500
Discounted Home Ownership (20%)	£172,000	£140,000	£108,000	£232,000	£196,000	£112,000	£140,000	£180,000	£288,000	£228,000	£167,100	£158,400

Source: Data produced by Land Registry © Crown copyright 2022, Zoopla Lettings 2022, DLUHC, RSH SDR 2022

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

Tenure option	Income required (2022)											
	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
Social Rent (average)	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657	£17,657
Affordable Rent (monthly cost)	£34,445	£36,442	£29,798	£34,445	£49,574	£28,800	£30,797	£30,797	£36,442	£32,602	£28,800	£28,800
Market Rent - Lower Quartile	£34,752	£37,248	£31,200	£34,752	£38,496	£31,200	£31,200	£32,448	£37,248	£36,000	£31,200	£32,448
Market Rent - Median	£43,056	£45,552	£37,248	£43,056	£61,968	£36,000	£38,496	£38,496	£45,552	£40,752	£36,000	£36,000
Market Rent - Average	£57,007	£50,421	£37,216	£45,862	£84,761	£39,870	£50,096	£47,403	£53,801	£45,219	£38,254	£38,452
Market Sale - Lower Quartile	£39,343	£36,000	£27,000	£53,100	£46,491	£28,286	£35,293	£44,357	£64,286	£55,864	£40,564	£38,571
Market Sale - Median	£55,286	£45,000	£34,714	£74,571	£63,000	£36,000	£45,000	£57,857	£92,571	£73,286	£53,711	£50,914
Market Sale - Average	£66,254	£47,806	£38,145	£83,827	£73,013	£39,337	£47,111	£61,161	£116,598	£86,815	£59,378	£56,107
Shared ownership (50%)	£40,908	£33,565	£26,222	£54,676	£46,415	£27,140	£33,565	£42,744	£67,526	£53,758	£39,783	£37,787
Shared ownership (25%)	£32,999	£27,128	£21,256	£44,008	£37,403	£21,990	£27,128	£34,467	£54,283	£43,274	£32,100	£30,504
Help to buy	£39,929	£32,500	£25,071	£53,857	£45,500	£26,000	£32,500	£41,786	£66,857	£52,929	£38,791	£36,771
Discounted Home Ownership (50%)	£27,643	£22,500	£17,357	£37,286	£31,500	£18,000	£22,500	£28,929	£46,286	£36,643	£26,855	£25,457
Discounted Home Ownership (40%)	£33,171	£27,000	£20,829	£44,743	£37,800	£21,600	£27,000	£34,714	£55,543	£43,971	£32,226	£30,549
Discounted Home Ownership (30%)	£38,700	£31,500	£24,300	£52,200	£44,100	£25,200	£31,500	£40,500	£64,800	£51,300	£37,598	£35,640
Discounted Home Ownership (25%)	£41,464	£33,750	£26,036	£55,929	£47,250	£27,000	£33,750	£43,393	£69,429	£54,964	£40,283	£38,186
Discounted Home Ownership (20%)	£44,229	£36,000	£27,771	£59,657	£50,400	£28,800	£36,000	£46,286	£74,057	£58,629	£42,969	£40,731

Source: Data derived from Land Registry © Crown copyright 2022, Zoopla Lettings 2022, DLUHC, RSH SDR 2022

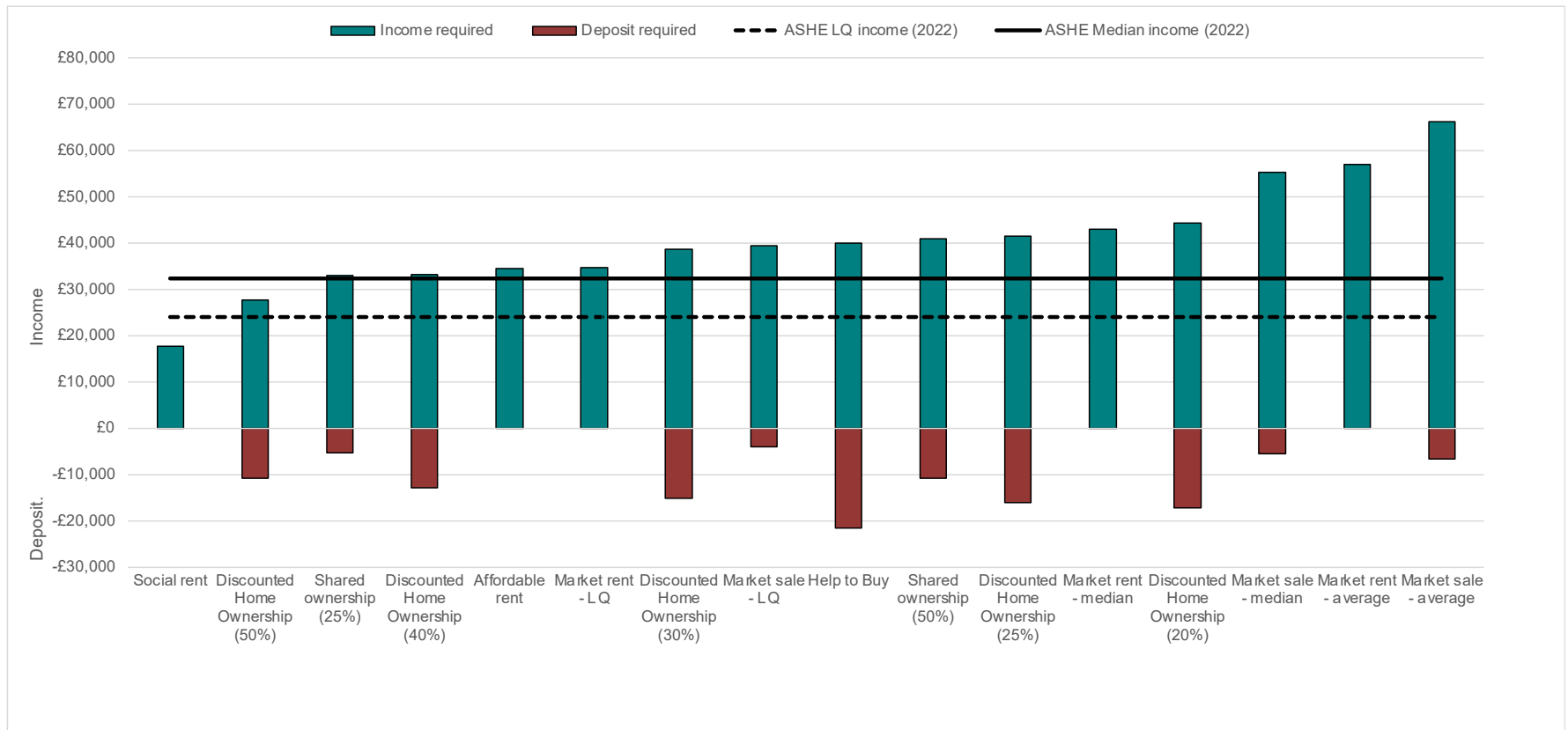
**Table 3.11 Impact of alternative deposits on sale price and income required for open market properties**

<b>Market sale price</b>	<b>Deposit 10%</b>	<b>Deposit 20%</b>	<b>Deposit 30%</b>	<b>Deposit 40%</b>	<b>Average Price</b>
Market sale - lower quartile	£137,700	£122,400	£107,100	£91,800	£153,000
Market sale - median	£193,500	£172,000	£150,500	£129,000	£215,000
Market sale - average	£231,888	£206,122	£180,357	£154,592	£257,653
<b>Household income required (3.5x multiple)</b>	<b>Deposit 10%</b>	<b>Deposit 20%</b>	<b>Deposit 30%</b>	<b>Deposit 40%</b>	
Market sale - lower quartile	£39,343	£34,971	£30,600	£26,229	
Market sale - median	£55,286	£49,143	£43,000	£36,857	
Market sale - average	£66,254	£58,892	£51,531	£44,169	
<b>Household income required (5x multiple)</b>	<b>Deposit 10%</b>	<b>Deposit 20%</b>	<b>Deposit 30%</b>	<b>Deposit 40%</b>	
Market sale - lower quartile	£27,540	£24,480	£21,420	£18,360	
Market sale - median	£38,700	£34,400	£30,100	£25,800	
Market sale - average	£46,378	£41,224	£36,071	£30,918	

Source: Data derived from Land Registry © Crown copyright 2022

- 3.15 Figure 3.2 summarises in graphical form the relative affordability of alternative tenures across the city, setting out the incomes and deposits required for different options set against prevailing lower quartile and median earnings derived from 2021 CAMEO data.
- 3.16 This indicates that households on lower quartile incomes can afford social rents but no other tenure option. For households on median incomes, social renting is affordable and lower quartile market rent is marginally affordable, but all other tenure options are not affordable.
- 3.17 In terms of affordable rent, the council should be mindful that affordable rents at 80% of market rents may not be genuinely affordable, particularly if local housing allowance rates are lower than rents being charged.

**Figure 3.2 City of Leeds household income and housing costs**



Source: Data produced by Land Registry © Crown copyright 2022 RSH SDR 2022, Zoopla PPD 2022



## What is genuinely affordable housing in the City of Leeds context?

- 3.18 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the borough and how this relates to prevailing prices. This analysis helps to establish what is genuinely affordable based on reasonable income multipliers for renting and buying. The analysis considers:
- Lower quartile and median household incomes from the 2021 CAMEO data;
  - 2022 entry-level incomes from a range of key worker occupations;
  - incomes associated with 2022 minimum and living wages (using single, dual income and 1.5x income measures);
  - the proportion of income a household would need to spend on rent;
  - the extent to which affordable rental options are genuinely affordable to households; and
  - the extent to which households could afford home ownership based on multiples of household income, with up to 3.5x being affordable.

### Genuinely affordable rents

- 3.19 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the City of Leeds and how this relates to current market prices and rents. The analysis helps to establish the extent to which different tenures are affordable and what are genuinely affordable prices and rents based on local incomes.
- 3.20 Table 3.12 focuses on the affordability of market renting and shows the cost of renting a lower quartile and median priced property by sub-area; how this compares with incomes; and what would be genuinely affordable based on local incomes. For example, lower quartile rents are £724 across Leeds where the lower quartile income is £1,250. This means that a household is spending 57.9% of income on rent. To be genuinely affordable, that is, costing no more than 25% of gross income, a lower quartile rent should be £313 each month and median rent should be £521 each month. However, there are affordability issues in the City Centre, Inner East, Inner North West, Inner South, Inner West, and Outer East, where households on lower quartile incomes are having to spend over 35% and up to 64.2% of their income on lower quartile rents.
- 3.21 Table 3.13 focuses on the affordability of home ownership and shows the cost of buying a lower quartile and median-priced property. This shows that prices are in excess of 5x household incomes. City-wide a property should cost no more than £52,500 to be affordable to households on lower quartile incomes and £87,500 to households on median incomes.

**Table 3.12 Affordability of private rents by sub-area**

Sub-area	Actual LQ rent 2022	LQ Gross household income 2022 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2022	Median Gross household income 2022 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income
City Centre	£776	£1,250	62.1	£313	£949	£2,083	45.6	£521
Inner East	£650	£1,250	52.0	£313	£776	£1,250	62.1	£313
Inner North East	£724	£2,083	34.8	£521	£897	£2,917	30.8	£729
Inner North West	£802	£1,250	64.2	£313	£1,291	£1,250	103.3	£313
Inner South	£650	£1,250	52.0	£313	£750	£1,250	60.0	£313
Inner West	£650	£1,250	52.0	£313	£802	£2,083	38.5	£521
Outer East	£676	£1,250	54.1	£313	£802	£2,083	38.5	£521
Outer North East	£776	£2,917	26.6	£729	£949	£3,750	25.3	£938
Outer North West	£750	£2,917	25.7	£729	£849	£3,750	22.6	£938
Outer South	£650	£2,083	31.2	£521	£750	£2,917	25.7	£729
Outer West	£676	£2,083	32.4	£521	£750	£2,083	36.0	£521
<b>City of Leeds</b>	£724	£1,250	57.9	£313	£897	£2,083	43.1	£521

Sources: Zoopla Lettings 2022, household income from 2022 CAMEO

**Key**

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

**Table 3.13 Affordability of owner occupation by sub-area**

Sub-area	Actual LQ price 2022	LQ Gross household income 2022 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual median price 2022	Median Gross household income 2022 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
City Centre	£140,000	£15,000	8.4	£52,500	£175,000	£25,000	6.3	£87,500
Inner East	£105,000	£15,000	6.3	£52,500	£135,000	£15,000	8.1	£52,500
Inner North East	£206,500	£25,000	7.4	£87,500	£290,000	£35,000	7.5	£122,500
Inner North West	£180,800	£15,000	10.8	£52,500	£245,000	£15,000	14.7	£52,500
Inner South	£110,000	£15,000	6.6	£52,500	£140,000	£15,000	8.4	£52,500
Inner West	£137,250	£15,000	8.2	£52,500	£175,000	£25,000	6.3	£87,500
Outer East	£172,500	£15,000	10.4	£52,500	£225,000	£25,000	8.1	£87,500
Outer North East	£250,000	£35,000	6.4	£122,500	£360,000	£45,000	7.2	£157,500
Outer North West	£217,250	£35,000	5.6	£122,500	£285,000	£45,000	5.7	£157,500
Outer South	£157,750	£25,000	5.7	£87,500	£208,875	£35,000	5.4	£122,500
Outer West	£150,000	£25,000	5.4	£87,500	£198,000	£25,000	7.1	£87,500
<b>City of Leeds</b>	£153,000	£15,000	9.2	£52,500	£215,000	£25,000	7.7	£87,500

Sources: Land Registry © Crown copyright 2022, household income from 2022 CAMEO

**Key**

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

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

- 3.22 The extent to which city-wide open market rents are affordable to selected keyworkers and households on minimum and living wages are explored in Table 3.14. All key workers on entry-level grades are having to spend more than 25% of their income on rent.
- 3.23 Table 3.15 considers the income multiples needed to buy a property based on the incomes of selected key workers (single earners) and households on minimum/living wages (single and multiple earners). Analysis assumed that a 10% deposit was available and indicates that multiples in excess of 4x were generally needed when buying a property. Prices that are genuinely affordable were also considered based on a 3.5x income multiple.

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

Income/Occupation/ Wage	Gross household income 2021 (Annual £)	Gross household income 2021 (Monthly £)	% LQ Income for LQ rent	% Median income for median rent	LQ Rent	Median Rent
<b>Police officer</b>	-	-	-	-	-	-
Pay Point 0	£23,556	£1,963	36.9	45.7	£724	£897
Pay Point 2	£27,804	£2,317	31.2	38.7	£724	£897
Pay Point 4	£30,060	£2,505	28.9	35.8	£724	£897
<b>Nurse</b>	-	-	-	-	-	-
Band 1	£20,270	£1,689	42.9	53.1	£724	£897
Band 3	£21,730	£1,811	40.0	49.5	£724	£897
Band 5	£27,055	£2,255	32.1	39.8	£724	£897
<b>Fire officer</b>	-	-	-	-	-	-
Trainee	£25,884	£2,157	33.6	41.6	£724	£897
Competent	£34,501	£2,875	25.2	31.2	£724	£897
<b>Teacher</b>	-	-	-	-	-	-
Unqualified (min)	£19,340	£1,612	44.9	55.7	£724	£897
Main pay range (min)	£28,000	£2,333	31.0	38.4	£724	£897
<b>Minimum/Living Wage</b>	-	-	-	-	-	-
<b>Age 23 and over</b>	-	-	-	-	-	-
Single household	£17,290	£1,441	50.2	62.3	£724	£897
1xFull-time, 1xPart-time	£25,935	£2,161	33.5	41.5	£724	£897
Two working adults	£34,580	£2,882	25.1	31.1	£724	£897
<b>Age 21 and 22</b>	-	-	-	-	-	-
Single household	£16,708	£1,392	52.0	64.4	£724	£897
1xFull-time, 1xPart-time	£25,061	£2,088	34.7	43.0	£724	£897
Two working adults	£33,415	£2,785	26.0	32.2	£724	£897

### Key

	More than 35% of income spent on rent
	Between 25% and 35% of income spent on rent
	Less than 25% of income spent on rent

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

			Property Prices									
			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (50%)	Discounted Home Ownership (40%)	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
Price>>			£153,000	£215,000	£107,500	£53,750	£161,250	£107,500	£129,000	£150,500	£161,250	£172,000
Price after deposit/loan>>			£137,700	£193,500	£96,750	£48,375	£139,750	£96,750	£116,100	£135,450	£145,125	£154,800
Gross household income 2020 (Annual £)			Ratio of house price to income									
CAMEO UK Household Income	LQ income	£15,000	9.2	12.9	6.5	3.2	9.3	6.5	7.7	9.0	9.7	10.3
	Median income	£25,000	5.5	7.7	3.9	1.9	5.6	3.9	4.6	5.4	5.8	6.2
	Average income	£31,148	4.4	6.2	3.1	1.6	4.5	3.1	3.7	4.3	4.7	5.0
ONS Annual Survey of Hours and Earnings	ASHE LQ	£24,092	5.7	8.0	4.0	2.0	5.8	4.0	4.8	5.6	6.0	6.4
	ASHE Median	£32,381	4.3	6.0	3.0	1.5	4.3	3.0	3.6	4.2	4.5	4.8
	ASHE Average	£38,920	3.5	5.0	2.5	1.2	3.6	2.5	3.0	3.5	3.7	4.0
Occupation	Wage	Ratio of house price to income										
<b>Police officer*</b>												
Pay Point 0	£23,556	5.8	8.2	4.1	2.1	5.9	4.1	4.9	5.8	6.2	6.6	
Pay Point 2	£27,804	5.0	7.0	3.5	1.7	5.0	3.5	4.2	4.9	5.2	5.6	
Pay Point 4	£30,060	4.6	6.4	3.2	1.6	4.6	3.2	3.9	4.5	4.8	5.1	
<b>Nurse**</b>												
Band 1	£20,270	6.8	9.5	4.8	2.4	6.9	4.8	5.7	6.7	7.2	7.6	
Band 3	£21,730	6.3	8.9	4.5	2.2	6.4	4.5	5.3	6.2	6.7	7.1	
Band 5	£27,055	5.1	7.2	3.6	1.8	5.2	3.6	4.3	5.0	5.4	5.7	
<b>Fire officer***</b>												
Trainee	£25,884	5.3	7.5	3.7	1.9	5.4	3.7	4.5	5.2	5.6	6.0	
Competent	£34,501	4.0	5.6	2.8	1.4	4.1	2.8	3.4	3.9	4.2	4.5	
<b>Teacher****</b>												
Unqualified (min)	£19,340	7.1	10.0	5.0	2.5	7.2	5.0	6.0	7.0	7.5	8.0	
Main pay range (min)	£28,000	4.9	6.9	3.5	1.7	5.0	3.5	4.1	4.8	5.2	5.5	
<b>Minimum/Living Wage*****</b>												
Single household (25 and over)	£17,290	8.0	11.2	5.6	2.8	8.1	5.6	6.7	7.8	8.4	9.0	
1xFull-time, 1xPart-time	£25,935	5.3	7.5	3.7	1.9	5.4	3.7	4.5	5.2	5.6	6.0	
Two working adults	£34,580	4.0	5.6	2.8	1.4	4.0	2.8	3.4	3.9	4.2	4.5	
Single household (21-24)	£16,708	8.2	11.6	5.8	2.9	8.4	5.8	6.9	8.1	8.7	9.3	
1xFull-time, 1xPart-time	£25,061	5.5	7.7	3.9	1.9	5.6	3.9	4.6	5.4	5.8	6.2	
Two working adults	£33,415	4.1	5.8	2.9	1.4	4.2	2.9	3.5	4.1	4.3	4.6	

**Key**

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

## Social housing pressures

Most allocations of social housing in Leeds are made from the Leeds Homes Register (LHR), with all allocations to Council housing being made from the LHR, and 60-100% of allocations made by Housing Associations. The below table outlines changes in the LHR and allocations over recent years.

**Table 3.16 Changes in the LHR and allocations between 2017/19 and 2023/34**

	2017/18	2023/24	% change
Total Number on the LHR	24174	27308	+13%
Number in Priority A Band	4855	5517	+14%
Number of Lets to Council Housing	3657	3000	-18%
Average Wait time for Council Housing (weeks)	55	133	+142%

- 3.24 Changes in the LHR and allocations over recent years highlight the increased pressures and demand for affordable rented housing, particularly social housing, with a 13/14% increase in demand alongside a 18% reduction in the number of lets made, meaning that applicants are waiting much longer for a Council home, increasing from an average of 55 weeks in 2017/18 to 133 weeks in 2023/24.
- 3.25 The Council's Leeds Housing Options has also seen an increase in the number of households presenting as homeless over recent years with an increase of 21% between 2022/23 and 2023/4. The number of households which Leeds Housing Options have a statutory duty to provide temporary accommodation for has increased over recent years due to pressures on the availability of affordable housing, increasing from 8 families housed in temporary accommodation in 2021 to 204 in June 2024. Many of these families would previously have been housed in the private rented sector but as the availability of affordable private rented sector options reduces this has impact on statutory homelessness services.

## Concluding comments

- 3.26 In 2022, lower quartile house prices were £155,000 and median prices were £210,000. Prices across Leeds tended to be one of the highest across neighbouring districts and higher than the average for Yorkshire and The Humber. Lower quartile private rents in 2022 were £724 and median rents were £897.
- 3.27 The relative affordability of dwellings to buy or rent was explored at sub-area level. Across Leeds, the minimum income required for entry-level/lower quartile renting was £34,752. For buying an entry-level/lower quartile property, the

minimum income required was £39,343. These calculations assumed that a rent is affordable if no more than 25% of gross household income (which is broadly comparable to 35% of net income) is spent on rent and if buying a property should cost no more than 3.5x household income.

- 3.28 Analysis considered the affordability of rents and prices at sub area and borough level. Overall, households had to spend 57.9% of lower quartile income on a lower quartile rent and 43.1% of median income for median rents. Inner North East, Outer North East, Outer North West and Outer South and Outer West are the only areas across Leeds where the income required was below 25% for either lower quartile or median income. Notable affordability pressures are identified in the City Centre, Inner East, Inner North West, Inner South, Inner West and Outer East sub areas where the proportion of lower quartile income needed for lower quartile rents was generally above 50%.
- 3.29 For open market purchase, the ratio of lower quartile income to price across the City of Leeds was 9.2x and for median income to median price it was 7.7x. Both ratios are above the benchmark of 3.5x income and ratio. Indeed, ratios are much higher in all areas of the city, and without substantial deposits, the ability to buy is a challenge to many households.
- 3.30 Specific analysis of the affordability of renting and buying for key worker incomes and those on minimum/living wages was carried out. Key workers on entry-level grades are generally having to spend more than 25% of their income on rent.
- 3.31 Private renting was generally unaffordable for those in key worker occupations and those on minimum or living wage. Single earners on minimum/living wage have to spend in excess of 50% of their income on lower quartile rents.
- 3.32 For buying, analysis assumed that a 10% deposit was available but indicated that income multiples in excess of 4.0x were generally needed to buy on the open market.
- 3.33 Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent and purchase price across the City of Leeds (Table 3.17). This is based on local incomes and assumes that no more than 25% of income is spent on rent and a household income multiple of 3.5x is applied to local household incomes when testing the affordability of buying. These figures should be considered when considering the extent to which new affordable housing is truly affordable. Analysis by sub-area gives an indication of affordability based on households already living there and in reality people may move to a different location to meet their housing needs.

**Table 3.17 Genuinely affordable rents and purchase prices by sub-area**

Geography	LQ rents (25% of income)	Median rents (25% of income)	LQ purchase (3.5x income multiple)	Median purchase (3.5x income multiple)
<b>City of Leeds</b>	<b>£313</b>	<b>£521</b>	<b>£52,500</b>	<b>£87,500</b>
Sub-area				
City Centre	£313	£521	£52,500	£87,500
Inner East	£313	£313	£52,500	£52,500

Inner North East	£521	£729	£87,500	£122,500
Inner North West	£313	£313	£52,500	£52,500
Inner South	£313	£313	£52,500	£52,500
Inner West	£313	£521	£52,500	£87,500
Outer East	£313	£521	£52,500	£87,500
Outer North East	£729	£938	£122,500	£157,500
Outer North West	£729	£938	£122,500	£157,500
Outer South	£521	£729	£87,500	£122,500
Outer West	£521	£521	£87,500	£87,500



## 4. The needs of different groups

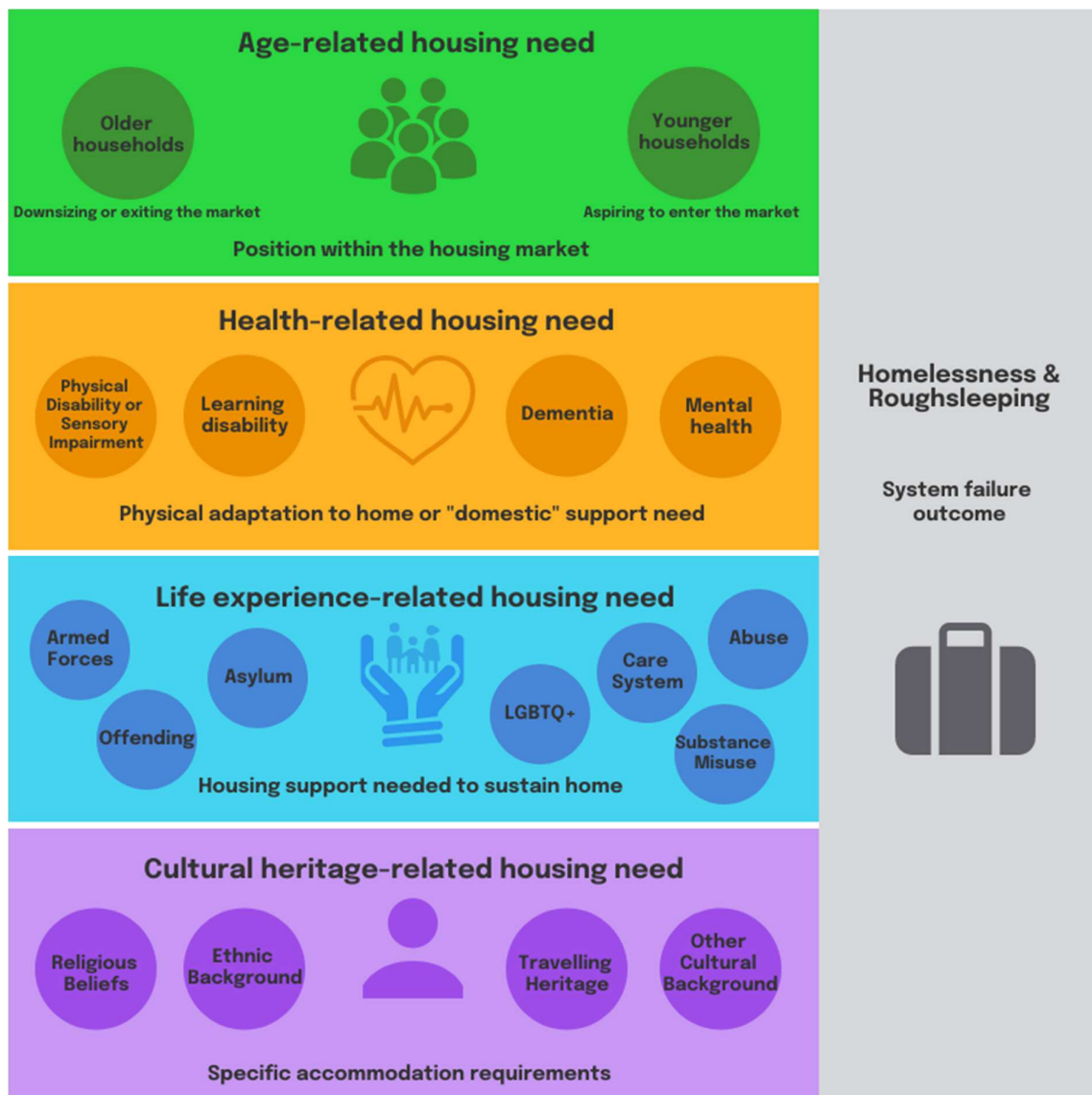
### Introduction

4.1 Paragraph 62 of the NPPF refers to housing needs for different groups in the community and these fall into two broad groups: housing for people with additional needs and housing for specific household types.

### Housing for people with additional needs

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

**Figure 4.1** Establishing need associated with age, health and life experience



- 4.3 The evidence base relating to additional needs groups has been established based around these broad principles:
- people with additional needs are generally accommodated in mainstream housing and provided with care and support when needed;
  - some people will have complex and multiple needs and therefore may fall into several different categories of need;
  - some people require long-term accommodation to provide support for ongoing needs; and some require short-term supported housing which aims to support people for a period of time before moving on/back into mainstream housing; and
  - most people with additional needs will not need specialist supported housing but they may need adaptations to their homes and/or care and support provided in other ways.

## Age-related housing need

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

## Housing for older people

- 4.5 The NPPF Annex 2 defines older people as **'people over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing can encompass accessible, adaptable general needs housing through to the full range of retirement and specialist housing for those with care and support needs.'**
- 4.6 PPG recommends the following are considered in an assessment of older persons need:
- The future need for specialist accommodation (including but not restricted to age-restricted general market housing, retirement living or sheltered accommodation, Extra Care or housing with care), broken down by type and tenure.
  - The need for care in residential care and nursing homes (C2).
  - The need for co-housing communities.
  - The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs.
- 4.7 PPG notes that **'plan-making authorities will need to count housing provided for older people against their housing requirement'** (source: PPG June 2019 Paragraph: 016 Reference ID: 63-016-20190626).

- 4.8 Over the period 2022 to 2040 the number of people aged 65 and over is expected to increase by 21.7%. Similarly, the number of households headed by someone aged 65 or over is expected to increase by 20,100 (23.4%) by 2040.
- 4.9 The 2023 household survey indicates that a majority of older people (65%) want to remain in their current home with help and support when needed (Table 4.1). There is also interest in a range of options including buying on the open market, sheltered accommodation, renting from housing association / council and co-housing.

