Gloucestershire Housing & Economic Needs Assessment

Final Report

Iceni Projects Limited on behalf of

Gloucestershire Local Authorities

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1. Executive Summary

1.1 This study considers housing and employment needs across Gloucestershire and its six constituent authorities over the period 2024–2046. The evidence is intended to inform Local Plan preparation and the future Spatial Development Strategy.

Housing Need

1.2 The 2024 Standard Method for Housing Need identifies a need for 4,680 dwellings per annum across Gloucestershire (102,958 between 2024-46), with a breakdown provided in the table below. This is above past housing delivery, and would support higher population and workforce growth.

Standard Method housing need – (as of data released May 2026)

	Local Housing Need per annum	Total need 2024-46
Cotswold	1,054	23,184
Forest of Dean	598	13,153
Stroud	869	19,121
Cheltenham	808	17,776
Gloucester	706	15,540
Tewkesbury	645	14,185
SLP Area (Subtotal)	2,159	47,500
Total	4,680	102,958

Source: Iceni calculations using MHCLG data

1.3 This level of housing development would imply workforce growth that would support around 107,000 additional jobs Gloucestershire-wide, well above baseline employment forecasts of 64,700 additional jobs. As a result, councils will need to plan for higher employment growth to ensure that jobs and homes remain in balance. This has been reflected

in employment land needs modelling in this report, which generally goes above the levels that recent market trends would suggest.

1.4 Discrepancies between baseline employment forecasts and the workforce supported by housing development are particularly great in Cotswold, Forest of Dean and Stroud, reflecting the levels of housing uplift above past trends in those districts. The balance is much closer in the SLP area. Moving forwards, some deviation from a 1:1 balance would be appropriate through the spatial development strategy process, while being mindful of the need to support employment growth in a balanced way in all authorities.

Affordable Housing

1.5 The evidence indicates that there is an acute need for affordable housing in Gloucestershire. This reflects high housing costs relative to incomes, particularly in Cotswold and in rural areas more broadly. Numerically, the analysis identifies a need for 2,180 affordable homes per year, of which 57% is from those unable to rent or buy in the market, and who would therefore require rented affordable housing.

1.6 Given modelled needs, and the existing policy landscape, it is considered that a 40% overall target could provide a good starting point for viability testing in each authority although it is recognised this may not be realistic in some areas (notably Gloucester).

Estimated Need for Affordable Housing (per annum) – split between different affordability groups

	Unable to buy OR rent	Able to rent but not buy	TOTAL	% unable to buy OR rent
Cotswold	184	144	328	56%
Forest of Dean	108	129	237	46%
Stroud	154	226	381	41%
Cheltenham	275	173	448	61%
Gloucester	311	136	447	70%
Tewkesbury	215	124	339	63%
SLP Area	801	433	1,234	65%
TOTAL	1,247	932	2,180	57%

Source: Iceni analysis

1.7 It is unlikely this entire need will be able to be met, underlining the need for councils to maximise affordable housing delivery where possible. Given that households with a need for rented affordable housing products are more likely to have acute needs and fewer options in the housing market, it is recommended that councils prioritise meeting these needs (with a particular focus on social rent).

1.8 Iceni have recommended tenure splits shown below, which would meet rented affordable housing needs as far as possible given potential affordable housing delivery levels, while pragmatically still providing some level of low-cost home ownership provision (with a likely focus on shared ownership or built to rent, although modelling outcomes will need to be balanced with local housing markets).

Recommended affordable housing tenure split (subject to viability and overall affordable housing delivery policy)

Affordable housing delivery %	Social rented	Other rented	Low-cost home ownership
Cotswold	40%	10%	50%
Forest of Dean	60%	15%	25%
Stroud	45%	15%	40%
Cheltenham	60%	20%	20%
Gloucester	60%	20%	20%
Tewkesbury	60%	20%	20%

Source: Iceni analysis

1.9 This would still be subject to viability and also the potential for alternative choices to be made by the Councils – for example, it is possible that increasing levels of intermediate housing would increase overall delivery and this may be considered preferable to providing homes at social rents (of course the opposite could also be the decision made – more social rents, fewer homes overall).

Housing mix

1.10 Our recommendations on housing mix are set out below for each authority. For market housing, this reflects some potential for downsizing, and would shift the existing housing stock distribution towards 1 and 2 bedroom homes in the face of affordability challenges. For social/affordable rented homes, a small preference has been applied for 3+ bedroom homes above modelling results, reflecting low existing supply of larger homes and priority needs on housing registers.

1.11 The mix identified in the HENA should inform strategic policies. 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 Councils should also monitor the mix of housing delivered.

Recommended Mix – Social/ Affordable Rented

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	25-35%	25-35%	30-40%	25-35%	25-35%	25-35%
2	25-35%	30-40%	30-40%	25-35%	30-40%	30-40%
3	30-35%	20-30%	20-30%	30-35%	25-30%	30-35%
4+	10-15%	5-15%	5-15%	10-15%	5-15%	5-15%

Recommended mix summary – Affordable home ownership

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	20-30%	15-20%	15-25%	15-25%	15-25%	15-25%
2	35-45%	40-50%	35-45%	35-45%	35-45%	35-45%
3	20-30%	25-35%	25-35%	25-35%	25-35%	25-35%
4+	5-10%	5-10%	5-10%	5-15%	5-10%	5-10%

Recommended mix summary – Market housing

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	10-20%	5-10%	5-10%	10-15%	5-15%	5-10%
2	30-40%	30-35%	30-40%	30-40%	30-40%	30-40%
3	30-40%	35-45%	35-45%	35-45%	30-40%	35-45%
4+	10-20%	15-25%	15-25%	15-20%	15-25%	15-25%

Older Persons Housing Need

1.12 The analysis provides clear evidence of a need for specialist housing, driven in particular by a growing older population.

1.13 The evidence points to a specific need for schemes, including extra care, residential and nursing care schemes, which can handle the needs of those with dementia. However, modelling results showed need for additional units/beds for all kinds of specialist older persons housing by 2046.

1.14 The councils should consider whether to allocate specific sites for specialist housing provision – for instance where sites are promoted by a specialist housing / care provider. Councils should also consider in these terms whether policies for larger urban extensions/ strategic sites should require specific types of specialist housing; and set potential minimum quantum for this having regard to the above benchmarks. This can help to support the pace of delivery on such sites by supporting product differentiation.

1.15 The evidence points to around 20% of those aged 65+ in Gloucestershire having mobility problems but indicates a significant rise in those with mobility problems or impaired mobility – of 18,850 persons (rounded) – over the 2024-46 period. In addition, the qualitative evidence points to an inadequate existing stock of homes which are capable of being adapted to households' changing needs.

1.16 Given the substantial increase forecast in people with a disability (reaching above the Standard Method housing need 2024-46), poor existing stock accessibility, and likely limited impact on viability, it is considered that 100% of new homes should be delivered to M4(2) standards.

1.17 Modelling shows that households with a wheelchair user by 2046 will be notionally around 10% of the 2024-46 Standard Method housing need County-wide. The evidence also indicates a greater level of need in affordable housing. Taking into account that not all housing sites will be suitable for wheelchair-accessible housing (such as those where there is not level access or there is steep topography, or where a listed building is being adapted), some may not deliver wheelchair housing for other reasons (such as viability), and that existing housing is likely to have very poor accessibility, Iceni would therefore recommend that 10% of affordable housing and 5% of market housing on major developments is delivered to M4(3) standards, subject to viability.

Rural Housing

1.18 This report has found that rural areas face particular challenges relating to affordability and housing availability. The ageing of the rural population, partly reflecting a lack of affordable housing stock, is threatening the viability of services, amenities and local economies in some communities.

1.19 In response to this, local planning policies should support the delivery of housing in rural areas where sustainable, and continue to enable rural exception sites to deliver affordable housing.

1.20 Iceni has provided a summary of potential methods for determining neighbourhood housing need, with a baseline proportional to housing stock in each neighbourhood recommended as the most defensible baseline methodology. Authorities may then choose to refine the baseline through the Local Plan or other strategic evidence, taking account of settlement hierarchy, allocations, infrastructure, services, employment and constraints.

Other Housing Market Segments

1.21 Iceni have considered housing needs in a range of specific sectors and market segments.

1.22 The greatest potential for **build to rent** is in Gloucester and Cheltenham and on larger strategic sites. Local Plans should adopt supportive but flexible policies for Build to Rent development, recognising the different viability model of this product and avoiding overly prescriptive dwelling mix requirements.

1.23 The evidence indicates a county-wide undersupply of **self and custom build** plots against identified demand. A range of potential policy responses are discussed in this report including general policy support, housing mix policies, percentage policies (best suited to larger strategic sites), site allocations and exception sites. No single policy choice will

be fully effective; therefore, the Councils should consider which suite of policies will be most effective in their area.

1.24 **Student housing** demand is concentrated principally in Gloucester and Cheltenham. It would be appropriate for planning policies to support the delivery of Purpose-Built Student Accommodation (PBSA) in sustainable and appropriate locations in Gloucester and Cheltenham, and to manage HMOs in line with existing Article 4 Directions. Forest of Dean and Cotswold are likely to only see demand arising from Hartpury and RAU, given the rural nature of the university campuses and the generally smaller student population at both universities. Stroud and Tewkesbury are unlikely to see high levels of demand for student accommodation and therefore are unlikely to require specific policies to consider this.

1.25 The county accommodates around 1,840 **service personnel and their families**, with the largest concentrations in Tewkesbury, Cotswold and Cheltenham. Local Plans should positively support provision of new and improved military accommodation, recognising the particular mobility, affordability pressures and welfare considerations experienced by service families.

1.26 Gloucestershire currently has around 800 **children in care**, with a strategic move underway to expand in-county residential and supported accommodation. Planning policy should actively support new children's homes and other specialist provision to ensure children can stay connected to their communities while receiving stable, high-quality care.

Local Economy and Economic Opportunities

1.27 Gloucestershire has a diverse economy, with strengths in sectors including advanced manufacturing and engineering, cyber and digital industries, agri-tech and the visitor economy.

1.28 Employment and higher value economic activity are particularly concentrated in and around Gloucester and Cheltenham and along the

M5 corridor, which performs an important strategic role for industrial and logistics activity. Of these Cheltenham has the strongest office market and knowledge-based economy.

1.29 Gloucestershire is broadly positioned to support further economic growth across multiple sectors. Particular opportunities are expected to arise in the cyber and digital industries linked to the Golden Valley development in Cheltenham; in advanced engineering and manufacturing activities particularly along the M5 corridor; and associated with the transition to a lower-carbon economy, including energy production and green technology. Increased housing development and population growth will also drive local economic activity in population serving sectors like hospitality, retail and health as well in construction and its value chain.

1.30 Realising these opportunities will require the provision of suitable employment sites and premises, alongside continued investment in skills, infrastructure and housing delivery.

Rural economies

1.31 The evidence indicates that Gloucestershire's rural economy is diverse with substantial activity in manufacturing, construction, tourism, services and land-based industries as well as agriculture. Particular opportunities were identified in agri-tech and agricultural diversification, the visitor economy, and renewable energy and the green economy. However, there are notable constraints on rural economies including poor transport connectivity, digital and energy infrastructure limitations and poor housing affordability.

1.32 Cotswold and the Forest of Dean have more rural economic structures than Gloucestershire's other authorities. Cotswold has a highly skilled population and has seen strong economic growth in knowledge sectors (likely partly reflecting remote working). Forest of Dean has had poorer economic performance recently, seeing very low growth in recent years. It has particular transport constraints, and a lower skilled population.

1.33 Local plans should support the sustainable growth and diversification of the rural economy including through:

- Supporting agricultural diversification including through reuse and conversion of rural buildings
- Support tourism related development and uses, including small-scale visitor accommodation. A lack of stand-alone accommodation identified in Forest of Dean.
- Enable renewable and low-carbon energy schemes where impacts on landscape, heritage and environmental assets can be appropriately managed
- Recognise that the success of the rural economy is linked to wider enabling conditions, including digital and transport infrastructure, housing affordability and the availability of local labour

Employment Land Needs

1.34 The evidence indicates continued demand for industrial and logistics floorspace across Gloucestershire, particularly along the M5 corridor where there is evidence of historical supressed demand. Additional industrial land will also be needed in response to higher levels of population growth across the County. Reflecting these considerations, it is considered that the following industrial land needs (Use Classes E(g)(iii), B2 and B8) should be planned for across the 2024-46 period:

- 275,100 sqm or 68.8 ha in Cotswold, equivalent to around 12,500 sqm or 3.1 ha per year and reflecting increased opportunities along the A417/419 following duplication.
- 183,200 sqm or 45.8 ha in Forest of Dean, equivalent to around 8,400 sqm or 2.1 ha per year.
- 511,700 sqm or 127.9 ha in Stroud, equivalent to around 23,300 sqm or 5.8 ha per year. Development should focus on the M5 corridor which is likely to have the highest demand.
- 674,400 sqm or 168.8 ha in the SLP area, equivalent to around 30,670 sqm or 7.7 ha per year, with the allocation into each authority determined through joint planning. Development should focus on the

M5 corridor, with a notable undersupply reported of strategic industrial land.

1.35 The analysis indicates more modest demand for office floorspace (Use Class E(g)(i) overall, reflecting changes in working patterns and viability challenges for speculative office development. Nonetheless there are likely to be substantial opportunities in the SLP area following the Golden Valley development, particularly in the Cyber sector.

1.36 Following these considerations, Iceni recommend that the following office and R&D needs (Use Classes E(g)(i) and E(g)(ii) should be planned for over the 2024-46 period:

- 55,200 sqm or 11.0 ha in Cotswold, equivalent to around 2,500 sqm or 0.5 ha per year
- 15,100 sqm or 3.0 ha in Forest of Dean, equivalent to around 700 sqm or 0.14 ha per year
- 35,900 sqm or 7.2 ha in Stroud, equivalent to around 1,600 sqm or 0.3 ha per year
- Between 144,600 and 206,300 sqm, or 28.9 and 41.3 ha in the SLP area, with any allocation into individual authorities to be determined through joint strategic planning processes.

1.37 Outside of the SLP area, stand-alone office development is likely to be unviable, and so it is appropriate to consider how the policy framework within local plans can support office floorspace development. Iceni consider that there is potential for conversions of buildings from other uses to viably support the delivery of new office floorspace.

1.38 It is considered that flexible employment allocations should be pursued where possible, reflecting the overlap between B2 and B8 needs in modern businesses and the poor viability of stand-alone office space in most districts. However, there is a case for allocations of different sizes of sites to ensure that there is a supply for mid and smaller-box industrial premises rather than just big-box occupiers.

2. Introduction

2.1 Iceni Projects has been commissioned by Gloucestershire County Council and the six District Councils within Gloucestershire to prepare this Housing and Economic Needs Assessment (HENA).

2.2 The HENA is intended to consider the housing and economic needs of each district, as well as the County-wide position. It will provide evidence to inform the preparation of local plans by Cheltenham, Cotswold, Forest of Dean, Gloucester, Stroud and Tewkesbury, including the joint Strategic and Local Plan for Cheltenham, Gloucester and Tewkesbury. Evidence provided may also be used for the preparation of a future spatial development strategy, and to inform (where appropriate) planning decisions.

2.3 Its preparation has had regard to relevant national policies and guidance at the time of its preparation (December 2025 to June 2026).

Scope of the HENA

2.4 The HENA assesses development needs over a core time period from 2024 to 2046 with the intention that this can cover the different plan periods for local plans, and inform, in due course, consideration of longer-term development needs through preparation of a Spatial Development Strategy (SDS). Selected data has been analysed to 2050 to provide a longer time reference for policy.

2.5 This report provides an assessment of housing and economic development needs, which includes:

- Analysis of economic characteristics and performance, and review of the market signals and local requirements for employment land and premises.

- Assessment of the need for employment land and premises based on a consideration of different forecasting approaches as identified in the Planning Practice Guidance;
- Identifying the overall need for housing, broken down for different local authorities in Gloucestershire;
- Assessment of the need for affordable housing, and for different types of affordable housing to provide a basis to support planning policies for affordable housing;
- Analysis of the needs for different types of homes and housing needs of different groups within Gloucestershire's population, including older persons; families and military personnel;
- Consideration of both the housing and economic needs of the rural economy in Gloucestershire;
- Consideration of the dynamics of different housing market segments – including the need for purpose-built student accommodation and self- and custom-build housing.

Functional Geographies

2.6 Appendix A4 provides an assessment of the functional housing market (HMA) and functional economic market area (FEMA) geographies, taking account of the guidance in the plan-making PPG.

2.7 The evidence points to a common HMA and FEMA extending across Gloucestershire, and concludes that it would be appropriate to define functional geographies based on local authority boundaries and including all six Gloucestershire local authorities. It is centred on the larger employment centres of Gloucester and Cheltenham, with the M5 Corridor playing a key role for industrial property.

2.8 The evidence however indicates that towards the boundaries of the county there are inter-relationships with adjoining areas, including towards Swindon and West Oxfordshire; south to South Gloucestershire and Bristol; and west from Forest of Dean. This is common towards the boundaries of any defined area.

Urban and Rural Locations

2.9 The report considers dynamics in both urban and rural parts of the county. In doing so, this report adopts the ONS 2021 Rural Urban Classification (RUC), which identifies urban areas as shown in the table below (urban areas are defined in these terms as those with a resident population of 10,000 or over). All other parts of the County are considered rural for the purpose of analysis in this report.

Table 2-1: Urban areas

District	Towns
Cheltenham	Cheltenham
Cotswold	Cirencester
Forest of Dean	Chepstow*; Cinderford; Coleford
Gloucester	Gloucester
Stroud	Dursley; Nailsworth; Stroud
Tewkesbury	Bishops Cleeve; Brockworth; Churchdown; Tewkesbury

Source: ONS, Census 2021

* - Note Chepstow is outside of the Forest of Dean, but part of the Chepstow build up area is in the Forest of Dean, and so is categorised as urban for the purposes of this study

2.10 Different authorities will have different settlement hierarchies and definitions of what should be considered rural or urban. The categorisation above is therefore intended to provide a common analytical frame for analysis only, and should not be considered as a settlement hierarchy. It will be up to each authority to consider how

settlement hierarchies within their boundaries should be defined and the resulting implications for planning policy.

Report Status and Structure

2.11 The remainder of the report is structured to address:

Part A: Housing Needs Evidence

- Section 3: Housing Offer and Market Dynamics
- Section 4: Demographics and Overall Housing Need
- Section 5: Affordable Housing Need
- Section 6: Older Persons Need and those with Disabilities
- Section 7: Mix of Homes Needed
- Section 8: Housing Market Segments
- Section 9: Rural housing needs
- Section 10: Housing Needs of Specific Groups

Part B: Economic Dynamics & Employment Land Needs

- Section 11: Gloucestershire's Economy
- Section 12: Commercial Market Assessment
- Section 13: Stakeholder Engagement
- Section 14: Needs of the Rural Economy
- Section 15: Employment Land Needs

Part C: Conclusions and Recommendations

- Section 16: Conclusions and Recommendations

3. Housing Offer & Market Dynamics

3.1 In this section we profile the current housing offer – including the profile of housing and recent housing delivery. We then move on to consider housing market dynamics in the County, including a review of house prices, sales and private rental trends. As the existing housing stock will continue to constitute the majority of the housing stock in 2046 and 2050, it is important to understand this to inform considerations of the future mix of housing needed.

Housing Offer

3.2 Iceni has drawn on a combination of 2021 Census and other data as well as more recent housing delivery trends to provide an overview of the housing offer in this section.

Housing Stock

3.3 As of 2024 there were 307,294 dwellings in Gloucestershire, with between around 40,000 – 60,000 in each of the constituent authorities (see Table 3-1).

3.4 As set out in the table below, this is an increase of 31,194 or 11.3% over the decade from 2014. Whilst this is slightly above regional and national averages, this is set in a context in which the Government considers that there has been a sustained under-delivery of housing across England. This sustained under-delivery is supported by a range of wider evidence.

3.5 In terms of housing development over the decade, Cheltenham saw by far the least housing growth, with an increase of only 6.9% in its housing stock; while Tewkesbury saw by far the most at 19.9%. All other authorities saw between 9.5% – 12.6%, close to the Gloucestershire average of 11.3%.

Table 3-1: Overall Stock Growth (2014-2024)

Location	2014	2024	Change	% Change
Cotswold	41,371	46,588	5,217	12.6%
Forest of Dean	37,120	40,977	3,857	10.4%
Stroud	51,204	56,842	5,638	11.0%
Cheltenham	53,804	57,511	3,707	6.9%
Gloucester	54,330	59,484	5,154	9.5%
Tewkesbury	38,271	45,892	7,621	19.9%
SLP Area (Subtotal)	*92,601*	*105,376*	*12,775*	*13.8%*
Gloucestershire	276,100	307,294	31,194	11.3%
South West	2,456,577	2,700,811	244,234	9.9%
England	23,389,956	25,617,413	2,227,457	9.5%

Source: MHCLG Live Table 100

3.6 Strategic development constraints and past planning policies will have influenced the scale of growth in different areas. Over recent years, Tewkesbury has been planning to accommodate a large proportion of the development needs of Gloucester and Cheltenham due to Gloucester and Cheltenham's tightly drawn boundaries. This has contributed to the relatively high stock growth rate for Tewkesbury, with the land supply constraints influencing the relatively low rates for Gloucester and Cheltenham.

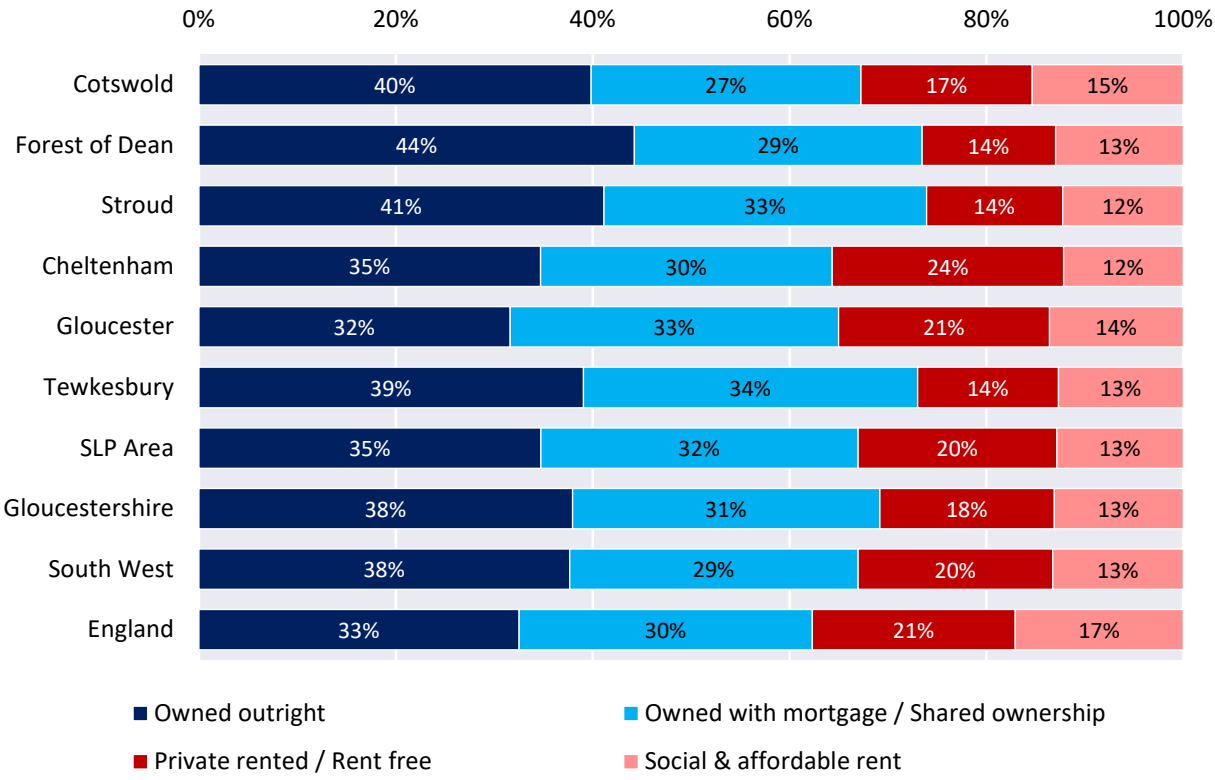
Tenure Profile

3.7 Overall, Gloucestershire sees a higher proportion of owner-occupation (either with or without a mortgage) (69%) in comparison to England and the South West Region (62% and 67% respectively).

3.8 Stroud, Forest of Dean and Tewkesbury all have very high levels of home ownership (74%, 73% and 73% respectively). Of these, Forest of Dean has the highest proportion of homes owned outright (44% - the highest result for this tenure type), while Stroud and Tewkesbury have

more households owned with a mortgage (33% and 34% respectively – the highest results for this tenure type).

Figure 3-1: Tenure (2021)



Source: Census 2011, 2021

3.9 Gloucester and Cheltenham have lower levels of owner occupation (65% and 64% respectively), although these levels still exceed the national average (63%). Of these, Gloucester has a particularly low proportion of homes owned outright (32% vs 35% in Cheltenham). Both areas have higher proportions of homes privately rented than other parts of the County (21% for Gloucester and 24% for Cheltenham vs 14% - 17% elsewhere). This is likely in part to reflect the presence of students renting homes in Cheltenham.

3.10 The proportion of social and affordable rented dwellings is highest in Cotswold at 15%, with the other authorities shown lying between 12 – 14%. All Gloucestershire authorities see a lower proportion of social and affordable rented dwellings than England overall (17%), although

the position across the County is broadly in line with the South-West average (13%).

3.11 Note that 2021 Census data is used here as it provides a nationally consistent and accepted baseline for profiling housing stock, however the data dates from 2021. More recent data on affordable housing stock is provided later in this report.

3.12 Between 2011 and 2021, outright home ownership and private rent became more common in Gloucestershire as well as regionally and nationally, the former influenced by a growing older population, while ownership with a mortgage became much less common as the ability of households to afford to get on the housing ladder weakened. Overall, home ownership fell by -1.1% – in line with the position across the South West (-1.2%), although less severe than the decline England-wide (-1.8%).

3.13 This is likely in part to reflect a decrease in housing affordability, with implications for affordable housing needs (considered in more detail in Chapter 5), and the availability of entry-level homes.

3.14 Gloucestershire differed from the regional and national position in that the private rental sector grew less, while outright ownership grew more. This reflects the slightly smaller (in percentage terms) private rental market in Gloucestershire compared to the national average, which is influenced by larger cities like London. There is the potential to increase the availability of private rental homes through build to rent (considered in Chapter 8), and to a lesser degree through facilitating delivery of general market housing.

Figure 3-2: Tenure Change – Gloucestershire and comparators (2011-21)

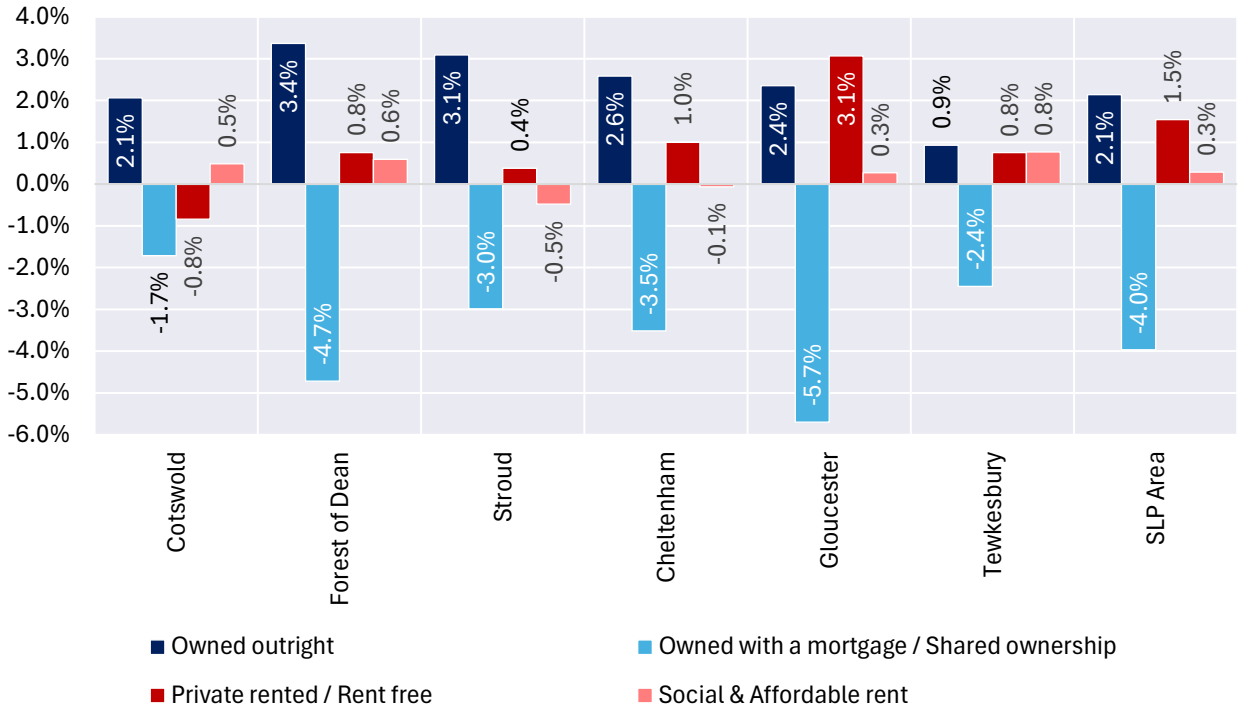


Source: Census 2011, 2021

3.15 Most of the Local Authorities in Gloucestershire follow the patterns identified above. Gloucester has seen a particularly large decline in home ownership with a mortgage (-5.7%) and a large increase in private renting (+3.1%). Forest of Dean has also seen a large decline in ownership with a mortgage (-4.7%), although the tenure profile has shifted instead towards outright ownership (+3.4%).

3.16 The only authority that bucks this trend is Cotswold, which has seen an overall increase in home ownership (all other areas saw overall decreases), and a decline in private renting. This may reflect a difference in buyers in the Cotswold area – for example more existing homeowners may be seeking to retire to the area, being more likely to buy property instead of renting. There is also a potential influence from wealthy foreign buyers, and from buyers relocating from expensive housing markets like Oxford and London due to the perceived amenity of the Cotswolds.

Figure 3-3: Change in tenure distribution – Individual authorities (2011-21)



Source: Census 2011, 2021

Affordable housing

3.17 The table below shows the total number of affordable units in each local authority, as well as across the county, region and England. Across Gloucestershire, there are 45,842 affordable housing units, accounting for 14.9% of the County's 2024 housing stock. Of these units, 9,545 (21%) are owned by a local authority.

3.18 The authorities where affordable units make the highest proportion of stock are Tewkesbury (16.5% - 7,593 units), Gloucester (16.1% - 9,552 units) and Cotswold (15.2% - 7,087 units). Cheltenham has a relatively low proportion of housing stock affordable (13.2% - 7,604 units). All authorities in Gloucestershire have a lower proportion of housing affordable than the England wide average (which is influenced by larger cities).

3.19 Only two of the Gloucestershire authorities own their own stock: Cheltenham and Stroud. In both authorities, this makes up around 60% of the total affordable stock.

Table 3-2: Affordable Dwelling Stock - 2025

	Total Affordable Units	Local Authority Owned Stock	Affordable units as % of housing stock
Cotswold	7,087		15.2%
Forest of Dean	5,804		14.2%
Stroud	8,202	4,989	14.4%
Cheltenham	7,604	4,556	13.2%
Gloucester	9,552		16.1%
Tewkesbury	7,593		16.5%
SLP Area	*24,749*	*4,556*	*14.8%*
Gloucestershire	45,842	9,545	14.9%
South West	381,628	94,060	14.1%
England	4,533,055	1,567,512	17.7%

Source: Regulator of Social Housing Data

3.20 The table below looks at the change in affordable housing stock over time. Across the county, the affordable housing stock has increased by 12.9%, with this increase making up 15.0% of total housing growth.

3.21 Tewkesbury has seen the most growth, with an additional 1,548 units over the 10 years, increasing stock by over a third. However, this is partly a result of the higher level of development overall which has occurred in Tewkesbury, which as noted earlier in this chapter has seen overall housing stock increase by 19.9% over a decade. Nonetheless, affordable housing growth made up 18.1% of the total growth in housing.

3.22 Forest of Dean saw the highest addition of affordable housing relative to total housing growth (20.2%). In contrast, Cheltenham saw by far the

lowest (6.6%), as well as the lowest addition to the affordable housing stock (247 units, less than half Stroud which was the next lowest).

3.23 Note that the table below shows total change in affordable stock, which will be influenced by losses in stock (e.g. through right to buy sales) as well as by delivery, which would as a result be somewhat higher than the figures shown below.

Table 3-3: Change in Affordable Stock (2015-2025)

	2015	2025	Absolute Growth	% Growth	% of total housing growth
Cotswold	5,860	6,430	570	9.7%	11.5%
Forest of Dean	4,868	5,630	762	15.7%	20.2%
Stroud	6,606	7,252	646	9.8%	11.5%
Cheltenham	6,873	7,120	247	3.6%	6.6%
Gloucester	7,822	8,793	971	12.4%	19.7%
Tewkesbury	4,623	6,171	1,548	33.5%	18.1%
SLP Area	*19,318*	*22,084*	*2,766*	*14.3%*	*16.1%*
Gloucestershire	36,652	41,396	4,744	12.9%	15.0%
South West	259,991	355,165	95,174	36.6%	11.2%
England	4,150,376	4,299,282	148,906	3.6%	6.6%

Source: MHCLG Live Table 100

3.24 It is also noted that 2025 affordable stock differs between the values reported in **Table 3-2** and **Table 3-3**. This is due to differences in the how units are defined for these two different data sources[1].

[1] The Regulator of Social Housing's "total social stock" includes both self-contained homes and individual bedspaces in non-self-contained accommodation, including some supported housing, hostels and shared housing. The RSH defines total social stock as low-cost rented and low-cost home ownership stock, measured as "the number of self-contained units plus bedspaces.
MHCLG Live Table 100 estimates the number of dwellings by tenure. Non-self-contained bedspaces cannot each be treated as separate dwellings and are therefore excluded or converted into a dwelling-level count.

Type of affordable housing

3.25 The figure below shows the type of affordable stock present in each authority with the data segmented to show general needs rented housing (which will include social rented and affordable rented homes); supported housing (such as that where there is an age restriction) and low cost home ownership homes (such as shared ownership properties). Across all areas, a significant proportion of the stock is General Needs rented housing. Tewkesbury has the fewest General Needs dwellings at 5,506, accounting for 73% of all affordable stock.

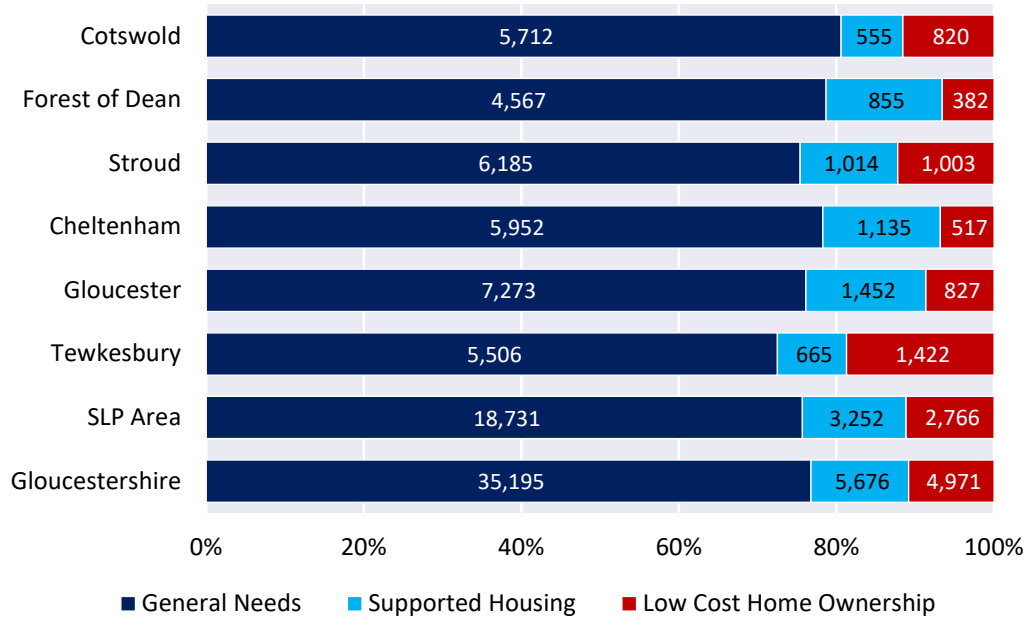
3.26 Gloucester has the highest number of General Need affordable housing units at 7,273, making up 76% of the total affordable housing stock in the City. Cotswold has the highest proportion of General Needs units at 81% of all housing stock.

3.27 The provision of supported housing and Low-Cost Home Ownership (LCHO) products varies across the authorities. Tewkesbury has the largest provision of LCHO dwellings, at 1,422 units, accounting for 19% of its stock. The Forest of Dean has the smallest provision at 382 units (7% of stock). Across Gloucestershire, 11% of affordable units are LCHO stock.

3.28 Across Gloucestershire, 12% of affordable units are supported housing[2]. Cotswold has the lowest provision, at 555 units (7% of affordable stock), while Gloucester provides the most supported housing units overall, at 1,452, making up 15% of stock.

[2] Supported housing, as recorded in the RSH registered provider stock data, refers to RP-owned low-cost rented accommodation classified as supported housing for rent/regulatory purposes. The current definition is provided in the Rent Policy Statement and includes low cost rental accommodation made available only with support supplied, available exclusively to households including a person needing support, and being designed, altered or refurbished accordingly. It should be interpreted as a stock indicator, not as a comprehensive measure of supported housing need, support provision, or the wider non-RP supported housing sector.

Figure 3-4: Stock Profile (2025)



Source: Regulator of Social Housing Data *Registered provider social housing stock and rents in England 2024 to 2025*

Vacant Homes

3.29 The table below shows that the vacancy of stock across Gloucestershire sits at 2.9%, while the Long Term Vacant (LTV) rate sits at 1%. Long-term vacant homes are those which have been empty or unfurnished for a year or more.

3.30 Gloucestershire's vacancy rate sits between the values for England and the South West, with similar or lower rates seen for Stroud, Gloucester and Tewkesbury. Tewkesbury has the lowest overall vacancy and LTV rates at 2.3% and 0.6% respectively.

3.31 Cotswold has the highest overall vacancy and LTV rates at 3.7% and 1.8%, respectively, both well above the regional and national benchmarks. Almost 50% of all vacant properties in the Cotswolds have been vacant, based on this data, for a year or more. Some of this reflects homes becoming vacant following the death of an owner or where an owner has moved into care, which is consistent with the District's older population profile and high levels of owner occupation.

The high levels of long term vacancy may also reflect probate and inheritance delays, older and higher-value rural stock being held out of use including pending sale, as well as complex refurbishment or conversion requirements of older homes. More detailed mapping of vacant homes highlighting parts of Cotswold with particularly high vacancy rates is provided in Chapter 9.

Table 3-4: Vacancy Rate (2024)

	All Vacant	Overall Vacancy Rate	Long Term Vacant (LTV)	LTV Rate	% of vacant dwellings that are LTV
Cotswold	1,707	3.7%	821	1.8%	48.1%
Forest of Dean	1,251	3.1%	486	1.2%	38.8%
Stroud	1,574	2.8%	615	1.1%	39.1%
Cheltenham	1,909	3.3%	590	1.0%	30.9%
Gloucester	1,495	2.5%	447	0.8%	29.9%
Tewkesbury	1,051	2.3%	259	0.6%	24.6%
SLP Area	4,455	2.7%	1,296	0.8%	29.1%
G'Shire	8,987	2.9%	3,218	1.0%	35.8%
South West	72,510	2.7%	24,158	0.9%	33.3%
England	719,470	2.8%	264,884	1.0%	36.8%

Source: MHCLG Live Table 615

Housing Types and Sizes

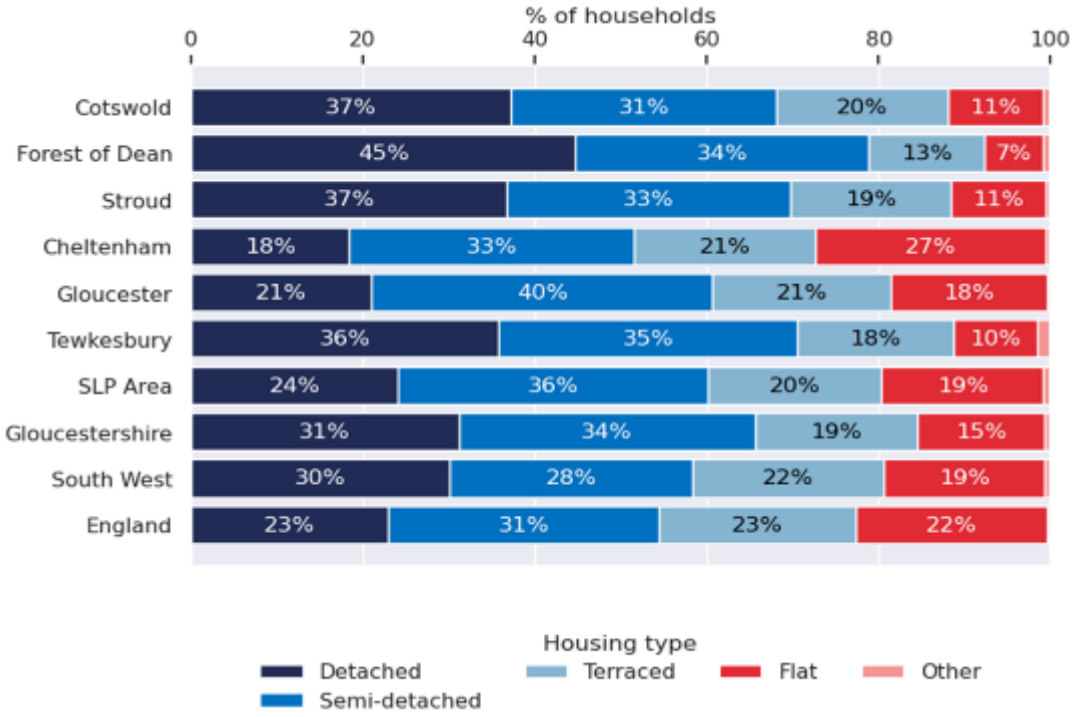
3.32 As shown in the figure below, semi-detached dwellings are the most common type across the county at 34% of dwellings. Most authorities sit around this figure, although the highest proportion is seen in Gloucester at 40%.

3.33 While the proportion of semi-detached dwellings is very similar across the County, proportions of other property types vary significantly. Flatted dwellings, in particular, vary from 26% in Cheltenham to 6% in the Forest of Dean; with the highest levels in the urban areas of Cheltenham and Gloucester. Conversely, for detached dwellings, the

proportions range from 45% in the Forest of Dean to 18% in Cheltenham.

3.34 This shows the differences between the rural and urban areas of the county, with rural areas such as the Forest of Dean and Cotswold having a higher proportion of less dense dwelling types such as detached properties than the more urban areas of Cheltenham and Gloucester, which see denser typologies such as flats and terraced more commonly.

Figure 3-5: Dwelling Type



Source: Census 2021

Dwelling Size Profile

3.35 The size of dwellings across Gloucestershire is also important to understand and will be partly impacted by the types of dwellings present.

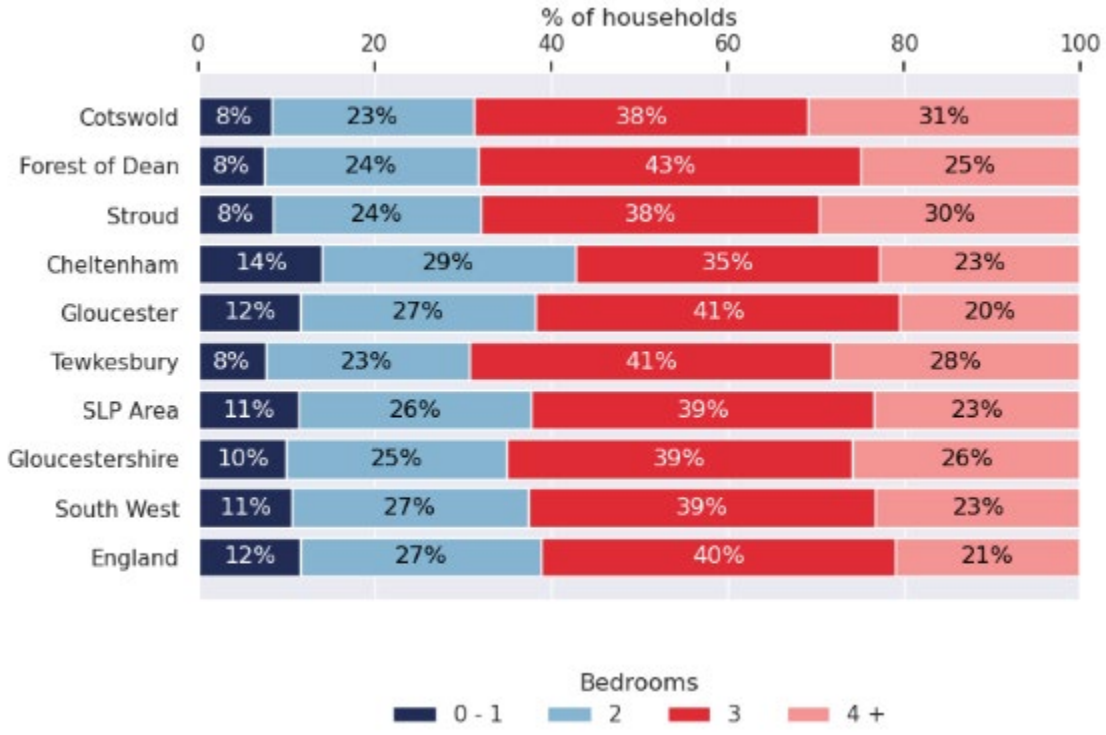
3.36 As the figure below shows, 3-bed dwellings are most common across the county at 39%, followed by 4+ beds at 26% and 2 beds at 25%, this

broadly matches the split seen in the South West overall, albeit with a slightly higher 4+ bed proportion.

3.37 There is a relatively clear split between the urban authorities of Gloucester and Cheltenham, and the rest of the County. Cheltenham and Gloucester have high proportions of 1 and 2 bedroom homes (43% and 38% respectively), with Cheltenham having the highest proportions of 1 (14%) and 2 (29%) bed properties. In contrast, 1- and 2 - bedroom homes make up between 31% - 32% of the homes in other authorities. The 1-bed figures shown include studios.

3.38 Forest of Dean sees the highest proportion of 3 beds at 43%, while Cotswold sees the highest proportion of 4+ beds at 31%. Tewkesbury and Stroud sit between the two.

Figure 3-6: Number of Bedrooms



Source: Census 2021

3.39 The sizes of homes by tenure are considered further in Chapter 7. Issues of how well the existing housing matches needs, and how this relates to housing affordability, are considered in more detail there.

However, it is noted that the relatively low proportions of one and two bedroom homes may restrict access to home ownership for lower income first time buyers in authorities like Cotswold which have high house prices.

3.40 The 2021 census does not provide a measure of the proportion of homes that are studios (i.e. homes with no bedrooms). The closest proxy to this is the proportion of households living in a home with only one habitable room. As shown in the table below, 0.6% of households in Gloucestershire fall into this category, below the rates seen in the South West and England. Studios appear to be most common in Cheltenham, making up around 1.1% of homes, and least common in Forest of Dean where they make up only around 0.2% of homes.

Table 3-5: Households in studios (homes with only one habitable room) - 2021

	Number of households	% of all households
Cotswold	103	0.3%
Forest of Dean	85	0.2%
Stroud	242	0.5%
Cheltenham	584	1.1%
Gloucester	414	0.7%
Tewkesbury	196	0.5%
SLP Area	1,622	0.6%
Gloucestershire	2,232	0.6%
South West	22,441	0.9%
England	256,236	1.1%

Source: ONS Census 2021

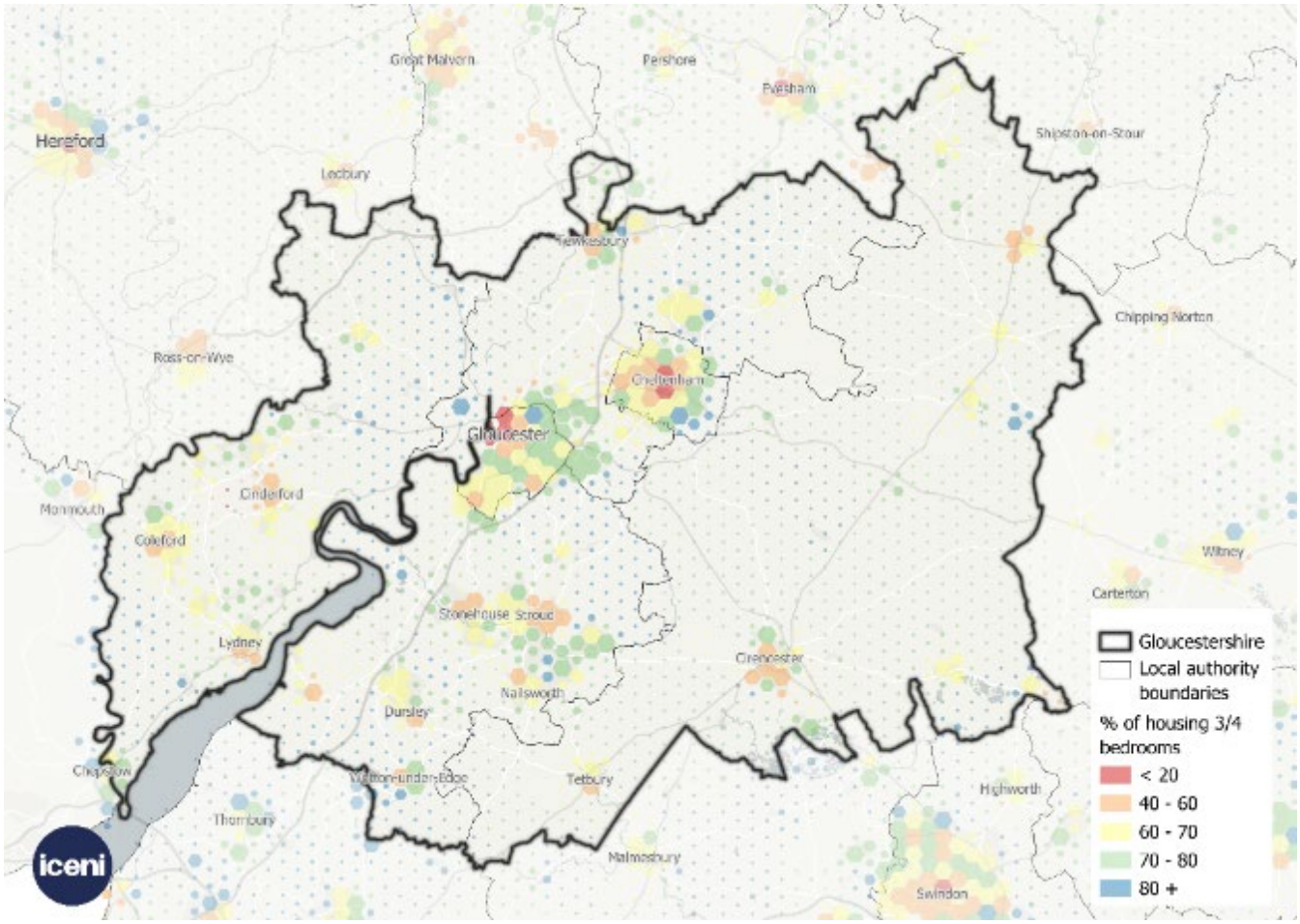
3.41 The figure below shows the areas which see particularly high or low concentrations of 3 or more- bedroom houses. This is the size that is considered most appropriate for families.

