1. Executive Summary

Housing Market Area

1.1 Migration and commuting data reveal high levels of self-containment, and that Cheshire West and Chester (CWAC) should therefore be a standalone housing market area.

1.2 However, it does have a strong migratory relationship with Flintshire, and house prices align with the southern part of Cheshire East. At the same time, commuting is also strong to Chester East and Flintshire alongside the Wirral. These should inform the discussion of the duty to cooperate.

Housing Stock

1.3 Between 2011 and 2024, Cheshire West & Chester experienced higher growth in dwellings and households than the national and regional average.

1.4 At the same time, the rate of homes without 'usual residents' has increased.

1.5 Whilst the annual housing delivery target set out in the 2015-2030 Local Plan has so far been exceeded, housing delivery rates in Cheshire West & Chester have decreased since 2017.

1.6 The rate of housing delivery in the last 5, 10 and 20 years has been below peak rates achieved by other local authorities in the region, suggesting that there is further headroom for growth.

1.7 Cheshire West & Chester shows high rates of home ownership, and lower private renting and social rented housing than regional and national comparators.

1.8 CWAC has seen an above-average increase in outright home ownership and private renting, compared to the decrease in home ownership with a mortgage, highlighting issues associated with younger generations being able to afford to join the housing market.

1.9 The area is characterised by detached homes and larger residences, with 70% of homes featuring 3+ bedrooms. This has contributed to significant levels of under-occupancy of existing homes.

1.10 All the while, a significantly low level of flats and smaller properties will make it difficult for new entrants to the housing market to both own and rent a property.

1.11 CWAC has a relatively newer dwelling stock than the rest of the North West and England, having built around 18% of its stock since the millennium.

Housing Market

1.12 The median house prices in Cheshire West & Chester are £258,000, which is £38,000 higher than the regional average.

1.13 However, house prices are lower than the national average and have declined over the last year at a faster rate than regionally and nationally.

1.14 Cheshire West & Chester’s housing affordability ratio is higher than the regional averages but below the national average. However, all three areas have seen improving affordability in the last few years.

1.15 The workplace-based ratio is also higher than the residents-based average. This suggests a degree of out-commuting to higher-paid jobs

1.16 Since 2021-22, new build sales have decreased and are now below those seen at the lowest point after the financial crisis in 2008.

Demographics

1.17 As of the most recent published data from mid-2024, the population of Cheshire West & Chester is approximately 371,652.

1.18 This represents an increase of approximately 35,215 residents or 10.5% since 2014, which is a faster growth rate than regionally (8.4%) and Nationally (7.8%).

1.19 Cheshire West & Chester has an older population profile than nationally, with a lower proportion of working-age adults and children.

1.20 The highest total increase was in the working age population, although the highest proportionate increase is amongst those aged 65 and over.

1.21 Internal migration from within the UK has been a consistent source of population growth, although international migration has been notably higher over the last three years.

1.22 The analysis also suggests that when the 2021 Census was published, the Office for National Statistics (ONS) had previously under-estimated population change.

Housing Need

1.23 The housing needs assessment studied the overall housing need set against the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG) – specifically the Standard Method for assessing housing need.

1.24 This shows a need for 1,928 dwellings per annum (dpa) as of May 2025. This is based on 0.8% of the current stock of 166,601 (1,333) and a 45% affordability uplift.

1.25 A bespoke population and household projection has been developed to look at the implications of delivering 1,928 dpa from 2025 to 2045. This projects that the population might increase by 54,300 people over the following 20 years (a 14.5% increase). This includes continued population ageing.

1.26 It was further estimated that population growth might be able to support somewhere in the region of 28,600 and 36,400 additional jobs, depending on levels of economic activity rate improvement and assumptions around commuting.

Affordable Housing Need

1.27 The evidence indicates that there is an acute need for affordable housing in the Council area and a need in all sub-areas.

1.28 The majority of need is from households who are unable to buy OR rent and therefore points particularly towards a need for rented affordable housing rather than affordable home ownership.

1.29 Despite the level of need being high, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs.

1.30 The link between affordable need and overall need (of all tenures) is complex, and in trying to make a link, it must be remembered that many of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home).

1.31 In addition, the private rented sector is providing benefit-supported accommodation for many households in affordable housing need. That said, the level of affordable housing need suggests the Council should maximise the delivery of such housing whenever possible.