**Table 4.1 Older persons' housing preferences by age group**

Housing option	65-74 (%)	75-84 (%)	85+ (%)	All 65+ (%)
Continue to live in current home with support when needed	63.0%	66.1%	83.5%	65.0%
Buying a dwelling on the open market	22.4%	20.2%	19.5%	21.5%
Rent a dwelling from a private landlord	2.3%	0.2%	0.0%	1.5%
Rent from housing association	20.7%	7.4%	0.0%	15.2%
Rent from the council	19.5%	7.5%	6.4%	14.8%
Sheltered accommodation - To rent	21.4%	17.4%	0.0%	19.0%
Sheltered accommodation - To buy	15.5%	19.1%	11.5%	16.6%
Sheltered accommodation - Part rent/buy (shared ownership)	5.9%	7.3%	10.1%	6.6%
Extra Care housing - To rent	6.5%	6.6%	11.8%	6.8%
Extra Care housing - To buy	7.9%	7.5%	8.0%	7.8%
Extra Care housing - Part rent/buy (shared ownership)	3.4%	4.0%	0.0%	3.5%
Supported housing for people with learning disabilities and autism	0.6%	1.1%	0.0%	0.7%
Supported housing for mental health conditions	1.1%	1.4%	0.0%	1.1%
Residential nursing/care home	5.7%	6.5%	7.2%	6.0%
Co-housing - your own home in a small community which shares facilities (e.g. laundry) and activities	10.7%	11.1%	0.0%	10.3%
Go to live with children or other relatives/friends	4.4%	4.5%	16.7%	5.1%
Other	1.6%	1.6%	0.0%	1.5%
<i>Base (total households responding)</i>	52,228	28,996	4,113	85,337

Source: 2023 household survey

- 4.10 The 2023 household survey indicates 44.7% of older people planning to move would like to move to a property with fewer bedrooms, 39.4% would like to move to a property with the same number of bedrooms and 15.9% would like a larger property (Table 4.2). The general conclusion is that smaller dwellings are needed to accommodate older movers but there are households who would

require the same or even an increase in the number of bedrooms in their properties.

**Table 4.2 Future housing choices of older households (rightsizing)**

Housing choice	Aspiration (%)	Expectation (%)
Downsizing (moving to a smaller property)	44.7%	54.5%
Staying same	39.4%	34.1%
Upsizing (moving to larger property)	15.9%	11.4%
Total	<b>100.0%</b>	<b>100.0%</b>
Base (households responding)	<b>34,201</b>	<b>34,247</b>

Source: 2023 household survey

### Future need for specialist older person accommodation and residential care provision

- 4.11 Across the City of Leeds there are around 16,311 units of specialist older persons accommodation comprising 10,058 specialist older accommodation (C3 planning use class), 1,585 Extra Care units (C2 use class) and 4,668 bedspaces in residential care settings (C2 use class). Map 4.1 and Table 4.3 shows the current number of older persons units of accommodation across the borough using data provided by the Elderly Accommodation Counsel.

**Table 4.3 Categories of older person accommodation**

Category (and planning use category)	Current number of units	Description
Age-exclusive housing (C3)	2,012 (rented)  472 (leasehold)	<b>EAC definition:</b> Schemes or developments that cater exclusively for older people, usually incorporate design features helpful to older people and may have communal facilities such as a residents' lounge, guest suite and shared garden, but do not provide any regular on-site support to residents.  <b>PPG definition:</b> This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.
Care homes (C2)	2,595 bedspaces	<b>EAC definition:</b> A residential setting where a number of older people live, usually in single rooms, and have access to on-site care services. Since April 2002 all homes in England, Scotland and Wales are known as 'care homes', but are registered to provide different levels of care. A home registered simply as a <b>care home</b> will provide personal care only - help with washing, dressing and giving medication.

Category (and planning use category)	Current number of units	Description
		<b>PPG definition:</b> These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.
Care home with nursing (C2)	2,073 bedspaces	A home registered as a <b>care home with nursing</b> will provide the same personal care but also have a qualified nurse on duty twenty-four hours a day to carry out nursing tasks. These homes are for people who are physically or mentally frail or people who need regular attention from a nurse.
Enhanced sheltered/close care (C3)	21	Sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the full range of provision that is found in an Extra Care housing scheme
Retirement/Sheltered housing (C3)	3,853 R 3,700 S	EAC definition: <b>Sheltered housing (S)</b> means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. <b>Retirement housing (R)</b> means housing developments of a similar type to sheltered housing, but built for sale, usually on a leasehold basis. The term sheltered housing is now largely superseded by retirement housing.  PPG definition: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.
Extra Care housing (C2) or housing with care (C3)	Extra Care 763 (rented) 502 (leasehold)	EAC definition: Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property.

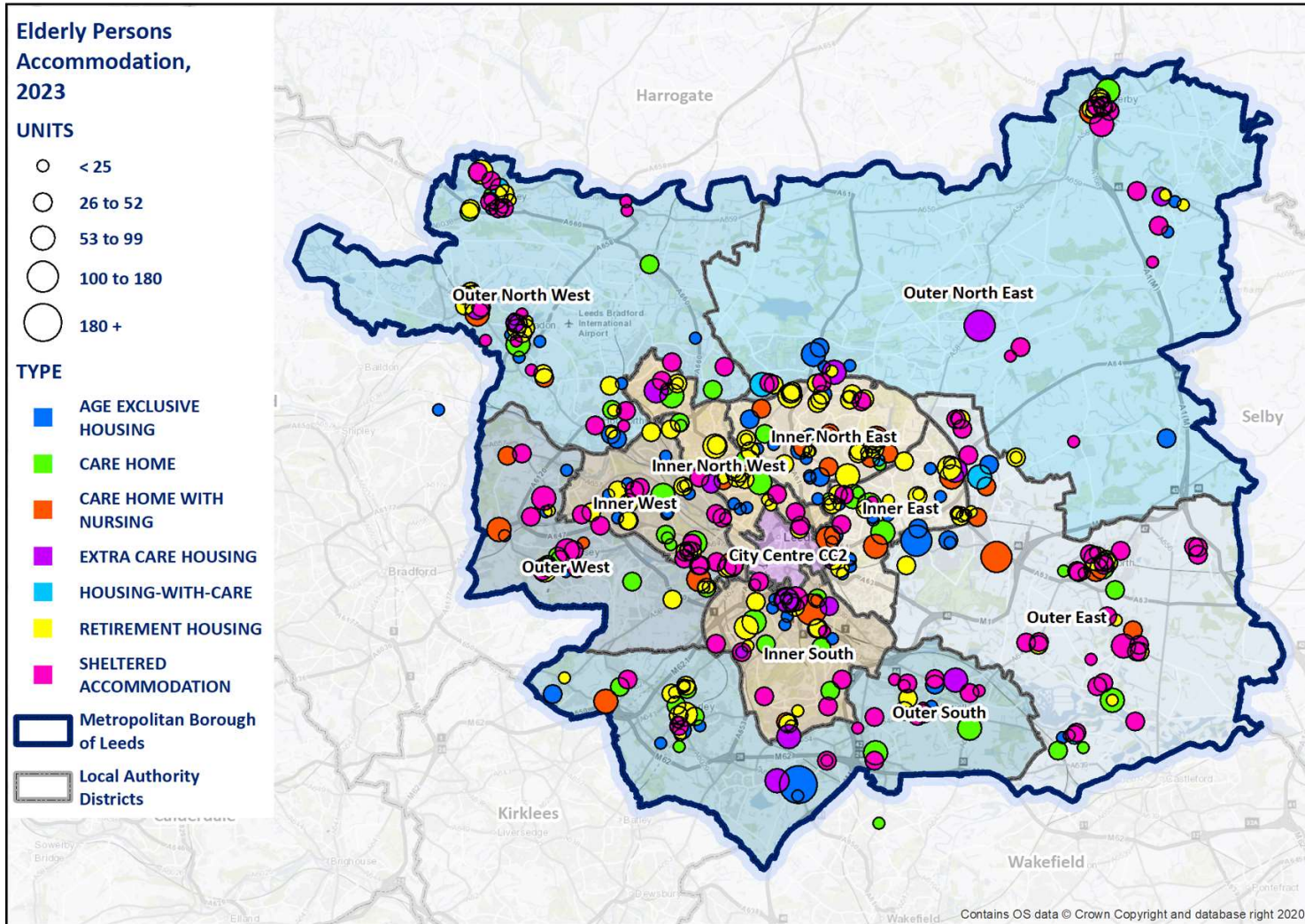
Category (and planning use category)	Current number of units	Description
	Housing with Care 185 (rented) 135 (leasehold)	<p>Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home.</p> <p><b>PPG definition:</b> This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.</p> <p><b>Note</b> Extra Care can also provide accommodation for people with additional needs who are not older people</p>
Total	16,311	

Source: EAC data 2022

- 4.12 This SHMA will help provide evidence of the need for different accommodation options and support needs. Given the ageing of the population, the need for specialist older person accommodation is expected to increase.
- 4.13 Table 4.4 sets out an assessment of need for different types of older persons accommodation based on latest metrics provided by the Housing Learning and Information Exchange (Housing LIN) and analysis of demographic change. This establishes:
- A need in 2022 for 3,971 residential care bedspaces increasing to 5,266 by 2040. This compares to a current supply of 4,668 bedspaces.
  - A need in 2022 for 2,749 units of Extra Care bedspaces increasing to 3,646 by 2040. This compares with a current supply of 1,585 units.
  - A need in 2022 for 12,219 C3 specialist older person dwelling units rising to 16,204 by 2040. This compares with a current supply of 10,058 units.
- 4.14 Table 4.4 This indicates a need for an additional 9,125 units broken down as follows:
- 6,146 additional C3 dwelling units over the period 2022 to 2040 or 341 each year.

- 2,061 additional C2 Extra Care units over the period 2022 to 2040 or 114 each year.
  - 598 additional C2 Residential Care bedspaces over the period 2022 to 2040 or 33 each year.
- 4.15 There are particular needs for more leasehold sheltered housing, enhanced sheltered housing and Extra Care housing, with sufficient conventional sheltered housing to rent.

Map 4.1 Current older persons accommodation across Leeds



Source: Elderly Accommodation Counsel 2022



**Table 4.4 Future need for older person accommodation relative to current supply**

	Supply	Modelled need	Modelled need	Change		
	2022	2022	2040	2022 to 2040		
	A	B	C	D=C-B		
<b>Population 75+</b>		<b>61,097</b>	<b>81,018</b>	<b>19,921</b>		
<b>Type of accommodation</b>		<b>2022</b>	<b>2040</b>	<b>Change in need</b>	<b>Overall need by 2040 minus 2022 supply E=D+B-A</b>	<b>Annual need = E/18</b>
Conventional sheltered housing to rent	8,444	3,666	4,861	1,195	-3,583	-199
Leasehold sheltered housing	1,593	7,332	9,722	2,391	8,129	452
Enhanced sheltered housing (divided 50:50 between that for rent and for sale)	21	1,222	1,620	398	1,599	89
Extra Care housing for rent	763	916	1,215	299	452	25
Extra Care housing for sale	502	1,833	2,431	598	1,929	107
<b>TOTAL C3</b>	10,058	12,219	16,204	3,984	6,146	341
<b>TOTAL C2 Extra Care</b>	1,585	2,749	3,646	896	2,061	114
<b>TOTAL C2 residential care</b>	4,668	3,971	5,266	1,295	598	33
<b>GRAND TOTAL</b>	16,311	18,940	25,116	6,176	8,805	489
Housing-based provision for dementia (this is part of the supply as some schemes provide dementia-friendly accommodation)	2,956	367	486	120		

Source: Housing LIN, 2018-based ONS population projection, 2022 ONS small area population data

## Senior cohousing communities

- 4.16 Senior cohousing is specifically mentioned in PPG as a housing option for older people: 'Senior co-housing communities are created and run by residents, based on the intention to live with a group of people of a similar age. The sites often consist of self-contained private homes as well as shared community space. Some communities offer an additional option for informal care.
- 4.17 This option should be considered by the Council as part of a diverse range of accommodation for older people. The household survey identified a total of 6,925 households interested in co-housing, with interest in a range of dwelling types and sizes including 1-bedroom flats (11.5%), 2 bedroom properties (74.9%) and 3 bedroom properties (13.6%).

## People with dementia and early onset dementia

- 4.18 The PPG makes specific reference to dementia and that **'there should be a range of housing options and tenures available to people with dementia, including mainstream and specialist housing. Innovative and diverse housing models should be considered where appropriate'** (source: June 2019 PPG Paragraph: 019 Reference ID: 63-019-20190626).
- 4.19 The PPG also outlines the characteristics of a dementia- friendly communities:
- easy to navigate physical environment;
  - appropriate transport;
  - communities shaped around the views of people with dementia and their carers;
  - good orientation and familiarity;
  - reduction in unnecessary clutter; and
  - reduction in disorienting visual and auditory stimuli.
- 4.20 The West Yorkshire Housing Partnership now has dementia-friendly criteria for affordable housing providers to sign up to.
- 4.21 2020 POPPI/PANSI data estimates there are 180 people aged 30 to 64 with early onset dementia and 8,704 people aged 65 and over with dementia (Table 4.5). By 2040, the number of people aged 65 and over with dementia is projected to increase by 37.1%, with an increase of 48.3% amongst the 85+ age group. The number with early onset dementia is expected to decrease slightly (-5.7%).

**Table 4.5 People with dementia**

Dementia	2020	2040	% Change 2020-2040
Early onset dementia (30-64)	180	170	-5.7%
Dementia (65-74)	1,571	1,730	10.1%
Dementia (75-84)	3,405	4,672	37.2%
Dementia (85 and over)	3,728	5,527	48.3%
Dementia (total 65+)	8,704	11,929	37.1%

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

- 4.22 A report by the All Party Parliamentary Group (APPT) on Housing and Care for Older People published a report on Housing for People with Dementia in July 2021 [click here to read report](#)
- 4.23 This set out 23 recommendations which included:
- Recognise potential future loneliness and how we can maintain our family connections and wider social networks in the communities we live in before or after diagnosis.
  - Consider whether to move whilst we are able: rightsizing and moving to the right place and environment whilst able to still develop new routes and make new friends.
  - Make preventive changes, incrementally, to the home environment; such as when upgrading property or installing new technology, or where we require additional personal care and support to help us to live independently.
- 4.24 Regarding housing and planning, the report recommended:
- Support increased provision of Extra Care housing / assisted living accommodation and retirement housing that is dementia-ready, with top-sliced grant-aid through Homes England.
  - Strengthen DLUHC guidance to local planning authorities. LPAs should respond to demographic change and the need for more homes designed for older people, including those with dementia, through Local Plans specifying requirements for age-friendly housing.

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

- 4.25 The profile of dwellings occupied by households aged 65 and over by age group, based on the 2023 household survey, is summarised in Table 4.6. This shows that the majority (74.2%) live in houses, particularly with 3 or more bedrooms; 12.9% live in bungalows, 11.6% in flats and 1.2% in other dwelling types.

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

Dwelling type and size	65 to 74 (%)	75 to 84 (%)	85+ (%)	Total (%)
1 or 2-bedroom house	14.1%	6.1%	13.3%	11.7%
3-bedroom house	36.9%	41.4%	41.0%	38.5%
4 or-more bedroom house	24.0%	25.1%	18.8%	24.0%
1-bedroom bungalow	1.3%	1.9%	3.3%	1.5%
2 or more-bedroom bungalow	9.8%	15.4%	9.4%	11.4%
1-bedroom flat	2.6%	4.8%	4.1%	3.3%
2 or more-bedroom flat	10.0%	4.3%	10.1%	8.3%
Other	1.4%	1.0%	0.0%	1.2%
Total	100.0%	100.0%	100.0%	100.0%
Base	107,527	47,432	8,765	163,724

Source: 2023 household survey

- 4.26 The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. PPG also asks councils to consider the extent to which existing dwelling stock can help meet the needs of older people (source: PPG 2019 Paragraph: 017 Reference ID: 2a-017-20190220).
- 4.27 Given that most older people want to remain in their own homes with help and support when needed, the 2023 household survey provides a useful insight into the proportion of households who need care and support and the extent which properties are adapted (Table 4.7).
- 4.28 Table 4.7 shows that 9.6% of all households require care and support to enable them to stay in their home. This is highest amongst 85 and over age group and from households living in affordable housing. Of households with a Household Reference Person aged 85 and over, 16.5% require help and support to enable occupiers to stay in their own home. Table 4.8 presents this data at sub area level.
- 4.29 66.3% of households have sufficient space for a carer to stay overnight if needed – and this increases to over 81.8% across 75 and over age groups. Owner occupiers were most likely to have space available, but private and in particular social renters were less likely. Around 34.3% of respondents in affordable housing had sufficient space for a carer.
- 4.30 Around 9.6% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem or disability. This was highest amongst affordable housing occupants (24.2%) and lowest amongst owner occupiers (5.8%). Older people were more likely to live in an adapted home, with 8.5% of households with a HRP aged 75-84 and 23.7% with a HRP aged 85+ living in adapted homes.
- 4.31 Around 15.3% of households need facilities on one floor (living room, kitchen, bathroom and bedroom) and this increases of 19.3% of households with a HRP aged 85+.

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

Tenure/Age	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)?
<b>Tenure</b>	<b>Yes (%)</b>	<b>Yes (%)</b>	<b>Yes (%)</b>	<b>Yes (%)</b>
Owner Occupied	80.3%	6.9%	5.8%	9.5%
Private Rented	44.4%	7.6%	3.3%	17.1%
Affordable	34.3%	19.9%	24.2%	33.2%
<b>All tenures</b>	<b>66.3%</b>	<b>9.6%</b>	<b>9.2%</b>	<b>15.3%</b>
<b>Age of Household Reference Person</b>	<b>Yes (%)</b>	<b>Yes (%)</b>	<b>Yes (%)</b>	<b>Yes (%)</b>
Under 65	54.3%	9.7%	8.5%	12.4%
65 to 74	77.9%	7.9%	9.8%	17.4%
75 to 84	81.8%	11.7%	8.5%	20.3%
85 and over	78.7%	16.5%	23.7%	19.3%
<b>All age groups</b>	<b>66.3%</b>	<b>9.6%</b>	<b>9.6%</b>	<b>15.3%</b>

Source: 2023 household survey

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

Sub Area	Is there sufficient space in your home for a carer to stay overnight, if this was needed? (%)	Do you, or any other members of your household, require care or support to enable you/them to stay in this home? (%)	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability? (%)	Do you or someone in your household need all facilities on one floor (living room, bathroom, kitchen, bedroom)? (%)
City Centre	46.2%	3.7%	6.5%	9.1%
Inner East	56.5%	17.4%	11.5%	25.1%
Inner North East	77.0%	11.3%	8.0%	7.5%
Inner North West	58.9%	8.6%	6.6%	10.8%
Inner South	51.1%	10.9%	13.7%	19.0%
Inner West	52.7%	9.3%	8.8%	14.9%
Outer East	71.8%	8.8%	12.0%	16.8%
Outer North East	81.9%	4.6%	4.8%	17.1%
Outer North West	73.4%	8.5%	11.1%	10.5%
Outer South	72.6%	9.1%	9.6%	17.0%
Outer West	69.7%	8.4%	5.0%	15.3%
<b>City of Leeds</b>	<b>66.3%</b>	<b>9.6%</b>	<b>9.2%</b>	<b>15.3%</b>

Source: 2023 household survey

## Estimating future need for adaptations and home improvement

- 4.32 The 2023 household survey provides evidence of the range of adaptations and home improvements needs based on the age group of the Household Reference Person (Table 4.9).
- 4.33 Better heating, more insulation and double glazing were most frequently mentioned improvements needed.
- 4.34 Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom adaptations, internal handrails/grabrails and stair lift / vertical lift. The need for adaptations was generally highest amongst the 75+ age group.
- 4.35 These requirements are self-determined by residents responding to the household survey and may not necessarily reflect actual requirements following an independent assessment in the home.

**Table 4.9 Adaptations and home improvements required by age group**

Adaptation/improvement required	(% of households) Under 65	(% of households) 65-74	(% of households) 75+	Total
<b>Home improvement</b>				
More insulation (loft, wall cavities)	24.8%	16.9%	15.0%	20.7%
Better heating	21.1%	15.7%	18.8%	19.0%
Double glazing	16.1%	8.7%	7.9%	12.4%
Improved ventilation	10.5%	4.8%	9.0%	8.5%
Downstairs WC	8.1%	13.7%	10.8%	10.3%
<b>Adaptations</b>				
Adaptations to bathroom	11.2%	20.2%	18.5%	15.2%
Adaptations to kitchen	7.8%	10.0%	16.5%	9.9%
External handrails /grab rails	7.2%	15.1%	21.8%	12.1%
Internal handrails /grab rails	8.2%	17.4%	21.5%	13.3%
Stair lift / vertical lift	6.8%	11.4%	19.1%	10.3%
Lever door handles	4.3%	4.5%	8.8%	5.1%
Room for a carer	5.1%	3.3%	5.5%	4.6%
Base (all households)	177,572	107,527	56,197	341,296

Source: 2023 household survey

- 4.36 Resources for aids and adaptations remain limited, particularly for households in the private sector (owner occupation or privately rented accommodation). However, the provision of appropriate adaptations is essential to older households in maintaining independent living. Alternative sources of funding, such as equity loans, could be considered to finance remedial measures required by older person households. It should be pointed out that whilst local

authorities will assess anyone's needs, assistance is currently means tested and some older person households will self-fund.

### Assistance in the home

- 4.37 The 2023 household survey also provides information on a range of practical assistance required from households by age group (Table 4.10). Overall, the highest level of need is for help with repair and maintenance of the home and help with gardening. For all types of assistance, the level of need increases with age which includes the need for company/friendship, mentioned by 13.0% of people aged 75 and over.

**Table 4.10 Type of assistance required age group of HRP**

Type of help needed now or in next 5 years	(% of households) Under 65	(% of households) 65-74	(% of households) 75+	(% of households) All
Help with repair and maintenance of home	26.2%	39.6%	44.1%	33.4%
Help with gardening	16.5%	31.3%	44.3%	25.7%
Help with cleaning home	12.3%	25.2%	35.6%	20.2%
Help with other practical tasks	10.3%	22.8%	26.4%	16.9%
Help with personal care	7.9%	13.3%	23.9%	12.2%
Want company / friendship	9.7%	10.8%	13.0%	10.6%
Base (all households)	177,572	107,527	56,197	341,296

Source: 2023 household survey

### Health-related housing need

- 4.38 A range of sources can be drawn upon to establish the overall scale of disability/support needs across Leeds. In summary:
- The 2021 Census reported that across the city 82.0% were in good health, and 18.1% in not good health (particularly across older age groups). A total of 131,940 residents (18.1%) were in not good health which compares with 17.5% across England.
  - 19.9% of residents reported that they were disabled, as defined under the Equality Act, with 7.7% saying their daily activities were limited 'a lot' and 8.9% 'a little' which compares with 7.0% and 9.9% respectively across England. This is mainly associated with older age groups.
  - 17,150 people received Disability Living Allowance in 2018 or 2.2% of the population.
  - The ONS Family Resources Survey 2018/19 estimates that around 21% of the population nationally has a disability. This translates to around 167,973 people across Leeds in 2022 and is projected to increase to around 175,822 by 2040.

- 4.39 The 2023 household survey data considered illness/disability. There was a least one person with an illness/disability in 168,746 or 49.4% of households. The survey estimated a total of 225,565 people or 28.2% had an illness/disability which is higher than the ONS estimates. Table 4.11 shows the number of people stating an illness/disability and the type of illness/disability. The most frequently mentioned illness/disability was physical/mobility impairment (11.5%), followed by mental health issue (7.0%), other (6.9%) and older age frailty (6.4%).

**Table 4.11 Number of people stating illness/disability**

Illness/disability	Number of people	% of total Population
Physical/mobility impairment	92,175	11.5%
Learning disabilities	12,234	1.5%
Autism	16,127	2.0%
Mental health issue	56,347	7.0%
Visual impairment	22,804	2.9%
Hearing impairment	45,368	5.7%
Dementia / Alzheimer's	4,507	0.6%
Older age-related frailty	51,394	6.4%
Other	55,394	6.9%
Total population (ONS, 2018-based Projections)	799,873	
Total number of people with an illness/disability	225,565	28.2%
<b>Households with at least one person with an illness/disability</b>	<b>Number of households</b>	<b>% of households</b>
Total	168,746	49.4%

Source: 2023 household survey

### Physical disability

- 4.40 POPPI and PANSI (Projecting Older People Population Information/Projecting Adult Needs and Service Information, Oxford Brookes University/Institute of Public Care ) provides data on the likely prevalence in 2020 of a range of physical disabilities and how this is expected to change by 2040 (Table 4.12). In 2020, there were an estimated 46,510 people with mobility issues across all age groups which is projected to increase to 51,955 by 2040 mainly due to an increase in the number of people aged 65 with mobility issues.



**Table 4.12 Physical disability prevalence**

Disability (age group)	2020	2040	% change 2020-2040
Impaired mobility (18-64)	23,635	22,730	-3.8%
Mobility (unable to manage at least one activity on own) (65+)	22,875	29,225	27.8%
Moderate or serious personal care disability (18-64)	21,137	20,384	-3.6%
Serious visual impairment (18-64)	325	328	0.9%
Moderate or severe visual impairment (65+)	10,890	13,293	22.1%
Severe hearing loss (18-64)	2,543	2,441	-4.0%
Severe hearing loss (65+)	9,892	12,846	29.9%
All with mobility issues (impaired mobility 18-64 and mobility 65+)	46,510	51,955	11.7%

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

### Learning disability and autism

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

4.42 The number of people across all age groups with moderate or severe learning disabilities is estimated to be around 3,160 in 2020 rising to 3,269 by 2040 (Table 4.13). There is a notable growth in the number of people aged 65 and over with learning disabilities. Around 6,091 people have autistic spectrum disorders in 2020 and this is expected to increase to 6,353 by 2040.

**Table 4.13 Learning disability and autism**

Learning disability (age group)	2020	2040	% change 2020-2040
Total (18-64)	12,327	12,483	1.3%
Total (65+)	2,598	3,171	22.1%
Moderate or severe (18-64)	2,811	2,851	1.4%
Moderate or severe (65+)	349	418	19.9%
Moderate or severe (all ages)	3,160	3,269	3.5%
People with LD living with a parent (18-64)	1,146	1,197	4.4%
Downs syndrome (18+)	317	321	1.1%
Challenging behaviour (18-64)	225	227	0.9%
Autistic spectrum disorders (18-64)	4,947	4,988	0.8%
Autistic spectrum disorders (65+)	1,144	1,365	19.3%
Autistic spectrum disorders (all ages)	6,091	6,353	4.3%

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

## Mental health

- 4.43 Mental health refers to an individual's emotional, psychological and social well-being. 2020 POPPI/PANSI data estimates there are around 94,823 residents with a common mental health disorder (Table 4.14). The number of people aged 18-64 with a common mental health disorder is expected to increase by 0.9% over the period to 2040. Depression amongst people aged 65 or over is expected to increase considerably.

**Table 4.14 Mental health prevalence**

<b>Mental health 18-64</b>	<b>2020</b>	<b>2040</b>	<b>% change 2020-2040</b>
Common mental disorder	94,823	95,659	0.9%
Borderline personality disorder	12,039	12,145	0.9%
Antisocial personality disorder	16,651	16,798	0.9%
Psychotic disorder	3,501	3,532	0.9%
Psychotic disorders (2 or more)	36,035	36,353	0.9%
<b>Older people with depression</b>	<b>2020</b>	<b>2040</b>	<b>% change 2020-2040</b>
Depression 65+	10,719	13,109	22.3%
Severe depression (65+)	3,361	4,182	24.4%

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

- 4.44 In September 2023, Campbell Tickell published 'An assessment of the need for supported living accommodation in West Yorkshire' for people with learning disabilities and/or autism and people with severe mental health issues. The work was commissioned by NHS West Yorkshire Integrated Care Board.
- 4.45 The report estimates of the need for supported living accommodation over the next 10 years for a number of cohorts who are eligible for social care services or are in patients who need to be discharged to care. The work projected demand for 605 new supported living units for people with learning disabilities and/or autism and 700 new supported living units for people with severe mental health issues across West Yorkshire over the next 10 years.
- 4.46 The report recommends that local housing authorities across West Yorkshire should use this evidence to inform their Strategic Housing Market Assessments, Local Plans and Housing Strategies.

## Accessible and wheelchair standard housing

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

- **M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
- **M4(2) Category 2: Accessible and adaptable dwellings; and**
- **M4(3) Category 3: Wheelchair user dwellings**

**‘Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site-specific factors ’** (source: PPG June 2019 Paragraph: 009 Reference ID: 63-009-20190626)

- **M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
- **M4(2) Category 2: Accessible and adaptable dwellings; and**
- **M4(3) Category 3: Wheelchair user dwellings**

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

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

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

- **the likely future need for housing for older and disabled people (including wheelchair user dwellings).**
- **size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).**
- **the accessibility and adaptability of existing housing stock.**
- **how needs vary across different housing tenures.**
- **the overall impact on viability.’** (source: Para: 007 Reference ID: 56-007-20150327).

4.49 Optional accessibility standards for dwellings were introduced by the government in 2015 to provide a mechanism for improving accessibility of housing for those with additional needs. National standards have been established and contained within Part M Volume 1 of the Building Regulations as set out in Table 4.15. Only one accessible housing standard can apply to

any dwelling. The M4(2) accessible and adaptable dwelling standard is based on, and in 2015 effectively replaced, the 'Lifetime Homes' standard.

**Table 4.15 Summary of accessible housing standards**

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

- 4.50 It should be noted that Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable (a home that can be easily adapted to meet the needs of a household including wheelchair users) dwellings (source: PPG Paragraph: 009 Reference ID: 56-009-20150327).
- 4.51 In order to establish an appropriate target for M4(3) dwellings, Table 4.16 sets out a series of assumptions regarding wheelchair use from the English Housing Survey and a report by Aspire Housing Association. Applying these assumptions would suggest a target of 4% of newbuild to meet M4(3) wheelchair accessible standard is required.
- 4.52 According to PPG (source: PPG Paragraph: 009 Reference ID: 56-009-20150327), 'Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.' This would imply that the onus on wheelchair accessible housing delivery is with the local authority/registered providers, but private developers should also be encouraged to build to M4(3) wheelchair accessible or adaptable homes where appropriate. Any final targets should be set within the context of likely levels of delivery.

**Table 4.16 Wheelchair use assumptions and resulting annual need**

Assumption	% requirement	Number each year (based on 3,022 annual housing need)
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair all the time	0.6%	19
Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair either indoors or outdoors	3.0%	91
City of Leeds has 2,832 current users of wheelchairs inside and outside the home based on 2023 household survey. This equates to 0.8% of households.	0.8%	24
Aspire report on wheelchair accessible housing (*)	10.0%	302
Average of indicators	3.6%	109

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

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

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

Age group	Number of bedrooms (Table %)			Total
	1	2	3	
Under 65	36.9%	12.3%	22.2%	71.4%
65 and over	24.1%	4.5%	0.0%	28.6%
Total	61.0%	16.8%	22.2%	100.0%
Age group	Number of bedrooms (needed each year by age group)			Total
	1	2	3	
Under 65	41	13	24	78
65 and over	26	5	0	31
Total	67	18	24	109

Source: 2023 household survey

Note: The annualised figure of 109 is based on the average of indicators in Table 4.17.