3.42 Areas which see less than 20% of properties having three or more bedrooms (below local authority level) include Gloucester and

Cheltenham. A number of other towns see between 40% and 60% of homes having 3+ bedrooms, these include Cirencester, Stroud and Tewkesbury.

3.43 Generally, the more rural areas have higher proportions of larger homes, but more urban areas, which see 80%+ of dwellings being 3+ bed, include Wotton-under-Edge and Nailsworth. Parts of South Cheltenham and North West Gloucester also see a high proportion of large homes.

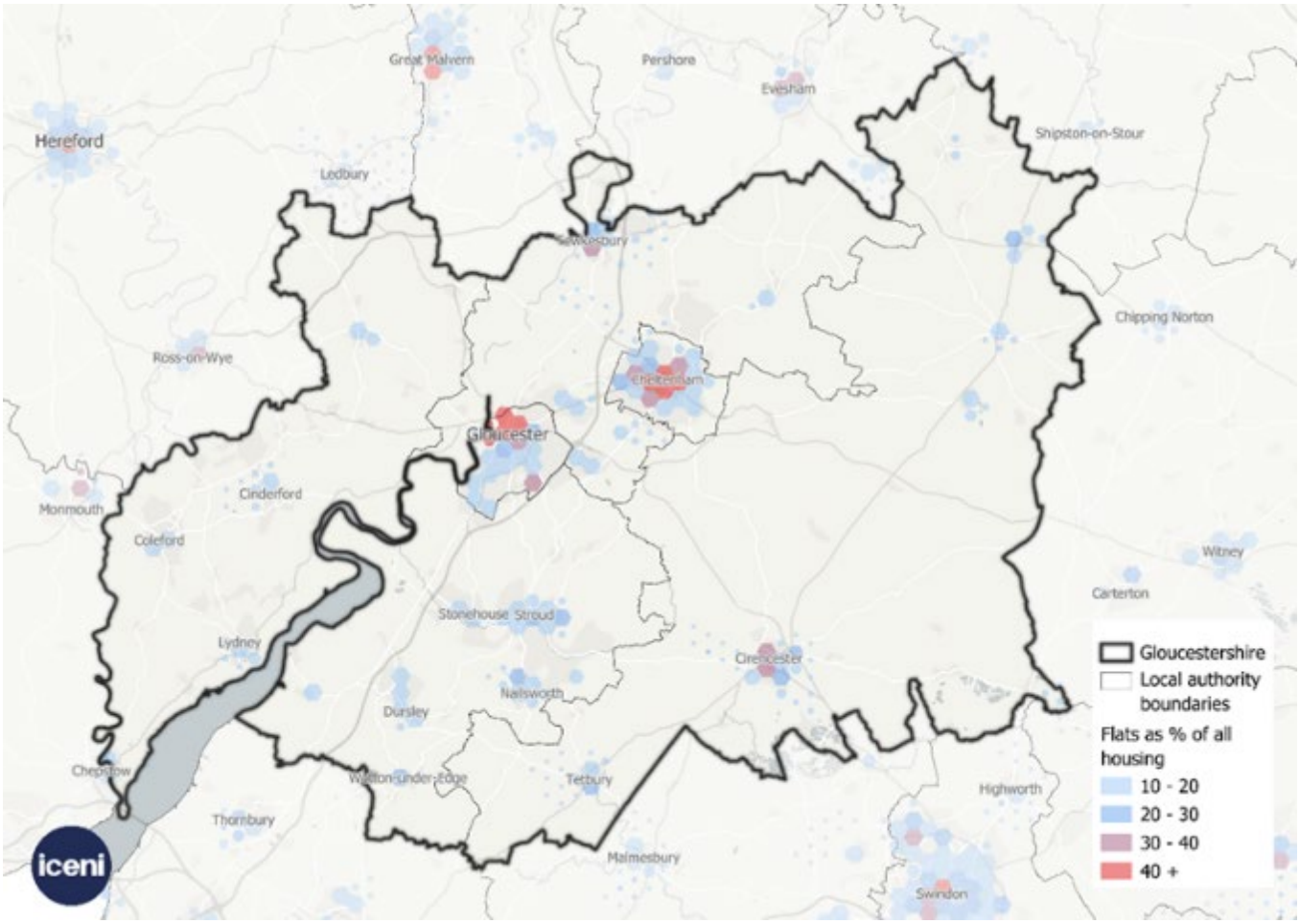
Figure 3-7: Family-Sized Housing (3+ Bedrooms)



Source: Census 2021

3.44 The figure below considers only flats, as can be seen, both central Gloucester and Cheltenham see a high proportion of flats at over 40% in some areas. Almost all other towns have some flats, although not in excess of 40%.

Figure 3-8: Smaller Housing (1 or 2 Bedrooms)



Source: Census 2021

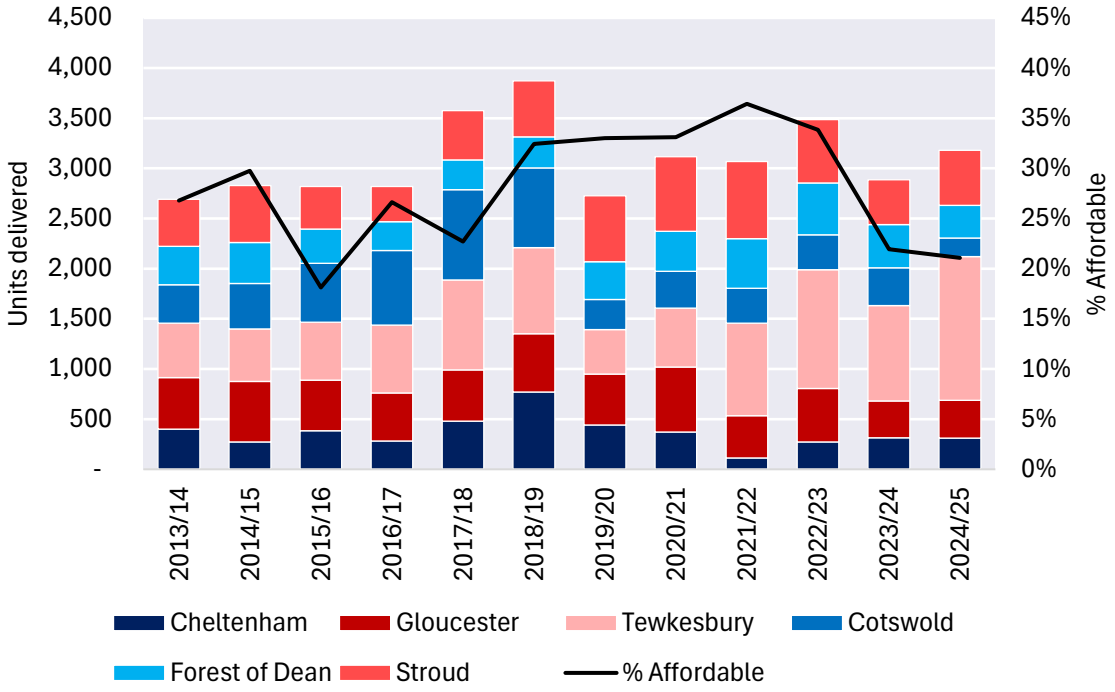
Housing Supply Trends

3.45 The figure below shows the overall housing completions across the Gloucestershire authorities from 2013/24 onwards. Delivery has varied over this period, peaking in 2018/19, aided by strong delivery in a single year in Tewkesbury (858 dwellings), Cotswold (795 dwellings) and Cheltenham (769 dwellings).

3.46 Average delivery across the period was 3,089 dwellings per year Gloucestershire-wide across the period shown. Tewkesbury has the highest average annual delivery of 800 dwellings per annum (dpa), followed by Stroud at 555 dpa. Cheltenham has the lowest average annual delivery, at 368 dpa over the 2013-25 period considered.

3.47 Affordable housing delivery varied somewhat, generally sitting between 20% - 35% during the period shown. Rates of affordable housing delivery were high in the late 2010s and early 2020s, including during the period from 2019/20 – 2021/22 when overall delivery was low, some of which resulted from COVID-19 (indicating that affordable housing delivery performed better than overall housing delivery in this period).

Figure 3-9: Overall Dwelling Delivery (2013/14 – 2024/25)



Source: MHCLG Live Table 1011 and Live Table 122

3.48 The authority-level delivery figures are based on the location of completions rather than the origin of the housing need being met. As such, homes delivered in Tewkesbury Borough are recorded within Tewkesbury's totals, even where these form part of strategic allocations intended to contribute to the needs of Gloucester and Cheltenham.

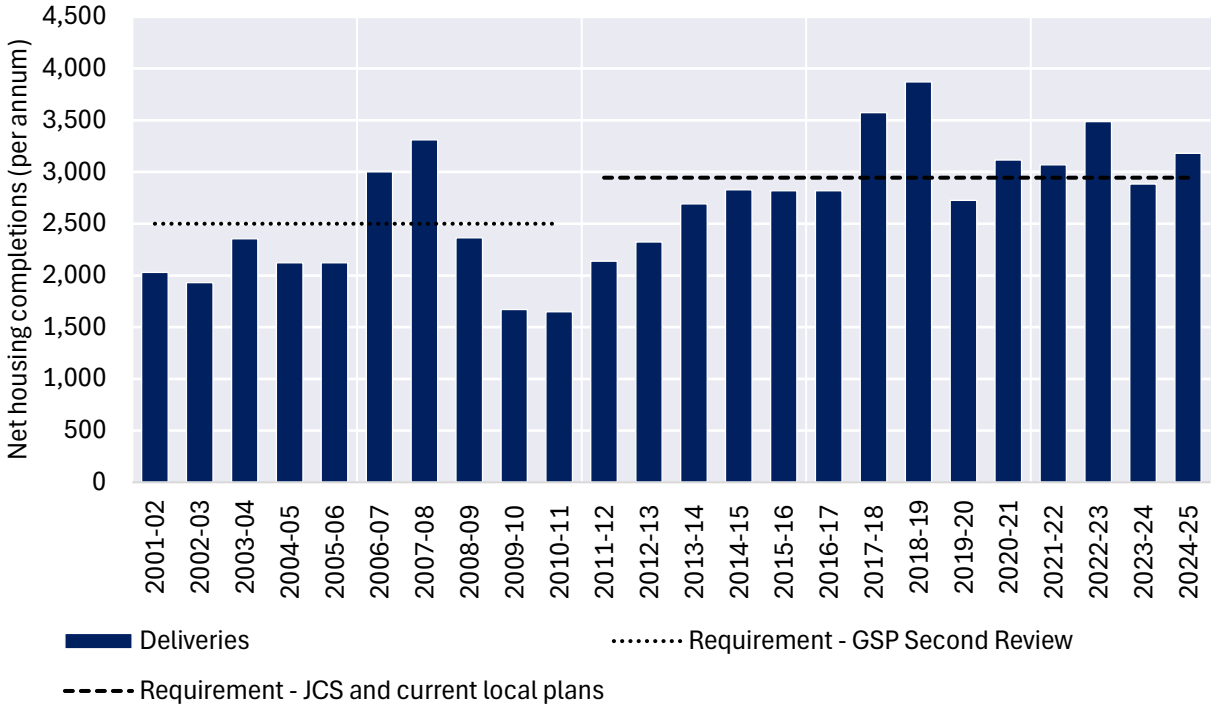
3.49 The following figure provides a longer-term time-series of housing delivery across Gloucestershire, compared to housing requirements in local plans. Two housing requirements are shown in different time periods:

- The requirement for 2,500 dwellings per annum (dpa) set in the Gloucestershire Structure Plan (GSP) Second Review. This was

similar to the requirement of the South-West Draft Regional Spatial Strategy for Gloucestershire of 2,430 dpa.

- The more recent requirement from the Gloucester-Tewkesbury-Cheltenham Joint Core Strategy (JCS) and other current local plans, which amounts to 2,945 dpa.

Figure 3-10: Gloucestershire housing delivery compared to requirements



Source: Iceni analysis, MHCLG Live Table 122

3.50 This analysis indicates the level of agreement between the level of housing provision being planned for in local development plans, and the housing delivery outcomes. That is, **housing delivery outcomes reflect in part the level of housing being planned for, as well as broader macro-economic circumstances (e.g. cost of materials, labour availability, interest rates, cost of land and regulations) and market capacity and appetite**.

3.51 There was a clear increase in housing between the 2000s and the 2010s/2020s corresponding to an increased housing requirement. Since 2011, an average of 2,966 dpa have been delivered across the

County, 1% above the requirement set in the JCS and local plans for Stroud, Cotswold and Forest of Dean.

3.52 Housing delivery in Gloucestershire peaked at 3,871 dpa in 2017/18. This is below the current standard method housing need, discussed in the next chapter, of 4,656 dpa. However, it is noted that there is likely to be scope to increase housing delivery above past rates through planning for higher housing delivery (for example through additional allocations) and associated infrastructure.

3.53 It is noted that alignment between planned provision and delivery does not necessarily mean that housing need is being fully met. Evidence presented elsewhere in this report indicates ongoing affordability pressures and increasing homelessness in some areas, suggesting that housing provision historically planned for may itself have been insufficient relative to underlying need. Indeed, as discussed in Chapter 5 the recent revisions to the Standard Method for assessing housing need by the Central Government had the objective of increasing housing delivery across the country in the face of persistent historic under-delivery.

3.54 Corresponding housing delivery and requirement information for each authority is provided in the table below averaged across two different time periods: 2001-11 when the Gloucestershire Structure Plan Second Review (GSPSR) provided the requirement, and 2011-2025 with requirements provided by current local plans.

Table 3-6: Average annual housing delivery compared to requirements

	Delivery 2001-11	Req'ment 2001-11	Delivery as % of req'ment	Delivery 2011-25	Req'ment 2011-25	Delivery as % of req'ment
Cotswold	262	415	63%	488	420	116%
Forest of Dean	253	290	87%	367	310	118%
Stroud	398	530	75%	533	456	117%
Cheltenham	333	345	96%	336	*	
Gloucester	594	465	128%	510	*	
Tewkesbury	365	455	80%	733	*	
SLP Area	1,291	1,265	102%	1,579	1,759	90%
G'shire	2,203	2,500	88%	2,967	2,945	101%

Source: Iceni analysis, MHCLG Live Table 122

* Note requirements for individual authorities in the SLP area from 2011-25 are not directly comparable to delivery figures

3.55 Between 2001-11, Cotswold, Forest of Dean and Stroud all under-delivered housing compared to the allocation set out in the GSPSR. The SLP Area saw overall delivery closely aligned to the requirement, although this was delivered through higher than allocated delivery in Gloucester and lower than allocated in Tewkesbury.

3.56 The Gloucestershire Structure Plan established the strategic distribution of housing provision across the County, but delivery depended on district Local Plans translating that strategic requirement into local allocations and settlement policies.

3.57 This is relevant to the under-delivery of Cotswold, Forest of Dean and Stroud in the 2001–2011 period. The plans in force in these authorities at the start of the period were either prepared under an earlier strategic context, covered an earlier plan period, or had not yet been replaced by a fully up-to-date adopted plan. Local plans implementing the GSPSR were adopted between November 2005 – April 2006, leaving limited time for additional land allocations to translate through to additional

growth. It is also noted that the Stroud Local Plan 2001-2011 was modified before adoption to reflect a shift in the strategic context towards the emerging Regional Spatial Strategy, which required a lower provision of 310 dpa to 2026 (vs 347 dpa to 2011 under the GSPSR).

3.58 Since 2011, delivery has been more closely aligned with adopted local plans, which were adopted between 2015 – 2018 under the NPPF-based system (noting the Forest of Dean Core Strategy was adopted in 2012 but the Allocations Plan which is more relevant to land supply was adopted in 2018). In contrast to 2001-11, Stroud, Cotswold and Forest of Dean have each delivered between 116% - 118% of their adopted requirements, following increases in average delivery rates which reflect planning for higher requirements.

3.59 Delivery has also increased for the SLP area overall, although since 2011 delivery has been slightly below the adopted local plan requirement (i.e. at 90% of it).

3.60 The Joint Core Strategy (JCS) for the SLP Area, adopted in December 2017, does provide housing requirements for each individual authority. However, it specifies that several urban extensions in Tewkesbury are meeting the needs originating in Gloucester and Cheltenham and so should be counted against their requirements rather than Tewkesbury's. As **Table 3-6** uses Central Government completions data based on authority boundaries, it does not account for the JCS allocation of strategic extensions, and so completions results cannot be compared to JCS requirements.

3.61 However, some understanding of the reasons for the small under-delivery of housing since 2011 can be gained from the breakdown of identified supply in the JCS compared to delivered supply. As shown in the table below, the JCS identifies sources of housing supply for 31,324 homes, with the largest part of the supply within the boundaries of Tewkesbury (including urban extensions to meet the needs of Gloucester and Cheltenham).

3.62 By comparison, since 2011 (14 years of 70% of the plan period of 20 years) 22,107 homes have been delivered. Comparing delivery against the quantum of supply identified, Cheltenham has delivered homes equivalent to only 55% of the JCS supply, while Tewkesbury and Gloucester have delivered substantially more (71% and 85% respectively). As a result, it appears that under-delivery in the JCS area overall since 2011 has been partly a result of comparative under-delivery within the Cheltenham Borough boundaries. It is also noted that the JCS does not identify enough supply to meet identified housing needs.

Table 3-7: Housing supply identified in the JCS compared to delivery

	Identified supply	Housing delivery 2011-25	Housing delivery as % of supply
Cheltenham	8,482	4,701	55%
Gloucester	8,392	7,138	85%
Tewkesbury	14,450	10,268	71%
Total	31,324	22,107	71%

Source: Iceni analysis of *Gloucester, Cheltenham and Tewkesbury Joint Core Strategy 2011-31*, MHCLG Live Table 122

Note: The JCS associates several urban extensions in Tewkesbury with Gloucester and Cheltenham. For this table, they have been counted as part of Tewsbury's supply as they are located within the Tewkesbury Borough boundaries.

Sales Market Dynamics

3.63 The figure below shows the median house prices for each type of property in each Gloucestershire authority. The highest overall prices are in the Cotswolds at £448,000; with prices for each property type also highest there. Given that the Cotswold National Landscape covers 80% of the District and is likely to have restricted the scale of

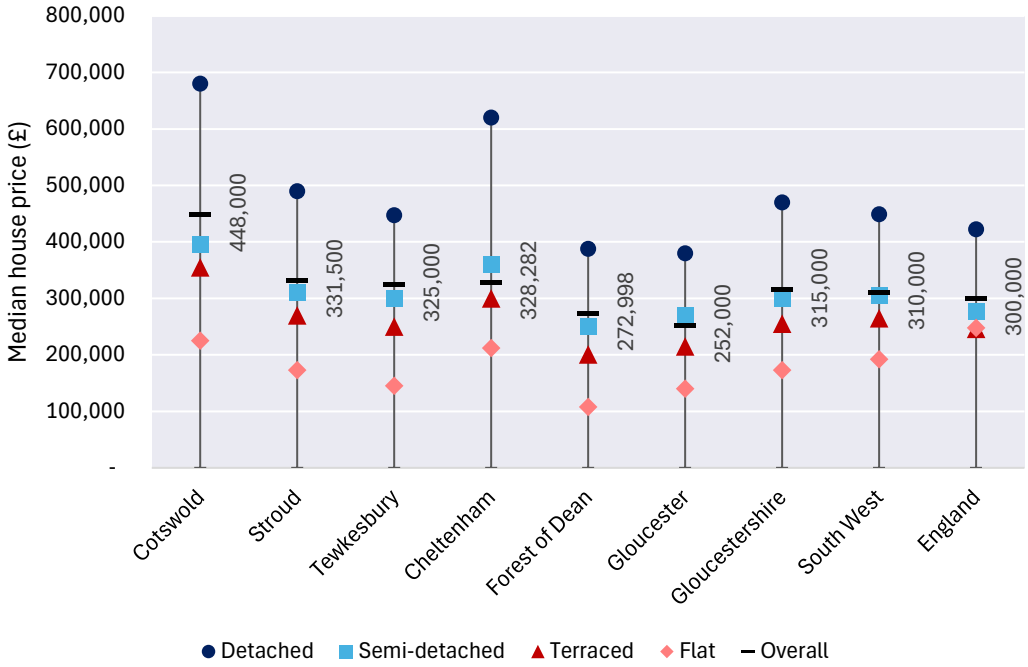
development, it is unsurprising that properties within it are likely to command higher prices.

3.64 Stroud also sees reasonably high prices across all property types in comparison to other authorities, although the overall median at £331,000 is much less than that of Cotswold District.

3.65 At the other end of the scale, Gloucester sees some of the lowest prices across the authorities, with an overall median of £252,000, significantly less than the average for the county, region and country. Forest of Dean also sees lower prices, although not quite to the same extent (there has been some increase in prices in Forest of Dean in recent years following the removal of tolls on the Severn Bridge).

3.66 Gloucester has the second lowest median house price of any authority in the South West, second only to Plymouth (£225,000). By contrast, Cotswold has the second highest median price, with only the Isles of Scilly having a higher median (£547,500), noting that it has a very small and constrained housing stock.

Figure 3-11: Median Price by Type (Year ending March 2025)



Source: ONS *Median house prices for administrative geographies*

3.67 It is also worth noting the price differences in Cheltenham, where, although the overall median price of £325,000 puts the area broadly in line with costs in Stroud and Tewkesbury, prices for the individual property types exceed those in both these areas.

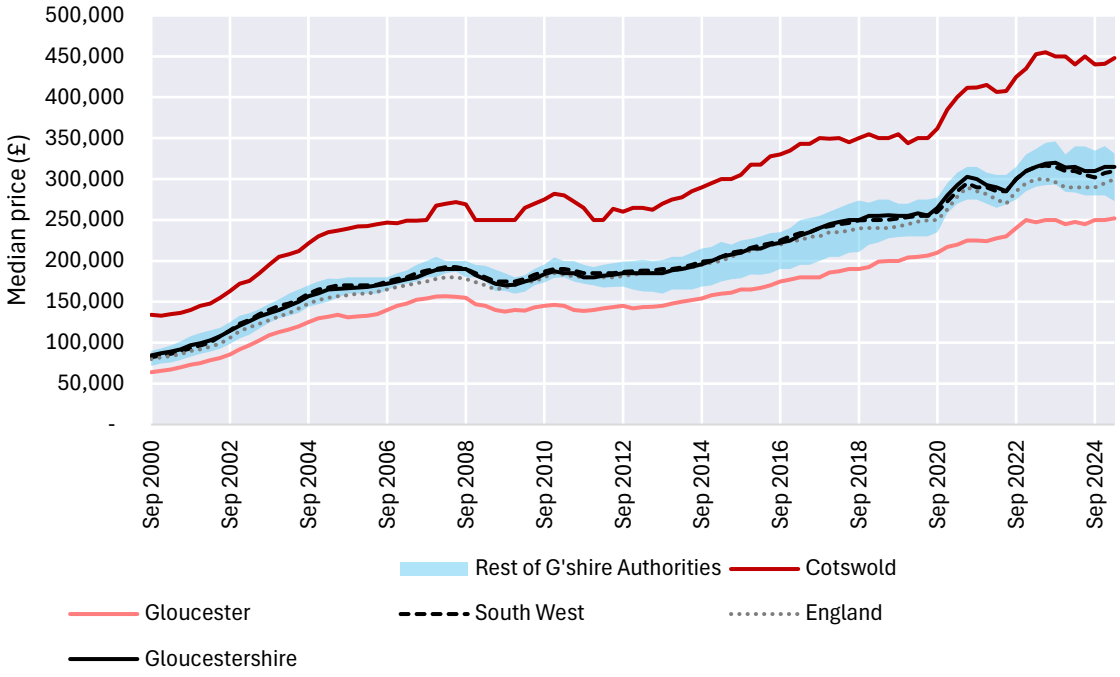
3.68 This is likely a factor of stock profile in the area, as previously discussed, Cheltenham sees a higher proportion of smaller and therefore less expensive dwelling stock (flats and terraces). Prices for detached homes are particularly high in Cheltenham (median of £620,000), and well above prices for other housing types (for example flats had a median price of £212,250). This is likely to play out in price variation between the different parts of the Town.

3.69 The figure below shows how overall median house prices have changed over time. Note the affordability analysis later in this section shows how this price growth has tracked against wages.

3.70 As is clear, prices in Cotswold have consistently been the highest, while prices in Gloucester have been the lowest.

3.71 Largely, trends across the areas have tracked each other with an overall increase over time, but particularly since 2020. However, since 2023, prices growth appeared to have stall somewhat, with no real change. This will be due to broader economic influences, particularly interest rate changes that make mortgages less affordable; coupled with the end of the Help-to-Buy Equity Loan scheme.

Figure 3-12: Housing price changes over time



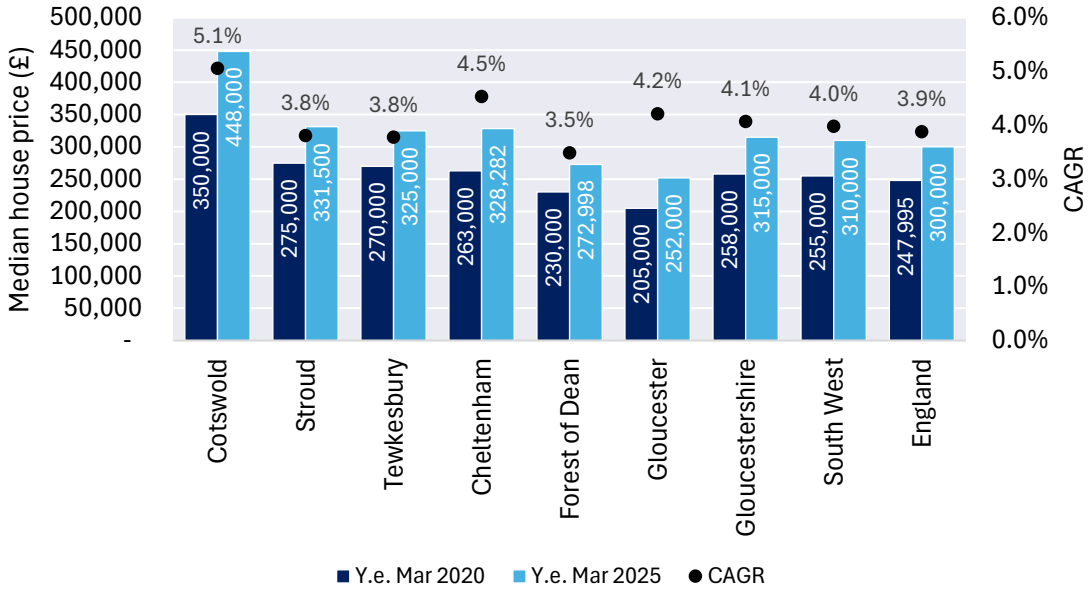
Source: ONS *Median house prices for administrative geographies*

3.72 The figure below looks at the change in house prices from March 2020 to March 2025 in more detail and compares this to the Compound Annual Growth Rate (CAGR) across the 5 years.

3.73 In terms of absolute growth, this is most significant in Cotswold, which saw an increase of £98,000 from £359,000 to £448,000 between 2020-25. Tewkesbury sees the lowest absolute growth, at £55,000, from £270,000 to £325,000.

3.74 Looking at CAGR, Gloucestershire as a county sees a rate of 4.1%, which slightly exceeds the regional and national averages (4.0% and 3.9% respectively). At the local authority level, CAGR is strongest in Cotswold (5.1%) and Cheltenham (4.5%). It is weakest in Forest of Dean (3.5), which lags behind the region and national rates. Other authorities have seen compound annual growth in a tight band between 3.8% - 4.2%.

Figure 3-13: House Price Change and Compound Annual Growth Rate (CAGR)



Source: Iceni analysis of ONS *Median house prices for administrative geographies*

Transactions

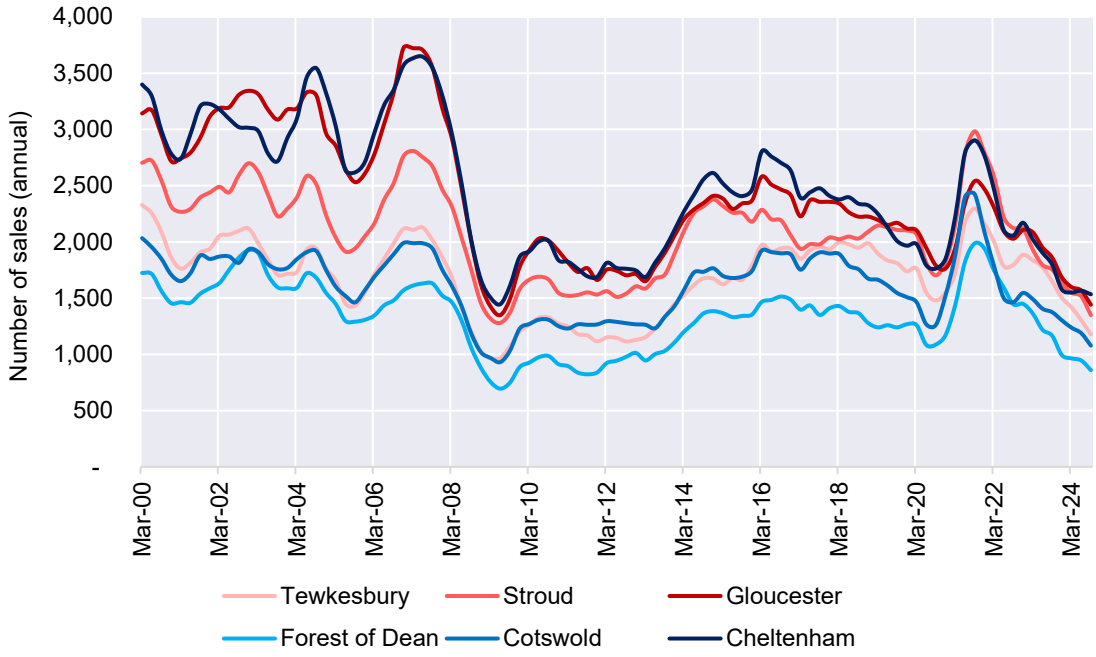
3.75 The figure below considers the number of property sales made in each local authority over time. All areas saw a decline in sales in 2008 due to the global financial crash, which impacted mortgage availability for many. Sales rates did improve slightly up to around 2016, after which they slowed again.

3.76 A very large jump is seen across all areas in 2021; this is a result of COVID and the various policies announced at that time aimed to stimulate the market (interest rate cuts and the Stamp Duty (SDLT) Holiday).

3.77 Sales dropped again between 2021 and 2022 as the SDLT holiday ended and interest rates increased again. The number of sales has been steadily declining since, with interest rate hikes and the Cost-of-Living crisis playing a significant role in this. Sales levels are now sitting at particularly low levels – aligned with those seen in mid-2009 at the height of the credit crunch.

3.78 Other factors, including macro-economic conditions and interest rates, will also have affected the property market and sales trends over time.

Figure 3-14: Sales trends over time



Source: ONS

New Build Sales

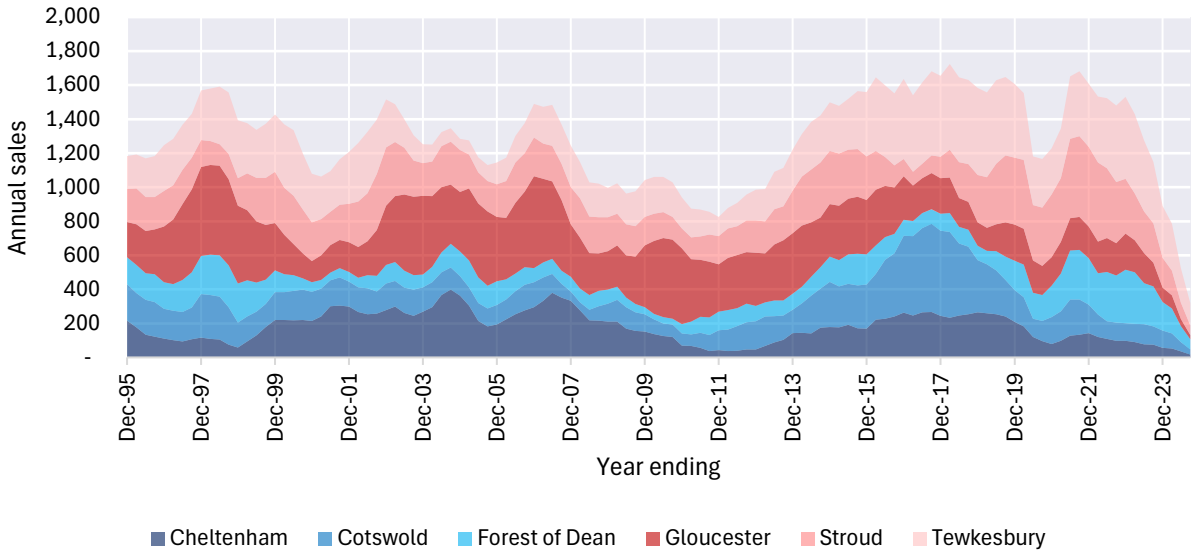
3.79 The figure below looks at the number of new-build sales. This will be impacted in part by the number of new builds constructed in an area which is influenced by land availability, as well as by demand in the housing market.

3.80 The overall number of new build sales varied between around 1,100 – 1,500 from 1995 until 2007, before declining to just over 800 in the year ending December 2011. It recovered and reached a peak of around 1,600 per year from December 2015 to December 2019, and then again in late 2021 as a result of the stamp duty holiday. Since then it has been declining sharply and in recent data is sitting at or below the low levels reached in 2011. The end of the help to buy scheme, which had been supporting new build sales, is likely to have played a role here, as well as affordability pressures and the growth in interest rates seen since 2022 which has reduced effective demand.

3.81 The level of new build sales has varied in different authorities over time, reflecting factors including local property market demand as well as the availability of sites for development, and the viability of development.

3.82 Which authorities have been seeing the highest levels of new build sales has varied over time. During the 2000s there were high numbers of sales in Gloucester and Cheltenham, but these declined steadily after that. From the mid-2010s onwards Tewkesbury, and to a lesser extent Stroud, have made up a much greater share of new build sales (as noted earlier in this Chapter Tewkesbury has seen a high rate of housing growth over the last 10 years). Forest of Dean and Cotswold have generally seen lower numbers of sales, although Cotswold saw higher numbers in the mid-2010s.

Figure 3-15: New-build sales



Source: ONS *Residential property sales for administrative geographies (newly built dwellings)*

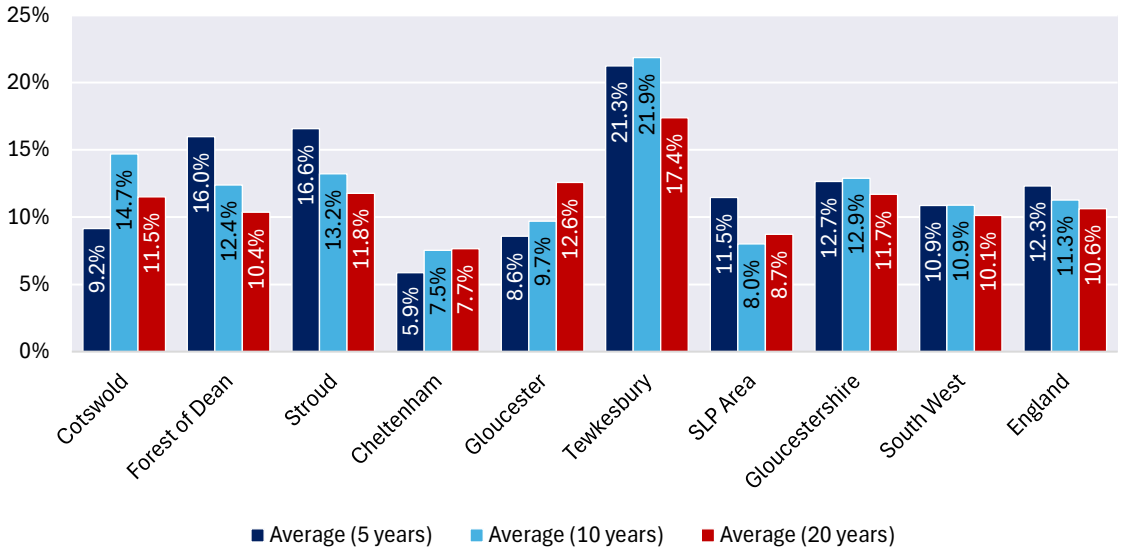
3.83 The following figure charts these new build sales as a percentage of the total housing sales recorded in each period (the most recent 5, 10 and 20 years of data). This metric is a gauge of the rate of new-build development in an area.

3.84 Nationwide, new build sales have consistently made up around 10 – 15% of all housing sales, with slightly higher average rates in the last 5

years. Average rates have been slightly lower in the South-West, but higher in Gloucestershire.

3.85 While new build sales in Gloucestershire have been higher than across England as a whole, they are still below levels that can be seen in high-growth conditions. Relative to their local markets, authorities which have seen high housing growth have been able to achieve new build sales of 25% or more of total sales. Based on this indicator, there is therefore some headroom for growth in market housing sales in Gloucestershire.

Figure 3-16: New-build sales as percentage of all housing sales



Source: ONS *Residential property sales for administrative geographies (newly built dwellings)*

3.86 Relative to local markets, new build sales have been strongest in Tewkesbury, making up nearly 22% of all sales over the last ten years. During this time, Tewkesbury has seen some periods in which new builds were 25% or more of total sales, a high-growth rate as discussed above[3].

[3] Note that this figure is different from the value shown in the figure above, as the figure shows averages over the last 5, 10 and 20 years rather than peak values attained in recent years.

3.87 Other authorities have seen generally lower rates of new build sales compared to their local markets, leaving headroom for growth. Cheltenham in particular has seen a very low rate of new build sales, sitting lower than average national and regional benchmarks across the last 5, 10 and 20 years.

Affordability

3.88 The ONS affordability ratio shows how many times the median annual salary would need to be multiplied to purchase a median-priced home. For example, if the ratio is 7.7, it means the typical home costs 7.7 times the median annual earnings to buy.

3.89 A higher ratio indicates that medium house prices are less affordable for households on median salary, whereas, a lower ratio suggests better housing affordability. The figure below shows the workplace-based ratio, which uses the annual median salaries of those working in each area.

3.90 The affordability ratio feeds into the new standard method; a lower affordability ratio may lead to a lower standard method figure for overall housing need.

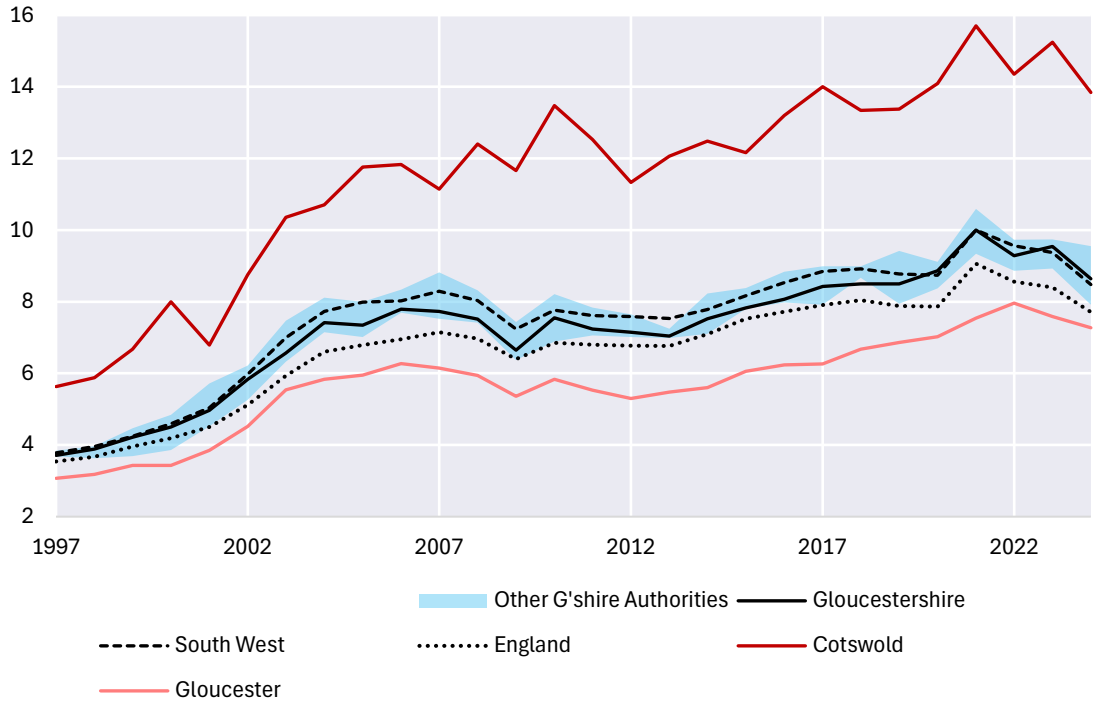
3.91 Reflecting national trends around affordability ratios, there has been some improvement in the affordability ratio since 2021, as a result of earnings growth outpacing housing costs.

3.92 That said, property is still expensive in comparison to local earnings. In Gloucester, which has the lowest ratio of the Gloucestershire authorities, median house prices still exceed 7 times the average annual salary.

3.93 Cotswold has consistently seen a very high workplace-based ratio in comparison to all other areas of Gloucestershire; in 2024, it sat at 13.84, down from a peak of 15.70 in 2021.

3.94 The affordability ratios of other Gloucestershire authorities sit in a narrow band around the Gloucestershire and South West averages, although slightly above the England average.

Figure 3-17: Workplace Based Affordability Ratio (1997-2024)



Source: ONS

3.95 The table below shows the difference in the 5-year averages of the residence and workplace-based affordability ratios in each area. A residence-based ratio considers wages of those who live in an area but may not work in it, whereas a workplace-based ratio considers those who work in the area but may not live in it.

3.96 Only Gloucester and Tewkesbury see higher workplace-based affordability ratios than residence-based, indicating that workers in these areas tend to earn more than those who live in the area.

3.97 On the other end of the scale, Cotswold sees that the most significant difference is with the residence-based ratio being 2.54 points below the workplace-based, meaning those who live in the Cotswold district tend to have much higher earnings than those who work there. A similar

picture is also seen in the Forest of Dean, although the difference is smaller at 1.69 points.

Table 3-8: Workplace vs. Residence-Based Affordability Ratio (Average 2019-2024)

	Residence Based	Workplace Based	Difference (RB-WP)
Cotswold	12.1	14.64	-2.54
Forest of Dean	7.75	9.44	-1.69
Stroud	9.52	9.53	-0.01
Cheltenham	8.37	9.13	-0.76
Gloucester	7.81	7.48	0.33
Tewkesbury	9.02	8.77	0.25
Gloucestershire	8.79	9.26	-0.47
South West	9.09	9.23	-0.14
England	8.32	8.32	0

Source: ONS Affordability Ratios

Note: It is not possible to provide a value for the SLP Area as appropriate as data is only published at the local authority level

3.98 In practice, house prices are typically more closely related to the purchasing power of residents rather than to workplace earnings, as housing demand is driven by those choosing to live in an area rather than by the wages associated with jobs located there. This means that relatively high house prices can persist even where local workplace earnings are comparatively lower. This shows the importance of considering functional relationship between authorities within Gloucestershire and neighbouring areas (explored more in Appendix A4) and housing and employment patterns across the wider housing market and functional economic area when planning for housing delivery.

Private Rental Market Dynamics

3.99 The private rented sector remains a significant part of England's housing market, accounting for roughly one in five households. After rapid growth in the early 2000s, its share has stabilised since 2013–14.

3.100 This has caused persistent affordability challenges. According to the 2023/24 English Housing Survey[4] younger renters are the most financially stretched, while mobility within the sector remains high, many tenants move frequently for work or better housing options.

3.101 Despite these pressures, the number of households in rental arrears has declined, and more households report having savings, suggesting modest improvements in financial resilience.

3.102 However, satisfaction with their neighbourhoods and housing security lags behind that of owner-occupiers, highlighting ongoing concerns about stability and quality.

3.103 The table below shows average monthly rents in each local authority in Gloucestershire. Cheltenham and Cotswold District have the highest rents across all size bands. Cheltenham is the only area to exceed the South West average.

3.104 The lowest rental costs are in the Forest of Dean, given the rural nature of the area and lack of a significant urban centre within it, this is unsurprising and indicates that the rental market in the authority is not quite as active or in demand as others in the county.

[4] English Housing Survey 2023-24: rented sectors - GOV.UK

Table 3-9: Average Rental Costs (January 2026)

Location	One bed	Two beds	Three beds	Four or more beds	Overall
Cotswold	£874	£1,111	£1,351	£2,059	£1,260
Forest of Dean	£598	£805	£966	£1,469	£834
Stroud	£732	£946	£1,159	£1,646	£1,026
Cheltenham	£846	£1,066	£1,316	£1,867	£1,227
Gloucester	£714	£930	£1,160	£1,596	£1,069
Tewkesbury	£662	£869	£1,105	£1,592	£972
South West	£816	£1,046	£1,272	£1,850	£1,224
England	£1,164	£1,300	£1,450	£2,115	£1,423

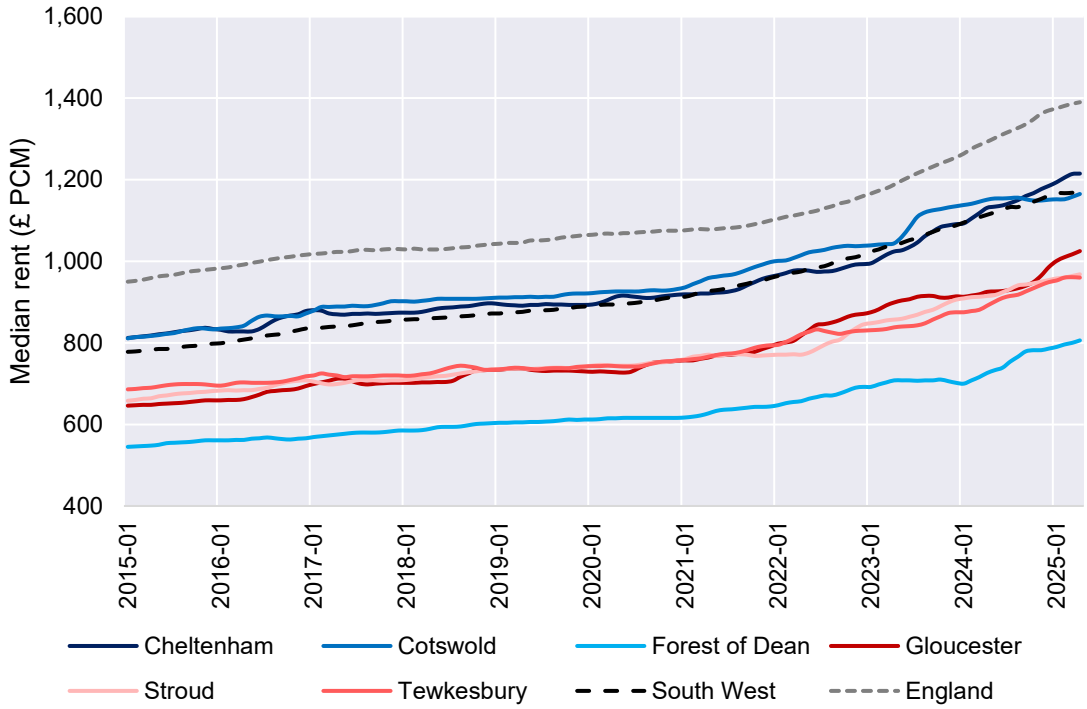
Source: ONS *Price Index of Private Rents*

Note: It is not possible to provide a value for the SLP Area as appropriate as data is only published at the local authority level

3.105 The figure below shows how rental costs have changed in each area over time. Average rents across England have consistently been higher than in the South West and the Gloucestershire authorities. In all areas, rental costs have increased over time, but particularly since 2021.

3.106 Cheltenham and Cotswold have consistently had the highest (and similar) average rents. Rental costs in Gloucester, Tewkesbury, and Stroud also tend to match or be close to one another. The Forest of Dean is the only outlier, with costs significantly below those of the other areas.

Figure 3-18: Rental Costs Change



Source: ONS

Note: It is not possible to provide a value for the SLP area as appropriate as data is only published at the local authority level

3.107 Iceni has sought to speak to letting agents working within Gloucestershire to understand issues in the market and the key differences between the rural and urban areas in the county.

3.108 Agents noted a clear contrast across the county; with a stronger rental market in urban areas. In Cheltenham, for example, the University has an impact, with students seeking housing in the area and investor interest. In Gloucester, employment opportunities are a key draw for prospective tenants in the area. In both areas, young people, either students or workers, were important in driving rental demand.

3.109 Stronger urban markets may make specialist housing like higher-density built to rent housing more viable. At the same time, it is important that private rental housing is available across the County, and there may be a role for suburban built to rent to facilitate this in rural areas. These issues are considered in more detail in Chapter 8.

3.110 Generally, agents noted there to be good availability of properties in the rental market. However, agents noted some decline in stock in recent years, with landlords/investors leaving the sector (due to increased regulation, taxation and interest rate changes).

3.111 This was a trend seen across both urban and rural areas; however, agents noted that rents were increasing as a result of this, as supply had fallen.

3.112 In rural locations, agents reported differing demand, tenants are older, often families, but occasionally older retirees relocating to the area and seeking to rent property before buying.

3.113 The stock in rural areas was reported as limited, with many investors either having left the sector entirely or having switched to short-term holiday rental opportunities.

3.114 There was some hesitancy surrounding the impact of the Renters Reform Bill (which introduces more regulation on the sector), with agents (covering both urban and rural areas) concerned that more landlords will leave the sector over the next few months.

3.115 There may also be pressure on private rental supply from upcoming changes to Energy Performance Certificate (EPC) requirements, with rental properties required to meet a minimum rating of C from 1st October 2030. The investment needed to meet these standards may encourage some private landlords to exit the market.

Rental Affordability

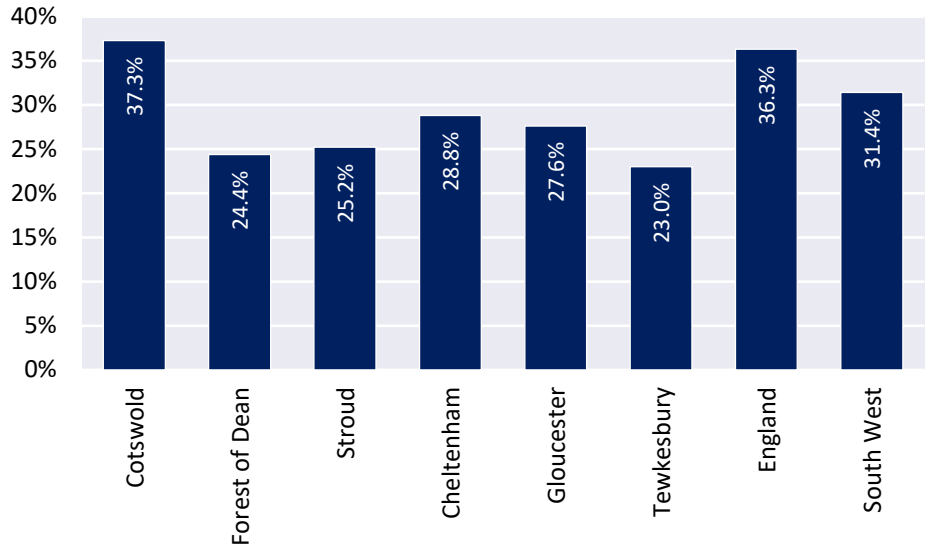
3.116 The ONS published analysis of the affordability of the rental market in which it compares the average rental costs of properties to average gross monthly incomes of private renting households. Local authorities are considered ‘unaffordable’ where the average private-renting

household is required to spend more than 30% of their gross income on housing costs[5].