1.32 Although a clear need for rented forms of affordable housing was identified, the study also considers different types of intermediate housing (or Affordable Home Ownership (AHO)), as these may have a role to play.

1.33 Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to rent privately) as it has the advantage of a lower deposit and subsidised rent. There was no strong evidence of a need for First Homes or, more generally, discounted market sale (DMS) housing, given the high cost of new-build housing relative to the second-hand market.

1.34 There is, however, likely to be a demand for DMS, and this may be a reasonable tenure to provide in some instances (such as where no Registered Provider is available).

1.35 Additionally, the Council could consider rent-to-buy housing, as this does have the potential to meet affordable needs. In all cases of AHO, the affordability of a scheme can only be tested on a site-by-site basis, and it will be important to ensure that any housing is ‘genuinely affordable’ in a local context.

1.36 When determining the appropriate mix of affordable housing, including the balance between rented and ownership products, the Council should consider both the level of need and scheme viability.

1.37 While affordable home ownership options may be more viable and enable higher delivery, it is important to recognise that households requiring rented accommodation typically have more acute needs and fewer alternative housing options.

1.38 Overall, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue in the area.

1.39 We have also identified a need for affordable housing options, including Low Cost Home Ownership (LCHO) for Essential Local Workers. The council should therefore work with developers to support this group's attraction and retention through an improved housing offer, which may require policy intervention.

1.40 It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will depend on the amount that can be viably provided.

1.41 The evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

Housing Mix

1.42 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population.

1.43 The proportion of households with dependent children in Cheshire West & Chester is below average, with around 26% of all households containing dependent children in 2021.

1.44 There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation. In contrast, lone parents are particularly likely to live in social and private rented accommodation.

1.45 There is a range of factors which will influence demand for different sizes of homes, including demographic changes, future growth in real earnings, households' ability to save, economic performance and housing affordability.

1.46 The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes, which takes into account both household changes and the ageing of the population, as well as seeking to make more efficient use of new stock by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

1.47 In all sectors, the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes.

1.48 For rented affordable housing, there is a clear need for a range of different sizes of homes, including 35% to have at least 3-bedrooms, of which 10% should have at least 4-bedrooms. Our recommended mix is set out below.

Table 1.1 Suggested size mix of housing by tenure – Cheshire West & Chester

	Market	Affordable home ownership	Rented affordable housing
1-bedroom	5%	10%	30%
2-bedrooms	30%	45%	35%
3-bedrooms	45%	35%	25%
4+-bedrooms	20%	10%	10%
Total	100%	100%	100%

Source: Iceni analysis

1.49 The strategic conclusions in the affordable sector recognise the role which the delivery of larger family homes can play in releasing a supply of smaller properties for other households.

1.50 Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues.

1.51 The conclusions also take account of the current mix of housing by tenure and the size requirements shown on the Council's Housing Register.

1.52 The Council should also consider the potential role of bungalows as part of the future mix of housing. Such housing may be particularly attractive to older owner-occupiers, which may help encourage households to downsize. Bungalows will also be suitable for households containing someone with a disability (across all age groups).

1.53 The mix identified above could inform strategic policies although a flexible approach should be adopted. For example, in some areas, registered providers of affordable housing find it challenging to sell 1-bedroom affordable home ownership (AHO) homes.

1.54 Therefore, the 1-bedroom elements of AHO might be better provided as 2-bedroom accommodation. That said, given current house prices, there are potential difficulties in making AHO genuinely affordable.

1.55 Additionally, in applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level. The Council should also monitor the mix of housing delivered.

Private Rental Sector

1.56 Nationally, supply and demand are imbalanced; fewer people can buy homes, and landlords are exiting the market, driving up rents.

1.57 Cheshire West and Chester has seen steady rental growth since 2015, in line with regional averages.

1.58 In the year to August 2025, the overall Median Rent in CWAC was £934 per calendar month (pcm), which was above the regional (£916 pcm) but below the national (£1,403 pcm) medians.

1.59 CWAC's Private Rental Sector (PRS) accommodates a wide range of people, but the most prevalent groups are young individuals, with fewer families and older renters.

1.60 There are a large number of Housing in Multiple Occupation (HMOs) in CWAC, with a particular concentration in central Chester.

