

Size and Type of Housing Needed

Addendum to the Belfast City Housing
Growth Options Report

December 2017

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Client
Belfast City Council

Our reference
BELP3001

December 2017

Executive Summary

1. Turley and Edge Analytics were appointed by Belfast City Council ('the Council') to undertake a study considering the future population and housing growth of Belfast¹. The Housing Growth Options Report² was published in October 2016, providing the Council with a reasonable range of population and household growth scenarios for its administrative area. The recommendations of the report were considered by the Council in developing policies relating to housing provision within the emerging Belfast Local Development Plan (LDP).
2. The level of growth recommended has been consulted upon following the publication of the Council's Preferred Options Paper³ (POP) earlier this year. The Council's review of consultation responses is understood to have indicated broad support for the level of growth proposed.
3. The Council has, however, sought to develop a further understanding of the future need for different sizes, types and tenures of housing over the plan period, and establish the specific needs of different groups in the housing market. The Department for Infrastructure has highlighted the importance of ensuring that planning strategies, policies and allocations are founded on a robust evidence base⁴, and the Strategic Planning Policy Statement (SPSS) for Northern Ireland notes the importance of providing a '*variety of house types, sizes and tenures to meet different needs*'⁵.
4. This requires production of a Housing Needs Assessment (HNA), which is currently being prepared by the Council in collaboration with the Northern Ireland Housing Executive (NIHE). NIHE is also producing an update to its Housing Market Analysis (HMA) for Belfast⁶, with a draft shared to inform this Addendum and referenced where appropriate.
5. This Addendum to the Housing Growth Options Report has been commissioned by the Council to inform the preparation of the HNA by providing additional detail on the size and type of housing likely to be required in Belfast under the recommended growth scenario.

Projected Change in Population and Household Structure

6. The recommended growth scenario would grow the labour force of Belfast to support baseline employment growth, and will require provision for between 1,600 – 1,800 dwellings per annum over the plan period (2014 – 2035). Edge Analytics' modelling of the scenario which sits within this range indicates that the population of Belfast will grow by around 66,000 persons over the plan period, resulting in growth in all age groups. Around half (46%) of additional residents will be in core working age groups (16 – 64),

¹ References to Belfast throughout this report relate to the administrative area of Belfast City Council unless otherwise specified

² Turley (2016) Housing Growth Options Report – Belfast City Population and Housing Growth Study

³ Belfast City Council (2017) Local Development Plan 2020 – 2035 Preferred Options Paper

⁴ Department for Infrastructure (May 2017) Development Plan Practice Note 6 – Soundness, version 2 (p4)

⁵ Department for the Environment (September 2015) Strategic Planning Policy Statement for Northern Ireland (p70)

⁶ NIHE (September 2017) Housing Market Analysis Update – Belfast City Council Area

with 38% aged 65 or above. Growth in the latter will increase the proportionate representation of older cohorts in the Belfast population.

7. Around one third of additional households forming in Belfast are expected to contain a single resident, with a similar proportion containing two adults without children. The majority (89%) of additional households are not expected to contain children, although the modelling indicates that around one in four (23%) households in Belfast at the end of the plan period will contain at least one child.

Implications for Housing Type and Size

8. Projected change in the household profile will generate additional demand for different sizes and types of housing over the plan period. This report presents evidence on households' existing tendency towards occupying different sizes and types of housing, both in Belfast and comparator cities in England and Wales where more detailed data on occupancy patterns exists. Relatively close alignment is seen between Belfast and these comparator cities, despite the latter generally being characterised by more mature residential markets which include a residential offer in city centres.
9. When assuming that these existing tendencies are also exhibited by different types of newly forming household in Belfast over the plan period, the size and type of housing required can be estimated. This modelling indicates that:
 - Around 30% of additional households will require flats, with the remaining 70% requiring houses; and
 - Around 40% would be expected to require properties of any type with 1 or 2 bedrooms, with the residual 60% requiring at least 3 bedrooms.
10. It is, however, recommended that policy is not overly prescriptive, with these broad benchmarks intended to assist the Council in ensuring that the LDP is a supportive framework for providing land capable of accommodating the size and type of housing needed over the plan period. It should be used as an important framework for monitoring the pipeline of new housing coming through the planning system to ensure that it is meeting the needs of all communities within Belfast. It is recommended that the mix is not applied on a site by site basis with flexibility required to take account of the local market context, viability and local market need and demand.
11. When considering these benchmarks in the context of recent housing supply in Belfast, it is evident that a continuation of recent trends would see flats represent a larger component of housing provision in the city. The analysis indicates that flats have supported a recent elevation in housing delivery rates in Belfast. Whilst this has and will continue to meet some households' housing needs, in order to meet the full range of identified need the city will also require an increase in the provision of houses alongside flats. In terms of pipeline supply, the distribution of potential sites throughout the city indicates that it could facilitate provision of a range of housing types and sizes, although it is recommended that the Council further appraises its pipeline to establish the size and type of housing likely to be delivered on specific sites or within broad spatial areas. This exercise will need to consider both the existing housing stock and market characteristics of different parts of the city.

Needs of Specific Groups

12. The Council has also requested further consideration of needs associated with specific segments of the Belfast housing market, summarised below:
- Whilst data does not allow the modelling in this Addendum to be broken down by tenure, NIHE annually report on the need for **social housing** in Belfast. This indicates that 940 social houses are required annually over the next 15 years (2017 – 2032). It is noted that this need is calculated through a different methodology, and therefore caution should be exercised in directly comparing this need with the total annual need for new homes under the recommended growth scenario given the variance in the methodologies applied;
 - NIHE estimates that **633 intermediate units** are annually required in Belfast. While this again results from application of a different methodology – inhibiting direct comparison with either the recommended growth scenario or the social housing need calculated above – this suggests scope to expand the sector;
 - The **private rented sector** accommodates around one in five Belfast households, and plays a particularly prominent role in accommodating one person households, “other households”, couples without children and lone parents with children. The sector is oriented towards younger age cohorts – with over half of residents privately renting in 2011 aged 34 and under – and also accommodates households claiming housing benefit. The relative affordability of the sector when compared to options for purchase leads NIHE to the conclusion that the private rented sector will continue to play an important role in Belfast’s housing market, influenced by wider economic factors which impact upon trends in other sectors;
 - **Families** with dependent children represented around 29% of all households in Belfast at the last Census, and are expected to continue to account for a sizeable proportion (23%) of the city’s households by the end of the plan period. Around half of these households were owner occupiers at the Census, although variance in the rate of owner occupation exists between couples with children (71%) and lone parents (29%). Lone parents demonstrate an increased tendency towards renting housing from NIHE or housing associations. More broadly, industry research recognises the preference for family sized housing with three or four bedrooms, with families typically averse to smaller flats due to space limitations. Meeting the needs of families will therefore likely require a balanced profile of housing development in Belfast over the plan period;
 - The number of **older people** in Belfast is expected to increase by more than half over the plan period under the recommended growth scenario. This in turn is projected to lead to a growth in the number of older residents of households. Growth in the number of older residents in communal establishments such as care homes is also generated by this scenario, with the modelling indicating that circa 820 additional such bedspaces will be required over the plan period⁷.

⁷ It is noted that this need for bedspaces is separate and therefore additional to the need for circa 1,750 dwellings per annum under the recommended growth scenario. The latter formed the basis for the range (1,600 – 1,800dpa) identified in the Housing Growth Options Report

Around one in five Belfast households (18%) was occupied solely by older residents (65+) in 2011, of which the majority contained a single occupier. Older households – and particularly older couples – tend to be owner occupiers, although single and other older households also frequently rent from NIHE or housing associations;

- In considering **households with specific needs**, the 2011 Census identified circa 26,400 Belfast residents with bad or very bad health issues, of which around one third were over 65 years of age. The majority of these health issues limited residents' daily activities. Long-term health conditions reported at the Census most frequently included mobility/dexterity, pain or discomfort and breathing difficulty, although some variance existed between age groups. Projected growth in residents both over and under 65 could increase the absolute number of residents with the long-term health conditions most frequently cited by these cohorts, and it is recommended that the Council monitors the number of residents and households with specific health problems requiring specialist housing. This report has also reviewed national policy and strategies on meeting the specific needs of people with learning disabilities, mental health issues and physical or sensory disabilities; and
- While this Addendum does not consider the housing needs of **students** in detail, an updated position on the number of students at Queens University Belfast and Ulster University is presented. This indicates that circa 49,000 students were registered across the two universities in 2015/16, although not all students are based in the city. The Council last monitored university managed bedspaces in 2014, identifying circa 3,800 bedspaces primarily owned and managed by Queens University. Provision of purpose-built managed student accommodation has also been monitored by the Council.

1. Introduction

- 1.1 Turley and Edge Analytics were appointed by Belfast City Council ('the Council') to undertake a study considering the future population and housing growth of Belfast⁸. The Housing Growth Options Report⁹ was published in October 2016, providing the Council with a reasonable range of population and household growth scenarios for its administrative area. The recommendations of the report were considered by the Council in developing policies relating to housing provision within the emerging Belfast Local Development Plan (LDP).
- 1.2 The level of growth recommended – summarised in section 2 of this report – has been consulted upon following the publication of the Council's Preferred Options Paper¹⁰ (POP) earlier this year. The Council's review of consultation responses is understood to have indicated broad support for the level of growth proposed.
- 1.3 The Council has, however, sought to develop a further understanding of the future need for different sizes, types and tenures of housing over the plan period, and establish the specific needs of different groups in the housing market. The Department for Infrastructure has highlighted the importance of ensuring that planning strategies, policies and allocations are founded on a robust evidence base¹¹, and the Strategic Planning Policy Statement (SPSS) for Northern Ireland notes the importance of providing a '*variety of house types, sizes and tenures to meet different needs*'¹².
- 1.4 This requires production of a Housing Needs Assessment (HNA), which is currently being prepared by the Council in collaboration with the Northern Ireland Housing Executive (NIHE). NIHE is also producing an update to its Housing Market Analysis (HMA) for Belfast¹³, with a draft shared to inform this Addendum and referenced where appropriate.
- 1.5 This Addendum to the Housing Growth Options Report has been commissioned by the Council to inform the preparation of the HNA by providing additional detail on the size and type of housing likely to be required in Belfast under the recommended growth scenario.

Report Structure

- 1.6 This report is structured as follows:
- **Section 2– Projected Change in Population and Household Structure** – overview of the recommendations of the Housing Growth Options Report, and presentation of further demographic modelling by Edge Analytics which breaks down the recommended growth scenario by age group and household type;

⁸ References to Belfast throughout this report relate to the administrative area of Belfast City Council unless otherwise specified

⁹ Turley (2016) Housing Growth Options Report – Belfast City Population and Housing Growth Study

¹⁰ Belfast City Council (2017) Local Development Plan 2020 – 2035 Preferred Options Paper

¹¹ Department for Infrastructure (May 2017) Development Plan Practice Note 6 – Soundness, version 2 (p4)

¹² Department for the Environment (September 2015) Strategic Planning Policy Statement for Northern Ireland (p70)

¹³ NIHE (September 2017) Housing Market Analysis Update – Belfast City Council Area

- **Section 3 – Implications for Housing Type and Size** – analysis considering how projected population and household change will impact upon the size and type of housing needed in Belfast over the plan period, based on prevalent housing occupancy trends in Belfast and comparator cities;
- **Section 4 – Considering Recent and Future Supply** – the modelling in section 3 is contextualised through an appreciation of recent trends in housing supply and the anticipated profile of future supply;
- **Section 5 – Needs of Specific Groups** – consideration of the specific needs of different groups in the housing market, as identified by the Council; and
- **Section 6 – Conclusion** – a summary of the findings and implications of this Addendum.

2. Projected Change in Population and Household Structure

- 2.1 This section initially provides a concise overview of the population and household projection modelling produced to inform the Housing Growth Options Report, and summarises the justification for its recommended growth scenario.
- 2.2 The implications of projected change in the population and household profile associated with this recommended growth scenario are subsequently established. With regards to the latter, this is based on updated modelling which integrates more detailed assumptions regarding projected household membership rates provided by NISRA to directly inform this analysis.

Recommended Growth Scenario

- 2.3 As introduced in the previous section, the Housing Growth Options Report was produced to provide the Council with a reasonable range of population and household growth scenarios for Belfast over the plan period. Three potential growth scenarios were developed by Edge Analytics using the POPGROUP suite of software¹⁴, namely:
- **Scenario 1 – Adjusted Demographic Growth** – a demographic trend-based scenario based on historic trends recorded over the then-latest two year period (2012 – 2014). This implied a higher level of growth than suggested by the latest official projections, which drew upon a longer-term historic trend. Specifically, in the case of Belfast, the more recent demographic trends captured in the last couple of years were considered to reflect more representative, positive and improving demographic trends in the city, including a reducing net outflow of residents and an underlying picture of a return to growth in employment;
 - **Scenario 2 – Supporting Baseline Employment Growth** – this scenario illustrated the scale of population and labour force growth that may be necessary to support baseline levels of employment growth in the city forecast by Ulster University (UU). The modelling was predicated upon the application of prudent assumptions on labour force behaviour; and
 - **Scenario 3 – Supporting Higher Employment Growth** – following a comparable approach to Scenario 2, this scenario sought to assess the scale of population and household growth likely to be associated with supporting a more positive forecast of employment growth developed by UU.
- 2.4 The level of population, housing and employment growth associated with each of the scenarios is summarised in the following table, based on change over the full plan period (2014 – 2035).

¹⁴ POPGROUP is widely used by local authorities and private sector users to support Local Plan development across the UK. POPGROUP is also used by NISRA in the development of its Local Government District (LGD) population and household projections. The model developed by Edge Analytics integrates the latest available demographic data produced by NISRA

Table 2.1: Summary of Scenario Implications 2014 – 2035

	Scenario 1 Adjusted Demographic Growth	Scenario 2 Supporting Baseline Employment Growth	Scenario 3 Supporting Higher Employment Growth
Additional residents	19,000	66,000	89,000
Additional homes needed	17,000	37,000	47,800
Additional jobs supported	–	46,000	69,000

Source: Edge Analytics; Turley

- 2.5 The range of growth options implied by the variant scenarios was refined through consideration of their likely demographic and economic implications. While Scenario 1 demonstrated the strongest alignment with recent demographic growth trends, it was considered that this would not sufficiently represent the Council’s vision to return to stronger growth in Belfast. It was suggested that planning for growth in accordance with this scenario would pose risks to the future sustainable growth of the city. It was highlighted that this would continue development at a suppressed rate which contrasts with the more positive market and macro-economic context prior to the recession. Growth of this scale would result in Belfast continuing to grow at a slower rate than comparator UK cities, with the net outflow of residents assumed failing to significantly grow the labour force and risking the city’s future economic growth.
- 2.6 Although it was recognised that the relationship between employment and population is complex, planning for a higher level of housing growth would be more likely to grow the labour force and enable the attraction and retention of working age residents who would otherwise move elsewhere in Northern Ireland or overseas. Planning for at least baseline employment growth in Belfast (Scenario 2) was concluded as a reasonable and credible option for the city which enables its continued economic growth.
- 2.7 While the higher level of employment growth under Scenario 3 is predicated upon a robustly generated forecast, it was noted that the modelling of associated population and household growth suggested a more ambitious and significant departure from longer term rates of growth, which could yield more marked changes in labour force behaviour than assumed when modelling growth scenarios. Increasing participation in the economy – associated with strong job growth and successful policy intervention aimed at this outcome – would reduce the level of population and housing growth needed to support forecast job growth from that implied within the modelling outputs presented.
- 2.8 Within this context, it was noted that both Scenario 2 and Scenario 3 would require a significant increase in recent levels of housing delivery in Belfast, assuming a return to pre-recession levels of development which are sustained over the plan period. That Belfast has not consistently seen such levels of development over recent years was seen to necessitate some caution in considering the level of development which could be realistically supported by the market over the plan period.