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

- 4% of new dwellings are built to M4(3) wheelchair accessible standard (this would imply an average target of around 109 each year); and
- all remaining new dwellings are built to M4(2) accessible and adaptable standards to take account of the ageing demographics of the city. This will ensure that new dwellings can be occupied and also visited by people needing accessible/adaptable dwellings.

## Stakeholder views on specialist housing

4.55 As general points, stakeholders commented that:

- With specific consideration to specialist housing for older people, there is currently a limited offering and its various typologies within the market, i.e. age exclusive, retirement/sheltered housing, Extra Care / integrated retirement communities, and care homes, and tenures (i.e. private and affordable) which limits the choice available for such housing. The supply of specialist housing for older people is further constrained by a lack of available sites. The current policy does not set requirements for such housing and neither does it allocate sites for specialist older person housing.
- There is a limited choice of specialist accommodation pathways for specific homeless needs. For a client group that has a wide range of different mental and physical health needs, alongside histories of drug and alcohol abuse, institutionalisation, family breakdown, there is a need for a very specific type of specialised supported accommodation that understands the needs, understands the wider social pathways and is tasked with providing support and care to work with people on their journey to independence.
- Land costs will always be an issue, and support from public bodies to identify and sell at less than best will help facilitate specialist housing developments.
- Rent levels are particularly prohibitive for people trying to access specialist housing, as even poor-quality housing (e.g. small back to back terrace houses with damp and no outdoor space) have rents of £900+ pcm, which is often more than 75% of people's monthly income.

## Health related needs

4.56 Often, the only option available to these groups of people is to be allocated as a 'band A' for council housing, where the waiting list can be 3-4 years. There is a lack of ground floor housing for people with mobility needs. This leads to people being placed in non-accessible housing, and then being assessed and receiving home care to support them to leave the house. This has a huge cost to social care and impacts on that individuals' sense of independence.

## Life experience related needs: Armed Forces Veterans

4.57 The Council signed the Armed Forces Covenant in 2012 to strengthen the partnership between the Council and the armed forces. A key aim is to provide

the armed forces community with help and information about the support available to them.

- 4.58 The 2023 household survey identified 1,731 households where someone was currently in the armed forces (including reserve and special forces). Around 70 people were identified who will require temporary support when they leave the armed forces

## Other groups

- 4.59 Stakeholders that supported people with housing advice found that some new migrant communities were looking for accommodation in specific areas in Leeds to be close to others in their community and support networks. This was sometimes impossible to source and therefore that person or family were offered housing elsewhere that was unsuitable or led to their isolation.
- 4.60 Stakeholders agreed that proximity to support networks and communities is essential for marginalised groups. For example, there is more need / more varied need among LGBT+ communities, for example older trans and older gay people need to be accommodated near enough to each other to be able to see and meet up easily (walking, good bus routes). Same for the varied younger 'queer' groups (for example non-binary, trans, lesbian). Being 'different' is isolating and there is a higher occurrence of neuro-diversity, mental ill-health and suicide among LGBT+ communities.
- 4.61 Pride of Place Leeds is aiming to build 70 intergenerational LGBT+ affirmative residences on one site. These will suit a cross-section but can only accommodate a small number of LGBT+ people. Creating and developing LGBT+ friendly neighbourhoods is necessary and good for general social cohesion.

## Domestic abuse

- 4.62 The Council have produced a 'Domestic Violence and Abuse – Support in Safe Accommodation Commissioning Strategy'. The overarching vision is to ensure that victims-survivors are given options of where they can live safely and be supported by responding to their accommodation needs.
- 4.63 The Council provides a range of services for victims-survivors including:
- Specialist domestic violence and abuse emergency accommodation and temporary accommodation including a commissioned women's refuge; commissioned dispersed properties for men, women and their children; and 2 non-commissioned women's refuges staffed during working hours.
  - A range of other commissioned supported housing services which can provide support.
  - A sanctuary scheme to provide security for those who wish to remain in their properties.
- 4.64 An accommodation needs assessment has been carried out which has identified:

- Shortfall in available accommodation to meet the presenting need; this relates to refuge, dispersed and move-on accommodation across all groups of victims-survivors.
- Limited availability of support to respond to the numbers of children living in refuge.
- More victims-survivors could be safely supported to stay in their own homes.
- Longer than average duration of stay in refuge which therefore limits the availability of those spaces.
- For people with no recourse to public funds, the requirement to seek legal/immigration advice is a barrier to accessing safe accommodation.

### Ex-offenders

- 4.65 The Council should ensure that it has the right level of supported housing, move-on accommodation, and support provision to provide ex-offenders with the best opportunity to reintegrate into society and reduce likelihood of reoffending.
- 4.66 Stonham housing association provide 26 bedspaces in shared accommodation and 10 bedspaces in self-contained accommodation in Hunslet, Beeston and Kirkstall.
- 4.67 Barriers to accessing accommodation identified in other arc4 studies include: upfront costs requested by private landlords; Local Housing Allowance being lower than private rents; and a lack of social/affordable rented studio and one-bedroom social rented dwellings to meet demand from this group of the population; and a need for support when seeking work and transitioning to independent living.

### Substance misuse

- 4.68 Substance misuse refers to the use of psychoactive substances in a way that is harmful or hazardous to health. This can include illegal drugs and/or inappropriate use of legal substances such as alcohol and prescription medication.
- 4.69 It is important that the Council has the right type of supported housing available to help people manage and reduce substance misuse. Collaborative working is crucial between the Council and external agencies to provide housing and support to address any co-occurring needs alongside substance misuse to improve health and maintain recovery.

### Support for people who are homeless or rough sleeping

- 4.70 Leeds Housing Options is a Council service offering advice and assistance to people who are homeless or at risk of becoming homeless, aiming to prevent homelessness occurring. The service has seen an increase in the number of people presenting as homeless over recent years with an increase of 21%



between 2022/23 and 2023/4. Preventing homelessness is becoming more challenging as the availability of affordable housing reduces but the service still helped to prevent homelessness in 78% of those presentations through working with others, e.g. landlords, family members. The number of households which Leeds Housing Options have a statutory duty to provide temporary accommodation for has increased over recent years due to pressures on the availability of affordable housing, increasing from 8 families housed in temporary accommodation in 2021 to 204 in June 2024. Many of these families would previously have been housed in the private rented sector but as the availability of affordable private rented sector options reduces this has impact on statutory homelessness services.

- 4.71 The Council commission a range of supported accommodation to meet the needs of people who are rough sleeping, homeless or vulnerably housed. This includes emergency accommodation, 24 hour staffed accommodation and dispersed self-contained properties with support. The Council works with partners to expand the accommodation offer, for example utilising funds via the Supported Housing Accommodation Programme (SHAP). The preference is for self-contained units in a building with 24 hour staffing and also dispersed units.
- 4.72 St George's Crypt offer a range of accommodation pathways for people with a recent history of homelessness, at immediate risk of homelessness or vulnerably housed. Current supply is mixed in scope and provision. There is good provision of emergency accommodation but plenty of private rental that is not suitable for our more vulnerable clients. There is limited specialist supported housing to support people from the chaos of street living back on a journey to independence. A lack of affordable housing to move on to either social housing or private rented, means that people stay longer than they need to in supported housing and that there is not capacity to meet need.
- 4.73 St George's Crypt built a bespoke 24-unit block of flats specifically to support adults and families with a recent history of homelessness, at immediate risk of homelessness or vulnerably housed back into their own independent tenancies. This has been massively oversubscribed. It is this type of bespoke provision, specifically to build strong and stable foundations for independent living, that is most needed. It is an innovative solution, and has few similar models, which make it harder to secure funding.

## Young people

- 4.74 The Council should seek to ensure the right kind of supported housing is available to help young people learn the necessary skills to become independent adults. The Council aims to achieve this by ensuring there is increased provision in more areas to allow a greater choice of appropriate supported accommodation providing housing support and services for young people including care leavers.
- 4.75 The Council should be mindful of its role a Corporate Parent when a child comes into care. This means the collective responsibility of the Council, elected members, employees and partner agencies, for providing the best possible care and safeguarding for the children who are looked after by the Council.

- 4.76 OWL (Our Way Leeds) offers a range of supported accommodation and support and is delivered by a partnership led by GIPSIL. OWL is the main provider of supported accommodation for young homeless people in Leeds; it was developed based on 2018 sufficiency reports in terms of capacity and cannot meet the increased population size in this age group and increased demand.

### Cultural heritage related housing need

- 4.77 For those from a minority ethnic background there may be cultural heritage or religion related determined needs which impact on the type of accommodation required. This would include the specific needs of particular Black and Global Majority (BGM) groups (BGM – households not identifying as ‘White British’) households as well as those from Travelling communities.

### BGM population and households

- 4.78 Around 21.0% of the population in the City of Leeds identify as BGM. The distribution of BGM people within the city is shown in Table 4.18. The majority of BGM people live in the Inner East, Inner North East, Inner North West and Inner South sub-areas.

**Table 4.18 Distribution of BGM households across the City of Leeds**

Sub-area	BGM population	% of BGM population in each sub-area	% of population in each sub-area who identify as BGM	All people
City Centre	8,181	4.8%	33.0%	24,792
Inner East	37,824	22.2%	44.1%	85,857
Inner North East	26,825	15.8%	37.1%	72,362
Inner North West	20,238	11.9%	28.9%	70,082
Inner South	23,163	13.6%	31.4%	73,663
Inner West	13,498	7.9%	18.7%	72,278
Outer East	6,510	3.8%	7.2%	90,276
Outer North East	10,000	5.9%	15.7%	63,755
Outer North West	7,698	4.5%	8.3%	92,713
Outer South	6,408	3.8%	7.0%	91,268
Outer West	9,761	5.7%	13.0%	74,833
<b>City of Leeds</b>	<b>170,106</b>	<b>100.0%</b>	<b>21.0%</b>	<b>811,879</b>

Source: 2021 Census

- 4.79 The household survey identified 38,181 households where the Household Reference Person identified as BGM. Overall, 24.3% of BGM households were in some form of housing need compared with 17.0% of all households. Overcrowding, threat of/under notice/lease coming to an end, people with

mobility issues/other special needs and households sharing facilities were key reasons for BGM housing need.

### Gypsy, Traveller and Travelling Showperson need

- 4.80 Policy H7 Core Strategy 2012-2028 identifies the following needs based on the 2014 Gypsy and Traveller Accommodation Assessment:
- 62 pitches for Gypsies and Travellers (of no more than 15 pitches on each site) broken down to 25 council, 28 private pitches and 9 negotiated stopping pitches to help with transit need.
  - 15 plots of Travelling Showperson plots (to be accommodated on either one or two sites).

### Other groups with particular housing requirements

- 4.81 This chapter concludes with a summary of the other household groups who have particular housing requirements in Leeds.

### People who rent their homes

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

### Self-build and custom housebuilding

- 4.83 The NPPF 2023 sets out that self-build and custom build housing can make a significant contribution to addressing housing requirements and promote the development of a good mix of sites. In January 2024, there were 1,469 households on the self-build register for Leeds.
- 4.84 The Self-build and Custom Housebuilding Act 2015, as amended by the Housing and Planning Act 2016 places a duty on local authorities to operate a self-build register which can enable individuals and groups to register their interest in acquiring for self-build and custom housebuilding. Leeds has maintained a Register since 2016 which indicates a clear demand for individual full and part DIY self-build and individual custom build projects to deliver detached 4 bedroom properties in the city. Registrations indicate there is highest demand for sites in the Inner North East, Outer North West and Outer North East.
- 4.85 The Act places a duty on local authorities to have regard to the register when carrying out its planning, housing, regeneration and land disposal functions and a duty to grant planning permission to enough serviced plots of land commensurate with the demand of the register.
- 4.86 A review of plot searches on the buildstore website in January 2024 identified three plots available in Leeds for development.

## Student housing need

- 4.87 In December 2023, Unipol published 'Leeds: assessment of the student housing market, 2023' following research undertaken through the Student Housing Working Group. The group is a multi-agency body set up to share information, analysis and insights about the state of the student housing market in the city. It includes representation from Leeds City Council, the University of Leeds, Leeds Beckett University, Leeds Trinity University, Unipol Student Homes, local students' unions and Leeds Property Association. The research was commissioned by Leeds City Council, with the backing of the University of Leeds and Leeds Beckett University, to provide an evidence-based frame of reference to support stakeholders – individually and collectively – in their policymaking and planning activities.
- 4.88 In mapping student housing supply and demand in Leeds, the research provides an evidence-based assessment of the size, shape, profile and distribution of the local student housing market in 2022/23. Between 2014/15 and 2022/23, citywide full-time student numbers grew by 9,522, up from 50,491 to 60,013 (+18.9 per cent). Available information on student number planning indicates future growth of 4,061 between 2022/23 and 2027/28 (+6.8 per cent).
- 4.89 Also between 2014/15 and 2022/23, PBSA bed space numbers in Leeds rose by 5,030, up from 18,084 to 23,114 (+27.8 per cent) – therefore at a rate higher than for student numbers. Between 2022/23 and 2027/28 a further 2,462 additional bed spaces are anticipated to come into commission – concentrated in summers 2023 and 2024.
- 4.90 The report sets out a number of conclusions and recommendations for the benefit of members of the SHWG and wider stakeholders. The report recognises that demand for, and supply of, student accommodation in Leeds have changed significantly over the last 20 years. Specifically, it identifies a rapid increase in the supply and delivery of PBSA schemes, effecting a shift away from the model of co-living in the outer areas and towards residential life in self-contained studio units in the city centre.
- 4.91 In the short-term (2023/24 to 2024/25), it is likely that there will be sufficient PBSA and off-street shared housing to meet demand. Beyond 2025, student numbers are projected to rise steadily to 2027/28 (+1,754). Demand for PBSA at an affordable cost or mid-price point is likely to grow and on current trends is unlikely to be met by adequate supply.
- 4.92 Since 1 April 2017, 15,389 bedspaces within student accommodation have been approved through planning permissions. The overwhelming majority of these schemes are within the city centre where 10,906 have been approved up to 30 September 2023.

**Table 4.19 Approvals for student accommodation 2017/18 to 2023/24**

Year	City Centre	Inner Area	North Leeds	Total
2017/18	842			842
2018/19	2,100	2,198		4,298
2019/20	75	298		373
2020/21	1,314	623	20	1,957

Year	City Centre	Inner Area	North Leeds	Total
2021/22	1,393	627		2,020
2022/23	3,258	717		3,975
2023/24	1,924			1,924
Total	10,906	4,463	20	15,389

- 4.93 Of the 15,389 bedspaces approved, 4,595 had been delivered up to 30 September 2023 with 1,895 under construction and a further 8,899 yet to start. These schemes have made a significant and important contribution to overall housing land supply and delivery in recent years.

**Table 4.20 Delivery of student accommodation 2017/18 to 2023/24**

Year	Completed	Not yet started	Under construction	Total
2017/18	842	0	0	842
2018/19	2,507	1,501	290	4,298
2019/20	373	0	0	373
2020/21	397	43	1,517	1,957
2021/22	476	1,456	88	2,020
2022/23	0	3,975	0	3,975
2023/24*	0	1,924	0	1,924
Total	4,595	8,899	1,895	15,389

\*up to 30 September 2023

- 4.94 Purpose-built student accommodation – institutional, private and charitable combined – is catering for the breadth of student housing needs and it is likely more will be needed as other housing options reduce. Almost half (47 per cent) of students living in PBSA provision as a whole are UK undergraduates; and a fifth (20 per cent) are Chinese students. Nearly two-thirds (63 per cent) of students living in university-provided or commissioned PBSA are UK students; eight per cent are Chinese nationals. There is a demonstrable demand for affordable PBSA provision. However, it is unlikely that PBSA aimed exclusively at high-cost/high-specification provision is meeting current needs or will meet future needs and demand.
- 4.95 There is likely to be a need and demand for more moderately priced PBSA (maybe at a lower specification level). This could be in the shape of creatively-specified new-build, clever and attractive refurbishment of older accommodation to meet demand from returning undergraduates and from international students on restricted incomes. In the longer term, planning policy has a significant part to play in facilitating affordable new development.

### Co-living and co-housing

- 4.96 Co-living is a relatively new form of market rent that has been increasingly developed in many cities across the UK, since its first appearance in London. Its distinctive approach meets younger renters' need for well-managed, good specification, studio accommodation with an added community dimension.

There is also interest amongst older age groups for this type of accommodation.

- 4.97 The household survey identified that it was mainly older people interesting in Cohousing/living, with 72% expressing interest aged over 65, 9.4% aged under 54 and 18.4% in the pre-retirement age group of 55 to 64. Interest was mainly form singles and couples. 75% were wanting to move to a 2-bedroom property, 11.5% a 1-bedroom property and 13.6% a 3-bedroom property. Those expressing an interest were mainly owner occupiers (74%) along with private renters (14%) and affordable renters (12%)

## Conclusion

- 4.98 In accordance with PPG, this housing need and demand study has considered the future need for specialist accommodation, the need for residential care and considered the role of general housing in meeting needs, in particular bungalows and homes that can be adapted to meet a change in needs.
- 4.99 The number of households where the Household Reference Person is aged 65 or over is expected to increase by 20,100 (23.4%) by 2040. According to the 2023 household survey, most older people 65 and over want to continue to live in their current home with support when needed according to the household survey, with help with repair/maintenance of home, gardening, cleaning, and other practical tasks, which would help people remain in their own home. There is also a need to deliver a range of smaller dwellings (particularly level-access accommodation) for older people across all tenures and specialist older persons housing provision.
- 4.100 Across Leeds there are around 16,311 units of specialist older persons accommodation comprising 10,058 specialist older accommodation (C3 planning use class), 1,585 Extra Care units (C2 use class) and 4,668 bedspaces in residential care settings (C2 use class).
- 4.101 Based on population projections, there is a modelled need for 8,805 additional units of specialist older persons' accommodation by 2040 based on Housing LIN estimates of demand for different types of accommodation. This comprises 6,146 C3 dwellings, 2,061 C2 Extra Care units and 598 C2 residential care bedspaces.
- 4.102 The SHMA does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that 'any single development may contain a range of different types of specialist housing' (source: PPG June 2019 Paragraph: 010 Reference ID: 63-010-20190626).
- 4.103 A key conclusion is that there needs to be a broader housing offer for older people across the city and the SHMA has provided evidence of the scale and range of dwellings needed.
- 4.104 A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across the city's population. Although it is a challenge to quantify the precise accommodation and support

requirements, the SHMA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups.

- 4.105 It is estimated there are around 167,973 people with a disability across Leeds based on ONS disability estimates and is projected to increase to around 175,822 by 2040. Regarding housing for people with disabilities, the 2023 household survey data indicates around 9.2% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability. 15.3% of households need all facilities (living room, bathroom, kitchen and bedroom) to be on one floor.
- 4.106 Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to wheelchair accessible M4(3) standard. All remaining new dwellings are built to M4(2) accessible and adaptable standard, to take account of the ageing demographics of Leeds.

## 5. Overall dwelling type and mix

### Introduction

- 5.1 This chapter considers overall housing need based on the government's standard method and summarises affordable need. It then establishes an overall dwelling type, size and tenure mix for the City of Leeds. The detailed analysis underpinning this chapter is presented in Technical Appendix D.

### Establishing housing need using the 'standard method'

- 5.2 The 2023 National Planning Policy Framework (NPPF) (Paragraph 61) states **'to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance - unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for'**.
- 5.3 PPG defines housing need as **'an unconstrained assessment of the number of homes needed in an area'** (PPG 2019 Paragraph: 001 Reference ID: 2a-001-20190220).
- 5.4 PPG comments that **'the standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply. It identifies a minimum annual housing need figure. It does not produce a housing requirement figure.'**(PPG Paragraph: 002 Reference ID: 2a-002-20190220).
- 5.5 In December 2020, Planning Practice Guidance updated the standard methodology for assessing overall housing need which involves: setting a baseline; adjusting for affordability; capping increases where necessary and applying uplifts in some urban areas; and considering if it is appropriate to plan for a higher housing need figure.

### Step 1: Setting the baseline

- 5.6 Planning Practice Guidance states that a baseline should be set using 2014-based national household projections for the local authority area. The projections are used to calculate the average annual household growth over a 10-year consecutive period. (PPG Paragraph 004 Reference ID: 2a-004-20201216).
- 5.7 The period 2023 to 2033 has been chosen to set the baseline for this SHMA. Over the period, the total number of households under the 2014-based household projections is set to increase by 25,275 or 2,528 (rounded) each year (Table 5.1).



**Table 5.1 Household change under 2014-based household projections**

Projection	2023 Households	2033 Households	2023-33 household change	Annual change
DCLG 2014-based	348,040	373,315	25,275	2,528

## Step 2: An adjustment to take account of affordability

- 5.8 The average annual projected household figure from Step 1 is the adjusted based on the affordability of the area using median workplace-based affordability ratios published by the ONS.

$$\text{Adjustment factor} = 1 + ((\text{Local Affordability Ratio} - 4)/4) * 0.25$$

- 5.9 The latest affordability ratio (2022) and associated affordability uplift is set out in Table 5.2.

**Table 5.2 Affordability ratios and affordability uplift**

Year	Median price to income affordability ratio	Adjustment factor*	Affordability uplift to be added to Step 1
2022	7.12	1.20	494

\* Adjustment factor is  $1 + ((\text{Local Affordability Ratio} - 4)/4) * 0.25$

Source: ONS Ratio of house price to workplace-based earnings

- 5.10 The reason for the affordability adjustment is set out in PPG:

**‘An affordability adjustment is applied as household growth on its own is insufficient as an indicator of housing demand because:**

- household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and
- people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.

- 5.11 The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes.’ (PPG Paragraph 006 Reference ID: 2a-006-20190220).
- 5.12 Table 5.3 sets out the components of the dwelling need calculation using 2023 as a base year and 2022 affordability ratios and also compares data from the

2022 SHMA. The basic demographic need under the 2014-based DCLG household projections is presented along with the affordability adjustment to establish the total annual dwelling need using the standard methodology.

**Table 5.3 Components of the dwelling need calculation for Leeds**

Time period	Baseline annual demographic need	Affordability Adjustment	Adjustment factor	Total dwelling need under standard methodology
2023-2033	2,528	2022 data	494	3,022

5.13 The annual need over the period 2023-2033 is **3,022**.

### Step 3: Capping the level of any increase

- 5.14 PPG states that **‘the standard methodology may identify a minimum local housing need figure that is significantly higher than the number of homes currently being planned for. The cap is applied to help ensure that the minimum local housing need figure calculated using the standard methodology is as deliverable as possible’** (PPG Paragraph 007 Reference ID: 2a-007-20190220). The PPG continues ‘the cap reduces the minimum number generated by the standard method but does not reduce housing need itself. Therefore, strategic policies adopted with a cap applied may require an early review and updating to ensure that any housing need above the capped level is planned for as soon as is reasonably possible’ (PPG Paragraph 007 Reference ID: 2a-007-20190220).
- 5.15 How the cap is calculated **‘depends on the current status of relevant strategic policies for housing’** (PPG Paragraph 004 Reference ID: 2a-004-20201216).
- 5.16 The last officially endorsed annual dwelling target for Leeds was published in the Core Strategy Selective Review which was published in September 2019. Policy SP6 establishes an annual net target of 3,247 dwellings over the period 2017 to 2033.
- 5.17 The PPG states **‘where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is higher of:**
- A. the projected household growth for the area over the 10-year period identified in Step 1 (2,528) or;**
- B. the average annual housing requirement figure set out in the most recently adopted strategic policies (3,247)’** (PPG Paragraph 004 Reference ID: 2a-004-20190220).
- 5.18 The 40% cap which would therefore apply to Leeds would be based on B (3,247) and would be up to **4,546 dwellings each year** (3,247+ (40% x 3,247)).

- 5.19 Under the parameters set out in the PPG no cap on delivery needs to be applied.

### Step 4 – cities and urban centres uplift

- 5.20 A 35% uplift is then recommended to be applied for those urban local authorities in the top 20 cities and urban areas list devised by ONS (PPG Paragraph 004 Reference ID: 2a-004-20190220). For Leeds, this would result in an uplift to 4,080 dwellings each year.

### Housing need using the standard methodology

- 5.21 Based on the DLUHC standard methodology and 2022 affordability ratios, the minimum local housing need for Leeds, from 2023, is 3,022 excluding the recommended urban areas uplift and 4,080 including the uplift.

## Potential adjustments to the standard method

### Overview

- 5.22 Having identified the minimum housing need under the standard model, further demographic analysis considers alternative demographic scenarios. A review of alternative demographic scenarios provides the evidence to confirm if the standard method provides an appropriate base for the assessment of need or whether any there are exceptional circumstances that would justify an alternative approach.
- 5.23 There is also provision in PPG to adjust the minimum housing need:

**‘The standard method for assessing local housing need provides the minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.**

**This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:**

- **growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);**
- **strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or**

- **an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.**

**There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method.**

**Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests. '( PPG Paragraph 010 Reference ID: 2a-010-20201216).**

### Growth Strategies and strategic infrastructure improvements

- 5.24 Leeds has a number infrastructure and investment programmes to support the unlocking and acceleration of housing delivery across the city. These focus on our Spatial Priority Areas (SPAs) as identified with the Combined Authority (provide link to public SPA plan), which are; Leeds City Centre/ City Rim, East Leeds Extension, Kirkstall Forge, North West Leeds Employment Hub, Aire Valley, and White Rose Office Park. In 2023 the West Yorkshire Strategic Place Partnership was launched between West Yorkshire Combined Authority (WYCA) and Homes England (with each of the Local Authorities as key partners under WYCA) which focuses on unlocking housing growth and place based regeneration focusing on SPAs (with the addition of East of Otley) linked to key infrastructure improvements including road, rail, and mass transit as these emerge, as well as a focus on unlocking additional affordable housing.
- 5.25 A range of infrastructure improvements have been identified and will be delivered to support housing growth, for example the East Leeds Orbital Road has been constructed to support the urban extension of Leeds which is set to deliver over 4,000 homes over the next 5-10 years as per Local Plan requirements. Such improvements, particularly improvements to highways capacity, can assist with unlocking housing sites. However, these improvements have been required to mitigate existing and projected pressures, rather than to drive an increase in the homes needed locally.
- 5.26 More recently the Council has announced plans to enter into a partnership with DLUH, WYCA and Homes England to unlock housing growth and maximise the potential of an expanding Leeds city centre. In March 2024, 'A vision for Leeds: a decade of city centre growth and wider prosperity' was published which focusses on revitalising six neighbourhoods – Mabgate, Eastside & Hunslet Riverside, South Bank, Holbeck, West End Riverside and the Innovation Arc – unlocking and supporting the delivery of 20,000 new homes to meet demand. To drive forward these investments and opportunities and maximise the value for Leeds, the Leeds Transformational Regeneration Partnership has been established with £2.7 million to support Leeds City Council to drive forward the vision for Leeds and the development and regeneration of the six neighbourhoods.

### Previous delivery levels

- 5.27 As shown in Table 2.10, overall net housing completions over the 5-year period 2018/19 to 2022/23 have been broadly in line with housing targets, with an average annual delivery of 3,182 compared with a target of 3,247. There has been an under delivery of 327 dwellings over the 5-year period compared with targets.

### Affordable housing need

- 5.28 A detailed analysis of affordable housing need in accordance with PPG is presented at Technical Appendix C. This establishes an overall gross affordable need of 6,756 which takes into account pipeline affordable supply. After taking into account affordable lettings and sales, the net shortfall is 2,136 each year. This means there is a considerable need for affordable housing but PPG then says that **'The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing requirement included in the plan may need to be considered where it could help deliver the required number of affordable homes.'** (PPG Paragraph Reference ID: 67-008-20190722 and PPG at Reference ID: 2a-024-20190220).
- 5.29 Analysis would suggest an overall affordable tenure split of 80% affordable rented (social rented and affordable rented up to 80% of market rent) and 20% affordable home ownership across Leeds. This split needs to be considered on a site-by-site basis. For instance, there may be some sites which are not of sufficient scale for more than one type of affordable housing to be feasible.
- 5.30 Delivery to help address affordable housing need is expected through the application of existing affordable housing policies, subject to viability. There is clear evidence of affordable housing need which supports a robust affordable housing policy. In order to meet affordable need, the Council works closely with housing association and developer partners to deliver a range of new affordable housing products, including affordable rent and discounted home ownership. The Council are therefore making positive steps to help address the affordable housing shortfalls across the borough and will continue to keep this under review.
- 5.31 Given the scale of affordable housing need, it may be necessary to consider an uplift to the overall housing need. However, it would be recommended that any uplift is specifically to deliver affordable housing.

### Alternative approaches to the standard method

- 5.32 Within PPG (Paragraph: 001 Reference ID: 2a-001-20190220) there is provision to use an alternative to the standard method where exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. This chapter has carefully

reviewed the relevant aspects of the standard method which would warrant an alternative approach to housing numbers to be considered. No exceptional circumstances have been identified.

### Housing need in neighbourhood planning areas

- 5.33 The Local Plan will evidence overall strategic housing need across the city. In neighbourhood planning areas, it is recommended that housing need is determined by site availability to help meet local needs as well as the overall strategic need.

### Concluding comments on housing need

- 5.34 The standard method calculation identifies a minimum annual need for **3,022** dwellings excluding the urban areas uplift and 4,080 including the uplift. Based on past trends in delivery it is recommended that the minimum annual need is 3,022. The council should consider options to apply an uplift to the minimum need for 3,022 to support affordable housing delivery and/or transformational regeneration and infrastructure projects.

### Affordable housing need

- 5.35 A detailed analysis of affordable housing need in accordance with PPG is presented at Technical Appendix C. This establishes an overall gross affordable need of 6,746 and after considering affordable lettings and newbuild the net shortfall is 2,136 each year. Planning practice guidance is clear that only a proportion of need is expected to be delivered through the planning process. This figure represents a considerable increase in need evidenced in the 2017 SHMA and reflects the increased pressure on households resulting from the cost-of-living crisis and the increasing cost of private renting.

### Tenure mix and First Homes

- 5.36 Analysis of house prices and local incomes indicates that across Leeds, First Homes at a 50% discount to median price would be affordable to households on median income. Further analysis on First Homes is presented at Appendix C, with definitions provided at Appendix A.
- 5.37 As set out in planning practice guidance, First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers.

## Dwelling type and mix

- 5.38 Dwelling mix analysis is underpinned by a demographic scenario model which considers projected household change to 2040 using 2018-based ONS household projections. To support flexibility in delivery, dwelling type and mix by tenure is presented as a broad range which also considers household aspirations and expectations.
- 5.39 Further detail of the modelling along with analysis of dwelling mix by sub-area is presented in Table D6 in Technical Appendix D. On the basis of modelling carried out, Table 5.4 sets out the overall annual dwelling type/size recommendation by different tenures.