3.117 Across the South West region the average household is spending 31% of income on rent using this analysis. The analysis, as shown below, points to particular affordability issues in the rental market in Cotswold District. All other authorities sit below the ONS' 30% cutoff, although it is worth noting that Gloucester and Cheltenham are the next least affordable.

3.118 These ONS statistics do not provide more detailed breakdowns by, for example, housing size or household income. More detailed analysis of housing affordability and affordable housing need are provided later in this report.

Figure 3-19: Rental Affordability: Average rent as % of median gross household income, 2023/24



Source: ONS Private Rental Affordability Dataset

Note: It is not possible to provide a value for the SLP area as appropriate as data is only published at the local authority level

[5] Note that a higher figure of 35% is considered when assessing affordable need later in this report, which is considered more appropriate for a town planning evidence base on affordable housing needs. While ONS only reports the proportion of private renting households above 30%, their results still provide a useful set of comparative statistics.

4. Demographics & Overall Housing Need

4.1 This section of the report considers overall housing need set against the NPPF and Planning Practice Guidance (PPG) – specifically the Standard Method for assessing housing need.

4.2 This section also sets out our approach to understanding what this level of growth means in demographic terms. The projections look at the 2024-46 period and draw on data about local population trends (see below).

4.3 Before its publication, the Government's policy objectives for the 2024 NPPF consultation in terms of housing were clear, including to:

- get Britain building again, to build new homes, create jobs, and deliver new and improved infrastructure;
- take a brownfield first approach and then release low-quality grey belt land, while preserving the Green Belt;
- boost affordable housing, to deliver the biggest increase in social and affordable housebuilding in a generation;
- bring home ownership into reach, especially for young first-time buyers; and
- promote a more strategic approach to planning, by strengthening cross-boundary collaboration, ahead of legislation to introduce mandatory mechanisms for strategic planning;

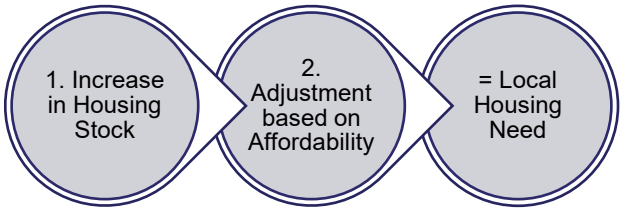
4.4 While it is noted that a subsequent consultation on changes to the NPPF have more recently occurred in late 2025, the above objectives are still useful to provide context regarding the Government's intention to increase housing delivery, including through changes to the Standard Method.

4.5 The Government's Standard Method seeks to support the ambition to deliver 1.5 million homes over the next five years (300,000 per annum on average) with the method seeking to provide a 'more balanced distribution of homes across the country, by directing homes to where they are most needed and least affordable and ensure that all areas contribute to meeting the country's housing needs. The Standard Method actually sums to 370,000 homes per annum nationally (across England).

The Standard Method

4.6 The starting point for examining housing need is the standard method. which is clearly set out by the Government in Planning Practice Guidance. The two-step process is illustrated and worked through below. This is a simplified variation of the previous Standard Method which has been in place since 2018.

Figure 4-1: Overview of the Standard Method for Calculating Local Housing Need



Source: MHCLG

4.7 Step 1 seeks to grow the housing stock in each area by a flat 0.8% growth per annum.

4.8 Step 2 is an affordability uplift which uses an average of the last five years' workplace-based affordability ratios, and for each 1% the average ratio is above 5, the housing stock baseline is increased by 0.95%, with the calculation being as follows:

$$\textbf{Adjustment Factor} = \frac{\textbf{Affordability Ratio} - \textbf{5}}{\textbf{5}} \textbf{ x } \textbf{0.95}$$

Step One: Setting the Baseline

4.9 The first step in considering housing need against the standard method is to establish a baseline of housing stock. This is derived from Live Table 125, which is published annually in May.

4.10 As of 2025, the Gloucestershire authorities had an aggregate of 310,474 dwellings; the baseline is 0.8% of the existing housing stock for the area, and this equates to 2,484 dwellings per annum. The calculations are however undertaken for individual authorities, as shown in Table 4-1.

Step Two: Affordability Adjustment

4.11 The second step of the standard method is to consider the application of an uplift on the housing stock baseline, to take account of market signals (i.e. relative affordability of housing).

4.12 The adjustment increases the housing need where house prices are high relative to workplace incomes. The latest (workplace-based) affordability data relates to 2024 and was published by ONS in March 2025.

4.13 For the Gloucestershire authorities, the average ratio is between 7.50 (Gloucester) and 14.56 (Cotswold). Based on the calculation set out above, these ratios result in an uplift equivalent to 88% across the county. The table below sets out the Standard Method calculation.

Table 4-1: Standard Method – (as of data released May 2026)

	Total Dwelling Stock	Step 1. Annual Dwellings Stock Increase (0.8%)	Average Afford-ability Ratio (2020-24)	Uplift	Step 2. Local Housing Need (dpa)	Housing need 2024-46
Cotswold	46,772	374	14.56	282%	1,054	23,184
Forest of Dean	41,304	330	9.26	181%	598	13,153
Stroud	57,390	459	9.70	189%	869	19,121
Cheltenham	57,823	463	8.93	175%	808	17,776
Gloucester	59,860	479	7.50	148%	706	15,540
Tewkesbury	47,325	379	8.70	170%	645	14,185
SLP Area (Subtotal)	*165,008*	*1,320*			*2,159*	*47,500*
TOTAL	310,474	2,484			4,680	102,958

Source: MHCLG

Note: Figures for the SLP provided as the sum of Cheltenham, Gloucester and Tewkesbury results only. Available data does not allow the calculation of the Standard Method housing need for a combined area.

4.14 In aggregate, the housing need for Gloucestershire is 4,656 dwellings per annum. This level of need should be applied across the whole plan period.

The standard method is dynamic and changes over time as new data is released, typically in Spring each year with affordability data released in late March annually; and new stock data made available in May.

Planning Practice Guidance sets out that authorities will need to keep the housing need under review until the point of submission of Local Plans (at which point it is fixed for a period of 2 years).

4.15 The section below sets out what this means for population growth, but first establishes a baseline demographic position. The demographic analysis in this section then feeds into subsequent sections of the report.

Population

4.16 The following analysis provides Gloucestershire-wide demographic information, in many cases followed by a breakdown by local authority. Additional authority-specific demographic data and results are provided in Appendix A1.

4.17 As of mid-2024 (the latest date for which ONS has published mid-year population estimates (MYE)), the population of Gloucestershire is estimated to be 669,400; this is an increase of around 58,000 people over the previous decade (a 9.5% increase), which is slightly higher than seen across the other areas studied.

Table 4-2: Population change (2014-24)

	2014	2024	Change	% change
Gloucestershire	611,331	669,380	58,049	9.5%
South West	5,422,159	5,889,695	467,536	8.6%
England	54,370,319	58,620,101	4,249,782	7.8%

Source: ONS

4.18 The table below shows the same information for each local authority. This shows particularly strong growth in Tewkesbury (20%), driven by high housing delivery, and a much lower level in Cheltenham (4%) – all other areas fall within an 8% to 10% range.

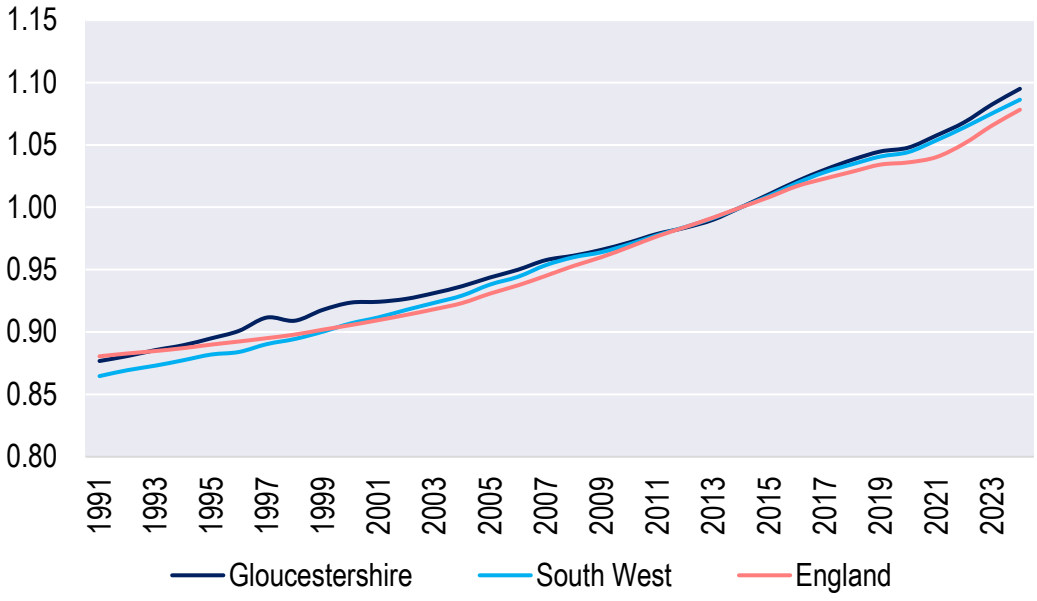
Table 4-3: Population change (2014-24)

	2014	2024	Change	% change
Cotswold	84,656	91,661	7,005	8.3%
Forest of Dean	83,377	89,753	6,376	7.6%
Stroud	115,211	125,680	10,469	9.1%
Cheltenham	117,094	121,739	4,645	4.0%
Gloucester	126,167	138,598	12,431	9.9%
Tewkesbury	84,826	101,949	17,123	20.2%
SLP Area (Subtotal)	328,087	362,286	34,199	10.4%
TOTAL	611,331	669,380	58,049	9.5%

Source: ONS

4.19 The figure below shows an indexed population change back to 1991 (index to 1 in 2014). This shows that population growth was generally in line with other locations throughout the period studied.

Figure 4-2: Indexed Population Change – 1991-2024



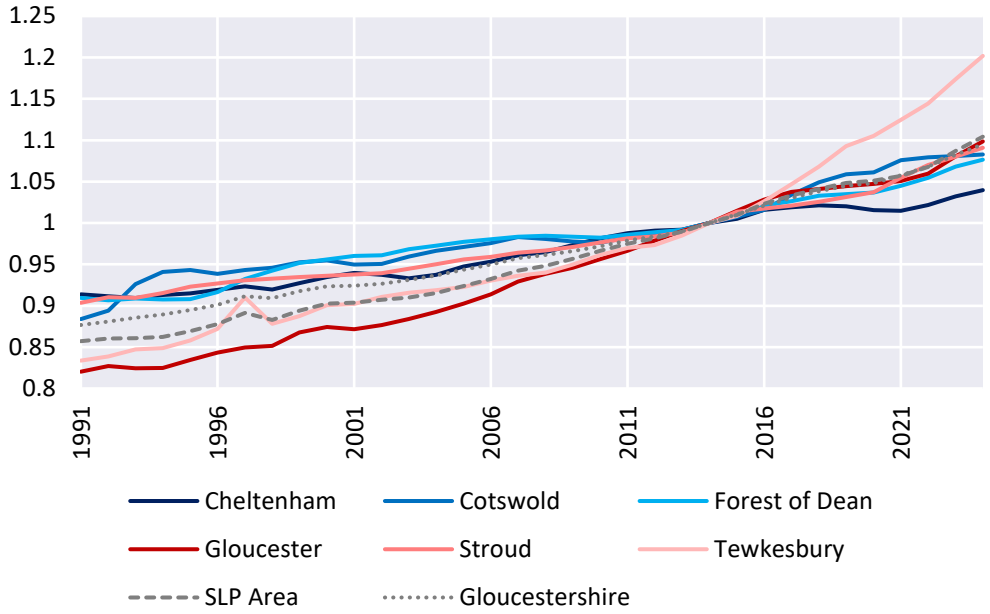
Source: ONS

4.20 The figure below shows the same information for local authorities. This shows the much higher growth in Tewkesbury over recent years, and

the lower growth in Cheltenham (including some years when the population is estimated to have fallen).

4.21 Over the longer term, both Gloucester and Tewkesbury show particularly strong growth when compared with other areas. Again, as set out earlier in this report, Tewkesbury had the highest rate of housing delivery.

Figure 4-3: Indexed Population Change – 1991-2024



Source: ONS

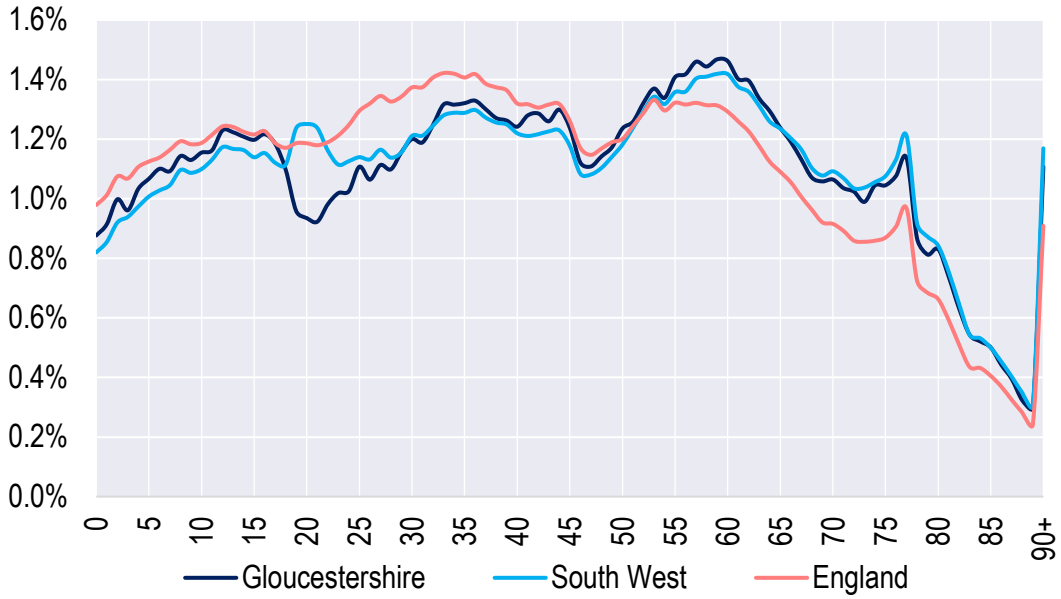
Age Structure

4.22 The figure below shows the age structure by single year of age (compared with a range of other areas). Overall, the population structure has an older age profile than seen nationally, although broadly in line with the regional position.

4.23 There are also differences in some younger age groups, notably a lower proportion of people in their late teens and early 20s – this latter observation will be linked to people moving away for further education. However, the data also indicate that many of these return over time.

4.24 An equivalent figure showing data for each local authority can be found in Appendix 1. Notably, this shows a higher level of younger people in the University towns of Cheltenham and Gloucester.

Figure 4-4: Population profile (2024)



Source: ONS

4.25 The analysis below summarises the above information (including total population numbers for Gloucestershire) by assigning population to three broad age groups (which can generally be described as a) children, b) working age and c) pensionable age).

4.26 This analysis confirms the older age structure when compared with the national position – 22% of the population being aged 65 and over.

Table 4-4: Population profile (2023) – summary age bands

	Gloucestershire		South West	England
	Population	% of population	% of population	% of population
Under 16	117,092	17.5%	16.6%	18.4%
16-64	404,252	60.4%	60.6%	62.9%
65+	148,036	22.1%	22.8%	18.7%
All Ages	669,380	100.0%	100.0%	100.0%

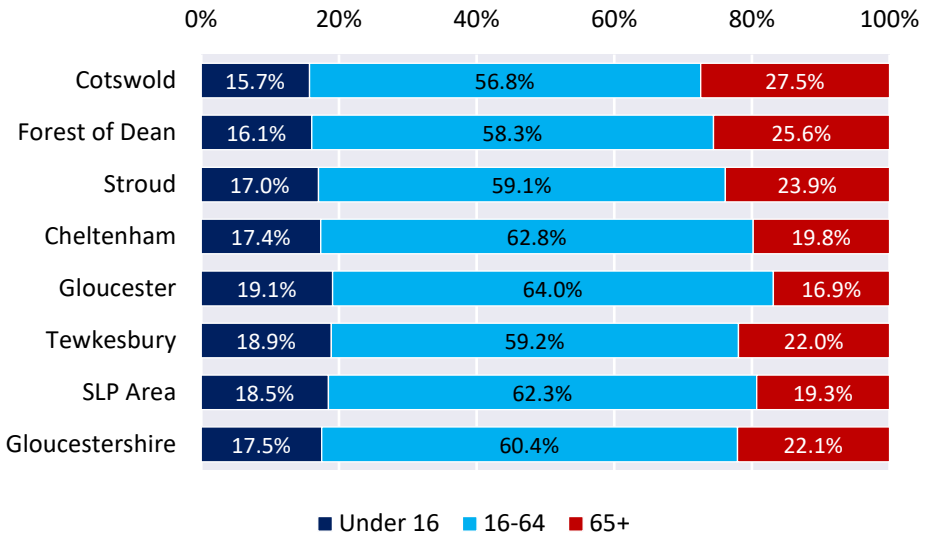
Source: ONS

4.27 The figure below shows the same data for each local authority. This shows some notable differences between areas, with Cotswold seeing an older population structure – 27% aged 65 and over.

4.28 At the other end of the scale, only 17% of the population of Gloucester is aged 65 and over; this area also sees the highest proportion of children.

4.29 Demographic differences will influence local housing needs, with these issues addressed later in the report. For example, more younger people implies a stronger need for housing appropriate for families (considered in Chapter 7), while more older people may result in increased specialist housing needs, needs for adaptable and accessible homes, and homes for rightsizing (considered in Chapters 6 and 7 respectively)

Figure 4-5: Population profile by local authority (2024)



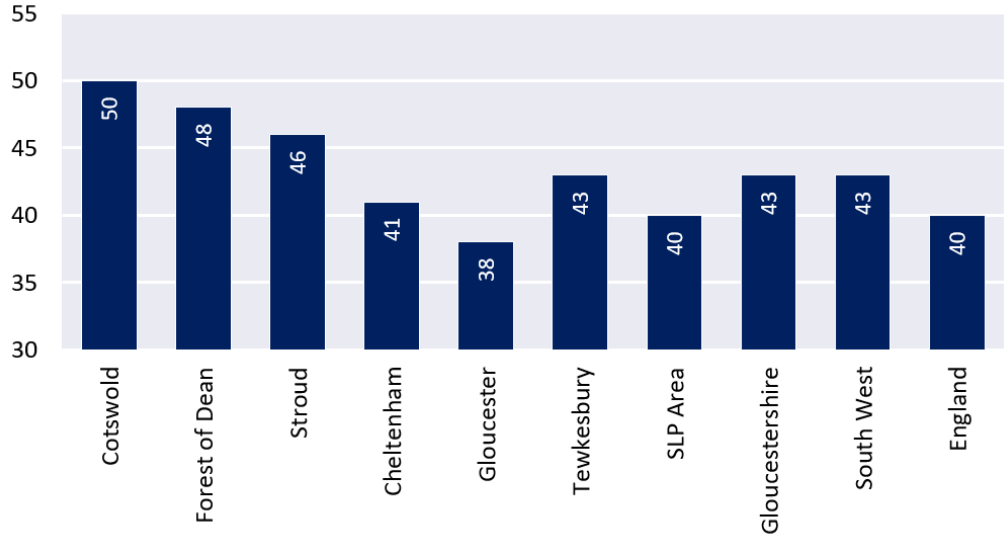
Source: ONS

4.30 The following figure provides more context to the differences in population-age distribution by showing the median age of residents of each authority.

4.31 Gloucester and Cheltenham have the youngest median ages (38 years and 41 years respectively), reflecting the presence of students and other younger people. Tewkesbury sits at around the County and

regional average position (43 years), while the other authorities have much higher median ages. Cotswold in particular has an older population, with a median age of 50.

Figure 4-6: Median age by area (2024)



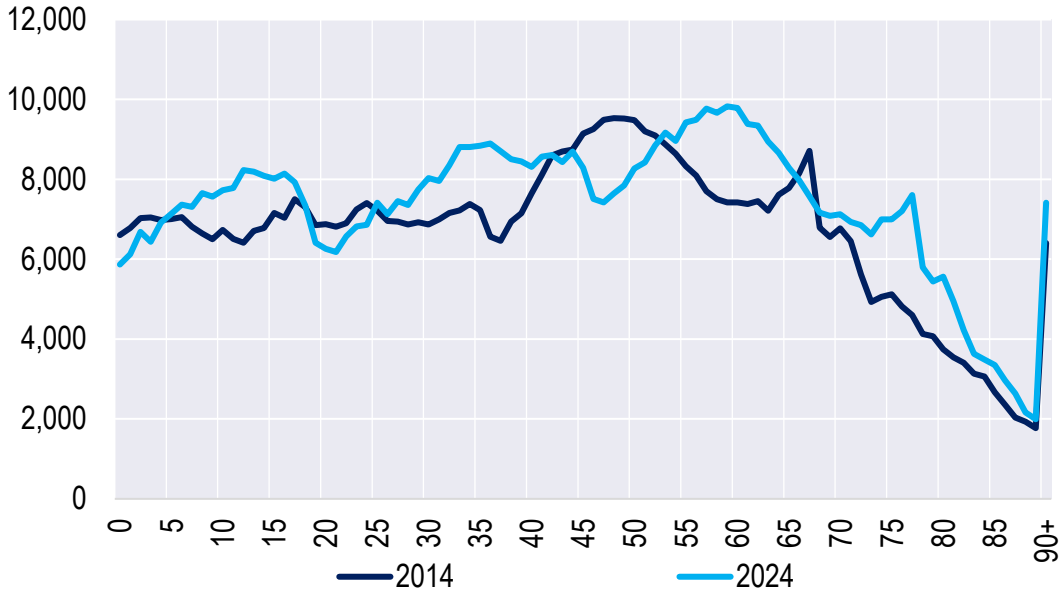
Source: Iceni analysis of ONS Population Estimates

Age Structure Changes

4.32 The figure below shows how the age structure of the population has changed in the 10 years from 2014 to 2024 – the data used is based on population, so it will also reflect the increase seen in this period.

4.33 There have been some changes in the age structure, including increases in the population in their 50s; the number of people aged 65 and over also looks to have increased notably. Where there are differences, they are often due to cohort effects (i.e., smaller or larger cohorts of the population getting older over time).

Figure 4-7: Population age structure (people) (2014 and 2024) – Gloucestershire



Source: ONS

4.34 Again, the information above is summarised into the three broad age bands to ease comparison. This shows population increases across all age bands, with the highest proportionate increase among those aged 65 and over.

4.35 However, in total population terms, the key growth age group has been people aged 16-64 – this age group increasing by 25,300 people, accounting for 44% of all population change in the County. Equivalent tables for each local authority are in Appendix 1.

Table 4-5: Change in population by broad age group (2014-24) – Gloucestershire

	2014	2024	Change	% change
Under 16	108,743	117,092	8,349	7.7%
16-64	378,975	404,252	25,277	6.7%
65+	123,613	148,036	24,423	19.8%
TOTAL	611,331	669,380	58,049	9.5%

Source: ONS

Components of Population Change

4.36 The table below considers the drivers of population change from 2011 to 2024. The main components of change are natural change (births minus deaths) and net migration (internal/domestic and international). Authority by authority tables are provided in Appendix A1.

4.37 There is also an Unattributable Population Change (UPC), which is a correction made by ONS upon publication of Census data if the population has been under- or over-estimated (this is only calculated for the 2011-21 period).

4.38 There are also 'other changes', which are variable (sometimes positive and sometimes negative but generally small in size) – these changes are often related to armed forces personnel, prisons or boarding school pupils.

4.39 The data shows a natural change to be dropping over time generally – there are now more deaths than births, as has been the case since 2019.

4.40 Migration is variable and always positive for internal (domestic) migration. For international net migration figures, the figures are much lower (and occasionally negative); however, the last three years for which data are available show a notably higher level of international migration than had been seen generally in the past – a consistent trend with that seen nationally, following a substantial uptick in international migration post-COVID.

4.41 The analysis also shows (for the 2011-21) period a very small positive level of UPC (totalling around 300 people over the 10 years), which suggests that when the 2021 Census was published, ONS had previously under-estimated population change. However, this level of UPC is pretty negligible.

4.42 Overall, the data show a continuing trend of increasing population throughout the period studied. Equivalent tables for each local authority are in **Appendix A1**.

Table 4-6: Components of population change, mid-2011 to mid-2024 – Gloucestershire

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

4.43 As shown in the figure below, high net international migration in 2021/22 – 2023/24 in Gloucestershire corresponds to a period of high international migration to the UK as a whole. Net international migration levels have dropped from a peak in the 12 months to June 2023 and as of the most recent provisional data (the 12 months to December 2025) are back to typical levels from the 2010s. As a result, high net international migration to Gloucestershire seen in the table above is likely to reflect broader trends in the UK, and would be expected to return to typical historical levels.

Figure 4-8: Net international migration to UK



Source: ONS *Long-term international immigration, emigration and net migration flows, provisional*

Demographic Implications of the Standard Method

4.44 A demographic model has been developed as part of the preparation of the HENA to assess the potential implications of delivering 4,656 dwellings per annum in the 2024-46 period (with data calculated for each local authority based on individual Standard Method calculations).

4.45 This considers the levels of migration likely to be needed to fill homes and also the possibility of seeing higher levels of household formation in younger age groups (where there is evidence of a historical constraint in formation).

4.46 The modelling is essentially split into two components: a population projection, which is then converted into estimates of household growth based on household representative rates (HRRs) – essentially the chance of a person in a particular age/sex group being considered as the 'head of household'.

4.47 The population modelling starts with the most recent (2022-based) subnational population projections (SNPP), which have been updated by reference to mid-year population estimates (MYE) data up to 2024 (looking at more recent data about births, deaths and migration).

4.48 When looking at household growth, data about the communal population and household formation are taken from the 2021 Census. This data is broadly the same as that used in the 2022-based subnational household projections (SNHP), with the Census source used to enable a consistent analysis when examining older data releases (from previous Censuses in 2001 and 2011). It is also assumed that around 3% of new stock will be vacant at any time (to allow for movement within the stock – note this is applied between household and dwelling growth and so is independent of tenure).

4.49 Following these steps leads to a base demographic model, which can then be flexed to see how the population and households might change with housing delivery in line with the Standard Method.

4.50 Within the modelling, migration assumptions have been changed so that across each local authority, the increase in households matches the housing need (including a standard 3% vacancy allowance). Adjustments are made to both in- and out-migration (e.g. if in-migration is increased by 1%, then out-migration is reduced by 1%).

4.51 The general assumption in this report is that additional housing delivery linked to the Standard Method will be driven (at least in part) by in-migration, and this does seem to be the main expectation of Planning Practice Guidance[6] (see discussion below). Paragraph 006 (Reference ID: 2a-006-20241212) states:

> *'Why is an affordability adjustment applied?*
>
> *An affordability adjustment is applied, as housing stock on its own is insufficient as an indicator of future housing need because:*

[6] https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments

housing stock represents existing patterns of housing and means that all areas contribute to meeting housing needs. The affordability adjustment directs more homes to where they are most needed people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.

The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes.'

4.52 The previous PPG also stated that an affordability uplift is required because *'household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live'*[7].

4.53 Essentially, the Government considers that by providing more homes, there is the opportunity for increased migration to an area to fill the homes, whilst equally, one of the Government's core objectives in planning for the delivery of 370,000 homes a year nationally is to improve affordability. Increased housing provision should create opportunities for additional household formation.

4.54 The modelling therefore considers the possibility of additional housing delivery, allowing the opportunity for additional households to form. The figure below shows a summary analysis of changes in HRRs by age for the last three Census points (2001, 2011, and 2021).

[7] Paragraph 2a-006-20190220 – while this has been superceded by the text quoted above following the adoption of the current Standard Method (on 12/12/24), it provides helpful context linking the supply of homes to household formation rates.

4.55 Arguably, the key groups to look at are younger age groups where there may have been a degree of suppression in household formation (due to affordability), and this does appear to be the case in Gloucestershire for all age groups up to 44 (but mainly those aged 25-34) – although to a lesser degree than seen regionally and nationally.

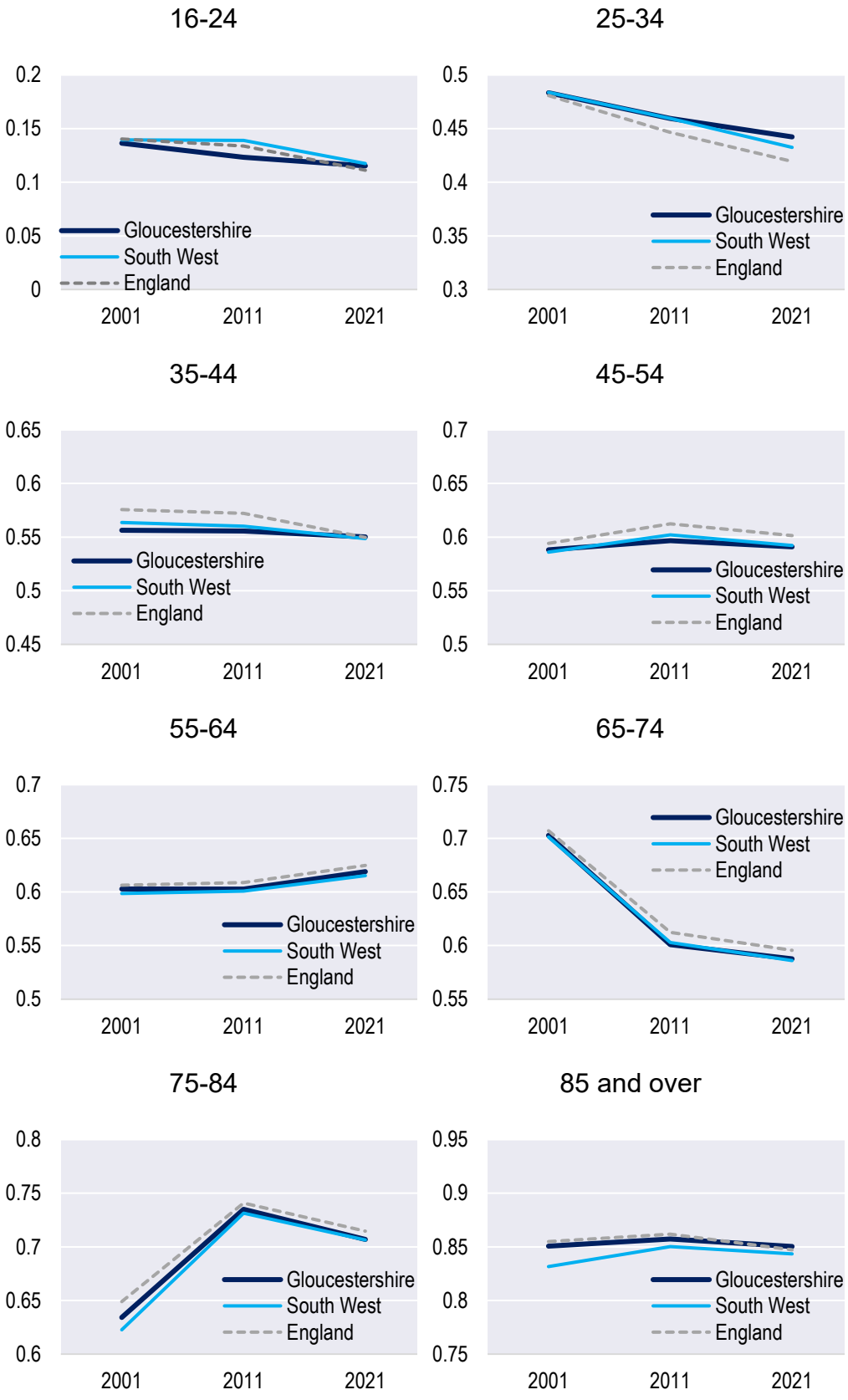
4.56 Continuing this trend in the projection would therefore potentially build in further suppression and would not be a positive reaction to the Standard Method seeking to improve affordability.

4.57 For some older age groups, there does also appear to be a trend of increasing or decreasing HRRs – particularly the 65-74 and 75-84 age groups (and mainly in the 2001-11 period).

4.58 For these age groups, it is considered that the 'trends' are more likely to be due to cohort effects[8] rather than any trend that should be modelled moving forward. The same data for each local authority has been provided in Appendix A1.

[8] I.e. the result of different age groups having different characteristics. As people age, this causes a change in the profile for different age groups.

Figure 4-9: Change in household representative rates by age 2001-21



Source: ONS

4.59 Given this analysis, the modelling therefore considers the possibility of housing delivery, allowing the opportunity for additional households to form.

4.60 It has been modelled that HRRs for age groups up to 44 could return to the levels seen in 2001 (and shown on the figure above), with the HRRs for all age groups from 45 onwards being held at the levels observed in 2021. The increase in HRRs is projected to start from 2024 (the start of the projection period).

4.61 In developing this projection, the population is projected to increase by 164,600 people over the 2024-46 period (a 25% increase). Population growth is projected to be particularly strong in Cotswold and notably weaker in Gloucester.

Table 4-7: Projected population change 2024 to 2046 – local authorities

	2024	2046	Change in population	% change
Cotswold	91,661	136,970	45,309	49.4%
Forest of Dean	89,753	113,015	23,262	25.9%
Stroud	125,680	157,662	31,982	25.4%
Cheltenham	121,739	147,374	25,635	21.1%
Gloucester	138,598	154,960	16,362	11.8%
Tewkesbury	101,949	125,313	23,364	22.9%
SLP Area	362,286	427,647	65,361	18.0%
TOTAL	669,380	835,293	165,913	24.8%

Source: Iceni analysis

4.62 When looking at age structure changes, shown in the table below, the increase is projected to be particularly strong in the 16-64 age group. However, the greatest proportionate change is projected in the 65 and over age group (37% of population growth is projected to be in this group, with it increasing by 41%).

4.63 There is also projected to be an increase in the number of children. The two tables below show projected changes by age -the first table shows broad age bands and the second is in 5-year bands. These tables are also shown in an appendix for each local authority.

Table 4-8: Projected population change 2024 to 2046 by broad age bands – Gloucestershire

	2024	2046	Change in population	% change
Under 16	117,092	124,439	7,347	6.3%
16-64	404,252	501,635	97,383	24.1%
65 and over	148,036	209,219	61,183	41.3%
Total	669,380	835,293	165,913	24.8%

Source: Iceni analysis

Table 4-9: Projected population change 2024 to 2046 by 5-year age bands – Gloucestershire

	2024	2046	Change in population	% change
0-4	32,023	38,281	6,258	19.5%
5-9	37,036	38,979	1,943	5.2%
10-14	40,016	39,254	-762	-1.9%
15-19	37,848	39,344	1,496	4.0%
20-24	32,687	38,862	6,175	18.9%
25-29	37,082	45,973	8,891	24.0%
30-34	41,963	52,705	10,742	25.6%
35-39	43,401	57,795	14,394	33.2%
40-44	42,616	56,692	14,076	33.0%
45-49	38,700	56,356	17,656	45.6%
50-54	43,671	56,433	12,762	29.2%
55-59	48,182	55,653	7,471	15.5%
60-64	46,119	49,748	3,629	7.9%
65-69	38,087	44,670	6,583	17.3%
70-74	34,528	42,248	7,720	22.4%
75-79	33,046	43,448	10,402	31.5%
80-84	21,852	37,971	16,119	73.8%
85 & over	20,523	40,882	20,359	99.2%
Total	669,380	835,293	165,913	24.8%

Source: Iceni analysis

4.64 Below are a series of charts showing past trends and projected population growth and key components of change for each of the projections linking to the Standard Method.

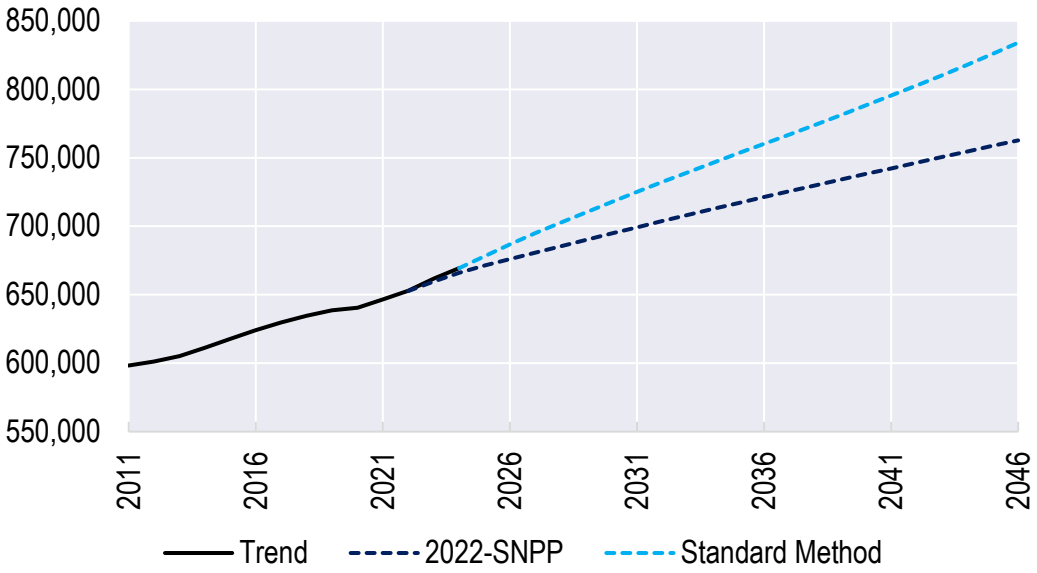
4.65 For comparison, data has also been provided from the 2022-based SNPP. The first figure examines overall population growth before considering natural change and net migration.

4.66 The analysis suggests the population of Gloucestershire could rise to 835,300 by 2046 (up from 669,400 in 2024), a 24.8% increase, or 1.1% per annum from 2024. This is an increase from 763,700 under the ONS 2022 SNPP, noting that the standard method requires an increase in housing provision from what the 2022 SNPP would imply, and that some improvement in household formation responding to improved affordability has been assumed.

4.67 This result is shown in the figure below, compared to the 2022 SNPP. Equivalent figures for each authority are provided in Appendix A1.

4.68 Population growth is projected to average around 7,500 people per annum, which is higher than the level seen between 2011 and 2024 (an average of 5,500 per annum) or over the most recent 5 years of data (6,100 per annum from 2019 to 2024). The Standard Method would therefore be projected to show a boost in population growth relative to past trends.

Figure 4-10: Past trends and projected population – Gloucestershire



Source: ONS and Iceni analysis

4.69 The main reason for the higher population growth (compared with the trend-based position) would be due to increased net in-migration. However, the decline in natural change (births minus deaths) would

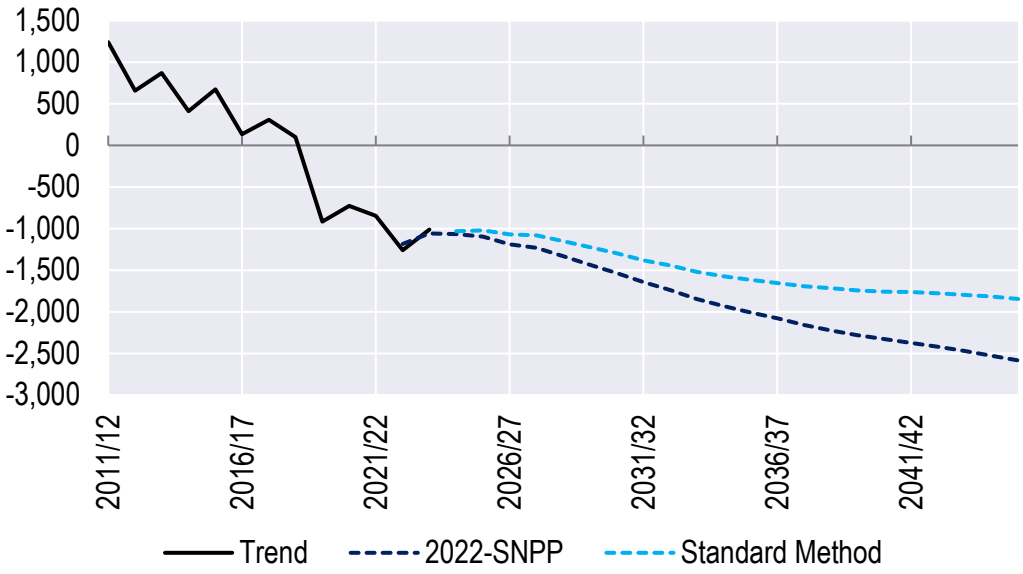
also be projected to flatten off slightly as the population rises (as there will be more females of child-bearing age).

4.70 The figures below show projected natural change and net migration under the scenarios. Focussing on net migration, the analysis suggests that, with higher delivery linked to the Standard Method, net migration would generally be higher than typical past trends – although broadly in line with the average level seen over the past three years (2021-24).

4.71 For the whole 2024-46 projection period, net migration would need to average around 9,000 people per annum. In the 2011-24 period, the figure was 5,400 and in the last 5 years, 7,000.

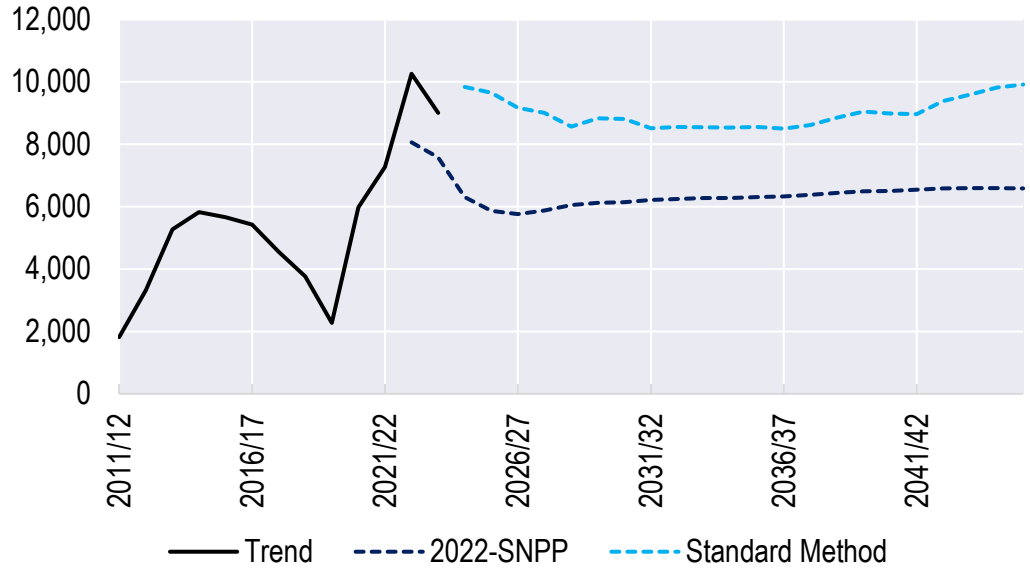
4.72 The 2021-24 period did, however, show an average net migration of 8,800 people per annum. Equivalent figures for each authority are again provided in Appendix A1.

Figure 4-11: Past trends and projected natural change – Gloucestershire



Source: ONS and Iceni analysis

Figure 4-12: Past trends and projected net migration – Gloucestershire



Source: ONS and Iceni analysis

Relationship Between Housing and Economic Growth

4.73 The analysis to follow considers the relationship between housing and economic growth, seeking to understand what level of jobs might be supported by changes to the local labour supply (which will be influenced by population change).

4.74 To look at estimates of the job growth to be supported, a series of stages are undertaken. These can be summarised as:

- Estimate changes to the economically active population (this provides an estimate of the change in labour supply);
- Overlay data about commuting patterns, double jobbing (i.e. the fact that some people have more than one job) and potential changes to unemployment[9]; and
- Bringing together this information will provide an estimate of the potential job growth supported by the population projections.

[9] Commuting data draws from the 2011 and 2021 Census, which is also one of the data sources used in the FEMA analysis in Appendix A4.

Growth in Resident Labour Supply

4.75 Economic activity rates measure the proportion of the working-age population that is either in employment or actively seeking work. In statistical terms, it is the share of people in a given age group who are part of the labour force, meaning they are economically active rather than economically inactive (e.g., students not seeking work, retirees, long-term sick, or carers).

4.76 The approach taken in this report is to derive a series of age specific economic activity rates and use these to estimate how many people in the population will be economically active as projections develop. This is a fairly typical approach with data being drawn in this instance aligned to the Office for Budget Responsibility's (OBR's) March 2025 Economic and Fiscal Outlook. The OBR data shows changes in economic participation by age over time. The incremental changes forecast have been applied to the 2021 Census data on economic participation (by age) to forecast future changes for the County and individual local authorities.

4.77 The OBR forecasting approach uses a cohort-based model to take provide an initial baseline for how population participation rates could evolve over time and data on historical changes to economic participation for men and women from the ONS Labour Force Survey.

4.78 It additionally takes account of changes in State Pension Age which may result in the timings of workforce exits as people leave the labour force changing relative to historical behaviour; but models that the impacts of this will be greater for those cohorts which are further from retirement as the changes are implemented.

4.79 The result is a forecast for the participation rate which sits midway between assuming no state pension age changes; and a full impact of state pension age changes on participation. OBR then applies a number of sense checks in drawing conclusions including considering trends in inactivity (including long-term sickness) which mean for

instance that its implied changes to participation rates for those aged 50-64 remain below its pre-pandemic forecasts. The figures also forecast higher numbers of women in the workforce linked to falling birth rates and policy measures to support childcare provision.

4.80 The table below shows the assumptions made for the County (with equivalent data being used for each local authority). The analysis shows that the main changes to economic activity rates are projected to be in the 65-69 age group – this will, to a considerable degree, be linked to changes to pensionable age, as well as general trends in the number of older people working for longer (which in itself is linked to general reductions in pension provision).

Table 4-10: Projected changes to economic activity rates (2024 and 2046) – Gloucestershire

	2024	2046	Change
16-19	38.6%	38.8%	0.2%
20-24	77.6%	76.1%	-1.5%
25-29	87.2%	85.7%	-1.6%
30-34	88.9%	87.2%	-1.7%
35-39	86.3%	85.9%	-0.4%
40-44	87.2%	87.2%	0.0%
45-49	89.5%	89.9%	0.4%
50-54	86.1%	88.8%	2.7%
55-59	79.0%	83.1%	4.0%
60-64	64.6%	71.4%	6.7%
65-69	32.2%	46.4%	14.2%
70-74	12.1%	20.2%	8.1%
75-89	4.5%	5.5%	1.0%

Source: Based on OBR and Census (2021) data

4.81 Working through an analysis of age and sex specific economic activity rates, it is possible to estimate the overall change in the number of economically active people in the area – this is set out in the table

below and shows the increase in the economically active population is projected to be up to 103,700 (a 30% increase).

Figure 4-13: Estimated change to the economically active population (2024-46) – Gloucestershire

	Economically active (2024)	Economically active (2046)	Total change in econom-ically active	% change
Cotswold	45,531	70,855	25,324	55.6%
Forest of Dean	43,267	57,277	14,011	32.4%
Stroud	64,597	84,634	20,037	31.0%
Cheltenham	62,877	79,592	16,715	26.6%
Gloucester	72,659	85,023	12,364	17.0%
Tewkesbury	52,151	67,339	15,187	29.1%
SLP Area	187,687	231,953	44,266	23.6%
TOTAL	341,082	444,720	103,638	30.4%

Source: Iceni Analysis

Linking Changes in Resident Labour Supply to Job Growth

4.82 The analysis above has set out potential scenarios for the change in the number of economically active people. However, it is arguably more useful to convert this information into an estimate of the number of jobs this would support. The number of jobs and resident workers required to support these jobs will differ depending on three main factors:

- **Commuting patterns** – where an area sees more people out-commute for work than in-commute, it may be the case that a higher level of increase in the economically active population would be required to provide a sufficient workforce for a given number of jobs (and vice versa, where there is net in-commuting);

- **Double jobbing** – some people hold down more than one job, and therefore the number of workers required will be slightly lower than the number of jobs; and

- **Unemployment** – if unemployment were to fall, then the growth in the economically active population would not need to be as large as the growth in jobs (and vice versa).

Commuting Patterns

4.83 The table below shows summary data about commuting to and from Gloucestershire from the 2011 and 2021 Censuses. Data from both sources are used, as the 2011 data is quite old, but the COVID-19 pandemic may influence the 2021 data.

4.84 The balance between in commuting and out commuting is shown in the commuting ratio in the final row of the table. This ratio is calculated as the number of people living in an area (and working) divided by the number of people working in the area (regardless of where they live). A ratio of above one means more resident workers than people working in the LA (i.e. net out-commuting), while a ratio below one means more people working in an area than resident workers (i.e. net in-commuting).

4.85 This is shown as the commuting ratio in the final row of the table and is It should be noted (*) that the in- and out-commuting figures are a sum of data for each local authority and will therefore include people living in one Gloucestershire authority and working in another – this does not impact the overall calculation of a commuting ratio.

4.86 Data from the 2011 Census shows a very small level of net out-commuting (around 0.8% more people living in the County and working than work in the County); by 2021, this figure was virtually in parity (as many people living in the County and working as work in the County).

4.87 When comparing the two sources, it is worth reflecting on a significant increase in the number of home workers (or those of no fixed workplace) in 2021 compared with 2011. In 2011, a total of 61,900 people were recorded as home workers or with no fixed workplace; in 2021, this figure had more than doubled (to 146,700).

4.88 As the country has moved away from the pandemic, it is possible this figure has started to reduce slightly, with possible implications on commuting dynamics. However, it has probably not fully reverted to 2011 levels.

Figure 4-14: Commuting Patterns – Gloucestershire

	2011	2021
Live and Work in Borough/District	127,382	89,784
Home Workers or No Fixed Workplace	61,875	146,670
In Commute*	110,501	77,935
Out Commute*	112,938	78,856
Total Working in LA	299,758	314,389
Total Living in LA and Working Anywhere	302,195	315,310
Commuting Ratio	1.008	1.003

Source: Census 2011, 2021

4.89 Commuting data for each authority can be found in **Appendix A1**, with the table below showing a summary of the commuting ratio for each area. Of note is the high level of net out-commuting in the Forest of Dean in both sources, although the 2021 data shows a ratio closer to one (parity) in most areas.

Figure 4-15: Commuting Ratio – local authorities

	2011	2021
Cheltenham	0.932	0.950
Cotswold	0.957	0.940
Forest of Dean	1.280	1.159
Gloucester	0.961	1.000
Stroud	1.143	1.030
Tewkesbury	0.900	0.991
TOTAL	1.008	1.003

Source: Census 2011, 2021

4.90 The out commuting position from Forest of Dean is considered in more detail elsewhere in the report, including in Appendix A4. It is noted that there is significant out-commuting towards other employment centres (e.g. Gloucester, Bristol, Newport etc), reflecting higher wages and job opportunities elsewhere.

4.91 The analysis below looks at both sets of Census data with a further sensitivity of a balanced (1:1) commuting ratio (i.e. the increase in the number of people working in the area is equal to the number of people living in the area who are working).

Double Jobbing

4.92 The analysis also considers that a number of people may have more than one job (double jobbing). This can be calculated as the number of people working in the local authority divided by the number of jobs.

4.93 Data from the Annual Population Survey (available on the NOMIS website) for the past 5 years suggests that across Gloucestershire, typically about 3.8% of workers have a second job.

4.94 It has therefore been assumed that around 3.8% of people will have more than one job moving forward – this means the number of jobs supported by the workforce will be around 3.8% higher than workforce growth. It has been assumed in the analysis that the level of double jobbing will remain constant over time.

4.95 This figure has been applied consistently across each local authority, as for smaller areas, the data is less specific, and in all cases, a full-time series of data is not available due to high error margins.

Unemployment

4.96 The last analysis, when looking at the link between jobs and resident labour supply, is a consideration of unemployment. Essentially, this is about whether there is any latent labour force that could return to employment to take up new jobs.

4.97 The latest model-based unemployment data from the Annual Population Survey (for July 2024-June 2025) puts unemployment at around 2.4%-4.0% depending on location; this is a level below the national average of 4.1%.