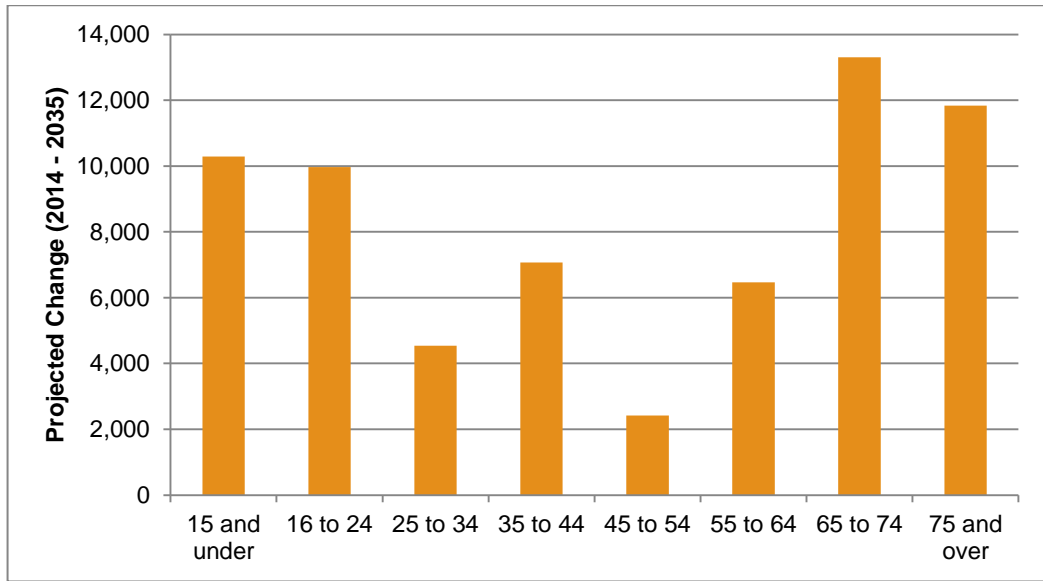
- 2.9 These factors suggested that it would be reasonable and credible to plan for a level of population and household growth within the range implied by Scenario 1 and Scenario 2, with the evidence implying closer alignment with Scenario 2. Providing between **1,600 – 1,800 dwellings per annum** over the plan period was considered reasonable in light of these considerations, growing the labour force to support baseline levels of employment growth while allowing for reasonable future changes in labour force behaviour.
- 2.10 Of the scenarios modelled to arrive at this conclusion, Scenario 2 sits within this range in suggesting a need for circa 1,750 dwellings per annum. For consistency with this conclusion, the further modelling undertaken to inform the additional analysis in this Addendum is therefore solely based on this modelled scenario. This is considered a reasonable approach to provide a sufficiently detailed level of information around the implications of a changing demographic structure in the city on the different types and sizes of housing which are likely to be needed over the plan period.

Age Profile

- 2.11 Edge Analytics' modelling indicates that a need for circa 1,750 dwellings per annum will be generated by total population growth of around 66,000 persons over the plan period, when supporting baseline employment growth in Belfast.
- 2.12 As illustrated in the chart overleaf, this would lead to growth in all age groups. Core working age groups (16 – 64), for example, would account for almost half (46%) of population growth over the plan period. The growth of this cohort would also be associated with a growth in the number of younger residents aged 15 years and under as a consequence of assumed fertility rates, as noted in the Housing Growth Options Report¹⁵.
- 2.13 Alongside the growth in those aged 64 and below, the projections also anticipate a strong growth in older age groups, with those aged 65 and over accounting for 38% of all population growth over the plan period.

¹⁵ Turley (2016) Housing Growth Options Report – Belfast City Population and Housing Growth Study (paragraph 4.33)

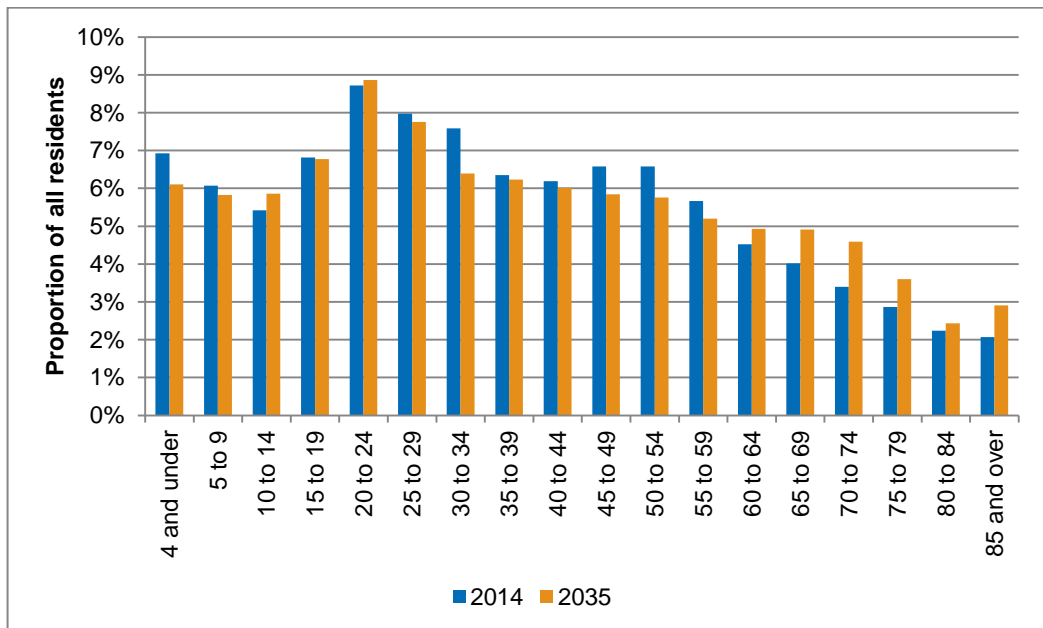
Figure 2.1: Modelled Change in Population by Age Group 2014 – 2035



Source: Edge Analytics, 2016

2.14 This change will impact upon the overall age profile of Belfast, as illustrated at Figure 2.2 below. The proportionate representation of those cohorts aged 60 and over is expected to increase over the plan period, contrasting with many younger age groups (25 – 59) which are expected to account for a smaller proportion of the city’s overall population. Young adults (20 – 29) are, however, expected to remain the largest age cohort in Belfast by the end of the plan period, collectively accounting for 17% of the overall population. This is proportionately unchanged from 2014.

Figure 2.2: Comparing Age Profile of Belfast in 2014 and 2035



Source: Edge Analytics, 2016

Household Types

- 2.15 The majority of this future population growth will be accommodated within private households. The Housing Growth Options Report considered the size of households likely to form under each of the potential growth scenarios, including the recommended growth option¹⁶. However, at the time – as a result of the absence of the required detailed assumptions which underpinned NISRA’s household projections – the modelling could not be broken down into different types of households with a sufficient level of robustness.
- 2.16 Since the Housing Growth Options Report was finalised, NISRA have provided the Council and Edge Analytics with the detailed assumptions which underpin the 2012-based household projections to facilitate this more detailed analysis. This has therefore enabled this report to consider the future change in the household profile of Belfast in a much greater level of detail.
- 2.17 These detailed assumptions have been applied to the baseline employment growth scenario previously configured for Belfast through POPGROUP, providing a breakdown of projected growth into the 18 different types of households over the plan period as summarised overleaf. Further detail on the modelling approach used by Edge Analytics is provided at Appendix 1.

¹⁶ Ibid (Figure 6.4)

Table 2.2: Projected Household Change by Type 2014 – 2035

	2014	2035	Change	% of total growth
1 adult (no children)	48,836	60,655	11,819	34.3%
2 adults (no children)	36,990	49,717	12,727	36.9%
2 Person with children (1 adult)	6,507	8,208	1,702	4.9%
3 adults (no children)	12,102	16,027	3,925	11.4%
3 Person with children (1 adult)	7,672	9,636	1,965	5.7%
3 Person with children (2 adults)	3,588	3,896	308	0.9%
4 adults (no children)	5,492	7,137	1,646	4.8%
4 Person with children (1 adult)	9,891	10,557	666	1.9%
4 Person with children (2+ adult)	1,465	1,591	126	0.4%
5 adults (no children)	1,645	1,817	172	0.5%
5 Person with children (1 adult)	4,888	4,406	-482	-1.4%
5 Person with children (2+ adult)	380	400	21	0.1%
6 adults (no children)	460	598	138	0.4%
6 Person with children (1 adult)	1,826	1,519	-308	-0.9%
6 Person with children (2+ adult)	100	106	5	0.0%
7+ adults (no children)	147	265	119	0.3%
7+ Person with children (1 adult)	746	697	-49	-0.1%
7+ Person with children (2+ adult)	21	23	2	0.0%
Total	142,755	177,256	34,501	100%
Households without children	105,672	136,217	30,546	89%
Households with children	37,083	41,038	3,955	11%

Source: Edge Analytics, 2017

- 2.18 The modelling indicates that around one in three (34%) of the additional households forming in Belfast over the plan period will contain a single resident, with a similar proportion (37%) containing two adults without children. Households with three adults are also expected to account for a relatively significant level of growth (11%) over the plan period.
- 2.19 Notably, when aggregated, the modelling suggests that households without children are projected to be the main driver of future growth in Belfast over the plan period, accounting for some 89% of additional households. At the end of the plan period, however, it is important to recognise that 23% of households are expected to contain

children, only modestly reducing from the position recorded at the start of the plan period (26%).

- 2.20 It is also of relevance to note that the modelling assumes a growth of over 10,000 children aged 15 and under in Belfast over the plan period, as illustrated at Figure 2.1. The absence of a commensurate increase in households with children could indicate that many of these additional children are assumed to live in households containing more than one child.

Communal Population

- 2.21 As noted above, the modelling assumes that the majority of residents live in private households. However, Appendix 2 of the Housing Growth Options Report highlighted that the communal and institutional population¹⁷ do not live in such households, and are therefore excluded from the household projections. Edge Analytics' methodology note summarised how the communal population has been treated within its modelling:

“Using the 2011 Census data, proportions of communal population by sex and age group have been calculated. Using proportions rather than counts allows the communal populations to vary across the forecast period depending on the size of the total population. The initial proportions have been further adjusted to ensure consistency with NISRA’s 2012-based household projection totals by year”¹⁸

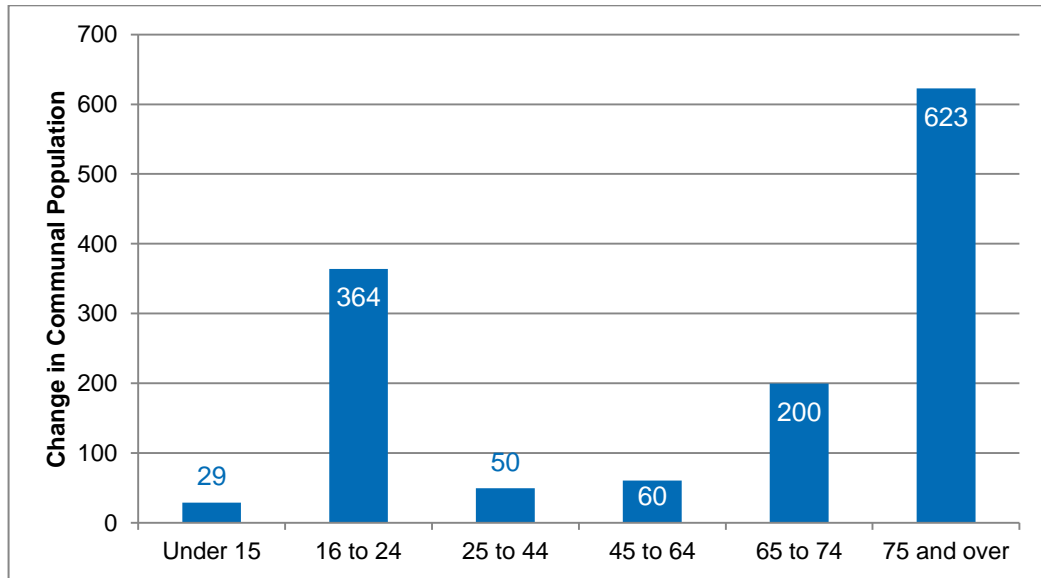
- 2.22 On this basis, part of the population growth associated with the recommended growth scenario is excluded from the household projections, and do not generate a need for dwellings. Communal residents' housing needs are therefore *additional* to the need for circa 1,750 dwellings per annum implied by the recommended growth option.
- 2.23 Instead, a need for bedspaces in communal establishments or institutions is generated through the modelling. While this cannot be disaggregated by type of establishment, an additional 1,325 such bedspaces will be required in Belfast over the plan period, in addition to the need for circa 1,750 dwellings per annum. This results from projected growth in age cohorts found through the Census to contain a proportion of residents occupying communal establishments rather than households. This is assumed to continue within the modelling at the same proportionate rate, with implied need for bedspaces therefore driven solely by growth in the population rather than a comprehensive assessment of the full need and demand for such forms of accommodation.
- 2.24 As illustrated in the chart overleaf, some 62% of the additional communal residents assumed within the modelling are aged 65 and over, indicating that circa 820 additional older residents are not assumed to occupy private dwellings. This likely indicates a commensurate need for bedspaces in residential care homes.
- 2.25 Younger residents (16 – 24) represent 27% of the additional communal residents assumed within the modelling, which likely relates to educational establishments and halls of residence. Circa 365 residents of this age are assumed not to live in households. This does, however, represent a modelling output – based on the

¹⁷ For example, people living in prisons, residential care homes and student halls of residence

¹⁸ Edge Analytics (September 2016) Belfast City Council: Data inputs, assumptions and methodology, paragraph 2.37 [Appendix 2 of the Housing Growth Options Report]

application of rates to the younger population, as noted above – and should not be interpreted in isolation as an estimate of the full need or demand for student bedspaces in Belfast.

Figure 2.3: Modelled Change in Communal Population 2014 – 2035



Source: Edge Analytics, 2016

Summary

- 2.26 The scenario recommended by the Housing Growth Options Report would grow the labour force of Belfast to support baseline employment growth, and will require provision for between 1,600 – 1,800 dwellings per annum over the plan period (2014 – 2035).
- 2.27 Under the modelling scenario which sits within this range, the population of Belfast will grow by around 66,000 persons over the plan period, resulting in growth in all age groups. Around half (46%) of additional residents will be in core working age groups (16 – 64), with 38% aged 65 or above. Growth in the latter will increase the proportionate representation of older cohorts in the Belfast population.
- 2.28 More detailed assumptions on household type have been provided by NISRA, enabling further modelling by Edge Analytics to break down projected household growth into 18 categories. This indicates that around one third of additional households forming in Belfast over the plan period will contain a single resident, with a similar proportion containing two adults without children. Comparatively few of the additional households projected to form over the plan period will contain children, with the majority (89%) containing no children. By the end of the plan period, however, around one in four (23%) households will contain children, with the absolute growth in children suggested by the modelling indicating that many households will contain more than one child.
- 2.29 This projected change in the population and household profile of Belfast will have implications for the size and type of housing needed in the city over the plan period. This is considered in the following section.

3. Implications for Housing Type and Size

- 3.1 The previous section established how the demographic profile of Belfast may change over the plan period. It is important to establish how such changes may generate a need for housing of different sizes and types over the plan period, particularly given that the SPSS requires areas to plan for a range of housing types and sizes as highlighted earlier in this report¹⁹. The SPSS does not provide detailed guidance on how this should be evidenced, although it is of note that the UK Government – in published guidance on assessing housing needs in England – endorses an approach which considers evidence of households' existing occupancy trends in the context of projected future demographic change²⁰.
- 3.2 This section presents analysis on how existing households currently occupy housing in Belfast. These existing trends form the basis for an assessment of the size of housing which may be required to accommodate modelled change in the household profile of the city over the plan period, and are not assumed to change within the illustrative modelling presented. The core outputs of this analysis do not seek to estimate how market factors – such as changes to house prices, incomes and household preferences – will impact upon the proclivity of households to occupy different sizes of property. Recognising market volatility over longer term periods, this approach is considered prudent, albeit one which can be clearly grounded in evidence.
- 3.3 This approach also recognises the primary role of the planning system in providing an adequate quantum and choice of land to accommodate new housing. The market will have an important role in responding to demand pressures for different types of housing, with recognition of the density and typology of housing which can be viably delivered. It is therefore recommended that policy is not overly prescriptive in this regard, with the analysis herein primarily intended to ensure that the LDP is a supportive framework for providing land capable of accommodating the size and type of housing needed over the plan period. It should be used as an important framework for monitoring the pipeline of new housing coming through the planning system to ensure that it is meeting the needs of all communities within Belfast. It is not recommended that the mix is to be applied on a site by site basis with flexibility required to take account of the local market context, viability and local market need and demand.
- 3.4 Whilst the analysis initially focuses on the tendency of Belfast households to occupy different sizes of housing, consideration is also given to the impact of aligning with occupancy trends exhibited in comparator cities in England and Wales²¹. This builds upon comparisons previously made with these cities in the Housing Growth Options Report and earlier evidence base documents produced by the Council. More detailed Census data exists for these comparator cities in England and Wales, enabling an additional level of understanding of the type of housing needed by households of different types. It should, however, be recognised that Belfast's development profile has evolved more slowly for a number of reasons, with a number of these cities having more

¹⁹ Department for the Environment (September 2015) Strategic Planning Policy Statement for Northern Ireland (p70)

²⁰ Planning Practice Guidance (April 2016) Housing and economic development needs assessment (paragraph ID 2a-021-20160401)

²¹ Bristol, Cardiff, Leicester, Newcastle, Nottingham and Sheffield

mature residential markets following growth in urban and city centre living alongside wider programmes of regeneration, for example.

- 3.5 In combination, this modelling provides a considered indication of the size and type of housing which may be needed to accommodate projected household growth in Belfast over the plan period, accounting for both current need and the Council’s aspirations.