**Table 5.4 Overall annual dwelling type/size and tenure mix recommendations**

Dwelling type/size	Market	Affordable Rented	Affordable home ownership	Overall range
1/2-bedroom house	10-15%	15-20%	15-20%	15-20%
3-bedroom house	20-25%	15-20%	15-20%	25-30%
4 or more-bedroom house	10-15%	5-10%	15-20%	15-20%
1-bedroom flat	5-10%	10-15%	5-10%	5-10%
2-bedroom flat	10-15%	10-15%	10-15%	10-15%
3 or more-bedroom flat	0-2%	0-2%	0-2%	0-2%
1-bedroom bungalow/level-access	0-2%	5-10%	2-5%	2-5%
2-bedroom bungalow/level-access	15-20%	20-25%	15-20%	15-20%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Affordable Rented	Affordable home ownership	Overall range
House	60-65%	40-45%	55-60%	60-65%
Flat	25-30%	40-45%	35-40%	30-35%
Bungalow/level-access	10-15%	10-15%	5-10%	10-15%
Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	5-10%	10-15%
2	35-40%	45-50%	40-45%	30-35%
3	30-35%	20-25%	25-30%	35-40%
4	10-15%	5-10%	10-15%	15-20%



## Conclusions

- 5.40 The Standard Method for calculating need establishes a minimum need for 3,022 dwellings each year excluding the 35% cities. And urban centres uplift. The council should consider options to apply an uplift to the minimum need for 3,022 to support affordable housing delivery and/or transformational regeneration and infrastructure projects.
- 5.41 The SHMA has established future household change and the implications this has for dwelling type, size and tenure mix. This helps the Council and its partners make informed decisions on the range and size of dwellings to be built to meet need over the period to 2040.
- 5.42 Given the level of net affordable need (2,136 homes each year), the Local Plan needs to maintain a robust affordable housing policy setting out targets and tenure split in order to maximise new supply. Councils are not expected to meet their affordable needs in full as delivery is subject to land availability, financial viability, Homes England and the delivery plans of housing associations. A robust affordable policy should continue to support the ongoing delivery of affordable housing and diversify the affordable products available to local residents to reflect identified needs, although it must be recognised that new affordable supply alone is unlikely to deliver 2,136 new homes every year.

## 6. Conclusion: policy and strategic issues

### Introduction

- 6.1 This document has been prepared to equip the Council and their partners with robust, defensible and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of existing and emerging government policy and guidance.
- 6.2 The City of Leeds SHMA will help the Council plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Specifically, the SHMA identifies the size, type and tenure of housing required by considering current market demand relative to supply; and also identifies a continued affordable housing shortfall across the city.
- 6.3 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets and key local strategic issues.

### Overall Housing need

- 6.4 The annual average net additional housing in need across 2023-2040 across Leeds is 3,022 excluding the 35% cities and urban uplift. The council should consider options to apply an uplift to the minimum need for 3,022 to support affordable housing delivery and/or transformational regeneration and infrastructure projects.

### Dwelling type, tenure and mix

- 6.5 The relationship between household change and dwelling type/size and tenure requirements have been fully explored. The evidence will help the Council deliver an appropriate range of dwelling stock for residents over the plan period. It is recommended that future planning policy references the broad mixes evidenced in Table 6.1 and taken into account when determining future applications.
- 6.6 Regarding affordable need, there is an annual net shortfall of 2,136 dwellings. A recommended tenure split is 80% rented and 20% affordable home ownership which would include First Homes. Delivery of affordable housing is subject to economic viability and the Council does not need to plan to meet this number in full but affordable housing delivery should be maximised at every possible opportunity.

**Table 6.1 Summary of overall dwelling mix**

Dwelling type/size	Market	Affordable Rented	Affordable home ownership	Overall range
1/2-bedroom house	10-15%	15-20%	15-20%	15-20%
3-bedroom house	20-25%	15-20%	15-20%	25-30%
4 or more-bedroom house	10-15%	5-10%	15-20%	15-20%
1-bedroom flat	5-10%	10-15%	5-10%	5-10%
2-bedroom flat	10-15%	10-15%	10-15%	10-15%
3 or more-bedroom flat	0-2%	0-2%	0-2%	0-2%
1-bedroom bungalow/level-access	0-2%	5-10%	2-5%	2-5%
2-bedroom bungalow/level-access	15-20%	20-25%	15-20%	15-20%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Affordable Rented	Affordable home ownership	Overall range
House	60-65%	40-45%	55-60%	60-65%
Flat	25-30%	40-45%	35-40%	30-35%
Bungalow/level-access	10-15%	10-15%	5-10%	10-15%
Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	5-10%	10-15%
2	35-40%	45-50%	40-45%	30-35%
3	30-35%	20-25%	25-30%	35-40%
4	10-15%	5-10%	10-15%	15-20%

- 6.7 A recommended tenure split is 80% rented and 20% affordable home ownership which would include an element of First Homes whilst recognising that the greatest need is for social/affordable rented properties.

## Meeting the needs of older people and those with disabilities

- 6.8 There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities. Although most older people want to remain in their own home with support when needed, there is a need to diversify options available to older people wanting to move to more appropriate accommodation.
- 6.9 Currently there are around 16,311 units of specialist older person accommodation comprising 10,058 specialist older accommodation (C3 planning use class) such as retirement housing, 1,585 Extra Care units (C2 use class) and 4,668 bedspaces in residential care settings (C2 use class). Based on current supply, population projections and housing LIN estimates of demand for different types of accommodation, there is a modelled need for

8,805 additional units of specialist older persons' accommodation by 2040. This comprises 6,146 C3 units, 2,061 additional C2 Extra Care units and 598 C2 residential care bedspaces. The C3 units should be included in the overall housing figure. Delivery of C2 units would be in addition to this figure.

- 6.10 A key conclusion is that there needs to be a broader housing offer for older people across the City of Leeds and this SHMA has provided evidence of scale and range of dwellings needed.
- 6.11 A range of information has been assembled from various sources which helps to scope out the likely level of disability across the City of Leeds population and housing needs arising from a range of additional needs groups.
- 6.12 Given the ageing population of the city and the identified levels of disability amongst the population, it is recommended that 4% of new dwellings are built to M4(3) wheelchair accessible and adaptable standard and all remaining new dwellings are built to M4(2) accessible and adaptable standard to take account of the ageing demographics of the City of Leeds.
- 6.13 It is expected that some of this need will be met through the development of C3 accommodation and there is overlap between affordable, specialist older person and M4(3) need. For instance the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.
- 6.14 It is also assumed that there will be ongoing adaptation of existing dwellings to support those with additional needs.

## Final comments

- 6.15 The evidence presented in this SHMA suggests that there are three main policy areas that require particular attention from both a planning policy and social policy perspective:
  - the challenge of enabling the quantity and mix of housing that needs to be delivered, including an appropriate level of affordable housing;
  - the challenge of ensuring that the housing and support needs of older people are met going forward; and
  - the challenge of ensuring that the needs of people with disabilities is appropriately addressed.

## Technical Appendix A: Research methodology

### Overall approach

A.1 A multi-method approach was adopted in order to prepare a robust and credible housing needs assessment for the City of Leeds:

- A comprehensive household survey which achieved 2,200 responses, from 27,767 households, representing a response rate of 6.6% and a sample error of +/- 2.9% at the borough level. Low response rates are expected and the sample errors achieved would be described by ONS as 'Precise' if +/-5% or lower and 'reasonable precise' if between +/- 5% to under +/-10%
- A survey of key stakeholders including representatives from the Council, neighbouring local authorities, housing associations, specialist housing providers, estate agents, adult social care and developers;
- Interviews with estate and letting agents operating within the city;
- A review of relevant secondary data including the 2021 Census, house price trends, CORE lettings data and DLUHC Statistics.

Sub-area	Total households sample base	Sample required	Households contacted	Actual Response	Actual Response rate	Actual sample error
City Centre	9,955	370	2,465	94	0.038	10.06%
Inner East	34,388	380	2,532	137	0.054	8.35%
Inner North East	30,023	379	2,528	269	0.106	5.95%
Inner North West	25,991	378	2,523	185	0.073	7.18%
Inner South	30,272	379	2,528	150	0.059	7.98%
Inner West	32,121	379	2,530	197	0.078	6.96%
Outer East	38,707	380	2,535	233	0.092	6.40%
Outer North East	27,107	379	2,524	259	0.103	6.06%
Outer North West	40,131	380	2,536	239	0.094	6.32%
Outer South	40,135	380	2,536	221	0.087	6.57%
Outer West	32,504	380	2,530	216	0.085	6.64%
<b>City of Leeds</b>	<b>341,334</b>	<b>4,165</b>	<b>27,767</b>	<b>2,200</b>	<b>0.079</b>	<b>2.08%</b>

## Technical Appendix B: Affordable housing definitions

### Affordable housing definitions

Definitions relating to affordable housing are presented in the NPPF 2021 (Annex 2):

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

- a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the government's rent policy for social rent or affordable rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes, affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
- c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to government or the relevant authority specified in the funding agreement.

## First Homes

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

- First Homes are a discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes.
- They must be discounted by a minimum of 30% against market value after the discount has been applied, the first sale must be at a price no higher than £250,000 outside London.
- They must be sold to people meeting eligibility criteria which includes first-time buyers and household incomes should not exceed £80,000.
- The discount is passed onto each subsequent purchaser.
- First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers.

## Technical Appendix C: Housing need calculations

### Introduction

- C.1 Identifying the scale of affordable housing need is a key consideration of planning practice guidance. This is a separate calculation to the overall housing need figure derived using the standard model and set out in PPG paragraphs 18 (Reference ID: 2a-018-20190220) to 24 (Reference ID: 2a-024-20190220). The affordable housing need analysis helps to establish the overall scale of affordable housing need by location, type, size and tenure and whether the Council should plan for more dwellings to help meet the need for affordable housing.
- C.2 PPG states that ‘all households whose needs are not met by the market can be considered in affordable housing need (PPG Paragraph: 018 Reference ID: 2a-018-20190220). PPG then considers how affordable housing need should be calculated:
- ‘Strategic policy-makers will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).’** (PPG Paragraph: 019 Reference ID: 2a-019-20190220).
- C.3 The PPG focuses on the use of existing (secondary data) but does not preclude the use of primary survey evidence.
- C.4 There are four broad components to the needs assessment method. These have remained relatively unchanged through the different guidance issued by government and focus on:
- Step A. Existing household in need (current unmet gross need).
  - Step B. Future households in need.
  - Step C. Affordable supply.
  - Step D. Annual need for affordable housing.

### Affordability assumptions

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



- a household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and
  - a household can be considered able to afford market renting where the rent payable was up to 25% of gross household income.
- C.6 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.
- C.7 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered This is the maximum single or joint household income multiple offered by First Direct in the early 2020s.
- C.8 Based on this data, the principal assumption considered by arc4 with reference to affordability is:
- for buying up to 3.5x gross household income; and
  - for renting up to 25% gross household income.

### Step A: Current unmet gross need

- C.9 PPG Paragraph: 020 Reference ID: 2a-021-20190220 states that 'strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:
- the number of homeless households;
  - the number of those in priority need who are currently housed in temporary accommodation;
  - the number of households in over-crowded housing;
  - the number of concealed households;
  - the number of existing affordable housing tenants in need (i.e., householders currently housed in unsuitable dwellings); and
  - the number of households from other tenures in need and those that cannot afford their own homes, either to rent or to own if that is their aspiration.'
- C.10 PPG notes that care should be taken to avoid double-counting and to only include those households who cannot afford to access suitable housing in the market. Table C1. Sets out the overall scale of current need before affordability of market housing is considered.

**Table C1** Current gross unmet need (before affordability testing)

Reason for need	Total in need	Comment	Source
A1 Homeless households	<b>1,475</b>	Number of households identified as homeless 2021/22	DLUHC Live tables
A2 Priority need / temporary accommodation	<b>4,866</b>	Households identified as threatened with homelessness in 2021/22 plus households living in temporary accommodation (based on quarterly average) in 2022	DLUHC Live tables
A3 Overcrowded	<b>12,815</b>	2021 Census data households	2021 Census TS052
	7,454		2023 household survey
A4 Concealed household	<b>3,863</b>	Census definition refers to couples and lone parents living within another family unit.	2021 Census RM009
	3,644		2023 household survey
A5 Existing affordable tenants in need	<b>13,037</b>		2023 household survey
A6 Other tenures in need	<b>36,657</b>		2023 household survey
A7 Sum of households in A3 to A6 with one or more needs	<b>66,372</b>	Sum of A3 to A6 <b>BOLD figures</b>	
A8 Total in A7 adjusted to remove any double counting	<b>57,752</b>	This is the total number of households with one or more needs	
A9. All households in need (A1+A2+A8)	<b>64,093</b>	Represents 18.8% of all households.	

Note table subject to rounding

Further Notes to Table C1:

### A3. Overcrowding

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

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

#### A4. Concealed households

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

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

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

#### A7 and A8. Sum of households

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

### Affordability of open market options

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

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

Sub-area	Lower Quartile Price 2022	Lower Quartile private rent 2022
City Centre	£140,000	£776
Inner East	£105,000	£650
Inner North East	£206,500	£724
Inner North West	£180,800	£802
Inner South	£110,000	£650
Inner West	£137,250	£650
Outer East	£172,500	£676
Outer North East	£250,000	£776
Outer North West	£217,250	£750
Outer South	£157,750	£650
Outer West	£150,000	£676
<b>City of Leeds</b>	<b>£153,000</b>	<b>£724</b>

Source: Data produced by Land Registry © Crown copyright 2022, Zoopla 2022

C.12 Table C3 sets out the proportion of households in need who could not afford open market prices or rents. Where no prices/rents are available, city average prices/rents have been used. The affordability analysis uses data on ward-level lower quartile prices and rents and assumes that a property is affordable if up to 25% of household income is spent on rent and buying costs up to 3.5x household income.

- C.13 It is reasonably assumed that all households in A1 (homeless) and A2 (priority need/in temporary accommodation) cannot afford open market prices or rents given their housing circumstances (and income information is not available from secondary data source).
- C.14 The affordability of open market options is tested on the remaining households in need (rows A3 to A6 in Table C1) based on 2023 household survey data.
- C.15 Analysis concludes that **38,013** households across Leeds are in housing need and cannot afford to buy or rent at lower quartile market prices.

**Table C3 Affordability of open market housing for households in need**

Needs groups	Number of households	% cannot afford to buy or rent	Number cannot afford to buy or rent
Sum of A1 and A2 households	6,341	100%	6,341
Sum of households in A3 to A6 with one or more needs	57,752	54.8%	31,672
Total cannot afford to buy or rent			<b>38,013</b>

## Step B: Future households in need

- C.16 **PPG Paragraph 021 Reference ID: 2a-021029190220** states that 'projections of affordable housing need will have to reflect new household formation, the proportion of newly-forming households unable to buy or rent in the market area, and an estimate of the number of existing households falling into need. The process will need to identify the minimum household income required to access lower quartile (entry level) market housing. It can then assess what proportion of newly-forming households will be unable to access market housing.'

### New household formation

- C.17 The most useful data sources for assessing the level of new household formation are:
- DLUHC/ONS household projections, from which an annual net increase in households can be derived; and
  - the English Housing Survey, from which a national gross household formation rate can be derived and referenced as a data source in the PPG.
- C.18 Based on the requirements of PPG, the gross annual formation rate used in analysis is 5,121. This is the household formation rate derived from a range of projections set out in Table C4. Through the standard method of calculating need, allowance is made for increasing the level of housing delivery to support household formation through the affordability adjustment.

**Table C4 Net and gross household formation 2023-2040**

Scenario	Annual household formation	Notes	Source
A. DCLG 2014-based household projections	2,455	41,741 NET increase between 2022 and 2040	GLA 2014-based household projections
B. ONS 2018-based household projections	1,091	19,647 NET increase between 2022 and 2040	ONS 2018-based household projections
C. Average gross household formation rate based on applying national rate to total households over the period 2022-2040 (2014-based projections)	5,296	Gross household formation rate of 1.435%	English Housing Survey 3- year average 2017/18 to 2019/20
D. Average gross household formation rate based on applying national rate to total households over the period 2022-2040 (2018-based projections)	4,946	Gross household formation rate of 1.439%	English Housing Survey 3-year average 2017/18 to 2019/20
G. Blended rate of gross household formation (C, D)	5,121		

### New households likely to be in affordable housing need

- C.19 Analysis of the incomes of households who have formed in the past 5 years using the 2023 household survey concludes that 54.8% could not afford buying or renting lower quartile (entry level) properties. Based on a gross formation rate of **5,121**, 2,804 households are estimated to be in affordable housing need.

### Existing households expected to fall into need

- C.20 The 2023 household survey identifies 5,148 households who have fallen into need in the past 5 years. These are households who moved because they were in need and moved into affordable housing from another tenure. The annual need is 1,029.

### Total newly arising affordable housing need (gross per year)

- C.21 Total newly arising need is therefore 3,834 each year as summarised in Table C5.

**Table C5 Total newly-arising affordable housing need**

A.	Number of newly-forming households		5,121
B.	Proportion unable to afford market housing	54.8%	2,804
C.	Existing households falling into need		1,029
	Total newly arising affordable need (B+C)		3,834

## Step C: Affordable housing supply

C.22 PPG Paragraph 022 Reference ID: 2a-022-20190220 notes that ‘there will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply. There are five aspects to affordable supply to be considered as set out in Table C6.

**Table C6 Affordable housing supply**

Source of supply/stock loss	Data source	Data
The number of affordable dwellings that are going to be vacated by occupiers that are fit for use by other households in need	RP lettings data over most recent 4-year period	Annual average of 4,536 affordable dwellings have been let 2018/19 to 2021/22 (excluding figure for 2019/20 which was considerably lower).
Suitable surplus stock (vacant properties)	DLUHC vacant dwelling statistics	1,360 vacant affordable (council and housing association excluding not available for letting) dwellings reported as vacant in 2022 or 1.9% of total affordable stock. This is below the transactional rate of around 2% to allow movement in stock so no suitable surplus stock available
The committed supply of new net affordable homes at the point of assessment (number and size)	Council data	Total of 2,547 pipeline affordable dwellings. Assume all built over 5 years. This is subtracted from the overall backlog need.
Supply of affordable home ownership through resale	English Housing Survey Table FA4131	EHS indicates 5.9% of owner occupiers with a mortgage moved to their accommodation in the past year. This is used as a basis for estimating the number of resales of affordable home ownership products at 5% each year. Based on 1,488 dwellings there are an estimated 74 resales each year
Units taken out of management	Local authority data	None identified although stock losses may result in an increase in affordable need
Total annual supply	Calculation	4,536 lettings + 0 vacant + 74 AHO resales – 0 units taken out of management = 4,610 each year

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

C.23 Overall, the model assumes a total annual affordable housing stock supply of **4,610** dwellings PLUS pipeline supply.

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

- C.24 Table C7 summarises the total annual need for affordable housing across Leeds which establishes a gross annual need of 6,756 and after taking into account supply, an annual net need of **2,136** affordable dwellings each year assuming a clearance of gross unmet need over 10 years. Of this annual gross need, roughly 43% is backlog need from existing households in need and 57% is from newly-arising need.

**Table C7 Gross and net annual affordable need**

Scenario	Factor	Number	Data source/assumption
A1	Current gross unmet need (before affordability test)	64,093	Table C1 row A9
A2	Current gross unmet need (after affordability test)	31,672	Table C3
A3	Pipeline supply	2,547	Table C6
A4	Current gross unmet need (after affordability test and pipeline supply)	29,125	
A5	Annualised need	2,912	Assume unmet need is cleared over a 10-year period in line with Standard Method
B	Newly-arising annual need	3,834	Table C5
TGN	Total gross need	6,746	A5+B
C	Affordable annual housing supply	4,610	Table C6
	<b>Total annual net need</b>	<b>2,136</b>	<b>TGN – C</b>

Notes: Table subject to rounding errors

- C.25 The figure of 2,136 affordable dwellings per annum assumes an aspiration to clear gross unmet need 'backlog' over a 10 year period. This is not intended to be an annual performance target. Backlog housing need must be cleared over a number of years with a shorter period resulting in a higher annualised requirement. The SHMA suggests that backlogs should be cleared over 10 years but notes that longer timescales can be used if justified.
- C.26 To successfully clear the backlog would be to reduce to zero the number of households in affordable need including all overcrowded, concealed or homeless households. It would be an unprecedented achievement, especially at a time when the country is facing a cost of living crisis. Given these considerations, a 5 year backlog clearance period for Leeds seems highly unrealistic and a 10 year period less so. Whilst clearance over a 15 or 18 year period seem more deliverable, planning for the clearance of unmet need over 10 year period would allow for the maximisation of affordable housing delivery in the short, medium and longer term.
- C.27 The annual affordable housing requirement over alternative clearance periods ranges from 842 dwellings to clear backlog across the whole plan period up to 5,049 per annum to clear the backlog in 5 years. Clearance of unmet need in a

15 year period would result in a total affordable housing need of 1,165 dwellings per annum.

- C.28 To be clear, it should be noted that a backlog clearance period of 10 years does not mean that individual households currently homeless or overcrowded are expected to remain in the same circumstances for 10 years. It also doesn't mean that any households becoming homeless or overcrowded over the next 10 years are excluded from the total requirement. Every year there is a 'flow' of households in and out of need. Clearing the backlog essentially means increasing the out-flow relative to the in-flow until the 'stock' of need is zero.

**Table C8 Gross and net annual affordable need assuming different timescales to clear the backlog of need**

Scenario	Factor	Number	Data source	5 year clearance	15 year clearance	18 year clearance
A1	Current gross unmet need (before affordability test)	64,093	Table C1 row A9	64,093	64,093	64,093
A2	Current gross unmet need (after affordability test)	31,672	Table C3	31,672	31,672	31,672
A3	Pipeline supply	2,547		2,547	2,547	2,547
A4	Current gross unmet need (after affordability test and pipeline supply)	29,125		29,125	29,125	29,125
A5	Annualised need	2,912	Assume unmet need is cleared over the period	5,825	1,942	1,618
B	Newly-arising annual need	3,834	Table C5	3,834	3,834	3,834
TGN	Total gross need	6,746	A3+B	9,659	5,775	5,452
C	Affordable annual housing supply	4,610	Table C6	4,610	4,610	4,610
	<b>Total annual net need</b>	<b>2,136</b>	<b>TGN – C</b>	<b>5,049</b>	<b>1,165</b>	<b>842</b>

- C.29 Table C9 presents the data for individual sub-areas based on clearance of unmet need over 10 years and an annual net need of 2,136 affordable dwellings each year.



**Table C9** Gross and net annual affordable need by sub-area

Factor	A1	A2	A3	A4	A5	B	TGN	C	
	Current gross unmet need (before affordability test)	Current gross unmet need (after affordability test)	Pipeline supply	Current gross unmet need (after affordability test and pipeline supply)	Annualised need	Newly-arising annual need	Total gross need	Affordable annual housing supply	Total annual net need
Number	64,093	31,672	2,547	29,125	2,912	3,834	6,746	4,610	2,136
Sub-area	Table C1 row A9	Table C3	Table C6		10- year clearance	Table C5	A3+B	Table C6	Total gross need - C
City Centre	2,136	903	494	409	41	69	110	59	51
Inner East	9,638	5,369	556	4,813	481	488	969	927	42
Inner North East	4,264	2,175	30	2,145	214	307	522	337	185
Inner North West	5,933	3,109	18	3,091	309	342	651	383	268
Inner South	6,459	3,404	266	3,138	314	312	626	652	-26
Inner West	6,597	3,111	692	2,419	242	408	650	633	17
Outer East	5,692	2,477	116	2,361	236	371	607	416	191
Outer North East	2,967	1,440	45	1,395	140	365	504	192	313
Outer North West	6,741	3,750	187	3,563	356	578	934	317	617
Outer South	7,232	3,142	130	3,012	301	321	622	343	279
Outer West	6,434	2,791	13	2,778	278	273	551	353	198
<b>City of Leeds</b>	<b>64,093</b>	<b>31,672</b>	<b>2,547</b>	<b>29,125</b>	<b>2,912</b>	<b>3,834</b>	<b>6,746</b>	<b>4,610</b>	<b>2,136</b>

Important note: where there is a negative annual need, this happens when the affordable need in a sub-area is likely to be met through relets and new development in the same sub-area. However, council policies allow people to select multiple areas of choice so this means there is more capacity in that sub-area to help meet need from households living in other areas of Leeds. It does not mean there is no need for further affordable housing in that sub-area.

## Housing register data

- C.30 Over the last 5 years 2018 to 2022, the number of households on the housing register has increased from 17,198 to 20,131, representing an increase of 17%. Table C10 summarises the breakdown by number of bedrooms based on the register at 1 April 2022, indicating that 81% of need was for 1- and 2-bedroom properties and 19% was need for 3 or more-bedroom properties.

**Table C10 Housing register by number of bedrooms**

Housing register 1 Apr 2022	1 bedroom	2 bedrooms	3 bedrooms	More than 3 bedrooms	TOTAL
Number	10,670	5,627	3,056	778	20,131
%	53.0%	28.0%	15.2%	3.9%	100%

## First Homes

- C.31 First Homes are described at Appendix A.
- C.32 Table C11 considers the price of First Homes using different discounts based on median prices across the city. Table C10 shows that based on median prices, the First Home product at city level is within the £250,000 threshold. The First Home discount should be consistent across a local authority area. For Leeds, First Homes is not a particularly affordable product and a discount of 50% would be required to make properties broadly affordable to households on median incomes. This assumes that the First Home prices is a discount to the overall median price in the city.

**Table C11 First Home prices by city and sub-area**

	Price (2022)	Sub-area										
		Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South
Market price (median) 2022	£215,000	£175,000	£135,000	£290,000	£245,000	£140,000	£175,000	£225,000	£360,000	£285,000	£208,875	£198,000
Discount to median price												
30%	£150,500	£122,500	£94,500	£203,000	£171,500	£98,000	£122,500	£157,500	£252,000	£199,500	£146,213	£138,600
40%	£129,000	£105,000	£81,000	£174,000	£147,000	£84,000	£105,000	£135,000	£216,000	£171,000	£125,325	£118,800
50%	£107,500	£87,500	£67,500	£145,000	£122,500	£70,000	£87,500	£112,500	£180,000	£142,500	£104,438	£99,000

Note To be eligible as a First Home, the maximum price after discount is £250,000

**Income required (10% deposit and 3.5x household income)**

Discount to median price	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
30%	£38,700	£31,500	£24,300	£52,200	£44,100	£25,200	£31,500	£40,500	£64,800	£51,300	£37,598	£35,640
40%	£33,171	£27,000	£20,829	£44,743	£37,800	£21,600	£27,000	£34,714	£55,543	£43,971	£32,226	£30,549
50%	£27,643	£22,500	£17,357	£37,286	£31,500	£18,000	£22,500	£28,929	£46,286	£36,643	£26,855	£25,457

**Income required (10% deposit and 4.5x household income)**

Discount to median price	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
30%	£30,100	£24,500	£18,900	£40,600	£34,300	£19,600	£24,500	£31,500	£50,400	£39,900	£29,243	£27,720
40%	£25,800	£21,000	£16,200	£34,800	£29,400	£16,800	£21,000	£27,000	£43,200	£34,200	£25,065	£23,760
50%	£21,500	£17,500	£13,500	£29,000	£24,500	£14,000	£17,500	£22,500	£36,000	£28,500	£20,888	£19,800

**Actual household income (2022 CAMEO)**

Median	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
	£25,000	£25,000	£15,000	£35,000	£15,000	£15,000	£25,000	£25,000	£45,000	£45,000	£35,000	£25,000

**Comparison between household income and income required for a First Home**

Less than 1 or 1 is affordable (green) ; greater than 1 is not affordable (red)

**Income required (10% deposit and 3.5x household income)**

Discount to median price	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
30%	1.5	1.3	1.6	1.5	2.9	1.7	1.3	1.6	1.4	1.1	1.1	1.4
40%	1.3	1.1	1.4	1.3	2.5	1.4	1.1	1.4	1.2	1.0	0.9	1.2
50%	1.1	0.9	1.2	1.1	2.1	1.2	0.9	1.2	1.0	0.8	0.8	1.0

**Income required (10% deposit and 4.5x household income)**

Discount to median price	Leeds	City Centre	Inner East	Inner North East	Inner North West	Inner South	Inner West	Outer East	Outer North East	Outer North West	Outer South	Outer West
30%	1.2	1.0	1.3	1.2	2.3	1.3	1.0	1.3	1.1	0.9	0.8	1.1
40%	1.0	0.8	1.1	1.0	2.0	1.1	0.8	1.1	1.0	0.8	0.7	1.0
50%	0.9	0.7	0.9	0.8	1.6	0.9	0.7	0.9	0.8	0.6	0.6	0.8

Source: Land Registry Price Paid data and CAMEO UK household income data

## Tenure mix and First Homes

- C.33 Analysis needs to consider the range of affordable tenures as set out in Annex 2 of the NPPF that may be appropriate for existing households in need and newly-forming households.
- C.34 For need arising from homeless households and those in temporary accommodation, it is assumed they all require social rented accommodation. For newly-forming households and existing households in need, a split between affordable rented and affordable home ownership should be considered. However, there is insufficient household income and savings data available from the housing register to complete this analysis. Therefore, CAMEO household income data has been used to establish the proportions of households who could afford social rent, affordable rent and affordable home ownership options.
- C.35 A minimum of 25% of all affordable housing units secured through developer contributions should be First Homes (**Paragraph 013 Reference ID: 70-013-20210425**). Then, PPG says ‘once a minimum of 25% of First Homes has been accounted for, social rent should be delivered in the same percentage as set out in the Local Plan. The remainder of the affordable housing tenures should be delivered in line with the proportions set out in the Local Plan policy (**Paragraph 15 reference ID: 70-015-20210524**).
- C.36 Analysis has carefully considered the range of affordable tenures that may be appropriate for existing households in need and newly-forming households. Table C12 summarises the overall tenure split between affordable rented options (social and affordable rent) and affordable home ownership solutions (including shared ownership, discounted for sale and other tenures as set out in Annex 2 of the NPPF).