4.98 On the basis of this data, it is considered that there is unlikely to be any significant latent labour supply. So no further adjustment is made to the data to take account of unemployment. For information, unemployment figures for each local authority are shown below:

- Cheltenham – 3.2%;
- Cotswold – 2.4%;
- Forest of Dean – 2.9%;
- Gloucester – 4.0%;
- Stroud – 2.6%; and
- Tewkesbury – 2.8%

Jobs Supported by Growth in the Resident Labour Force

4.99 The table below shows how many additional jobs might be supported by population growth under the different scenarios. It is estimated that up to 107,700 additional jobs could be supported, depending on the assumptions made about commuting and economic activity, all figures for the 2024-46 period.

4.100 In each case a figure has been given for each commuting ratio – i.e. commuting behaviour in line with the 2011 census, 2021 census and a 1:1 ratio between local resident workers and jobs.

Table 4-11: Jobs supported by demographic projections (2024-46) – Gloucestershire

Commuting ratio	Total change in the economically active	Allowance for double jobbing	Allowance for net commuting (=jobs supported)
2021	103,638	107,732	106,805
2011	103,638	107,732	107,715
1:1	103,638	107,732	107,732

Source: Iceni analysis

4.101 Equivalent figures for each local authority are shown in the tables below. Due to the higher projected population growth in the Cotswolds, this area has the most significant potential increase in the number of jobs supported.

Table 4-12: Jobs supported by demographic projections (2024-46) – Cheltenham

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	16,715	17,375	18,292
2011	16,715	17,375	18,650
1:1	16,715	17,375	17,375

Source: Iceni analysis

Table 4-13: Jobs supported by demographic projections (2024-46) – Cotswold

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	25,324	26,324	28,001
2011	25,324	26,324	27,507
1:1	25,324	26,324	26,324

Source: Iceni analysis

Table 4-14: Jobs supported by demographic projections (2024-46) – Forest of Dean

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	14,011	14,564	11,378
2011	14,011	14,564	12,570
1:1	14,011	14,564	14,564

Source: Iceni analysis

Table 4-15: Jobs supported by demographic projections (2024-46) – Gloucester

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	12,364	12,853	13,377
2011	12,364	12,853	12,850
1:1	12,364	12,853	12,853

Source: Iceni analysis

Table 4-16: Jobs supported by demographic projections (2024-46) – Stroud

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	20,037	20,829	18,218
2011	20,037	20,829	20,215
1:1	20,037	20,829	20,829

Source: Iceni analysis

Table 4-17: Jobs supported by demographic projections (2024-46) – Tewkesbury

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	15,187	15,787	17,540
2011	15,187	15,787	15,923
1:1	15,187	15,787	15,787

Source: Iceni analysis

Table 4-18: Jobs supported by demographic projections (2024-46) – SLP Area

Commuting ratio	Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
2021	44,266	46,015	49,208
2011	44,266	46,015	47,423
1:1	44,266	46,015	46,015

Source: Iceni analysis

Jobs-homes balance

4.102 This analysis shows that population growth under the Standard Method could support around 107,000 jobs across Gloucestershire between

2024-46. By comparison, baseline Experian employment growth forecasts (considered in Chapters 11 and 15) would provide for only 64,700 additional jobs.

4.103 The discrepancy between these figures in part reflects the uplift in housing requirements between the historical average of 3,089 dpa over the last 12 years, and the Standard Method requirement for 4,680 dpa going forwards, noting that baseline employment forecasts will be broadly aligned with past trends. As such, there is a need to plan for higher levels of employment growth to ensure that jobs and homes remain in balance.

4.104 The district by district expression of this discrepancy is illustrated in the figure below. Cotswold, Forest of Dean and Stroud all require substantially more jobs to match housing delivery, while only a small increase in employment growth above baseline forecasts is required in the SLP area.

Figure 4-16: Balance between jobs and homes



Source: Iceni analysis and Experian Employment Forecasts

4.105 A broad alignment between homes and jobs should be sought for each district through strategic land use planning. This would ensure that housing growth is supported by employment opportunities, and that

local economies are not constrained by insufficient labour supply. However, this does not mean that every authority must achieve a precise one-to-one balance between housing and employment growth.

4.106 Gloucestershire functions as an interconnected housing and labour market, with established commuting relationships between districts and particular economic strengths in different locations. Some redistribution of housing or employment growth may therefore be appropriate, particularly through the Spatial Development Strategy process, where this reflects land availability, infrastructure capacity, strategic employment opportunities, environmental constraints and local aspirations. However, any redistribution should remain proportionate and planned, supporting the Gloucestershire economy while not creating unsustainable commuting patterns or worsening labour supply pressures.

4.107 These issues are considered further in Chapter 15, which develops an employment growth scenario capitalising on local economic opportunities and aligned with increased labour supply under Standard Method housing development.

Summary

4.108 This standard method shows a need for 4,680 dwellings per annum across the County. This is based on 0.8% of the current stock (307,294 = 2,458) and an affordability uplift equivalent of 88%.

4.109 Taking the housing need number and using up-to-date demographic data (including ONS mid-year population estimates to 2024 and 2021 Census data), a bespoke population and household projection has been developed to look at the possible demographic implications of the delivery of this number of homes each year from 2024 to 2046 (the end of the plan period).It is projected on this basis that the population might increase by 165,900 people over the 22 years (a 25% increase) with

there being a continued ageing of the population, as well as notable increases in the ‘working-age’ population (16-64).

4.110 Modelling of more specific housing needs in the remainder of this report (for example affordable housing needs and specialist housing needs) is based on these demographic results.

4.111 It was further estimated that population growth might be able to support somewhere in the region of 107,000 additional jobs across Gloucestershire as the economically active population increases over time.

5. Affordable Housing Need

5.1 This section provides an assessment of the need for affordable housing in Gloucestershire. The analysis follows the methodology set out in Planning Practice Guidance (Sections 2a-018 to 2a-024). It considers households unable to buy or rent housing in the market without some form of subsidy (e.g., needing to claim Housing Benefit/Universal Credit or some form of discounted/subsidised housing).

5.2 The analysis also looks at households who aspire to home ownership but require support to do so. Such households are identified in the PPG as having an affordable housing need and might be described as in the 'gap' between renting (privately) and buying – and may be able to rent without financial support, but require support to get on the 'housing ladder'.

5.3 This Chapter considers the overall need for affordable housing and the need for different types of affordable housing. Section 7 considers the need for different sizes of properties.

Affordable Housing Sector Dynamics

5.4 The 2021 Census indicated that 13% of households in Gloucestershire lived in social or affordable rented homes, with the sector accommodating around 36,700 households. The stock data in Section 3 indicated that around 15% of homes based on the latest data constitute affordable housing.

5.5 The proportion of households living in the sector does not vary significantly across areas, with a range from 12% of households in Cheltenham and Stroud, up to 15% in Cotswold. Just over a fifth of all households in the sector live in Gloucester.

Table 5-1: Number of households living in social rented sector (2021)

	Social rented	All households	% of households	% of total
Cotswold	6,232	40,597	15.4%	17.0%
Forest of Dean	4,836	37,217	13.0%	13.2%
Stroud	6,430	52,378	12.3%	17.5%
Cheltenham	6,432	52,899	12.2%	17.5%
Gloucester	7,537	55,406	13.6%	20.6%
Tewkesbury	5,198	40,931	12.7%	14.2%
SLP Area	19,167	149,236	12.8%	52.3%
TOTAL	36,665	279,428	13.1%	100.0%

Source: 2021 Census

5.6 Data from the Regulator of Social Housing (RSH) for 2025 indicates that Councils (LAs) and Registered Providers (RPs) owned 45,800 properties in the County, of which 77% were for general needs rent; 12% supported housing or housing for older people; and 11% low cost home-ownership homes (such as shared ownership properties).

5.7 The majority of general needs homes are rented out at social rents (83%) and the rest at affordable rents. It should be noted that only Cheltenham and Stroud still own any social housing.

Table 5-2: Stock owned or Managed by Councils and Registered Providers – Gloucestershire

	LA	RP	Total	% of stock
General needs rented	8,242	26,953	35,195	76.8%
Supported/older persons housing	1,221	4,455	5,676	12.4%
Low-cost home ownership	82	4,889	4,971	10.8%
Total	9,545	36,297	45,842	100.0%

Source: RSH Geographical Look-Up Tool 2025

Table 5-3: Stock owned or Managed by Councils and Registered Providers – local authorities

	General needs (GN) rented	Support-ed/older persons housing	Low cost home ownership	Total	% GN at social rents
Cotswold No.	5,712	555	820	7,087	91%
Cotswold %	80.6%	7.8%	11.6%	100.0%	
Forest of Dean No.	4,567	855	382	5,804	82%
Forest of Dean %	78.7%	14.7%	6.6%	100.0%	
Stroud No.	6,185	1,014	1,003	8,202	80%
Stroud %	75.4%	12.4%	12.2%	100.0%	
Cheltenham No.	5,952	1,135	517	7,604	87%
Cheltenham %	78.3%	14.9%	6.8%	100.0%	
Gloucester No.	7,273	1,452	827	9,552	84%
Gloucester %	76.1%	15.2%	8.7%	100.0%	
Tewkesbury No.	5,506	665	1,422	7,593	72%
Tewkesbury %	72.5%	8.8%	18.7%	100.0%	
SLP Area No.	18,731	3,252	2,766	24,749	76%
SLP Area %	75.7%	13.1%	11.2%	100.0%	
Total	35,195	5,676	4,971	45,842	83%

Source: RSH Geographical Look-Up Tool 2025

5.8 As of April 2025, there were 14,900 households on the councils' Housing Registers. In addition, MHCLG data for June 2025 show that 409 households were accommodated in temporary accommodation (some 40% (163 households) of these were households with children) – figures for temporary accommodation are particularly high in Gloucester, as Table 5-4 shows.

5.9 Temporary accommodation and homelessness has been considered further in Chapter 10 of this report.

Table 5-4: Number of households in Housing Register and in Temporary Accommodation

	No. on Housing Register (April 2025)	Households in temporary accommodation (June 2025)	Number in TA with children
Cotswold	1,775	32	4
Forest of Dean	1,686	38	8
Stroud	2,717	36	10
Cheltenham	2,670	24	9
Gloucester	4,753	251	121
Tewkesbury	1,780	28	11
SLP Area	9,203	303	141
TOTAL	15,3814	409	163

Source: MHCLG

Method for assessing Affordable Housing Need

5.10 The method for studying the need for affordable housing has been enshrined in Government practice guidance for many years, with an established approach to look at the number of households who are unable to afford market housing (to either rent or buy).

5.11 In summary, the methodology looks at a series of stages as set out below:

- Current affordable housing need (annualised so as to meet the current need over a period of time);
- Projected newly forming households in need;
- Existing households falling into need; and
- Supply of affordable housing from existing stock

5.12 The first three bullet points above are added together to identify a gross need, from which the supply is subtracted to identify a net annual need for additional affordable housing. Examples of different affordable housing products are outlined in the box below.

Affordable Housing Definitions

Social Rented Homes – are homes owned by local authorities or private registered providers for which rents are determined by the national rent regime (through which a formula rent is determined by the relative value and size of a property and relative local income levels). They are low-cost rented homes.

Affordable Rented Homes – are let by local authorities or private registered providers to households who are eligible for social housing. Affordable rents are set at no more than 80% of the local market rent (including service charges).

Rent-to-Buy – where homes are offered, typically by housing associations, to working households at an intermediate rent which does not exceed 80% of the local market rent (including service charges) for a fixed period after which the household has the chance to buy the home.

Shared Ownership – a form of low-cost market housing where residents own a share of their home, on which they typically pay a mortgage; with a registered provider owning the remainder, on which they pay a subsidised rent.

Discounted Market Sale – a home which is sold at a discount of at least 20% below local market value to eligible households, with provisions in place to ensure that housing remains at a discount for future households (or the subsidy is recycled).

First Homes – a form of discounted market sale whereby an eligible First-time Buyer can buy a home at a discount of at least 30% of market value. Councils can set the discounts and local eligibility criteria in policies.

Affordability

5.13 An important first part of the affordable needs modelling is to establish the entry-level costs of housing to buy and rent. The affordable housing needs assessment compares prices and rents with the incomes of households to establish what proportion of households can meet their needs in the market, and what proportion require support and are thus defined as having an 'affordable housing need'.

5.14 For the purposes of establishing affordable housing need, the analysis focuses on overall housing costs (for all dwelling types and sizes).

5.15 The tables below show estimated current prices to both buy and privately rent a lower quartile home in each local authority (excluding newbuild sales when looking at house prices). Lower quartile prices are used to assess whether households at the lower end of the income distribution can reasonably afford housing in the local market.

5.16 Lower quartile prices are estimated to range from £100,000 for a one-bedroom home in the Forest of Dean, up to £525,000 for four bedrooms in the Cotswolds.

5.17 Overall lower quartile prices vary from £200,000 (Gloucester) to £315,000 (Cotswold). Across all dwelling sizes, the lower quartile private rent ranges from £800 per month in the Forest of Dean to £1,200 in the Cotswolds.

Table 5-5: Estimated lower quartile cost of housing to buy by size (existing dwellings)

	1-bedroom	2-bed-rooms	3-bed-rooms	4-bed-rooms	All dwellings
Cheltenham	£140,000	£220,000	£300,000	£485,000	£250,000
Cotswold	£145,000	£245,000	£335,000	£525,000	£315,000
Forest of Dean	£100,000	£180,000	£240,000	£345,000	£215,000
Gloucester	£105,000	£160,000	£250,000	£350,000	£200,000
Stroud	£130,000	£210,000	£290,000	£395,000	£250,000
Tewkesbury	£125,000	£210,000	£275,000	£420,000	£245,000

Source: Land Registry and Internet Price Search

Note: A value for the SLP Area has not been given as analysis has been conducted by authority

Table 5-6: Estimated lower quartile cost of housing to privately rent by size

	1-bedroom	2-bed-rooms	3-bed-rooms	4-bed-rooms	All dwellings
Cheltenham	£850	£1,100	£1,450	£1,750	£1,000
Cotswold	£775	£1,100	£1,425	£2,100	£1,200
Forest of Dean	£650	£825	£950	£1,200	£800
Gloucester	£750	£975	£1,275	£1,475	£875
Stroud	£700	£925	£1,200	£1,350	£900
Tewkesbury	£725	£950	£1,250	£1,650	£950

Source: Land Registry and Internet Price Search[10]

Note: A value for the SLP Area has not been given as analysis has been conducted by authority

5.18 Next, it is important to understand local income levels, as these (along with the price/rent data) will determine levels of affordability (i.e. the

[10] Note that there are not currently publicly released statistics which show the lower quartile rent by number of bedrooms, so this table is based on an Iceni review of reported prices and properties advertised for rent at the time of writing. Due to variations in stock availability and pricing over time, and the weighting process the ONS use to produce average rental statistics, in some cases lower quartile rents reported here are above the weighted average rents reported from ONS data in Chapter 3.

ability of a household to afford to buy or rent housing in the market without the need for some sort of subsidy).

5.19 Data about total household income has been based on ONS modelled income estimates, with additional data from the English Housing Survey (EHS) being used to provide information about the distribution of incomes. Data has also been drawn from the Annual Survey of Hours and Earnings (ASHE) to consider changes since the ONS data was published.

5.20 Overall, the average (mean) household income in the County is estimated to be around £65,000, with a median income of £54,400; the lower quartile income of all households is estimated to be £30,800.

5.21 Analysis has also been undertaken to estimate how incomes vary by local authority, with the table below showing the estimated median household income in each location – incomes are shown to be lowest in Gloucester and Forest of Dean and highest in Cotswold.

Table 5-7: Estimated average (median) household income by local authority (2025)

	Median income	As a % of County average
Cheltenham	£55,900	103%
Cotswold	£57,400	105%
Forest of Dean	£50,500	93%
Gloucester	£50,800	93%
Stroud	£56,100	103%
Tewkesbury	£55,900	103%
TOTAL	£54,400	100%

Source: Iceni analysis[11]

Note: A value for the SLP Area has not been given as analysis has been conducted by authority

5.22 To assess affordability, two different measures are used; firstly, to consider what income levels are likely to be needed to access private rented housing, and secondly, to consider what income level is needed to access owner occupation.

5.23 This analysis therefore brings together the data on household incomes with the estimated incomes required to access private sector housing. For the purposes of analysis, the following assumptions are used:

- Rental affordability – a household should spend no more than 35% of their income on rent, and
- Mortgage affordability – assume a household has a 10% deposit and can secure a mortgage for four and a half times (4.5×) their income.

5.24 Table 5-8 shows the household incomes required to buy or rent privately in each authority based on these assumptions, and the lower

[11] Income information here and elsewhere in this section is estimated from a combination of data sources including ONS Small Area Income Data, the English Housing Survey and the Annual Survey of Hours and Earnings. Note that this table shows *household* income data, while the workplace and resident income data reported elsewhere (for example in Chapter 12) is income per full time workers.

quartile prices for buying and renting homes (the values for all dwellings are used) in Table 5-5 and Table 5-6.

5.25 The choice of 35% is to some extent based on professional judgment, although it is consistent with the figure typically used by Iceni in studies of this nature. It is also close to the typical average paid in the private rented sector nationally (34% as of the latest English Housing Survey). For mortgage affordability, the 4.5 times income assumption reflects typical mortgage lending practice.

5.26 Generally, the income required to access owner-occupied housing is higher than that required to rent so the analysis of the need for rented affordable housing is based on the ability to afford to access private rented housing. Income to buy is relevant in assessing the need for affordable home ownership products. The table below shows the estimated incomes required to buy and rent (privately) in each authority, based on the assumptions used.

Table 5-8: Estimated Household Income Required to Buy and Privately Rent by the local authority

	To buy	To rent (privately)	Income gap
Cheltenham	£50,000	£34,300	£15,700
Cotswold	£63,000	£41,100	£21,900
Forest of Dean	£43,000	£27,400	£15,600
Gloucester	£40,000	£30,000	£10,000
Stroud	£50,000	£30,900	£19,100
Tewkesbury	£49,000	£32,600	£16,400

Source: Based on Housing Market Cost Analysis

Note: A value for the SLP Area has not been given as analysis has been conducted by authority

Affordable Housing Need

5.27 The sections below work through the various stages of analysis to estimate the need for affordable housing in the six local authorities, including housing at social rents, affordable rents and intermediate housing products. Final figures are provided as an annual need (including an allowance to deal with current need). As per 2a-024 of the PPG, this figure can then be compared with the likely delivery of affordable housing.

Current Need

5.28 In line with PPG paragraph 2a-020, the current need for affordable housing has been based on considering the likely number of households with one or more housing problems. The table below sets out the PPG categories and the sources of data used to establish the numbers.

Table 5-9: Main Sources for Assessing the Current Need for Affordable Housing

	Source	Notes
Homeless households (and those in temporary accommodation	MHCLG Statutory Homelessness data	Household in temporary accommodation at the end of the quarter.
Households in overcrowded housing[12]	2021 Census table RM099	Analysis undertaken by tenure
Concealed households[13]	2021 Census table RM009	Number of concealed families
Existing affordable housing tenants in need	Modelled data linking to past survey analysis	Excludes overcrowded households
Households from other tenures in need	Modelled data linking to past survey analysis	

Source: PPG [2a-020]

5.29 The table below sets out estimates of the number of households within each category. This shows an estimated 13,800 households living in 'unsuitable housing' across Gloucestershire. Around two-fifths of these are due to overcrowding, whilst around 1,500 currently have no accommodation (homeless or concealed households).

[12].https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2199

[13].https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2109

Table 5-10: Estimated number of households living in unsuitable housing (or without housing)

	Concealed and homeless households	Households in over-crowded housing	Existing affordable housing tenants in need	Households from other tenures in need	TOTAL
Cotswold	142	485	139	872	1,638
Forest of Dean	248	624	108	716	1,695
Stroud	238	780	143	1,021	2,182
Cheltenham	173	983	143	1,372	2,671
Gloucester	562	1,828	168	1,350	3,908
Tewkesbury	170	565	116	809	1,660
SLP Area	905	3376	427	3,531	8,239
TOTAL	1,533	5,265	817	6,139	13,754

Source: Iceni analysis

5.30 In taking this estimate forward, the data modelling next estimates the need by tenure and considers affordability. Affordability across different groups is based on estimates of how incomes are likely to vary; for owner-occupiers, there is a further assumption about potential equity levels. For homeless and concealed households, it is assumed incomes will be low and households unlikely to be able to afford to rent privately.

5.31 For overcrowded households a lower income is also reflected in the analysis (based on EHS data). This suggests overcrowed households are more than twice as likely to be unable to afford than households in general across the County.

5.32 The table below shows that around half of those households identified above are unlikely to be able to afford market housing to buy OR rent. Therefore, there is a current need among 6,753 households (including both households unable to rent or buy and those in the gap between renting and buying).

Table 5-11: Estimated housing need and affordability by tenure

	Number in unsuitable housing	% unable to afford	Current need after affordability
Owner-occupied	3,636	4.9%	178
Affordable housing	3,153	77.0%	2,427
Private rented	5,431	48.1%	2,615
No housing (homeless/concealed)	1,533	100.0%	1,533
TOTAL	13,754	49.1%	6,753

Source: Iceni analysis

5.33 Finally, from these estimates, households living in affordable housing are excluded (as these households would release a dwelling on moving, and so no net need for affordable housing will arise). The total current need is therefore estimated to be 4,326.

5.34 For the purposes of analysis, it is assumed that the councils would seek to meet this need over a period of time. Given that this report typically examines needs over the period 2024 to 2046, the need is annualised by dividing by 22 (to yield an annual need of around 197 dwellings). This does not mean that some households would be expected to wait 22 years for housing, as the need will be dynamic, with households leaving the current need as they are housed, but with other households developing a need over time.

5.35 The table below shows this data for local authorities – this is split between those unable to rent OR buy and those able to rent but NOT buy.

5.36 Given the pricing of housing in Gloucestershire, this analysis shows a more modest need for those able to rent but not buy, and in all cases, the number unable to rent OR buy is notably higher.

5.37 It should be remembered that the category ‘able to rent but not buy’ includes households that technically do not have an affordable need –

such as those living in private rented homes who need support to be able to buy.

Table 5-12: Estimated current affordable housing need by affordability and local authority

	Number in need (excluding those in AH)	Annualised		
		TOTAL	Unable to rent OR buy	Able to rent but NOT buy
Cotswold	564	26	18	7
Forest of Dean	522	24	18	5
Stroud	626	28	21	8
Cheltenham	852	39	28	11
Gloucester	1,285	58	49	10
Tewkesbury	478	22	16	5
SLP Area	2,615	119	93	26

Source: Iceni analysis

Projected Need

5.38 Projected need is split between newly forming households who are unable to afford market housing and existing households falling into need.

Newly forming households

5.39 The number of newly forming households has been estimated through demographic modelling, with an affordability test also being applied. This has been undertaken by considering changes in households within specific 5-year age bands relative to the number in the age band below 5 years previously, to provide an estimate of gross household formation.

5.40 The number of newly-forming households is limited to households forming who are aged under 45 – this is consistent with CLG guidance

(from 2007) which notes that after age 45, headship (household formation) rates 'plateau'.

5.41 There may be a small number of household formations beyond age 45 (e.g., due to relationship breakdown). However, the number is expected to be fairly small when compared with the formation of younger households.

5.42 In assessing the ability of newly forming households to afford market housing, data have been drawn from an analysis of English Housing Survey data at a national level. This establishes that the average income of newly forming households is around 87% of the figure for all households.

5.43 The analysis has therefore adjusted the overall household income data to reflect the lower average income for newly forming households. The adjustments have been made by changing the distribution of income by bands such that the average income level is 87% of the all-household average. In doing this, it is possible to calculate the proportion of households unable to afford market housing.

5.44 The assessment suggests overall that around half of newly forming households will be unable to afford market housing (to rent privately), and this equates to a total of 2,880 newly forming households that will have a need per annum on average across the County – the majority are households unable to rent OR buy.

Table 5-13: Estimated Need for Affordable Housing from Newly Forming Households (per annum)

	Number of new households aged under 45	% unable to afford	Annual newly forming households unable to afford	Unable to rent OR buy (per annum)	Able to rent but NOT buy (per annum)
Cotswold	728	62.7%	456	290	166
Forest of Dean	637	49.0%	312	183	129
Stroud	1,089	51.3%	559	316	244
Cheltenham	1,026	51.5%	528	351	177
Gloucester	1,180	45.3%	534	379	156
Tewkesbury	972	50.5%	490	306	184
SLP Area	3,178	48.8%	1,552	1,036	517
TOTAL	5,632	51.1%	2,880	1,824	1,056

Source: Iceni Analysis

Existing households falling into affordable need

5.45 The second element of newly arising need is existing households falling into need. To assess this, information about past lettings in social/affordable rented has been used.

5.46 The assessment looked at households that have been housed in general needs housing over the past three years – this group will represent the flow of households onto the Housing Register over this period.

5.47 From this, newly forming households (e.g. those currently living with family) have been discounted, as well as households that have transferred from another social/affordable rented property.

5.48 Data has been drawn from a number of sources, including Local Authority Housing Statistics (LAHS) and Continuous Recording of Sales and Lettings (CoRe).

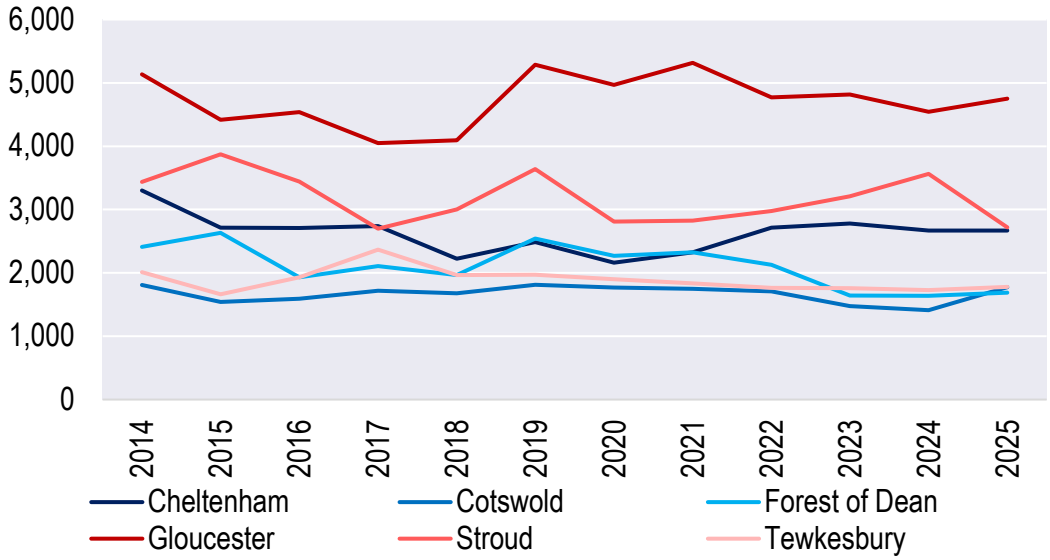
5.49 This method for assessing existing households falling into need is consistent with the 2007 SHMA guide, which says on page 46 that 'Partnerships should estimate the number of existing households falling into need each year by looking at recent trends.

5.50 This should include households that have entered the housing register and been housed within the year, as well as households housed outside of the register (such as priority homeless household applicants).

5.51 In addition, analysis has considered trends in the Housing Register, recognising that an increase in numbers would point to a higher level of need than is indicated from past lettings (and vice versa).

5.52 Over the past decade or so, the number of households on the Register has been variable, but with no clear trend (as shown in Figure 5-1). Therefore, no further adjustments have been made to the estimates based on past lettings.

Figure 5-1: Housing Register Trends (2014-2024) – Gloucestershire



Source: MHCLG Live Table 600

5.53 Following the analysis through suggests a need arising from 491 existing households each year – again most are households unable to buy OR rent.

Table 5-14: Estimated Need for affordable housing from Existing Households Falling into Need (per annum)

	Total Additional Need	Unable to rent OR buy	Able to rent but NOT buy
Cotswold	89	69	20
Forest of Dean	55	38	17
Stroud	111	76	35
Cheltenham	67	51	16
Gloucester	95	75	20
Tewkesbury	73	53	20
SLP Area	235	179	56
TOTAL	491	362	128

Source: Iceni analysis

Supply and Affordable Housing Through Relets/Resales

5.54 The future supply of affordable housing through relets is the flow of affordable housing arising from the existing stock that is available to meet future need.

5.55 This focuses on the annual supply of social/affordable rent relets. Information from CoRe and LAHS has been used to establish past patterns of social housing turnover. Data for three years has been used (2022-23 to 2024-25).

5.56 The figures are for general needs lettings but exclude lettings of new properties and also exclude an estimate of the number of transfers from other social rented homes. These exclusions are made to ensure that the figures presented reflect relets from the existing stock.

5.57 On the basis of past trend data, it has been estimated that 1,090 units of social/affordable rented housing are likely to become available each year moving forward.

Table 5-15: Analysis of Past Social/Affordable Rented Housing Supply, 2022/23 – 2024/25 (average per annum) – Gloucestershire

	Total Lettings	% as Non-New Build	Lettings in Existing Stock	% Non-Transfers	Lettings to New Tenants
2022/23	2,610	75.1%	1,961	59.4%	1,165
2023/24	2,528	78.6%	1,986	53.2%	1,056
2024/25	2,846	81.3%	2,314	44.6%	1,031
Average	2,661	78.4%	2,087	52.2%	1,090

Source: CoRe and LAHS

5.58 It is also possible to consider whether there is any supply of affordable home ownership products from the existing stock of housing. One source is likely to be the resale of low-cost home ownership products, with data from the Regulator of Social Housing showing a total stock in 2025 of 4,971.

5.59 If these homes were to turnover at a rate of around 6% (which is roughly the turnover of owner-occupied housing (those with a mortgage) as evidenced through the English Housing Survey) then they would be expected to generate around 298 resales each year.

5.60 These properties would be available for these households and can be included as the potential supply. The total estimated supply is therefore 1,388 units per annum (1,090 + 298). The table below shows the estimated supply of affordable housing from relets/resales in each authority.

Table 5-16: Estimated supply of affordable housing from relets/resales of existing stock by sub-area (per annum)

	Social/ affordable rented	LCHO	TOTAL
Cotswold	193	49	243
Forest of Dean	131	23	154
Stroud	258	60	318
Cheltenham	155	31	186
Gloucester	191	50	241
Tewkesbury	161	85	247
SLP Area	507	166	674
TOTAL	1,090	298	1,388

Source: CoRe and LAHS

5.61 In the affordable home ownership sector, there is arguably an additional (and significant) source of supply from resale market homes below a lower quartile price.

5.62 Data from Land Registry shows around 8,600 resales of homes in the year to March 2025 (1,847 in Cheltenham, 1,155 in Cotswold, 976 in Forest of Dean, 1,674 in Gloucester, 1,647 in Stroud and 1,295 in Tewkesbury); therefore 2,150 homes were sold at or below the lower quartile price and could in theory potentially contribute to meeting the needs of those in the 'gap' between renting and buying. It is noted that some of these homes may have restrictions on occupancy, require significant internal and/or external works, or not be suitable to house all households in need. A supply from this source has not been included in the analysis below, following the PPG approach. However, some homes at or below the lower quartile price are likely to be appropriate to for some households in need, and so this is considered when drawing conclusions.

5.63 The PPG model also includes the bringing back of vacant homes into use and the pipeline of affordable housing as part of the supply

calculation. These have, however, not been included within the modelling in this report. Firstly, there is no evidence of any substantial stock of vacant homes (over and above a level that might be expected to allow movement in the stock).

5.64 Secondly, with the pipeline supply, it is not considered appropriate to include this, as including it would mean netting off new housing, which would fail to show the full extent of the need. However, in monitoring, it will be important to net off these dwellings as they are completed. Local Authorities should therefore continue to monitor dwelling completions closely to understand the degree to which affordable housing need is being met over time. .

Net Need for Affordable Housing

5.65 The table below shows the overall calculation of affordable housing need. The analysis shows a net need for 2,180 dwellings per annum across the County – an affordable need is evident in all local authorities. The net need is calculated as follows:

Net need =	Current need (allowance for)
	+ Need from newly forming households
	+ Existing households falling into need
	- Supply of affordable housing

Table 5-17: Estimated Need for Affordable Housing by sub-area (per annum)

	Current need	Newly forming house-holds	Existing house-holds falling into need	Total Gross Need	Relet Supply	Net Need
Cotswold	26	456	89	571	243	328
Forest of Dean	24	312	55	391	154	237
Stroud	28	559	111	699	318	381
Cheltenham	39	528	67	634	186	448
Gloucester	58	534	95	688	241	447
Tewkesbury	22	490	73	585	247	339
SLP Area	119	1552	235	1907	674	1234
TOTAL	197	2,880	491	3,568	1,388	2,180

Source: Iceni analysis

5.66 This can additionally be split between households unable to afford to buy or rent (i.e. those that require rented affordable housing); and those able to rent but not buy (i.e. those who would require assistance to buy a home). For this analysis, it is assumed that the LCHO supply would meet the needs of the latter group, although there will be crossover between categories.

5.67 For example, it is likely in some cases that the cost of shared ownership will have an outgoing below that for privately renting and could meet some of the need from households unable to buy or rent – the issue of access to deposits would still be a consideration.

5.68 The table below shows the affordable need figure split between the two categories. Across Gloucestershire as a whole, the analysis shows around 57% of households are unable to buy or rent. However, it needs to be remembered that these figures do not include any allowance for homes sold below the lower quartile price – including these, or even a

portion of them, would radically reduce or remove evidence of need for the group able to rent but not buy.

Table 5-18: Estimated Need for Affordable Housing (per annum) – split between different affordability groups

	Unable to buy OR rent	Able to rent but not buy	TOTAL	% unable to buy OR rent
Cotswold	184	144	328	56%
Forest of Dean	108	129	237	46%
Stroud	154	226	381	41%
Cheltenham	275	173	448	61%
Gloucester	311	136	447	70%
Tewkesbury	215	124	339	63%
SLP Area	801	433	1,234	65%
TOTAL	1,247	932	2,180	57%

Source: Iceni analysis

5.69 These figures can also be standardised based on the size of each location (in this case, linked to the number of households shown in the 2021 Census).

5.70 This shows some modest variation in the levels of need across areas, with the lowest in the Forest of Dean and the highest in Cheltenham. Across the County, the affordable need is equivalent to 7.8 units per 1,000 households per annum.

Table 5-19: Standardised level of Affordable Housing Need by Local Authority (per annum)

	Annual need	Households	Net need per 1,000 households
Cotswold	328	40,600	8.1
Forest of Dean	237	37,220	6.4
Stroud	381	52,365	7.3
Cheltenham	448	52,905	8.5
Gloucester	447	55,415	8.1
Tewkesbury	339	40,934	8.3
SLP Area	1,234	149,254	8.3
TOTAL	2,180	279,438	7.8

Source: Iceni analysis

The Relationship Between Affordable Need and Overall Housing Numbers

5.71 The PPG encourages local authorities to consider increasing planned housing numbers where this can help to meet the identified affordable need. Specifically, the wording of the PPG (housing and economic needs) Ref ID 2a-024 states:

> *"The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the strategic plan may need to be considered where it could help deliver the required number of affordable homes"*

5.72 The table below considers the affordable housing need relative to the standard method LHN figures.

Table 5-20: Affordable Need relative to Standard Method LHN

pa figures	Standard Method LHN	Affordable Housing Need	Affordable Need as % of Standard Method LHN
Cotswold	1,055	328	31%
Forest of Dean	604	237	39%
Stroud	846	381	45%
Cheltenham	821	448	55%
Gloucester	700	447	64%
Tewkesbury	630	339	54%
SLP Area	2151	1,234	57%
TOTAL	4,656	2,180	47%

5.73 However, the relationship between affordable housing need and overall housing need is complex, and the above does not consider 'apples with apples', as set out below.

5.74 The analysis estimates an annual need for 1,247 affordable homes from households unable to buy OR rent housing. However many of the households picked up as having a need will already be living in housing and so providing an affordable option does not lead to an overall net increase in the need for housing (as they would vacate a home to be used by someone else).

5.75 It is possible to investigate this in some more detail by re-running the model and excluding those already living in accommodation. This is shown in the table below, which identifies that meeting these needs would lead to an affordable need for 804 homes per annum across the study area, less than two-thirds of the figure when including those with housing. This analysis shows that **the affordable housing need in part relates to a tenure imbalance within the existing housing stock** (i.e. there is a shortfall of affordable tenures compared to existing levels of need).

Table 5-21: Estimated Need for Affordable Housing (households unable to buy OR rent), excluding households already in accommodation

	Including existing households	Excluding existing households
Current need	151	70
Newly forming households	1,824	1,824
Existing households falling into need	362	0
Total Gross Need	2,337	1,894
Re-let Supply	1,090	1,090
Net Need	1,247	804

Source: Iceni analysis

5.76 Additionally, it should be noted that the need estimate is on a per annum basis and should not be multiplied by the plan period to get a total need. Essentially, the estimates are for the number of households that would be expected to have a need in any given year (i.e., needing to spend more than 35% of income on housing). In reality, some (possibly many) households would see their circumstances change over time such that they would 'fall out of need' and this is not accounted for in the analysis. One example would be a newly forming household with an income level that means they spend more than 35% of their income on housing. As the household's income rises, it may pass the affordability test and therefore not have an affordable need. Additionally, there is the likelihood that when looking over the longer term, a newly forming household will become an existing household in need and would be counted twice if trying to multiply the figures out for a whole plan period.

5.77 It also needs to be remembered that the affordability test used for analysis is based on assuming a household spends no more than 35% of their income on housing (when privately renting). In reality, many households will spend more than this and so would be picked up by modelling as in need, but in fact are paying for a private sector tenancy.

5.78 A further consideration is that some 932 of the 2,180 per annum affordable need is a need from households able to rent in the market (but not buy). Technically, these households can afford market housing (to rent) and historically would not have been considered as having a need in assessments such as this – until recently, only households unable to buy OR rent would be considered as having a need for affordable housing. For these reasons, these households have not been included in the analysis, looking at households with and without accommodation.

5.79 These factors mean that the inter-relationship between the affordable and overall housing needs should be treated with some caution.

5.80 Finally, it should be recognised that Planning Practice Guidance does not envisage that all needs will be met (whether this is affordable housing or other forms of accommodation, such as for older people). Paragraph 67-001 of the housing needs of different groups states:

> "This guidance sets out advice on how plan-making authorities should identify and plan for the housing needs of particular groups of people. This need may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method. This is because the needs of particular groups are often calculated with consideration of the whole population of an area as a baseline, as opposed to the projected new households that form the baseline for the standard method.

5.81 The PPG sets out that factors relevant in considering the extent to which the needs of specific groups (in this case those needing affordable housing) can be addressed in the area will be affected by:

- the overall level of need identified using the standard method (and whether the evidence suggests that a higher level of need ought to be considered);
- the extent to which the overall housing need can be translated into a housing requirement figure for the plan period; and

- the anticipated deliverability of different forms of provision, having regard to viability.

5.82 These are considerations for plan-making, but our experience is that issues of viability and funding may be determinative in many cases as to whether the affordable housing need can be met in full.

5.83 Whilst housing delivery through Local Plans can be expected to secure additional affordable housing, it needs to be noted that **the delivery of affordable housing through planning obligations is an important, but not the only means, of delivering affordable housing**. **The Councils should also work with housing providers to secure funding to support enhanced affordable housing delivery on some sites and through the use of their own land assets.**

Role of the Private Rented Sector

5.84 It is also important to note the role played by the Private Rented Sector (PRS) in providing housing for households who require financial support in meeting their housing needs should be recognised. Whilst the Private Rented Sector (PRS) does not fall within the types of affordable housing set out in the NPPF (other than affordable private rent, which is a specific tenure separate from the main 'full market' PRS), it has evidently been playing a role in meeting the needs of households who require financial support in meeting their housing needs.

5.85 The Government recognises this, and indeed legislated through the 2011 Localism Act to allow Councils to discharge their "homelessness duty" through providing an offer of a suitable property in the PRS.

5.86 Data from the Department of Work and Pensions (DWP) has been used to look at the number of Housing Benefit-supported private rented homes. As of August 2025, it is estimated that there were around 13,700 benefit claimants in the Private Rented Sector in Gloucestershire. Whilst private rented affordable homes are not

affordable housing, the sector does make some contribution to meeting the needs of households in need of affordable housing who can supplement their income with housing benefit. The sector is playing this role because of a shortfall of genuine affordable homes.

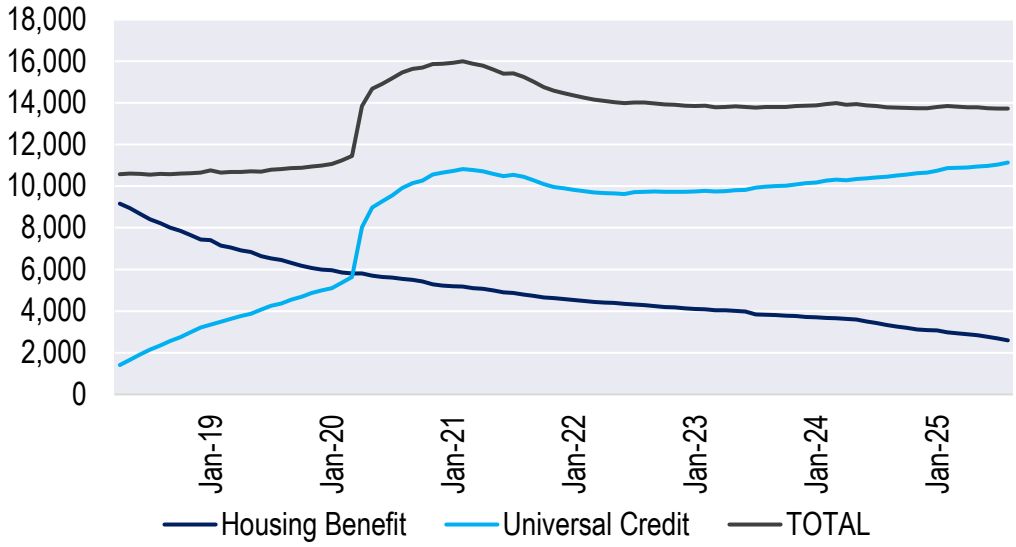
5.87 Whilst the PRS is providing housing for some households, there are, however, significant risks associated with future reliance on the sector to meet an affordable housing need.

5.88 The last couple of years have seen rents increase whilst Local Housing Allowance (LHA) levels have remained static. In the Autumn Statement 2023, the then Government increased the LHA rent to the 30th percentile of market rents (although this is based on existing rents and not rents likely to be payable by those moving home). The Renters Rights Act (2025) may also have some impact in restricting future supply of PRS properties to those in need; emphasising the need to support delivery of genuinely affordable homes. As noted in Chapter 4, supply of PRS properties may also be impacted by the requirement for all properties to meet an EPC standard of C by October 2030.

5.89 The figure below shows the trend in the number of claimants in the study area. This shows an increase since March 2020, likely related to the COVID-19 pandemic.

5.90 However, even the more historical data shows a substantial number of households claiming benefit support for their housing in the private sector (typically around 11,000 households). The data about the number of claimants does not indicate how many new lettings are made each year in the PRS. However, data from the English Housing Survey (EHS) over the past three years indicate that, nationally, around 7% of private-sector tenants are new to the sector each year. If this figure is applied to the number of households claiming HB/UC, then this would imply around 960 new benefit-supported lettings in the sector across Gloucestershire.

Figure 5-2: Number of Housing Benefit/Universal Credit claimants in the PRS – Gloucestershire



Source: Department of Work and Pensions

5.91 The table below shows the number of Housing Benefit and Universal Credit (with a housing entitlement) in the private rented sector as of August 2025 for each of the local authorities; there is a wide range in claimant numbers, going from around 1,100 in Cotswold, up to 4,500 in Gloucester.

Table 5-22: Number of Housing Benefit/Universal Credit claimants in the PRS – August 2025

	Housing Benefit	Universal Credit	TOTAL
Cotswold	335	742	1,077
Forest of Dean	444	1,349	1,793
Stroud	454	1,542	1,996
Cheltenham	512	2,221	2,733
Gloucester	548	3,937	4,485
Tewkesbury	315	1,344	1,659
SLP Area	1,375	7,502	8,877
TOTAL	2,596	11,134	13,730

Source: Department of Work and Pensions

5.92 Whilst we would not recommend including PRS supply as part of the modelling, not least as it is uncertain whether the availability of homes will remain at this level, as well as concerns about the security of tenure, it is the case that the sector does provide housing. It is playing a role in addressing the shortfall in genuine affordable housing. However in the future it may not do so to the extent it has in the past.

5.93 **Higher housing delivery overall in Gloucestershire relative to past trends will thus be important in supporting affordable housing delivery; as well accessing funding to support affordable housing delivery.**

Types of Affordable Housing

5.94 The analysis above has clearly pointed to a need for affordable housing. There is a range of affordable housing options that could meet the need, including rented forms of affordable housing (such as social or affordable rents) and products that might be described as intermediate housing (such as shared ownership or discounted market housing/First Homes). These are discussed in turn below.

Social and Affordable Rented Housing

5.95 The tables below show current rent levels in each local authority for a range of products along with relevant local housing allowance (LHA) rates. This is compared with lower quartile market rents, which

5.96 Most of Gloucestershire falls into either the Cheltenham or Gloucester (BRMA) for the purposes of LHA, although parts of the County are in each of Warwickshire South, West Wiltshire, Herefordshire and Monmouthshire BRMAs; the tables show the range of values across each authority where relevant.

5.97 Data about average social and affordable rents has been taken from the Regulator of Social Housing (RSH). This analysis shows that social

rents are significantly lower than affordable rents; it also shows that affordable rents are well below lower-quartile market rents – particularly for larger property sizes. The LHA rates for all home sizes are below the lower quartile market rents for all accommodation sizes.

5.98 This does potentially mean that households seeking accommodation in many locations may struggle to secure sufficient benefits to cover their rent.

Table 5-23: Comparison of rent levels for different products – Cheltenham

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£403	£559	£850	£623
2-bedrooms	£452	£688	£1,100	£798
3-bedrooms	£507	£850	£1,450	£997
4-bedrooms	£578	£977	£1,750	£1,466
ALL	£462	£715	£1,000	-

Source: RSH, market survey and VOA

Table 5-24: Comparison of rent levels for different products – Cotswold

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£451	£593	£775	£549-£698
2-bedrooms	£546	£735	£1,100	£723-£848
3-bedrooms	£614	£860	£1,425	£848-£1,042
4-bedrooms	£707	£1,071	£2,100	£1,197-£1,466
ALL	£556	£737	£1,200	-

Source: RSH, market survey and VOA

Table 5-25: Comparison of rent levels for different products – Forest of Dean

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£440	£488	£650	£474-£549
2-bedrooms	£494	£626	£825	£598-£723
3-bedrooms	£542	£695	£950	£748-£848
4-bedrooms	£616	£858	£1,200	£972-£1,197
ALL	£504	£622	£800	-

Source: RSH, market survey and VOA

Table 5-26: Comparison of rent levels for different products – Gloucester

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£385	£528	£750	£549
2-bedrooms	£458	£661	£975	£723
3-bedrooms	£515	£781	£1,275	£848
4-bedrooms	£615	£976	£1,475	£1,197
ALL	£460	£644	£875	-

Source: RSH, market survey and VOA

Table 5-27: Comparison of rent levels for different products – Stroud

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£397	£507	£700	£549
2-bedrooms	£464	£669	£925	£723
3-bedrooms	£502	£814	£1,200	£848
4-bedrooms	£602	£992	£1,350	£1,197
ALL	£466	£682	£900	-

Source: RSH, market survey and VOA

Table 5-28: Comparison of rent levels for different products – Tewkesbury

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£430	£535	£725	£549-£623
2-bedrooms	£495	£706	£950	£723-£798
3-bedrooms	£557	£858	£1,250	£848-£997
4-bedrooms	£663	£1,052	£1,650	£1,197-£1,466
ALL	£515	£720	£950	-

Source: RSH, market survey and VOA

5.99 To some extent, it is easier to consider the data above in terms of the percentage one housing cost is of another, and this is shown in the tables below.

5.100 Focusing on 2-bedroom homes, the analysis shows that social rents are significantly cheaper than market rents (and indeed affordable rents) and that affordable rents (as currently charged) represent 63%-76% of a current lower quartile rent.

5.101 As a result, paying social rent instead of affordable rent can make a considerable improvement to the financial resilience of lower income households, insulating them against price and cost of living shocks and helping to reduce rent arrears.

Table 5-29: Difference between rent levels for different products – Cheltenham

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	72%	47%	66%
2-bedrooms	66%	41%	63%
3-bedrooms	60%	35%	59%
4-bedrooms	59%	33%	56%
ALL	65%	46%	71%

Source: RSH and market survey

Table 5-30: Difference between rent levels for different products – Cotswold

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	76%	58%	77%
2-bedrooms	74%	50%	67%
3-bedrooms	71%	43%	60%
4-bedrooms	66%	34%	51%
ALL	75%	46%	61%

Source: RSH and market survey

Table 5-31: Difference between rent levels for different products – Forest of Dean

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	90%	68%	75%
2-bedrooms	79%	60%	76%
3-bedrooms	78%	57%	73%
4-bedrooms	72%	51%	71%
ALL	81%	63%	78%

Source: RSH and market survey

Table 5-32: Difference between rent levels for different products – Gloucester

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	73%	51%	70%
2-bedrooms	69%	47%	68%
3-bedrooms	66%	40%	61%
4-bedrooms	63%	42%	66%
ALL	71%	53%	74%

Source: RSH and market survey

Table 5-33: Difference between rent levels for different products – Stroud

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	78%	57%	72%
2-bedrooms	69%	50%	72%
3-bedrooms	62%	42%	68%
4-bedrooms	61%	45%	73%
ALL	68%	52%	76%

Source: RSH and market survey

Table 5-34: Difference between rent levels for different products – Tewkesbury

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	80%	59%	74%
2-bedrooms	70%	52%	74%
3-bedrooms	65%	45%	69%
4-bedrooms	63%	40%	64%
ALL	72%	54%	76%

Source: RSH and market survey

5.102 The table below suggests that around 20% of households that cannot afford to rent privately could afford an affordable rent at 80% of market rents, with a further 8% being able to afford current affordable rents.

5.103 There are also an estimated 25% who can afford a social rent (but not an affordable one).

5.104 A total of 47% of households would need some degree of benefit support (or spend more than 35% of income on housing) to afford their housing (regardless of tenure). This analysis points to a clear need for social rented housing.

5.105 There are some variations by local authority, with the number of households able to afford affordable rents (at current levels or at 80% of the market) being higher in Cotswold and lower in other locations

Table 5-35: Estimated need for rented affordable housing (% of households unable to afford to buy OR rent)

	Afford 80% of market rent	Afford current affordable rent	Afford social rent	Need benefit support	All unable to afford market
Cheltenham	20%	9%	30%	41%	100%
Cotswold	18%	21%	18%	44%	100%
Forest of Dean	21%	3%	18%	59%	100%
Gloucester	19%	7%	26%	48%	100%
Stroud	22%	5%	29%	44%	100%
Tewkesbury	21%	5%	25%	49%	100%
TOTAL	20%	8%	25%	47%	100%

Source: Iceni analysis

5.106 **The analysis indicates that provision of up to 70% of rented affordable housing at social rents could be justified** (based on 25% able to afford a social rent and 47% needing benefit support); **albeit in setting planning policies, this will need to be considered alongside viability evidence.**

5.107 Higher provision of social rents will reduce the support through housing benefits required to ensure households can afford their housing costs. At a time of constrained public sector spending, the provision of social rented homes represents improved value for public money compared to supporting households through housing benefit. However this needs to balanced against viability pressures including higher finance and construction costs and other policy requirements which may influence what affordable housing can be supported by market-led development schemes without grant funding.