Housing Trends in Belfast

- 3.6 Housing trends in Belfast inherently reflect the nature of the existing housing stock, which provides important context for this analysis. The 2011 Census found that some 40% of households in Belfast²² live in terraced housing, which exceeded by some way the national figure for Northern Ireland as illustrated below. A larger proportion of households also occupied flats when compared with the national position. In contrast, comparatively few households occupy detached housing.

Table 3.1: Type of Accommodation Occupied by Households 2011

	Belfast	Northern Ireland
Detached	12.1%	37.6%
Semi-detached	30.4%	28.5%
Terraced	40.2%	24.9%
Flat	17.2%	8.9%
Other	0.0%	0.1%
Total	100.0%	100.0%

Source: NISRA, 2011

- 3.7 The 2011 Census also recorded the tenure of households in the former Belfast local government district (LGD). As summarised overleaf, this demonstrates that owner occupation is less prevalent within the city when compared with the national profile, albeit it remains the dominant tenure and accommodates over half (52%) of households in Belfast. Relative to Northern Ireland as a whole, a larger proportion of Belfast households rent their home, either privately, through NIHE or from a housing association.

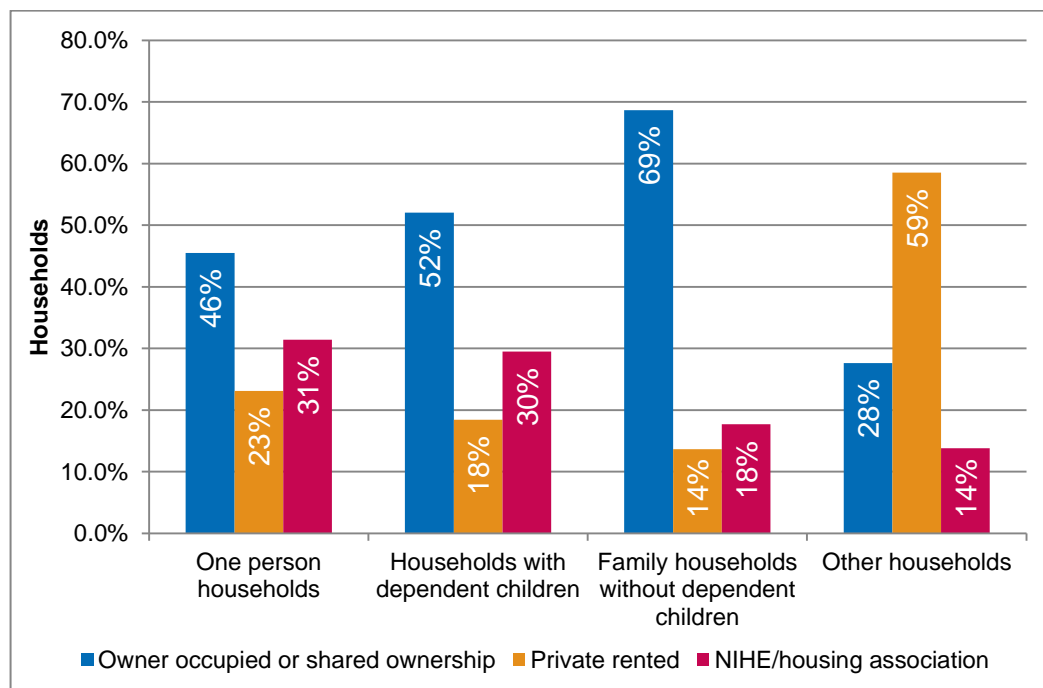
²² 2014 Local Government District, unless otherwise specified

Table 3.2: Household Tenure 2011

	Belfast	Northern Ireland
Owner occupied	51.7%	66.9%
Shared ownership	0.6%	0.6%
Rented from NIHE	17.2%	11.5%
Rented from housing association	8.3%	3.4%
Private rented	19.6%	15.1%
Living rent free	2.6%	2.5%
Total	100.0%	100.0%

Source: NISRA, 2011

- 3.8 A breakdown by household type enables the identification of different households' tendencies towards occupying housing through different tenures in Belfast. As illustrated in the chart below, owner occupation is the dominant tenure amongst most types of households, most notably family households without dependent children. Households of this type are consequently less likely to privately rent, contrasting with "other households" where this tenure is particularly prevalent. Furthermore, it is also evident that circa 31% of one person households rent from NIHE or a housing association, with this tenure accommodating a comparable proportion of households with children.

Figure 3.1: Tenure by Household Type in Belfast 2011

Source: NISRA, 2011

- 3.9 The Census provides no breakdown of the size or type of housing occupied by households in different tenures. Given that this represents the main purpose of this Addendum, it is therefore necessary to focus on the size and type of housing needed over the plan period, regardless of tenure. Alternative methodologies can, however, provide the Council with an indication of the size of housing required to meet the needs of households requiring specific housing tenures, namely affordable housing. This is summarised in section 4 of this report, but cannot be directly compared with the analysis herein.
- 3.10 The 2011 Census recorded the number of rooms occupied by households of different sizes, which – though based on the former Belfast LGD – continues to provide a robust and comprehensive indication of households’ current occupancy trends. It should be noted that bathrooms, toilets, halls, landings and storage are not counted²³.
- 3.11 In 2011, the table below illustrates – as would be expected – that smaller households in Belfast demonstrate a stronger tendency towards occupying smaller accommodation with fewer rooms. Just under half (47%) of single person households live in homes with 3 or 4 rooms, with the propensity to occupy housing of this size declining amongst larger households. Approximately one third (32%) of larger households with 4 or more residents had at least 7 rooms.

Table 3.3: Number of Rooms by Household Size 2011

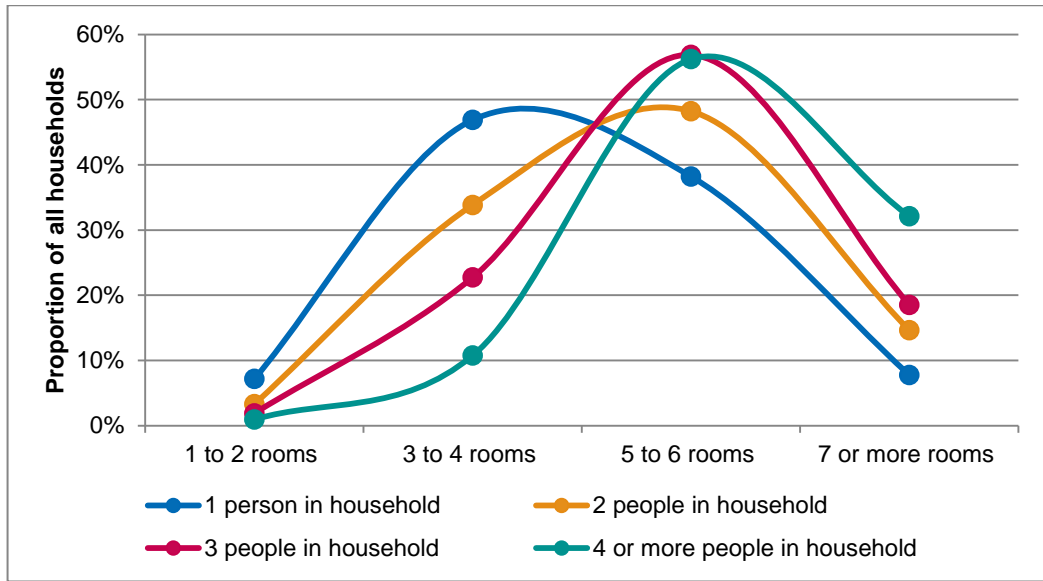
	1 to 2 rooms	3 to 4 rooms	5 to 6 rooms	7+ rooms	Total
1 person	7.2%	46.9%	38.2%	7.8%	100.0%
2 persons	3.3%	33.9%	48.2%	14.6%	100.0%
3 persons	1.9%	22.7%	56.9%	18.5%	100.0%
4+ persons	0.9%	10.7%	56.2%	32.1%	100.0%
All households	4.0%	32.3%	47.6%	16.1%	100.0%

Source: NISRA, 2011

- 3.12 This is further illustrated in the chart overleaf.

²³ NISRA (2015) 2011 Census Definitions and Output Classifications

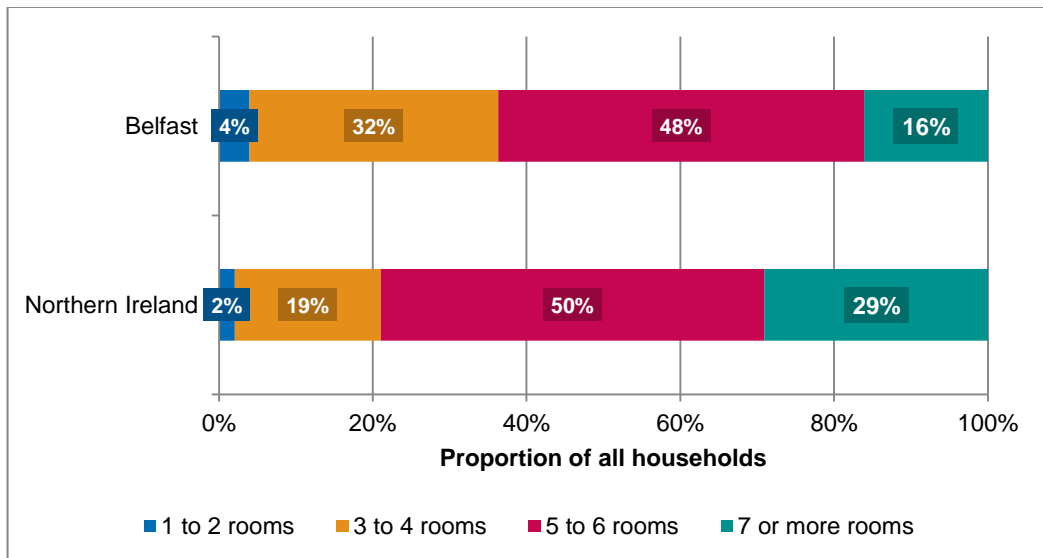
Figure 3.2: Number of Rooms by Household Size 2011



Source: NISRA, 2011

3.13 The Census found that households in Belfast tend to occupy smaller properties when compared with the average for Northern Ireland, likely a consequence of variance in the stock profile (Table 3.1). Nationally, 21% of households have 4 rooms or fewer, contrasting with some 36% in Belfast. Across Northern Ireland, 29% of households have at least 7 rooms, again differing from the position for Belfast (16%).

Figure 3.3: Housing Occupancy Trends in Belfast and Northern Ireland 2011



Source: NISRA, 2011

Implications for Future Growth in Belfast

3.14 The Census evidently recorded this detail for a limited number of household types, which do not directly align with the detailed household categories presented in section 2

of this report. These modelling outputs can, however, be aggregated to align with the typologies for which occupancy evidence is available.

- 3.15 This enables the illustrative application of rates on the likelihood of households to occupy different sizes of housing, and provides an indication of the size of housing which may be required to meet these households' needs in future. This is presented in Table 3.4. It should be noted that this relates to all *additional* households projected to form, and is also not broken down by tenure.

Table 3.4: Implied Size of Housing Required 2014 – 2035

	Change	1 to 2 rooms	3 to 4 rooms	5 to 6 rooms	7+ rooms
1 person	11,819	845	5,541	4,517	917
2 persons	14,428	474	4,884	6,957	2,113
3 persons	6,197	117	1,408	3,524	1,148
4+ persons	2,056	19	221	1,156	660
Total	34,501	1,455	12,054	16,153	4,838
%	100%	4%	35%	47%	14%

Source: Turley; Edge Analytics; NISRA

- 3.16 The analysis indicates that approximately half (47%) of additional households expected to form in Belfast over the plan period will occupy dwellings with 5 or 6 rooms. Around one in three (35%) would be expected to require 3 or 4 rooms. Comparatively few (4%) would be expected to occupy homes with 2 rooms or fewer, based on existing trends.
- 3.17 The implied need for different types of accommodation – between flats and houses – cannot be established based on data published by NISRA, and this similarly cannot be directly broken down by the number of bedrooms. Reflecting upon the definition of rooms, however, it can be observed that:
- **Households with 2 rooms or fewer** will by definition have no more than one bedroom, when assumed that a room is used as a kitchen and/or living room. Such units may also be configured in a single room as studios;
 - **Households with 3 or 4 rooms** could contain a kitchen, living room and up to two bedrooms, although a single room with kitchen facilities could provide space for up to three bedrooms in some circumstances;
 - **Households with 5 or 6 rooms** could contain up to four bedrooms, although this may be reduced through inclusion of additional reception rooms, utility rooms, studies or conservatories. Such households may be more likely to accommodate houses; and
 - **Households with 7 or more rooms** could contain four or more bedrooms, or potentially fewer in some circumstances. It is considered that units of this size are more likely to be houses, as opposed to flats.

Drivers of Future Change

- 3.18 As noted in the introduction to this section, the modelling approach outlined above does not seek to estimate how households' tendency towards occupying different sizes and types of housing may change in the future. Given market volatility over the long-term – and the wide range of factors which can influence these occupancy patterns – this is considered a prudent approach which is grounded in existing evidence.
- 3.19 It is, however, recognised that a range of factors may influence households' choices in occupying different sizes and types of housing in Belfast in future, although these are challenging to predict.
- 3.20 For example, while it can be perceived that an increase in smaller households would result in an increased need for smaller accommodation, research has highlighted that increasing demand for larger homes is also generated²⁴. Due to the positive relationship between housing consumption and income, long-term rises in living standards tends to push up demand for housing space – or space expectations – even if the supply of housing does not sufficiently adapt to allow people to meet these expectations. Households also tend to retain their tenure and housing consumption as they age, such that:
- “It is misleading to assume that one-person households occupy small, ‘one-person’ dwellings. Young one-person households often occupy a small dwelling because of low income, but this group makes up only a small proportion of total one-person households. Those who remain single will tend to buy more space as their income rises over their working life. And a large proportion of the projected growth in one-person households will be among the elderly, many of whom will remain in their family home”²⁵*
- 3.21 Furthermore, it is seen as ‘*unlikely that these people, as they grow older, will be attracted back into higher-density housing in newly regenerated inner-city markets*²⁶’.
- 3.22 Policy intervention can also be a factor shaping households' occupancy trends, particularly in the social rented sector where housing size is managed to reflect households' needs. For example, the recent introduction of social sector size criteria – also known as the “bedroom tax” – in Northern Ireland is intended to discourage households in the social housing sector from under-occupying their home.
- 3.23 A comparable policy was introduced in England in April 2013, and research into its impact has been published by the Department for Work and Pensions²⁷ (DWP). One of its aims was to increase mobility within the social housing sector, and the number of moves was found to have considerably increased – albeit from a very low base. The research found that many affected claimants did not want to move, due to their proximity to family, school, work and support services. Many households therefore chose to assume the additional cost associated with this reform, with further national research by

²⁴ House Builders Federation (2005) Room to Move? Reconciling Housing Consumption Aspirations and Land-use Planning

²⁵ Ibid, p11

²⁶ Ibid, p19

²⁷ Department for Work and Pensions (December 2015) Evaluation of Removal of the Spare Room Subsidy

the BBC also showing that only a small proportion of affected social housing tenants moved home within its first year²⁸.

- 3.24 For the purposes of this analysis, there is not considered to be sufficient certainty around the impact of the above factors to adjust the evidenced occupancy patterns used within this modelling. Only a subset of smaller households will be affected by size criteria, for example – who cannot be isolated within the modelling – and the remainder will be free to exercise choice in the market and occupy larger homes if preferable. For the purposes of identifying land capable of accommodating the size and type of housing needed in Belfast, it is considered that this remains an appropriate and evidence-based approach to inform the LDP at strategic planning level. However, this uncertainty further cautions against the introduction of overly restrictive policies in this regard, as highlighted earlier in this section.

Housing Trends in Comparator Cities

- 3.25 As highlighted earlier in this note, the Council's evidence has consistently drawn comparisons between Belfast and selected other UK cities. The Housing Growth Options Report, for example, highlighted that a continuation of recent demographic trends in Belfast would result in only limited growth when compared to other UK cities. Precedents in these cities were noted where strong levels of population and household growth were supported by significant and sustained growth of a residential market in city centres.
- 3.26 The Housing Growth Options Report recognises that the city centre market of Belfast is not as mature as those seen in some comparator cities²⁹. The Council has previously highlighted that the city centre is relatively underdeveloped when compared with other cities, with the history of conflict in particular fundamentally influencing its development over the past 50 years³⁰.
- 3.27 This influences both the overall stock profile of the district, and its households' inclination towards occupying property of different sizes and types. For example, the 2011 Census highlighted – as shown overleaf – that proportionately fewer households in Belfast lived in flats relative to these comparator cities, although further analysis shows that there was a 23% increase in the number of flats in Belfast over the inter-census period (2001 – 2011). More recently, the Council has highlighted a number of high profile city centre schemes which have '*helped reposition the centre as a desirable place to live and demonstrate the city's potential for high quality urban living*'³¹.