**Table C12 Affordable housing tenure preferences**

Sub-area	Affordable Rented (%)	Affordable Home Ownership (%)
City Centre	92.2	7.8
Inner East	73.1	26.9
Inner North East	79.8	20.2
Inner North West	73.4	26.6
Inner South	81.2	18.8
Inner West	85.4	14.6
Outer East	78.8	21.2
Outer North East	76.4	23.6
Outer North West	78.0	22.0
Outer South	88.2	11.8
Outer West	81.9	18.1
<b>City of Leeds</b>	<b>79.7</b>	<b>20.3</b>

Source: 2023 household survey

- C.37 For need arising from homeless households and those in temporary accommodation, it is assumed they all require affordable rented accommodation. For newly-forming households and existing households in need, the split is based on the proportions who would consider affordable rented and affordable home ownership options.
- C.38 Analysis would suggest an overall tenure split of 80% affordable rented and 20% affordable home ownership across the City of Leeds (based on Table C.12). In terms of the split between social and affordable rented, the incomes of existing and newly-forming households have been considered against the costs of social and affordable renting. This results in a split of 53% social rented and 27% affordable rented stock. However given a need to prioritise social rented housing to help meet affordable need, it is recommended that the split including First Homes is noted but the overall tenure split for policy making purposes is 80% rented and 20% affordable home ownership. In terms of affordable rented stock, the council should be mindful that affordable rents at 80% of market rents may not be genuinely affordable, particularly if local housing allowance rates are lower than rents being charged.
- C.39 The affordable home ownership would include an element of First Homes bearing in mind the 25% government requirement only relates to sites where affordable housing is being delivered as part of market development. The council should seek to maximise social rented housing as part of affordable dwelling mix to help deliver housing that is genuinely affordable to those in need.
- C.40 Table C13 provides a recommendation for tenure split at the sub-area level..

**Table C13 Detailed calculation of tenure split**

Sub-area	Social rented (%)	Affordable rented (%)	Affordable Home Ownership (%)	Total (%)
City Centre	60.4	31.8	7.8	100.0
Inner East	49.3	23.8	26.9	100.0
Inner North East	52.5	27.4	20.2	100.0
Inner North West	47.4	26.0	26.6	100.0
Inner South	55.0	26.2	18.8	100.0
Inner West	57.3	28.0	14.6	100.0
Outer East	53.7	25.1	21.2	100.0
Outer North East	51.1	25.3	23.6	100.0
Outer North West	52.3	25.8	22.0	100.0
Outer South	58.7	29.5	11.8	100.0
Outer West	55.0	26.9	18.1	100.0
<b>City of Leeds</b>	<b>53.2</b>	<b>26.5</b>	<b>20.3</b>	<b>100.0</b>

Source: 2023 household survey

## Affordable dwelling mix

- C.41 The 2023 household survey has provided information on the number of bedrooms needed by households in affordable need and dwelling type aspirations and expectations. This is shown in Table C14. This suggests a broader range of need than expressed on the housing register.

**Table C14 Summary of overall affordable dwelling need by bedroom size and dwelling type**

Dwelling type and size	Annual net need (number)			Annual net need (%)		
	Social/ Affordable Rented	Affordable home ownership	Total	Social/ Affordable Rented	Affordable home ownership	Total
1/2 - bedroom house	280	74	354	16.4	17.0	16.6
3-bedroom house	270	86	356	15.8	19.9	16.7
4+ bedroom house	157	65	222	9.2	15.1	10.4
1 bedroom flat	244	28	272	14.3	6.4	12.7
2-bedroom flat	197	61	258	11.6	14.0	12.1
3+ bedroom flat	25	5	30	1.5	1.2	1.4
1 bedroom bungalow	106	13	119	6.2	3.0	5.6
2-bedroom bungalow	345	75	420	20.3	17.4	19.7
3+ bedroom bungalow	80	26	106	4.7	6.0	5.0
Total annual net need	1,703	434	2,136	100.0	100.0	100.0

## Comparison of current housing stock and current/future needs

- C.42 PPG states that 'strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future need (PPG Paragraph 023 Reference ID: 2a-023-20190220). Table C15 sets out this comparison with both the housing register and household survey information. The register is skewed towards 1 bedroom dwellings but the household survey indicates a broader level of need with a particular focus on 2-bedroom dwellings, along with 33.4% of dwellings having 3 or more bedrooms.

**Table C15 Comparison between current supply and annual gross need**

Number of bedrooms	Current supply %	Annual gross need (housing register)%	Variance % (need-supply)	Annual gross need (household survey)%	Variance % (need-supply)
1-bedroom	27.9	<b>53.0</b>	25.1	<b>18.3</b>	-9.6
2-bedroom	40.7	<b>28.0</b>	-12.7	<b>48.3</b>	7.6
3-bedroom	27.9	<b>15.2</b>	-12.7	<b>23.0</b>	-4.8
4 or more-bedroom	3.5	<b>3.9</b>	0.4	<b>10.4</b>	6.9
Total	100	<b>100.0</b>		100.0	

Source: 2021/2 SDR; 2019 council stock list, 2023 household survey

Variance is need minus supply. A positive number indicates not enough stock and a negative number indicates sufficient stock relative to the need being tested.

## Technical Appendix D: Dwelling mix and modelling

### Introduction

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

### Starting points

- D.2 There are four main data sources which underpin the analysis:
- household projections;
  - dwelling stock information;
  - data identifying the relationships between households and dwellings derived from the 2023 household survey; and
  - data derived from affordable housing need analysis.

### Household projections

- D.3 These are used to establish the number of households by Household Reference Persons (HRP) and household type using the 2018-based data, and how this is expected to change over the period 2022 to 2040.
- D.4 The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly over the plan period, the potential impact on type and number of bedrooms of future dwellings can be determined.

### Relationship between households and dwellings

- D.5 The relationship between the age of Household Reference Person, household type and dwellings occupied by type and size can be derived from the 2023 household survey.
- D.6 The data available is summarised in Table D1. For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been estimated.
- D.7 The 2023 household survey also provides data on household aspirations and what households would expect to move to. This data can also be broken down by HRP age group and household type.
- D.8 By combining this range of data, it is possible to model the likely change in dwelling type/size requirements with reference to:
- the current relationship between HRP/household type and dwelling type/size and this remains constant over the plan period (demographic baseline);
  - household aspirations by HRP/household type (aspirations); and



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

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

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

### Applying the data at authority level

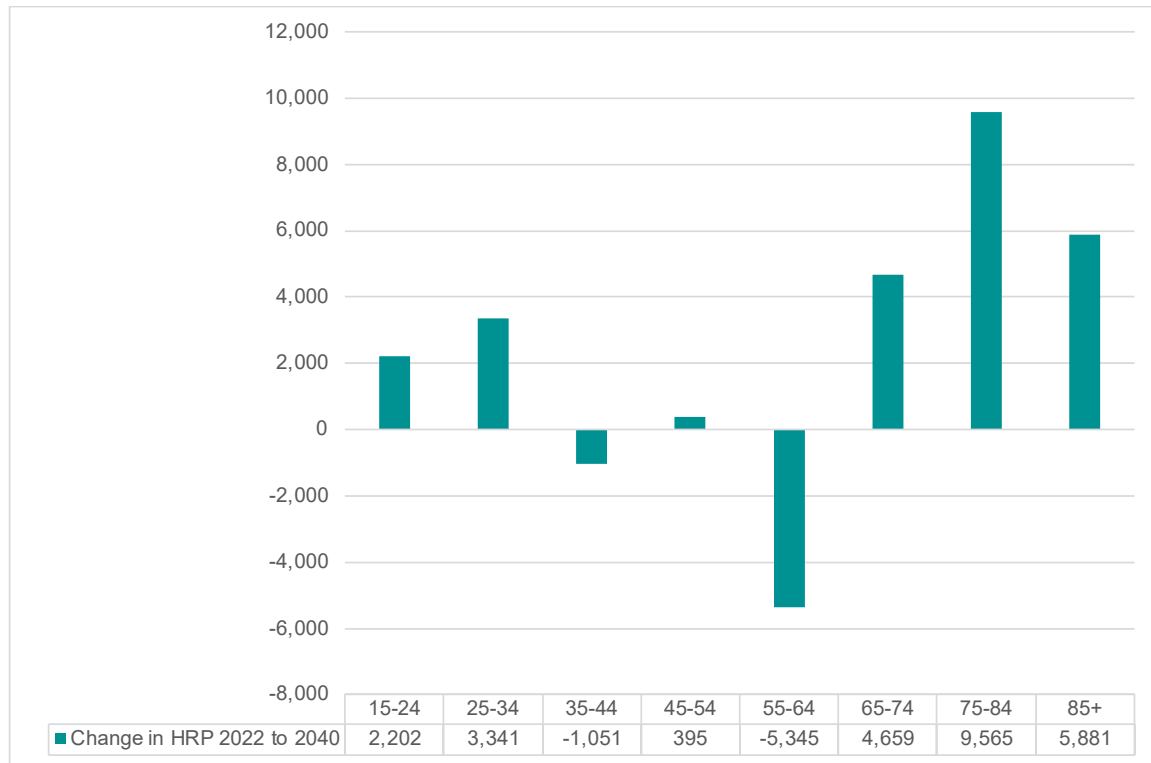
- D.9 Applying the data at authority level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections. Assuming that the dwelling needs of these households do not change over the plan period, the overall impact on type/size of dwellings can be determined.
- D.10 Table D2 presents the baseline demographic data for the City of Leeds. The total number of households is expected to increase by around 19,647 over the period 2022-2040 using 2018-based ONS household projections. Growth is mainly expected across older age cohorts. Figure D1 illustrates how the number of households by HRP age is expected to change over the plan period 2022-2040.

**Table D2** Change in number of households by age group and household type 2022 to 2040

2022	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	4,166	3,166	1,252	602	8,091	17,277
25-34	17,454	9,436	6,745	3,976	20,602	58,213
35-44	18,418	12,566	11,813	5,401	12,066	60,264
45-54	18,279	11,512	7,933	2,606	18,785	59,116
55-64	19,244	4,566	1,719	454	28,091	54,075
65-74	16,787	614	140	23	22,107	39,671
75-84	16,567	177	17	12	15,926	32,698
85+	9,223	41	0	0	4,227	13,491
<b>TOTAL</b>	<b>120,137</b>	<b>42,078</b>	<b>29,620</b>	<b>13,074</b>	<b>129,895</b>	<b>334,804</b>
2040	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	4,713	3,569	1,417	679	9,101	19,479
25-34	18,442	9,981	7,133	4,192	21,805	61,554
35-44	18,150	12,217	11,620	5,358	11,869	59,213
45-54	18,364	11,684	8,203	2,725	18,535	59,511
55-64	17,356	4,037	1,498	384	25,454	48,729
65-74	18,740	673	151	25	24,741	44,330
75-84	21,409	223	20	15	20,595	42,263
85+	13,118	64	0	0	6,190	19,373
<b>TOTAL</b>	<b>130,292</b>	<b>42,448</b>	<b>30,043</b>	<b>13,378</b>	<b>138,290</b>	<b>354,451</b>
Change 2022-2040	One Person	Household with 1 dependent child	Household with 2 dependent children	Household with 3 or more dependent children	Other households with two or more adults	Total
15-24	547	403	165	77	1,010	2,202
25-34	988	545	388	216	1,203	3,341
35-44	-268	-349	-194	-43	-198	-1,051
45-54	85	172	270	119	-250	395
55-64	-1,888	-529	-221	-70	-2,637	-5,345
65-74	1,952	59	11	2	2,634	4,659
75-84	4,843	46	4	3	4,669	9,565
85+	3,895	23	0	0	1,964	5,881
<b>TOTAL</b>	<b>10,155</b>	<b>370</b>	<b>423</b>	<b>304</b>	<b>8,395</b>	<b>19,647</b>

Source: ONS 2018-based household projections

**Figure D1 Change in HRP age groups 2022-2040**



Source: 2018-based ONS household projections

D.11 Table D3 applies household survey data on dwelling occupancy to the demographic profile in 2040. The two right hand columns indicate the likely demand for dwelling types and sizes and how this translates to an overall percentage dwelling requirement.

**Table D3 Impact of change in households by age group on dwellings occupied by 2040**

Dwelling type and size	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
1-bedroom bungalow/level access	475	58	246	378	723	562	899	837	4,180	1.2%
1-bedroom flat	3,779	12,015	3,573	5,232	5,127	1,295	2,429	448	33,897	9.6%
1-bedroom house	229	758	408	384	734	824	434	0	3,770	1.1%
1-bedroom other	34	172	65	82	152	214	149	0	867	0.2%
2-bedroom bungalow/level access	892	641	500	186	855	2,618	5,394	1,308	12,394	3.5%
2-bedroom flat	2,178	10,612	8,211	4,032	4,807	4,270	1,555	2,549	38,213	10.8%
2-bedroom house	2,386	13,087	10,713	11,651	6,499	5,609	2,516	3,126	55,587	15.7%
2-bedroom other	297	117	123	131	249	311	339	0	1,566	0.4%
3-bedroom house	2,152	17,543	20,987	18,414	17,685	16,175	17,371	7,321	117,649	33.2%
3 or more-bedroom bungalow/level access	2,832	416	311	1,176	718	1,681	960	288	8,382	2.4%
3 or more-bedroom flat	827	1,159	1,127	1,183	305	462	373	293	5,729	1.6%
3 or more-bedroom other	193	119	230	237	562	171	118	0	1,628	0.5%
4 or more-bedroom house	3,204	4,857	12,718	16,426	10,315	10,138	9,724	3,203	70,586	19.9%
Total	19,479	61,554	59,213	59,511	48,729	44,330	42,263	19,373	354,451	100.0%
Number of bedrooms	HRP age 15-24	HRP age 25-34	HRP age 35-44	HRP age 45-54	HRP age 55-64	HRP age 65-74	HRP age 75-84	HRP age 85+	TOTAL	%
1	4,517	13,003	4,292	6,076	6,736	2,894	3,911	1,285	42,715	12.1%
2	5,752	24,456	19,548	15,999	12,409	12,808	9,805	6,983	107,761	30.4%
3	6,005	19,237	22,655	21,009	19,269	18,490	18,823	7,902	133,389	37.6%
4 or more	3,204	4,857	12,718	16,426	10,315	10,138	9,724	3,203	70,586	19.9%
Total	19,479	61,554	59,213	59,511	48,729	44,330	42,263	19,373	354,451	100.0%

Note totals by age group may vary slightly due to rounding errors; Source: ONS 2018-based household projections and 2022 household survey

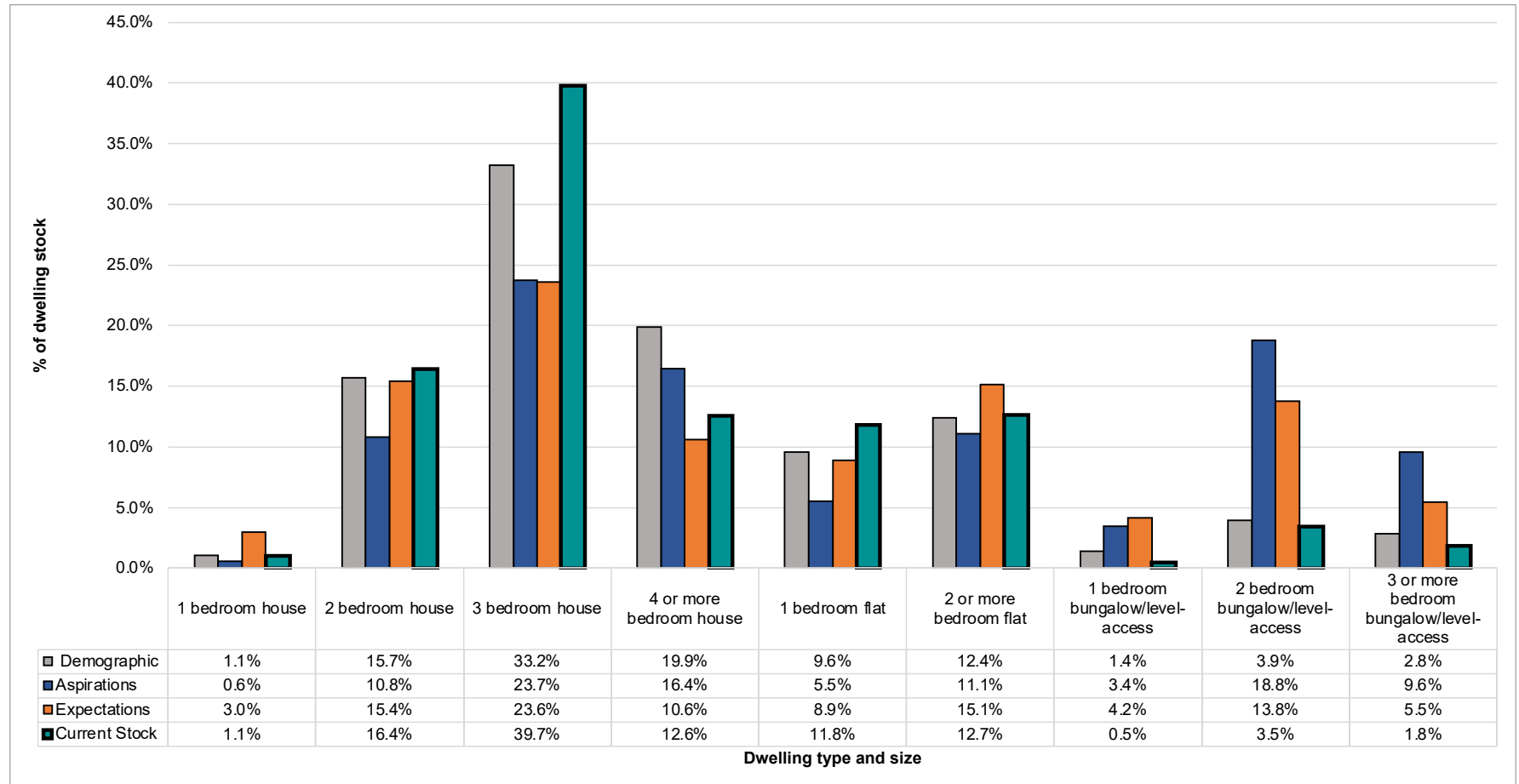
D.12 Table D4 sets out how the profile of dwelling stock changes when aspirations and expectations of households are considered. This indicates a shift towards bungalow/level-access accommodation and two-bedroom dwellings.

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

Dwelling type and size	Demographic	Aspirations	Expectations
1 bedroom house	1.1%	0.6%	3.0%
2-bedroom house	15.7%	10.8%	15.4%
3-bedroom house	33.2%	23.7%	23.6%
4 or more-bedroom house	19.9%	16.4%	10.6%
1 bedroom flat	9.6%	5.5%	8.9%
2 or more bedroom flat	12.4%	11.1%	15.1%
1 bedroom bungalow/level-access/other	1.4%	3.4%	4.2%
2-bedroom bungalow/level-access/other	3.9%	18.8%	13.8%
3 or more-bedroom bungalow/level-access/other	2.8%	9.6%	5.5%
TOTAL	100.0%	100.0%	100.0%
Dwelling type	Demographic	Aspirations	Expectations
House	69.9%	51.5%	52.6%
Flat	22.0%	16.6%	24.0%
Bungalow/level access/other	8.2%	31.9%	23.4%
Total	100.0%	100.0%	100.0%
Number of bedrooms	Demographic	Aspirations	Expectations
1	12.1%	9.5%	16.0%
2	30.4%	39.0%	42.2%
3	37.6%	35.1%	31.1%
4	19.9%	16.4%	10.6%
Total	100.0%	100.0%	100.0%

D.13 Figure D2 summarises the dwelling profiles under the scenarios considered and compares this with current dwelling stock. Under the baseline demographic scenario, the majority of newbuild should be houses (particularly 3-bedroom and 4-bedroom) and some flats and bungalows/level-access accommodation. Under the aspirations and expectations scenarios, there is an increasing emphasis on flats and bungalows/level-access.

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



Source: 2022 household survey and 2018-based household projections

## Overall dwelling mix by tenure

- D.14 Table D5 summarises dwelling type/size mix based on the demographic scenario relating to the period 2022 to 2040. This analysis assumes, a minimum 30% affordable housing targets and an affordable tenure split of around 80% rented and 20% affordable home ownership. The analysis factors in the dwelling type/size analysis carried out as part of the affordable housing needs calculation and the dwelling type/size choices of households considering affordable home ownership solutions based on the range of dwellings currently available.
- D.15 The analysis can be revised if annual targets and affordable housing delivery targets are updated.

**Table D5 Summary of overall dwelling mix by tenure**

Dwelling type/size	Market	Affordable Rented	Affordable home ownership	Overall range
1/2-bedroom house	10-15%	15-20%	15-20%	15-20%
3-bedroom house	20-25%	15-20%	15-20%	25-30%
4 or more-bedroom house	10-15%	5-10%	15-20%	15-20%
1-bedroom flat	5-10%	10-15%	5-10%	5-10%
2-bedroom flat	10-15%	10-15%	10-15%	10-15%
3 or more-bedroom flat	0-2%	0-2%	0-2%	0-2%
1-bedroom bungalow/level-access	0-2%	5-10%	2-5%	2-5%
2-bedroom bungalow/level-access	15-20%	20-25%	15-20%	15-20%
3 or more-bedroom bungalow/level-access	10-15%	2-5%	5-10%	5-10%
Dwelling type	Market	Affordable Rented	Affordable home ownership	Overall range
House	60-65%	40-45%	55-60%	60-65%
Flat	25-30%	40-45%	35-40%	30-35%
Bungalow/level-access	10-15%	10-15%	5-10%	10-15%
Number of bedrooms	Market	Affordable Rented	Affordable home ownership	Overall range
1	5-10%	20-25%	5-10%	10-15%
2	35-40%	45-50%	40-45%	30-35%
3	30-35%	20-25%	25-30%	35-40%
4	10-15%	5-10%	10-15%	15-20%

## Overall dwelling mix by sub-area

- D.16 Further analysis considers the range of dwellings by sub-area and tenure. This is based on the need for affordable/social rented dwellings, the need for affordable home ownership and open market need. This takes account of the dwelling type aspirations and expectations of households and the number of bedrooms needed.
- D.17 Table D6 summarises dwelling mix by tenure for each sub-area of Leeds. Market mix is based on underlying demographics of Leeds blended with the expectations of existing and newly-forming households planning on moving in the general market. Affordable rented and affordable home ownership need is based on the analysis of the 2023 household survey. It is important that both planners and developers maintain a flexible approach to what is built within Leeds and helps to determine the relative priorities of development in particular sub-area. For the city centre, dwelling mix by number of bedrooms is shown due to the predominant delivery of flats in this area.

**Table D6 Dwelling mix by sub-area**

### City Centre (by number of bedrooms only)

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1	20-25%	30-35%	15-20%
2	40-45%	45-50%	45-50%
3	25-30%	15-20%	25-30%
4 or more	5-10%	2-5%	5-10%

### Inner East

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	10-15%	5-10%	5-10%
3 Bedroom House	50-55%	30-35%	30-35%
4+ Bedroom House	5-10%	2-5%	5-10%
1 bedroom flat	2-5%	5-10%	5-10%
2-bedroom flat	0-2%	10-15%	0-2%
3+ bedroom flat	0-2%	0-2%	2-5%
1 Bedroom Bungalow/level access	0-2%	5-10%	0-2%
2 Bedroom Bungalow/level access	10-15%	20-25%	10-15%
3+ Bedroom Bungalow/level access	10-15%	5-10%	30-35%



**Inner North East**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	5-10%	5-10%	5-10%
3 Bedroom House	20-25%	5-10%	10-15%
4+ Bedroom House	15-20%	20-25%	15-20%
1 bedroom flat	2-5%	5-10%	0-2%
2 bedroom flat	15-20%	20-25%	30-35%
3+ bedroom flat	0-2%	0-2%	0-2%
1 Bedroom Bungalow/level access	0-2%	0-2%	0-2%
2 Bedroom Bungalow/level access	20-25%	25-30%	20-25%
3+ Bedroom Bungalow/level access	2-5%	2-5%	5-10%

**Inner North West**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	20-25%	15-20%	25-30%
3 Bedroom House	10-15%	20-25%	5-10%
4+ Bedroom House	10-15%	10-15%	5-10%
1 bedroom flat	10-15%	15-20%	15-20%
2 bedroom flat	15-20%	10-15%	10-15%
3+ bedroom flat	0-2%	0-2%	2-5%
1 Bedroom Bungalow/level access	0-2%	5-10%	2-5%
2 Bedroom Bungalow/level access	5-10%	10-15%	10-15%
3+ Bedroom Bungalow/level access	10-15%	2-5%	2-5%

**Inner South**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	10-15%	10-15%	15-20%
3 Bedroom House	20-25%	10-15%	10-15%
4+ Bedroom House	30-35%	15-20%	40-45%
1 bedroom flat	5-10%	15-20%	0-2%
2 bedroom flat	10-15%	10-15%	10-15%
3+ bedroom flat	0-2%	2-5%	0-2%
1 Bedroom Bungalow/level access	2-5%	5-10%	2-5%
2 Bedroom Bungalow/level access	10-15%	10-15%	15-20%
3+ Bedroom Bungalow/level access	5-10%	5-10%	2-5%

**Inner West**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	25-30%	30-35%	25-30%
3 Bedroom House	25-30%	15-20%	45-50%
4+ Bedroom House	10-15%	5-10%	10-15%
1 bedroom flat	0-2%	5-10%	0-2%
2 bedroom flat	10-15%	10-15%	2-5%
3+ bedroom flat	0-2%	0-2%	0-2%
1 Bedroom Bungalow/level access	0-2%	2-5%	2-5%
2 Bedroom Bungalow/level access	10-15%	15-20%	5-10%
3+ Bedroom Bungalow/level access	5-10%	2-5%	0-2%

**Outer East**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	5-10%	5-10%	5-10%
3 Bedroom House	10-15%	5-10%	15-20%
4+ Bedroom House	15-20%	15-20%	15-20%
1 bedroom flat	5-10%	30-35%	35-40%
2 bedroom flat	5-10%	5-10%	15-20%
3+ bedroom flat	0-2%	0-2%	0-2%
1 Bedroom Bungalow/level access	5-10%	10-15%	0-2%
2 Bedroom Bungalow/level access	20-25%	5-10%	5-10%
3+ Bedroom Bungalow/level access	15-20%	5-10%	0-2%

**Outer North East**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	5-10%	10-15%	5-10%
3 Bedroom House	25-30%	2-5%	10-15%
4+ Bedroom House	15-20%	5-10%	5-10%
1 bedroom flat	2-5%	5-10%	2-5%
2 bedroom flat	10-15%	2-5%	15-20%
3+ bedroom flat	0-2%	0-2%	0-2%
1 Bedroom Bungalow/level access	2-5%	20-25%	5-10%
2 Bedroom Bungalow/level access	20-25%	45-50%	35-40%
3+ Bedroom Bungalow/level access	5-10%	0-2%	0-2%

**Outer North West**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	5-10%	5-10%	5-10%
3 Bedroom House	20-25%	10-15%	20-25%
4+ Bedroom House	15-20%	5-10%	15-20%
1 bedroom flat	2-5%	20-25%	0-2%
2 bedroom flat	5-10%	25-30%	15-20%
3+ bedroom flat	0-2%	2-5%	0-2%
1 Bedroom Bungalow/level access	0-2%	10-15%	0-2%
2 Bedroom Bungalow/level access	15-20%	5-10%	30-35%
3+ Bedroom Bungalow/level access	20-25%	2-5%	2-5%

**Outer South**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	10-15%	30-35%	25-30%
3 Bedroom House	15-20%	5-10%	15-20%
4+ Bedroom House	10-15%	2-5%	10-15%
1 bedroom flat	5-10%	10-15%	0-2%
2 bedroom flat	0-2%	0-2%	2-5%
3+ bedroom flat	2-5%	2-5%	0-2%
1 Bedroom Bungalow/level access	0-2%	2-5%	5-10%
2 Bedroom Bungalow/level access	35-40%	30-35%	25-30%
3+ Bedroom Bungalow/level access	5-10%	2-5%	5-10%

**Outer West**

Dwelling type/mix	Market	Social/ Affordable Rented	Affordable Home Ownership
1/2 Bedroom House	20-25%	15-20%	20-25%
3 Bedroom House	20-25%	15-20%	15-20%
4+ Bedroom House	5-10%	5-10%	10-15%
1 bedroom flat	2-5%	10-15%	0-2%
2 bedroom flat	5-10%	5-10%	10-15%
3+ bedroom flat	0-2%	0-2%	0-2%
1 Bedroom Bungalow/level access	0-2%	0-2%	2-5%
2 Bedroom Bungalow/level access	20-25%	25-30%	20-25%
3+ Bedroom Bungalow/level access	10-15%	5-10%	10-15%

Source: 2023 household survey

## Technical Appendix E: Stakeholder consultation

### Introduction

- E.1 arc4 contacted a range of stakeholders to obtain feedback on the housing needs of people living in the City of Leeds. The findings are summarised in the report below. Please note that the views presented are not necessarily those of arc4 or the Council

### Strengths of the local housing market

- E.2 Leeds has always played an important role in supporting regional economic development, and in recent decades has strengthened its role and influence as a result of growth in sectors like financial services, and investment in infrastructure and city centre regeneration. The city also has a growing population and substantial economic prospects. It is also well connected with excellent accessibility to regional/ national work hubs – particularly on the southern side of city.
- E.3 In Leeds, the local geography is a key driver of property market dynamics. The city be considered as self-contained, with some interaction with Wakefield, Bradford and Kirklees and offers a broad range of housing types and environments across Leeds from city through to suburban and even semi-rural. Expensive, desirable housing can generally be found on the northern outskirts, but the inner city is dominated by privately-rented Victorian and Edwardian terraces.
- E.4 Despite more people wanting to move to larger or more rural properties following the pandemic, there remains a good residential market in town centres, particularly for first-time buyers, renters and young professionals; a key target market for town-centre living. This also includes low-income groups who benefit greatly from living in close proximity to employment and services with lower transport costs. There is also a clear market for older people who may live alone and no longer drive and who benefit from living in close proximity to services and facilities. Young people are generally well catered for within town/city centre markets. The range of the housing offer is generally reflective of the housing need.
- E.5 There is an appetite for investors with Leeds more attractive than Manchester (cost) and Sheffield (returns). There are lots of family new builds on the outskirts of Leeds and then flats in the city centre which are aimed at professionals. City centre developments achieve a high quantum of development particularly with the 1 and 2 bedroom apartments.
- E.6 A strong supply of purpose-built student accommodation has supported the growth in students to be contained in specialist accommodation which has freed up traditional family housing in places such as Headingley. Sufficient amounts of apartments delivered within city centre presents opportunities for other uses to be proposed on sites that have previously been earmarked for residential development. There are also good levels of student retention and a housing offer which largely meets that need (mainly PRS).

- E.7 One of the biggest strengths of the housing market is the significant demand for new homes, encompassing a range of types and sizes across the area as a whole. There are also plenty of affordable areas where average prices are less than £200k making them attractive to property buyers.
- E.8 In terms of the rental sector, the overall quality of housing is improving with standards are being driven up by good landlords. Private rented opportunities have expanded significantly over the last 20 years resulting in a wide range of properties to rent across the city.
- E.9 There is also an existing and growing provision of affordable rent apartments which is ensuring the city is well served in this area. There has been recent expansion in the market – both in terms of private developments and developments with links to the Council as a result of healthy engagement between the Council and providers.
- E.10 Stakeholders also confirmed that there is relatively good temporary provision.