5.108 It is noted that service charges may create affordability pressures in individual cases, particularly where they are unusually high (although some may relate to utilities etc and so substitute with other household expenses, and others may be covered by housing benefits). However, social rent remains the most affordable mainstream tenure; some charges may be covered by housing support or substitute for costs otherwise paid separately. Their inclusion would therefore not materially alter the assessment's conclusions on relative affordability.

Low Cost Home Ownership

5.109 As well as rented forms of affordable housing, the council could seek to provide forms of intermediate housing, with the analysis below considering the potential affordability of shared ownership and discounted market sale housing (which could include First Homes).

5.110 Generally, intermediate housing will be a newbuild product, sold at a discount (or on a part buy, part rent arrangement with shared ownership) and will therefore be based on the Open Market Value (OMV) of a new home.

Discounted Market Sale

5.111 To be affordable to a household unable to buy or rent housing, the maximum cost to buy should be equivalent to the cost affordable to a

household that can just afford private rented housing. An example is given below:

- A lower quartile 3-bedroom home in Cheltenham is estimated to have a rent of £1,450 per month;
- If a household spends 35% of its income on housing, then its income will be approximately £49,700 (£1,450/0.35*12);
- With an income of £49,700, a household could be expected to be able to afford a home costing around £249,000 (based on having a 10% deposit and a 4.5 times mortgage multiple); and
- This can be worked backwards to show a £249,000 home with a 10% deposit requires a mortgage for around £224,000. With a mortgage multiple of 4.5, this gives an income of around £49,700 (as shown above) – calculated as £224,000/4.5.

5.112 The tables below therefore set out a suggested maximum purchase price for affordable home ownership/First Homes by size. It works through first (on the left-hand side) what the affordable price would be (based on a 10% deposit and a mortgage at 4.5 times' income).

5.113 The right-hand side of the table then sets out what Open Market Value (OMV) this might support, based on a 30% discount. For 1- and 2-bedroom homes in some locations, the estimated lower quartile price is slightly lower than the 'equivalent' figure calculated, so these figures are set to the lower quartile price.

5.114 Focussing again on 3-bedroom homes in Cheltenham, it is suggested that an affordable price is no more than £249,000, and therefore the open market value of homes would need to be in no more than £355,000 (if discounted by 30%).

Table 5-36: Affordable home ownership prices – Cheltenham

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£140,000	£200,000
2-bedrooms	£189,000	£269,000
3-bedrooms	£249,000	£355,000
4+-bedrooms	£300,000	£429,000

Source: Iceni analysis

Table 5-37: Affordable home ownership prices – Cotswold

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£133,000	£190,000
2-bedrooms	£189,000	£269,000
3-bedrooms	£244,000	£349,000
4+-bedrooms	£360,000	£514,000

Source: Iceni analysis

Table 5-38: Affordable home ownership prices – Forest of Dean

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£111,000	£159,000
2-bedrooms	£141,000	£202,000
3-bedrooms	£163,000	£233,000
4+-bedrooms	£206,000	£294,000

Source: Iceni analysis

Table 5-39: Affordable home ownership prices – Gloucester

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£105,000	£150,000
2-bedrooms	£160,000	£229,000
3-bedrooms	£219,000	£312,000
4+-bedrooms	£253,000	£361,000

Source: Iceni analysis

Table 5-40: Affordable home ownership prices – Stroud

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£120,000	£171,000
2-bedrooms	£159,000	£227,000
3-bedrooms	£206,000	£294,000
4+-bedrooms	£231,000	£331,000

Source: Iceni analysis

Table 5-41: Affordable home ownership prices – Tewkesbury

	What households just able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£124,000	£178,000
2-bedrooms	£163,000	£233,000
3-bedrooms	£214,000	£306,000
4+-bedrooms	£283,000	£404,000

Source: Iceni analysis

5.115 It is difficult to definitively analyse the cost of newbuild homes as these will vary from site to site and will be dependent on a range of factors such as location, built form, and plot size.

5.116 We have, however, looked at newbuild schemes currently advertised on Rightmove, with the tables below providing a general summary of existing schemes.

5.117 This analysis is interesting as it generally shows the median newbuild price to be above the OMV required to make homes affordable to those just able to rent privately. That said, homes at the bottom end of the price range could, in some cases, potentially be discounted by 30% and considered as affordable.

5.118 This analysis shows how important it will be to know the OMV of housing before discounting to be able to determine if a product is going to be genuinely affordable in a local context – providing a discount of 30% will not automatically mean it becomes affordable housing.

5.119 The analysis is also interesting for showing the relative lack of smaller newbuild homes in most locations – the proportion of 1- and 2-bedroom homes varies from 1% in the Forest of Dean, up to 22% in Cheltenham. In Tewkesbury, some 62% of newbuild homes for sale had four bedrooms.

Table 5-42: Estimated newbuild housing cost by size – Cheltenham

	No. of homes advertised	Range of prices	Median price
1-bedroom	7	£225,000-£395,000	£375,000
2-bedrooms	7	£300,000-£600,000	£475,000
3-bedrooms	33	£315,000-£1,450,000	£420,000
4+-bedrooms	18	£425,000-£1,700,000	£885,000

Source: Iceni analysis of Rightmove data

Table 5-43: Estimated newbuild housing cost by size – Cotswold

	No. of homes advertised	Range of prices	Median price
1-bedroom	2	£190,000-£295,000	-
2-bedrooms	16	£250,000-£700,000	£565,000
3-bedrooms	41	£395,000-£1,100,000	£565,000
4+-bedrooms	41	£599,000-£2,000,000	£950,000

Source: Iceni analysis of Rightmove data

Table 5-44: Estimated newbuild housing cost by size – Forest of Dean

	No. of homes advertised	Range of prices	Median price
1-bedroom	1	£140,000	-
2-bedrooms	0	-	-
3-bedrooms	37	£230,000-£895,000	£310,000
4+-bedrooms	39	£330,000-£900,000	£480,000

Source: Iceni analysis of Rightmove data

Table 5-45: Estimated newbuild housing cost by size – Gloucester

	No. of homes advertised	Range of prices	Median price
1-bedroom	2	£125,000-£135,000	-
2-bedrooms	15	£165,000-£335,000	£270,000
3-bedrooms	41	£295,000-£430,000	£375,000
4+-bedrooms	20	£350,000-£625,000	£425,000

Source: Iceni analysis of Rightmove data

Table 5-46: Estimated newbuild housing cost by size – Stroud

	No. of homes advertised	Range of prices	Median price
1-bedroom	0	-	-
2-bedrooms	6	£265,000-£695,000	£300,000
3-bedrooms	45	£310,000-£985,000	£350,000
4+-bedrooms	32	£400,000-£1,150,000	£480,000

Source: Iceni analysis of Rightmove data

Table 5-47: Estimated newbuild housing cost by size – Tewkesbury

	No. of homes advertised	Range of prices	Median price
1-bedroom	1	£225,000	-
2-bedrooms	13	£255,000-£875,000	£295,000
3-bedrooms	41	£290,000-£725,000	£365,000
4+-bedrooms	89	£400,000-£1,050,000	£540,000

Source: Iceni analysis of Rightmove data

5.120 An alternative way of looking at the data is to ask what level of discount is required to make homes genuinely affordable, and this is shown in the table below. The figures are based on median newbuild prices and show the discount required to achieve the previously calculated affordable price.

5.121 The tables show that typically a discount of in excess of 40% (and often in excess of 50%) would be needed to make homes affordable (for 2- and 3-bedroom homes). Whilst it is arguably possible for discounts of this level to be provided, this would essentially be a subsidy that could be spent in other ways (such as supporting the provision of social rented housing).

5.122 However, there may be specific circumstances where discounted market housing might be considered (e.g. to support viability or to provide a broader mix on site).

5.123 In addition, it needs to be remembered that the analysis in this report is based on estimated prices at a particular point in time, and it is possible for housing to become more affordable relative to the existing market over time. There may also be specific schemes that are affordable relative to the area's general costs.

5.124 Overall, and on balance, it is considered that the evidence does not support any significant need for discounted market products (including First Homes) in a local context due to the cost of newbuild housing. However, there may be specific schemes where this type of housing could be supported – this would need to be dealt with on a site-by-site basis. Equally, this analysis doesn't take account of household preference, in terms of seeking affordable home ownership products that best suit their household circumstances or incomes. For example, the inclusion of an ongoing rent element within Shared Ownership homes (which will always increase over time by CPI plus 1.0% for new Shared Ownership homes) may not necessarily be as attractive to potential buyers on paper compared to a discounted market product.

Table 5-48: Discount required to make affordable home ownership a 'genuinely affordable' product – Cheltenham

	Affordable price	Median newbuild	Discount required
1-bedroom	£140,000	£375,000	63%
2-bedrooms	£189,000	£475,000	60%
3-bedrooms	£249,000	£420,000	41%
4-bedrooms	£300,000	£885,000	66%

Source: Iceni analysis

Table 5-49: Discount required to make affordable home ownership a 'genuinely affordable' product – Cotswold

	Affordable price	Median newbuild	Discount required
1-bedroom	£133,000	-	-
2-bedrooms	£189,000	£565,000	67%
3-bedrooms	£244,000	£565,000	57%
4-bedrooms	£360,000	£950,000	62%

Source: Iceni analysis

Note: Median prices and discount required not shown where there is insufficient market data

Table 5-50: Discount required to make affordable home ownership a 'genuinely affordable' product – Forest of Dean

	Affordable price	Median newbuild	Discount required
1-bedroom	£111,000	-	-
2-bedrooms	£141,000	-	-
3-bedrooms	£163,000	£310,000	47%
4-bedrooms	£206,000	£480,000	57%

Source: Iceni analysis

Note: Median prices and discount required not shown where there is insufficient market data

Table 5-51: Discount required to make affordable home ownership a 'genuinely affordable' product – Gloucester

	Affordable price	Median newbuild	Discount required
1-bedroom	£105,000	-	-
2-bedrooms	£160,000	£270,000	41%
3-bedrooms	£219,000	£375,000	42%
4-bedrooms	£253,000	£425,000	40%

Source: Iceni analysis

Note: Median prices and discount required not shown where there is insufficient market data

Table 5-52: Discount required to make affordable home ownership a 'genuinely affordable' product – Stroud

	Affordable price	Median newbuild	Discount required
1-bedroom	£120,000	-	-
2-bedrooms	£159,000	£300,000	47%
3-bedrooms	£206,000	£350,000	41%
4-bedrooms	£231,000	£480,000	52%

Source: Iceni analysis

Note: Median prices and discount required not shown where there is insufficient market data

Table 5-53: Discount required to make affordable home ownership a 'genuinely affordable' product – Tewkesbury

	Affordable price	Median newbuild	Discount required
1-bedroom	£124,000	-	-
2-bedrooms	£163,000	£295,000	45%
3-bedrooms	£214,000	£365,000	41%
4-bedrooms	£283,000	£540,000	48%

Source: Iceni analysis

Note: Median prices and discount required not shown where there is insufficient market data

Shared Ownership

5.125 The analysis below moves on to consider shared ownership. For this analysis, an assessment of monthly outgoings has been undertaken, with the core assumption that outgoings should no more than the cost for renting privately, so as to make this tenure genuinely affordable (noting that the need for affordable home ownership products is assessed based on those able to afford to rent but not to buy).

5.126 The analysis has looked at what the Open Market Value (OMV) would need to be for a shared ownership to be affordable with a 10%, 25%

and 50% share. To work out outgoings, the mortgage part is based on a 10% deposit (for the equity share) and a repayment mortgage over 25 years at 5% with a rent at 2.75% per annum on unsold equity.

5.127 These calculations do not include service charges because they are scheme specific and vary substantially. However, service charges should be taken into account in evaluating affordability on a scheme-specific and household-specific basis.

5.128 The findings for this analysis are interesting and do point to the possibility of shared ownership being a more affordable tenure than discounted market housing (including First Homes).

5.129 By way of an explanation of these tables (focusing on 3-bedroom homes in Cheltenham), if a 50% equity share scheme came forward, then it is estimated the OMV could not be above £384,000 if it is to be genuinely affordable (due to the outgoings being in excess of the cost of privately renting).

5.130 However, given the subsidised rents, the same level of outgoings could be expected with a 10% equity share but a much higher OMV of £560,000. Although affordability can only be assessed on a scheme-by-scheme basis, it is notable that we estimate a median 3-bedroom newbuild to cost around £420,000 in the Borough – this suggests that 50% share schemes are difficult to make genuinely affordable, but a 25% share could be.

Table 5-54: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Cheltenham

	50% share	25% share	10% share
1-bedroom	£225,000	£280,000	£328,000
2-bedroom	£291,000	£363,000	£425,000
3-bedroom	£384,000	£478,000	£560,000
4-bedrooms	£463,000	£577,000	£676,000

Source: Iceni analysis

Table 5-55: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Cotswold

	50% share	25% share	10% share
1-bedroom	£205,000	£255,000	£299,000
2-bedroom	£291,000	£363,000	£425,000
3-bedroom	£377,000	£470,000	£551,000
4-bedrooms	£556,000	£692,000	£811,000

Source: Iceni analysis

Table 5-56: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Forest of Dean

	50% share	25% share	10% share
1-bedroom	£172,000	£214,000	£251,000
2-bedroom	£218,000	£272,000	£319,000
3-bedroom	£252,000	£313,000	£367,000
4-bedrooms	£318,000	£396,000	£464,000

Source: Iceni analysis

Table 5-57: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Gloucester

	50% share	25% share	10% share
1-bedroom	£199,000	£247,000	£290,000
2-bedroom	£258,000	£321,000	£377,000
3-bedroom	£338,000	£420,000	£493,000
4-bedrooms	£391,000	£486,000	£570,000

Source: Iceni analysis

Table 5-58: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Stroud

	50% share	25% share	10% share
1-bedroom	£185,000	£231,000	£270,000
2-bedroom	£245,000	£305,000	£357,000
3-bedroom	£318,000	£396,000	£464,000
4-bedrooms	£357,000	£445,000	£521,000

Source: Iceni analysis

Table 5-59: Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Tewkesbury

	50% share	25% share	10% share
1-bedroom	£192,000	£239,000	£280,000
2-bedroom	£252,000	£313,000	£367,000
3-bedroom	£331,000	£412,000	£483,000
4-bedrooms	£437,000	£544,000	£638,000

Source: Iceni analysis

5.131 Another way of looking at this data is to see what level of equity share might be needed to make shared ownership affordable, and this is shown in the table below.

5.132 This points to shares generally in the range of 25-40% (based on 2- and 3-bedroom homes), although this is far from universal – for Cotswold, it looks very difficult to make any size of shared ownership genuinely affordable.

5.133 This analysis shows the level of equity share affordable at the point of accessing housing, and is a point in time analysis (i.e. based on current incomes and prices). It is worth noting that shared ownership rents can increase by up to the consumer price index (CPI) plus 1% per year, which in the cases of high inflation could lead to relatively large rental increases. If incomes do not increase commensurately, this could make housing unaffordable over time. However, if a household's income also increases, housing may remain affordable.

5.134 Overall, it is considered that shared ownership is likely to be a more affordable product than discounted market housing, but that lower equity shares (lower than 30%) should be encouraged in any development. However, it is noted that the share purchased will depend on each purchaser's circumstances and affordability assessment, and some buyers may purchase larger shares.

5.135 However, this depends on the initial share offered and the affordability assessment applied by the provider. In practice, purchasers are often expected to buy the maximum share they can sustainably afford, which may move some households away from lower equity shares. Shared ownership may not always be well targeted at households with the most marginal affordability if higher initial shares are required or encouraged.

5.136 The analysis also suggests that, given the cost of newbuild homes with four bedrooms, it is highly unlikely that this size of home could be made genuinely affordable under shared ownership in most locations.

Table 5-60: Estimated maximum equity share required to make shared ownership affordable – Gloucestershire

	1-bedroom	2-bedroom	3-bedroom	4-bedrooms
Cheltenham	-1%	1%	39%	-11%
Cotswold	-	-12%	8%	-3%
Forest of Dean	-	-	26%	7%
Gloucester	-	44%	37%	40%
Stroud	-	27%	38%	18%
Tewkesbury		31%	38%	26%

Source: Iceni analysis

Note: No SLP figure given as analysis carried out at the authority level

No results are given in cases where there is insufficient market data on newbuild prices

Rent-to-Buy

5.137 A further affordable option is Rent to Buy; this is a Government scheme designed to ease the transition from renting to buying the same home. Initially (typically for five years), the newly built home will be provided at the equivalent of an affordable rent (approximately 20% below the market rate).

5.138 The expectation is that the discount provided in the first five years is saved in order to put towards a deposit on the purchase of the same property. Rent to Buy can be advantageous for some households as it allows for a smaller 'step' to be taken onto the home ownership ladder.

5.139 At the end of the five years, depending on the scheme, the property is either sold as a shared ownership product or purchased outright as a full market property. If the occupant is unable to do either of these, the property may be vacated, or some providers provide options to extend the terms of the renting periods in order to avoid households becoming homeless.

5.140 In order to access this tenure, it effectively requires the same income threshold for the initial phase as a market rental property. However, the cost of accommodation will be that of affordable rent. The lower-than-market rent will allow the household to save for a deposit toward a shared ownership property or a market property.

5.141 General evidence indicates that Rent to Buy can assist households for whom the principal barrier to ownership is accumulating a deposit, but is less effective where household income is insufficient to support the eventual mortgage.

5.142 In considering the affordability of rent-to-buy schemes, there is a direct read across to the income required to access affordable home ownership (including shared ownership). It should therefore be treated as part of the affordable home ownership products suggested by the NPPF.

Policy Response

5.143 It is not possible through the HENA to set out the amount of affordable housing to be required through policy as this will largely depend on the viability of provision. We do however note the various policy position in adopted Local Plans.

Current policies

5.144 For Cheltenham, Gloucester and Tewkesbury a 35% target is set for strategic sites and a 40% target for other sites in Cheltenham and Tewkesbury (20% in Gloucester) in the current adopted Local Plan (the Joint Core Strategy). No split is provided between rented and intermediate products although policy seeks to 'provide an appropriate mix of dwelling sizes, types and tenures in order to contribute to mixed and balanced communities and a balanced housing market' with any decisions being in part made by taking account of the latest needs evidence.

5.145 In Cotswold the latest adopted plan seeks up to 30% on brownfield sites and 40% on all other sites. Again no detailed mix is provided with the plan stating, 'the type, size and mix, including the tenure split, of affordable housing will be expected to address the identified and prioritised housing needs of the District'.

5.146 Forest of Dean also has a general 40% affordable housing target and in supporting text states 'it is assumed that the mix between rented and intermediate tenure is 70% in favour of rented properties for the affordable housing'.

5.147 The core policy in Stroud is to provide 30% of homes as affordable housing and again no tenure split. The plan saying 'the Council will negotiate the tenure, size and type of affordable units on a site by site basis having regard to housing needs, site specifics and other factors.

Overall target

5.148 On the basis of current plans, it is considered that **a 40% overall target could provide a good starting point for viability testing although it is recognised this may not be realistic in some areas (notably Gloucester).**

5.149 In all authorities except Cotswold and Forest of Dean the affordable need amounts to more than 40% of the Standard Method LHN. As a result, a 40% overall target would not meet affordable housing needs in full. A 40% target therefore represents a plausible upper policy benchmark for testing, but lower targets may be needed in weaker value areas. Councils should also therefore seek to deliver additional affordable housing wherever possible, including through grant funding.

5.150 Given the high Standard Method housing number for Cotswold (1,055 dwellings per annum) there is arguably the possibility that affordable needs could be met in full (an estimated need for 328 affordable homes each year representing 31% of the total). However, it does need to be recognised that many sites may not be able to provide policy compliant levels of affordable housing (e.g. due to viability or site size), and it is possible that overall housing delivery may fall below targets, and so it is still considered justified to seek a 40% target if viable.

Tenure split

5.151 This report can provide advice on the tenure split, particularly in light of the December 2024 NPPF which says (in paragraph 64) that ‘planning policies should specify the type of affordable housing required (including the minimum proportion of Social Rent homes required)’. The discussion below is Gloucestershire-wide with further consideration given to local authorities.

5.152 Analysis in this report has shown that there is a need for both rented affordable homes and affordable routes to home-ownership in each Gloucestershire authority.

5.153 However, those households with a need for rented products are more likely to have acute needs and fewer (if any) realistic options in the housing market, and so may be prioritised in policies for affordable housing mix. The most acute needs are for social rented homes. The following table considers these priority needs in the context of potential affordable housing delivery levels, based on potential policies reflecting viability and delivery prospects (for reference, tables for different percentages are given in Appendix A5).

5.154 This shows, for example, that if affordable homes made up 30% of new housing in Stroud then 61% of this would need to be rented to fully meet rented affordable needs. Similarly, 44% of all affordable homes would need to be at social rents to fully meet identified needs.

5.155 Given the high level of affordable housing need relative to overall housing need, it would not be possible to fully meet rented needs or social rented needs in Gloucester at 25% affordable housing.

Table 5-61: Priority affordable needs as percentage of total affordable delivery

	Estimated Affordable housing delivery as % of all housing delivery	Affordable housing delivery at this level (annual)	Meets all affordable need?	Rented need as % of delivery	% of rented need at social rents	Social rented need as % of delivery
Cotswold	35%	369	Yes (need 328)	50%	62%	31%
Forest of Dean	25%	151	No	72%	77%	55%
Stroud	30%	254	No	61%	73%	44%
Cheltenham	35%	287	No	96%	71%	68%
Gloucester	25%	175	No	178%	77%	137%
Tewkesbury	35%	221	No	98%	74%	72%
SLP Area		753	No	106%	74%	79%
G'shire		1,457	No	86%	72%	62%

Source: Iceni analysis

5.156 This analysis provides a guide to potential affordable housing tenure requirements for social rent and affordable rented homes. However, it should be noted that there is also some need to provide affordable routes to home ownership (although the sizeable amount of market housing available for sale at a price below the lower quartile could be available for some households who would otherwise need this tenure).

5.157 In setting policies on affordable tenure split, authorities will need to have regard to viability evidence alongside the needs analysis herein , noting that rented affordable housing requires greater levels of subsidy and so will have a greater impact on scheme viability.

5.158 Drawing together these considerations, the following table provides a potential affordable housing tenure mix for each authority given assumed affordable housing delivery percentages. The categories used

in the table below are consistent with the affordable housing definitions set out in Annex 2 of the NPPF.

Table 5-62: Recommended affordable housing tenure split (subject to viability and overall affordable housing delivery policy)

Affordable housing delivery %	Social rented	Other rented	Low-cost home ownership
Cotswold	40%	10%	50%
Forest of Dean	60%	15%	25%
Stroud	45%	15%	40%
Cheltenham	60%	20%	20%
Gloucester	60%	20%	20%
Tewkesbury	60%	20%	20%

Source: Iceni analysis

5.159 The mixes shown would fully meet affordable rented needs in Cotswold, Forest of Dean and Stroud. In the SLP area the split would not meet rented need in full, but instead reflects a pragmatic balance between acute rented need, LCHO need, viability and the desirability of retaining a mix of tenures.

5.160 These percentages are sensitive to the overall level of delivery, as discussed above as well as viability considerations, and there is the potential for alternative choices to be made by the Councils – for example, it is possible that increasing levels of intermediate housing would increase overall delivery and this may be considered preferable to providing homes at social rents (of course the opposite could also be the decision made – more social rents, fewer homes overall).

5.161 In practice, given the housing management implications of mixed rented tenure schemes (including social rent and affordable rent on the same site), the Councils may wish to seek the rented allocation in the form of social rent. Once more, this would have a viability impact that would

have to be considered in the context of drafting development plan policies.

5.162 However, the percentage of homes at affordable rents could be somewhat higher than shown, as households claiming full housing benefit (or the housing component of universal credit) could arguably afford either social or affordable rental levels.

5.163 The analysis suggests there is unlikely to be a role for discounted market housing (including First Homes) with the main focus for low-cost home ownership likely to be on shared ownership (and possibly rent-to-buy housing). It is noted that there are longer-term affordability concerns with rent rises in shared ownership properties, and so authorities may also wish to consider other affordable routes to home ownership. However, none of the local authorities showed any need for discounted market products.

5.164 Specifically in Cotswold, the data points to likely difficulties in making any form of affordable home ownership ‘genuinely affordable’ due to the cost of newbuild housing and so a move to a higher proportion of rented housing might be appropriate.

5.165 It is noted that these conclusions represent analysis at a point in time. Should newbuild housing become relatively more affordable compared to existing homes then there may be more of a role for discounted market housing.

5.166 Ultimately will be for each authority to decide on their strategy and this will take account of viability and need as well as any local policy objectives. The discussion above should however provide the ingredients for consideration of policies in emerging Local Plans.

Summary

5.167 Analysis was undertaken to estimate the need for affordable housing over the 2024-46 period (on an annualised basis). The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. The evidence indicates that there is an acute need for affordable housing in the study area and a need in each local authority. 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.

5.168 Despite the level of need being high, it is not considered that this points to any requirement for the Councils to increase the Local Plan housing requirement due to affordable needs. 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). In addition, the private rented sector is providing benefit supported accommodation for many households. That said, the level of affordable housing need (especially for rented accommodation) suggests that the Councils should maximise the delivery of such housing at every opportunity.

5.169 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. Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to privately rent) as it has the advantage of a lower deposit and subsidised rent. However rents may form a significant part of overall outgoings for some households, with such rents being subject to an increase of Consumer Price Index plus 1.0%, which, over time, may make Shared Ownership less affordable, especially at lower equity shares.

5.170 The analysis has not taken account of household preference for different models of Affordable Home Ownership, which, in practice, will vary over time and may mean that households seek a range of Affordable Home Ownership products to suit their circumstances. Despite these points, there was no strong evidence of a need for First Homes or discounted market housing more generally.

5.171 In deciding what types of affordable housing to provide, including a split between rented and home ownership products, councils will need to consider the relative levels of need and also viability issues (recognising for example that providing AHO may be more viable and may therefore allow more units to be delivered, but at the same time noting that households with a need for rented housing are likely to have more acute needs and fewer housing options).

5.172 Overall, the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue in the area. It does however need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided. The evidence does however suggest that affordable housing delivery should be maximised wherever opportunities arise.

6. Specialist, supported and accessible housing

6.1 This section studies the characteristics and housing needs of the older person population and the population with some form of disability. The groups are taken together as there is a clear link between age and disability. It responds to Planning Practice Guidance on Housing for Older and Disabled People published by Government in June 2019. It includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).

Understanding Demographic Changes

Current population of older people

6.2 The table below provides baseline population data about older persons in Gloucestershire and compares this with other areas. The table shows the area has a slightly older age structure to that seen nationally with 22% of the population being aged 65 and over. The proportion of people aged 75 and over is also slightly above the equivalent figure for England.

Table 6-1: Older Persons Population, 2024

	Gloucestershire		South West	England
	No.	%	%	%
Under 65	521,344	77.9%	77.2%	81.3%
65-74	72,615	10.8%	11.1%	9.4%
75-84	54,898	8.2%	8.5%	6.8%
85+	20,523	3.1%	3.2%	2.5%
Total	669,380	100.0%	100.0%	100.0%
Total 65+	148,036	22.1%	22.8%	18.7%
Total 75+	75,421	11.3%	11.7%	9.3%

Source: ONS

6.3 The tables below show the same data for local authorities. The analysis points to some notable variation in the proportion of older people, this being highest in Cotswold (27% of people aged 65+) and lowest in Gloucester (17%).

Table 6-2: Older Persons Population, 2024 – Cheltenham, Cotswold and Forest of Dean

	Cheltenham	Cotswold	Forest of Dean
Under 65	80.2%	72.5%	74.4%
65-74	9.2%	13.1%	12.9%
75-84	7.4%	10.4%	9.6%
85+	3.3%	3.9%	3.1%
Total	100.0%	100.0%	100.0%
Total 65+	19.8%	27.5%	25.6%
Total 75+	10.6%	14.4%	12.7%

Source: ONS

Table 6-3: Older Persons Population, 2024 – Gloucester, Stroud and Tewkesbury

	Gloucester	Stroud	Tewkesbury
Under 65	83.1%	76.1%	78.0%
65-74	8.6%	12.0%	10.7%
75-84	6.0%	8.7%	8.3%
85+	2.3%	3.2%	2.9%
Total	100.0%	100.0%	100.0%
Total 65+	16.9%	23.9%	22.0%
Total 75+	8.3%	11.9%	11.2%

Source: ONS

Demographic change

6.4 Population projections can next be used to provide an indication of how the number of older persons might change in the future. The table below shows that Gloucestershire is projected to see a notable increase in the older person population – the projection is based on housing delivery in line with the housing need under the Standard Method.

6.5 For the 2024-46 period a projected increase in the population aged 65+ of around 41% is shown – the population aged under 65 is in contrast projected to see a more modest, but still significant, increase (of 20%). In total population terms, the projections show an increase in the population aged 65 and over of 61,000 people. This is against a backdrop of an overall increase of 164,600 – population growth of people aged 65 and over therefore accounts for 37% of the total projected population change.

Table 6-4: Projected Change in Population of Older Persons, 2024 to 2046 – Gloucestershire

	2024	2046	Change in population	% change
Under 65	521,344	626,074	104,730	20.1%
65-74	72,615	86,918	14,303	19.7%
75-84	54,898	81,418	26,520	48.3%
85+	20,523	40,882	20,359	99.2%
Total	669,380	835,293	165,913	24.8%
Total 65+	148,036	209,219	61,183	41.3%
Total 75+	75,421	122,301	46,880	62.2%

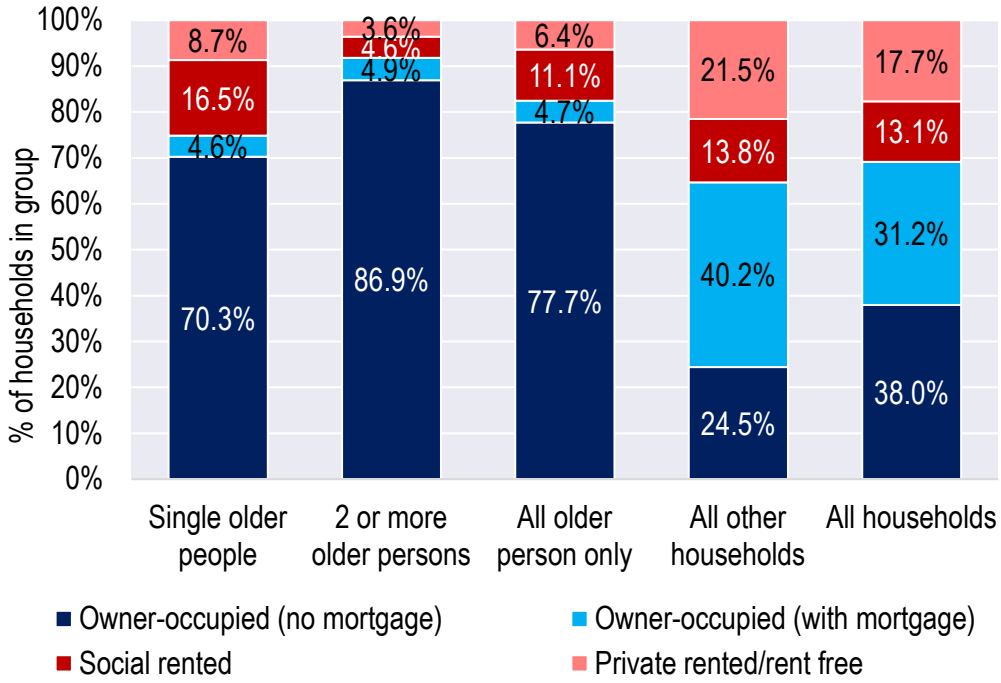
Source: Iceni Analysis

Characteristics of Older Persons' Households

6.6 The figure below shows the tenure of older person households. The data has been split between single older person households and those with two or more older people (which will largely be couples). The data shows that the majority of older persons households are owner occupiers (82% of older person households), and indeed most are owner-occupiers with no mortgage and thus may have significant equity which can be put towards the purchase of a new home. Some 11% of older persons households live in the social rented sector and the proportion of older person households living in the private rented sector is relatively low (about 6%).

6.7 There are also notable differences for different types of older person households with single older people having a lower level of owner-occupation than larger older person households – this group also has a higher proportion living in the social rented sector.

Figure 6-1: Tenure of Older Persons Households in Gloucestershire (2021)



Source: 2021 Census

6.8 The table below shows the tenure of older person households by local authority (figures are for all older person households). This shows only modest differences between areas with a range from 74% of older persons being outright owners in Cotswold, up to 80% in Tewkesbury. Cotswold and Gloucester show slightly higher proportions of older person households living in social rented housing whilst proportions living in private rented housing are low across most locations – Cotswold arguably being the exception with 9% of households in this tenure. Older households evidently have significant housing wealth.

Table 6-5: Tenure of Older Persons Households, 2021 – local authorities

	Owner-occupied (no mortgage)	Owner-occupied (with mortgage)	Social rented	Private rented	TOTAL
Cheltenham	79.1%	4.5%	10.1%	6.3%	100.0%
Cotswold	73.6%	5.1%	12.3%	9.1%	100.0%
Forest of Dean	78.6%	4.6%	10.6%	6.2%	100.0%
Gloucester	77.1%	4.7%	12.4%	5.9%	100.0%
Stroud	78.4%	4.9%	11.1%	5.7%	100.0%
Tewkesbury	79.7%	4.6%	10.4%	5.3%	100.0%
TOTAL	77.7%	4.7%	11.1%	6.4%	100.0%

Source: 2021 Census

Disabilities

6.9 The table below shows the proportion of people who are considered as disabled under the definition within the 2010 Equality Act[14], drawn from 2021 Census data, and the proportion of households where at least one person has a disability. The data suggests that some 30% of households in the County contain someone with a disability. This figure is slightly lower than seen in a range of other areas (region and nationally). The figures for the population with a disability show the same pattern in comparison with other areas – some 17% of the population having a disability.

[14] The Census uses the same definition of disability as described in the Equality Act. This defines disability as a person with a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities.

Table 6-6: Households and People with a Disability, 2021

	Households Containing Someone with a Disability		Population with a Disability	
	No.	%	No.	%
Gloucestershire	84,732	30.3%	108,378	16.8%
South West	812,037	33.2%	1,058,092	18.6%
England	7,507,887	32.0%	9,774,510	17.3%

Source: 2021 Census

6.10 The table below shows the same information for local authorities; this shows some modest variation in the proportion of the population and households with a disability across areas – figures being higher in Forest of Dean and lowest in Cotswold; the latter finding is noteworthy given the older age structure in this area.

Table 6-7: Households and People with a Disability, 2021 – local authorities

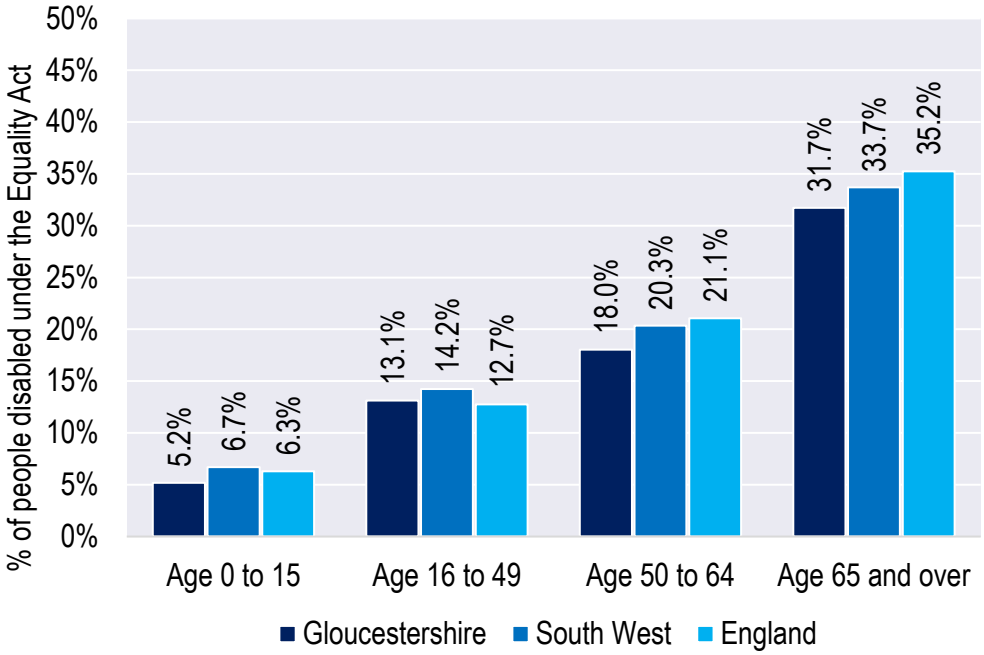
	Households Containing Someone with a Disability		Population with a Disability	
	No.	% of all hhs	No.	% of all people
Cheltenham	14,798	28.0%	18,948	15.9%
Cotswold	11,221	27.6%	13,983	15.4%
Forest of Dean	12,812	34.4%	16,681	19.2%
Gloucester	17,761	32.1%	23,073	17.4%
Stroud	16,047	30.6%	20,521	16.9%
Tewkesbury	12,093	29.5%	15,172	16.0%
TOTAL	84,732	30.3%	108,378	16.8%

Source: 2021 Census

6.11 As noted, it is likely that the age profile will impact upon the numbers of people with a disability, as older people tend to be more likely to have a disability. The figure below shows the age bands of people with a disability. It is clear from this analysis that those people in the oldest age bands are more likely to have a disability. The analysis also

generally shows slightly lower age-specific levels of disability when compared with the national and regional position – particularly for those aged 50 and over.

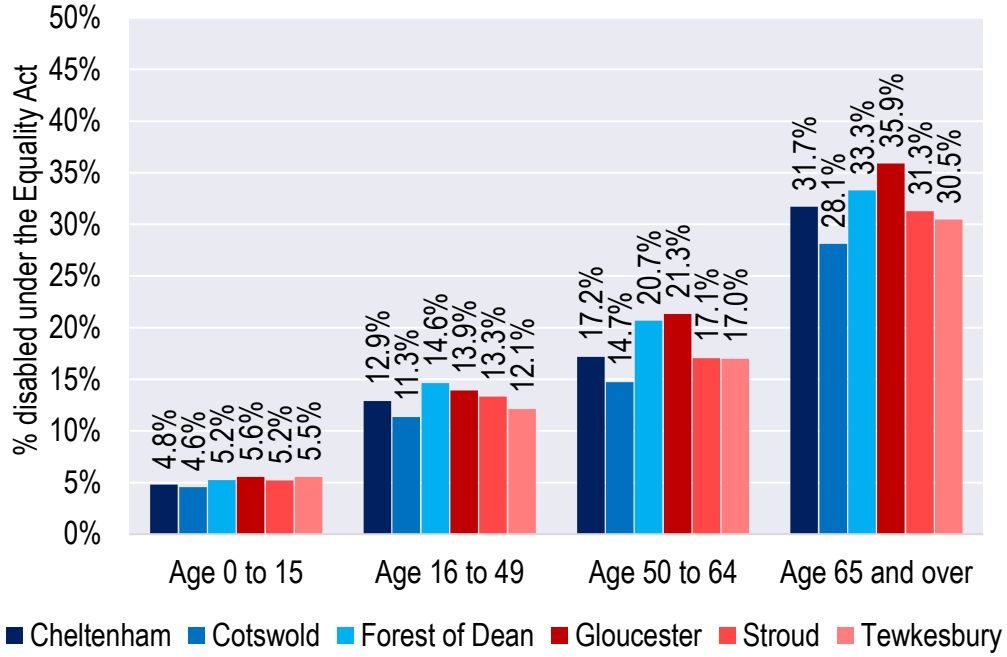
Figure 6-2: Population with Disability by Age



Source: 2021 Census

6.12 The figure below shows the same information for each local authority. This does show some notable differences with age specific rates of disability being particularly high in Gloucester and lowest in Cotswold.

Figure 6-3: Percentage of population with Disability by Age – local authorities



Source: 2021 Census

Health-related population projections

6.13 The incidence of a range of health conditions is an important component in understanding the potential need for care or support for a growing older population. The analysis undertaken covers both younger and older age groups and draws on prevalence rates from the PANSI (Projecting Adult Needs and Service Information) and POPPI (Projecting Older People Population Information) websites. Adjustments have been made to take account of the age specific health/disabilities previously shown.

6.14 The first row of the table models the Census prevalence rates (related to disability under the Equalities Act) – this shows a projected increase of 37,800 people with a disability over the 2024-46 period, a 33% increase – the number of people with a disability reaching 151,400 by 2046.

6.15 When looking at specific disabilities (linking to POPPI and PANSI data) the large increases in the number of older people with dementia

(increasing by 69% from 2024 to 2046 and mobility problems (up 58% over the same period) are most notable. Changes for younger age groups are smaller, reflecting the fact that projections are expecting older age groups to see the greatest proportional increases in population.

Table 6-8: Projected Changes to Population with a Range of Disabilities – Gloucestershire

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	113,565	151,359	37,794	33.3%
Dementia	65+	9,564	16,159	6,595	69.0%
Mobility problems	65+	24,869	39,296	14,426	58.0%
Autistic Spectrum Disorders	18-64	3,700	4,663	963	26.0%
	65+	1,251	1,738	486	38.9%
Learning Disabilities	15-64	9,709	11,920	2,210	22.8%
	65+	2,763	3,853	1,090	39.4%
Impaired mobility	16-64	22,167	26,657	4,490	20.3%

Source: POPPI/PANSI and Demographic Projections

Adult Social Care – Engagement

6.16 In order to inform this report, Iceni has engaged with stakeholders from Gloucestershire County Council Adult Social Care teams (commissioning, Strategy and supported accommodation) and the NHS. Stakeholders consistently emphasised a **strategic shift towards supporting people to remain independent in their own homes for as long as possible**, with public commissioning of specialist housing and care provision focused on those with the most complex needs.

Market Position Statement

6.17 The County's Market Position Statement (MPS) and associated analytical work – including modelling based on 2018-based projections and prevalence rates for those aged 85+ – show a very substantial growth in the older population and corresponding demand for care.

6.18 However, the proportion of over-85s requiring residential care at any one time is not expected to rise markedly. Against this backdrop, the County Council has been relatively successful in managing demand and wishes to consolidate this approach, prioritising prevention, adaptation and community-based support over traditional residential care models.

6.19 This broad direction of travel is consistent with feedback from consultations in other local housing needs and SHMA-style studies prepared by Iceni, where stakeholders have similarly stressed the importance of independence, ageing in place and a more targeted role for institutional care. The strategic focus is on providing a better level of support for service users within their own home rather than people moving into costly residential care homes, with this providing more cost-effective levels of care.

Sheltered and Extra-Care Policy Ambitions

6.20 The Gloucestershire stakeholders placed particular emphasis on the interrelationship between accessible mainstream housing, extra care, and residential/nursing care.

6.21 Much of the demand for extra care locally is understood to arise because people cannot access suitably-designed general needs housing, rather than because they intrinsically require an extra care environment (the need for accessible and adaptable housing is considered in more detail later in this chapter).

6.22 ASC officers described how extra care schemes are currently fulfilling several functions: as a downsizing option for older people whose

existing homes no longer meet their physical or care needs; as “step-down” provision for those leaving hospital or residential care who do not need 24-hour nursing but for whom a return to their previous home is not feasible; as a positive lifestyle choice for people seeking a more communal setting; and as a preventative measure for those at risk of social isolation who may otherwise require more intensive interventions later. The County Council reported that there is currently very limited affordable extra care housing, with most provision in the market sector.

6.23 The County Council would like to see a greater volume of extra care and sheltered accommodation that can support people with higher and more complex needs in appropriate locations rather than low-care “lifestyle” schemes that primarily attract in-migrants to Gloucestershire, and can often be above the realistic price range of local people. This includes older people as well as other adults with physical disabilities, learning disabilities and mental health needs.

6.24 There was a general concern about private specialist accommodation in attractive retirement locations such as the Cotswolds and parts of Cheltenham, which can draw in older households from outside the area. One of the main concerns was the limited staff, with concerns that additional accommodation in these areas would exacerbate workforce pressures elsewhere in the County and do little to meet local needs. We would note however that higher housing delivery, as envisaged by the standard method, will support workforce growth over time (as explored elsewhere in this report).

6.25 It was suggested that there was a substantial oversupply of private specialist accommodation in some locations; and that additional private schemes should be actively discouraged unless they are clearly designed to meet identified local need and promote independence and wellbeing. The latter could be achieved if the new developments are subject to robust local connection requirements (such as a Derbyshire-style clause restricting sales to people with a local connection). At the same time, a strong preference was indicated for additional specialist

provision to be focused on locations where there is clear unmet need, and better access to the care workforce – notably Gloucester, Stroud and parts of the Forest of Dean.

6.26 The County Council's ambition is that, across the County, older residents should be able to access sheltered and extra care housing in the places where they already live where they require this accommodation, minimising disruptive moves and supporting existing social networks.

6.27 There is currently no substantial pipeline of new extra care schemes being brought forward directly or commissioned by the County Council, although districts retain some schemes in their development pipelines.

6.28 On average, around 17 referrals per month are made for extra-care, with a small but important number being transfers from residential care or hospital placements. However, a significant proportion of referrals are from general housing, where stakeholders considered that, with the provision of more accessible mainstream stock (within both new-build schemes and on existing homes via Disabled Facilities Grant- DFG), some of these needs could be met without recourse to specialist schemes.

Spatial Distribution

6.29 Spatially, stakeholders indicate that the pattern of need and provision is complex and varies by district. Cheltenham is relatively well-supplied with care homes and sheltered housing, which is especially concentrated around the town centre and more affluent areas of the town. However, stakeholders saw a case for targeted additional provision – for example, at Hester's Way – to support local regeneration and allow residents in more deprived neighbourhoods to age in place.

6.30 Stroud has no affordable extra care scheme at present, but benefits from a good stock of sheltered housing, although the district's topography can contribute to isolation.

6.31 In the FoD, strong local identities mean that many residents are reluctant to move even short distances. Stakeholders therefore consider that each main settlement (for example, Cinderford, Coleford and Lydney) needs its own locally-focused offer.

6.32 Cotswold district includes both areas of affluence and pockets of deprivation. It has extra care provision in Cirencester and a significant volume of general needs and specialist social housing, but private extra care in the north of the district is typically high cost and inaccessible to many social tenants.

6.33 In Gloucester, two extra care schemes are located in or near the City Centre, but there is little provision to the north or south, and some existing schemes, such as St Oswald's and St Catherine's, have either locational or design challenges which affect accessibility and their ability to meet modern expectations.

6.34 Across all districts, workforce recruitment and retention – particularly in rural areas – was identified as a major constraint on expanding specialist provision.

Residential and Nursing Care

6.35 The consultees noted that, in nursing and residential care, some existing homes are unlikely to remain sustainable due to their physical condition and inability to meet modern expectations of accessibility and flexibility. The MPS anticipates closures in parts of this sector. This potentially offers Councils, alongside other private and public stakeholders, the opportunity to redesign schemes so they are future-proofed to meet current and future needs and expectations.

6.36 Extra care schemes are typically more modern and have not been subject to the same scale of review, but stakeholders highlighted a growing risk to the viability of some private sheltered and "extra care light" schemes. This observation broadly echoes national trends.

6.37 As residents age in place and care needs increase beyond what these developments were designed to manage, operators are in some cases responding by either increasing service charges or asking residents to move to residential care, which both undermines the original model and adds pressure elsewhere in the system. This may also lead to negative health and wellbeing outcomes for residents- especially where they are told to move to a different care setting.

6.38 Gloucestershire County Council's Adult Social Care (ASC) team described a deliberate programme over the last decade to review, rationalise and, where necessary, replace care home stock.

6.39 In several districts, there remains a concentration of care homes, including in older, converted buildings that are difficult to adapt for wheelchair users or for people with complex needs (including residents requiring bariatric equipment and design) requiring larger equipment and greater privacy.

6.40 In other areas, notably parts of the Forest of Dean, stakeholders identified gaps in provision. The Council is therefore pursuing a strategy of directly commissioning or developing new, specialist accommodation that can provide more flexible and inclusive environments, with designs that support independence and better reflect contemporary best practice in dementia care, assistive technology and environmental sustainability.

6.41 There is also interest in exploring whether some older buildings, once no longer suitable for older people's care, could be repurposed for other client groups, such as adults with learning disabilities.

Working Age Adults

6.42 The complexity of working-age adult provision was also highlighted. At a county-wide level, consultees considered there to be **no overall quantitative need for additional residential, nursing or supported living placements for working-age adults**; indeed, there is an

oversupply, with around half of the current placements occupied by people from outside Gloucestershire.

6.43 Much of this stock is located in Gloucester and the Forest of Dean, meaning there is a local oversupply in those areas, even though there are localised gaps in Cheltenham and the Cotswolds, which the County would only wish to address where this clearly meets local need rather than encouraging further inward migration.

6.44 There were particular concerns about “supported exempt” accommodation operated by private landlords for working-age adults, often reliant on enhanced housing benefit and placing people into Gloucestershire with support costs ultimately falling on the County Council, and some housing benefit costs being paid by the District Councils. Stakeholders described efforts to use planning powers and closer partnership working to discourage poor-quality or unnecessary schemes of this type, although they acknowledged that it remains challenging to control.

6.45 Looking ahead, stakeholders argued for **a more integrated, flexible and co-produced approach to specialist and accessible housing across the County**. They stressed the importance of avoiding rigid “siloing” of accommodation by client group: whilst schemes will often be designed with particular cohorts in mind, physical layouts should be adaptable enough to be repurposed over time (for example, between older people and some working-age groups) as patterns of need evolve.

6.46 Co-production with residents, families and local communities – including specific engagement with people living with dementia and other long-term conditions – was seen as essential to ensuring that new schemes genuinely reflect what matters most to those who will use them.

6.47 Local government reorganisation (LGR) was seen as an opportunity to bring housing, health and care functions into closer alignment, simplify cross-boundary issues, and allow the County to exercise more

consistent discretion over issues such as local connection, nominations and the use of specialist stock.

Engagement Summary

6.48 Overall, the consultation reinforces a set of consistent messages. First, the core of the response to an ageing population should be **a much higher baseline of accessible, adaptable general needs housing**, with M4(2) as the norm and a defined proportion of M4(3) homes to meet wheelchair needs.

6.49 Second, that extra care and residential/nursing care should be planned and commissioned in a more targeted way – focusing on complex needs, reablement and step-down functions, and areas of clear local under-provision – rather than as a general solution to the needs of older households.

6.50 Third, that the geography of provision matters: there is **a need to rebalance supply away from overserved "retirement destinations" towards communities with unmet need and better workforce prospects**, and to ensure that people can access support close to where they have grown old.

6.51 Finally, stakeholders were clear that addressing the needs of both older people and working-age adults with disabilities requires a whole-system approach that joins up housing, health and care, underpinned by high-quality data, co-production and a long-term commitment to investing in flexible, future-proofed homes and neighbourhoods.

Need for Specialist Accommodation for Older People

6.52 Given the ageing population and higher levels of disability and health problems amongst older people, there is likely to be some increased requirement for specialist housing options moving forward. The box

below shows the different types of specialist older persons housing which are considered.

Definitions of Different Types of Older Persons' Accommodation

Age-restricted general market housing: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.

Retirement living or sheltered housing (housing with support): This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.

Extra care housing or housing-with-care (housing with care): This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

Residential care homes and nursing homes (care bedspaces): These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Source: Planning Practice Guidance [63-010]

Modelling assumptions

6.53 The current and future demand for elderly care is influenced by a host of factors including the balance between demand and supply in any given area and social, political, regulatory and financial issues. Additionally, the extent to which new homes are built to accessible and adaptable standards may over time have an impact on specialist housing demand (given that older people often want to remain at home rather than move to care).

6.54 The need for specialist housing for older persons is typically modelled by applying prevalence rates to current and projected population changes and considering the level of existing supply.