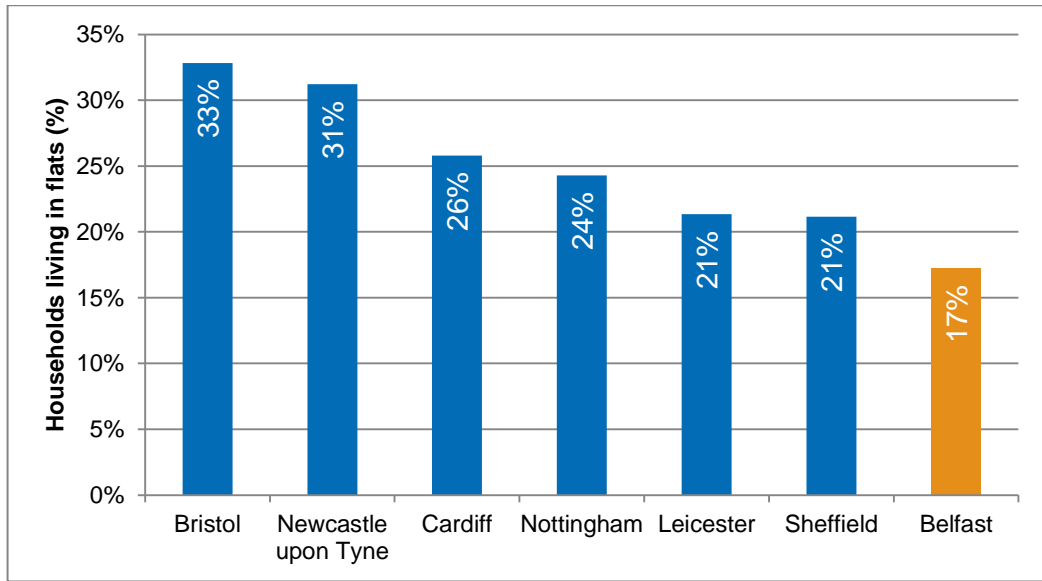
²⁸ BBC News (March 2014) Housing benefits: Changes 'see 6% of tenants move'

²⁹ Turley (2016) Housing Growth Options Report – Belfast City Population and Housing Growth Study (paragraph 6.50)

³⁰ Belfast City Council (September 2015) Belfast City Centre Regeneration and Investment Strategy

³¹ Ibid, p36

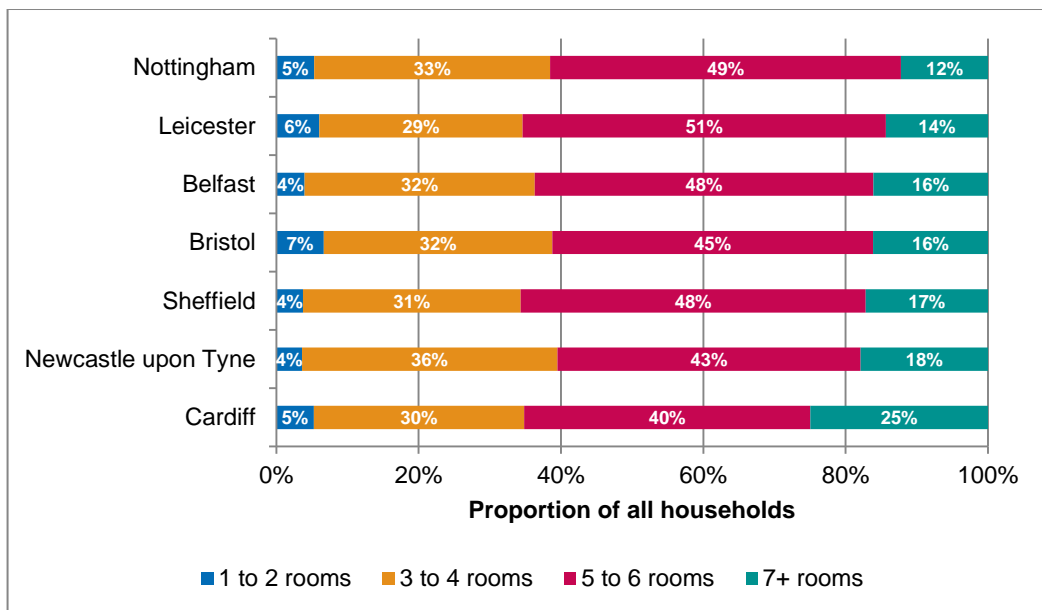
Figure 3.4: Proportion of Households Living in Flats 2011



Source: Census 2011

3.28 While there is evidence of some deviation from the profile seen in comparator cities, the Census importantly suggests that there is greater consistency in the size of housing occupied by households in Belfast and its comparator cities, when consistently measured by number of rooms in the following chart. In total, 36% of households in Belfast occupy housing with 4 rooms or less, which sits towards the middle of the range implied by comparator cities (34 – 39%). Larger housing with 7 rooms or more is occupied by 16% of Belfast households, which again is not disproportionate to other cities.

Figure 3.5: Number of Rooms in Properties Occupied by Households 2011

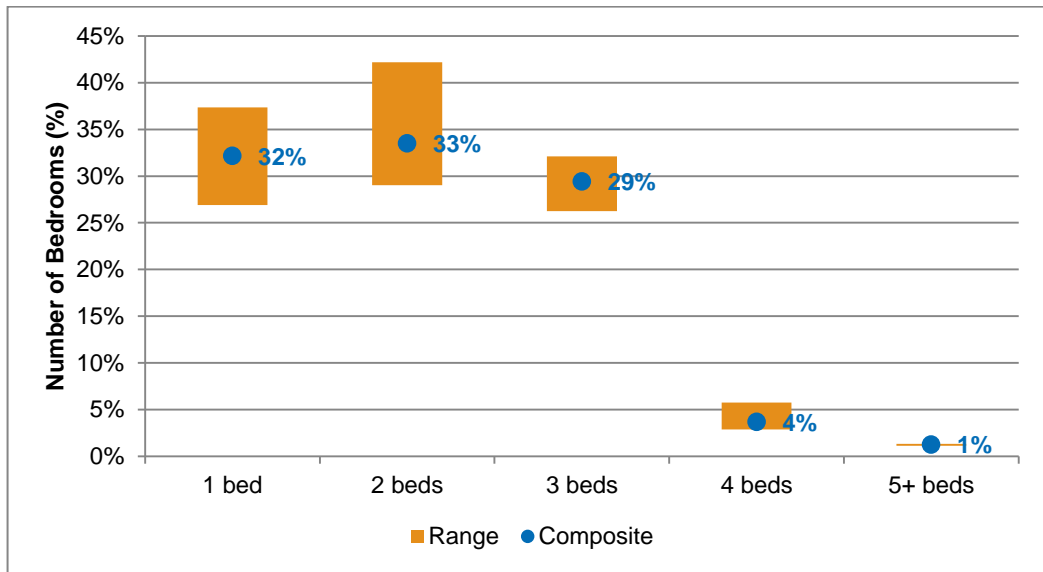


Source: Census 2011

- 3.29 Reflecting these previous comparisons, consideration can therefore be given to the consequences of aligning with the housing occupancy trends recorded in these comparator areas. This sensitivity can be compared with the outcomes of the modelling undertaken based on local data for Belfast, and benefits from more comprehensive Census data published for local authorities in England and Wales³². This identifies the number of bedrooms occupied by households of different types, and enables a further breakdown by property type (flats/houses).
- 3.30 The Census again provides this detail for a limited number of household categories, requiring a process of aggregation to identify trends for:
- One person households;
 - Households with dependent children; and
 - Other households.
- 3.31 The analysis below introduces these occupancy trends in comparator cities, identifying variance before establishing a composite position across all of the comparator cities. This data is tabulated and presented at Appendix 2.
- 3.32 As shown in the chart overleaf, one person households in comparator cities tend to occupy smaller housing with one or two bedrooms, albeit there is a degree of variance between cities. Comparatively few (27%) one person households in Newcastle occupy one bedroom properties, contrasting with the higher tendency seen in Leicester (37%). The latter sees comparatively few one person households occupying properties with two bedrooms (29%), again in contrast with Newcastle (42%). More limited variance is evident for larger properties, which are rarely occupied by one person households in cities similar to Belfast.

³² DC1402EW – Household composition by number of bedrooms; CT0551 – Accommodation type (excl caravans or temporary structures) by tenure by number of bedrooms, merged LAs in England

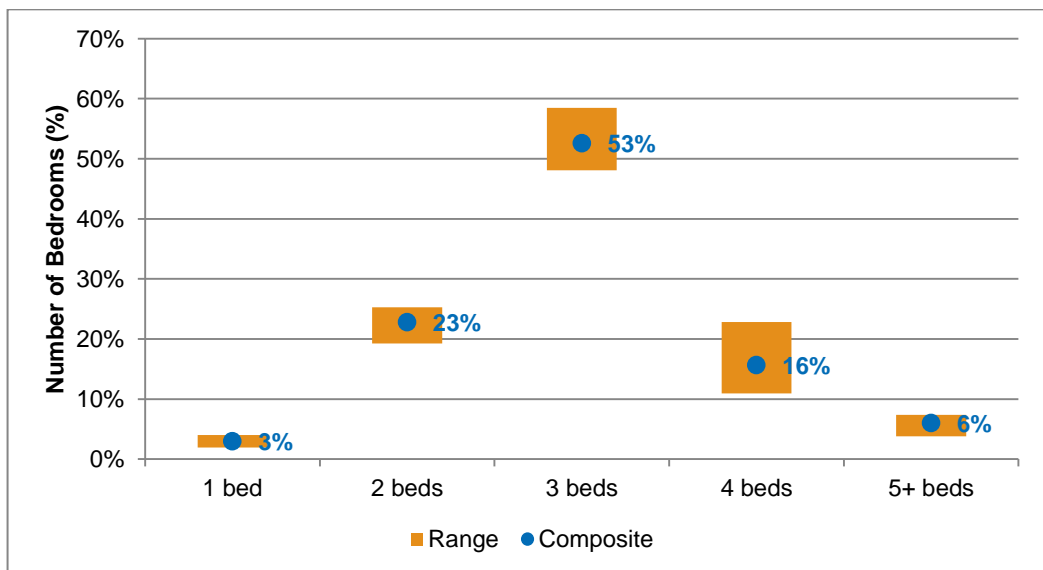
Figure 3.6: Size of Housing Occupied by One Person Households in Comparator Cities 2011



Source: Census 2011

3.33 The chart below presents comparable analysis for households with children. This consistently shows that the majority of households of this type occupy homes with three bedrooms, with only Cardiff (48%) seeing less than half of such households occupying housing of this size. As would be expected, few households with children occupy homes with only one bedroom. Homes with two or four bedrooms are also frequently occupied by households of this type, with a slight skewing towards the former in Leicester (25%) and the latter in Cardiff (23%).

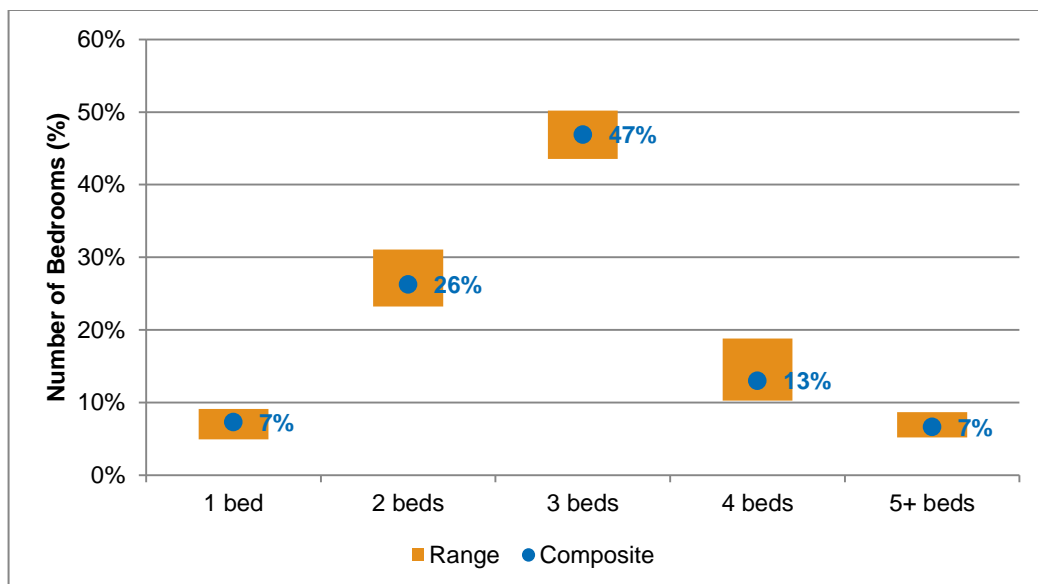
Figure 3.7: Size of Housing Occupied by Households with Children in Comparator Cities 2011



Source: Census 2011

3.34 Finally, analysis for other households suggests a similar trend, with occupation of three bedroom properties prevalent amongst this type of household. When compared to families, other households are more likely to occupy one bedroom properties, although two bedroom properties are also frequently occupied by households of this type.

Figure 3.8: Size of Housing Occupied by Other Households in Comparator Cities 2011



Source: Census 2011

Implications for Future Growth in Belfast

3.35 Applying the composite figures evidenced across the comparator cities provides an indication of the size of housing – measured by number of bedrooms – which may be required to accommodate projected change in the household profile of Belfast over the plan period. This is presented in the following table.

Table 3.5: Implied Size of Housing Required 2014 – 2035

	Change	1 bed	2 beds	3 beds	4+ beds
One person households	11,819	3,800	3,958	3,478	584
Households with dependent children	3,955	118	902	2,079	856
Other households	18,726	1,362	4,916	8,778	3,671
Total	34,501	5,279	9,775	14,336	5,111
%	100%	15%	28%	42%	15%

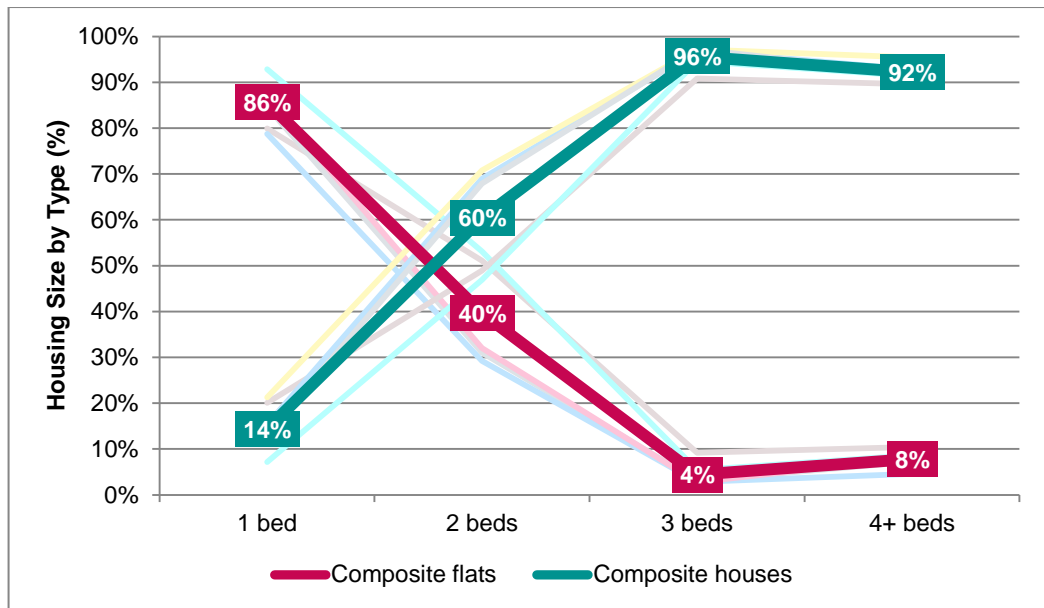
Source: Turley; Edge Analytics; ONS

3.36 This sensitivity testing indicates that circa 42% of additional households forming in Belfast may require 3 bedrooms, based on trends seen in comparable UK cities. Some 28% of households would be expected to require 2 bedrooms under this scenario, with a

smaller implied requirement for properties with 1 bedroom, 4 bedrooms or more. Additional properties of these sizes would nevertheless be required over the plan period.

3.37 While there is an absence of detail on the size and type of the housing stock in Belfast, Census data for English comparable cities provides a breakdown of accommodation types by number of bedroom. As illustrated in the following chart – and presented at Appendix 2 – a relatively consistent position is implied across the comparator cities, whereby in composite the majority of one bedroom properties (86%) are flats and more than 90% of larger properties with at least three bedrooms are houses.