### Weaknesses of the local housing market

- E.11 The city has historically seen high levels of population growth arising from the urban renaissance. The population is ageing, deprivation is becoming intensified, and family forming groups are increasing. Affordability of housing is a huge challenge, with limited supply and a huge upward pressure on housing prices stretching affordability ratios. Leeds house prices have risen by more than 55% in the past ten years and there are pockets of Leeds such as Alwoodley and Roundhay which far exceed local average property prices.
- E.12 The housing market in Leeds has become increasingly difficult to navigate in the last 2-4 years, due to the lack of affordable mortgage homes, rented accommodation (in general, but specifically good quality, ground floor, affordable rented housing with outdoor space, or for single people and those eligible for local housing allowance), and almost no council properties.
- E.13 The current supply pipeline for houses does not meet the broader spectrum of demand. It is heavily focussed on the city centre and inner areas with a large amount of student accommodation contributing to overall numbers and particularly the provision of 1 bedroom flats within the city centre. Family housing, particularly for 2 and 3 bedroom houses with gardens, have an acute shortage of supply. The supply of housing across the area needs to be more evenly distributed with some areas having a clear shortfall of delivery against need.
- E.14 Leeds has an aged housing stock which is no longer fit for purpose. The market place is polarised with poor housing pooled in certain areas and higher quality housing in others. While a programme of growth has seen six schemes added to the city and a further six projected to come to market, 54% of the stock (7 out of 13 schemes) is 10+ years old. The market seems to be split between high value purchase and affordable rent units, with limited middle ground in between.
- E.15 Land availability is a major challenge, which is heavily constrained by green belt making any new sites reliant on a Local Plan. The green belt review was

- disappointing as it has significantly reduced the levels of housing delivery across the city, especially within suburban areas. Navigating the planning system is similarly challenging with the slow process further limited with lots of restrictions. City centre activity in Leeds is dominated by institutional fund money with a focus on purpose built student accommodation and Build to Rent. This could make it more difficult to compete successfully for city centre sites.
- E.16 Build costs are also currently a huge challenge. However, in Leeds, the depth of demand and affordability issues mean that well planned schemes can still be successful.
- E.17 Unintended consequences of this market trend in Leeds means a significant under delivery of affordable housing and a significant lack of housing mix, notably a lack of family homes and specialist housing for older people. There is also a significant under delivery of all homes and specialist housing of varying types in the wider Leeds Local Authority area.
- E.18 City centre developments are leaving poorer and often poor quality housing to those on low and the lowest incomes. 33% of total delivery has been concentrated in the inner city area which is over double the target. Further, only 39% of dwellings in the development pipeline are in the outer suburbs/rest of the local authority area despite the Core Strategy target of 69.5%. Given the lack of mix of housing, it is imperative that moving forward there is greater consideration to the mix and locations of properties, to meet the needs of the whole population.
- E.19 Transport is not as good as other northern cities, roads are congested, airport not easy to get to, busy central train station, a few commuter stations but public transport is predominantly bus. The city needs a good light transport system.
- E.20 Many people cannot afford to improve home/living conditions. The cost-of-living crisis and the lack of affordable homes where people want to live, continues to fuel the housing crisis.
- E.21 The key worker market is viewed as a significant opportunity for some organisations which reflects the need to address affordability issues. Generally, there is a perceived shortage of products for sale in town and city centres, with lots of build to rent products on the market and in the pipeline.
- E.22 Distribution of schemes can be clustered at times, meaning an abundance of choice in some areas of the city while limited choice in others.
- E.23 Shared ownership is a huge opportunity area and is vital to allow more people to access the housing ladder. This area is greatly underinvested in within Leeds. However, it also suffers from a lack of awareness and understanding. There is therefore a requirement to appropriately market this product to raise awareness and alter perceptions.
- E.24 Housing stock in Leeds is characterised by older, more compact homes, and newer, more heavily amenity focused schemes (with a gym or cinema etc). Renters are now faced with a choice between old, average quality private rented accommodation with poor management or schemes including amenities with a rental premium of c.25%. Encouragingly, however, agents indicated that renters are willing to be flexible on the location where the housing product is good.

- E.25 There is a shortage of affordable housing for sale or rent in the city. This includes one bedroom accommodation and family properties. Although there is a large amount of development within the region there is a distinct lack of development, or specifically affordable housing delivery in higher value areas, specifically in the north of the city.
- E.26 With specific consideration to specialist housing for older people, there is currently a limited offering and its various typologies within the market, i.e. age exclusive, retirement/sheltered housing, Extra Care / integrated retirement communities, and care homes, and tenures (i.e. private and affordable) which limits the choice available for such housing. The supply of specialist housing for older people is further constrained by a lack of available sites. The current policy does not set requirements for such housing and neither does it allocate sites for specialist older person housing.
- E.27 Older people are more likely to buy than rent, with shared ownership products becoming more popular. There could be an opportunity to develop a market for older residents, with Manchester referenced as a comparable; having seen a clear shift to the more mature market in recent years.
- E.28 There is a limited choice of specialist accommodation pathways for specific homeless needs. For a client group that has a wide range of different mental and physical health needs, alongside histories of drug and alcohol abuse, institutionalisation, family breakdown, there is a need for a very specific type of specialised supported accommodation that understands the needs, understands the wider social pathways and is tasked with providing support and care to work with people on their journey to independence.
- E.29 Analysis appears to show an undersupply of Extra Care units in the city when looking at the purchase market.
- E.30 Social housing has not kept pace with demand with long waiting list of several years. Private rented opportunities are less affordable to low income and benefit claimants due to national government policies and rising costs.
- E.31 Affordable housing delivery across all tenures is a challenge but is particularly acute within social housing which has seen a net decrease since 2017.
- E.32 There are specific challenges arising for migrant communities. Through the Homes for Ukraine scheme, refugees moved into the homes of UK citizens and into some of the more affluent areas of the city (Shadwell, Wetherby, and Otley). The people hosting the Ukrainian refugees complain there are not enough privately rented properties (which are affordable) in their area. Families living in these areas are often forced to find accommodation in more deprived areas which has an impact on their children, as they must change schools.
- E.33 With regards to Afghan Resettlement, the team are facing crisis to find accommodation for many families as the Home Office have given notice to move families out of hotel accommodation. Many families wish to stay in Leeds and there does not seem to be enough larger properties for families of 7, 8, 9 + members.
- E.34 The Home Office recently implemented a policy to restrict local authorities from calling asylum accommodation providers to account for breaching local authority standards. Selective licensing was previously used to visit the asylum

accommodation in Beeston and Harehills but people seeking asylum are potentially going to be living in very poor conditions (potentially sharing a room with a stranger). Inner city areas generally have more services providing support to people seeking asylum but a significant number of people seeking asylum are placed in accommodation away from the inner city. This impacts their wellbeing as they struggle with little money to afford transport to access services that work to support them.

- E.35 Schools in some areas, particularly in the suburbs are at capacity due to supporting refugees on resettlement programmes. It is a significant challenge to find a dentist taking on NHS patients. Poor living conditions significantly impact on health and wellbeing and private sector housing are calling landlords to account for poor conditions.

### Defining the different housing markets within the city

- E.36 Leeds has varying housing markets across the region as is typical in large urban areas. The city centre is typically defined by high density apartment blocks of strong architectural merit, these typically attract young professionals and would deter families. Family housing in the city centre is specifically lacking. Purpose built student accommodation (PBSA) is clustered in and around city centre and inner north Leeds which offer high-quality properties at competitive prices.
- E.37 The fringes of the city is defined by urban terraced homes, although more family friendly the quality of these homes are often compromised and thermal efficiency lacking and is often defined as areas of deprivation. Regeneration in these areas is key as often residents wish to remain in the community but look for better quality homes. Development opportunities in these areas are relatively plentiful however often have viability issues as they are largely brownfield which large abnormal costs and low revenue returns. Suburban areas surround the city which are often dominated by families, professionals and largely owner occupied. Many of these areas are high value and surrounded by green belt which limits the develop opportunities for affordable housing. Affordable housing around these areas are often combined in larger post war estates as opposed to mixed tenure areas.
- E.38 The city centre has increased in size and encompasses an increasing amount of the inner area. Generally, the city centre, and its periphery, is of higher density development due to its accessibility to employment and services. Whereas lower-density housing is dominant in the outer areas. However, the way densities are applied in the Leeds are not purely reflective of accessibility to employment and services.
- E.39 Like most large cities, Leeds has a large amount of older housing, concentrated in poorer neighbourhoods. Leeds city is in a good position to attract inward movers and has one of the UK's fastest-growing economies. Many professionals choose to live in the centre of Leeds for work and recreation.
- E.40 Since 2000, the city has seen an increase in the private rented sector mainly at the expense of the owner/occupation market with some areas of the city it being the dominant tenure.



- E.41 Affordability is an issue for many households as the average outgoing spend is above the UK base for mortgage and rent. Dominant Acorn categories Leeds City Centre are rising prosperity and financially stretched. Rising prosperity are generally younger, well educated, professionals moving up the career ladder. Financially stretched, include those living in social housing developments. This includes groups of all ages small semi-detached or terraces with a mixed picture of children at home.
- E.42 There are areas of the city that are unaffordable for people on benefits or average earnings. Over recent years, the numbers of areas where people can afford to live have reduced and are really now restricted to inner city areas around the city centre. Delivery of affordable housing in the city centre is challenging as the development of full affordable apartment blocks is challenging and undesirable, mixed tenure schemes would be preferable however the service charges often make these prohibitive.
- E.43 From the perspective of homeless provision the pathway is; short-term emergency accommodation/hostel/single room occupancy (relatively good amount of provision); temporary self-contained accommodation (average amount of provision); specialised supported accommodation (insufficient provision); care settings insufficient provision); private rented (good provision/unsuitable provision/ unaffordable for the hardest to reach/most vulnerable); and council housing/affordable housing (depending on stage of journey, can be unsuitable (poor quantity of provision). It is hard to commission services due to limited budget, lack of properties and land to develop additional supported accommodation in a broader range of areas in the city. There is also a lack of affordable housing for move on which means that people are staying in supported housing beyond the period when they need it which means that it is not possible to utilise units to their full potential.

## Gaps in the supply of housing in Leeds

- E.44 There do not appear to be huge gaps of one specific undersupply that is not at least trying to be met rather a general undersupply across the board to meet demand. There is demand for all the tenures in LCC and a shortfall in available/viable sites across the region, specifically schemes earmarked for affordable development.
- E.45 Recent planning policy strategies in Leeds have led to a skewed supply of tenures in the housing market. The focus on city centre / student accommodation development over the past 5 – 10 years supported by a brownfield first policy in place of allocations in the suburbs and outer areas has inevitably led to a significant amount of build to rent accommodation. Whilst this policy is supported this over caters for a particular need in urban, high density locations at the cost of affordable, family housing within Leeds' neighbourhoods and lower tier settlements. Additionally, the focus on the city centre has resulted in a diminished supply of affordable homes, given the lower affordable housing requirement in the city centre set by the Leeds Core Strategy compared to the rest of the district.
- E.46 Townhouses within the centre have typically sold at stronger market values (per sq. ft.) than apartment units and there should be consideration for this type of

- unit in more peripheral locations of the city centre which could support family living – however viability is a major issue for this delivery.
- E.47 Affordable accommodation for families is also lacking, There are a considerable number of families with two or three children living in a single high rise flat. This has an impact on families' mental health, parental relationships, educational attainment, child obesity etc.
- E.48 High quality affordable homes of all tenures including social and affordable rent and shared ownership is one of the greatest areas of need.
- E.49 Affordable quality housing for rent and low cost home ownership is needed and should be a priority for the city. The increase in private rent and losing stock through the Right to Buy scheme has seen a reduction in social and council housing. Low-income groups are a key target group for town centre living as they benefit greatly from living in close proximity to employment and services with lower transport costs. Young people are another key target-group for town centre living and co-living is a popular model of living for this group.
- E.50 There is a shortage across all tenures of affordable housing but is particularly acute outside of central areas, for larger family units, and for socially rented units. The demand for 2 and 3 bedroom houses has far outstripped supply with them seeing the shortest period of time on the market before sale.
- E.51 There is strong demand for affordable home ownership and shared ownership family homes – 2, 3 and 4 bed.
- E.52 The supply of affordable rented stock is declining with a shortage of affordable rented (LHA rate) and social housing for people to move into once they are ready to settle (homeless and / or rough sleeping and for families who are fleeing domestic abuse). There is a particular shortage of one-bedroom properties and specialist housing for working age adults.
- E.53 Anchor has 765 affordable rental properties for over 55s across 25 locations in Leeds. This figure excludes home ownership, Extra Care and care properties. On average, each of the 25 locations has 77 people on its waiting list (a total of 1,937) which indicates a significant need for more specialist affordable homes for older people, outside of Extra Care and care settings. Our 191 Extra Care properties in Leeds are filled quickly by the local authority which shows good demand and indicates a need for additional Extra Care accommodation to increase affordable home ownership within the market.
- E.54 Many build to rent schemes have delivered no affordable housing, owing to the complexities of affordable housing management in the city centre build to rent model.
- E.55 There is a significant gap in the supply of affordable and social housing across the city, this can be seen in the 26,000 sat on the LCC Housing register. This same register makes it abundantly clear that there is a significant shortfall in 1 bedroom accommodation with over 50% of those on the waiting list requiring a 1 bed property. This is also an ever growing issue since the onset of Universal Credit and the bedroom tax.
- E.56 There is a lack of social housing and a corresponding glut of expensive, poor quality private sector housing in many of the inner-city areas. Selective licensing has been introduced to address the issue but has not yet had an

- impact. The dearth of good quality, social housing is demonstrated by the fact that there is a two-year waiting list for applicants in the highest priority band.
- E.57 There are significant concerns in respect of the historic under delivery of specialist housing for older people both nationally and locally in the Leeds LA area. The current development plan is left wanting in terms of addressing the specific need for older person housing. There is a clear immediate requirement for specialist older people's accommodation at each level from the Leeds district. This current under-supply limits significantly the choice of attractive accommodation options for the ageing population of the district. There is clearly an identified unmet need of specialist housing for older people, including Extra Care and care home provision.
- E.58 There is a clear market for older people who may live alone and no longer drive and who benefit from living in close proximity to services and facilities. Whilst retirement housing has often been located at the edge of urban settlements, there are benefits of locating this in town or city centres which benefit from the 20-minute neighbourhood concept, whereby all facilities are accessible within a 20-minute walk.
- E.59 There are gaps in suitable affordable housing for homeless and vulnerable adults and specialist housing for people who are homeless who have higher needs.
- E.60 There is a clear suppressed demand for co-living in Leeds. Schemes been approved in other core cities in the UK, but none, what we would consider a definitive co-living scheme have been approved and delivered in Leeds as of yet. Given the boom in purpose built student accommodation (PBSA) and high retention rate of graduates to Leeds, recent graduates are increasingly seeking serviced accommodation with shared facilities, akin to student accommodation. Co-living, alongside Build to Rent with a strong amenity offer, in city centre or accessible locations on key transport corridors, would go some way to addressing this need. Attention needs to be paid to the difference between this and typical Build to Rent accommodation, and the importance developer viability plays in delivering the product.
- E.61 A lack of council housing means that many people are left in temporary or unsuitable housing for long periods of time. It is difficult to find appropriate accommodation for people with serious health needs and who are vulnerable, which has a significant impact on their health. It also means that people are living in housing that they are unable to maintain and so these fall into disrepair. A lack of decent rented accommodation which is affordable and suitable for young people is a concern.

## Registered Providers

### Main concerns about existing and future affordable and specialist housing provision

- E.62 A large proportion of the rented affordable housing in Leeds is flats. Several flats are 3 and 4 bedrooms in high rise blocks which are not popular, as they would need to be allocated to a family with children but flats are more suitable for smaller households or individuals. There is therefore a need for more 3 and 4 bedroom family homes to accommodate larger families and provide good

- quality homes. More 1 bedroom accommodation is also required across the city.
- E.63 Affordable housing is lacking in higher value areas outside of the historic post war estates and there is limited opportunities for providers to develop schemes and provide higher levels of affordable housing due to lack of sites and competitiveness.
- E.64 There is nowhere near enough affordable, social housing and there is far too much poor quality privately rented housing. Affordable housing delivery needs to be increased, and choice improved by working with registered providers of social housing to bring forward development sites.
- E.65 S106 Benchmark values restrict house builder returns below the actual value to RP's for affordable housing which makes it more expensive to deliver. RP's are routinely not complying with these values which is simply increasing developer returns as they will have used benchmark values to inform their viability appraisals. The additional value could be used to increase the volume of affordable delivery in the city.
- E.66 There is not enough larger stock and The Welfare Reform Act and the affordable rent model do not help customers accessing and affording these larger homes. In terms of the existing stock a lot of resource is being put into ensuring existing stock is free from LDM issues and some of the archetypes are challenging, this additional resource may reduce the resource available for new homes.
- E.67 Planning and investment need to be working towards 2100 and not just the next 10 to 15 years.

### Sufficient appropriate sites available and in the right location to meet growth needs

- E.68 There are not enough deliverable sites available. Sites are required in sustainable locations near to service centres which is a more important criterion than whether they be green or brownfield. The provision of better technical information and a planning brief for a site enables providers to reduce risk and price sites more accurately. There is a need for sites for houses rather than high rise.
- E.69 Land availability is an issue and needs reviewing against the long term shortfall in affordable housing as the market is only occasionally going to bring forward these sites for delivery. Further suitable sites needs to be identified with potential for affordable housing development. Council-owned sites, such as Copperfields could be released for affordable housing. The Council could also promote this opportunity to work with registered providers to private land owners and developers.
- E.70 Developers of housing for older people, and especially registered providers, often struggle to compete with general-needs housebuilders in the market to buy land. The reasons for this are numerous and include higher amounts of non-saleable floor area, a lower number of dwellings per hectare, higher build

costs, lack of ability to phase development, extended sales periods and significant start up and empty property costs.

- E.71 It is important that housing targets are not set below objectively assessed needs and that policies do not restrict development locations as this would further increase competition for sites and reduce the likelihood of affordable homes for older people being delivered in Leeds.
- E.72 Viability assessments should also be supported to set appropriate contributions for affordable and older persons' housing developments given that they typically operate on the margins of viability. In addition, the availability of sites for older persons' housing could be increased by planning policies requiring a percentage of housing on larger sites to be specialist housing for older people, rather than just accessible housing which meets M4(2) or M4(3).
- E.73 Taking effective legal action against the worst of the private landlords would free up properties for providers to acquire and develop for this market.

### Demand for intermediate affordable housing products, such as shared ownership and discounted for sale

- E.74 Intermediate housing products continue to be extremely popular across the region, specifically around shared ownership and particularly with the turbulent mortgage market and recent interest rate increases. There are concerns that the implementation of first homes will reduce the stock of these products and have a negative impact on stock for the future.
- E.75 Shared ownership continues to be a hugely popular product with demand increasing in recent months, with the key drivers being affordability and lifestyle. This has enabled varying demographics to access the housing market, with first-time buyers and families where there have been a relationship breakdown but also higher value markets. These products are popular in middle market areas as well as higher value areas.
- E.76 Successful city centres that do not increase their housing supply will become less affordable. The pandemic has also impacted on housing markets. As services have re-opened, young professionals are now being drawn back by the "buzz" of city centre living.
- E.77 There is also strong demand for family housing, 2, 3 and also 4 bed houses while demand for flats and bungalows is less certain.

### Commitment to supporting Leeds in meeting its net zero carbon target by 2030

- E.78 The biggest challenge is the condition of the properties and the ageing stock. A lot are solid wall construction and the insulation requirements needed to efficiently run 'green' technologies mean it is often unaffordable without additional support (i.e. grants).
- E.79 Anchor's Environmental Sustainability Strategy 2023-2036 includes a target to reach net zero ready for operational emissions by 2030 (excluding supply chain), for all care homes to be EPC C or better by 2028 and for all rented

- properties to be EPC C or better by 2030. Funding (due to the significant costs involved) and the availability of contractors will be two significant challenges in meeting this target.
- E.80 Meeting net zero targets and improving our environmental impact is one of Thirteen Group's four strategic priorities. The target is to be net zero on our direct carbon emissions by 2035 and all emissions by 2050. Environmental impacts will be considered in all business decisions; net zero carbon emissions from our direct business emissions by 2035; deliver sustainable homes; source materials responsibly, reduce waste and increased recycling; climate change adaptation; develop sustainable supply chains and partnerships; increase biodiversity, protecting and enhancing the natural environment; support skills growth needed to meet the needs of the green economy; and effective colleague, customer and partner empowerment and engagement with the net zero journey.
- E.81 Yorkshire Homes have developed a net zero roadmap for new developments to reach the net zero ahead of 2050. This focuses on three main areas: achieving zero gas, enhancing insulation levels and using renewable technology. Plans mean they will go beyond the Part L 2021 requirements, having created their own Yorkshire Housing standard to reduce reliance on fossil fuels. From 2026 they are aiming to increase the number of solar panels installed, install triple glazing on and deliver a 100% carbon reduction that will reduce customers' energy consumption in our new build homes.
- E.82 The retrofit programme is focusing on improving insulation, converting from fossil fuel to renewable heating systems, installing smart thermostats and other smart tech to help heat homes in more efficient ways. Reaching net zero by 2030 on existing homes in Leeds would be a huge challenge without significant financial support and in some cases, would not be achievable.
- E.83 Clarion has an ambitious roadmap for sustainable development to 2025, ensuring all our new homes are zero carbon compatible, have a positive impact on biodiversity and create healthy and resilient communities.
- E.84 The main difficulty is attracting funding for retrofitting for properties which are not insulated.

### Delivering more affordable housing for rent and sale in Leeds

- E.85 A commitment to making land and sites available within a longer-term development strategy linked to growth and economic strategies to deliver affordable housing would be beneficial. A supportive planning policy context is important to ensure that housing targets are not set below objectively assessed needs, policies do not restrict development locations as this would increase competition for sites amongst the market and reduce the likelihood of affordable homes being delivered in Leeds. Anything that could be done around accelerating the planning process would encourage further activity.
- E.86 The planning process is slow and at times un-reactive to development opportunities. It is also important that planning policy requirements are not introduced that are too expensive for affordable and specialist housing developments to deliver. Older persons' and affordable developments may not

- contribute to infrastructure via CIL/S106 in the same way as general needs housing due to viability constraints which can result in, or contribute to, community opposition. Increasing policy requirements will raise development costs and further reduce the instances where affordable and older persons' development can make wider contributions.
- E.87 Being able to deliver affordable rent (rather than social rent) properties, as well as having flexibility around affordable tenures more generally, would also increase the viability of developments in Leeds, thereby increasing delivering.
- E.88 LCC needs to specify a requirement from all housebuilders to build more affordable housing as part of their development. Make land/sites available cheaper to those that will focus on affordable housing only. This should bring costs down and ensure a more affordable 'affordable' rent.
- E.89 Housing not only needs to be affordable it needs to be of a minimum quality too. Currently there is a huge variation in the 'quality' of affordable accommodation available, especially between the RP's, the third sector and private providers where 'some' private providers are significantly failing as landlords
- E.90 Leeds has a couple of selective licensing areas across the city that should be tackling such inequalities. More should be done or greater powers need to be provided to those officers to ensure corrective action is taken and if this can be done effectively and efficiently it should be rolled out further across the city.
- E.91 Working in partnership with providers and developers would assist in helping the delivery of more affordable housing as well as more availability of grant funding (Homes England, brownfield, town centres etc.) at higher grant rates per dwelling would attract more interest and help make proposals more financially viable for delivery.
- E.92 Remove S106 Benchmark values.

### Significant housing development proposed in the Leeds area

- E.93 Land can be expensive and excessive build costs restrict the development of low cost affordable housing.
- E.94 Proposed housing developments include; points cross phase 1 and 2, Hunslet road. Strategic acquisition of large site, phase 1 is 311 homes, phase 2 183 homes plus retail and public realm. Tower Works, Armley (Moorfield Lane, Armley) site comprises of 50 homes, made up of; 32 homes for Affordable Rent – mix of 1 and 2 bed flats (x7) and 2, 3 and 4 bed houses ( x 25) - 16 homes for Social Rent – mix of 1 and 2 bed flats and houses. All the houses on the development are NDSS compliant. Dyecoats, Kirkstall Road, Leeds (c. 1500 1, 2 & 3 bedroom apartments & townhouses, 35% of which will be affordable)
- E.95 Anchor have submitted a planning application for the redevelopment of our Teal Beck House. Thirteen are on the affordable housing framework. Heylo are working with house builders active in the city to delivery additional shared ownership over and above s106 requirements. Canopy are working on 12 retrofits in inner city Leeds over the next three years.

- E.96 Barnsley is meeting its own housing needs and is unable to accommodate the needs of any other local authority area.

### Impact of First Homes on providing affordable housing

- E.97 On S106 25% FH will take up most if not all of the shared ownership units offered and the payment schedule will need to address that without shared ownership acquired at a discount the overall viability (if just doing the balance of social/affordable rent). The discount needed for SR/AR will need to be higher. Theoretically under FH the developer 'should be no better off if delivering FH as they would against the existing policy' and therefore should be able to accept a larger discount on rented. This may not materialise as intended and the developer will challenge and overall the number of affordable homes delivered under the S106, reducing the number of shared ownership units being developed.
- E.98 The requirement for First Homes (FH) reduces the amount of shared ownership (SO) and Rent to Buy (RtB) on site. These tenures are aimed at different customer groups and could have a significant impact on the varying demographics. First Homes would be for first-time buyers who are ready to buy a property but have been priced out the market. SO and RtB are for aspiring home owners or families needing to upsize without the financial ability to do so. Although the eligibility criteria is similar for all three tenures, first homes do not provide opportunities for varying markets such as customers with relationship breakdowns or who have had to downsize (or upsize) due to life events or change in financial circumstances.
- E.99 Developers are choosing to sell the FH themselves. The discount makes it unviable for providers to recoup fees associated with the purchase, however, it will have a direct impact on affordable housing provision. FH provision supersedes intermediate tenures, not only having a direct impact to potential demographics but also, on the ability to forward fund AH in the future through sales of SO and RtB,
- E.100 The introduction of First Homes will significantly reduce the quantum of shared ownership homes delivered via planning gain. There is also concern that it might impact on the availability of right-to-buy funding and commuted sums which providers rely on.
- E.101 Older persons' housing providers do not consider that First Homes will impact on their ability to provide affordable housing, providing that policies continue to identify housing for older people as an exception.

### Main route of delivery

- E.102 There are a range of delivery routes; one provider delivers a small percentage of their programme through S106, with most of the schemes grant funded. The provider acquires sites, takes through planning and procures a contractor. Another is mostly grant funded 100% affordable schemes but looking at more S106 opportunities in the future. A third has S106 acquisition and commissioning house builders to delivery additional affordable homes funded



through AHP. Another provider splits 60%/40% with the former own build through fully affordable and mixed tenure schemes using grant funding, the latter through S106 agreement bought from developers. On occasion, 'off the shelf' plots will be purchased from developers utilising grant funding. Finally, 70% land led - 30% S106 model with the expectation that the percentage of land led development will increase over the next few years.

- E.103 Section 106 acquisitions are always too expensive for the intended client group as the affordable rent achievable on these properties is still well in excess of LHA rates. Main growth is through acquisition and works with grant funding.
- E.104 Anchor's new homes are primarily delivered as 100% affordable housing with all homes supported by grant funding and Anchor as the sole developer. They work alongside partners on some projects. In these scenarios, partners provide the market homes, while providers homes are affordable. This generally results in affordable housing provision exceeding the local policy requirement. Grant funding is generally required for those homes provided in excess of the policy requirement.
- E.105 Canopy acquire properties on the open market before retrofitting them with assistance for Leeds City Council in the form of capital grants.

### Challenges facing the delivery of new homes that are unique to Leeds including affordable homes

- E.106 The delivery of new homes in Leeds is being constrained by a strategic planning policy framework which heavily prioritises residential delivery in the city centre. As a result, the authority has over-delivered in the inner city and city centre and there has been an under-delivery in outer areas. In some areas of Leeds there is a particularly acute demand for market housing (and in particular family sized housing), which is not being met due to lack of available sites.
- E.107 The slow planning process, cost of development, due to materials and labour cost, and increased legislation in the rental market, which comes at a financial cost were all identified as challenges for the delivery of affordable homes. Another provider commented, the biggest sole barrier is the release of poorly performing green belt land for housing in sustainable locations. Viability is an issue, especially on brownfield sites with longstanding planning permissions. The Council should look to support changing development and delivery strategies on such sites which look at adapting to new market conditions and overcome difficult enabling works.
- E.108 There have been a number of reports and studies undertaken on behalf of LCC which confirms the need for specialist housing for older people is only going to increase, with the population aged 65 or above will increase by 18% to nearly 170,000 by 2035. The need for specialist housing needs to be assessed/understood. There is also no specific policy towards older persons housing which creates a policy vacuum when applying for such types of development.
- E.109 A lack of green belt release has caused a shortage for all sites outside of the Inner Area which creates high competition between developers. This reduces the availability of land for older person accommodation. There needs to be a

review of green belt land to ensure there is sufficient land available to meet development needs. This is in agreement with the Home Builders Federation (HBF) which produced a report titled 'Challenges to Development in the Retirement Housing Sector' which states "it is hard for specialist retirement housing operators to compete for development land on the open market".

- E.110 The cost of land is high and Leeds is a social rent charging authority. As a result, it can be difficult for Anchor, as an older persons' registered provider, to compete with general needs market developers for land, even with grant funding for affordable homes in place.

### Type and size of housing in greatest demand / how customer demands have changed since the pandemic

- E.111 Homes and places of work have become much more blurred since the pandemic. Residential development with good access to existing or emerging employment opportunities should be supported. Similarly, BTR and co-living development can provide flexible workspaces as part of their amenity offer.
- E.112 Inflationary pressures and rise in mortgage rates have seen a marked increase in the number of buyers actively seeking 2 and 3 bed properties (which generates the highest values per sq.ft.). Interest in larger 4 bed+ properties remains but there has been a recent marked shift to smaller house types. The housing needs to be in the right location, with gardens and with work from home space; this may require reconfiguration of units to support this. However, another provider identified 1 and 2 bedroom flats and houses and HMOs being most in demand. The market did shift to homes with gardens, however, this has shifted back to normal. Areas of high demand seem to be all over Leeds.
- E.113 West Yorkshire Persimmon has seen an increased demand in both 3 bedroom semi-detached and detached properties since the start of 2023. This correlates with research undertaken by Savills which found that demand is the strongest for 3-bed homes in Leeds, with 40% all sales agreed comprising 3-bed homes in the 12 months to February 2023. During the pandemic there was an increase in customers purchasing larger 4 bedroom detached homes, driven partly by increased home working and also the low interest rates on offer at the time.
- E.114 There has been an increase in consumer demand for more energy efficient housing due to the climate crisis and the energy crisis, therefore there is opportunity to increase new build housing or retrofitting existing stock, subject to viability.
- E.115 There is significant demand for high quality specialist housing of all types and tenures for older people in Leeds.