6.55 There are a number of 'models' for considering older persons' needs through prevalence rates, but they all essentially work in the same way. The model results are however particularly sensitive to the prevalence rates applied, which are typically calculated as a proportion of people aged over 75 who could be expected to live in different forms of specialist housing. Whilst the population aged 75 and over is used in the modelling, the estimates of need would include people of all ages.

6.56 Whilst there are no definitive rates, the PPG notes that 'the future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector, for example SHOP@ for Older People Analysis Tool)'. The PPG does not specifically mention any other tools and therefore seems to be indicating that SHOP@ would be a good starting point for analysis. Since the PPG was published the Housing Learning and Information Network (Housing LIN) has removed the SHOP@ online toolkit although the base rates used for analysis are known.

6.57 The SHOP@ tool was originally based on data in a 2008 report (More Choice Greater Voice) and in 2011 a further suggested set of rates was published (rates which were repeated in a 2012 publications). In 2016,

Housing LIN published a review document which noted that the 2008 rates are ‘outdated’ but also noting that the rates from 2011/12 were ‘not substantiated’. The 2016 review document therefore set out a series of proposals for new rates to be taken forward onto the Housing LIN website.

6.58 Whilst the 2016 review rates do not appear to have ever led to an update of the website, it does appear from reviewing work by Housing LIN over the past couple of years as if it is these rates which typically inform their own analysis (subject to evidence based localised adjustments).

6.59 For clarity, the table below shows the base prevalence rates set out in the various documents described above. For the analysis in this report the age-restricted and retirement/sheltered have been merged into a single category (housing with support).

Table 6-9 Range of suggested baseline prevalence rates from a number of tools and publications

Type/Rate	SHOP@ (2008)[15]	Housing in Later Life (2012)[16]	2016 Housing LIN Review
Age-restricted general market housing	-	-	25
Retirement living or sheltered housing (housing with support)	125	180	100
Extra care housing or housing-with-care (housing with care)	45	65	30-40 ('proactive range')
Residential care homes	65	(no figure apart from 6 for dementia)	40
Nursing homes (care bedspaces), including dementia	45		45

Source: Housing LIN

6.60 In interpreting the different potential prevalence rates it is clear that:

- The prevalence rates used should be considered and assessed taking account of an authority's strategy for delivering specialist housing for older people. As set out, GCC are keen to see provision of extra care housing as an alternative to residential care;

- The Housing LIN model has been influenced by existing levels of provision and their view on what future level of provision might be reasonable taking account of how the market is developing, funding availability etc. It is more focused towards publicly commissioned provision. There is a degree to which the model and assumptions

[15] Based on the More Choice Greater Voice publication of 2008 (https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf). It should be noted that although these rates are from 2008, they are the same rates as were being used in the online toolkit when it was taken offline in 2019.

[16] https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Toolkit/Housing_in_Later_Life_Toolkit.pdf

within it may not fully capture private sector interest and involvement in the sector, particularly in extra care; and

- The assumptions in these studies look at the situation nationally. At a more local level, the relative health of an area's population is likely to influence the need for specialist housing with better levels of health likely to mean residents are able to stay in their own homes for longer.

6.61 The approach taken below considers the 2016 Housing LIN Review as an appropriate starting point. Prevalence rates have then been adjusted for each authority to take into account the health of the population and levels of deprivation (which will impact on the tenure split between market and affordable housing). In general it has been assumed that provision will shift towards extra care, and so prevalence rates close to or at the higher Shop@ value of 45 have been used. A commensurate reduction in prevalence rates of residential care has been assumed.

6.62 The following are the resulting prevalence rates Gloucestershire-wide expressed as a need per 1,000 people aged 75 and over. These are the a composite result for the whole of Gloucestershire, with different figures used in each local authority as noted above (these figures can be seen in detailed tables below):

- Housing with support (market) – 60 units;
- Housing with support (affordable) – 56 units;
- Housing with care (market) – 28 units;
- Housing with care (affordable) – 14 units;
- Residential care – 37 bedspaces; and
- Nursing care – 42 bedspaces

Current supply

6.63 It is also important to understand the supply of different types of specialist accommodation with the tables below showing various categories by local authority. The first table is for housing with support

and housing with care which are more likely to be self-contained dwellings with the second table looking at residential and nursing care bedspaces. The total figures have also been standardised on the basis of the number of units per 1,000 people aged 75 and over (in 2024).

6.64 The analysis shows a total of 9,600 units of housing with support or care, which represents around 127 per 1,000 people aged 75 and over. There is some variation by local authority with Cotswold and Cheltenham seeing the highest numbers and proportion per population aged 75+. Supply is notably lower in each of Forest of Dean, Stroud and Tewkesbury.

6.65 For nursing and residential care, a slightly lower level of supply is shown, with a total of 4,900 bedspaces, the highest number and proportion per 1,000 people aged 75+ is in Cheltenham.

Table 6-10: Current supply of housing with support and housing with care by local authority

	Housing with support		Housing with care		Total	Popn aged 75+ (2024)	Supply per 1,000 aged 75+
	Market	Afford-able	Market	Afford-able			
Cheltenham	979	820	328	49	2,176	12,948	168
Cotswold	977	877	319	60	2,233	13,173	170
Forest of Dean	265	656	0	146	1,067	11,415	93
Gloucester	447	828	80	194	1,549	11,464	135
Stroud	551	827	48	0	1,426	14,964	95
Tewkesbury	496	554	0	75	1,125	11,457	98
TOTAL	3,715	4,562	775	524	9,576	75,421	127

Source: EAC

Table 6-11: Current supply of residential and nursing care bedspaces by local authority

	Resid-ential care	Nursing care	Total	Popn aged 75+ (2024)	Supply per 1,000 aged 75+
Cheltenham	932	432	1,364	12,948	105
Cotswold	192	721	913	13,173	69
Forest of Dean	258	214	472	11,415	41
Gloucester	484	357	841	11,464	73
Stroud	220	566	786	14,964	53
Tewkesbury	84	391	475	11,457	41
TOTAL	2,170	2,681	4,851	75,421	64

Source: EAC

Current and future need

6.66 The tables below shows estimated needs for different types of housing linked to the population projections. The analysis is separated into the various different types and tenures although it should be recognised that there could be some overlap between categories (i.e. some households might be suited to more than one type of accommodation).

6.67 Current need is calculated by multiplying the population aged 75+ in 2024 by the prevalence rates divided by 1,000. Additional demand is calculated by multiplying the forecast additional population aged 75+ to 2046 by the prevalence rates divided by 1,000.

6.68 The analysis shows there is currently a largely sufficient supply of housing with support (e.g. sheltered/retirement housing) in the affordable sector, although by 2046 a notable additional need is identified linked to demographic growth. Overall, by 2046, a shortfall of 5,900 units of housing with support is identified (around three-fifths in the market sector).

6.69 For housing with care (e.g. extra-care) the data suggests a current need for both market and affordable housing and an overall additional need for around 3,800 units by 2046 (around two-thirds as market housing).

6.70 For nursing and residential care, the analysis suggests a current shortfall of around 1,100 units. Moving through to 2046, a total need for 4,800 additional bedspaces is identified – split broadly equally between nursing and residential care.

Table 6-12: Specialist Housing Need for Older Persons, 2024-46 – Gloucestershire

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	60	3,715	4,540	825	2,835	3,659
	Affordable	56	4,562	4,199	-363	2,566	2,203
Total (housing with support)		116	8,277	8,738	462	5,401	5,862
Housing with care	Market	28	775	2,075	1,300	1,290	2,590
	Affordable	14	524	1,071	547	654	1,201
Total (housing with care)		42	1,299	3,146	1,847	1,944	3,791
Residential care bedspaces		37	2,170	2,796	626	1,728	2,355
Nursing care bedspaces		42	2,681	3,146	465	1,944	2,409
Total bedspaces		79	4,851	5,942	1,091	3,673	4,764

Source: Iceni analysis/EAC

Local authority-level results

6.71 The tables below set out results for individual local authorities in Gloucestershire. They illustrate expected demographic growth (using the standard method projection); model the trends in the population with a range of disabilities; and the need for specialist housing to 2046.

Cheltenham

6.72 Over the period to 2046, Cheltenham is expected to see growth in the population aged over 65 by 9,900 (rounded). A rising population is

expected to see substantial growth in those with mobility problems – equivalent to 20% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard, as discussed later in this chapter.

Table 6-13: Projected Change in Population of Older Persons, 2024 to 2046 – Cheltenham

	2024	2046	Change in population	% change
Under 65	97,615	113,382	15,767	16.2%
65-74	11,176	13,566	2,390	21.4%
75-84	8,964	12,792	3,828	42.7%
85+	3,984	7,634	3,650	91.6%
Total	121,739	147,374	25,635	21.1%
Total 65+	24,124	33,992	9,868	40.9%
Total 75+	12,948	20,426	7,478	57.8%

Source: Iceni Analysis

Table 6-14: Projected Changes to Population with a Range of Disabilities – Cheltenham

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	19,630	25,659	6,029	30.7%
Dementia	65+	1,687	2,835	1,147	68.0%
Mobility problems	65+	4,271	6,707	2,435	57.0%
Autistic Spectrum Disorders	18-64	687	856	169	24.6%
	65+	200	278	78	39.2%
Learning Disabilities	15-64	1,796	2,156	360	20.1%
	65+	448	626	177	39.5%
Impaired mobility	16-64	3,768	4,399	631	16.7%

Source: POPPI/PANSI and Demographic Projections

6.73 A need for 1,043 specialist homes for older people in Cheltenham is identified to 2046 which is equivalent to 6% of the standard method

housing need, together with a need for 420 nursing care beds. A negative net need for residential care is shown, but there will be a case for some high quality new-build schemes which replace smaller, older provision. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-15: Specialist Housing Need for Older Persons, 2024-46 – Cheltenham

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	63	979	812	-167	469	302
	Affordable	53	820	687	-133	397	264
Total (housing with support)		116	1,799	1,499	-300	866	565
Housing with care	Market	29	328	372	44	215	259
	Affordable	13	49	167	118	97	215
Total (housing with care)		42	377	540	163	312	474
Residential care bedspaces		37	932	480	-452	277	-175
Nursing care bedspaces		42	432	540	108	312	419
Total bedspaces		79	1,364	1,019	-345	589	244

Source: Iceni analysis/EAC

Cotswold

6.74 Over the period to 2046, Cotswold is expected to see substantial growth in the population aged over 65 by 14,900 (rounded). A rising population is expected to see substantial growth in those with mobility problems – to equivalent to 21% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard as discussed later in this chapter. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-16: Projected Change in Population of Older Persons, 2024 to 2046 – Cotswold

	2024	2046	Change in population	% change
Under 65	66,487	96,870	30,383	45.7%
65-74	12,001	16,089	4,088	34.1%
75-84	9,566	15,839	6,273	65.6%
85+	3,607	8,172	4,565	126.6%
Total	91,661	136,970	45,309	49.4%
Total 65+	25,174	40,101	14,927	59.3%
Total 75+	13,173	24,011	10,838	82.3%

Source: Iceni Analysis

Table 6-17: Projected Changes to Population with a Range of Disabilities – Cotswold

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	14,499	22,854	8,355	57.6%
Dementia	65+	1,476	2,836	1,360	92.2%
Mobility problems	65+	3,798	6,822	3,024	79.6%
Autistic Spectrum Disorders	18-64	396	594	198	49.9%
	65+	189	295	106	56.2%
Learning Disabilities	15-64	1,050	1,543	493	47.0%
	65+	416	656	240	57.6%
Impaired mobility	16-64	2,692	3,596	903	33.6%

Source: POPPI/PANSI and Demographic Projections

6.75 A need for 1,226 specialist homes for older people in Cotswold is identified to 2046 which is equivalent to 5% of the standard method housing need, together with a need for 816 residential care and nursing care beds. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

6.76 Whilst a need for both market and affordable housing is shown, for provision of market housing it will be important to ensure that the specialist housing offer is priced to be accessible to local residents and consideration is given to how staff and recruitment issues. While needs are acute in Cotswold, this will also apply to higher value areas of other districts. Wider residential growth – and particularly affordable housing within this - can help to address this.

Table 6-18: Specialist Housing Need for Older Persons, 2024-46 – Cotswold

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	63	977	834	-143	686	543
	Affordable	43	877	561	-316	462	146
Total (housing with support)		106	1,854	1,395	-459	1,148	689
Housing with care	Market	27	319	360	41	296	336
	Affordable	11	60	143	83	117	200
Total (housing with care)		38	379	502	123	413	536
Residential care bedspaces		34	192	446	254	367	622
Nursing care bedspaces		38	721	502	-219	413	194
Total bedspaces		72	913	949	36	780	816

Source: Iceni analysis/EAC

Forest of Dean

6.77 Over the period to 2046, Forest of Dean is expected to see growth in the population aged over 65 by 8,100 (rounded). A rising population is expected to see growth in those with mobility problems – to equivalent to 19% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-19: Projected Change in Population of Older Persons, 2024 to 2046 – Forest of Dean

	2024	2046	Change in population	% change
Under 65	66,784	81,979	15,195	22.8%
65-74	11,554	12,970	1,416	12.3%
75-84	8,633	12,425	3,792	43.9%
85+	2,782	5,640	2,858	102.7%
Total	89,753	113,015	23,262	25.9%
Total 65+	22,969	31,035	8,066	35.1%
Total 75+	11,415	18,065	6,650	58.3%

Source: Iceni Analysis

Table 6-20: Projected Changes to Population with a Range of Disabilities – Forest of Dean

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	17,406	23,059	5,653	32.5%
Dementia	65+	1,481	2,442	961	64.9%
Mobility problems	65+	3,911	5,990	2,080	53.2%
Autistic Spectrum Disorders	18-64	538	687	149	27.7%
	65+	208	279	71	34.4%
Learning Disabilities	15-64	1,407	1,760	353	25.1%
	65+	451	603	152	33.7%
Impaired mobility	16-64	3,472	4,149	677	19.5%

Source: POPPI/PANSI and Demographic Projections

6.78 A need for 1,885 specialist homes for older people in Forest of Dean is identified to 2046 which is equivalent to a significant 14% of the standard method housing need, together with a need for c. 1,000 residential care and nursing care beds. There is a greater scale of need for these accommodation types than across other areas. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-21: Specialist Housing Need for Older Persons, 2024-46 – Forest of Dean

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	47	265	534	269	311	580
	Affordable	73	656	836	180	487	667
Total (housing with support)		120	921	1,370	449	798	1,247
Housing with care	Market	24	0	276	276	161	437
	Affordable	19	146	217	71	126	197
Total (housing with care)		43	146	493	347	287	634
Residential care bedspaces		38	258	438	180	255	436
Nursing care bedspaces		43	214	493	279	287	566
Total bedspaces		82	472	931	459	543	1,002

Source: Iceni analysis/EAC

Gloucester

6.79 Over the period to 2046, Gloucester is expected to see growth in the population aged over 65 by 8,100 (rounded). A rising population is expected to see substantial growth in those with mobility problems – to equivalent to 21% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-22: Projected Change in Population of Older Persons, 2024 to 2046 – Gloucester

	2024	2046	Change in population	% change
Under 65	115,207	123,428	8,221	7.1%
65-74	11,927	13,503	1,576	13.2%
75-84	8,304	12,117	3,813	45.9%
85+	3,160	5,912	2,752	87.1%
Total	138,598	154,960	16,362	11.8%
Total 65+	23,391	31,532	8,141	34.8%
Total 75+	11,464	18,029	6,565	57.3%

Source: Iceni Analysis

Table 6-23: Projected Changes to Population with a Range of Disabilities – Gloucester

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	24,184	29,447	5,263	21.8%
Dementia	65+	1,672	2,695	1,023	61.2%
Mobility problems	65+	4,386	6,619	2,233	50.9%
Autistic Spectrum Disorders	18-64	906	1,051	145	16.0%
	65+	223	300	77	34.3%
Learning Disabilities	15-64	2,356	2,631	275	11.7%
	65+	494	659	166	33.5%
Impaired mobility	16-64	4,878	5,533	654	13.4%

Source: POPPI/PANSI and Demographic Projections

6.80 A need for 1,554 specialist homes for older people in Gloucester is identified to 2046 which is equivalent to 10% of the standard method housing need, together with a need for 705 residential care and nursing care beds. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-24: Specialist Housing Need for Older Persons, 2024-46 – Gloucester

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	48	447	552	105	316	422
	Affordable	78	828	894	66	512	579
Total (housing with support)		126	1,275	1,447	172	829	1,000
Housing with care	Market	25	80	287	207	165	372
	Affordable	20	194	233	39	134	173
Total (housing with care)		45	274	521	247	298	545
Residential care bedspaces		40	484	463	-21	265	244
Nursing care bedspaces		45	357	521	164	298	462
Total bedspaces		86	841	984	143	563	706

Source: Iceni analysis/EAC

Stroud

6.81 Over the period to 2046, Stroud is expected to see growth in the population aged over 65 by 9,000 (rounded). A rising population is expected to see growth in those with mobility problems – to equivalent to 18% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-25: Projected Change in Population of Older Persons, 2024 to 2046 – Stroud

	2024	2046	Change in population	% change
Under 65	95,684	116,072	20,388	21.3%
65-74	15,032	17,529	2,497	16.6%
75-84	10,954	16,070	5,116	46.7%
85+	4,010	7,991	3,981	99.3%
Total	125,680	157,662	31,982	25.4%
Total 65+	29,996	41,590	11,594	38.7%
Total 75+	14,964	24,061	9,097	60.8%

Source: Iceni Analysis

Table 6-26: Projected Changes to Population with a Range of Disabilities – Stroud

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	21,557	28,877	7,320	34.0%
Dementia	65+	1,872	3,138	1,266	67.6%
Mobility problems	65+	4,906	7,687	2,781	56.7%
Autistic Spectrum Disorders	18-64	668	845	176	26.4%
	65+	250	338	88	35.0%
Learning Disabilities	15-64	1,758	2,178	419	23.9%
	65+	553	758	206	37.3%
Impaired mobility	16-64	4,272	5,181	909	21.3%

Source: POPPI/PANSI and Demographic Projections

6.82 A substantial need for 2,374 specialist homes for older people in Stroud is identified to 2046 which is equivalent to 10% of the standard method housing need, together with a need for 1,114 residential care and nursing care beds. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-27: Specialist Housing Need for Older Persons, 2024-46 – Stroud

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	71	551	1,062	511	645	1,156
	Affordable	46	827	681	-146	414	269
Total (housing with support)		116	1,378	1,743	365	1,060	1,425
Housing with care	Market	30	48	453	405	275	680
	Affordable	12	0	175	175	106	281
Total (housing with care)		42	48	627	579	381	961
Residential care bedspaces		37	220	558	338	339	677
Nursing care bedspaces		42	566	627	61	381	443
Total bedspaces		79	786	1,185	399	721	1,120

Source: Iceni analysis/EAC

Tewkesbury

6.83 Over the period to 2046, Tewkesbury is expected to see growth in the population aged over 65 by 8,500 (rounded). A rising population is expected to see growth in those with mobility problems – to equivalent to 18% of the population aged 65+ in 2046. There is a clear basis for seeking to provide new homes to M4(2) standard. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-28: Projected Change in Population of Older Persons, 2024 to 2046 – Tewkesbury

	2024	2046	Change in population	% change
Under 65	79,567	94,343	14,776	18.6%
65-74	10,925	13,261	2,336	21.4%
75-84	8,477	12,176	3,699	43.6%
85+	2,980	5,533	2,553	85.7%
Total	101,949	125,313	23,364	22.9%
Total 65+	22,382	30,970	8,588	38.4%
Total 75+	11,457	17,709	6,252	54.6%

Source: Iceni Analysis

Table 6-29: Projected Changes to Population with a Range of Disabilities – Tewkesbury

Disability	Age Range	2024	2046	Change	% change
All disabilities (Equalities Act)	All	16,289	21,463	5,175	31.8%
Dementia	65+	1,377	2,214	838	60.8%
Mobility problems	65+	3,598	5,471	1,873	52.1%
Autistic Spectrum Disorders	18-64	505	631	127	25.1%
	65+	181	247	66	36.5%
Learning Disabilities	15-64	1,343	1,653	310	23.1%
	65+	401	551	149	37.2%
Impaired mobility	16-64	3,083	3,799	716	23.2%

Source: POPPI/PANSI and Demographic Projections

6.84 A need for 1,569 specialist homes for older people in Tewkesbury is identified to 2046 which is equivalent to 11% of the standard method housing need, together with a need for 872 residential care and nursing care beds. Growth in need for those with autistic spectrum disorders and learning disability is also shown.

Table 6-30: Specialist Housing Need for Older Persons, 2024-46 – Tewkesbury

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	65	496	746	250	407	657
	Affordable	47	554	540	-14	294	280
Total (housing with support)		112	1,050	1,285	235	701	937
Housing with care	Market	29	0	327	327	179	506
	Affordable	12	75	135	60	74	134
Total (housing with care)		40	75	463	388	252	640
Residential care bedspaces		36	84	411	327	224	552
Nursing care bedspaces		40	391	463	72	252	324
Total bedspaces		76	475	874	399	477	876

Source: Iceni analysis/EAC

Policy Implications: Specialist Housing for Older People

The analysis provides clear evidence of a need for specialist housing, driven in particular by a growing older population. It is important that the LPAs consider as part of the plan-making process how these needs will be met. Our assessment of the market sees typical sizes of schemes indicatively as follows:

- Housing with Support - 60+ units
- Affordable Housing with Care (Extra Care) - 65+ units
- Market Housing with Care (Extra Care) - 150+ units
- Residential / Nursing Care - 80 beds

The Councils should consider whether to allocate specific sites for specialist housing provision – for instance where sites are promoted by a specialist housing / care provider. Councils should also consider in these terms whether policies for larger urban extensions/ strategic sites should require specific types of specialist housing; and set potential minimum quantums for this having regard to the above benchmarks, although this should remain

flexible to ensure that allocations are deliverable. This can help to support the pace of delivery on such sites by supporting product differentiation.

Plan policies seeking affordable housing contributions from housing with care (extra care) schemes should be informed and supported by specific viability modelling relating to this form off development recognising that viability differs from general needs housing – for instance with higher levels of communal space, on-site facilities, potential for higher construction and fit-out costs and potentially lower sales rates/ fewer off-plan sales. It will be necessary also to consider practical issues related to the costs of facilities and associated service charges in appraising whether affordable housing provision on-site is realistic, or whether financial contributions in lieu of on-site provision should be sought. The use class (whether C2 or C3) need not be determinative if the policy is appropriately drafted.

Whether affordable housing policies in existing plans apply to C2 extra care development will be influenced by the wording of specific policies.

The evidence points to a specific need for schemes, including extra care, residential and nursing care schemes, which can handle the needs of those with dementia, if designed to incorporate best practice.

Adaptable and accessible housing

6.85 The need for accessible and adaptable housing in Gloucestershire is expected to increase significantly over the plan period, driven by demographic change, increasing prevalence of disability and long-term health conditions, and the ambition to support people to live independently for longer.

6.86 The analysis in this HENA identifies substantial growth in the older population and projects an increase of around 18,850 people with mobility impairments between 2024 and 2046. In addition, Census 2021 data indicates that a significant proportion of Gloucestershire households already include a person with a disability or long-term health condition. Taken together, these trends point to a growing

requirement for housing that can either accommodate changing needs from occupation or be readily adapted over time.

Standards

6.87 The existing minimum standard for accessible housing (M4(1)) has four main requirements that make homes accessible and visitable for most people, including wheelchair users: level access to the main entrance; a flush threshold; sufficiently wide doorways and circulation space; and a toilet at entrance level. The M4(1) standard could be described as 'visitable' homes.

6.88 The higher M4(2) standard requires additional features including having a living area at entrance level and step-free access to all entrance level rooms and facilities, wider doorways and corridors as well as clear access routes to reach windows. It also includes further features to make homes more easily adaptable over time for a wide range of occupants, including older people, those with reduced mobility and some wheelchair users, for example sanitary provisions that can be adapted easily for installation of grab rails and stairs designed to allow easy fit of a stair lift.

6.89 The M4(3) requirement is achieved when a new dwelling provides reasonable provisions for a wheelchair user to live in the dwelling and have the ability to use any private outdoor space, parking and communal facilities.

6.90 The table below provides a summary of key features for M4(2) and M4(3) dwellings.

Table 6-31 M4(2) and M4(3) – Key Features

Standard	Key Features
M4(2) – Accessible and Adaptable Dwellings	- Step-free access to the dwelling - Wider doorways and corridors (typically 850mm doors, 900mm corridors) - Space in bathrooms and kitchens for future adaptations - Reinforced walls for grab rails - Living space on the entrance level
M4(3) – Wheelchair User Dwellings Two types: - M4(3)2a – Adaptable - Can be modified later - M4(3)2b – Accessible – Fully usable from day one.	- Larger circulation spaces (corridors ≥1050mm, turning circles of 1500mm) - Step-free access throughout - Space for through-floor lifts or stairlifts - Bathrooms with level-access showers and sufficient transfer space - Storage/charging space for wheelchairs

Source: Building Regulations 2015

6.91 Determining a need for M4(2) and M4(3) homes will depend on the quality of the current stock as well as estimates of need from households containing someone with a disability.

Current policy position

National policy

6.92 The current (December 2024) NPPF contains a brief reference to M4(2) and M4(3) housing, with footnote 51 on paragraph 135 (which refers to good design) saying:

"Planning policies for housing should make use of the Government's optional technical standards for accessible and adaptable housing, where this would address an identified need for such properties."

6.93 The PPG expands on these standards and evidence requirements, noting that authorities will need to demonstrate the need for higher M4(2) and M4(3) requirements, with a range of considerations identified[17]:

> *There is a wide range of published official statistics and factors which local planning authorities can consider and take into account, including:*
>
> *- the likely future need for housing for older and disabled people (including wheelchair user dwellings).*
>
> *- size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).*
>
> *- the accessibility and adaptability of existing housing stock.*
>
> *- how needs vary across different housing tenures.*
>
> *- the overall impact on viability.*

6.94 The PPG says that in this case plans should clearly state the proportion of new dwellings required to meeting M4(2) and M4(3) standards. It also notes that policies should consider site-specific factors such as flooding and topography, and where it is not viable to provide step-free access as a result, M4(2) and M4(3) accessibility should not be required[18].

6.95 The December 2025 Draft NPPF goes further, noting in draft policy HO5 that development plans should set out "the proportion of new housing that should be delivered to requirement M4(2) and M4(3)". It further specifies that M4(2) requirements should reflect local need, with a minimum of 40% of new housing to M4(2) or M4(3) standards.

[17] Housing Optional Technical Standards PPG Paragraph 56-007-20150327

[18] Housing Optional Technical Standards PPG Paragraph 56-008-20160519

Local policies

6.96 The Joint Core Strategy 2017, applying to the SLP Area, requires housing to be "accessible and adaptable as far as is compatible" through policy SD11. This is operationalised as a percentage requirement only in the Gloucester City Plan 2011-2031, Policy A6 of which requires 25% of housing meet M4(2) and 4% of affordable housing to meet M4(3). Tewkesbury's Borough Plan 2011-2031 references M4(2) and M4(3) standards but does not set a percentage requirement.

6.97 Other adopted local plans of the Gloucestershire authorities do not set requirements for adaptable and accessible housing, with several pre-dating the current set of standards.

6.98 By contrast, the housing need evidence which predated this study (the 2020 Gloucestershire LHNA, published Sept 2020) finds a substantial level of need, recommending that 67% of all new housing meet M4(2) standards and 8% of new housing to meet M4(3) standards.

6.99 While County-wide evidence on the proportion of new housing at M4(2) and M4(3) standards is not available, there is therefore likely to have been a substantial shortfall in delivery of accessible and adaptable homes since the 2020 evidence, and indeed before that.

Existing housing

National evidence

6.100 There is no comprehensive national dataset identifying the proportion of existing homes that meet the M4(2) accessible and adaptable standard or the M4(3) wheelchair user standard. This is because these standards were only introduced through the Housing Standards Review in 2015 and are applied principally to new-build development where required through local plan policies.

6.101 The Habinteg Housing Association report that only around 12% of England's existing housing stock provides even basic accessibility features[19], highlighting the limited availability of accessible housing and the importance of securing accessible and adaptable homes through new development. This percentage is understood to be a high level estimate of the current housing stock.

6.102 Further research from Housing LIN[20] estimates that 13% of homes in England have all four basic accessibility criteria that help make a home visitable for most people, namely:

- A toilet at entrance level
- Sufficiently wide doorways and circulation space for a wheelchair
- Level access to reach the front door
- A flush threshold with no obstructions that create a trip hazard or make it difficult for a wheelchair to cross

6.103 The most robust evidence available is from the 2018-19 English Housing Survey (noting this is relatively dated, but similar information has not been published from more recent surveys), which showed only 9% of homes to have the four basic accessibility criteria highlighted above.

6.104 This means likely at most 13% of homes meet the most basic M4(1) standards, and therefore proportions meeting higher M4(2) and M4(3) standards will undoubtedly be much lower. This suggests that a higher proportion of new homes should meet higher standards in response to the poor accessibility of existing stock.

[19] Government announcement on M4(2) and M4(3) standards in the draft National Planning Policy Framework (NPPF) | Latest news | Habinteg Housing Association

[20] https://www.housinglin.org.uk/Topics/type/The-state-of-accessible-housing-Accessible-Homes-Factsheet-2025/

6.105 That said, it is possible some homes could be adapted to meet the M4 standards with adaptation. Again data on this is difficult to find. However, the 2014-15 English Housing Survey did show the number of homes that could be brought up to a visitable standard (albeit this would just be the M4(1) standard) and the amount of work required. This is shown in the table below.

Table 6-32: Level of work required to homes in England to achieve all four visitability standards (2014-15)

Level of work required	% of homes
No work (has all visibility features)	7.1%
Minor work only	11.1%
Moderate work only	41.9%
Major / problematic	14.2%
Not feasible	25.7%

Source: Survey of English Housing 2014-15

6.106 This data would therefore suggest it likely to be very difficult to even get to an M4(1) standard for around 40% of homes, with another 40% or so still requiring a 'moderate' amount of work. Notably the EHS did also point to only 7% of homes in England as having all visitability features (although as noted above, this figure is now estimated at 13%).

6.107 For wheelchair users households the data was slightly more positive with 16% of homes including all four visitability features and a lower proportion of homes needing major work or where work is not feasible. That said, these figures are just to bring homes up to an M4(1) standard and would all well short of M4(3).

Table 6-33: Level of work required to homes in England to achieve all four visitability standards – wheelchair user households (2014-15)

Level of work required	% of wheelchair user households
No work (has all visibility features)	15.8%
Minor work only	12.1%
Moderate work only	47.5%
Major / problematic	7.2%
Not feasible	17.3%

Source: Survey of English Housing 2014-15

6.108 Additionally, evidence submitted to parliament from Gloucestershire NHS Trust[21] suggests that while some existing homes can be adapted to provide some of the features associated with M4(2), the conversion of older housing stock to fully meet M4(2) or M4(3) standards is often difficult, expensive or physically constrained.

Local evidence

6.109 There is limited local evidence on the proportion of all housing which meets M4(2) and M4(3) standards. Nonetheless, some guidance is provided by local lettings, housing register requirements and Disabled Facilities Grant (DFG) data.

6.110 An Accessible Housing Register (AHR) is being rolled out across Gloucestershire, classifying available homes based on how accessible they are. Each home on the register is assigned a category from A (most accessible) to G (not yet assessed), with category C being Lifetime homes which is broadly equivalent to M4(2) compliance.

6.111 Data from lettings in Tewkesbury shows 303 properties were let over an 8-month period in 2025. Of these, 81.25% were categorised using the AHR, with only 1 home at category A, 1 at category B, and 3 at

[21] committees.parliament.uk/writtenevidence/124859/pdf/

category C (essentially M4(2)), leaving 232 general needs inaccessible properties.

6.112 Tewkesbury has had the highest rate of housing delivery over the last 10 years, with the second highest proportion of new homes being affordable (18% - exceeded only by Forest of Dean which has much lower overall housing delivery). Given this, Tewkesbury would be expected to have among the newest affordable housing stock in the County, meaning lettings in other authorities are likely to be at least as poor with regards to accessibility (noting substantial demonstrated need in recent evidence).

6.113 Data is also available from a limited sample of lettings Gloucestershire-wide, shown in the table below. Of 2,513 recent lettings, less than 1% were fully or partially wheelchair accessible. Of the lettings that were classified (66.8% of all lettings), only 3.4% were category D or above.

Table 6-34: AHR Categorisation of lettings in Gloucestershire – 2025/26

Category	A	B	C / D	E / E*	F	G
Number of lettings	14	6	37	133	1,488	835
% of lettings	0.6%	0.2%	1.5%	5.3%	59.2%	33.2%
% of categorised lettings (i.e. excl. Cat G)	0.8%	0.4%	2.2%	7.9%	88.7%	N/A

Source: Provided by Gloucestershire County Council using data from HomeSeeker Plus

6.114 Data from two housing providers who are implementing the AHR further emphasises the lack of category A and B properties (i.e. fully or partially wheelchair accessible) in their current stock, with one provider having 1.38% or stock at this level and another less than 1%.

6.115 Set against this evidence of poor accessibility in affordable housing stock there is evidence of unmet need for wheelchair accessible homes. Data from the County Council based on a snapshot of HomeSeeker

Plus housing register data shows 179 households looking to downsize, of whom 14 self-identify as requiring a wheelchair accessible property. A further 689 people are in significant or urgent welfare need, with 93 self-identifying as requiring a wheelchair accessible property. The number of households identifying as needing a wheelchair accessible property is likely to be underrepresented as most applicants do not tick the relevant questions, with most responses left blank. Additionally it only represents a point in time position. Nonetheless, this data shows a clear need for additional wheelchair accessible affordable homes.

6.116 Local Registered provider data shows that out of 10,225 homes, 5,555 (54%) are under-occupied. However, the County Council has noted that many older households are unable or unwilling to register to down size on HomeSeeker Plus due to a lack of suitable alternative accommodation such as M4(2), M4(3) and specialist housing. Given this, the provision of additional M4(2) and M4(3) homes would facilitate more effective use of existing affordable housing stock.

6.117 Further contextual information is provided by data on the provision of Disabled Facilities Grants (DFGs). As shown in the table below, there has been a clear and sustained increase in demand for DFGs since 2018/19. There has been a particularly large increase in costs, driven by the increased volume of cases, higher complexity of adaptations due to increased complexity of needs, and rising unit costs.

6.118 Given that most DFGs fund adaptations to privately owned homes, this data suggests that substantial work is needed to Gloucestershire's housing stock to cater to the needs of the aging population, at significant cost to councils.

Table 6-35: AHR Categorisation of lettings in Gloucestershire – 2025/26

Category	2018/19	2024/25	% Change
Applications	235	713	203%
Completed cases	149	378	154%
Total expenditure	£950,671	£10,447,831	999%

Source: Provided by Gloucestershire County Council using data from HomeSeeker Plus

6.119 Taken as a whole, local and national evidence points to a low proportion of existing stock meeting M4(1) standards, let alone M4(2) or M4(3), and that meeting standards would likely be costly or not technically possible for a high proportion of existing homes.

Engagement

6.120 A recurring theme across the engagement interviews with the NHS and County Council was the centrality of accessible and adaptable mainstream housing standards in reducing pressure on specialist provision and the lack of this provision within mainstream social housing stock.

6.121 Both the County Council and the NHS stakeholders strongly advocated that new-build housing should routinely meet M4(2) standards to enable ageing in place and facilitate later adaptations at lower cost.

6.122 Practical examples were given, such as designing in the potential for level-access showers beneath baths and allowing for ceiling track hoists, which add relatively little to build costs but can significantly reduce subsequent Disabled Facilities Grant (DFG) or adaptation expenditure – much of which currently goes on retrofitting level-access showers.

6.123 Evidence from national research and local needs assessments was cited to demonstrate the social and economic value of wheelchair-accessible homes, including estimates of annual savings per

wheelchair-standard dwelling through avoided residential care, reduced care packages and fewer adaptations. This is without mentioning the positive mental and physical health outcomes, social value and economic impact generated by providing appropriate wheelchair accessible homes for households in need.

6.124 Reflecting this, previous local needs assessments have pointed to very high proportions of new stock needing to be at least M4(2) compliant, with a material proportion (around 8–10% of new homes) needing to meet M4(3) wheelchair standards to address both current and future needs. However these previous figures should be viewed through the lens of a higher overall housing need now, the increasing scale of ageing, frailty, disabilities and comorbidities amongst Gloucestershire's residents, and the higher overall housing need produced by the revised standard method figures.

6.125 The NHS reported that, at present, the stock of wheelchair-accessible social housing is very limited in most districts, leading to significant numbers of expensive ground-floor extensions and discretionary grants to adapt existing homes, representing a somewhat inefficient use of public money.

M4(2) Homes

6.126 In considering the level of overall need for M4(2) dwellings, it is difficult to completely match this to any of the range of disabilities set out previously.

6.127 Considering all people with a disability under the Equalities Act, Census data in Table 6-6 shows around 108,400 people with a disability living in 84,700 households in Gloucestershire in 2021. Population projections in Table 6-8 suggest this would reach around 151,400 people County-wide by 2046. If the relationship between people and households stays the same, this would imply that in 2046 around 118,330 households will contain at least one person with a disability. This is greater than the

total Standard Method housing need between 2024-46 of 102,960 dwellings across Gloucestershire.

6.128 However, it is noted that M4(2) homes can support a wide range of households, including older people, people with long-term health conditions, and households whose needs may change over time as well as those with physical disabilities. As such, the need for M4(2) homes may be even higher.

6.129 Given evidence on existing housing stock, the scale of demographic change identified in Gloucestershire therefore provides **a strong justification for requiring *all* new dwellings to meet the M4(2) accessible and adaptable homes standard as a baseline**. The evidence in this HENA points to substantial growth in the older population over the plan period and the population with a disability, alongside an increase of around 18,850 people with mobility impairments between 2024 and 2046. It also highlights concerns regarding the limited supply of existing homes capable of accommodating changing mobility needs through adaptation.

6.130 Whilst it is acknowledged some households will already live in a home that meets the standard and some will live in a home that could be improved to the standard, this data does clearly point for seeking delivery of all new homes to be at M4(2) standards as a starting point.

6.131 Delivery of this standard across all new housing would provide a proactive response to identified need. Such an approach would also reduce future pressure on adaptation services, support independent living, help residents age in place, and improve the long-term resilience of the county's housing stock.

6.132 There is also evidence on the cost-effectiveness of M4(2) homes. The previous Government concluded in 2019 that total benefits to business and society of mandating M4(2) would exceed total costs under central

modelling estimates[22]. Habinteg note that compared to M4(1), the cost of adaptions to M4(2) homes is much lower at £125 vs £270 for a grab rail, £2,000 - £4,000 vs £9,000 - £10,000 for a stair lift and £4,745 vs £6,520 for a wet room[23]. Increased M4(2) provision therefore has the potential to improve spiralling DFG expenditure within Gloucestershire.

6.133 The cost of building new dwellings to the M4(2) 'accessible and adaptable' standard is widely regarded as modest and readily able to be absorbed within scheme viability.

6.134 The Government's 2014 EC Harris cost research identified an extra-over cost of only around £520 to £940 per unit, with apartments at the upper end of that range and larger houses at the lower end. 2018 research from Habinteg[24] cited the costs of M4(2) over M4(1) at between £907 - £940 for a flat, and around £520 for a house. A 2020 consultation on raising accessibility standards[25] noted that '*the estimated additional cost per new dwelling is approximately £1,400 for units which would not already meet M4(2)'.*

6.135 More recent viability evidence is typically based on build cost indexing of the EC Harris report value, or in some cases on Habinteg's research. For example:

- The Tunbridge Wells Local Plan Viability Assessment (2024 – Dixon Searle), applied an M4(2) cost of £1,646 per flat and £2,447 per house on a 2023-indexed cost base

[22] https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response#government-response

[23] https://www.habinteg.org.uk/latest-news/adaptations-to-older-homes-could-cost-households-thousands-habinteg-2478

[24] Habinteg 2018, *Housing and disabled people: a suite of toolkits for local authorities in England*

[25] https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/raising-accessibility-standards-for-new-homes-html-version

- The Central Lancashire Local Plan Viability Report (2025 – Aspinall Verdi) quotes a 2025-indexed cost for M4(2) of £1,109 for apartments and £626 for houses

- The Milton Keynes Whole Plan Viability Study (2025 – AECOM and HDH) quotes indexed costs of M4(2) at £790 per dwelling

- The Oxford Local Plan Viability Assessment Update (2026 – BNP Paribas) assumes M4(2) to add 1.15% to build costs for flats and 0.54% to houses based on the EC Harris values.

6.136 Because the additional cost per dwelling is comparatively small, viability studies consistently conclude that a requirement for all homes to meet M4(2) is unlikely to have any significant impact on viability and can be delivered across most tenures and site types, while providing homes that allow households to remain in place for longer as their needs change.

6.137 The evidence thus demonstrates poor accessibility in local housing stock, substantial levels of needs and benefits of M4(2) provision, and relatively minor costs. As a result, **the local authorities should consider requiring 100% of new homes to be delivered to the M4(2) standard, subject to site-specific viability and deliverability considerations**.

M4(3) Homes

6.138 There is a strong relationship between the need for wheelchair-user housing and the provision of homes built to the M4(3) standard. M4(3) represents the principal design standard through which the housing needs of wheelchair users can be met, providing sufficient circulation space, step-free access, accessible bathrooms and kitchens, and the ability for occupants to use all areas of the home independently.

6.139 The analysis below draws on secondary data sources to estimate the number of current and future wheelchair users and to estimate the number of wheelchair accessible/adaptable dwellings that might be required in the future.

6.140 Estimates of need produced in this report draw on data from the English Housing Survey (EHS) – mainly 2020/21 data. The EHS data used includes the age structure of wheelchair users, information about work needed to homes to make them 'visitable' for wheelchair users and data about wheelchair users by tenure.

6.141 The table below shows at a national level the proportion of wheelchair user households by the age of household reference person. Nationally, around 3.1% of households contain a wheelchair user – with around 1% using a wheelchair indoors. There is a clear correlation between the age of household reference person and the likelihood of there being a wheelchair user in the household.

Table 6-36 Proportion of wheelchair user households by age of household reference person – England

Age of household reference person	No household members use a wheel-chair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
24 and under	99.4%	0.4%	0.0%	0.1%	100.0%
25-34	99.4%	0.1%	0.1%	0.3%	100.0%
35-49	97.9%	0.4%	0.3%	1.4%	100.0%
50-64	97.1%	0.5%	0.2%	2.2%	100.0%
65 and over	94.3%	1.3%	0.5%	4.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

6.142 The prevalence rate data can be brought together with information about the household age structure and how this is likely to change moving forward. Adjustments have also been made to take account of the relative health (by age) of the population. The data estimates a total of 7,600 wheelchair user households in Gloucestershire in 2024, and that this will rise to 10,300 by 2046 (+37%).

Table 6-37: Estimated number of wheelchair user households (2024-46) – Gloucestershire

	Prevalence rate (% of households)	Households 2024	Households 2046	Wheelchair user house-holds (2024)	Wheelchair user house-holds (2046)
24 and under	0.5%	6,495	9,278	35	51
25-34	0.5%	34,817	47,462	180	243
35-49	1.7%	69,256	96,926	1,186	1,639
50-64	2.0%	84,048	98,464	1,652	1,928
65 and over	4.7%	96,015	138,459	4,528	6,498
All households		290,630	390,589	7,581	10,359

Source: Iceni analysis

6.143 Wheelchair user households in 2046 will therefore notionally represent 10% of the 2024-46 Standard Method housing need. There will be some households living in a home that is already fully adapted, as well as some where full adaptation is possible. Local data on this on this proportion is not available, although as discussed earlier in this chapter lettings data shows a very low proportion of homes to be fully or partially wheelchair accessible.

6.144 However, it is clear there will be a need for a proportion of new homes to be built to M4(3) standards, particularly given data showing that a very low proportion of existing housing stock in Gloucestershire is accessible, and that there are significant costs associated with increasingly complex adaptations where this is possible.

6.145 The following table shows forecast wheelchair households for each authority.

Table 6-38: Estimated number of wheelchair user households by local authority, 2024-46

	Wheelchair user households (2024)	Wheelchair user households (2046)
Cheltenham	1,326	1,786
Cotswold	958	1,499
Forest of Dean	1,225	1,649
Gloucester	1,680	2,174
Stroud	1,368	1,863
Tewkesbury	1,024	1,388
SLP Area	4,030	5,348
Gloucestershire	7,581	10,359

Source: Iceni Analysis

6.146 There is also likely to be a different need depending on the tenure of the home. Information in the EHS (for 2020/21) also provides national data about wheelchair users by tenure. This showed that around 6.7% of social tenants were wheelchair user (including 1.8% using a wheelchair indoors/all the time), compared with 2.6% of owner-occupiers (0.8% indoors/all the time). These proportions can be expected to increase with an ageing population but do highlight the likely need for a greater proportion of social (affordable) homes to be for wheelchair users.

Table 6-39: Proportion of wheelchair user households by tenure of household reference person – England

Tenure	No household members use a wheelchair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
Owners	97.4%	0.6%	0.2%	1.8%	100.0%
Social sector	93.3%	1.3%	0.5%	4.9%	100.0%
Private renters	98.6%	0.2%	0.2%	1.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

6.147 There are demonstrable public benefits to provision of M4(3) homes. Research by the London School of Economics[26] found that in terms of a monetised ratio of costs to benefits of wheelchair user homes, benefits substantially outweigh costs:

- For working age wheelchair users, there is a benefit of over £94,000 compared to a cost of just over £22,000
- For later years wheelchair users (i.e. aged 65+), there is a benefit of around £101,000 vs a cost of around £18,000
- For a household which a wheelchair user child, the benefit could be £66,000 vs a cost of £26,000

6.148 In addition, potential cost reductions per year were found of between £96 - £386 to the NHS, £1,960 - £9,218 to local authorities and up to £2,423 to government more broadly, depending on the wheelchair user age.

6.149 However, viability is likely to be more of an issue for M4(3) delivery than for M4(2). Although slightly dated, at the time of the PPG a report was published written by EC Harris which estimated the costs of achieving M4(3)2b in new homes would vary from £10,600 for a 1-bedroom home, up to £25,300 for homes with four bedrooms. This standard is likely to apply to homes provided in the affordable sector (where the authority has nomination rights). For market housing delivery is likely to be M4(3)2a which might be described as having 'future adaptability' – in this case the additional costs are estimated to be much lower (in the range of £8,100 to £10,200 depending on size and built-form).

6.150 As with M4(2), more recent viability studies tend to index these values, for example:

- The Tunbridge Wells Local Plan Viability Assessment (2024 – Dixon Searle), considered the costs of building to M4(3) standards to be

[26] London School of Economics and Habinted 2023, *The Social and Economic Value of Wheelchair User Homes*

£15,691 per flat and £26,816 per house on a 2023-indexed cost base

- The Central Lancashire Local Plan Viability Report (2025 – Aspinall Verdi) quotes a 2025-indexed cost for M4(3) of £9,492 for apartments and £27,241 for houses

- The Milton Keynes Whole Plan Viability Study (2025 – AECOM and HDH) quotes indexed costs per dwelling of £15,370 for M4(3)2a and £38,200 for M4(3)2b

- The Oxford Local Plan Viability Assessment Update (2026 – BNP Paribas) assumes M4(3)2a to add 9.28% to build costs for flats and 10.77% to houses based on the EC Harris values, while M4(3)2b adds 9.47% to flats and 23.8% to houses.

6.151 Reflecting these costs, M4(3) is typically applied to only a proportion of homes, which materially reduces the scheme-wide cost impact. On this basis, recent viability studies, including those for Croydon (2024)[27], consistently conclude that a requirement of up to 10% M4(3) has only a modest and readily absorbable impact on overall scheme viability.

6.152 It is noted that for both M4(2) and M4(3) homes, some schemes will be unable to provide homes to an accessible standard, as recognised in the PPG, such as built form, topography or flooding. On other schemes viability may be a concern.

6.153 In addition, it is noted that some wheelchair accessible homes are likely to be occupied by households which do not contain a wheelchair user (particularly in the market sector), meaning that more wheelchair accessible homes may be required to ensure availability to meet need.

6.154 Given these factors, it would appropriate for the numerical M4(2) / M4(3) requirement to be somewhat above the raw position that need modelling would suggest.

[27] https://www.croydon.gov.uk/sites/default/files/2024-03/new-lb-croydon-local-plan-viability-assessment-final-2024_0.pdf

6.155 Brining the evidence together, a very low proportion of existing housing stock in Gloucestershire is likely to be accessible, while there will be a substantial need for wheelchair user homes by 2046, provision of which would carry significant public benefits. Considering cost and viability evidence, it would therefore be suggested that **as a starting point 5% of all new market homes and a higher proportion of 10% of all new affordable homes should meet M4(3) standards**. In the market sector these homes would be M4(3)A (adaptable) and M4(3)B (accessible) for affordable housing.

Policy Implications: Delivery of Homes to M4(2) and M4(3) Standards

The evidence points to around 20% of those aged 65+ in Gloucestershire having mobility problems but indicates a significant rise in those with mobility problems or impaired mobility – of 18,900 persons (rounded) – over the 2024-46 period. In addition, the qualitative evidence points to an inadequate existing stock of homes which are capable of being adapted to households' changing needs and significant expense on adaptions locally.

Given the substantial increase forecast in people with a disability (reaching above the Standard Method housing need from 2024-46), poor existing stock accessibility, and likely limited impact on viability, it is considered that 100% of new homes should be delivered to M4(2) standards.

In addition, Modelling shows that households with a wheelchair user by 2046 will be notionally around 10% of the 2024-46 Standard Method housing need County-wide. The evidence also indicates a greater level of need in affordable housing.

Taking into account that not all housing sites will be suitable for wheelchair-accessible housing (such as those where there is not level access or there is steep topography), and the low level of wheelchair existing homes in existing housing stock, Iceni would recommend that 10% of affordable housing and 5% of market housing on major developments is expected to meet M4(3) standards based on housing delivery in line with the standard method.

Other supported accommodation

Mental Health Supported Accommodation

6.156 Mental Health Supported Accommodation operates as a distinct service, providing specialist tenancy-related support for individuals with secondary mental health needs who are referred via GPs or discharged from hospital. The service supports around 80 individuals, primarily in Gloucester, Cheltenham and Stroud, and is largely delivered within shared living settings.

6.157 Much of the current accommodation stock is in older HMO models, established following the closure of the mental health hospital. There is limited move-on accommodation, and the County Council highlighted increasing difficulties in managing risk within shared environments, particularly given rising levels of complexity among referrals.

6.158 A key issue identified is the growing demand for self-contained accommodation for people with complex mental health needs, contrasting with a supply base that is predominantly shared housing.

6.159 Some individuals require higher levels of support than are currently available, suggesting an emerging need for additional supported accommodation provision.

6.160 A supported living pilot scheme at Fratram House was highlighted as a positive step-down rehabilitation model, although its effectiveness is constrained by wider housing supply shortages.

6.161 Overall, engagement indicates rising demand for mental health-supported accommodation, although there is a lack of up-to-date evidence quantifying the scale of need. There is also a need to realign the current stock.

6.162 Gloucestershire County Council's *Housing with Care Strategy 2020* (GHCS) notes that there is a lack of suitable housing for people with

severe mental illnesses, which creates pressure within mental health acute inpatient beds where occupancy levels are consistently at 100% or above. It notes that appropriate supported living provision would reduce the number of frequency of emergency hospital admissions, reduce offending rates and improve quality of life. Links are also drawn with broader housing pressures and homelessness, with national research quoted showing one in four tenants with mental health conditions has serious rent arrears and is at risk of losing their home.

6.163 The HCS noted there to be 4,563 people in Gloucestershire with a severe mental illness (SMI) based on locality GP data. More recent data shows that as of 2023 there are estimated to have been 5,696 people with SMI[28]. This represents a small increase in prevalence, from 0.9% to 1.04% of the population.