Figure 3.9: Housing Size by Type in Comparator English Cities 2011



Source: Census 2011

3.38 Based on the above, the need for additional flats and houses in Belfast over the plan period can be illustratively estimated, when assumed that occupancy trends align with those seen in comparator cities. This suggests that circa 70% of homes would need to be houses to accommodate projected change in the household profile of Belfast, with a residual 30% requirement for flats.

Table 3.6: Implied Type of Housing Required in Belfast 2014 – 2035

	Total need 2014 – 2035	%
Flats	9,718	28%
Houses	24,783	72%
Total	34,501	100%

Source: Turley; Edge Analytics; ONS

Summary and Implications

- 3.39 The analysis in this section considers how projected change in the household profile of Belfast will generate additional demand for different sizes and types of housing over the plan period. Two approaches are considered, based on:
- Available local data on the occupancy trends of existing Belfast households at the 2011 Census; and
 - Evidence from the 2011 Census on occupancy trends in comparable UK cities, which have consistently featured within the Council's evidence base.
- 3.40 The first approach establishes the size of housing which may be required, based on the number of rooms. This indicates that circa 60% of additional households will require housing with at least 5 rooms, which – when discounting a kitchen and living room – could include at least 3 bedrooms.
- 3.41 Analysis based on comparator cities similarly indicates that around two thirds (67%) of additional households will require 3 bedrooms or more. Indeed, the level of alignment between these modelling approaches indicates that this may form an appropriate basis through which to estimate the future demand for housing of this size, based on existing trends both in Belfast and comparator areas.
- 3.42 The first approach also indicates that 39% of households will require no more than 4 rooms, again aligning relatively closely with the 43% of households expected to require homes with 1 or 2 bedrooms based on comparator cities. Within this broad range, each suggests that demand for 2 bedroom properties will be prevalent, when discounting a kitchen and living room.
- 3.43 More broadly, the sensitivity analysis based on comparator cities can be further disaggregated by household type, reflecting the stock profile of similar English cities. This suggests that around 30% of additional households will require flats, with the remaining 70% requiring housing. Such a profile would again appear to broadly align with the size of housing needed based on the first approach.
- 3.44 The implications of this modelling for Belfast are considered in the context of the existing housing stock and future supply in the following section.

4. Considering Recent and Future Supply

- 4.1 The modelling presented in the previous section indicates that around 30% of the additional households expected to form in Belfast over the plan period may occupy flats, with the residual 70% requiring houses. Around 40% would be expected to require properties of any type with 1 or 2 bedrooms, based on existing trends.
- 4.2 This section considers the recent profile of housing supply in Belfast, in order to determine whether a continuation of recent trends would meet projected demand. A headline updated position on the supply pipeline is also presented, establishing its spatial distribution.

Recent Supply

- 4.3 As noted above, the analysis in section 3 indicates that around 30% of additional households forming in Belfast over the plan period may require flats. Accordingly, 30% of the new homes provided in the district over the plan period would need to be flats to meet this implied demand. This can be illustratively compared with the recent supply profile to determine whether a continuation of recent trends would meet this projected demand.
- 4.4 The Council has reviewed building control records to establish the mix of housing delivered over the past seven years³³ (2010 – 2017). This illustrates that some 54% of homes completed during this period have been flats. Given that the type of some units is not known³⁴, this can be viewed as a minimum position.

Table 4.1: Type of Housing Completed in Belfast (2010 – 2017)

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
Flat	751	786	411	458	236	211	546	3,399
Terraced	0	14	113	83	169	75	70	524
Semi	1	23	80	212	148	241	220	925
Detached	2	7	46	51	63	68	93	330
Unknown	361	226	258	91	86	55	28	1,105
Total	1,115	1,056	908	895	702	650	957	6,283
Flats (%)	67%	74%	45%	51%	34%	32%	57%	54%

Source: Belfast City Council, 2017

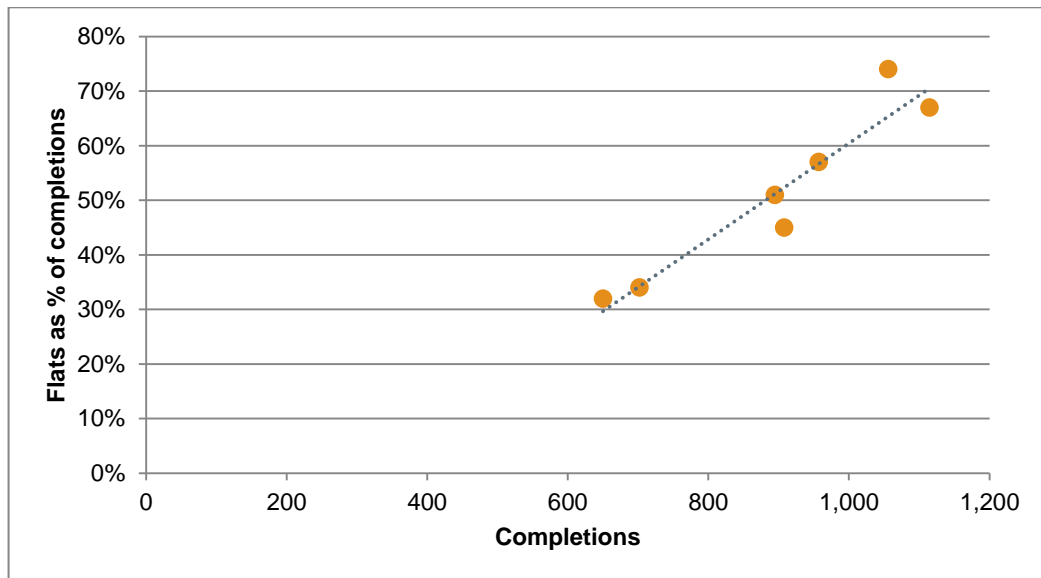
- 4.5 Over this period, it is noted that the highest levels of annual completions were recorded in years – such as 2010/11 and 2011/12 – when flats represented a larger proportion of homes delivered. This relationship is illustrated in the chart below, and suggests that in the recent past higher levels of flatted development have contributed towards the

³³ Gross figures presented, which therefore differ from housing monitor completions

³⁴ Type cannot be established for 1,105 units completed over this period (18%)

achievement of higher levels of new homes being provided in Belfast. This is likely to reflect the emergence of a new residential market within the city centre.

Figure 4.1: Relationship between Housing Completions and Prevalence of Flats (2010 – 2017)



Source: Turley; Belfast City Council, 2017

- 4.6 The Council's monitoring is validated by Land and Property Services (LPS) data over a slightly longer period (May 2008 – April 2017), which indicates that apartments have accounted for some 70% of the growth in housing stock during this time³⁵. The Housing Market Analysis Update³⁶ produced by NIHE also highlights the 22% growth in apartments since 2008, which contrasts with relatively limited growth in terraced (1%), semi-detached (4%) and detached (2%) housing over the same period.
- 4.7 The size of units completed has not been recorded by the Council or LPS. However, with flats typically smaller in size, it is reasonable to assume that recent supply has been weighted towards smaller units with fewer bedrooms.
- 4.8 The location in which new housing has been developed also provides further context, although detailed time series data is not available. The data is only consistently available over the past two years (2015 – 2017). This provides an up-to-date snapshot of the geographic profile of new residential development but it does not cover the period referenced above. Analysing this data highlights that the majority (91%) of net completions have been within outer Belfast, with the city centre seeing 88 completions over the same period. As noted above in preceding years, and particularly prior to the onset of recession, the geographic balance has been notably different with the city centre seeing new residential developments come forward at a greater level than suggested in the most recent two years.

³⁵ Land and Property Services, NISRA (July 2017) Northern Ireland Housing Stock: reference tables – annual tables 1.1 to 1.10

³⁶ NIHE (September 2017) Housing Market Analysis Update – Belfast City Council Area

Table 4.2: Housing Completions by Location (2015 – 17)

	2015/16	2016/17	2015 – 17	%
Outer Belfast	531	629	1,160	91%
City centre	4	84	88	7%
Harbour area	0	0	0	0%
Other settlements	20	1	21	2%
Total	555	714	1,269	100%

Source: Belfast City Council, 2017

Future Supply

- 4.9 The Council's latest Housing Monitor (2016/17) provides an indication of land potentially available to accommodate residential development in future, and the number of units that could be accommodated. This updates the analysis of the previous Housing Monitor (2015/16) presented in the Housing Growth Options Report³⁷.
- 4.10 The Monitor indicates that 23,170 dwellings could be potentially accommodated on sites identified in Belfast. This is not broken down by type, although a breakdown by location is available. As illustrated in the following table, some 62% of this potential supply could be accommodated on sites in outer Belfast. The city centre is identified by the Council as having the potential to accommodate around a quarter (24%) of future supply, based on identified potential sites.

Table 4.3: Available Potential by Location

	Potential units	%
Outer Belfast	14,395	62%
City centre	5,622	24%
Harbour area	3,150	14%
Other settlements	3	0%
Total	23,170	100%

Source: Belfast City Council, 2017

- 4.11 In interpreting the above, the profile of housing stock in each of these locations provides important context. It would be expected, for example, that the majority of new housing delivered in areas characterised by high proportions of flats would be more likely to be flats, with provision of new houses more likely in areas where family housing is more prevalent.
- 4.12 The following plan highlights small areas where the largest proportions of households occupied flats at the 2011 Census. The extents of the spatial areas referenced above

³⁷ Turley (2016) Housing Growth Options Report – Belfast City Population and Housing Growth Study (p14 – 20)

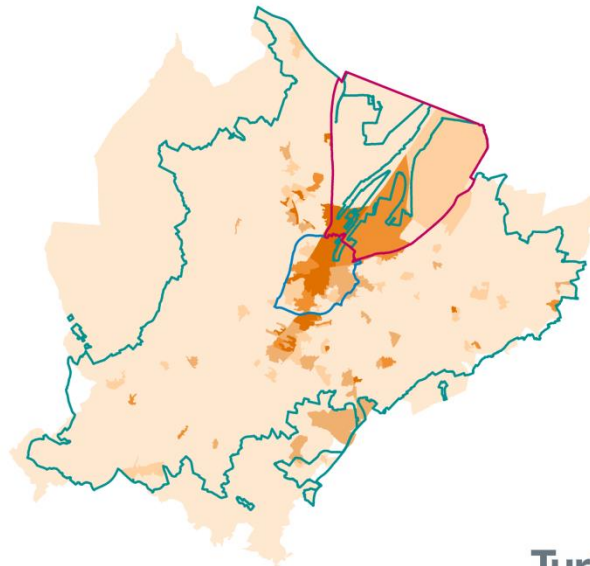
are also illustrated for context, highlighting that flats are more prevalent in the city centre and harbour area. Flats are more dispersed elsewhere in outer Belfast.

Figure 4.2: Households Living in Flats 2011

Households Living in Flats
2011 Census, small areas

- Over 70%
- Over 60%
- Over 50%
- Over 40%
- Under 40%

Harbour area
City centre
Outer Belfast



Turley

Source: Census 2011; Belfast City Council

Summary

- 4.13 The analysis in this section provides an overview of recent trends in the type of housing delivered in Belfast, and the profile of the supply pipeline.
- 4.14 Over recent years (2010 – 2017), the Council’s monitoring indicates that around half (54%) of homes completed have been flats. Interestingly, those years during this period where proportionately fewer flats were provided saw lower overall levels of housing development, indicating that flats have contributed towards elevating housing provision in the city over recent years.
- 4.15 The Council’s monitoring of its potential pipeline indicates capacity to accommodate circa 23,170 dwellings. While this is not broken down by type, the majority (62%) relates to sites in outer Belfast, with potential for around 5,600 dwellings in the city centre.
- 4.16 In advancing the LDP, it is recommended that the Council further appraises the type of homes which could be delivered through its supply pipeline. While it is recognised that there is some uncertainty, this would assist the Council in understanding whether some sites – or spatial areas more broadly – are capable only of practically accommodating flats, for example. This would assist in establishing the likely capacity to accommodate the size and type of housing which may be needed over the plan period, based on the modelling presented in section 3 of this report.

5. Needs of Specific Groups

5.1 The Council has requested further consideration of needs associated with specific segments of the Belfast housing market. The following were identified by the Council and are individually considered within this section:

- Affordable housing;
- Private rented sector;
- Families;
- Older persons;
- Households with specific needs; and
- Students.

Affordable Housing

5.2 Affordable housing is defined within the SPSS³⁸ and relates to both:

- **Social rented housing**, provided at an affordable rent by a registered housing association³⁹. Social rented accommodation should be available to households in housing need and is offered in accordance with the Common Selection Scheme, administered by NIHE, which prioritises households living in unsuitable or insecure accommodation; and
- **Intermediate housing**, consisting of shared ownership housing provided through a registered housing association (such as the Co Ownership Housing Association). This helps households able to afford a small mortgage but unable to afford to buy a property outright. The property is split between part ownership by the householder and part social renting from the registered housing association. The proportion of property ownership and renting can vary depending on householder circumstances and preferences. It is noted that the policy may evolve to incorporate other forms of housing below open market rates.

5.3 As previously highlighted, the modelling presented in this report to establish the size and type of housing required by the types of households expected to form in Belfast over its plan period cannot be broken down by tenure. On this basis, although the approach captures and reflects how households of all types currently occupy all forms of housing – including affordable housing – those assumed to occupy or need affordable housing cannot be isolated.

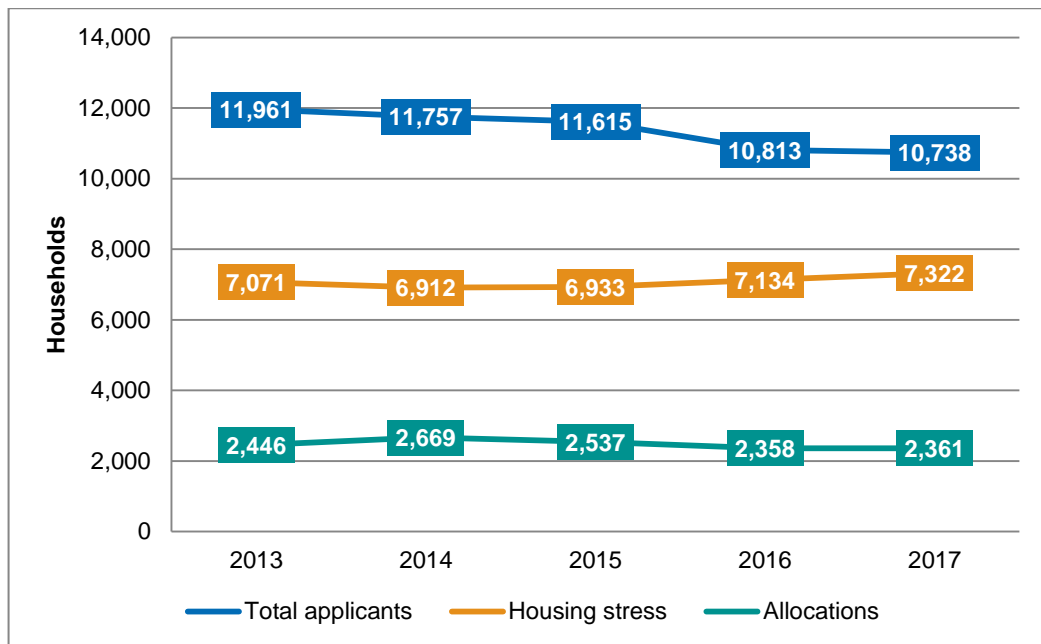
³⁸ Department for the Environment (September 2015) Strategic Planning Policy Statement for Northern Ireland (glossary, p114)

³⁹ One that is registered and regulated by the Department for Social Development as a social housing provider

- 5.4 However, NIHE has a statutory duty to '*regularly examine housing condition and need*⁴⁰', and annually reports on the need for social housing in defined geographic areas including Belfast. It is understood that this is based upon the Common Waiting List. Its latest 2017 assessment is presented within the HMA Update⁴¹, referenced within the introduction to this report and forming part of the Council's housing evidence base.
- 5.5 The HMA Update also provides wider context on the factors generating a need for affordable housing in Belfast, including changing affordability trends in wider Northern Ireland. At the height of the pre-recession market, median house prices were over 9 times earnings before falling sharply. Although the relationship between house prices and earnings has worsened annually since 2012, the ratio stood at 4.7 in 2016, with the low loan to income ratio relative to other UK regions indicating that the cost of purchasing in Northern Ireland is generally more affordable than elsewhere.
- 5.6 Ulster University's Affordability Index does, however, identify Belfast as the least affordable region of Northern Ireland. Although median earnings in Belfast are the highest in Northern Ireland, only one in every four properties sold are considered to be affordable for those earning at this level.
- 5.7 Supply is also a factor influencing the need for social housing, but is influenced itself by the sale of social housing. Over 25,000 former social houses owned by NIHE have been sold in Belfast, although sales rates have reduced over the past decade. This has enabled an increase in the city's social housing stock over recent years, although this trend is not considered by NIHE likely to continue due to budgetary pressures and evidence of an increase in applications to buy social stock. This is to be monitored further by NIHE over the period to 2020.
- 5.8 The HMA Update highlights a slight reduction in the number of applicants on the waiting list administered by NIHE over the past five years, although an increased number of applicants are in '*housing stress*'. The number of allocations has remained relatively constant over the past five years.