### Significant housing development proposed in the Leeds area

- E.116 CEG are currently delivering Kirkstall Forge. The development is being developed through extant planning permission and once complete will provide a new sustainable neighbourhood in Leeds and provide a driver for growth in the city as well as much needed new housing stock. CEG are also delivering

Temple, Holbeck through extant planning permission. The proposals are primarily commercial in nature but do include an element of residential development within later stages of delivery.

- E.117 Keepmoat Homes are currently on-site through a range of developments involved in the Leeds Brownfield programme involving the delivery of over 1,000 new homes over a 10+ year period. They are also currently engaged in promoting new developments of between 500- 800 new homes in locations such as Middleton and Drighlington within the upcoming Local Plan.
- E.118 Persimmon Homes (West Yorkshire) is currently bringing forward the following sites; Great North Road, Micklefield (Manor Grange) – 187 two, three and four-bed family homes, including 15% affordable homes; Selby Road, Garforth (Silverwood) – 118 two, three and 4-bed family homes, including 15% affordable homes; and Laneside Farm, Morley (Laneside) – 450 one, two, three and 4-bed family homes and apartments, including 15% affordable homes.

### Implications for climate change for the housing market in Leeds in the medium and long term

- E.119 The implications of climate change will have a profound effect on the design, construction and delivery of new homes in Leeds over the medium and long term. Some changes are already coming into effect through phased updates to building regulations and more wide-reaching changes are expected through the introduction of the Future Homes Standards (FHS). Whilst the exact nature of the FHS are still to be confirmed, it is clear that additional measures, and in turn additional costs, are to be borne by the development industry to provide homes which are more efficient and resilient to the effects of climate change. As technology progresses it is expected that additional opportunities may arise for the viable use of heat networks, however it is crucial that the implications of different heat network options and their requirements are understood. In addition to the additional costs for developers of combating the challenges of climate change, there is a risk that planning decisions may be delayed if officers do not have the necessary support to analyse Energy Statements or understand why certain measures may need to be selected or discounted on a site by site basis.
- E.120 Locations for new residential developments are those sites which are adjacent to the existing built up areas, and notably those sites which have access to a range of facilities and services. This would ensure that new development takes place in sustainable locations distributed across the area, and therefore meets the ambitions of the 20 minute neighbourhood ethos.
- E.121 The cost of building has increased. One of the critical cost increases is the cost of construction because of the costs associated with energy efficiency, sources of heating homes and climate resilience. In addition, there has been the introduction of local standards which go beyond those imposed at a national level. There is a need to ensure that the required national standards are met and that a more flexible approach is adopted at the local level otherwise there is the real prospect of some urban regeneration schemes not being able to proceed because they are unviable.

- E.122 Reducing carbon emissions will undoubtedly increase development costs. Sites, and particularly those providing high levels of affordable housing where rental incomes and sales values can't be increased, could become unviable as a result.
- E.123 Landlords will have issues, getting properties to a C rating as most properties are 100 + years old. Carrying out these works will be costly and will see rents increase dramatically. The system, which carries out the calculations for EPC's needs updating.
- E.124 Inspired Villages have a current target to achieve Net Zero Carbon Regulated Energy (NZCRE) for all new retirement communities and achieve Net Zero Carbon Operation Energy (NZCOE) by 2030, with an aspiration to achieve this by 2025. Incorporating new and emerging low carbon technologies such as heat pumps and photovoltaics; use of high efficiency lighting and plant systems; continually investigating ways to enhance building design, during construction and operation, that achieves greater energy efficiency (including air tightness); inclusion of green roof technology where conditions spaces, with 10% of parking spaces delivered at day one of operation; irrespective of fuel type, providing alternatives to single and individual car journeys by operating a village transport service for residents requiring short trip services (shopping or hospital visits) to reduce the reliance on private cars.

### Typical customers for new homes

- E.125 There has been huge demand across all types of customers, although dependent on the type of housing. First-time buyers in Leeds have been largely undeterred by the increase in mortgage rates.
- E.126 Keep Moat Homes outline their core customers are first-time buyers, RP/PRS operators and second time buyers.
- E.127 Persimmon offer a range of house styles and types to meet a wide cross section of the housing market, however around a quarter of all sales in the West Yorkshire region in the first months of 2023 have been to first-time buyers.
- E.128 With specific respect to Inspired Villages, the customers are older people who want to live in an integrated retirement community. IRCs offer independence with flexibility for people aged 65 or older, whether they're completely self-sufficient or in need of support. Typically, retirement communities provide a variety of self-contained homes which may be rented or bought on a leasehold basis. A wide range of facilities, plus flexible care options, are all set within a village- style neighbourhood. Residents get to choose the lifestyle, amount of community involvement and level of help wanted. The residents get peace of mind – Extra Care is readily available close by, should more support be required in the future.
- E.129 Anchor provide homes for over 55s with a range of needs. The mixed tenure model includes affordable home ownership aimed at owners of modest homes who cannot afford the private sector retirement market but would prefer to own than rent. Rented accommodation is delivered at affordable or social rents.

## Customers looking for rent or sale

- E.130 Both rental and homes for sale have strong demand. There has been a huge delivery of BtR units in and around the centre of Leeds which have seen strong occupancy rates. There is also demand for rental products outside of the centre, particularly in areas with accessible transport routes to the centre of Leeds. Units for sale to individuals across the area have also seen strong sales. The demand for houses for sale is outpacing the supply of dwellings built, exacerbating the shortfall in dwellings and worsening affordability.
- E.131 There is a clear demand for all types of specialist housing for older people. Typically, retirement communities provide a variety of self-contained homes which may be rented or bought on a leasehold basis.

## Continued demand for build to rent products in the city from institutional PRS investment

- E.132 There is strong demand from a growing and youthful population with 57% of the population are in the age range 18 – 40. Leeds is a popular university city – home to more than 68,000 students, with a 27% graduate retention rate. The economy is expected to grow by 21% over the next decade and investor appetite for Leeds as a location for BtR investment is strong.
- E.133 Self and custom housebuilding policy requirements can be challenging to deliver on older persons' housing developments where homes are typically provided as apartments in a single block of development and then managed by an older persons' provider in perpetuity. It may be more appropriate on larger sites where there are a mix of house types including general needs market housing.
- E.134 Partnership housebuilders regularly engage with PRS operators. This has historically focussed on city centre 1 and 2 bed apartments but there has been a market shift to include from standard family housing (2-3 bed) in more suburban locations.

## Release of serviced plots and custom housebuilding into developments

- E.135 Stakeholders are willing to explore in consultation with LCC but there needs to be better dialogue between the Council and developers and an easier and quicker planning process
- E.136 CEG is delivering both its Kirkstall Forge and Temple schemes under extant planning permissions that do not include such delivery mechanism and do not currently envisage releasing serviced plots for self or custom build.
- E.137 Persimmon have not previously provided serviced plots for self and custom build in the West Yorkshire region. Whilst the benefits of self-build are noted, provision of serviced plots within larger developments are not considered, which are likely to have strict design codes or conditions relating to detailed design matters, will truly appeal to the self-build market and the aspirations for individuality.

## Suggestions for delivery of new homes across Leeds

- E.138 New Plan must seek to re-balance housing across the area in line with identified needs, directing growth beyond the current city centre and Inner Area focus. Additional Sites must be released in order to meet identified housing needs within the Leeds Local Authority area. A green belt review must be undertaken to inform this approach.
- E.139 LCC must produce a specific policy which is dedicated to specialist housing for older people. For the policy to be effective it must set out an identified figure for needs for all types and tenures of specialist housing for older people – looking at existing/proposed supply to be able to identify any shortfall and how this will be properly planned for.
- E.140 LCC must undertake additional technical work to further understand the bespoke needs for the Leeds Local Authority Area in respect of specialist housing for older people.
- E.141 Affordable housing provision and viability considerations should take into account the sector-specific viability considerations for housing-with-care, as the delivery of communal facilities and shared services mean that retirement communities often cannot provide the same levels of section 106 contributions (such as affordable housing provision) that general housing schemes (C3) can provide.
- E.142 CEG is delivering two key regeneration sites in Leeds and market conditions have changed since permission was granted for both developments. It is therefore necessary that any future planning policies provide sufficient flexibility to allow both developments to respond to market conditions, and do not inhibit the updating of approved drawings associated with the extant permissions or potentially new planning permissions in the future.
- E.143 For Persimmon, or any other large housebuilder, it is imperative that Local Plans allocate sufficient land in the right places to meet local housing need. At present, there is a concern in Leeds that the local planning authority continues to place too much emphasis on the city centre. There is a clear need to plan for and build more family housing outside of the city centre in the suburbs and across the rest of the local planning authority area. Green belt land should be released to ensure enough houses, of the appropriate type and scale, are delivered in the right locations to meet the identified needs.
- E.144 There needs to be sufficient resources within planning departments to be able to deal with planning applications in a timely and supportive manner. This is equally important during the consideration of major applications and at the discharge of condition stage to enable prompt starts on site.
- E.145 More funding should be spent to ensure there is sufficient planning officers to deal with workloads. There also needs to be consideration for the outcome of the scheme rather than a focus on control of minor issues that can potentially hold up a decision for major development. Consideration should be given to where issues can be conditioned, and proactive solutions can be made.
- E.146 It is important that the local planning authority, and its local plan policies, are supportive of proposals for more and better homes for older people, and not

just those who are retirement age or 'elderly'. This includes all types of specialised housing as defined in PPG and both proposals for new development and the redevelopment/expansion of existing housing.

- E.147 Development should not be entirely precluded in settlements or locations which do not meet certain accessibility criteria, particularly where there is a significant need for housing. It is also important that the size, type and tenure of housing needed for older people is identified and met. The need for affordable rent and shared ownership homes should be specifically identified to tackle affordability issues. A specific, and separate, target for older persons' housing within a local plan policy would ensure that specialist homes are delivered to meet the needs of older people in Leeds.
- E.148 The availability of sites for older persons' housing could be increased by planning policies requiring a percentage of housing on larger sites to be specialist housing for older people, rather than just accessible housing which meets M4(2) or M4(3).
- E.149 There is a lack of social housing, which is affordable to renters – a situation that is likely to get worse.

### Demand for community housing products

- E.150 Stakeholders did not have any awareness of any demand. However, in areas where there are housing shortages there may be demand for such products and this could be increased if insufficient land is allocated for development.

### Views on First Homes

- E.151 Stakeholders are supportive of the principle of First homes as a method of providing affordable housing. This type of product can help support young people getting on the housing ladder.
- E.152 Keepmoat are currently engaged in future programmes of First Homes and look to incorporate them on the majority of our schemes where appropriate.
- E.153 Persimmon supports First Homes as part of an appropriate affordable housing mix. As of December 2022, Persimmon had around 215 homes either completed or allocated within the current Homes England First Homes Pilot Scheme programme.
- E.154 CEG are supportive of the principle to help young people to get onto the housing ladder.

### Specialist Housing Providers

#### Barriers in the delivery of specialist housing in Leeds

- E.155 Capacity, land and restrictive requirements which make it difficult for developers to build in Leeds. Stakeholders felt that on occasions where land was offered by the Council and then retracted posed a barrier in terms of time, resources and energy.

- E.156 Another main barrier is accessing capital at a level that allows to develop the professional, quality and bespoke level of specialised supported housing. Tied to this is accessing levels of housing benefit to provide the level of support that is crucial to providing the foundation to independence that clients need.
- E.157 Planning and the planning process is a barrier. The perception of the types of clients organisations such as St George's Crypt hope to house can bring community objections. The sites they are hoping to develop have several issues due to difficulties procuring appropriate sites; height of build, massing, car parking spaces always create planning issues where there is a number of units to make a development viable, but planning requirements make that impossible. The Council could support by having a more unified planning process, bringing in Adult Social Care and Housing into the planning process to understand strategic need.
- E.158 Developers of housing for older people, and especially registered providers, often struggle to compete with general-needs housebuilders in the market to buy land. The reasons for this are numerous and include higher amounts of non-saleable floor area, a lower number of dwellings per hectare, higher build costs, lack of ability to phase development, extended sales periods and significant start up and empty property costs.
- E.159 The cost of land is high and Leeds is a social rent charging authority. As a result, it can be difficult for Anchor, as an older persons' registered provider, to compete with general needs market developers for land, even with grant funding for affordable homes in place. Being able to deliver affordable rent (rather than social rent) properties, as well as having flexibility around affordable tenures more generally, would also increase the viability of developments in Leeds and increase delivery.

### Needs from commissioners of care to support the development of specialist housing

- E.160 Stakeholders felt that a lack of housing had a knock-on impact on physical and mental health, educational outcomes, cost of care, family relationships (and specifically reducing barriers to leaving unhappy or abusive relationships), employment, sense of identity and cultural cohesion and anti-social behaviour, which all have a cost to the wider system. Investment (in terms of partnerships and time as well as financial) is needed from across the system to tackle housing issues in Leeds.
- E.161 Letters of recommendation highlighting strong working relationships between LCC and third sector organisations would support the developments of specialist housing as would support and knowledge sharing around developing bespoke commissioned services for specific vulnerable populations.

### Barriers around specialist housing development

- E.162 Land costs will always be an issue, and support from public bodies to identify and sell at less than best will help facilitate specialist housing developments.



- E.163 There are pots of capital funding for developments, but these are not immediately visible to community groups without the infrastructure to keep an eye on them. A council function to scope out development funds and support community groups to access them would be helpful.
- E.164 Housing benefit, and specifically what can be included in housing benefit to provide enhanced service provision for the vulnerable population is difficult to navigate. If agencies are not Registered Providers there is a funding pressure on the Council in terms of Housing Benefit Subsidy.
- E.165 St George's Crypt focus on building quality in areas of multiple deprivation, typically where rent levels are low. As an intending registered provider of social housing, this causes additional concern as affordable and social rent models do not necessarily support development; the costs are restrictive.
- E.166 Rent levels are particularly prohibitive for people trying to access specialist housing, as even poor quality housing (e.g. small back to back terrace houses with damp and no outdoor space) have rents of £900+ pcm, which is often more than 75% of people's monthly income.

### Barriers to the development of current housing stock

- E.167 Land is very expensive in Leeds and the space requirements are higher than national requirements. Stakeholders are concerned that developers will progress new build in other local authorities where it is more affordable.
- E.168 Anchor have an asset investment programme which actively maintains stock to a high standard. They also have a strategic review programme which identifies opportunities for infill and redevelopment. A key barrier to investment is the economic viability of a location, which is based on inflationary pressures and the level of income. The net additionality rules in the Affordable Homes Programme are a further limitation to the redevelopment of existing housing stock to maximise the use of brownfield land, increase energy efficiency and reduce emissions.

### Challenges to working with the care provider sector

- E.169 Reduced capacity of care providers and housing support have led to delays for third sector organisations supporting people with housing. Ofsted legislation will come into force from October and this is likely to reduce the number of units available for 16 and 17-year-olds as some providers will not be able to accommodate this age group going forward. Leeds will need to engage with providers to support them through the process of registration and to meet the standards but capacity within CSCS seems to be a barrier to this.

### Homeless support

- E.170 OWL is the main provider of supported accommodation for young homeless people in Leeds; it was developed based on 2018 sufficiency reports in terms of capacity and cannot meet the increased population size in this age group and increased demand.

## Evidence of specific age-related accommodation / needs

- E.171 Anchor's portfolio in Leeds includes 917 properties for over 55s across 33 locations. These properties, which exclude Extra Care and care, are in a mixture of rental and leasehold tenures. In addition to this, we have 191 Extra Care properties (rental and leasehold) and 441 care bedspaces. Anchor's rental locations in Leeds have, on average, 77 people on the waiting list (a total of 1,937) which indicates a significant need for more specialist affordable homes for older people, outside of Extra Care and care settings. The 191 Extra Care properties in Leeds are filled quickly by the local authority which shows good demand and indicates a need for additional Extra Care accommodation.

## Health related needs

- E.172 Often, the only option available to these groups of people is to be allocated as a 'band A' for council housing, where the waiting list can be 3-4 years. There is a lack of ground floor housing for people with mobility needs. This leads to people being placed in non-accessible housing, and then being assessed and receiving home care to support them to leave the house. This has a huge cost to social care and impacts on that individuals' sense of independence.

## Life experience related needs: Armed Forces Veterans

- E.173 No information provided by stakeholders.

## Life experience related needs: other groups

- E.174 No information provided by stakeholders.

## Other groups

- E.175 Stakeholders that supported people with housing advice found that some new migrant communities were looking for accommodation in specific areas in Leeds to be close to others in their community and support networks. This was sometimes impossible to source and therefore that person or family were offered housing elsewhere that was unsuitable or led to their isolation.
- E.176 Stakeholders agreed that proximity to support networks and communities is essential for marginalised groups. For example, there is more need / more varied need among LGBT+ communities, e.g.: Older trans and older gay people need to be accommodated near enough to each other to be able to see and meet up easily (walking, good bus routes). Same for the varied younger 'queer' groups (ego non-binary, trans, lesbian). Being 'different' is isolating and there is a higher occurrence of neuro-diversity, mental ill-health and suicide among LGBT+ communities.
- E.177 Pride of Place Leeds is aiming to build 70 intergenerational LGBT+ affirmative residences on one site. These will suit of a cross-section but can only accommodate a small number of LGBT+ people. Creating and developing

LGBT+ friendly neighbourhoods is necessary and good for general social cohesion.

## Leeds City Council

### Main challenges in supporting the delivery of new homes

- E.178 Availability of land, planning objections, the cost of developing and building lower levels of density to meet specialist housing need were all listed as key challenges. Availability of suitable land in the areas of the city where low to no supply of Extra Care was also recognised as a challenge.
- E.179 From a learning place planning perspective, ensuring that there are sufficient learning places available to support families moving into new housing developments, particularly large-scale housing. Demand for learning places from housing sites grows incrementally as a development builds out. This can create a challenge for local authorities who need to balance the need of any new learning provision to be viable (both educationally and financially) against the expectations of new occupants in the early stages of a housing development build programme, who will require learning places to be available locally across all phases and year groups of education.

### Main challenges with existing housing stock

- E.180 Existing housing stock is low quality and there is insufficient stock to meet the demand.
- E.181 With regards to Extra Care the age of the stock is the main challenge. Renovation of older stock, and devising ways in which the older schemes can appeal to a different sector of the market thereby minimising competition between new (post-2016 development) and older stock (pre-2011 developments) where units developed under different political environments e.g. schemes with either a high number of 2-bed units or 100% 2-bed units.
- E.182 A national government that values local councils and supports them to build affordable housing to address demand for vulnerable people and people generally.

### Cross boundary issues facing the Leeds housing market

- E.183 Leeds is expensive and is more than likely an issue for neighbouring authorities such as Bradford and Wakefield. People living out of area and commuting into Leeds does cause environmental pressures and also leads to young people moving out in order to afford to rent/ buy.

### Significant housing developments proposed

- E.184 LCC is building a specialist Learning Disability and Autism residential service due to the lack of innovative development in the independent sector. It will support 6 people.

- E.185 The market continues to grow for Extra Care housing. There is a forecasted 190 to 378-units of Extra Care coming to the affordable rent market across 3 to 6 schemes by 2028. At the same time the private market is seeing the delivery and completion of a 172-units Extra Care village in Scarcroft, East Leeds (all units for sale).

## Neighbouring / Adjacent Local Authority

### Significant housing developments near to the boundary

- E.186 North Yorkshire Council has no significant housing developments proposed, however, the emerging Local Plan identifies residential development allocations providing 380 dwellings within Sherburn in Elmet and 349 dwellings within Tadcaster as Local Service Centres along the western extent of the District.
- E.187 Key strategic sites to note as part of the Kirklees Local Plan are MXS7 and HS61: MXS7 is a mixed use site with an indicative capacity of 1,535 dwellings and 122,500m<sup>2</sup> employment floorspace. HS61 is a housing site for 1,869 dwellings during the Local Plan period with potential for a further 2,131 dwellings beyond the plan period.
- E.188 Wakefield District has LP208 Castleford Riverside Special Policy Area as a significant allocations within the Local Plan.

### Cross boundary issues

- E.189 The Housing and Economic Development Needs Assessment (HEDNA) sets out the approach to economic-led housing need but recognises that there is an assumption that 50% of jobs on strategic sites would be taken up by people commuting as these sites constitute a 'shock' in terms of job growth. Commuting patterns to Selby from Leeds equates to approximately 2,047 people residing in Leeds and working in Selby as at the 2011 Census.
- E.190 West Yorkshire wide issues are discussed at Strategic Planning Duty to Cooperate Group Meetings and Heads of Planning Meetings.
- E.191 City of York's Strategic Housing Market Assessment (2016) recognises an influence of the Leeds market in the western side of the authority. In summary, the report states: "... the triangulation of the sources strongly supports defining a City of York HMA recognising overlaps between authorities and markets in this area. In particular Selby and the east of Ryedale and South of Hambleton have quite a strong relationship. Similarly, Leeds' influence is likely to extend into the western periphery of the York area."
- E.192 Kirklees Council welcomes ongoing discussions to identify and consider any cross-boundary issues that may arise as the plan develops.
- E.193 There are no cross boundary issues with regard to housing need or supply that Wakefield Council are aware of.

### Significant infrastructure developments

- E.194 The Draft Infrastructure Delivery Plan 2022 for North Yorkshire Council provides an overview of the position of infrastructure across the Selby area.
- E.195 The Kirklees Local Plan includes infrastructure projects.

### Significant regeneration

- E.196 Dewsbury has a number of regeneration projects which can be viewed on the Dewsbury Blueprint page.
- E.197 The Castleford Riverside SPA is a significant regeneration project (LP208). There is also a significant employment allocation proposed in the emerging plan (LP1329) Land South of J30 M62 Castlegate, Wakefield.

### Proposals to develop/extend special care facilities

- E.198 None reported.

### Working with local authorities to meet housing needs

- E.199 The Leeds City Region Statement of Common Ground (March 2020) confirms in chapter 7 that parties agree to: “to plan for their own need within their own Local Authority boundaries taking account of housing market geographies as detailed in the shared evidence report ‘Leeds City Region Housing Market Areas’ (CURDS July 2016), as updated by local strategic housing market assessments.”
- E.200 Within the Local Plan adopted March 2023 under agreement across all West Yorkshire LAs that they would meet their own housing needs as per the West Yorkshire SOCG. In order to meet its own needs Calderdale has had to allocate sites in the green belt which was subject to strong opposition and would have to further do so to accommodate any additional housing.
- E.201 The emerging Selby Local Plan seeks to meet all of the Objectively Assessed Housing Needs of the area within its own boundary.
- E.202 The Kirklees Local Plan evidence base confirms that the Kirklees district is a relatively self-contained strategic housing market area and part of a wider functional economic market area, predominantly with the rest of the Leeds City Region. In addition, the Kirklees Local Plan (adopted February 2019) accommodates all of the Kirklees Council area objectively assessed needs for jobs and homes within the Kirklees district. This meant that the Local Plan had to remove large areas of land from the green belt to accommodate this need. The Council therefore does not envisage opportunities to accommodate additional growth from other authorities beyond meeting our own needs.
- E.203 York’s Local Plan identified meeting own needs as identified in the SHMA and Local Housing Needs Assessment updates.
- E.204 Wakefield Council are at an advanced stage in the examination of the Wakefield District Local Plan with main modifications consultation likely in the

Spring of 2023 and adoption in the Autumn of 2023. As such plan making cycles are unlikely to align in the short term with regard to this issue.

## Selling and Lettings Agents

### Gaps in the supply of housing for rent

- E.205 Gaps are appearing at the lower end of the private rented sector, due to regulations, net zero pressures and increasing finance costs.
- E.206 1 and 2 bed flats and houses and HMOs are in the most demand. Areas of high demand seem to be all over Leeds. Larger multiple bedroom houses, excluding HMO's are less in demand.
- E.207 The Build to Rent market is mainly based within the city centre.

### Key considerations when setting future housing standards

- E.208 Quicker, more efficient and easier planning process would be welcomed. Applicants and planners need to work together, to get planning permissions resolved and understand the financial viability of any developments. Housing development is market driven; the developers know that larger houses are more profitable than smaller properties. An agreed standard set in policy would enable a level playing field across all developers. Unfortunately, unless these are set in policy developers will cherry pick and provide the minimum.
- E.209 However, housing supply needs to be delivered based on the size, type and location where the demand from the market dictates. There is a clear shortage specifically for family housing of 2-3 bedrooms, older person housing – both specialist care and retirement living, and in accessible locations outside of the Inner Area. It is important to consider the size and type of dwelling when considering quality. More must be done to create truly affordable 1 bedroom accommodation. If Leeds is to become a Marmot city this will need to be addressed as this will only further exacerbate the health inequalities across the city.
- E.210 Across all markets, properties providing work spaces, outdoor space and co-living are considered attractive. (SUPPLY) There is concern about houses that have been converted into multiple units – under the HMO threshold – taking family stock out of the market and providing poor accommodation options. If there were more purpose built one beds this would offer a better option.
- E.211 General accommodation standards for new housing across the city is currently very good. However, achieving this is expensive and incomes that must be achieved from those developments and rising which then excludes most low income earners and those on benefits. (STND / DEV) When setting future housing standards, consideration needs to be given to varying site constraints, potential impacts on urban design and the need to provide a range of homes which meet all sectors of the market, including different price points.
- E.212 Future Homes Standards including adoption of space standards would ensure all housing delivered is sustainable and adaptable, with adequate space internally and sufficient emphasis on external spaces and the surrounding built

- environment. Meeting NDSS across all tenures is needed to level the playing field between private developers and RPs. Creating zero carbon homes and delivering more homes should also be seen as a big priority. Embodied carbon should be higher on the agenda, encouraging developers to eschew the use of fossil-fuel based products such as PIR insulation. Solutions such as modern methods of construction should be adopted more widely.
- E.213 Accessible housing standards require space around dwellings to be level to provide level access to principal entrances and this is not always achievable on sloping sites whilst maintaining density requirements, or without significant engineering and retaining structures which could negatively affect site viability. Policies should be flexible to account for individual site-specific circumstances where the application of such standards is not possible or where they could render a scheme unviable.
- E.214 Accessibility is essential for specialist housing, more level access. Accessibility should include wet rooms and wheelchair access should be considered creating homes that people can live in long term. New developments should also be energy efficient with solar panels, and heat pumps. Quality should be as high as can be afforded.
- E.215 It is important that specialist housing for older people of all types is considered separately from general needs housing when setting housing standards.
- E.216 The future adaptability of development is important. Market factors may change and development needs to be suitable to be adapted for a change in use/size. In particular, the Lifetime Homes Standard will require new dwellings to be adaptable for all future users, including older persons and disabled occupants. This also includes the potential upward extension of existing buildings to maximise the use of land. Modular housing is becoming more common, and consideration needs to be given to the types of modular housing and how/where these can be delivered.
- E.217 Consider the implication on planning policy has on the affordability for social housing tenants, are we over-specifying car parking requirements and EV charging points. Consider what percentage of tenants have cars and how many of those cars are electric cars.
- E.218 There was opposition to more creative modular housing solutions for homeless people, for example ideas to use of “meanwhile” sites to put “pods” on when in reality these are very much needed after the closure of much of the cities hostel provision and a reduction of millions from Supported Housing budgets over the last 15 years.
- E.219 The aim should be for high quality, environmentally friendly, energy self-sufficient housing that is made bespoke for specific client groups. These types of developments really help support vulnerable communities to integrate positively within Leeds and move on into independent tenancies.
- E.220 Green spaces can help address flood risk, mitigate climate change and improve biodiversity. New green spaces for people to enjoy also benefit social and community life by providing additional places to meet and relax.
- E.221 For those who cannot afford a car, town and city centre living can be beneficial by providing good access to clusters of employment and public transport links.

Planners should consider the 20-minute neighbourhood concept and ensure communities are being built, not just houses.

- E.222 With regards to Extra Care, developers need to ensure they work in line with established national guidance. The Council can help re-emphasise this, including ensuring officers are skilled and knowledgeable on this matter. When undertaking developments it is appreciated that features such as grab rails may not be installed at the outset, but with these being specialist build providers need to be mindful to ensure an adequate budget is in place to cover any reasonable adaptations that need to be made in support of tenants.