6.164 This strategy notes that as of 2020, 368 people were receiving a mental health related service from the County, of whom 295 were supported to access a form of housing (as shown in the table below).

6.165 The HCS notes the need going forwards for equity in mental health provision across districts, with Cotswold and Tewkesbury having the lowest levels of provision followed by Forest of Dean. Consideration is also noted be needed to the location and quality of the current accommodation to ensure it is fit for purpose.

[28] OHID *Estimated prevalence of severe mental illness (SMI) in England*, based on Medicines and Healthcare Products Regulatory Agency, Clinical Practice Research Datalink, Office for National Statistics and Ministry of Housing, Communities and Local Government data

Table 6-40: Mental health services provided by GCC (2020)

Category	General housing	Taylor made MH Placement	Residential care	Supported living	Total
Cheltenham	12	4	22	33	71
Cotswold	1	0	2	0	3
Forest of Dean	10	0	13	6	29
Gloucester	24	6	8	149	187
Stroud	21	0	7	25	53
Tewkesbury	3	0	2	0	5
Out of County	2	3	14	1	20
Total	73	13	68	214	368

Source: GCC Housing with Care Strategy 2020

6.166 In planning for future demand, the HCS notes the need to increase housing provision to 8% of the SMI register to alleviate pressures on acute inpatient wards, while moving away from residential care. If the prevalence of SMI remains at 1.04% to 2046, this would represent an increase in mental health housing needs County-wide to 695 bedspaces (based on population growth in line with the Standard Method housing need), 400 more than were being provided in 2020.

6.167 The following table provides authority-specific results, building on the population growth implications of the Standard Method (as discussed in Chapter 4), and assuming uniform prevalence and provision rates.

Table 6-41: Specialist housing needs of people with severe mental illness

	Bedspace need - 2024	Bedspace need - 2046	Change in need 2024-46
Cotswold	76	114	38
Forest of Dean	75	94	19
Stroud	105	131	27
Cheltenham	101	123	21
Gloucester	115	129	14
Tewkesbury	85	104	19
SLP (Subtotal)	301	356	54
Total	557	695	138

Source: GCC Housing with Care Strategy 2020

6.168 Updated and more detailed evidence on mental health provision and needs will be provided by supported housing strategies and needs assessments, which are required under the Supported Housing Regulatory Oversight Act (SHROA).

Physical and Learning Disability

6.169 We have engaged with the County Council to seek a better understanding of the demand for supported accommodation for those with a learning disability (LD). This is an increasing issue as the life expectancy of those with LD is improving; however, it also means that their parents are also getting older and often struggle to cope with caring demands.

6.170 The engagement highlighted how the current position has been shaped by successive waves of policy and service change. Historically, people with learning disabilities and severe mental health needs were accommodated within large institutional settings until the mid-twentieth century. Following the closure of asylums through the 1970s and 1980s, many individuals were moved into the community; however, in practice, this often means placement in CQC-registered residential care settings rather than in homes held under their own tenancy.

6.171 The prevailing policy direction is now towards supported living, secured through tenancy agreements and underpinned by appropriate care and support packages. It is typically delivered through a commissioning model whereby the County Council ASC team commissions care within properties owned by a range of housing providers, alongside the separate procurement of care providers for individual schemes.

6.172 The existing stock comprises a mix of typologies, including self-contained flats (such as at Thatcham House), shared accommodation and HMOs, some independent flats, and a limited number of single-person units designed to accommodate individuals at risk of harming themselves or others.

6.173 For this cohort, it is common for individuals to require two or three separate packages of care. The engagement indicated that, when considered alongside the intensity of need and staffing, specialist supported accommodation can provide a cost-effective and person-centred solution than multiple fragmented arrangements, provided it is planned and delivered in the right form and location.

6.174 The County Council officers also reflected on the legacy of provision developed in the late 1980s, when a number of private providers operated small “hospital” environments which, in effect, functioned as supported housing. A subsequent Government review (circa 15–20 years ago) identified significant concerns, including instances of abuse, which led to the Transforming Care programme. Under this approach, the NHS has held responsibility for supporting individuals to move from these institutional settings into settled homes with properly commissioned care and support.

6.175 While there remains a clear focus on moving people out of small hospital provision, engagement emphasised that this is not straightforward. Individuals may be institutionalised, and transitions can be destabilising and stressful without careful preparation, continuity of

relationships, and suitable accommodation being available at the point of discharge.

6.176 Operationally, the County Council has described a proactive role for commissioning and delivery teams (including the Transforming Care team) in identifying accommodation opportunities across a range of tenures and assembling bespoke care packages. However, a recurring issue is the absence of a planned pipeline of suitable homes. Where no appropriate provision exists, people can remain in hospital settings for longer than necessary, not because this is clinically optimal, but because there is no viable alternative, which can result in deterioration in health outcomes for residents.

6.177 The County Council also noted that demand intelligence is available (including reference to POPPI and PANSI data on Profound Multiple Learning Disability in Gloucestershire), yet this does not consistently translate into pre-planned, deliverable accommodation options.

6.178 A further theme was that this is, in part, a cohort and pathways issue, with children and young people with specialist requirements transitioning into adult services and, later, older-age provision. In some cases, the only available pathway for individuals with learning disabilities and/or mental health needs has been admission to hospital-type settings—reinforcing the importance of both prevention of admission and effective, timely discharge pathways.

6.179 The County Council were clear that there should be no further development of specialist learning disability hospitals, whether private or NHS-run, and expressed concern that some providers can retain patients for longer than is necessary.

6.180 Stakeholders noted that, while there is an apparent surplus of supported living provision within Gloucester City, this stock plays an important role in meeting needs across the wider county.

6.181 However, much of the existing accommodation is described as ageing and increasingly unsuitable for current and future needs. In some cases, providers have not invested sufficiently in their stock, while in others, residents' needs have changed over time. It was consistently reported that modern expectations include access to a private bathroom and good connectivity to local services, including GP surgeries and public transport, requirements that parts of the existing stock do not meet.

6.182 As a result, the condition and suitability of current provision should be factored into assessments of future need, rather than relying solely on headline supply figures. While the scale of replacement need has not yet been quantified, work is ongoing with district councils to better understand this issue.

6.183 The introduction of the Supported Housing (Regulatory Oversight) Act (SHROA) was identified as a significant change for the sector, reflecting a historic lack of robust oversight within the supported living market. Gloucester City acted as a pilot area for the Act through the SHIP Project, which helped to identify both good and poor practice among providers. SHROA is intended to address harmful practices through measures such as requiring local authorities to undertake needs assessments and to maintain a register of supported housing providers.

6.184 Going forward, a county-wide needs assessment will be required, alongside local housing strategies that explicitly address issues relating to supported accommodation. Work is underway to commission a needs assessment and work up the required local housing strategy across Gloucestershire. This will provide the most up to date needs evidence once completed.

6.185 The officers set out clear principles for the type of accommodation that is most likely to succeed for this cohort:

- Self-contained, ground-floor accommodation, typically in the form of individual flats, was identified as most effective. Whilst not all individuals require level access accommodation, a contingent

required level access accommodation, and so this should form the basis of new provision to help aid independence, mobility and overall wellbeing.

- Although individuals do not always have physical disabilities, behavioural risk and environmental sensitivity are often key considerations, shaping layout, separation, and management arrangements.

- Schemes should be small-scale—as a guide, no more than six units, with dedicated staff space—balancing a domestic setting with practical staffing needs and economies of scale.

- Locations should be selected with regard to noise and neighbouring amenity, with semi-rural settings often preferred, whilst remaining accessible for staff, including via bus routes.

- Provision should also be within reasonable driving distance of community facilities, enabling access to services, shops, and everyday activities that support independence and wellbeing.

- Where necessary, there must be scope to secure adaptations (especially for existing provision) quickly to avoid delayed discharge and prolonged hospital stays. New provision should be designed to be level access M4(2) compliant as standard.

6.186 It was noted that the overall quantum of supported living required has not previously been systematically assessed. The County Council expect the work undertaken under SHROA to provide a clearer understanding of future requirements. In the interim, vacancy data suggests an increase in shared accommodation, alongside a shift in demand towards more individual, self-contained units, however, it will be important to engage closely with residents in a person-centred way to ensure that provision is reflective of both need and individual requirements.

6.187 There is also a growing need for accessible and adaptable accommodation (built to M4(2) and M4(3) standards respectively), as residents are often required to move on when their mobility declines. Providing accessible homes from the outset was seen as a means of enabling residents to age well in place and reducing future costs

associated with adaptations- which would ultimately otherwise fall on the public purse.

6.188 Demand for supported living is expected to continue to increase, particularly where limited move-on options restrict throughput. The Officers reported that Homes England funding is being utilised where possible to improve affordability and reduce the risk of residents becoming trapped within the benefits system. Particular pressures were highlighted around high-dependency provision and around transitions from children's services into adult provision. There was a strong desire for improved forward planning to reduce reliance on short-term, reactive solutions. The various Gloucestershire Local Plans can offer one pathway for achieving this outcome.

6.189 Finally, the County Council emphasised the need for greater scrutiny of the supported living sector, noting concerns that some registered providers have generated significant income without adequate reinvestment, resulting in vulnerable residents living in poor-quality accommodation, which is likely to harm overall quality of life.

6.190 Looking ahead, there are aspirations to bring forward new provision, although, especially for new development, this is likely to take considerable time to achieve, including a proposed scheme in Tewkesbury to meet mental health needs, which may also be suitable for some individuals with physical disabilities.

6.191 Overall, engagement underscores that the challenge is not solely commissioning care: it is the availability of the right homes, in the right places, delivered in a planned way—so that people can move from institutional settings into stable supported living with dignity, choice, and appropriate support.

Future needs

6.192 Based on data from PANSI, the GHCS notes there to have been 11,913 people with a learning disability in the County in 2020, of which 2,042

had a severe or moderate disability. This was noted to have been below the number recorded using GP data (3,426), but above the number receiving a service from GCC (1,425).

6.193 Based on more recent data, Table 6-8 earlier in this chapter estimated there to be 12,472 people aged 18+ with learning disabilities in Gloucestershire in 2024, increasing to 15,773 in 2046.

6.194 The GHCS noted there to be significant overlap between learning disabilities and autistic spectrum conditions (ASC) in people receiving care from GCC. By considering only those with a recorded primary need of learning disability, the GHCS notes that services were being provided to 1,000 people of whom 764 were living in some form of supported housing (as shown in the table below).

Table 6-42: Individuals with a learning disability with care services provided by GCC (2020)

Category	General housing	Nursing care	Extra care	Residential care	Supported living	Total
Cheltenham	34	0	3	40	74	151
Cotswold	16	0	0	1	36	53
Forest of Dean	46	0	4	69	113	232
Gloucester	78	0	2	64	123	267
Stroud	50	0	0	22	104	176
Tewkesbury	30	0	1	17	53	101
Out of County	0	0	0	12	8	20
Total	254	0	10	225	511	1,000

Source: GCC Housing with Care Strategy 2020

6.195 The GHCS notes that supported living is provided for 25% of people estimated to have a moderate to severe learning disability, with this assumption adopted to model future need. Applying this percentage to the disability results shown in Table 6-8 earlier in this chapter would suggest that need for supported living places for people with learning disabilities County-wide will increase to around 675 by 2046, an increase of 164 on the 511 provided in 2020.

6.196 The following table shows similar results for each authority, based on the same provision rate and the authority-specific POPPI and PANSI results earlier in this chapter.

Table 6-43: Supported living needs for people with learning disabilities

Category	Supported living places - 2020	Supported living need - 2024	Supported living need - 2046	Change in supported living need – 2024-46
Cotswold	36	63	94	31
Forest of Dean	113	80	101	22
Stroud	104	99	126	27
Cheltenham	74	96	119	23
Gloucester	123	122	141	19
Tewkesbury	53	75	94	20
SLP (Subtotal)	250	293	355	62
Total	503	534	676	141

Source: Iceni analysis

6.197 The GHCS also noted a numeric over-provision in Forest of Dean and Gloucester, and a lack of provision in Cotswold, Cheltenham and Tewkesbury. However, some of the existing accommodation was anticipated to be not fit for purpose, meaning that some additional accommodation would be required to replace it.

6.198 The GHCS noted estimates based on PANSI to show there to be 3,674 people with ASC in 2020, compared to only 1,931 identified or suspected as having ASC by GPs. ASC prevalence rates were higher in Gloucester than other districts, and by far the lowest in Cotswold and Tewkesbury. This was noted to potentially reflect either deprivation data, or people with ASC being more likely to live in places with more services.

6.199 Data from adult social care showed services being provided to 509 people with ASC, of whom 363 did not live in general housing (as shown in the table below).

Table 6-44: Individuals with ASC with care services provided by GCC (2020)

Category	General housing	Nursing care	Residential care	Supported living	Total
Cheltenham	19	0	12	25	56
Cotswold	11	0	0	14	25
Forest of Dean	21	0	30	58	109
Gloucester	39	1	36	54	130
Stroud	39	0	22	48	109
Tewkesbury	17	0	20	25	62
Out of County	0	0	16	2	18
Total	146	1	136	226	509

Source: GCC Housing with Care Strategy 2020

6.200 The GHCS noted that supported living was provided to around 10% of the predicted number of people in the County with ASC, compared to national and local evidence of rates between 4 – 10%. It then adopted 10% as an assumption of future provision to model future need.

6.201 Applying this percentage to the number of people aged 18-64 with autism spectrum disorders in Table 6.8 earlier in this chapter would suggest that need for supported living places for people with ASC County-wide will increase to around 466 by 2046, an increase of 240 on the 226 provided in 2020.

6.202 The table below shows the results of this calculation for each authority, based on a 10% provision rate and authority-specific POPPI and PANSI projections detailed earlier in this chapter.

Table 6-45: Supported living needs for people with autism spectrum disorders

Category	Supported living places - 2020	Supported living need - 2024	Supported living need - 2046	Change in supported living need – 2024-46
Cotswold	14	40	59	20
Forest of Dean	58	54	69	15
Stroud	48	67	85	18
Cheltenham	25	69	86	17
Gloucester	54	91	105	15
Tewkesbury	25	51	63	13
SLP (Subtotal)	104	210	254	44
Total	224	370	466	96

Source: Iceni analysis

6.203 With regards to the housing needs of people with physical disabilities, the GHCS notes that most live in general needs housing. This was noted to be positive, although potentially not to meet all needs long term. Housing provision for people with physical disabilities was described as historically being met through residential care settings, with very limited supported living available apart from in Gloucester. The living situations of people with physical disabilities aged 18-64 at time is shown in the table below.

Table 6-46: Individuals with a physical disability aged 18-64 with care services provided by GCC (2020)

Category	General housing	Nursing care	Res. care	Extra care	Supported living	Supported living	Total
Cheltenham	85	11	16	2	8	9	131
Cotswold	26	0	2	1	1	0	30
Forest of Dean	43	5	5	5	3	8	69
Gloucester	103	9	12	9	6	29	168
Stroud	60	3	3	0	5	6	77
Tewkesbury	56	4	5	0	0	3	68
Out of County	2	3	12			3	20
Total	383	38	45	17	24	55	562

Source: GCC Housing with Care Strategy 2020

6.204 The GHCS does not forecast future demand for supported living for people with physical disabilities, as it notes that this is hard to quantify as different people require different solutions and the level of need will depend on commissioning decisions. However, it does not that based on GCC commissioning intentions to purchase fewer residential and nursing beds, supported living will need to be designed and provided to meet the diverse needs of people with physical disabilities.

6.205 Noting that Table 6.8 earlier in this chapter showed the number of people with impaired mobility aged 16-64 in Gloucestershire increasing from 22,167 to 26,657 in 2046, the associated need for supported living places is likely to increase somewhat. However, it is noted that this depends heavily on commissioning intentions and individual needs, and would need to be considered in more detail through upcoming supported housing strategies.

6.206 Supported housing strategies will consider more broadly the needs of people with physical and learning disabilities and ASC, and provide a more detailed and up-to-date evidence base on future housing needs. Once these are complete they should be considered to provide the

most robust and up to date source of evidence on supported housing needs, and to be reflected in planning policy where appropriate.

Supported Housing for Younger Adults

6.207 Accommodation-Based Support (ABS) provides short-term, community-based placements for individuals who are homeless, with a focus on developing independent living skills and supporting move-on to settled accommodation. Current provision comprises just under 400 commissioned bedspaces, primarily within HMO accommodation, with a smaller number of self-contained flats. The County Council commissions the support element rather than the accommodation itself, with housing costs typically met through Housing Benefit.

6.208 Statutory homelessness duties remain with the district councils, while the majority of accommodation is owned and managed by private and voluntary sector providers, concentrated largely within Cheltenham, Gloucester and Stroud.

6.209 ABS predominantly supports single people, with a smaller number of single parents. Most residents move on to social housing once ready, where they are prioritised through gold banding; however, the limited availability of social housing has constrained move-on, creating blockages within the pathway.

6.210 The County Council reported that Gloucester is the preferred location for many service users due to the concentration of services, while provision in other districts, such as Tewkesbury, has reduced.

6.211 Demand for ABS is strongest among care leavers and individuals with multiple and complex needs, including substance misuse and mental health issues.

6.212 While waiting lists for ABS placements remain relatively short, overall demand is increasing, driven by cost of living pressures, poverty and rising numbers of care leavers, alongside reductions in commissioning budgets.

6.213 The ABS market is largely delivered by national, not-for-profit providers and charities, many of whom invest in their own stock and have accessed Homes England funding to improve accommodation quality. However, the County Council identified a growing mismatch between need and supply, with increasing demand for placements suitable for individuals with higher levels of complexity. Where suitable options cannot be secured, a small cohort of individuals struggle to sustain placements and may ultimately experience rough sleeping.

6.214 Overall, engagement indicates rising demand for ABS alongside increasing pressure from care leavers, Housing First referrals and individuals with multiple disadvantages.

6.215 While the majority of provision is concentrated in Gloucester, unmet need is evident in Cheltenham, Stroud and potentially Tewkesbury. These findings reinforce the importance of strategic planning, improved alignment between housing and support pathways, and the provision of more appropriate, self-contained and accessible accommodation to meet current and future needs.

6.216 Demographic modelling presented in Chapter 5 would see population growth in young adults in all authorities, which would also be expected to contribute to rises in demand over time, however the level of demand will depend on broader social and economic factors (noting this accommodation is provided to those at risk of homelessness).

Policy Implications: Supported Accommodation

The evidence points to a need to increase the supply of supported accommodation in Gloucestershire, including for those with mental health conditions, learning and physical disabilities and autism spectrum conditions. This could be, but does not necessarily, need to be new-build provision.

This section provides indicative housing requirements in line with demographic projections and the methodology of the 2020 Gloucestershire Housing with Care Strategy, but these should be considered to be superseded by updated supported housing strategies when available.

Planning policies should support the delivery of new development and, as appropriate, the conversion of existing residential accommodation to increase supply. In considering applications, Councils should liaise with the County Council to ensure that the location, scale and design of schemes is appropriate and responds to local needs. Guidance on the form of accommodation is set out above.

7. Mix of Homes Needed

7.1 This section considers the appropriate mix of housing across Gloucestershire and each local authority. The analysis considers how the number of households in different age groups are projected to change moving forward and the mix of housing to meet this demographic change in different tenure groups. Much of the data presented, and the methodology, is for the whole study area, with key data and outputs being provided for each local authority. The analysis looks at the Standard Method (for the 2024-46 period).

Overview of Methodology

7.2 The following methodology has been used to model housing need by number of bedrooms, and to develop housing mix recommendations:

1. **Bespoke demographic and household projections**

   Using local tailored demographic data (as discussed in Chapter 4), a projection is developed of the number of households broken down by the age of the household reference person (HRP). The standard method population projection detailed in Chapter 4 is used herein.

   A HRP is the person in a household who is taken as the 'lead' for statistical purposes - usually the person in whose name the home is owned or rented. If there is more than one person meeting that criterion, it is the oldest one.

2. **Analyse local occupancy patterns**

   2021 Census data for each authority, as well as regional data, is used to analyse how households of different ages currently occupy homes. A profile is created for each tenure (owner-occupied, private rented and social rented) relating occupancy by number of bedrooms to the age of the HRP. This profile covers the complete range of occupancy patterns, not just the most common sizes of homes.

3. **Combine occupancy data with household projections**

   By combining occupancy data with household projections, an initial set of results for housing need by number of bedrooms is generated. It is initially assumed that occupancy patterns remain the same over the projection period (2024-2046) as in the most recent data (from the 2021 census). This modelling is performed separately for each tenure and authority.

4. **Adjust for under-occupation and overcrowding**

   The model reallocates a proportion of under-occupiers into smaller homes to reflect 'right-sizing' – providing a supply of homes which facilitate downsizing of under-occupied households; and moves all overcrowded households (the numbers of which are significantly lower) into larger homes aligned with their needs. Specifically, the model reallocates 25% of households under-occupying by two or more bedrooms into smaller homes.

5. **Incorporate supply considerations**

   For rented affordable housing, the profile of need is compared against evidence from each authority's housing register and against the turnover (recent lettings) of existing homes to highlight shortages (e.g. 4+ bed properties). This analysis is used as a cross-check to consider in particular the effects of lower turnover of larger homes in the social rented sector.

6. **Produce recommended mix by tenure**

   Final strategic targets for the mix of homes are derived by drawing together the analysis in this section and appropriate evidence from other parts of the report, such as the market analysis and housing baseline analysis.

7.3 Where the analysis and results refer to rented affordable housing, this refers to all rented affordable housing, including that offered at social as well as affordable rents.

Background data

Current Housing Mix by Tenure

7.5 An important starting point is to understand the current balance of housing in the area – the table below profiles the sizes of homes in different tenure groups across areas. The data shows a market stock (owner-occupied) in which 3+-bedroom homes make up just over three quarters (77%) of the total in this tenure group, a very slightly higher proportion to that seen both nationally and across the South West (75% each). The profile of both the social and private rented sectors are broadly similar across areas. Observations about the current mix feed into conclusions about future mix later in this section (i.e. in step 6).

Table 7-1: Number of Bedrooms by Tenure, 2021

		Gloucester-shire	South West	England
Owner-occupied	1-bedroom	3%	4%	4%
	2-bedrooms	20%	21%	21%
	3-bedrooms	43%	44%	46%
	4+-bedrooms	34%	31%	29%
	Total	100%	100%	100%
	Ave. no. beds	3.07	3.02	3.01
Social rented	1-bedroom	29%	29%	29%
	2-bedrooms	36%	37%	36%
	3-bedrooms	31%	30%	31%
	4+-bedrooms	4%	4%	4%
	Total	100%	100%	100%
	Ave. no. beds	2.11	2.09	2.10
Private rented	1-bedroom	22%	22%	21%
	2-bedrooms	38%	38%	39%
	3-bedrooms	29%	28%	29%
	4+-bedrooms	12%	12%	11%
	Total	100%	100%	100%
	Ave. no. beds	2.30	2.30	2.30

Source: Census (2021)

7.6 Although this is not dissimilar to the regional and national positions, it is noted that smaller 1-bedroom or 2-bedroom homes make up a small proportion of Gloucestershire's owner-occupied stock (broadly in common with the South West Region and England). Given particular affordability pressures in parts of the County, there may be some benefit in providing greater provision of smaller entry level homes.

7.7 It is also noted that a very small proportion of social rented homes have four or more bedrooms, substantially lower than the proportions of the owner occupied and private rental stock (although again this is similar to the regional and national positions). This results in long wait times for larger units, and consequently overcrowding of families in smaller units. This is analysed further below in step 5 of the analysis.

7.8 The tables below show the same information by local authority. Probably the most interesting finding is the smaller than average dwelling sizes in Cheltenham in both the owner-occupied and private rented sectors – Cotswold generally sees higher numbers of bedrooms in these tenures. The social rented sector generally sees less variation in profile across areas.

Table 7-2: Number of Bedrooms by Tenure, 2021 – Cheltenham, Cotswold and Forest of Dean

		Chelten-ham	Cotswold	Forest of Dean
Owner-occupied	1-bedroom	5%	2%	2%
	2-bedrooms	24%	17%	20%
	3-bedrooms	41%	39%	47%
	4+-bedrooms	30%	41%	31%
	Total	100%	100%	100%
	Ave. no. beds	2.97	3.19	3.08
Social rented	1-bedroom	32%	28%	30%
	2-bedrooms	35%	35%	34%
	3-bedrooms	28%	34%	33%
	4+-bedrooms	5%	4%	3%
	Total	100%	100%	100%
	Ave. no. beds	2.06	2.14	2.09
Private rented	1-bedroom	31%	14%	17%
	2-bedrooms	38%	34%	38%
	3-bedrooms	20%	36%	35%
	4+-bedrooms	11%	16%	11%
	Total	100%	100%	100%
	Ave. no. beds	2.11	2.53	2.39

Source: Census (2021)

Table 7-3: Number of Bedrooms by Tenure, 2021 – Gloucester, Stroud and Tewkesbury

		Gloucester	Stroud	Tewkes-bury
Owner-occupied	1-bedroom	4%	3%	3%
	2-bedrooms	21%	19%	18%
	3-bedrooms	49%	41%	44%
	4+-bedrooms	27%	37%	35%
	Total	100%	100%	100%
	Ave. no. beds	2.98	3.13	3.12
Social rented	1-bedroom	32%	29%	24%
	2-bedrooms	35%	37%	39%
	3-bedrooms	28%	31%	32%
	4+-bedrooms	6%	4%	5%
	Total	100%	100%	100%
	Ave. no. beds	2.07	2.10	2.18
Private rented	1-bedroom	22%	21%	17%
	2-bedrooms	39%	39%	36%
	3-bedrooms	28%	29%	36%
	4+-bedrooms	11%	11%	12%
	Total	100%	100%	100%
	Ave. no. beds	2.27	2.31	2.42

Source: Census (2021)

Family households

7.9 The following set of tables show the number of family households (defined for the purpose of this assessment as any household which contains at least one dependent child).

7.10 The number of families in Gloucestershire (defined for the purpose of this assessment as any household which contains at least one dependent child) totalled 72,400 as of the 2021 Census, accounting for 26% of households; this proportion is slightly lower than seen nationally and broadly in-line with the regional average.

Table 7-4: Households with Dependent Children (2021)

	Gloucestershire		South West	England
	No.	%	%	%
Married couple	40,187	14.4%	13.4%	14.4%
Cohabiting couple	12,369	4.4%	4.4%	4.5%
Lone parent	15,309	5.5%	5.7%	6.9%
Other households	4,572	1.6%	1.9%	2.7%
All other households	207,000	74.1%	74.6%	71.5%
Total	279,437	100.0%	100.0%	100.0%
Total with dependent children	72,437	25.9%	25.4%	28.5%

Source: Census (2021)

7.11 The tables below show the same information for each of the local authorities. There are some modest variations in the proportion of households with dependent children, this being highest in Gloucester (29% of households) and lowest in Cotswold (23% of households). All areas apart from Gloucester see a lower proportion of households with dependent children than the national average.

Table 7-5: Households with Dependent Children (2021) – Cheltenham, Cotswold and Forest of Dean

	Cheltenham	Cotswold	Forest of Dean
Married couple	14.1%	14.4%	12.4%
Cohabiting couple	3.8%	3.5%	4.8%
Lone parent	5.2%	4.4%	5.1%
Other households	1.3%	1.1%	2.0%
All other households	75.6%	76.5%	75.7%
Total	100.0%	100.0%	100.0%
Total with dependent children	24.4%	23.5%	24.3%

Source: Census (2021)

Table 7-6: Households with Dependent Children (2021) – Gloucester, Stroud and Tewkesbury

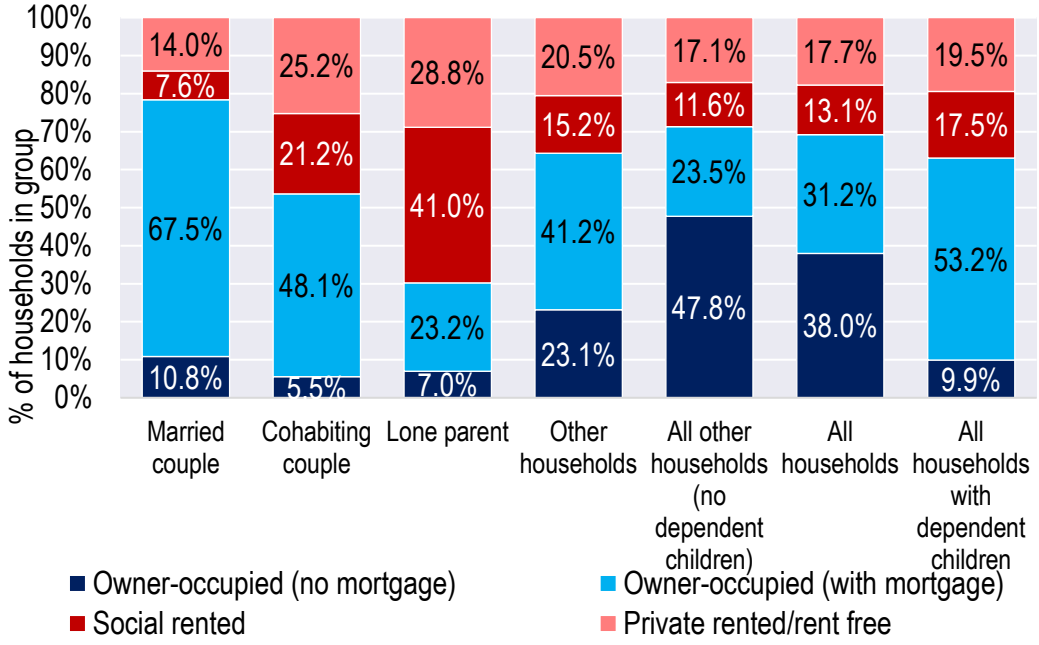
	Gloucester	Stroud	Tewkesbury
Married couple	14.2%	15.1%	15.8%
Cohabiting couple	5.2%	4.5%	4.7%
Lone parent	7.2%	4.9%	5.7%
Other households	2.2%	1.6%	1.6%
All other households[29]	71.2%	74.0%	72.2%
Total	100.0%	100.0%	100.0%
Total with dependent children	28.8%	26.0%	27.8%

Source: Census (2021)

7.12 The figure below shows the current tenure of households with dependent children. There are some considerable differences by household type with lone parents having a very high proportion living in the social and private rented sectors. Across the County, only 30% of lone-parent households are owner-occupiers compared with 78% of married couples with children.

[29] The all other households category here includes any household without dependant children – for example couples without children and single people.

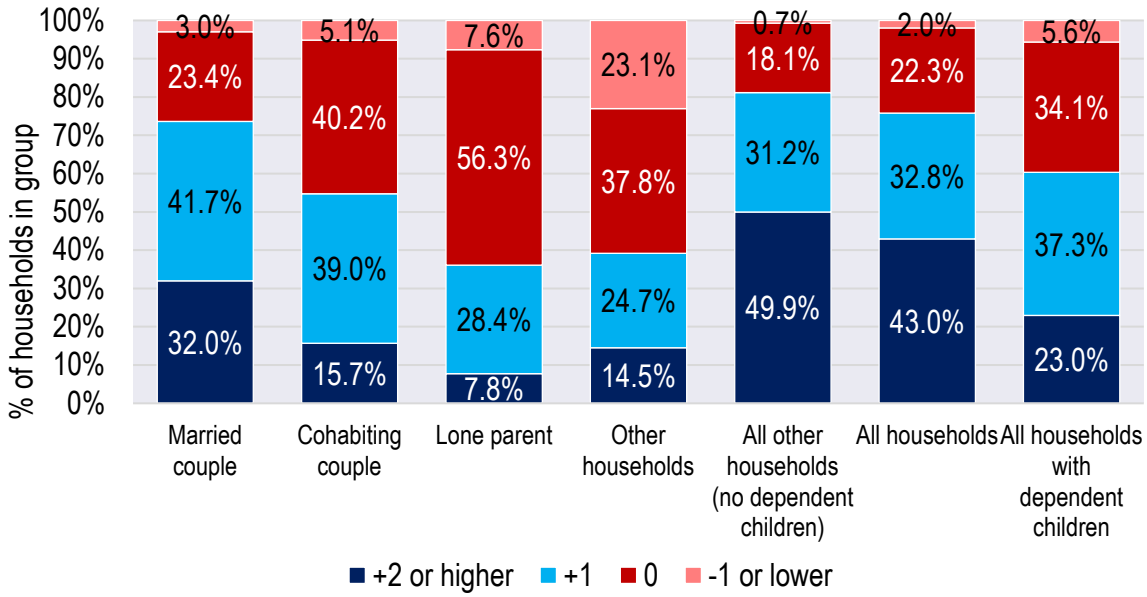
Figure 7-1: Tenure of households with dependent children (2021) – Gloucestershire



Source: Census (2021)

7.13 The figure below shows levels of overcrowding and under-occupancy of households with dependent children. This shows higher levels of overcrowding (minus figure) for all household types with dependent children with 8% of all lone parents and 23% of 'other' households being overcrowded. Overall, some 6% of households with dependent children are overcrowded, compared with less than 1% of other households. Levels of under-occupancy (positive figures) are also notably lower in households with dependent children.

Figure 7-2: Occupancy rating of households with dependent children (2021) – Gloucestershire



Source: Census (2021)

Housing Register

7.14 The analysis (for rented affordable housing) can also draw on data from the local authority Housing Registers with regards to the profile of need as well as taking a broader view of issues such as the flexibility of homes to accommodate changes to households (e.g. the lack of flexibility offered by a 1-bedroom home for a couple looking to start a family).

7.15 The Housing Register data below shows a pattern of need focussed on 1-bedroom homes, but with nearly a fifth needing 3+-bedroom accommodation. The data shows a broadly similar pattern across all areas, with some minor exceptions.

7.16 Stroud has a relatively high proportion of need being for 1-bedroom homes (64% of the register), while Tewkesbury has a relatively low proportion (46.6%), compared to other authorities which sit between 54% - 58%. Tewkesbury has a particularly high proportion of need being for larger 3+ bedroom homes (23.7%), followed by Gloucester and Cheltenham which both also sit above 20%.

Table 7-7: Size of Social/Affordable Rented Housing Needed – Housing Register Information (November 2025)

		1-bed	2-bed	3-bed	4-bed	5+ bed	TOTAL
Cotswold	No.	997	445	221	57	8	1,728
	%	57.7%	25.8%	12.8%	3.3%	0.5%	100.0%
Forest of Dean	No.	1044	471	243	62	12	1,832
	%	57.0%	25.7%	13.3%	3.4%	0.7%	100.0%
Stroud	No.	1,902	609	329	104	26	2,970
	%	64.0%	20.5%	11.1%	3.5%	0.9%	100.0%
Cheltenham	No.	1,545	712	440	104	30	2,831
	%	54.6%	25.2%	15.5%	3.7%	1.1%	100.0%
Gloucester	No.	2,500	1,115	747	214	49	4,625
	%	54.1%	24.1%	16.2%	4.6%	1.1%	100.0%
Tewkesbury	No.	840	535	299	106	21	1,801
	%	46.6%	29.7%	16.6%	5.9%	1.2%	100.0%
SLP (Subtotal)	No.	4,885	2,362	1,486	424	100	9,257
	%	52.8%	25.5%	16.1%	4.6%	1.1%	100.0%
Total	No.	8,828	3,887	2,279	647	146	15,787
	%	55.9%	24.6%	14.4%	4.1%	0.9%	100.0%

Source: Iceni analysis of Gloucestershire Housing Register data

7.17 However, there is a different pattern of need across different levels of need. Applicants to housing registers in Gloucestershire's authorities are placed in one of four bands with differing levels of priority which can be described broadly as follows:

- Emergency band for the most acute cases and those with the highest priority
- Gold band for urgent but generally not immediate emergency need
- Silver band for significant housing need
- Bronze band for all other applicants

7.18 The need profile of the register Gloucestershire-wide by these bands is shown in the table below. The need profile varies by band in the following ways:

- Those in the emergency band almost exclusively need one bedroom homes – this is largely individuals downsizing from family to non-family accommodation and so freeing up larger homes.
- The gold and silver bands show higher proportions of need for larger 3+ bedroom homes. These bands include large numbers of families living in overcrowded accommodation.
- A particularly large proportion of need in the gold band is for 5+ bedroom homes, again likely reflecting need from families.
- The bronze band is more weighted towards 1-bedroom homes, and less weighted towards family sized housing.

Table 7-8: Size of Social/Affordable Rented Housing Needed by priority band – Housing Register Information (November 2025)

		1-bed	2-bed	3-bed	4-bed	5+ bed	TOTAL
Emergency	No.	279	2	0	0	0	281
	%	99.3%	0.7%	0.0%	0.0%	0.0%	100.0%
Gold	No.	337	220	123	99	69	848
	%	39.7%	25.9%	14.5%	11.7%	8.1%	100.0%
Silver	No.	1,873	946	1,154	359	51	4,383
	%	42.7%	21.6%	26.3%	8.2%	1.2%	100.0%
Bronze	No.	6,339	2,719	1,002	189	26	10,275
	%	61.7%	26.5%	9.8%	1.8%	0.3%	100.0%
Total	No.	8,828	3,887	2,279	647	146	15,787
	%	55.9%	24.6%	14.4%	4.1%	0.9%	100.0%

Source: Iceni analysis of Gloucestershire Housing Register data

7.19 It is appropriate to consider the bands with higher priority when drawing conclusions on an appropriate future housing mix. To understand this priority profile, the following table summarises housing register information for the emergency, gold and silver bands across each authority, leaving out the lower priority bronze band.

7.20 The greatest need remains for one bedroom homes for all authorities. However, in all cases except Cotswold, 1-bedroom homes make up a smaller proportion of the need and 3+ bedroom homes a greater proportion.

7.21 There is some variation by authority, with 1-bedroom homes making up between 50-60% of priority need in Cotswold, Forest of Dean and Stroud, but only 41% or below in each of the SLP authorities. Similarly, the SLP authorities have high levels of priority need for 3+ bedroom homes, which make up around 36% of priority need in Gloucester and Tewkesbury and 45% in Cheltenham.

Table 7-9: Size of Social/Affordable Rented Housing Needed for Emergency, Gold & Silver bands – Housing Register Information (November 2025)

		1-bed	2-bed	3-bed	4-bed	5+ bed	TOTAL
Cotswold	No.	218	67	56	25	4	370
	%	58.9%	18.1%	15.1%	6.8%	1.1%	100.0%
Forest of Dean	No.	270	102	91	33	5	501
	%	53.9%	20.4%	18.2%	6.6%	1.0%	100.0%
Stroud	No.	616	184	185	74	24	1,083
	%	56.9%	17.0%	17.1%	6.8%	2.2%	100.0%
Cheltenham	No.	276	176	266	105	25	823
	%	33.5%	21.4%	32.3%	12.8%	3.0%	100.0%
Gloucester	No.	789	439	496	156	43	1,923
	%	41.0%	22.8%	25.8%	8.1%	2.2%	100.0%
Tewkesbury	No.	320	200	183	90	19	812
	%	39.4%	24.6%	22.5%	11.1%	2.3%	100.0%
SLP (Subtotal)	No.	1,385	815	945	351	87	3,558
	%	38.9%	22.9%	26.6%	9.9%	2.4%	100.0%
TOTAL	No.	2,489	1,168	1,277	483	120	5,512
	%	45.2%	21.2%	23.2%	8.8%	2.2%	100.0%

Source: Iceni analysis of Gloucestershire Housing Register data

Households and occupancy

Changes to households by age (Step 1)

7.22 The method to consider future housing mix looks at the ages of the Household Reference Persons (HRPs) and how these are projected to change over time. As noted in the methodology overview earlier in this chapter, HRPs are determined by the ONS for each household, and are essentially the head of the household.

7.23 The table below presents the projected change in households by age of HRP based on the Standard Method for calculating housing need. This shows growth as being expected in all age groups and in particular older age groups (notably 85+), although some high growth is also projected in younger age groups, in part due to an assumption that household formation could improve over time.

Table 7-10: Projected Change in Household by Age of HRP in Gloucestershire

	2024	2046	Change in Households[30]	% Change
Under 25	6,495	9,278	2,782	42.8%
25-34	34,817	47,462	12,646	36.3%
35-49	69,256	96,926	27,670	40.0%
50-64	84,048	98,464	14,417	17.2%
65-74	42,363	50,684	8,320	19.6%
75-84	37,969	56,535	18,566	48.9%
85+	15,683	31,240	15,557	99.2%
TOTAL	290,630	390,589	99,959	34.4%

Source: Iceni Analysis

[30] Note as set out in Chapter 4, a standard 3% vacancy rate has been assumed, resulting in the number of households added being slightly lower than the number of homes added.

7.24 As shown below, the high rate of growth in older age groups is expected the see them making up a higher proportion of households by HRP over time. For example, households with a HRP aged 85+ made up only 5.4% of households in 2024, but this would increase to 8.0% by 2046.

Table 7-11: Projected Change in Household by Age of HRP in Gloucestershire

	2024	% of 2024 households	2046	% of 2046 households
Under 25	6,495	2.2%	9,278	2.4%
25-34	34,817	12.0%	47,462	12.2%
35-49	69,256	23.8%	96,926	24.8%
50-64	84,048	28.9%	98,464	25.2%
65-74	42,363	14.6%	50,684	13.0%
75-84	37,969	13.1%	56,535	14.5%
85+	15,683	5.4%	31,240	8.0%
TOTAL	290,630	100.0%	390,589	100.0%

Source: Iceni Analysis

Understanding how households occupy homes (Step 2)

7.25 While the demographic projections provide a good indication of how the population and household structure will develop, it is not a simple task to convert the net increase in the number of households into a suggested profile for additional housing to be provided. The main reason for this is that in the market sector in particular, households are able to buy or rent any size of property (subject to what they can afford) and therefore knowledge of the profile of households in an area does not directly transfer into the sizes of property to be provided.

7.26 The size of housing which households occupy in the market sector relates more to their wealth and age than the number of people they contain. For example, there is no reason why a single person cannot buy (or choose to live in) a 4-bedroom home as long as they can afford

it, and hence projecting an increase in single-person households does not automatically translate into a need for smaller units.

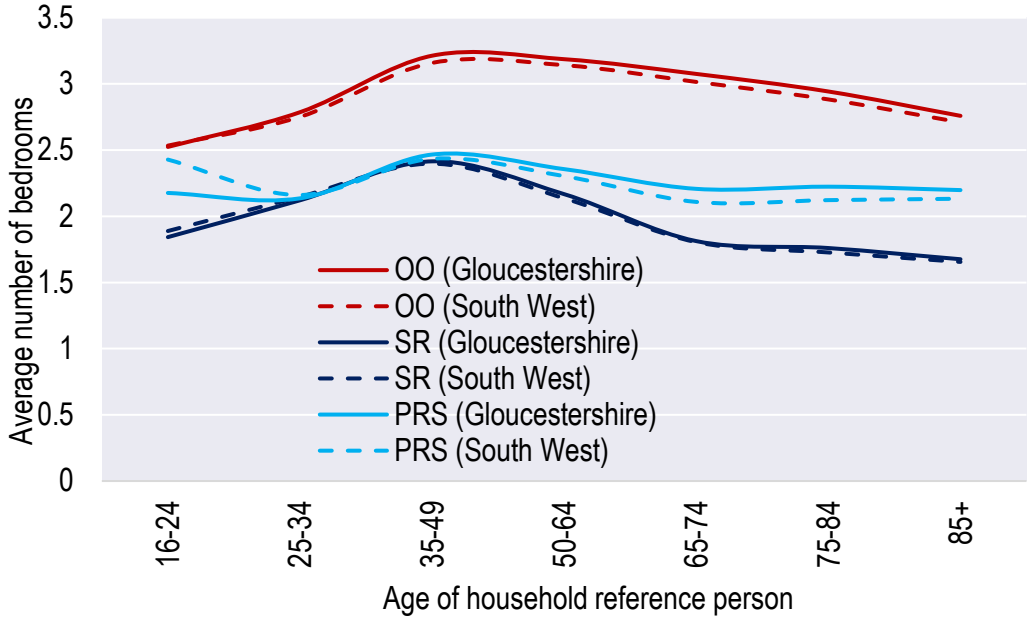
7.27 That said, issues of supply can also impact occupancy patterns, for example, it may be that a supply of additional smaller-level access homes would encourage older people to downsize but in the absence of such accommodation, these households remain living in their larger accommodation.

7.28 The issue of choice is less relevant in the affordable sector (particularly since the introduction of the social sector size criteria) where households are allocated properties which reflect the size of the household, although there will still be some level of under-occupation moving forward with regard to older person and working households who may be able to under-occupy housing (e.g. those who can afford to pay the spare room subsidy ('bedroom tax')).

7.29 The approach used is to interrogate information derived in the projections about the number of HRPs in each age group and apply this to the profile of housing within these groups (data being drawn from the 2021 Census).

7.30 The figure below shows an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group for Gloucestershire and the South West region. In all sectors, the average size of accommodation rises over time to typically reach a peak around the age of 50. After peaking, the average dwelling size decreases slightly – as typically some households downsize as they get older. The analysis also shows the area as having broadly similar dwelling sizes by age and tenure when compared to the South West.

Figure 7-3: Average Bedrooms by Age and Tenure in Gloucestershire and the region



Source: Census (2021)

7.31 The analysis uses the existing occupancy patterns at a local and regional level as a starting point for analysis and applies these to the projected changes in HRP by age discussed below. The analysis has been used to derive outputs for three broad categories. These are:

- **Market Housing** – which is taken to follow the occupancy profiles in the market sector (i.e. owner-occupiers and the private rented sector);

- **Affordable Home Ownership** – which is taken to follow the occupancy profile in the private rented sector (this is seen as reasonable as the Government's desired growth in home ownership looks to be largely driven by a wish to see households move out of private renting); and

- **Rented Affordable Housing** – which is taken to follow the occupancy profile in the social rented sector. The affordable sector in the analysis to follow would include social and affordable rented housing.

Modelled outputs

Initial modelled mix (Step 3)

7.32 By following the methodology set out above and drawing on the sources shown, a series of outputs have been derived to consider the likely size requirement of housing within each of the three broad tenures at a local authority level.

7.33 The table below shows the modelled outputs of need by dwelling size in the three broad tenures. The need for market housing is strongest for 3+-bedroom homes; for affordable home ownership for 2- and 3-bedroom homes; and rented affordable housing showing a slightly smaller profile again.

Table 7-12: Initial Modelled Mix of Housing by Size and Tenure based on proposed housing distribution – Gloucestershire

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	8%	27%	41%	25%
Affordable home ownership	22%	38%	29%	11%
Affordable housing (rented)	30%	37%	29%	4%

Source: Housing Market Model

Rightsizing (Step 4)

7.34 The analysis above sets out the potential need for housing if occupancy patterns remain the same as they were in 2021 (with differences from the current stock profile being driven by demographic change). It is however worth also considering that the 2021 profile will have included households who are overcrowded (and therefore need a larger home than they actually live in) and also those who under-occupy (have more bedrooms than they need).

7.35 There is a case to seek for new stock to more closely match actual size requirements. Whilst it would not be reasonable to expect to remove all under-occupancy (particularly in the market sector) it is the case that in seeking to make the most efficient use of land it would be prudent to look to reduce this over time. Further analysis has been undertaken to take account of overcrowding and under-occupancy (by tenure).

7.36 The table below shows a cross-tabulation of a household's occupancy rating and the number of bedrooms in their home (for owner-occupiers) using 2021 Census data. This shows a high number of households with at least 2 spare bedrooms who are living in homes with 3 or more bedrooms. There are also a number of overcrowded households. In the owner-occupied sector in 2021, there were 171,000 households with some degree of under-occupation and around 1,600 overcrowded households – some 88% of all owner-occupiers have some degree of under-occupancy.

Table 7-13: Cross-tabulation of occupancy rating and number of bedrooms (owner-occupied sector) – Gloucestershire

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	52,492	54,959	107,451
+1 spare bedrooms	0	32,036	22,987	8,557	63,580
0 "Right sized"	5,930	5,718	7,896	1,124	20,668
-1 too few bedrooms	181	529	677	197	1,584
TOTAL	6,111	38,283	84,052	64,837	193,283

Source: Census (2021)

7.37 For completeness the tables below show the same information for the social and private rented sectors. In both cases there are more under-occupying households than overcrowded, but differences are less marked than seen for owner-occupied housing.

Table 7-14: Cross-tabulation of occupancy rating and number of bedrooms (social rented sector) – Gloucestershire

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	2,834	567	3,401
+1 spare bedrooms	0	5,471	3,286	541	9,298
0 “Right sized”	10,296	6,662	4,322	428	21,708
-1 too few bedrooms	363	998	789	101	2,251
TOTAL	10,659	13,131	11,231	1,637	36,658

Source: Census (2021)

Table 7-15: Cross-tabulation of occupancy rating and number of bedrooms (private rented sector) – Gloucestershire

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	5,423	3,752	9,175
+1 spare bedrooms	0	11,853	5,579	1,393	18,825
0 “Right sized”	10,282	6,045	2,938	540	19,805
-1 too few bedrooms	542	730	332	75	1,679
TOTAL	10,824	18,628	14,272	5,760	49,484

Source: Census (2021)

7.38 In using this data in the modelling an adjustment is made to move some of those who would have been picked up in the modelling as under-occupying into smaller accommodation. Where there is under-occupation by 2 or more bedrooms, the adjustment takes 25% of this group and assigns to a ‘+1’ occupancy. This does need to be recognised as an assumption but can be seen to be reasonable as they do retain some (considerable) degree of under-occupation (which is

likely) but does also seek to model a better match between household needs and the size of their home. For overcrowded households, a move in the other direction is made: in this case, households are moved up as many bedrooms as is needed to resolve the problems (this is applied for all overcrowded households).

7.39 The adjustments for under-occupation and overcrowding lead to the suggested mix as set out in the following tables. It can be seen that this tends to suggest a very slightly different profile of homes as being needed (compared to the initial modelling) including an increase in the need for 4+-bedroom homes in the rented affordable housing sector due to levels of overcrowding and a reduction in the 4+-bedroom market need due to high levels of under-occupancy.

Table 7-16: Modelled Mix of Housing by Size and Tenure – Gloucestershire

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	7%	33%	41%	20%
Affordable home ownership	21%	40%	29%	10%
Affordable housing (rented)	29%	37%	28%	6%

Source: Housing Market Model

Affordable housing supply vs need by size (Step 5)

7.40 A further analysis of the need for rented affordable housing is to compare the need with the supply (turnover) of different sizes of accommodation. This links back to estimates of need in the previous section (an annual need for 1,247 dwellings per annum from households unable to buy OR rent) with additional data from CoRe about the sizes of homes let over the past three years.

7.41 This analysis is quite clear in showing the low supply of larger homes relative to the need for 4+-bedroom accommodation in particular, where

it is estimated the supply is only around 30% of the need arising each year, whereas for 1- and 2-bedroom homes over half of the need can be met. This is considered further in step 6 below.

Table 7-17: Need for rented affordable housing by number of bedrooms – Gloucestershire

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	734	374	359	28.9%	51.0%
2-bedrooms	949	488	461	36.9%	51.4%
3-bedrooms	551	196	354	28.5%	35.6%
4+-bedrooms	104	31	73	5.7%	30.0%
Total	2,337	1,090	1,247	100.0%	46.6%

Source: Iceni analysis

7.42 Across the County, the analysis points to over a quarter of the social/affordable housing need being for 1-bedroom homes and it is of interest to see how much of this is due to older person households (noting variation in the number of bedrooms required by level of priority, as considered earlier in this chapter).

7.43 In the future household sizes are projected to drop whilst the population of older people will increase. Older person households (as shown earlier) are more likely to occupy smaller dwellings. The impacts of older people have on demand for smaller stock is outlined in the table below.

7.44 This indeed identifies a slightly larger profile of homes needed for households where the household reference person is aged Under 65, with a concentration of 1-bedroom homes for older people. This information can be used to inform the mix required for housing for older people (e.g. age restricted), although it does need to be noted that not all older people would be expected to live in homes solely for older people.