⁴⁰ Housing (Northern Ireland) Order 1981

⁴¹ NIHE (September 2017) Housing Market Analysis Update – Belfast City Council Area

Figure 5.1: Social Housing Waiting List in Belfast 2013 – 2017

Source: NIHE, 2017

- 5.9 In March 2017, around half (49%) of all applicants in Belfast were single person households, with this group also representing an identical proportion (49%) of applicants in housing stress. Small families with one or two children also represented a comparatively large component of the waiting list, followed by older people aged 60 years or above.

Table 5.1: Total Waiting List and Applicants in Housing Stress (March 2017)

	All applicants		Housing stress	
	Total	%	Total	%
Single adult (16 – 59)	5,286	49%	3,619	49%
Two adults (16 – 59)	452	4%	258	4%
Three adults or more	141	1%	86	1%
Small family	2,945	27%	2,089	29%
Large family	678	6%	458	6%
Older person(s) 60+	1,236	12%	812	11%
Total	10,738	100%	7,322	100%

Source: NIHE, 2017

- 5.10 NIHE observe that:

“Single person households and small families account for three quarters of the total waiting list, reflecting the trend towards smaller households, evident throughout

Northern Ireland. The predominance of single and smaller family households and the welfare reform agenda will mean that new social housing will comprise a high proportion of one and two bedroom dwellings. This will mark a departure as much of the social housing stock reflects the earlier redevelopment programmes which mainly provided family housing”

- 5.11 The HMA Update calculates a need for 14,102 social homes across Belfast over the next 15 years (2017 – 2032), equating to need for **940 social homes each year**.
- 5.12 Caution should be exercised in directly comparing this calculated need with the overall need for between 1,600 – 1,800 homes recommended in the Housing Growth Options Report. The latter includes housing in all tenures, and is derived from projected change in the population, household structure and economy of Belfast for the purposes of strategic planning. The need for social housing captures both newly forming households and existing households unable to afford the cost of market housing.
- 5.13 Similarly, the indication that new social housing will primarily need to contain one or two bedrooms evidently deviates from the conclusion – established in section 3 of this report – that over half (60%) of new Belfast households forming over the plan period will require houses with three or more bedrooms. It is important to note that:
- Social housing need represents only a component of overall housing need;
 - The approach presented in this report directly reflects the existing occupancy trends of all types of households in Belfast, regardless of tenure; and
 - Households occupying market housing are free to exercise choice in the market and occupy homes with more bedrooms than explicitly “needed”, based on any bedroom standard. Social rented housing in contrast is more managed, with a closer alignment between the number of occupants and the size of housing allocated.

Intermediate Housing

- 5.14 The HMA Update produced by NIHE also estimates the scale of need for intermediate housing in Belfast. This is based on a model which estimates demand by examining median income levels, lower quartile house prices, the estimated income required and household projections. The methodology therefore differs from that used to estimate the need for social housing – summarised above – or indeed that used to estimate the overall need for housing in all tenures. This inhibits direct comparison between the separate calculations.
- 5.15 An annual need for **633 intermediate units in Belfast** is suggested by the model, indicating ‘*considerable scope for this market to be increased as finance continues to be constrained by mortgage lenders for full home ownership*’.

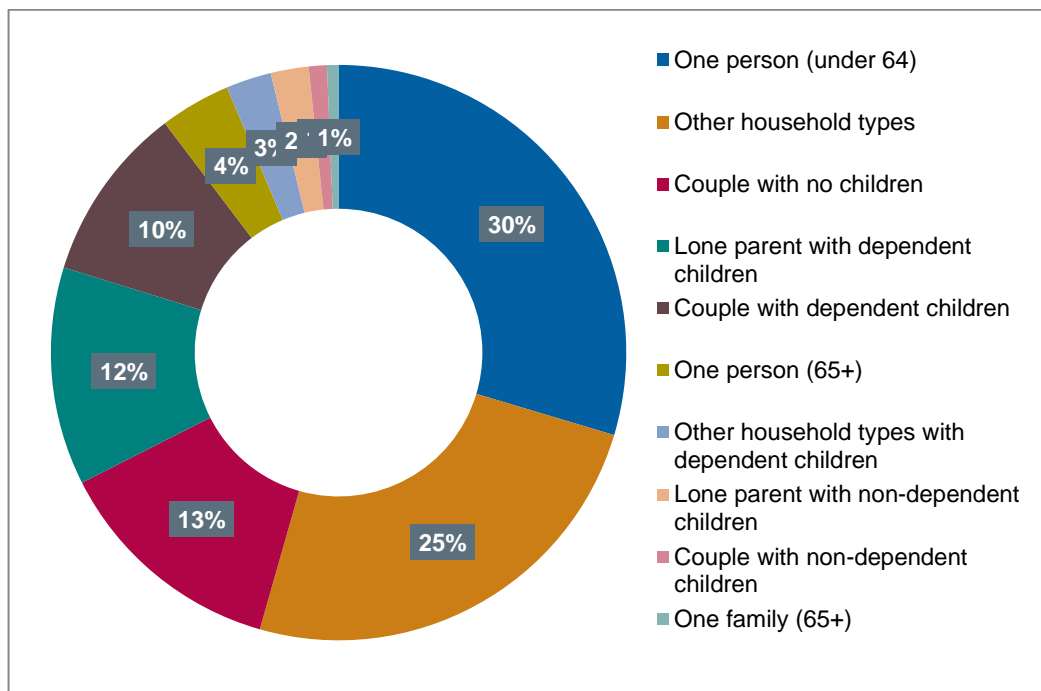
Private Rented Sector

- 5.16 The private rented sector plays an important role in meeting housing needs. As highlighted at Table 3.2 of this report, around one in five (20%) households in the former

Belfast LGD privately rented their home at the 2011 Census, which exceeded the national average (15%) for Northern Ireland.

5.17 As in section 3, the 2011 Census enables a further breakdown of the types of households living in Belfast’s private rented sector. Of the circa 23,600 households living in the sector in 2011, the following chart shows that some 30% were one person households aged 64 or under. Other households also accounted for around one in four households privately renting in Belfast. Couples without children (13%) and lone parents with children (12%) were also relatively prevalent in the sector, and indeed the four aforementioned household types collectively accounted for some 80% of those privately renting in Belfast at the last Census.

Figure 5.2: Household Types Privately Renting in Belfast 2011



Source: NISRA, 2011

5.18 A further breakdown by age group can also be established through the Census. As highlighted in the following table, over half of residents (57%) living in the private rented sector of Belfast were aged 34 and under, exceeding the position for Northern Ireland (44%) to suggest that the sector is more orientated towards younger age cohorts in the city.

Table 5.2: Age of Residents in the Private Rented Sector 2011

	34 and under	35 to 44	45 to 64	65 and over
Belfast	57.1%	20.4%	15.9%	6.6%
Northern Ireland	43.5%	25.4%	21.7%	9.4%

Source: NISRA, 2011

- 5.19 The HMA Update produced by NIHE also highlights the role of the private rented sector in accommodating many households who would traditionally have lived in social housing. Data from March 2017 is cited to highlight that 41% of all private sector tenants in Belfast received housing benefit.
- 5.20 Research published by Ulster University – drawing on NIHE and PropertyNew.com data – highlights the relative concentration of rented properties in Belfast compared with wider Northern Ireland. The number of annual rented dwellings decreased by a not-insignificant 17% in Belfast between 2013 and 2016, with the reduction in the rest of Northern Ireland being even more pronounced at 46%. In total, Northern Ireland therefore saw a reduction of 33% in terms of the total number of rental transactions taking place between 2013 and 2016. This is summarised in the following table, based on Ulster University data⁴².

Table 5.3: Rental Transactions 2013-16

	2013	2014	2015	2016
Belfast	10,531	9,585	9,676	9,005
Rest of Northern Ireland	15,857	13,810	12,203	10,837
Total	26,388	23,395	21,879	19,842

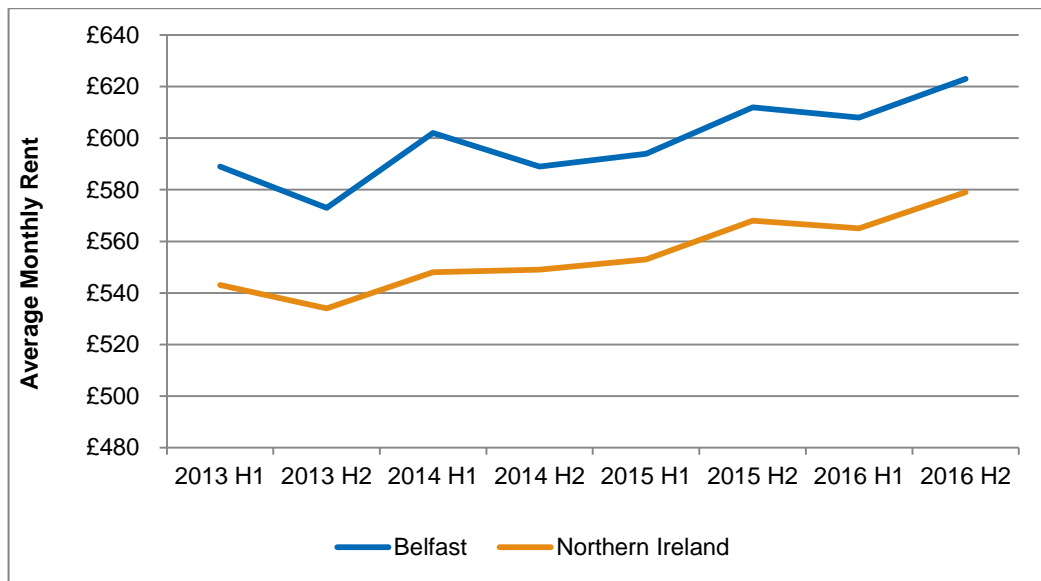
Source: Performance of the Private Rental Market in Northern Ireland, 2016

- 5.21 The following chart shows average rents in Belfast compared with the rest of Northern Ireland, based on data presented in the latest Ulster University report⁴³ (Figure 4.1). This shows that average monthly rent in Belfast is higher than elsewhere in Northern Ireland, a 7% difference being recorded in the second half of 2016.

⁴² Ulster University (2016) Performance of the Private Rental Market in Northern Ireland: Research Report – July-December 2016 (pages 6; 11)

⁴³ Ibid.

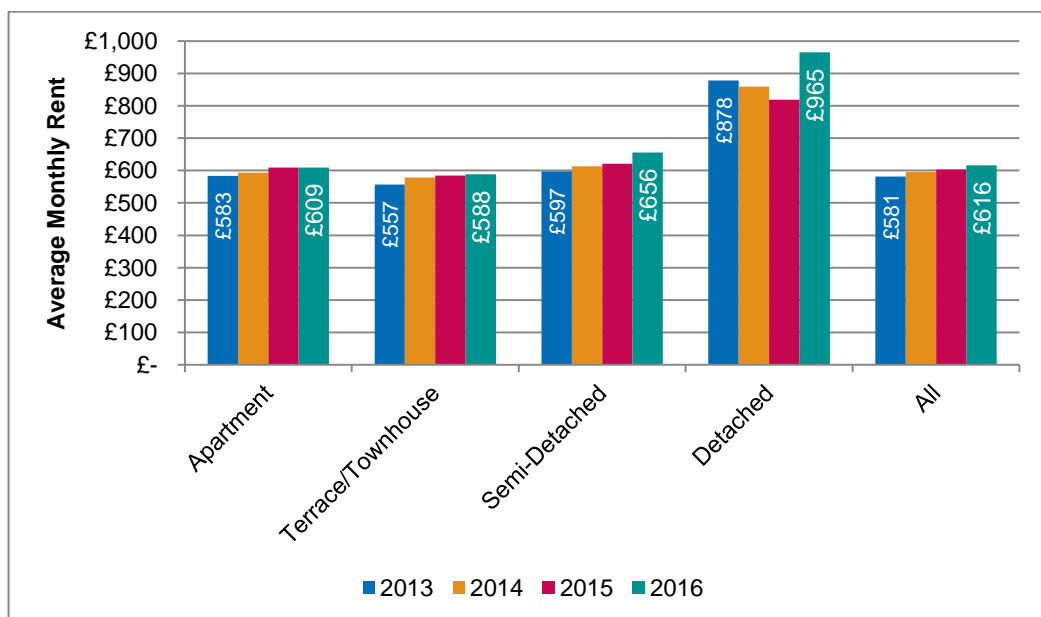
Figure 5.3: Average Monthly Rent 2013 – 2016



Source: Performance of the Private Rental Market in Northern Ireland, 2016

5.22 This is further disaggregated by property type within the following graph, showing that detached rented property has the highest monthly rent, with a sharp increase of almost 25% being recorded in average rents of this type of property between 2015 and 2016 following three previous years of year-on-year decline. All other property types saw an increase in average rents between 2013 and 2016, with semi-detached rents exhibiting the second-greatest absolute rise (after detached houses) during the analysed time-frame.

Figure 5.4: Average Rent by Property Type in Belfast 2013 – 2016



Source: Performance of the Private Rental Market in Northern Ireland, 2016

- 5.23 In considering the type of properties available for private rent in Belfast, it is important to recognise the role of houses in multiple occupation (HMO) which have been identified by NIHE as ‘an important element of the PRS, particularly for younger people on low incomes and for single people, under the age of 35, affected by the limitation of housing benefit to the shared room rate’. Belfast accommodates 60% of Northern Ireland’s HMOs.
- 5.24 Furthermore, reflecting the cost of private rent, the HMA Update produced by NIHE cites research into the affordability of the private rented sector, identifying particular challenges for low income households looking to raise a deposit. Across Northern Ireland, around one third of earnings are spent on rent.
- 5.25 However, the relative affordability of the sector when compared to purchase options leads NIHE to the conclusion that the private rented sector will continue to play an important role in the housing market. In some circumstances, this also reflects households’ changing preferences in terms of flexibility, choice and freedom of responsibility for repairs and maintenance. NIHE also acknowledge the significant influence of trends in the social housing and owner occupied sectors, which will in turn be influenced by wider economic factors.

Families

- 5.26 The 2011 Census found that 29% of households in the former Belfast LGD contained dependent children, which is lower than the position recorded across Northern Ireland (34%). A relatively large proportion of such households in Belfast contain lone parents, again when compared to Northern Ireland as a whole.

Table 5.4: Households with Dependent Children 2011

	Belfast		Northern Ireland	
	Total	%	Total	%
Couple with children	16,727	49%	154,863	65%
Lone parent with children	14,184	41%	64,228	27%
Other households with children	3,542	10%	18,980	8%
Households with dependent children	24,453	100%	238,071	100%
Proportion of all households	29%	–	34%	–

Source: NISRA, 2011

- 5.27 In Belfast, around half (51%) of households with dependent children were owner occupiers at the 2011 Census. One in five (20%) such households rented from NIHE, with the private rented sector accommodating a slightly smaller proportion (17%). It is also notable from the table below that tenure trends vary between types of family households. Couples with children demonstrated a stronger tendency towards owner occupation, contrasting with lone parents where a larger proportion rented from NIHE, a housing association or in the private rented sector.

Table 5.5: Tenure of Belfast Households with Dependent Children 2011

	Couple with children	Lone parent with children	Other households with children	Family households with children
Owner occupied	71.3%	29.0%	46.6%	51.4%
Shared ownership	0.8%	0.6%	0.5%	0.7%
Rented from NIHE	8.8%	31.6%	25.7%	19.9%
Rented from housing association	4.2%	16.1%	8.7%	9.6%
Private rented	14.0%	20.4%	17.0%	16.9%
Living rent free	0.9%	2.3%	1.6%	1.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: NISRA, 2011

- 5.28 Beyond this headline appreciation of tenure trends, section 3 highlighted that limited data exists on family households' occupancy patterns in Belfast. However, analysis of more detailed data available for comparator cities (Figure 3.7) highlighted that such households tend to occupy larger housing, predominantly with three bedrooms.
- 5.29 More broadly, national research has found that three bedroom homes are the most popular aspiration for a long-term home, with 40% of those recently surveyed by Lloyds Bank stating that this was the '*ideal home*' and a further 24% expressing a preference for a four bedroom home⁴⁴. Furthermore, though its remit was generally limited to England, research by the Commission for Architecture and the Built Environment⁴⁵ (CABE) – published in 2004 – remains one of the most comprehensively evidenced insights into buyers' preferences. This highlighted that families with children aspire to own a detached house – due to privacy, security, ease of access and both inside and outside space – and tend to demonstrate aversion to smaller flats due to space limitations.
- 5.30 On this basis, meeting the needs of families with children is likely to require a balanced profile of housing development in Belfast over the plan period, ensuring that sufficient provision is made for the housing types typically occupied by families.