### Improving the housing market

- E.223 The planning process needs to be improved. The failure of the planning system continues to delay the important delivery of homes planning approvals, particularly in areas of high demand and low supply, would help speed up delivery and improve the housing market.
- E.224 Providers would welcome the opportunity to work with LCC to unlock constrained sites which have viability issues to bring forward more family homes in varying locations. There is a need for more sites to be safeguarded for affordable homes such as the Copperfields site which is currently out the market.
- E.225 The viability of sites needs greater consideration. There have been continual increases to the documents required at planning application stage; greater strengthening on building standards, including for climate change and Biodiversity Net Gain; which has been combined with market factors including rising build costs at a rate faster than increases in house prices. This is causing many sites to become unviable due to huge financial costs – some of this burden needs to be reduced, particularly on sites that are in less viable locations or that are burdened with significant abnormal costs.
- E.226 It is critical that Leeds Council plan for the identified need as part of their emerging Local Plan. This includes size, tenure, location and type of dwelling. The Council should seek to not only meet their minimum housing targets but should instead look to exceed it. This would provide a greater supply of new homes, assist with addressing affordability pressures, as well as providing much needed flexibility within the market.
- E.227 Additional allocations in the suburbs and outer areas where there is a greater affordable requirement would help address the undersupply of affordable homes and provide a wider mix of dwelling types and sizes.
- E.228 The best way the Council can support local stakeholders is to continue to provide support, guidance and recommendations as required where local stakeholders seek to leverage capital to develop. There are specific capital frameworks (public works loan borrowing/right to buy replacement funds) that the Council could work with local stakeholders to deploy, where applicable. The Council has access to land, and can potentially use its position to leverage land at reduced cost for specific projects that are of strategic benefit for the city through itself or in partnership with other public bodies (NHS etc.) The Council could highlight capital funding pots for development, available to community



- organisations and specifically targeting hard to reach communities, as well as regeneration funding/brownfield development funding etc.
- E.229 Greater use of brownfield sites and empty buildings is essential. Many housing directives are short term and Leeds needs to consider plans of 30+ years. More supported housing is required to meet the increased demand in homelessness services, also there are few properties to move those accessing these services on to. For example, the council could free small plots of unused land for providers to build on and issue compulsory purchase orders where properties are in poor repair (particularly in licencing areas) or empty so these can be used. Commission a family supported housing scheme again, one was decommissioned in 2012 to save money but sadly this is now required.
- E.230 Explore opportunities to develop in District centres and small garage sites including the repurposing of empty properties including shops to be utilised within the city centre and surrounding shopping areas to develop quality accommodation, developing communities and bringing these areas alive again.
- E.231 Transport links and highways need to improve in order to unlock potential housing sites, Leeds falls behind other cities in the region due to a lack of varied transport links when compared to cities like Sheffield and Manchester. The city is difficult to get around in an efficient and easy way via public transport. An improved light transport network would benefit the whole city. Residents with little to no income to access transport for free or at very low cost.
- E.232 Free wifi access to be increased in public spaces within the city – with signs on how to access it in the city centre and local shopping centres/streets. Housing Leeds to consider extending their free wifi offer across council estates. Landlords to consider including access to broadband in their rental contracts.
- E.233 The Council and landlord associations need to work together. Selective licencing powers should be used more effectively.
- E.234 There is a reluctance for larger housing providers to invest in specialist housing as the monetary gains are less, the risks on capital developments are higher, and the capital grants available are too complicated and rigid to be attractive. Specialist housing is not high density, so profit margins are harder to achieve.
- E.235 There are continual delays in agreeing S106's which not only has an impact on costs but also on timings of delivery. A greater percentages of affordable housing within developments is needed. Many recent developments where 'affordable' housing has been created are not truly affordable. Those on the lowest incomes and subject to LHA rate caps are still a long way off from being able to afford those "affordable" rents.
- E.236 The Council needs to work in partnership with RPs, including smaller ones, to encourage development on available sites, to release their land holdings for affordable homes and allow Housing Associations to deliver the quality and type of homes required across Leeds. Working with Homes England Strategic partners in a timely manner will ensure that funding is available to deliver on the Council's ambitions. Working with partners to ensure that the planning process can be as smooth as possible will also aid delivery and assisting with gap funding where sites are unviable/marginal will also aid the delivery of affordable homes.

- E.237 There needs to be an increase in the number of ex-council properties purchased to become social housing again. When LAHF properties are acquired for refugees try to purchase larger homes where possible with more bedrooms.
- E.238 Supporting RP's to maximise the number of affordable homes delivered via targeted land disposal and ensuring that council services work together to meet the City's needs.
- E.239 There needs to be a greater investment in social housing with development through the Council or through releasing low-cost land to housing associations and others delivering social housing). The government need to change planning rules and insist developers make at least 20% profit on new schemes... thus allowing them to evade their CIL/S106 responsibilities through viability assessments.
- E.240 The need for specialist housing needs to be assessed/understood. Land must be sufficiently allocated to ensure these needs are met as minimum until 2040. The New Plan must seek to re- balance housing across the District in line with identified needs, directing growth beyond the current City Centre and Inner Area focus. LCC should produce a specific policy which is dedicated to specialist housing for older people. It is important that the local planning authority, and its local plan policies, are supportive of proposals for more and better homes for older people.
- E.241 There is limited affordable home ownership within the Extra Care market.

## Key priorities

- E.242 Stakeholders agreed that limited housing in Leeds is a significant issue and want to see a whole system, long-term creative approach. They are keen to work with Leeds City Council to understand and help shape future development strategy, how they see affordable housing delivery developing over the next few years and where there might be opportunities to contribute.
- E.243 Making land available for traditional affordable homes by allocating sufficient land in the right places to meet local housing need is a priority. However, the amount of non-green belt sites available for housing are limited and unless action is taken in the form of a robust and rapid Local Plan Review - which will show exceptional circumstances exist and Green belt release in less sensitive locations is required to address the issues raised in this response. New housing in sustainable locations can come forward to help to address the acute housing need.
- E.244 Planning policies need to be aligned and made specific and relevant to RP provision. A clear and reasonable planning policy framework is also needed to deal with climate change matters which does not compete or conflict with emerging building regulations and Future Homes Standards showing a clear application of national policies at local level, with any local variations only in exceptional circumstances and where clearly justified.
- E.245 Sufficient resource and support within the planning department to deal with planning applications in a timely manner and to understand the complexities of

- new policy requirements, such as those regarding accessible homes and climate change. The current tender environment planning days are having a material impact on rising construction costs.
- E.246 Stakeholders also listed, bringing homes to net zero, making them warm and cosy, affordable to rent and cheap to run, training people in green construction skills, ensuring a low cost of accommodation for clients in quality housing, development of quality housing with community facilities, and improving standards of the rental market and delivering more shared ownership to meet the strong demand.
- E.247 Delivering affordable housing in Leeds that is safe, customer focused, sustainable, and increased efficiency in procuring and delivering homes was also identified by producing a suite of SPDs including Affordable Housing and Self Build and Custom Housing was identified as a priority.
- E.248 More homes need to be developed and acquired for older people. LCC must produce a specific policy which is dedicated to specialist housing for older people. The policy must clearly distinguish between the different tenure and types, covering all the different typologies of older person accommodation to fully align with the latest iterations of the NPPF and PPG.
- E.249 There also need to be more accommodation solutions for adults with specialist needs, such as affordable housing routes, new development routes and being part of the wider housing landscape that can offer greater support for vulnerable adults, which are often too reliant on the independent sector.
- E.250 More accommodation solutions need to be developed for homeless and vulnerable adults and families who need to develop stability, life skills, support through mental and physical health challenges, so they are properly equipped to move on successfully into independent living.
- E.251 Social landlords continue to aim to provide customers with a place they are proud to call home, providing easy to use services, fixing problems quickly and providing sustainable homes and places.
- E.252 Wakefield consider it critical that all Leeds City Region Councils continue to plan to meet their own housing needs as set out in the statement of common ground.
- E.253 Kirklees Council are committed to deliver the growth set out in the Local plan.
- E.254 City of York Council will continue engagement as part of duty-to-cooperate, where applicable. Understanding outcomes where and if relevant to city.

## Technical Appendix F: Agent Review

### Introduction

- F.1 Agents were asked questions to build up a detailed understanding of the housing market in Leeds. Fifteen agents were contacted via telephone ensuring a representation across the borough. Four had a focus on lettings, and eleven were able to give an overview of both sales and lettings.
- F.2 The first section of the report is a full summary of responses from all agents across the borough. This presents a cross section of agents' perceptions on; the impact of help to buy and stamp duty, build to rent, rent to buy, conveyancing chains, improvements in the housing market and potential future improvements in housing standards for the area.
- F.3 After the initial overview of the housing market below, the information on sales and lettings is provided for each sub area as a summary of information from across a number of agents. (The sub areas are grouped according to similar trends and areas covered, as reported by agents)

### Response from Agents – General Overview of the Leeds housing market

#### Sales market

- F.4 In the past twelve months, the sales market has experienced an overall slowdown. Agents attributed this to the wider economy, the cost of living, interest rates, lack of government support and mortgage rates. Across the borough agents agreed that the higher end of the market has been notably more affected by this slowdown with properties being on the market for several weeks with little interest, which is an unusual shift.
- F.5 Agents also identified one of the contributing factors as sellers' expectations based on inflated COVID-19 prices. For instance, there is an example of a property that was valued at £325,000 during the height of the pandemic, but the seller is now asking £345,000 for it, considering that two years have passed. The agent points out that sellers may not fully grasp that the initial pricing during the COVID-19 surge was inflated, leading to potentially unrealistic expectations in the current market conditions.
- F.6 Several agents mentioned the increased preference for houses with outdoor space. They wondered if it is a direct result of the pandemic, with more people now showing interest in gardening and cultivating vegetables.
- F.7 With a shortage of affordable properties in all areas, the lower end of the market continues to show relatively quick movement, albeit with the emergence of second property viewings, allowing prospective buyers more time to make decisions.
- F.8 Agents have observed that the limited supply of properties suitable for first-time buyers has a ripple effect across the entire housing market. This scarcity not only impacts first-time buyers but also affects families, young professionals, and downsizers who are all competing for similar properties. An agent in the West of

- the city reported that in the past two weeks, three property transactions fell through with first-time buyers due to mortgage issues.
- F.9 Multiple agents have observed that the older generation faces challenges in the housing market. Many of them own properties that are either too large for their needs or require significant renovation, but they are hesitant to sell due to concerns about potential care costs in the future.
- F.10 Families are opting to live in areas outside the city centre due to various reasons. Agents cited changes in public transport and pedestrianisation creating challenges of easy access and parking.
- F.11 Despite the overall market slowdown, it showcases some notable strengths. There is robust demand for properties, particularly in the lower end of the market. In the Inner South for example, most properties sell within a reasonably short timeframe, typically between 2 to 4 weeks. Agents observed that the market has not felt the negative impact of the interest rates as it primarily consists of the lower end of the market, with average prices around £120,000. This affordability has kept demand relatively steady, and many properties in this area undergo renovations, attracting cash investors.
- F.12 However, there are occasional anomalies like in The New Forest Village in Middleton, where an agent reported two properties that have been on the market since February without finding buyers. One such property is a 3-bedroom detached home priced at £250,000, highlighting the variability of the market even within the same area.
- F.13 Moreover, freehold properties in the City Centre are experiencing swift movement, attracting both potential buyers and investors with their appeal. As a result, there are ample opportunities for investors in the market, considering the significant undersupply.
- F.14 Conversely, the market faces challenges with leasehold properties, which encounter slower sales due to high service charges and the struggles of landlords coping with rising ground rents. This highlights a specific area that requires attention and possible solutions to improve sales and market activity for leasehold properties.

## Lettings Market

- F.15 Presently, the lettings market exhibits a higher level of competitiveness compared to the sales market, resulting in price increases for multiple properties. This surge in pricing can be attributed to the convergence of factors such as elevated demand, limited availability of properties, and increased costs for landlords. Consequently, agents report a significant disparity between the demand for rental properties and the limited supply, leading to an overwhelming level of demand. The situation has reached a point where people are desperate for rental options, prompting them to consider alternatives they might not have previously considered. For instance, three agents operating in different areas of the borough have reported that "desperate families" who were originally looking for houses with outdoor space are now considering apartments as a viable alternative, owing to the limited availability of rental properties.

## Stamp duty

- F.16 Regarding stamp duty, there are differing opinions among agents. Some believe that the relief provided through stamp duty changes is inadequate and not enough to have a substantial impact, particularly given the scarcity of properties priced below £250k.
- F.17 On the contrary, other agents find the current stamp duty arrangements to be useful and see no need for further changes.

## Help to Buy

- F.18 There was a mixed response regarding the impact of the 'Help to Buy' scheme across the borough. For example, in the City Centre agents have reported that the conclusion of the 'Help to Buy' initiative has had a substantial effect on owner occupiers, likely influencing their buying decisions and potentially affecting the overall demand for properties in the area.
- F.19 In contrast, the Outer South area is witnessing a slightly different trend. Although buyers in this region are still expecting a continuation of the 'Help to Buy' scheme or something similar, properties in new developments are still managing to sell.

## Build to Rent

- F.20 The 'build to rent' scheme is well-known among most agents, and there is a noticeable rise in interest for this type of product. Several agents have mentioned noteworthy developments that fall under this category, such as The Junction in Whitehall LS12 and Moda in New York Square. These purpose-built rental properties effectively meet the increasing demand for top-notch rental accommodations.
- F.21 One agent admitted to prioritizing workers over tenants on benefits due to past negative experiences with benefit recipients. However, the agent acknowledged that the build-to-rent market could potentially provide opportunities for accommodating more people on benefits.

## Rent to buy products

- F.22 Agents unanimously agree that rent-to-buy products can be highly appealing for first-time buyers. These offerings are particularly attractive as many individuals find themselves priced out of traditional mortgages but can afford rental prices. However, some agents expressed concern about the challenge of setting rental prices high enough to allow for saving towards a deposit, given the current high rental rates.
- F.23 Despite this concern, there is a strong consensus among agents that rent-to-buy schemes are highly beneficial for those struggling to save for a deposit. The flexibility and affordability provided by such arrangements are seen as advantageous for potential buyers facing financial obstacles.

- F.24 On the other hand, some agents believe that the demand for rent-to-buy options is not as high in the City Centre. The region's robust demand creates opportunities for cash buyers who prefer to invest in flipping properties, reducing the need for rent-to-buy schemes in this area.

### Conveyancing chains – completion

- F.25 Overall, agents reported the market facing blockages in specific areas leading to sluggish conveyancing chains and delayed completion. Conveyancing, as a process, is inherently slow, and agents have become aware that certain solicitor firms may capitalize on past COVID-19 disruptions, quoting extended completion times like four months instead of the expected two months. Additionally, delays are exacerbated by time-consuming mortgage lender checks, understaffing in banks causing overall sluggishness, and challenges with leasehold properties, prompting some solicitors to avoid taking them on. Moreover, smaller solicitor firms have been impacted by regulatory changes and insurance alterations, resulting in their disappearance from the market.
- F.26 However, two agents in the Outer South region said there have been notable improvements, with completion times returning to 10 weeks compared to the longer periods of three to four months experienced a year ago.

### Improvements in the housing market

- F.27 In response to the question about improving the housing market in Leeds, affordability emerged as the unanimous focal point in the feedback from all agents. They emphasized that making homes more affordable is essential as it not only enables the entire market to function more smoothly but also helps to alleviate the demand for rental properties. One agent highlighted that many people want to move, but are currently constrained by their existing properties, especially given the pressures of the cost of living. Incentives would be necessary to motivate them to make a move.
- F.28 A common recommendation to improve the City Centre housing market is to lower the deposits on new builds. Currently, the average 20% deposit favours the investor market over private owner-occupiers, potentially limiting accessibility to homeownership for some individuals. By reducing the deposit requirement, more people may have the opportunity to enter the housing market as owner-occupiers and promote a more balanced and inclusive property market in the city centre.
- F.29 Several agents suggested that to enhance the overall living experience and foster a positive community culture, it is essential to carefully plan large-scale developments in proximity to schools. This approach can either involve building new developments near high-quality schools or focusing on improving schools in areas where development is being considered. By strategically aligning housing projects with educational opportunities, the community will benefit from a harmonious coexistence, creating a nurturing environment for residents and promoting the overall growth and development of the neighbourhood.

- F.30 The prevailing view among agents was that by focusing on supporting and assisting first-time buyers, the housing market can become more dynamic, accessible, and beneficial for individuals, families, and the broader economy. Also, that Government-backed schemes should play a crucial role in supporting individuals to enter the property ladder, particularly considering the current mortgage rates.

### Future housing standards

- F.31 Accessibility for individuals with mobility challenges and maintaining a balance between the size and quality of homes were cited as essential considerations. Incorporating open plan layouts to enhance flexibility and spaciousness, and designing housing with inclusive features, like downstairs toilets and minimal steps were all ideas raised.
- F.32 Security measures to ensure resident safety were deemed equally vital.
- F.33 Four agents suggested that the location of new housing developments should ideally minimize noise and air pollution from main roads. Sustainability was also seen as key, with a focus on environmentally friendly features.
- F.34 The importance of carefully considering traffic infrastructure cannot be overstated. All agents mentioned this. A notable example of this is the Mulberry Manor estate in Farsley; two agents commented that the once serene village feel has been impacted, resembling the bustling M62 motorway.

### The effects of student housing on local markets

- F.35 Agents agreed that student housing has a significant influence on local housing markets. In areas like Headingley and Woodhouse, agents opinions were that privately owned properties are often not fit for purpose, leading to an increase in demand for purpose-built student housing. This high demand is also observed in LS1 and LS2, close to the city centre, where student housing is always sought after.
- F.36 However, the strong interest from investors in student properties can lead to an overinflated market. Investors are willing to pay a premium for student properties due to the guaranteed rental income they offer. As a result, the property prices in and around the city centre can be inflated, making it more challenging for other buyers to enter the market.
- F.37 In the Inner South area, there is a trend of turning 4 and 5-bedroom properties into HMOs (Houses in Multiple Occupation) to cater to the student population. While this creates a strong demand for such properties, it can also lead to student-heavy areas becoming less desirable for sales, as many properties are primarily suitable for buy-to-let investors. Moreover, buy-to-let mortgages have become more expensive, adding another layer of complexity to the market dynamics in these areas.



## City Centre

### Gaps in Supply

- F.38 All agents agreed that the City Centre housing market in Leeds showcases a thriving environment with numerous new developments, leading to a busy and active market.
- F.39 A significant concern raised was the increase in service charges, leading lenders to hesitate in offering loans for properties with high service charges. Valuers typically advise that service charges should ideally be around 1% of the property price, but in practice, they often surpass this percentage, posing obstacles for buyers interested in leasehold properties. These factors are currently impacting the city centre market dynamics, posing challenges for potential buyers and affecting overall market trends.
- F.40 The demand for new builds is strong, although older properties with cladding issues face challenges in securing mortgages, potentially impacting their saleability.
- F.41 Nonetheless, overall, the City Centre market seems to be meeting the demand without any reported gaps in housing supply, and upcoming developments are experiencing significant demand from potential buyers. For instance, one agent reported that 367 units in the Phoenix development in LS9, set to complete next year, have already been sold out, indicating a substantial demand for new properties in this location.
- F.42 The lettings market in the City Centre was described as very smooth, with no apparent gaps in supply.

### Most popular dwellings

- F.43 In the City Centre in both the sales and lettings markets two bedroom – two-bathroom apartments with parking are the most popular.

### Least popular dwellings

- F.44 Agents agreed that anything that isn't EWS1 compliant is difficult to sell. Many mortgage lenders and insurers require the EWS1 form as part of their due diligence process to assess the fire safety of the property. If a property is found to have fire safety issues or is not EWS1 compliant, lenders may be reluctant to provide a mortgage on the property. This in turn limits the buyers pool for these properties.
- F.45 The lettings market exhibits lower demand for studios, making them the least popular dwelling types among renters.
- F.46 Similarly, properties at the higher end of the market can face challenges in finding tenants quickly. For instance, a 2-bedroom apartment in LS1 with a rental price of £1900pcm has remained on the market for over 2 months.

## Outer North

(Alwoodley, Harewood, Wetherby, Adel, Wharfedale, Guiseley, Rawdon, Horsforth, Otley and Yeadon)

### Gaps in Supply

- F.47 Generally, in the sales market, the amount of housing stock in North Leeds is deemed sufficient according to agents given the current climate. However, all agreed there is a significant lack of affordable properties available for sale. Agents said there wasn't much on the market for under £250,000.
- F.48 Alwoodley was mentioned by two agents as an area facing a lack of all types of housing stock for sale. The strong demand for properties in this region is likely driven by the presence of good schools.
- F.49 At the other end of the sales market, it was stated that properties above the one-million-pound mark were in short supply.
- F.50 In the North Leeds lettings market, there is a concerning trend where people are being priced out of the market. The rising rental prices have made it increasingly challenging for prospective tenants, particularly single parent families, to find suitable options. The limited availability of rental properties under £1000 per month further exacerbates the situation, leaving these families with limited or no viable options within their budget.

### Most popular dwellings

- F.51 In the sales market the most popular dwelling type in these areas is the 3-bedroom semi-detached house, which consistently enjoys high demand. These properties tend to be sought after in all locations. Agents agreed that all houses priced under £400,000 continue to experience swift movement.
- F.52 The lettings market for all types of property is experiencing rapid activity and high demand.

### Least popular dwellings

- F.53 In the sales market Agents across this area noted a discernible slowdown in properties with four bedrooms or more, priced above £400,000. This deceleration in demand can be attributed to several factors. The higher price range naturally limits the pool of potential buyers, additionally, prevailing economic conditions were blamed on the reduced pace of sales within this category.
- F.54 Within the current rental market, there seem to be no discernible less popular property types. Instead, all property types are facing high demand and experiencing rapid turnover. Even properties with rental prices between £1500 and £1600 per month are being swiftly leased, leaving tenants with limited options to choose from.

## Inner East, Inner Northeast, and Inner Northwest

(Burmantofts, Richmond Hill, Gipton, Harehills, Killingbeck, Seacroft, Chapel Allerton, Moortown, Roundhay, Headingley, Hyde Park, Woodhouse, Weetwood)

### Gaps in Supply

- F.55 In the sales market, agents identified several gaps in the supply of housing options.
- F.56 There is a high demand for bungalows, but the current supply is limited. Building more bungalows could help address this gap. It is noteworthy that bungalows command a premium, with potential gains of up to 20%, making their construction a potentially worthwhile investment.
- F.57 Apartments with lifts in 3-4 storey buildings are desired by potential buyers. The availability of such properties would enhance accessibility and convenience, leading to increased interest from buyers willing to pay a premium for lift access.
- F.58 All agents reported there is a trend of individuals downsizing their homes, not only for themselves but also to assist family members in getting on the property ladder. Offering suitable downsizing options would cater to this demand and create opportunities for downsizers.
- F.59 Three agents cited Roundhay as an area that faces a lack of all types of housing stock for sale. The demand for properties in these regions is likely to be driven by their proximity to good schools.
- F.60 In the lettings market, agents unanimously agreed that there is an overwhelming level of demand across all types of properties and areas.

### Most popular dwellings

- F.61 All agents said essentially anywhere within a good school catchment area was by far the most popular for both the sales and lettings markets.
- F.62 In the sales market, space emerged as a crucial factor influencing property preferences, as highlighted by two of the agents. The importance of ample space is observed to be starting to outweigh a specific housing type with high demand being seen for apartments and houses exceeding 1000 sq. ft in size, indicating a strong desire for more spacious living accommodations. Moreover, three- double bedroom houses with outdoor space are particularly sought after.
- F.63 In the lettings market 3 bed semi -detached for £1500-£1600 per month were identified as consistently the most in demand.

### Least popular dwellings

- F.64 In the sales market agents found it difficult to identify specific examples, apart from the evident appeal of areas with better schools. The current housing market reflects a strong demand for a diverse range of property types and

features, according to the budget of the buyer, making it challenging to single out any particular category or aspect that is noticeably less popular

- F.65 In the lettings market, agents agreed that even properties in traditionally less popular areas such as Gipton, Harehills, and Chapel Allerton are experiencing rapid movement. This showcases the prevailing trend of over demand, with tenants accepting rental accommodations in various locations, including those that were once considered less popular.

## Outer East

(Cross Gates, Whinmoor, Garforth, Swillington, Kippax, Methley, Temple Newsam)

### Gaps in Supply

- F.66 In this area, the housing market boasts a wide variety of properties available for sale, and there are no apparent shortages in any specific type or location. However, agents have observed that people are exercising more caution due to fluctuations in interest rates. Despite this cautiousness, the market continues to see new properties coming onto the market, and there is a noticeable trend of homeowners opting for downsizing.
- F.67 Agents' schedules are notably busy, with numerous property valuations taking place. While concerns about interest rates persist with buyers showing more caution, the overall market remains dynamic, offering opportunities for both buyers and sellers.
- F.68 The lettings market faces significant gaps in both type and location. There is an overwhelming demand for rental properties. In Garforth and Whinmoor for example, the demand is particularly intense, with an average of 60 enquiries per property, regardless of the property type or price.

### Most popular dwellings

- F.69 In the sales market Crossgate, Whitkirk, and Halton were named as the most popular locations. With the three-bedroom semi-detached in all areas being the most popular type.
- F.70 In the lettings market, two to three- bedroom houses with rental prices ranging from £800 to £900 per month emerged as the most popular options among tenants.

### Least popular dwellings

- F.71 In the sales market agents agreed that properties lacking gardens or outdoor areas, are generally considered the least popular. Additionally, homes with a higher number of bedrooms may face reduced demand if they do not offer the desired outdoor space. Agents were keen to stress that with the right price point, even properties lacking outside space still attract interest and potential buyers.

- F.72 In the rental market despite being considered the least popular, 4-bedroom properties with rental prices around £1300-£1400 are still in high demand and typically are let within a couple of weeks.

## Outer South

(Ardsley, Robin Hood, Morley, Rothwell)

### Gaps in supply

- F.73 In the sales market, agents noted a scarcity of two-to-three-bedroom houses with parking. Affordable housing, especially lower-end affordable properties was unanimously described as facing limited availability. Agents also reported that properties in need of renovation are in short supply.
- F.74 In the lettings market, most agents noted that properties of all types were available for rent. However, one agent observed a decline in the overall lettings stock, possibly driven by some landlords being compelled to sell their properties due to increasing interest rates. Nevertheless, despite this trend, the rental market continues to exhibit significant activity and movement.

### Most popular dwellings

- F.75 The most popular dwelling types in the sales market in this area are 3-bedroom semi-detached properties.
- F.76 However, agents identified a significant contrast is evident when considering the price range on all types of properties. Properties priced below £200,000 are experiencing swift movement, indicating a robust demand for affordable housing options. In contrast, properties priced above £200,000 face a slower pace of movement.
- F.77 The most popular dwelling types in the current rental market are 3-bedroom semi-detached properties with rental prices between £1000 and £1200 per month. Additionally, two-bedroom flats are also highly sought-after in the rental market, with strong popularity among potential tenants.

### Least popular dwellings

- F.78 In the sales market, apartments are generally considered less popular compared to houses with outside space. Buyers often show a stronger preference for houses that offer outdoor areas or gardens, which leads to reduced demand for apartments.
- F.79 One-bedroom terraced properties, particularly back-to-backs, were also described as experiencing lower demand in the market. The limited space and layout of back-to-back terraces was given as the reason for this.
- F.80 In the lettings market, four to five -bedroom detached properties with rental prices at £2000 per month are considered the least popular dwelling types. These larger and higher-end properties tend to attract fewer potential tenants

compared to other types of homes. However, despite their lower popularity, agents can still find tenants for these properties.

## Inner south

(Beeston, Holbeck, Hunslet, Riverside, Middleton Park)

### Gaps in Supply

- F.81 There are evident gaps in supply within the sales market. The availability of four-bedroom properties is limited, with agents indicating a demand that exceeds the current supply. Bungalows are also consistently in short supply. Additionally, three-bedroom semi-detached properties with a decent-sized third bedroom are also facing scarcity in the market.
- F.82 In the lettings market, agents have reported a good mix of available properties, covering various types and sizes. However, a decline in the overall lettings stock had been noticed. Despite this, there is still significant movement in the rental market, indicating ongoing demand and activity in the sector.

### Most popular dwellings

- F.83 In the current sales market, the most popular dwellings are three-bedroom semi-detached properties with decent-sized third bedrooms.
- F.84 Additionally, the new site on Old Lane in Beeston and New Forest Village in Middleton have become highly sought-after locations. The popularity of these areas has been so overwhelming that viewings had to be halted to manage the demand effectively.
- F.85 Bungalows are also consistently in high demand, further highlighting their enduring popularity.
- F.86 In the rental market, two-to-three-bedroom houses are currently the most popular according to agents. These properties are in high demand and tend to get leased very quickly, indicating a strong preference from potential tenants.
- F.87 Additionally, an over 55 development in Woodlesford is experiencing significant popularity. The appeal of this specific housing option for older adults has resulted in a high level of interest and demand.

### Least popular dwellings

- F.88 In the sales market, agents identified that 4-bedroom detached properties are currently experiencing fewer viewings and a slower pace of selling compared to other dwelling types. The demand for these larger and higher-priced properties seems to be lower, leading to reduced interest from potential buyers.
- F.89 In Middleton, there are two 3-bedroom detached properties priced at £250,000 that have been on the market since February but have not sold yet. The agent wasn't clear on why these properties are facing challenges in finding buyers, concluding that "people just don't want to live there."

- F.90 In the rental market, agents reported that there is no obvious least popular type or area for properties, as everything that becomes available is quickly rented out. The high demand for rental properties across different types and areas makes it challenging to identify any specific category that is less popular among tenants.

## Outer West

(Calverley, Farsley, Farnley, Wortley, Pudsey)

### Gaps in supply

- F.91 The primary gap in supply in the sales market was identified as reasonably priced 3-bedroom semi-detached properties with a price range of up to £300,000. The current market conditions have led to properties being listed at higher prices, ranging from £325,000 to as much as £700,000, which surpasses the affordable range for many potential buyers.
- F.92 In the lettings market a good mix of properties currently coming through was reported. The market appears to offer a diverse range of properties, catering to various preferences and needs of potential buyers. Due to this diversity, there is no clear dominance of a particular gap in supply.

### Most Popular Dwelling Types

- F.93 In both the sales and lettings market reasonably priced 3-bedroom semi-detached houses and rentals priced between £800-£900 per month are currently among the most popular dwelling types. Specifically, areas like Farsley and Pudsey are in high demand due to the presence of excellent schools, ranging from primary to high schools.
- F.94 The rental market is highly competitive, with a limited supply of available properties. As a result, rental prices have significantly increased, with some properties now commanding £400 per month more than pre-COVID rates.

### Least popular Dwelling Types

- F.95 In the sales market, one-bedroom houses are less popular due to their perceived overpricing. For instance, there is currently a 1-bedroom house on the market for £170,000, which may deter potential buyers. Additionally, apartments in the area are facing challenges in the sales market due to increasing ground rent and management fees, making them harder to sell compared to other property types.
- F.96 In the lettings market, apartments are facing lower demand compared to houses. For example, an apartment with a rental price of £750 was less popular than a house with a higher rental price of £820, but it had the added benefit of outdoor space and was successfully rented out.

## Inner West

(Armley, Bramley, Stanningley, Kirkstall)

### Gaps in the market

- F.97 Agents reported plenty of varied properties available in the sales market. For instance, in Armley alone, there are currently 67 properties listed for sale, indicating a healthy level of supply to meet the demand. However, in the lettings market, like in many other areas of Leeds, there is a shortage of all types of properties to meet the high demand.

### Most popular Dwelling types

- F.98 In the sales market, agents agreed that one to two-bedroom apartments and one to two-bedroom terraced houses are highly sought after, particularly in the lower price range of up to £250,000. These properties attract strong interest from potential buyers. In Kirkstall, three-bedroom semi-detached houses were deemed the most popular, with an average price of £180,000. According to agents responses, the primary factor influencing demand appears to be the price of the property rather than the specific area or property type. It was agreed that potential buyers seem to prioritize affordability over other considerations when making their decisions.
- F.99 In the lettings market the most sought-after properties identified were one to two-bedroom new builds in Burley and Kirkstall, which have seen a surge in interest from potential tenants.

### Least popular Dwelling Types

- F.100 Across this area Armley is perceived to have the least favourable reputation, leading to more affordable property prices compared to other areas. However, there were apprehensions regarding the potential for improvement in the neighbourhood.
- F.101 The least popular dwelling types are larger and more expensive houses, particularly those priced over £300,000. These properties are facing challenges in terms of demand and are experiencing slower movement in the market.
- F.102 In the rental market, properties at the higher end of the rental market, priced around £2000 per month, are experiencing the slowest movement.