1.61 While it is difficult to quantify the future need for HMOs, they serve a clear need for lower-cost rental options as well as accommodating many students.

1.62 There is evidence of Build to Rent (BtR) demand in CWAC with a strong supply in Ellesmere Port. The Council may wish to develop a policy around this type of housing, including an affordable housing contribution.

Student Accommodation

1.63 According to HESA, the University of Chester enrolled 14,215 students in the 2023/24 academic year, while the University of Liverpool's Leahurst Campus had approximately 450 students.

1.64 Student numbers in Cheshire West and Chester have declined since 2017/18, and the University of Chester does not anticipate future growth.

1.65 In contrast, the University of Liverpool is considering a modest increase in student numbers at its Leahurst Campus, though any significant expansion would depend on substantial facility investment, which is not currently planned.

1.66 Around 46% of students at the University of Chester are in their own residence or living with parents or guardians. The remaining 54% require accommodation, and there are reports of significant constraints in its supply.

1.67 Although there is no overwhelming evidence of a need for additional PBSA, there are clear benefits of providing it, including releasing existing HMOs.

1.68 If the Council does seek to expand the portfolio of PBSA in the borough, then it should also develop a policy which clearly sets out its expectations, including built-form, location and affordable housing contributions.

Older and Disabled Persons

1.69 The data show that CWAC has a slightly older age structure than is seen regionally and nationally. Generally, it also has lower levels of disability across all age groups compared with the regional and national position.

1.70 The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (76% of all older person households are outright owners).

1.71 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase. Key findings for the 2025-45 period include:

- a 31% increase in the population aged 65+ (potentially accounting for 47% of total population growth);
- a 56% increase in the number of people aged 65+ with dementia and a 46% increase in those aged 65+ with mobility problems;
- a need for around 3,300 additional housing units with support (sheltered/retirement housing) – 61% in the market sector;
- a need for around 1,700 additional housing units with care (e.g. extra-care) – around 86% in the market sector;
- a need for additional nursing and residential care bedspaces (around 2,300 in the period); and
- a need for around 1,600 dwellings to be for wheelchair users (meeting technical standard M4(3)).

1.72 This would suggest that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings, as well as providing specific provision of older persons' housing.

1.73 Given the evidence, the Council could consider (as a starting point) requiring all new dwellings (in all tenures) to meet the M4(2) standards and around 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of around 10% in the affordable sector).

1.74 Where the authority has nomination rights, the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation). In the market sector, they should be wheelchair-user-adaptable dwellings (constructed to be adjustable for wheelchair use).

1.75 It should, however, be noted that there will be cases where this may not be possible (e.g. due to site-specific circumstances).

1.76 In framing policies for the provision of specialist older persons' accommodation, the Council will need to consider a range of issues. This will include the different use classes of accommodation (i.e., C2 vs. C3) and the requirements for affordable housing contributions (linked to this, the viability of the provision).

1.77 There may also be some practical issues to consider, such as the ability of any individual development being mixed tenure, given the way care and support services are paid for.

Other Specific Groups

Self and Custom Build

1.78 The Levelling Up and Regeneration Act made amendments to the way demand/need and supply of self and custom-built dwellings are calculated.

1.79 Need must be calculated cumulatively, with the council having three years from the end of each base period to meet that need, with supply permissions needing to be able to demonstrate that they will result in a self or custom-built dwelling.

1.80 The Council are currently meeting the need for self and custom build housing. They should, however, continue to monitor this, and a guide for future needs suggests that around 70 plots per annum.

1.81 The Council should continue to be supportive of opportunities for Self and Custom build development within Local Plans, and could consider a number of policy levers to address need, such as a percentage contribution on larger sites.

Looked After Children and Care Leavers

1.82 In CWAC, the number of children in residential care is increasing and above national rates and accounts for 0.8% of all under 18s.

1.83 Population projections linked to CWAC’s housing need show a declining population aged under 18. This would suggest little need for additional housing, though it is not the only factor in demand, and there may also be a desire to reduce costs to independent providers and repatriating some out-of-area placements could justify further provision.

Service Personnel

1.84 Cheshire West and Chester has approximately 410 military and civilian personnel, down from 700 in 2012.

1.85 However, Dale Barracks are due to close in 2030, and the Defence Infrastructure Organisation (DIO) is currently preparing disposal plans for the site. There may be a need for housing for families who want to stay in the area.