Older Persons

- 5.31 As highlighted in section 2 of this report – and indeed within the Housing Growth Options Report – a significant increase in the older population of Belfast is expected over the plan period. Under the baseline employment growth scenario, some 38% of projected population growth over the plan period is accounted for by those aged 65 and over. This will increase the number of older residents in Belfast by over half (51%), including a two thirds increase in the number of residents aged over 85.

⁴⁴ Lloyds Bank (3 September 2016) Homeowners' Housing Aspirations Show Signs of Optimism

⁴⁵ CABE (2004) What home buyers want: attitudes and decision making among consumers

Table 5.6: Modelled Change in Older Population 2014 – 2035

	2014	2035	Change	% change
65 to 74	24,970	28,276	13,306	53.3%
75 to 84	17,212	24,308	7,096	41.2%
85 and over	6,982	11,721	4,739	67.9%
65 and over	49,164	74,305	25,141	51.1%
% of total population	14.6%	18.5%	38.2%	–

Source: Edge Analytics, 2016

- 5.32 While this identifies older residents, older households cannot be specifically isolated within the modelling. However, again the 2011 Census provides important context in this regard.
- 5.33 It found that 18% of households in the former Belfast LGD were occupied solely by older residents (65+), which is comparable to that seen across Northern Ireland. Of these older households in Belfast, the majority (68%) contained a single older resident, exceeding that seen nationally.

Table 5.7: Older Households in Belfast 2011

	Belfast		Northern Ireland	
	Total	%	Total	%
Single household (65+)	14,555	68%	78,101	61%
Couple household (all 65+)	6,375	30%	46,826	37%
Other households (all 65+)	615	3%	3,279	3%
Older households	21,545	100%	128,206	100%
Proportion of all households	18%	–	18%	–

Source: NISRA, 2011

- 5.34 Prevalent tenure trends amongst older households in Belfast can also be established through the Census. Some 61% of older households were owner occupiers, with this tenure particularly dominant amongst older couples. While owner occupation is the main tenure amongst all types of older households, single and other older households demonstrate a greater tendency towards renting from NIHE or housing associations.

Table 5.8: Tenure of Older Households in Belfast 2011

	Single household (65+)	Couple household (all 65+)	Other households (all 65+)	Older households
Owner occupied	53.8%	79.9%	53.2%	61.5%
Shared ownership	0.2%	0.3%	0.3%	0.2%
Rented from NIHE	18.4%	9.6%	22.0%	15.9%
Rented from housing association	14.4%	5.5%	12.0%	11.7%
Private rented	6.5%	2.4%	5.2%	5.2%
Living rent free	6.8%	2.4%	7.3%	5.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: NISRA, 2011

- 5.35 This provides important context in considering how the additional older households projected in Belfast may occupy housing over the plan period. While these households cannot be isolated, section 2 highlighted that older residents who do not live in households – instead residing in communal establishments, such as care homes – can be individually isolated within the modelling. This allows the calculation of assumed change in the number of such communal residents – shown at Figure 2.3 of this report – which shows that circa 820 additional older residents (65+) are not assumed to occupy private dwellings. This likely indicates a need for bedspaces in residential care homes, which is additional to the need for circa 1,750 dwellings per annum implied by the baseline employment growth scenario which falls within the recommended range (1,600 – 1,800dpa).

Existing Policy and Strategy

- 5.36 Growth in the older population has implications for the type of housing required in Belfast. The HMA Update produced by NIHE recognises that the specific needs of older residents with health, disability or mobility problems, for example, will need to be addressed through policies in planning, housing and social care sectors. It notes that this could increase demand for wheelchair, adapted and Lifetime Home properties in particular.
- 5.37 More broadly, NIHE is responsible for implementing the policies outlined in their Supporting People programme. The programme's 'Housing Related Support Strategy 2012-2015' (HRSS) was published in 2012 and outlines the vision of the accessible provision of '*sufficient and suitable housing related support services for vulnerable people so that they can live as independently as possible in their own communities*'⁴⁶.
- 5.38 Strategies targeting older people make up a significant portion of the HRSS's policies, recognising that Northern Ireland is an ageing society, with a forecast 67% increase in the country's population of people over 85 year olds cited between 2012 and 2021⁴⁷. As

⁴⁶ NIHE (2012) Housing Related Support Strategy 2012-2015 (page 4)

⁴⁷ Ibid. (page 23)

a consequence, the strategy acknowledged that increasing numbers of people will require support with housing and other services in the future, with a range of housing provision required; from services that support people in living at home, to specialised accommodation-based services.

5.39 The strategy reported that older people generally exhibit a strong preference to continue living in their own home, with the following issues highlighted as having significant impacts on the ability of older people to live independently:

- Staying healthy;
- Poverty, including fuel poverty;
- Social isolation and security;
- Access to home support and care;
- Assistance with repairs;
- Provision of adaptations/grants (Disabled Facilities Grants);
- Assistive technology; and
- Information about future housing options.

5.40 The strategy also states that sheltered housing is another popular option for older people, with independent living being maintained through the assistance of an on or off-site scheme manager, communal living and the provision of assistive technologies.

5.41 A 2012 report into sheltered housing in Northern Ireland found that while there had been considerable overall growth in sheltered housing stock since the 1980s, there had been minimal growth in the five years from 2007-2012. The quality of this stock was though found to be relatively high, with 87% of Housing Associations reporting that their stock's physical accessibility was very good⁴⁸. The report also found that a future issue for the sector is the fact that there is increasing demand for sheltered housing from older people who have aged in their previous accommodation and developed increasingly complex health issues with considerable support and care needs.

5.42 The HRSS's associated Action Plan therefore states that a range of service models to enable older people to maintain independence in the tenure of their choice should be developed, with this to be achieved by working in partnership with organisations such as the Northern Irish Health and Social Care Board and other commissioning services for older people⁴⁹.

5.43 A Department for Social Development review of the HRSS conducted in 2015 found that, in the period from 2012-2015, 57% of contracted Supporting People programme

⁴⁸ NIHE (2012) The role of sheltered housing in Northern Ireland and future issues (page 4)

⁴⁹ NIHE (2012) Housing Related Support Strategy 2012-2015: Action Plan (page 8)

units consisted of services for older people, with this comprising a 14% share of the Supporting People programme's overall budget⁵⁰.

Households with Specific Needs

- 5.44 The 2011 Census provides a record of health problems or disabilities amongst the population of Belfast. As highlighted in the following table, some 82% of residents aged 64 and under indicated that they were in good or very good health at the time of the Census. Amongst older residents aged over 65, a smaller proportion (40%) indicated that they were in good or very good health, with around one in five (20%) reporting that they had bad or very bad health issues.

Table 5.9: Health of Belfast Residents 2011

	All residents	Residents aged 64 and under	Residents aged 65 and over
Very good health	45.7%	51.6%	11.0%
Good health	30.5%	30.7%	29.0%
Fair health	15.9%	11.7%	40.5%
Bad health	6.1%	4.6%	15.0%
Very bad health	1.8%	1.3%	4.5%
Total	100.0%	100.0%	100.0%

Source: NISRA, 2011

- 5.45 In total, the Census identified circa 26,421 Belfast residents with bad or very bad health issues, of which over one in three (36%) were over 65 years of age. Furthermore, as shown in the table below, the majority of these health issues significantly limited the daily activities of these residents.

Table 5.10: Bad or Very Bad Health Issues Limiting Activity 2011

	Total	%
Day-to-day activities limited a lot	23,281	88.1%
Day-to-day activities limited a little	2,331	8.8%
Day-to-day activities not limited	809	3.1%
Total with bad or very bad health	26,421	100.0%

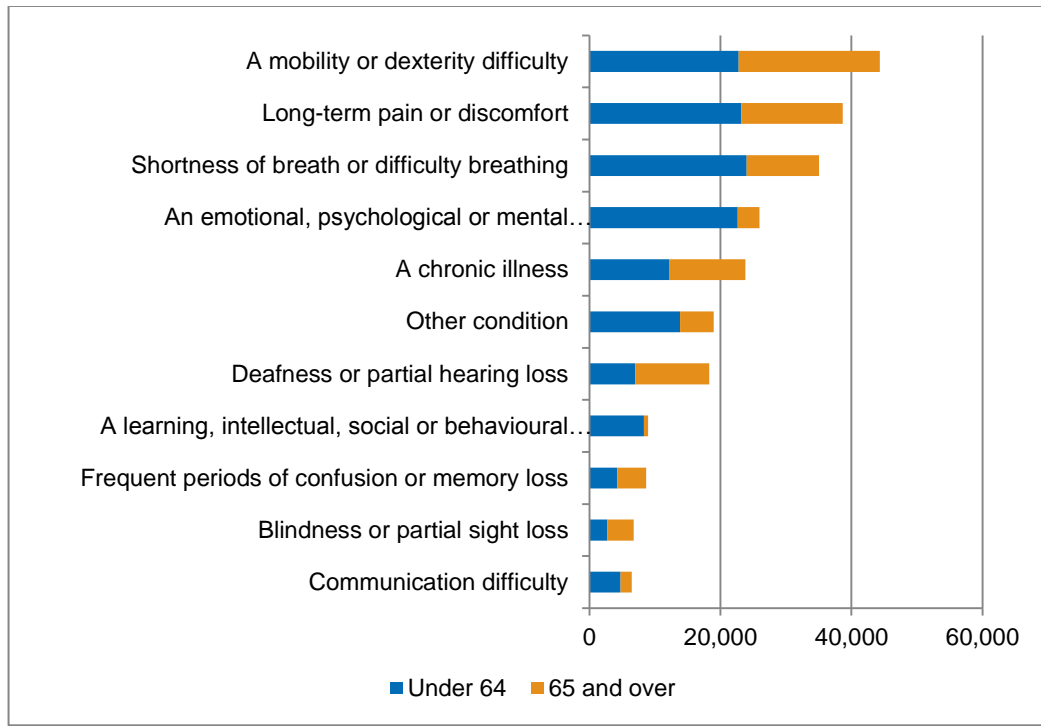
Source: NISRA, 2011

- 5.46 Additionally, the Census recorded long-term conditions affecting residents of Belfast. One in three residents (34%) recorded a form of long-term condition, increasing to some 76% amongst older residents aged 65 and over. As illustrated in the chart below, the

⁵⁰ NIHE (2015) Supporting People Review: Final Report – November 2015 (page 9)

type of conditions most frequently reported⁵¹ included those relating to mobility or dexterity, long-term pain or discomfort and breathing difficulty.

Figure 5.5: Reported Long-Term Conditions of Belfast Residents 2011



Source: NISRA, 2011

5.47 Amongst residents **aged 64 and under**, the long-term conditions most frequently recorded were:

- Shortness of breath or difficulty breathing;
- Long-term pain or discomfort;
- A mobility or dexterity difficulty; and
- An emotional, psychological or mental health condition.

5.48 **Older residents** most frequently identified the following long-term conditions:

- A mobility or dexterity difficulty;
- Long-term pain or discomfort;
- A chronic illness; and
- Deafness or partial hearing loss.

⁵¹ It is understood that households were able to specify more than one long-term condition, and therefore the total number of reported conditions exceeded the number of residents recorded at the Census

- 5.49 As highlighted earlier, projected growth in older residents in particular could increase the absolute number of residents with the long-term health conditions most frequently cited by this age cohort. Population growth amongst younger cohorts could also increase the number with regularly reported conditions. The exact increase that needs to be planned for cannot be robustly established, and it will therefore be necessary for the Council and other bodies to monitor the number of residents and households with specific health problems requiring specialist housing.
- 5.50 For example, the HMA Update prepared by NIHE states that 100 social housing applicants require specialist wheelchair accessible accommodation, and identifies an overall shortage of this type of accommodation. It is noted that the Department for Communities aim to ensure that 7% of new social housing is built to wheelchair standard, with a flexible approach taken to meet this overall requirement.
- 5.51 Additional context can be established through a review of published policies and strategies for specific types of health issue, presented below.

People with Learning Disabilities

- 5.52 Strategies concerning people with learning disabilities are outlined in the HRSS. The strategy recognises that the wide spectrum of learning disabilities and the situations of those affected must be accompanied by a wide range of housing options, including the family home, living independently (with or without support), in residential homes, in nursing homes, within therapeutic community based settings, or within supported living.
- 5.53 The strategy states that over the period 2012-2027 there are indications that the number of people with learning disabilities in Northern Ireland will increase, and that an increase in housing support provision for such people will therefore likely be required.
- 5.54 The 2015 Department for Social Development review of the HRSS found that 8% of contracted Supporting People programme units consisted of services for people with learning disabilities, with this comprising a 21% share of the Supporting People programme's overall budget⁵².

People with Mental Health Issues

- 5.55 The HRSS states that housing can be critical in enabling people to feel work and play a part in community life and that a lack of secure housing can be detrimental to a person's mental health.
- 5.56 The strategy states that while housing support provision for people with mental health issues is generally strong in Northern Ireland, there is a need to shift the balance from hospital to community service provision. Demographic changes, such as the ageing population, mean that increased provision of supported housing for people with mental health issues is anticipated to be required.
- 5.57 The 2015 Department for Social Development review of the HRSS found that 8% of contracted Supporting People programme units consisted of services for people with

⁵² NIHE (2015) Supporting People Review: Final Report – November 2015 (page 9)

mental health issues, with this comprising a 17% share of the Supporting People programme's overall budget⁵³.

People with Physical and Sensory Disabilities

5.58 NISRA estimate that 18% of all people in Northern Ireland are living with some form of physical disability, the highest rate of any region in the UK⁵⁴. The main focus of the Supporting People programme concerning people with physical and sensory disabilities is the provision of better services to support independent living. The HRSS says that a focus on early intervention and focus on supporting people with such issues to live independently at home have resulted in a reduction in the reliance on residential or care homes.

5.59 NIHE therefore seeks to ensure the delivery of housing that facilitates independent living for those with physical and sensory disabilities, with the HRSS stating that the policies that will achieve this are as follows:

- Ensuring accommodation developed through the social housing development programme does not later provide a barrier to ageing in place by being built to 'Lifetime Homes' standards.
- Ensuring, where appropriate, that accommodation is increasingly 'disability friendly' (e.g. designed to wheelchair standards).
- Facilitating adaptations grants to allow people to continue to live in their home as they age or develop a disability.
- When commissioning supported accommodation services by seeking to ensure disabilities are accommodated in keeping with the social housing development design guide.
- Commissioning floating support services to deliver the support people need in their own homes or tenancies, to help them to live independently.⁵⁵

5.60 The HRSS also states that a relatively small proportion of people living with physical and sensory disabilities actually access the housing support services that could help them meet their needs.

5.61 The 2015 Department for Social Development review of the HRSS found that 3% of contracted Supporting People programme units consisted of services for people living with physical or sensory disabilities, with this comprising a 4% share of the Supporting People programme's overall budget⁵⁶.

Students

5.62 This Addendum is not intended to consider the need for student accommodation in Belfast. Students cannot be isolated within population or household projections,

⁵³ NIHE (2015) Supporting People Review: Final Report – November 2015 (page 9)

⁵⁴ NIHE (2012) Housing Related Support Strategy 2012-2015 (page 32)

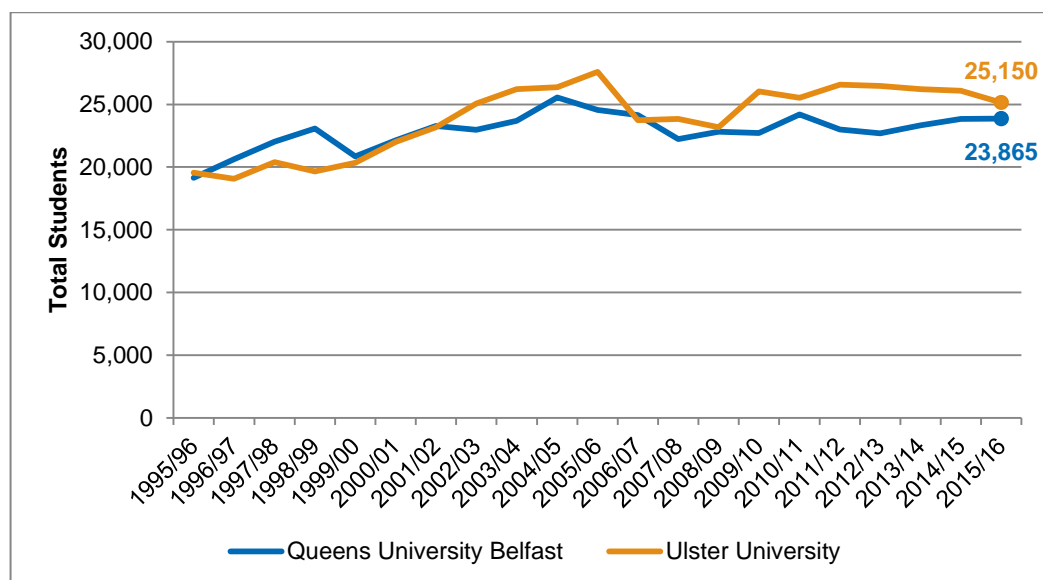
⁵⁵ Ibid. (page 34)

⁵⁶ NIHE (2015) Supporting People Review: Final Report – November 2015 (page 9)

although the methodology adopted by NISRA – and replicated by Edge Analytics through POPGROUP – allows for some growth in the number of younger people living in communal establishments, such as halls of residence. This is illustrated at Figure 2.3 of this report, although it should be noted that this represents a modelling output – based on the application of rates to the younger population⁵⁷, as summarised in section 2 – and should not be interpreted in isolation as an estimate of the full need or demand for student bedspaces in Belfast.

- 5.63 The Housing Growth Options Report observed recent growth in younger age cohorts in Belfast, and highlighted that this was likely at least partially influenced by the sizeable student population of Queens University Belfast and Ulster University. The former is wholly located in the administrative area of Belfast, but Ulster University has additional campuses at Coleraine, Jordanstown and Magee. It is understood from the Council that Ulster University intends to relocate teaching from Jordanstown to Belfast by the end of 2019, although halls in Jordanstown will remain to accommodate students.
- 5.64 The Housing Growth Options Report presented data from the Higher Education Statistics Agency (HESA) on the changing number of students registered at each university since 1995. This is updated below to integrate figures for the latest available academic year (2015/16). This indicates that circa 49,000 students were registered across the two universities in 2015/16. This is weighted slightly towards Ulster University (25,150), albeit – as noted above – not all students are based at its Belfast campus.

Figure 5.6: Change in Student Numbers in Belfast Universities 1995 – 2016



Source: HESA, 2016

- 5.65 It is understood that the Council last researched the number of managed university bedspaces in Belfast in 2014. As illustrated in the table overleaf, this identified 3,759 bedspaces, of which a large proportion are owned and managed by Queens University.

⁵⁷ Edge Analytics (September 2016) Belfast City Council: Data inputs, assumptions and methodology, paragraph 2.37 [Appendix 2 of the Housing Growth Options Report]

Table 5.11: University Managed Bedspaces (2012/13)

University or college	Bedspaces 2012/13	%
Queens owned and managed	2,243	60%
Queens marketed	173	5%
Ulster University, Jordanstown	878	23%
Stranmillis	465	12%
Total	3,759	100%

Source: Belfast City Council, 2014

- 5.66 The Council has also monitored provision of purpose-built managed student accommodation (PBMSA). This has identified 5,625 bedspaces with planning consent, of which a component have been completed. The majority are either under construction or yet to start on site.

Table 5.12: Council Monitoring of Consented PBMSA (August 2017)

	Bedspaces	%
Completed	458	8%
Development ongoing	2,164	38%
Not started	3,003	53%
Total	5,625	100%

Source: Belfast City Council, 2017

- 5.67 It is recommended that the Council continues to liaise with the city's universities to understand planned future change in the student population, based on stated objectives and business plans. This will assist the Council in planning to accommodate its student population.

6. Conclusion

- 6.1 This Addendum report has been commissioned by the Council to provide additional detail on the size and type of housing likely to be required in Belfast under the scenario recommended by the Housing Growth Options Report. It is understood that this will be used by the Council in preparing its Housing Needs Assessment (HNA) to inform the emerging Belfast Local Development Plan (LDP).
- 6.2 The recommended growth scenario would grow the labour force of Belfast to support baseline employment growth, and will require provision for between 1,600 – 1,800 dwellings per annum over the plan period (2014 – 2035). Edge Analytics' modelling of the scenario which sits within this range indicates that the population of Belfast will grow by around 66,000 persons over the plan period, resulting in growth in all age groups. Around half (46%) of additional residents will be in core working age groups (16 – 64), with 38% aged 65 or above. Growth in the latter will increase the proportionate representation of older cohorts in the Belfast population.
- 6.3 Around one third of additional households forming in Belfast are expected to contain a single resident, with a similar proportion containing two adults without children. The majority (89%) of additional households are not expected to contain children, although the modelling indicates that around one in four (23%) households in Belfast at the end of the plan period will contain at least one child.
- 6.4 Projected change in the household profile will generate additional demand for different sizes and types of housing over the plan period. Section 3 of this report provides evidence on households' existing tendency towards occupying different sizes and types of housing, both in Belfast and comparator cities in England and Wales where more detailed data on occupancy patterns exists. Relatively close alignment is seen between Belfast and these comparator cities, despite the latter generally being characterised by more mature residential markets which include a residential offer in city centres.
- 6.5 When assuming that these existing tendencies are also exhibited by different types of newly forming household in Belfast over the plan period, the size and type of housing required can be estimated. This modelling indicates that around 30% of additional households will require flats, with the remaining 70% requiring houses. Around 40% would be expected to require properties of any type with 1 or 2 bedrooms, with the residual 60% requiring at least 3 bedrooms. It is, however, recommended that policy is not overly prescriptive in this regard, with these broad benchmarks intended to assist the Council in ensuring that the LDP is a supportive framework for providing land capable of accommodating the size and type of housing needed over the plan period. It should be used as an important framework for monitoring the pipeline of new housing coming through the planning system to ensure that it is meeting the needs of all communities within Belfast. It is recommended that the mix is not applied on a site by site basis with flexibility required to take account of the local market context, viability and local market need and demand.
- 6.6 When considering these benchmarks in the context of recent housing supply in Belfast, it is evident that a continuation of recent trends would see flats represent a larger

component of housing provision in the city. The analysis indicates that flats have supported a recent elevation in housing delivery rates in Belfast. Whilst this has and will continue to meet some households' housing needs, in order to meet the full range of identified need the city will also require an increase in the provision of houses alongside flats. In terms of pipeline supply, the distribution of potential sites throughout the city indicates that it could facilitate provision of a range of housing types and sizes, although it is recommended that the Council further appraises its pipeline to establish the size and type of housing likely to be delivered on specific sites or within broad spatial areas. This exercise will need to consider both the existing housing stock and market characteristics of different parts of the city.

6.7 Additionally, the Council has requested further consideration of needs associated with specific segments of the Belfast housing market, summarised below:

- Whilst data does not allow the modelling in this Addendum to be broken down by tenure, NIHE annually report on the need for **social housing** in Belfast. This indicates that 940 social houses are required annually over the next 15 years (2017 – 2032). It is noted that this need is calculated through a different methodology, and therefore caution should be exercised in directly comparing this need with the total annual need for new homes under the recommended growth scenario given the variance in the methodologies applied;
- NIHE estimates that **633 intermediate units** are annually required in Belfast. While this again results from application of a different methodology – inhibiting direct comparison with either the recommended growth scenario or the social housing need calculated above – this suggests scope to expand the sector;
- The **private rented sector** accommodates around one in five Belfast households, and plays a particularly prominent role in accommodating one person households, “other households”, couples without children and lone parents with children. The sector is oriented towards younger age cohorts – with over half of residents privately renting in 2011 aged 34 and under – and also accommodates households claiming housing benefit. The relative affordability of the sector when compared to options for purchase leads NIHE to the conclusion that the private rented sector will continue to play an important role in Belfast's housing market, influenced by wider economic factors which impact upon trends in other sectors;
- **Families** with dependent children represented around 29% of all households in Belfast at the last Census, and are expected to continue to account for a sizeable proportion (23%) of the city's households by the end of the plan period. Around half of these households were owner occupiers at the Census, although variance in the rate of owner occupation exists between couples with children (71%) and lone parents (29%). Lone parents demonstrate an increased tendency towards renting housing from NIHE or housing associations. More broadly, industry research recognises the preference for family sized housing with three or four bedrooms, with families typically averse to smaller flats due to space limitations. Meeting the needs of families will therefore likely require a balanced profile of housing development in Belfast over the plan period;

- The number of **older people** in Belfast is expected to increase by more than half over the plan period under the recommended growth scenario, which will generate growth in the number of older residents of households. Growth in the number of older residents in communal establishments such as care homes is also generated by this scenario, with the modelling indicating that circa 820 additional such bedspaces will be required over the plan period in addition to the overall provision of around 1,750 dwellings per annum⁵⁸. Around one in five Belfast households (18%) was occupied solely by older residents (65+) in 2011, of which the majority contained a single occupier. Older households – and particularly older couples – tend to be owner occupiers, although single and other older households also frequently rent from NIHE or housing associations;
- In considering **households with specific needs**, the 2011 Census identified circa 26,400 Belfast residents with bad or very bad health issues, of which around one third were over 65 years of age. The majority of these health issues limited residents' daily activities. Long-term health conditions reported at the Census most frequently included mobility/dexterity, pain or discomfort and breathing difficulty, although some variance existed between age groups. Projected growth in residents both over and under 65 could increase the absolute number of residents with the long-term health conditions most frequently cited by these cohorts, and it is recommended that the Council monitors the number of residents and households with specific health problems requiring specialist housing. This report has also reviewed national policy and strategies on meeting the specific needs of people with learning disabilities, mental health issues and physical or sensory disabilities; and
- While this Addendum does not consider the housing needs of **students** in detail, an updated position on the number of students at Queens University Belfast and Ulster University is presented. This indicates that circa 49,000 students were registered across the two universities in 2015/16, although not all students are based in the city. The Council last monitored university managed bedspaces in 2014, identifying circa 3,800 bedspaces primarily owned and managed by Queens University. Provision of purpose-built managed student accommodation has also been monitored by the Council.

⁵⁸ It is noted that this need for bedspaces is separate and therefore additional to the need for circa 1,750 dwellings per annum under the recommended growth scenario. The latter formed the basis for the range (1,600 – 1,800dpa) identified in the Housing Growth Options Report

Appendix 1: Edge Analytics Summary of Analysis and Approach

Belfast City Council

Extended Analysis Summary

Context

In 2016, Edge Analytics developed a suite of demographic scenarios for Belfast Local Government District (LGD) using POPGROUP v4.0 and the Derived Forecast model. This included:

- **SNPP-2014** – a trend-based scenario reproducing the 2014-based Sub-national Population Projection (SNPP) published by Northern Ireland Research and Statistics Agency (NISRA) in May 2016;
- **PG-2yr** – a trend-based scenario which based its internal migration rate and external migration flow assumptions on the last 2 years of historical evidence (2012/13 to 2013/14);
- **Jobs-led (Baseline)** – a jobs-led scenario where demographic change was linked to the growth in jobs with allowance for ‘double-jobbing’ from the ‘baseline’ scenario of the Ulster University forecast;
- **Jobs-led (Upper)** – a jobs-led scenario where demographic change was linked to the growth in jobs with allowance for ‘double-jobbing’ from the ‘upper’ scenario of the Ulster University forecast.

All scenarios were run for a 2014-2035 plan period.

Requirement

Belfast City Council has requested an extension to previous demographic analysis, to incorporate household forecasts to support an analysis of the type, size and tenure of housing needed across the city over the plan period.

Within the original analysis, Edge Analytics developed a population and household projection model within POPGROUP, integrating and replicating NISRA inputs and assumptions wherever possible. This enabled the development of a suite of scenarios that considered alternative growth assumptions, measured in terms of population and household change.

In the absence of a full suite of data inputs and assumptions for the NISRA household projection model, Edge Analytics created a bespoke household model for Belfast. This model used aggregate assumptions, adjusted to ensure consistency with NISRA outputs.

To facilitate more detailed household analysis and to enable a more complete replication of the detailed data inputs and assumptions that sit behind its model, NISRA has agreed to provide a more complete suite of statistics for Belfast. This includes new data for a household classification of 14 age groups and 18 household types.

It was requested that the Belfast City Council's preferred scenario, **Jobs-led (Baseline)**, is updated with the new information to generate more detailed scenario outcomes of households by household type and age to support the additional analysis.

Approach

Edge Analytics have liaised with NISRA to specify the household data and assumption detail that has been required to facilitate the new analysis. For the 14 age groups and the 18 household types this included:

- Proportion of the projected population residing in households by age and sex, 2012-2037;
- Rounded membership rates by age, sex and household type, 2012-2037;
- Average size by household type, 2012-2037.

Using the extended household data, a new POPGROUP model has been created, retaining the existing population, birth, death and migration inputs, whilst extending the Derived Forecast model to handle the 14 age-group and 18 household-type classification.

Proportion of the projected population residing in households has been used to derive proportion of the projected population residing in communal establishments by age and sex, which was then used to calculate household population by age and sex. Membership rates were then used to model household population by age, sex and household type. Finally, the average household size was applied to the household population by age, sex and household type to derive the number of households.

An accompanying Derived Forecast has incorporated the existing economic data inputs and assumptions to enable labour force and employment growth analysis.

The POPGROUP model has been calibrated to ensure that it accurately reproduces the output produced in earlier stages of the Belfast demographic analysis.

Detailed outputs including households by household type for the **Jobs-led (Baseline) URsens** scenario have been delivered for use in further analysis required by Belfast City Council.

Appendix 2: Comparator Cities – Data Tables

Section 3 of this report presents analysis of housing occupancy trends in six comparator cities (Bristol, Cardiff, Leicester, Newcastle on Tyne, Nottingham and Sheffield). Composite figures are calculated by aggregating household totals in each of these authorities, and subsequently calculating the proportion of all households in comparator cities occupying different sizes and types of housing at the time of the 2011 Census.

While these composite figures form the basis for the analysis in section 3, the tables below present underlying data on housing occupancy trends in each of the six comparator cities. The corresponding figure at which each dataset is presented is identified in the table heading, with the lower and upper end of the ranges illustrated in these figures emboldened in each table.

Size of Housing Occupied by One Person Households in Comparator Cities (Figure 3.6)

	1 bed	2 beds	3 beds	4 beds	5+ beds	Total
Bristol	36.0%	31.0%	28.2%	3.4%	1.4%	100.0%
Cardiff	31.4%	32.3%	29.2%	5.8%	1.3%	100.0%
Leicester	37.4%	29.0%	29.6%	2.9%	1.2%	100.0%
Newcastle upon Tyne	26.9%	42.2%	26.3%	3.5%	1.2%	100.0%
Nottingham	32.3%	34.0%	29.7%	2.9%	1.2%	100.0%
Sheffield	29.5%	33.5%	32.1%	3.6%	1.3%	100.0%
Composite	32.1%	33.5%	29.4%	3.7%	1.3%	100.0%

Source: Census 2011

Size of Housing Occupied by Households with Children in Comparator Cities (Figure 3.7)

	1 bed	2 beds	3 beds	4 beds	5+ beds	Total
Bristol	3.6%	25.0%	50.3%	14.7%	6.4%	100.0%
Cardiff	2.9%	19.2%	48.1%	22.8%	6.9%	100.0%
Leicester	4.0%	25.3%	53.2%	12.5%	5.0%	100.0%
Newcastle upon Tyne	1.9%	22.5%	53.0%	15.2%	7.3%	100.0%
Nottingham	2.7%	24.1%	58.5%	11.0%	3.8%	100.0%
Sheffield	2.5%	21.2%	53.3%	16.7%	6.3%	100.0%
Composite	3.0%	22.8%	52.6%	15.6%	6.0%	100.0%

Source: Census 2011

Size of Housing Occupied by Other Households in Comparator Cities (Figure 3.8)

	1 bed	2 beds	3 beds	4 beds	5+ beds	Total
Bristol	9.1%	27.2%	45.3%	12.1%	6.3%	100.0%
Cardiff	7.0%	23.2%	43.7%	18.8%	7.2%	100.0%
Leicester	9.0%	24.7%	49.4%	11.8%	5.2%	100.0%
Newcastle upon Tyne	4.9%	31.1%	43.6%	11.8%	8.7%	100.0%
Nottingham	7.6%	28.2%	47.4%	10.3%	6.6%	100.0%
Sheffield	6.1%	24.8%	50.2%	12.7%	6.2%	100.0%
Composite	7.3%	26.2%	46.9%	13.0%	6.6%	100.0%

Source: Census 2011

Housing Size by Type of Comparator English Cities 2011 (Figure 3.9)

	1 bed	2 beds	3 beds	4+ beds
Flats				
Bristol	92.8%	53.1%	5.4%	8.6%
Leicester	78.7%	29.2%	2.8%	4.6%
Newcastle upon Tyne	79.9%	51.1%	9.2%	10.4%
Nottingham	86.7%	32.0%	2.8%	8.1%
Sheffield	84.6%	31.0%	3.1%	7.2%
Composite	85.6%	39.6%	4.4%	7.8%
Houses				
Bristol	7.2%	46.9%	94.6%	91.4%
Leicester	21.3%	70.8%	97.2%	95.4%
Newcastle upon Tyne	20.1%	48.9%	90.8%	89.6%
Nottingham	13.3%	68.0%	97.2%	91.9%
Sheffield	15.4%	69.0%	96.9%	92.8%
Composite	14.4%	60.4%	95.6%	92.2%

Source: Census 2011

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