7.45 The 2, 3, and 4+-bedroom categories have been merged for the purposes of older persons, as we would not generally expect many (if any) households in this category to need (or indeed be able to be allocated) more than 2-bedrooms in the rented affordable housing sector.

Table 7-18: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Gloucestershire

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	20%	39%	33%	7%
65 and over	47%	53%		
All affordable housing (rented)	29%	37%	28%	6%

Source: Housing Market Model

Local authority level results

7.46 The series of tables below show outputs using the same method for each local authority. For each area three tables are provided, one with the mix by size and tenure, a second looking at rented affordable housing and turnover and the third looking at older persons in the rented affordable housing sector. In all cases the data is for the 2024-46 period.

Cheltenham

Table 7-19: Modelled Mix of Housing by Size and Tenure – Cheltenham

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	10%	34%	38%	18%
Affordable home ownership	25%	40%	25%	10%
Affordable housing (rented)	30%	37%	28%	6%

Source: Housing Market Model

Table 7-20: Need for rented affordable housing by number of bedrooms – Cheltenham

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	134	53	81	29.6%	39.3%
2-bedrooms	166	65	101	36.8%	39.1%
3-bedrooms	109	33	76	27.6%	30.1%
4+-bedrooms	21	4	16	5.9%	20.9%
Total	430	155	275	100.0%	36.0%

Source: Iceni analysis

Table 7-21: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Cheltenham

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	21%	41%	30%	7%
65 and over	51%	49%		
All affordable housing (rented)	30%	37%	28%	6%

Source: Housing Market Model

Cotswold

Table 7-22: Modelled Mix of Housing by Size and Tenure – Cotswold

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	6%	32%	41%	21%
Affordable home ownership	17%	42%	31%	10%
Affordable housing (rented)	28%	39%	28%	5%

Source: Housing Market Model

Table 7-23: Need for rented affordable housing by number of bedrooms – Cotswold

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	121	69	52	28.1%	57.2%
2-bedrooms	152	81	71	38.7%	53.2%
3-bedrooms	93	41	52	28.4%	43.7%
4+-bedrooms	12	3	9	4.8%	24.2%
Total	378	193	184	100.0%	51.2%

Source: Iceni analysis

Table 7-24: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Cotswold

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	22%	39%	33%	6%
65 and over	39%	61%		
All affordable housing (rented)	28%	39%	28%	5%

Source: Housing Market Model

Forest of Dean

Table 7-25: Modelled Mix of Housing by Size and Tenure – Forest of Dean

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	6%	33%	41%	19%
Affordable home ownership	18%	41%	31%	10%
Affordable housing (rented)	30%	35%	29%	6%

Source: Housing Market Model

Table 7-26: Need for rented affordable housing by number of bedrooms – Forest of Dean

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	74	42	32	30.0%	56.2%
2-bedrooms	96	58	38	35.1%	60.4%
3-bedrooms	60	28	32	29.2%	47.0%
4+-bedrooms	10	4	6	5.6%	38.3%
Total	239	131	108	100.0%	54.9%

Source: Iceni analysis

Table 7-27: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Forest of Dean

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	17%	41%	35%	7%
65 and over	55%	45%		
All affordable housing (rented)	30%	35%	29%	6%

Source: Housing Market Model

Gloucester

Table 7-28: Modelled Mix of Housing by Size and Tenure – Gloucester

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	8%	33%	41%	18%
Affordable home ownership	20%	40%	29%	12%
Affordable housing (rented)	29%	36%	28%	7%

Source: Housing Market Model

Table 7-29: Need for rented affordable housing by number of bedrooms – Gloucester

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	172	81	91	29.4%	46.9%
2-bedrooms	194	83	110	35.5%	43.0%
3-bedrooms	110	23	88	28.3%	20.4%
4+-bedrooms	26	5	21	6.8%	18.4%
Total	502	191	311	100.0%	38.1%

Source: Iceni analysis

Table 7-30: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Gloucester

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	23%	37%	32%	8%
65 and over	48%	52%		
All affordable housing (rented)	29%	36%	28%	7%

Source: Housing Market Model

Stroud

Table 7-31: Modelled Mix of Housing by Size and Tenure – Stroud

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	7%	32%	41%	21%
Affordable home ownership	20%	42%	29%	9%
Affordable housing (rented)	29%	37%	28%	6%

Source: Housing Market Model

Table 7-32: Need for rented affordable housing by number of bedrooms – Stroud

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	125	79	45	29.2%	63.8%
2-bedrooms	188	131	57	36.9%	69.6%
3-bedrooms	85	42	44	28.3%	48.8%
4+-bedrooms	15	6	9	5.6%	41.0%
Total	412	258	154	100.0%	62.6%

Source: Iceni analysis

Table 7-33: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Stroud

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	19%	39%	34%	8%
65 and over	47%	53%		
All affordable housing (rented)	29%	37%	28%	6%

Source: Housing Market Model

Tewkesbury

Table 7-34: Modelled Mix of Housing by Size and Tenure – Tewkesbury

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	6%	31%	42%	21%
Affordable home ownership	19%	40%	32%	10%
Affordable housing (rented)	27%	39%	29%	6%

Source: Housing Market Model

Table 7-35: Need for rented affordable housing by number of bedrooms – Tewkesbury

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	108	51	57	26.5%	47.2%
2-bedrooms	153	70	83	38.5%	45.8%
3-bedrooms	94	31	63	29.3%	32.8%
4+-bedrooms	22	10	12	5.6%	44.2%
Total	376	161	215	100.0%	42.9%

Source: Iceni analysis

Table 7-36: Modelled Mix of Housing by Size and Age – affordable housing (rented) – Tewkesbury

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	18%	40%	35%	7%
65 and over	47%	53%		
All affordable housing (rented)	27%	39%	29%	6%

Source: Housing Market Model

SLP area

Table 7-37: Modelled Mix of Housing by Size and Tenure – SLP area

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	8%	33%	40%	19%
Affordable home ownership	22%	40%	28%	10%
Affordable housing (rented)	29%	36%	28%	6%

Source: Housing Market Model

Table 7-38: Need for rented affordable housing by number of bedrooms – SLP area

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	414	184	230	29.1%	44.5%
2-bedrooms	513	218	295	36.5%	42.6%
3-bedrooms	313	86	227	28.3%	27.5%
4+-bedrooms	68	19	49	6.1%	27.4%
Total	1,308	507	801	100.0%	38.8%

Source: Iceni analysis

Table 7-39: Modelled Mix of Housing by Size and Age – affordable housing (rented) – SLP area

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	21%	39%	32%	8%
65 and over	49%	51%		
All affordable housing (rented)	29%	36%	28%	6%

Source: Housing Market Model

Housing Mix Recommendations (Step 6)

7.47 The analysis below provides some indicative targets for different sizes of home (by tenure). The conclusions take account of a range of factors, including the modelled outputs and an understanding of the stock profile and levels of under-occupancy and overcrowding.

Social/Affordable Rented

7.48 Bringing together analysis earlier in this chapter, a number of factors are recognised including:

- The modelled need results (i.e. the results of step 4) provide an initial estimate of an appropriate housing mix, taking account of demographics

- It is unlikely that all affordable housing needs will be met, and households with a need for larger homes will generally have greater priority (as they are more likely to contain children) – this is shown by the comparison of the overall housing register and emergency – silver band figures. This means a higher percentage of larger homes could be justified.

- 4+ bedroom homes make up a very small proportion of lettings, reflecting a low level of turnover and available supply. As a result, this supply is generally a very low percentage of gross need (as low as around 20% in some authorities).

- In meeting needs for larger homes, there is the potential to create chains of moves which release supply of smaller properties which can be occupied by other households.

7.49 The following tables summarise the quantitative findings for each authority and then synthesise them to provide a recommended housing mix. This is based on the modelled need and housing register, but with a greater preference towards larger 4+ bedroom homes to reflect the second and third points above.

7.50 Taking Cotswold District as an example, the modelled need is focused towards smaller properties with 5% of the need for 4+ bed homes. However 8% of those on the Housing Register in priority need categories need 4+ bed homes, and there is a much weaker supply through relets than for other bed sizes – with just 2% of lettings of these larger properties. These relative challenges associated with meeting the 4+ bed needs are shown in the supply position relative to need – which is much lower than for other dwelling sizes. For these reasons, a higher proportion of delivery of 4+ bed homes (at up to 15%) is justified and doing so will help create chains of moves, releasing smaller properties for other households.

Table 7-40 Recommended Mix – Social/ Affordable Rented - Cotswold

Bedrooms	Inputs					**Recommended percentages**
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	28%	59%	58%	36%	57%	**25 - 35%**
2	39%	18%	26%	42%	53%	**30 - 40%**
3	28%	15%	13%	21%	44%	**20 - 30%**
4+	5%	8%	4%	2%	24%	**5 - 15%**

Source: Iceni analysis

Table 7-41 Recommended Mix – Social/ Affordable Rented – Forest of Dean

Bedrooms	Inputs					Recommended percentages
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	30%	54%	57%	32%	56%	**30 - 40%**
2	35%	20%	26%	44%	60%	**30 - 40%**
3	29%	18%	13%	21%	47%	**20 - 30%**
4+	6%	8%	4%	3%	38%	**5 - 15%**

Source: Iceni analysis

Table 7-42 Recommended Mix – Social/ Affordable Rented – Stroud

Bedrooms	Inputs					Recommended percentages
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	29%	57%	64%	31%	64%	**25 - 35%**
2	37%	17%	21%	51%	70%	**30 - 40%**
3	28%	17%	11%	16%	49%	**25 - 30%**
4+	6%	9%	4%	2%	41%	**5 - 15%**

Source: Iceni analysis

Table 7-43 Recommended Mix – Social/ Affordable Rented – Cheltenham

Bedrooms	Inputs					Recommended percentages
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	30%	34%	55%	34%	39%	**25 - 35%**
2	37%	21%	25%	42%	39%	**30 - 40%**
3	28%	32%	16%	21%	30%	**25 - 30%**
4+	6%	13%	5%	3%	21%	**10 - 15%**

Source: Iceni analysis

Table 7-44 Recommended Mix – Social/ Affordable Rented – Gloucester

Bedrooms	Inputs					Recommended percentages
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	29%	41%	54%	42%	47%	**25 - 35%**
2	36%	23%	24%	43%	43%	**30 - 40%**
3	28%	26%	16%	12%	20%	**25 - 30%**
4+	7%	10%	6%	3%	18%	**10 - 15%**

Source: Iceni analysis

Table 7-45 Recommended Mix – Social/ Affordable Rented – Tewkesbury

Bedrooms	Inputs					**Recommended percentages**
	% of modelled need	% of housing register (Emergency - Silver)	% of housing register (overall)	% of supply (lettings)	Supply as a % of gross need	
1	27%	39%	47%	32%	47%	**25 - 35%**
2	39%	25%	30%	43%	46%	**30 - 40%**
3	29%	23%	17%	19%	33%	**30 - 35%**
4+	6%	13%	7%	6%	44%	**5 - 15%**

Source: Iceni analysis

7.51 These recommendations are brought together in the table below. Recommended ranges are broadly similar cross the authorities, but with some differences including:

- More weighting towards 4+ bedroom homes in Gloucester and Cheltenham to reflect the combination of need as expressed in their priority registers, and the very low rate of supply compared to gross need
- A higher percentage of 3 bedroom homes in Tewkesbury, Gloucester and Cheltenham given low rates of supply compared to gross need, along with Gloucester and Cheltenham's priority register data

Table 7-46 Recommended Mix – Social/ Affordable Rented

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	25-35%	25-35%	30-40%	25-35%	25-35%	25-35%
2	25-35%	30-40%	30-40%	25-35%	30-40%	30-40%
3	30-35%	20-30%	20-30%	30-35%	25-30%	30-35%
4+	10-15%	5-15%	5-15%	10-15%	5-15%	5-15%

Source: Iceni analysis

7.52 If a development is to include housing specifically for older people (e.g. forms of age-restricted housing) then broadly a 50:50 split between 1-

and 2-bedroom homes is recommended. The inclusion of some 2-bedroom homes is considered sensible with the aim to promote the opportunity for older person households to downsize – a 2-bed offering being more likely to encourage this than 1-bed homes, as well as offering the ability for stay-at-home carers, friends and family to support these individuals overnight as required. Also, whilst technically most older person households will only have a 'need' for a 1-bed home, a larger property remains affordable as most older person households are not impacted by the bedroom tax/spare room subsidy.

7.53 It should be noted that the above recommendations are to a considerable degree based on projecting the need forward to 2046 and will vary over time. It may be at a point in time the case that Housing Register data identifies a shortage of housing of a particular size/type which could lead to the mix of housing being altered from the overall suggested requirement.

Affordable Home Ownership

7.54 In the affordable home ownership sector a profile of housing that more closely matches the outputs of the modelling is suggested. It is considered that the provision of affordable home ownership should be more explicitly focused on delivering smaller family housing for younger households and childless couples – with a focus on 2- and 3-bed properties. The conclusions also take account of the earlier observation that it may be difficult to make homes genuinely affordable for AHO due to newbuild prices (particularly larger 4+ bedroom homes).

7.55 The following tables summarise the analytical results and then provided recommended housing mix percentages based on these considerations.

Table 7-47 Recommended Mix – Affordable home ownership - Cotswold

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	17%	6%	**15-20%**
2	42%	54%	**40-50%**
3	31%	36%	**25-35%**
4+	10%	4%	**5-10%**

Source: Iceni analysis

Table 7-48 Recommended Mix – Affordable home ownership – Forest of Dean

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	18%	3%	**15-25%**
2	41%	43%	**35-45%**
3	31%	47%	**25-35%**
4+	10%	6%	**5-10%**

Source: Iceni analysis

Table 7-49 Recommended Mix – Affordable home ownership - Stroud

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	20%	6%	**15-25%**
2	42%	51%	**35-45%**
3	29%	37%	**25-35%**
4+	9%	6%	**5-10%**

Source: Iceni analysis

Table 7-50 Recommended Mix – Affordable home ownership - Cheltenham

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	25%	10%	**20-30%**
2	40%	55%	**35-45%**
3	25%	30%	**20-30%**
4+	10%	5%	**5-10%**

Source: Iceni analysis

Table 7-51 Recommended Mix – Affordable home ownership - Gloucester

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	20%	12%	**15-25%**
2	40%	47%	**35-45%**
3	29%	35%	**25-35%**
4+	12%	5%	**5-15%**

Source: Iceni analysis

Table 7-52 Recommended Mix – Affordable home ownership - Tewkesbury

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	19%	6%	**15-25%**
2	40%	53%	**35-45%**
3	32%	38%	**25-35%**
4+	10%	3%	**5-10%**

Source: Iceni analysis

Table 7-53 Recommended mix summary – Affordable home ownership

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	20-30%	15-20%	15-25%	15-25%	15-25%	15-25%
2	35-45%	40-50%	35-45%	35-45%	35-45%	35-45%
3	20-30%	25-35%	25-35%	25-35%	25-35%	25-35%
4+	5-10%	5-10%	5-10%	5-15%	5-10%	5-10%

Market Housing

7.56 Finally, in the market sector, a balance of dwellings is suggested that takes account of both the demand for homes and the changing demographic profile (as well as observations about the current mix when compared with other locations and also the potential to slightly reduce levels of under-occupancy).

7.57 We have had regard to the potential for rightsizing but also recognise that in the market sector there is limited ability to control what households purchase. This sees a slightly larger recommended profile compared with other tenure groups.

7.58 As such, the recommended size mix largely reflects the modelled need, which includes an element of rightsizing downsizing as per Step 4 of the analysis. However, an adjustment has been made to preference homes with 1 and 2 bedrooms, reflecting the greater relative affordability of smaller homes (noting the severe affordability constraints in parts of the County).

7.59 The recommended mix percentages would see a shift in market housing across all authorities, with greater proportions of 2 bedroom homes in new stock compared to existing stock. There would also be an increased proportion of 1 bedroom homes in all authorities except Cheltenham and Gloucester.

Table 7-54 Recommended Mix – Market housing – Cotswold

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	6%	5%	**5-10%**
2	32%	20%	**30-35%**
3	41%	39%	**35-45%**
4+	21%	37%	**15-25%**

Source: Iceni analysis

Table 7-55 Recommended Mix – Market housing– Forest of Dean

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	6%	4%	**5-10%**
2	33%	22%	**30-40%**
3	41%	45%	**35-45%**
4+	19%	28%	**15-25%**

Source: Iceni analysis

Table 7-56 Recommended Mix – Market housing- Stroud

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	7%	6%	**5-15%**
2	32%	21%	**30-40%**
3	41%	39%	**30-40%**
4+	21%	34%	**15-25%**

Source: Iceni analysis

Table 7-57 Recommended Mix – Market housing- Cheltenham

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	10%	12%	**10-20%**
2	34%	27%	**30-40%**
3	38%	35%	**30-40%**
4+	18%	25%	**10-20%**

Source: Iceni analysis

Table 7-58 Recommended Mix – Market housing- Gloucester

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	8%	8%	**10-15%**
2	33%	25%	**30-40%**
3	41%	44%	**35-45%**
4+	18%	23%	**15-20%**

Source: Iceni analysis

Table 7-59 Recommended Mix – Market housing- Tewkesbury

Bedrooms	Inputs		Recommended percentages
	% of modelled need	% of existing stock	
1	6%	5%	**5-10%**
2	31%	20%	**30-40%**
3	42%	43%	**35-45%**
4+	21%	32%	**15-25%**

Source: Iceni analysis

7.60 The following tables summarises these recommendations for each authority. Recommendations are similar, but there is a slightly higher recommended percentage of one bedroom homes in Cheltenham,

Gloucester and to a lesser extend Stroud, reflecting the modelled need in these places.

Table 7-60 Recommended mix summary – Market housing

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	10-20%	5-10%	5-10%	10-15%	5-15%	5-10%
2	30-40%	30-40%	30-40%	30-40%	30-40%	30-40%
3	30-40%	35-45%	35-45%	35-45%	30-40%	35-45%
4+	10-20%	15-25%	15-25%	15-20%	15-25%	15-25%

Applying housing mix recommendations

7.61 The analysis has developed recommendations on the basis of the market modelling and an understanding of the current housing market (including the stock profile in different tenures as set out earlier in this section). However, it does not necessarily follow that the figures, particularly for market housing, should be applied prescriptively to every development site. Site location and area character are also relevant considerations as to what the appropriate mix of market housing on individual development sites.

7.62 Recommendations have been provided as ranges in order to provide a degree of flexibility in application of housing mix policies to individual sites, reflecting their individual characteristics. However, it will be up to each authority to develop housing mix policies in their local plans, in which they may wish to develop more specific policies for different contexts. In this case, the discussion above could be used as the basis for policy development, but Iceni still consider that there should be some degree of flexibility when implementing policies on a site by site basis. Policies should expect justification to be provided as part of planning applications for substantive deviation from the mix set out, in particular on larger sites.

7.63 Demand can change over time linked to macro-economic factors and local supply. The suggested figures can be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area. The recommendations can also be used as a set of guidelines to consider the appropriate mix on larger development sites, and the Councils could expect justification for a housing mix on such sites which significantly differs from that modelled herein.

7.64 There may be reasons why a different mix might be reasonable at a smaller-area level (as discussed below). It should be recognised that there will be variations in the need within the County due to the different role and function of a location and the specific characteristics of local households (which can also vary over time).

7.65 As well as looking at the smaller-area housing mix modelled in this report, data is available that can help inform specific local issues (including data about household composition, current housing mix and overcrowding/under-occupation). Below are some points for consideration when looking at needs in any specific location.

- Whilst there are differences in the stock profile in different locations this should not necessarily be seen as indicating particular surpluses or shortfalls of particular types and sizes of homes;

- As well as looking at the stock, an understanding of the role and function of areas is important. For example, areas traditionally favoured by family households might be expected to provide a greater proportion of larger homes;

- That said, some of these areas will have very few small/cheaper stocks and so consideration needs to be given to diversifying the stock; and

- The location/quality of sites will also have an impact on the mix of housing. For example, brownfield sites in urban locations may be more suited to flatted development (as well as recognising the point above about role and function) whereas a more suburban/rural site may be more appropriate for family housing. Other considerations (such as proximity to public transport) may impact on a reasonable mix at a local level.

7.66 Additionally, in the affordable sector it may be the case that Housing Register data for a smaller area identifies a shortage of housing of a particular size/type which could lead to the mix of housing being altered from the overall suggested requirement.

Summary

7.67 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. The proportion of households with dependent children in Gloucestershire is low in a national context with around 26% of all households containing dependent children in 2021. There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas as lone parents are particularly likely to live in social and private rented accommodation.

7.68 There are a range of factors which will influence demand for different sizes of homes, including demographic changes; future growth in real earnings and households' ability to save; economic performance and housing affordability. The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of 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).

7.69 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. For rented affordable housing there is a clear need for a range of different sizes of homes, with the majority of need for 1-2 bedroom homes, but up to 45% to have at least 3-bedrooms of up to 15% should have at least 4-bedrooms (noting limited supply of larger

affordable homes and priority needs for families). The strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues. The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.

7.70 The mix identified in this section could inform strategic policies although a flexible approach should be adopted. For example, in some areas affordable housing registered providers may find difficulties selling 1-bedroom affordable home ownership (AHO) homes and therefore the 1-bedroom elements of AHO might be better provided as 2-bedroom accommodation, or councils could consider a range of AHO products that cater to needs. That said, given current house prices there are potential difficulties in making AHO genuinely affordable.

7.71 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 Councils should also monitor the mix of housing delivered.

8. Housing Market Segments

Delivery Rates

8.1 To support the increase in housing delivery implied by the standard method in Gloucestershire, local plan policies and allocations would need to facilitate a steady and increased flow of new homes across the plan period. This section considers typical site delivery rates in Gloucestershire, and at a high level how they could be increased in the future.

8.2 Site lead-in times and built-out rates (i.e. number of homes delivered per year) are fundamental to understanding the contribution each site can be expected to make to housing delivery per year, and whether sites can be expected to be delivered within the proposed plan period. Understanding likely lead-in times and build-out rates will also be critical to building a robust housing trajectory and assessing the five-year housing land supply.

8.3 Factors which can influence the build-out rate include the strength of the local market, macro-economic influences (from interest rates to support to new-build sales from the Help-to-Buy scheme) and the level of affordable housing provision.

National evidence

8.4 Research by Lichfields' entitled Start to Finish has considered lead-in times and build-out rates for different sizes of residential sites. The latest evidence is set out in the 3rd Edition of the research, which was published in September 2024. The research focuses on sites of 500+ dwellings.

8.5 Lichfields' analysis of build-out rates focuses on larger sites and is based on taking annual completions data and then extrapolating build

rates from this. Their report sets out that the data excludes any sites which have less than three years of completions data as completions data would (often) not cover whole monitoring years which could distort the analysis. This means in particular that the results will be less reliable for smaller sites.

8.6 The core outputs of the research show mean and median build out rates, which we have replicated below.

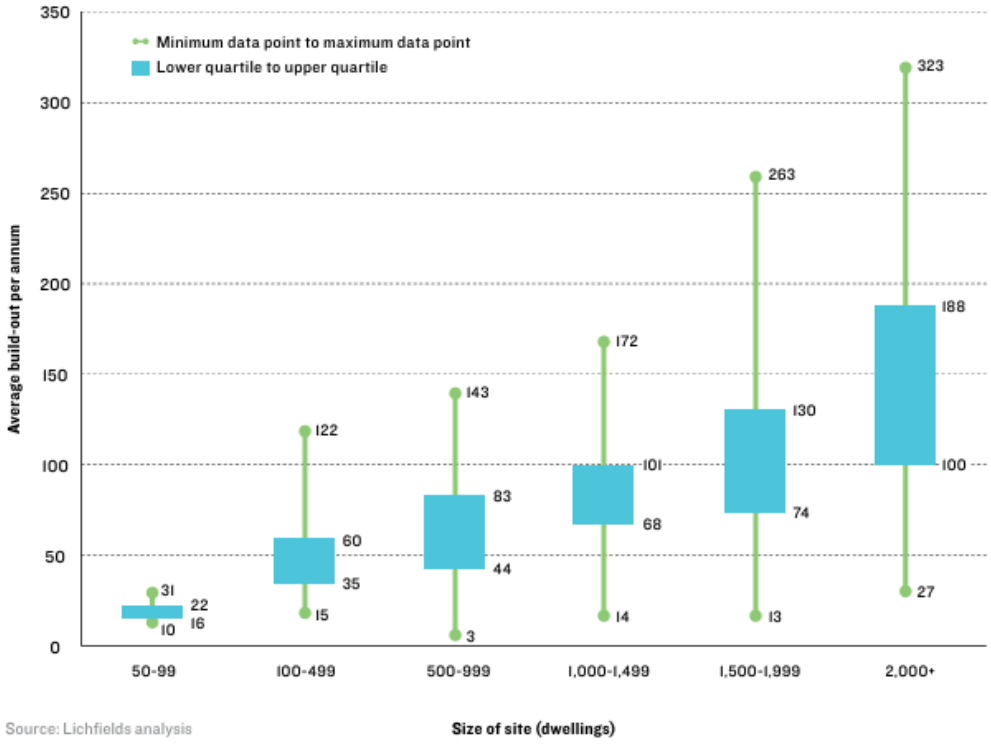
Table 8-1: Mean and Median Build Out Rates (homes per year) in Lichfields national research

Scheme size (total number of dwellings)	Mean rate	Median rate
50-99	22	18
100-499	55	44
500-999	68	68
1,000-1,499	107	87
1,500-1,999	120	104
2,000+	160	138

Source: Lichfield's Start to Finish (3rd Edition, November 2024)

8.7 However, their analysis shows a notable spread of build rates across the sample of sites considered, as the chart below shows; and the report itself comments on the wide range of factors which can influence the build-out rate.

Figure 8-1: Variance in Build Out Rates by Site Size in Lichfields' national research



Source: Lichfields' Start to Finish (3rd Edition, Nov 2024)

8.8 Factors which can influence the build-out rate include the strength of the local market, macro-economic influences (from interest rates to support to new-build sales from the Help-to-Buy scheme) to the level of affordable housing provision. The Lichfields' research showed higher housing delivery on greenfield sites, those in areas with more acute affordability pressures and higher levels of affordable housing. It also showed that greenfield schemes were generally built-out faster than those on brownfield sites – identifying (logically) that flatted development tended to have a more lumpy build-out (with blocks completed in one go) and be more susceptible to market downturns.

8.9 The number of outlets was also found to be a key factor influencing the build-out rate (as shown in the table below).

Table 8-2: Average Completions per Outlet in Lichfields' national research

No of Outlets	Average annual completions	Average completions per outlet
1	69	69
2	123	62
3	164	55
4	230	57
5	286	57

Source: Lichfields' Start to Finish (3rd Edition, November 2024)

8.10 We would comment that on strategic sites, a broader key influence on the build out rate would be product differentiation. So whilst the Lichfields' research points to the influence of outlets and the level of affordable housing provision, equally provision of retirement housing / care homes and build-to-rent development within schemes could help to support build rates – and indeed support increasing build rates above the averages shown in this national research.

Local build out rates

8.11 Iceni has considered analysed local build out rates since 2008 using data showing the number and timing of lodged EPC certificates for new dwellings across the six Gloucestershire authorities.

8.12 Postcode-level data has been manually grouped to identify a selection of development sites of different scales, with the number of certificates per year then providing an indication of the build out rate on each site. This analysis intended to assess build-out-rates in a typical year, and so any data for the first or last year of development in which only a few homes were completed (i.e. development was just starting or finishing) was excluded.

8.13 This analysis provides an estimate of local build out rates using a consistent dataset and method across Gloucestershire's six authorities. EPC certificate lodgement timing can differ slightly from housing

completions as recorded in Council monitoring data, which should be considered as a more accurate picture of development progress and build out rates. However, detailed development completions data from all six authorities over a long time-period was not available.

8.14 The Gloucestershire-wide results for greenfield development are shown in the table below, grouped by site size. Observed build out rates were generally slightly faster than those found nation-wide in the Lichfields' research, although well below the upper end of the ranges Lichfield observed. However, it should be noted that only a limited sample of very large sites (1,000+ homes) was able to be profiled in Gloucestershire, and detailed analysis of site-by-site constraints / considerations was not undertaken. The analysis spans different economic cycles.

Table 8-3: Build out rates in Gloucestershire (2008 – 2025) – Greenfield development sites

Scheme size	Lower quartile	Median	Upper quartile	Number of sites considered
50-99	25	31	47	54
100-199	32	37	55	29
200 – 499	54	62	73	23
500 – 999	87	106	117	10
1,000+	130	133	155	3

Source: Iceni analysis of EPC data

8.15 A similar analysis of flat built out rates could not be carried out, as there were a limited number of schemes comprising multiple stages and hundreds of units across Gloucestershire. Smaller flatted schemes comprising a single building are generally built out all at once; with multi-building schemes often phases – with the phasing influenced by expected localised market absorption.

8.16 The median build out rates are broken down by authority in the table below.

Table 8-4: Build out rates in Gloucestershire (2008 – 2025) – Greenfield development sites

Scheme size	50 - 99	100 - 499	500+
Cotswold	25	55	79
Forest of Dean	41	53	N/A
Stroud	28	45	152
Cheltenham	33	65	118
Gloucester	31	53	N/A
Tewkesbury	32	51	108

Source: Iceni analysis of EPC data

8.17 Sites of 500+ homes were largely major urban extensions or extensions of existing towns, or nearby new settlements. With the exception of Great Oldbury in Stroud, each of the 500+ home schemes in Cheltenham, Tewkesbury or Stroud was effectively an extension of the Gloucester or Cheltenham urban areas. While a higher median was observed for Stroud, this is likely to be a consequence of the specific sites considered, with only two with 500+ homes analysed in Stroud. This data suggests a build out rate of around 100 – 150 homes per annum to be typical for this context.

8.18 A lower build out rate was found across the two very large schemes in Cotswold (Moreton Park in Moreton-in-Marsh and Highfield Farm Tetbury). These are both extensions of smaller rural towns, where a lower build out rate is likely to be typical. We would expect a higher build out rate for strategic development at/ around Cirencester could be supported given its greater scale, critical mass and accessibility.

8.19 There was limited variation in build out rates for sites in the 50 – 99 or 100 – 499 home categories between the authorities. One exception to this is Cotswold, which recorded a relatively low build out rate for 50-99 home schemes, which is again likely to reflect its rural housing

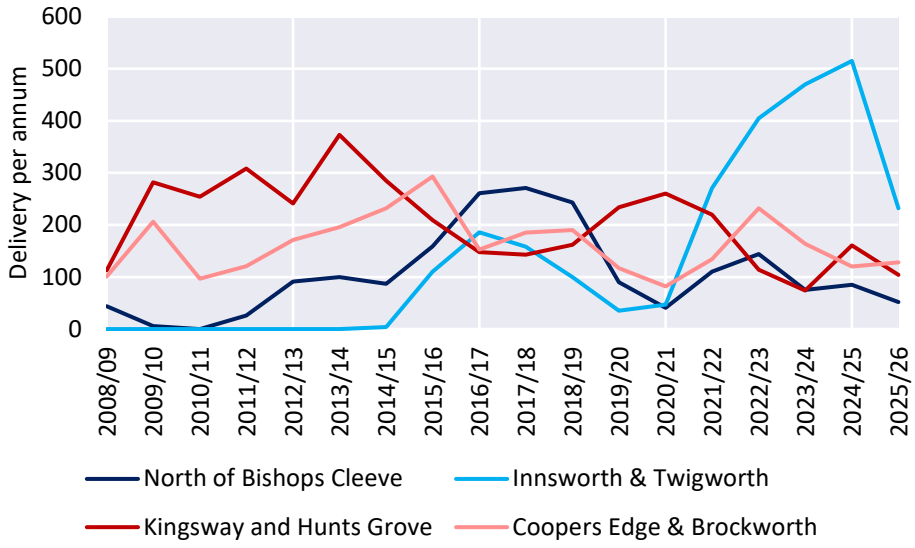
dynamics. Other exceptions are likely to reflect the specific schemes shown given small sample sizes rather than to reflect underlying market dynamics (i.e. Forest of Dean in the 50-99 homes category and Cheltenham in the 100-499 homes category).

8.20 Iceni also analysed median build out rates across Gloucestershire for urban and rural schemes, but essentially no differences were found between the two categories on average.

8.21 There can also be market constraints where multiple schemes are being developed near each other at the same time, as these schemes compete for the same pool of buyers. In some cases, developers may phase development or delay sites to prevent oversupply. As such, build out rates on schemes may be lower than would otherwise be assumed from the sum of theoretical rates for each site individually.

8.22 There are several instances in which multiple nearby schemes have been delivered over a similar timeframe within the sample of sites considered by Iceni. The most notable of these are shown in the figure below.

Figure 8-2: Variance in Build Out Rates by Site Size in Lichfields' national research



Source: Lichfields' Start to Finish (3rd Edition, Nov 2024)

8.23 North of Bishops Cleeve, multiple schemes were being delivered simultaneously in the mid to late 2000s, driving the maximum rate of delivery seen (over 250/year combined), with few signs of market constraints limiting development. Similarly, multiple large schemes have begun simultaneously delivering homes around Innsworth and Twigworth since 2000, with the broad area reaching a peak of over 500 homes delivered in 2024/25.

8.24 The largest schemes at Kingsway and Hunts Grove and around Coopers Edge and Brockworth were largely phased to see peak delivery during different time periods, leading to flatter development profiles over time, although still with peaks of 300 homes per year or more.

8.25 This analysis shows there to be potentially substantial market demand for homes in urban extensions and settlements near Gloucester and Cheltenham, with multiple nearby schemes able to deliver 300-500 or more homes in a given year. However, the potential for market constraints should still be considered, with the allocation of sites in different areas and submarkets more robustly able to support delivery.

Increasing housing delivery rates

8.26 Given limitations in build-out rates, it is important to identify a portfolio of sites (rather than a small number of large sites) to provide sufficient yearly housing delivery. However maximising build-out rates on larger and strategic sites will have a key role in increasing overall housing delivery rates – and our experience is that once strategic sites have got going, they can support housing delivery through different points in the economic cycle. The fastest growing local authorities nationally all see strong delivery through multiple strategic-scale developments.

8.27 A more detailed understanding of site characteristics will also be critical to building robust and deliverable housing trajectories as part of the plan making process. Equally, trajectories should assume realistic build-out rates informed by national and local evidence.

8.28 Central Government has recently consulted on reforms to speed up the build-out of housing schemes[31]. This consultation sought to consider opportunities to increase absorption rates to get homes built more quickly, as well as consider further actions which can be taken to strengthen the ability of Councils to unblock stalled and stuck sites. Several factors which influence the speed of delivery were considered, including local demand, levels of affordable housing and product diversity.

8.29 Several of the measures proposed by the Central Government may be developed further and brought forward over time. Nonetheless, from a local planning point of view we consider that increasing product diversity will have an important role in increasing build out rates in a resilient way. That is:

- **Affordable housing** delivery feeds directly into higher build out and absorption rates, as delivery the affordable housing portion of schemes does not depend on private market sales. As an example, with 40 private sales 40% affordable housing yields 66 dpa overall; whereas 50% yields 80 dpa – a 21% uplift on the Build Out Rate.

  However, this depends on the affordable housing being capable of delivery in parallel with the market housing, noting that s106 triggers can limit market delivery until affordable housing is delivered.

  We would also note the nation-wide challenge to to secure an RP to deliver affordable housing within a s106 package over the last couple of years, in the context of financial capacity constraints and other investment priorities – including investment in existing stock. This is a potential constraint on build-out rates.

- **Retirement housing** would similarly contribute to product diversity and allow part of a scheme to progress independently of general market sales rates.

- **Build to rent** (considered further below) may also have a role in providing product diversity and securing housing delivery rates, again operating in a separate market to general market sales.

[31] Planning Reform Working Paper: Speeding Up Build Out (May 2025); and Technical consultation on measures to improve Build Out transparency (May 2025)

8.30 We also note several other factors under the control of councils that can contribute to higher housing delivery rates:

- Allocating sites of a variety of sizes can contribute to robust housing delivery rates. While large sites are important, the Government's consultation paper also argued that absorption constraints are less pronounced for schemes delivered by SME housebuilders who are typically less well capitalised and will therefore prioritise a faster return of capital at a lower margin, meaning overall they deliver schemes faster.

- The Councils will need to examine as part of the plan-making process the inter-relationships between infrastructure provision, the delivery of strategic development schemes and viability.
  A report by Savills on the Value of Placemaking has shown that upfront investment in the delivery of social and community infrastructure on strategic sites makes developments more appealing and can have a positive effect on both the pace of sales / delivery and residential values.

- Councils will need to ensure that planning departments are appropriately resourced and organised to handle potential increases in the volumes of applications received as a result of increases in housing delivery rates. Councils will also need to work carefully with statutory consultees to ensure timely input to planning applications.

Build to Rent

8.31 The Housing White Paper (February 2017) set out that the then Government wanted to build on earlier initiatives to attract new investment into large-scale housing, which is purpose-built for market rent (i.e., Build to Rent). The then Government set out that this would drive up the overall housing supply, increase choice and standards for people living in privately rented homes and provide more stable rented accommodation for families, particularly as access to ownership has become more challenging.

8.32 The NPPF sets out that the needs of people who rent their homes (as separate from affordable housing) should be assessed and reflected in

planning policies (Para 63). The NPPF glossary also includes a definition for Build to Rent development:

> *"Purpose-built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses but should be on the same site and/or contiguous with the main development."*

8.33 It therefore represents development which is constructed with the intention that it will be let rather than sold.

Benefits of Build-to-Rent

8.34 The benefits of Build to Rent are best summarised in the former Government's *A Build to Rent Guide for Local Authorities*, which was published in March 2015. The Guide notes the benefits are wide-ranging, but can include:

- Helping local authorities to meet the demand for private rented housing whilst increasing tenants' choice, "as generally speaking tenants only have the option to rent from a small-scale landlord."
- Retaining tenants for longer and maximising occupancy levels as Build to Rent investment is an income-focused business model;
- Helping to increase housing supply, particularly on large, multiple-phased sites, as it can be built alongside build-for-sale and affordable housing; and
- Utilising good design and high-quality construction methods, which are often key components of the Build to Rent model.

8.35 This Build to Rent Guide provides a helpful overview of the role that Build to Rent is intended to play in the housing market, offering opportunities for those who wish to rent privately (including young professionals and those seeking locational flexibility) and for those on lower incomes who are unable to afford their own home.

8.36 Over recent years, there has been rapid growth in the Build to Rent sector backed by domestic and overseas institutional investment.

Savills' UK Build-to-Rent Market Update[32] For the first half of 2025, the BTR market nationally now has 132,000 completed units, 51,000 units under construction, and 110,000 units in the development pipeline, totalling 293,000 units, up 5% from the year previous. However, much of this stock is located in the largest cities of London, Manchester, Birmingham and Leeds. It has not yet reached smaller towns in large numbers due to the economies of scale required and the limited potential for this product among tenants.

8.37 However, there are a range of examples of how single-family BtR is being utilised by volume housebuilders on large sites as a method of ensuring the delivery and take up of housing. This sits within the context of a weakening sales market, as discussed earlier, where market house prices are not increasing at the same pace as previously and the generally pace of sale of homes is slow.

8.38 This is evidenced by significant deals from volume housebuilders Barratt and Countryside (Vistry), both of while have signed significant deals with BtR operators to deliver single-family BtR housing on their sites. Barratt are partnered with Lloyds Living[33] to deliver 598 homes and Countryside are partnered with Simple Life Homes to deliver 5,000 new homes[34].

8.39 In practice BtR also aids in boosting the supply of private rented homes in the areas in which it is delivered. It provides new, good quality homes operated by a professional landlord that provide tenants security within their rental agreement. Recent legislative changes in taxation and regulation of the private rented sector have seen a huge number of smaller landlords leave the market. While this has released some of

[32] https://www.savills.co.uk/research_articles/229130/379550-0

[33] Portfolio deal builds on strategic partnership - Lloyds Living

[34] Delivery of 5,000 Build-to-Rent Homes Over Next Five Years

that property into the for sale market the ultimate effect is the smaller supply of rented properties.

8.40 The development of BtR increases that supply and therefore reduces pressure on the market in alleviating some of the demand. This is particularly important for households who may be seeking more affordable property in the private rental market, ensuring this demand can be met.

8.41 Build-to-Rent could also be considered alongside Co-Living, which is a new but rapidly developing segment of the market which adopts a 'WeWork' style model to housing based on a new renting approach that offers private bedrooms, shared common spaces and community events. It is most well developed currently in London, where companies such as The Collective, Roam and Fizzy Living.

8.42 While London holds the largest concentration of operational Co-living stock in the UK and continues to attract significant investment and development activity. A significant pipeline of new schemes is taking shape across smaller cities, including Reading, Leeds, Cardiff, Manchester, Brighton and Edinburgh. At the time of writing there were no co-living developments in Gloucestershire.

The Profile of Tenants

8.43 The British Property Federation ("BPF"), London First and UK Apartment Association ("UKAA") published (November 2022) a report[35] profiling those who live in Build-to-Rent accommodation in England. Whilst this is focused on more urban locations, it helps understand the broad profile of tenants.

8.44 According to their research, around 40% of residents were aged between 25 and 34, which is broadly similar to the wider private rented sector. The survey identified that incomes are similar to those in private

[35] https://bpf.org.uk/our-work/research-and-briefings/who-lives-in-build-to-rent-2022/

rented sector accommodation, with 18% earning between £26,000 and £32,000 per annum, and 23% earning between £32,000 and £44,000 per annum. The report also noted that Build to Rent has comparable levels of affordability but is notably more affordable for couples and sharers.

Potential Demand and Existing Schemes across Gloucestershire

8.45 As set out earlier in this report, 18% of households in Gloucestershire live in private rented stock: a figure that slightly less than the national comparator of 21%. Overall, the private rented market is most prominent in Cheltenham where 24% of households rent privately, followed by Gloucester where 21% rent privately. Forest of Dean, Stroud and Tewkesbury see the lowest proportions at 14% each.

8.46 In terms of the absolute number of households privately renting, the 2021 Census showed that this was highest in Gloucester (11,800 households) and Cheltenham (12,400) – and it is therefore these areas that have a larger potential pool of prospective tenants.

8.47 Data collected by the HomeViews website[36] on Build-to-Rent development suggests that there is one existing BTR schemes in Gloucestershire located in Matson, Gloucester. This is a single family scheme of 156 units of between 2 to 4 bedrooms, originally developed by Barratt Homes but now owned and operated by Lloyds Living. The scheme forms part of a larger Barratt scheme of 420 units.

8.48 Although not picked up in the HomeViews research, additional research from Iceni shows that Lloyds Living also operate a smaller 16 unit scheme in Fiddington/Ashchurch, Tewkesbury. This also appears to be part of a wider Barratt scheme and offers only 2 & 3 bed units.

[36] Interactive Build to Rent Map - HomeViews Business Hub

8.49 The BtR market in Gloucestershire is thus currently relatively embryonic. Nonetheless, the wider evidence points to the potential for the Build-to-Rent sector to grow over the plan period; and in the context of the weak current sales market at the time of writing can help to support the build-out rate on larger strategic sites.

8.50 Whilst the emergence of some BTR product short-term may be a reflection of the weakness of the sales market, there is clear potential for larger sites to support single family Build-to-Rent development.

8.51 These above schemes demonstrate the potential for further BTR development in Gloucestershire – particularly 'single family' development as part of larger strategic development sites as well as potentially 'multi-family' development in Gloucester and Cheltenham in particular. In the context of current market trends, such schemes can play an important role in maintaining rental supply, managing rental value growth and supporting overall housing delivery.

Recommended Policy Response

8.52 The PPG on Build to Rent recognises that where a need is identified, local planning authorities should include a specific plan policy relating to the promotion and accommodation of Build to Rent. In recognition of the potential growth of the sector, Councils should consider a policy on Build-to-Rent development.

8.53 A local plan policy which provides a framework for supporting BTR development would be appropriate; and the Councils might in particular emphasise its expectation that provision is considered on larger strategic sites (500+ dwellings).

8.54 Given that the sector is still evolving, we would recommend that the Councils not be overly prescriptive on the mix of dwelling sizes within new Build to Rent development. While the recommended size mix outlined in this report serves as a good starting point, the Council should work with developers to understand what mix can be viably

delivered on each site. The mix on each site should be reflective of the type of development proposed, for example proposed multi-family (flatted schemes) are unlikely to deliver significant three- or four-bed properties, as well as the location of the scheme.

8.55 The NPPF's definition of Build-to-Rent development sets out that schemes will usually offer tenancy agreements of three or more years and will typically be professionally managed stock in single ownership and management control. These would be core expectations.

8.56 The Councils will also need to consider affordable housing policies specifically for the Build-to-Rent sector. The viability of Build-to-Rent development differs from that of a typical mixed-tenure development in that returns from the Build-to-Rent development are phased over time. In contrast, for a typical mixed-tenure scheme, capital receipts are generated as the units are sold.

8.57 However, a distinction should be made between wholly Build to Rent schemes and Build to Rent elements within larger mixed-tenure strategic developments.

8.58 Where Build to Rent forms one component of a larger strategic site, (likely single-family or suburban Build to Rent delivered alongside market sale housing), the councils might reasonably consider BTR provision as part of the market housing offer. In these circumstances, the affordable housing requirement would be met separately through the wider S106 affordable housing package, rather than through an Affordable Private Rent component within the Build to Rent element. This would better support the delivery of genuinely affordable housing meeting local needs, in line with the wider affordable housing evidence in this report.

8.59 This will however depend on the specific circumstances and details related to individual phases. We would reasonably expect provision for BTR development to be included in consideration of any new settlement-scale locations.

8.60 In general terms it is expected that in BTR schemes under single ownership and management control (i.e likely multi-family schemes in the form of flatted developments), a proportion of Build to Rent units will be delivered as 'Affordable Private Rent' housing as per the PPG, which does not therefore require involvement of an RP. It is noted, however, that substantial provision of BtR of this type would therefore have the potential to undercut the ability of councils to secure affordable housing at social rents.

8.61 Where schemes come forwards as solely build-to-rent development, the Council might give specific consideration to the scale of affordable housing which be supported. This is relevant in particular to urban sites and flatted developments. Planning Practice Guidance[37] states that:

> *"The National Planning Policy Framework states that affordable housing on build-to-rent schemes should be provided by default in the form of affordable private rent, a class of affordable housing specifically designed for build-to-rent. Affordable private rent and private market rent units within a development should be managed collectively by a single build-to-rent landlord.*
>
> *20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build-to-rent scheme. If local authorities wish to set a different proportion, they should justify this using the evidence emerging from their local housing need assessment, and set the policy out in their local plan. Similarly, the guidance on viability permits developers, in exception, the opportunity to make a case seeking to differ from this benchmark.*
>
> *National affordable housing policy also requires a minimum rent discount of 20% for affordable private rent homes relative to local market rents. The discount should be calculated when a discounted*

[37] ID: 60-002-20180913

home is rented out, or when the tenancy is renewed. The rent on the discounted homes should increase on the same basis as rent increases for longer-term (market) tenancies within the development"

8.62 These represent national guidelines which might be considered where multi-family build-to-rent development comes forwards. In determining the appropriate level and affordability of Affordable Private Rent, the Councils should be mindful of the substantial identified need for rented affordable housing (as discussed in Chapter 5) and consider the extent to which proposed provision would meet this need, both through plan-making and negotiations on individual schemes.

Self- and Custom-Build

8.63 As of 1st April 2016, and in line with the Act and the Right to Build, relevant authorities in England are required to have established and publicised a self-build and custom housebuilding register which records those seeking to acquire serviced plots of land in the authority's area to build their own self-build and custom houses.

8.64 Furthermore, in line with the continued Government drive to support the self and custom-build sector, the latest National Planning Policy Framework (paragraphs 71 and 73(b), December 2024) duly recognises that it is important that a sufficient amount and variety of land can come forward where it is needed and that the needs of groups with specific housing requirements are addressed.

8.65 As part of this, the Framework (paragraph 63) states that:

"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies, including…people wishing to commission or build their own homes" (our emphasis)

8.66 The Self-Build and Custom Housebuilding Planning Practice Guidance is a material consideration and draws on legislation set out under the

2015 Act and the 2016 Act, but provides wider guidance on assessing demand and supporting self-build development. In line with the legal duty placed on local authorities by the 2016 Act, the PPG reminds us that relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority's register during a 'base period'.

8.67 The first base period began on the day on which the register is established. Each subsequent base period is 12 months beginning immediately after the end of the previous base period. Subsequent base periods will therefore run from October 31st to October 30th each year.

8.68 At the end of each base period, relevant authorities have 3 years in which to meet their legal duty and grant permission for an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period.

8.69 The PPG states that local planning authorities should use the demand data from the registers in their area, but this should also be supported as necessary by additional data from secondary sources, to understand and consider the future need for this type of housing in their area when preparing housing needs assessments.

8.70 Concerning what a 'duty to grant planning permission etc' means, the PPG states that:

> *"Relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority's register during a base period."*

8.71 In respect of what having a 'duty as regards registers' means, the PPG states that:

> *"Section 2(1) of the Self-build and Custom Housebuilding Act 2015 places a duty on relevant bodies to have regard to each self-build and custom housebuilding register, including Part 2 of the register (where a register is in two parts), that relates to their area when carrying out their planning, housing, land disposal and regeneration functions." (our emphasis)*

8.72 The PPG[38] is clear that self-build or custom build helps to diversify the housing market and increase consumer choice. Self-build and custom housebuilders choose the design and layout of their homes and can be innovative in both their design and construction.

8.73 The Levelling Up and Regeneration Act (2023) made some amendments to the 2015 Self and Custom Housebuilding Act which advised how the supply and demand of self and custom build housing plots can be assessed. When assessing demand, the LURA inserted in section 6 of the 2015 Act the following:

"(a) the demand for self-build and custom housebuilding in an authority's area in respect of a base period is the aggregate of—

(i) the demand for self-build and custom housebuilding arising in the authority's area in the base period; and

(ii) any demand for self-build and custom housebuilding that arose in the authority's area in an earlier base period and in relation to which—

(A) the time allowed for complying with the duty in subsection (2) expired during the base period in question, and

(B) the duty in subsection (2) has not been met;

(aa) the demand for self-build and custom housebuilding arising in an authority's area in a base period is evidenced by the number of entries added during that period to the register under section 1 kept by the authority;"

8.74 As a result, although each authority still has 3 years to meet the need that arises from its Register, **this need must now be counted**

[38] Paragraph: 16a Reference ID: 57-016a-20210208

cumulatively. For example, as of October 30, 2024, the need will be the cumulative demand shown in all base periods prior to October 30, 2021.

8.75 When considering the supply of plots LURA removes section 6(c) of the 2015 Act which read:

"development permission is 'suitable' if it is permission in respect of development that could include self-build and custom housebuilding"

8.76 This change means that the Council will therefore need to demonstrate that serviced plots will result in self and custom-build development rather than what could be self and custom-build plots, for example, on the assumption of a CIL exemption. Essentially, this means that in order for planning permissions to be counted towards the supply of self and custom build homes, there needs to be evidence to show that this is what the development is for. The exact detail of what can be considered appropriate evidence of a dwelling or planning application being specifically for self and custom build is still to be confirmed. Still, appeal case law gives some indication of what this may be.

8.77 Evidence that would confirm that a development is specifically for self and custom-build may include:

- Planning Condition attached to approval requiring the development to be carried out for self-build; or
- Confirmation through S106 agreement for self-build; or
- Requirement for the self-build nature of the scheme to be included within the description of the development.

8.78 On historic permissions, further evidence will likely be required to demonstrate that the development was self and custom-built, often this will be in the Design and Access Statement.

8.79 Although the regulations for what constitutes an appropriate permission for self-build are not yet known. It can be expected that regulations will reflect the 2015 Act and existing PPG, demonstrating that the

applicant/occupant has had “primary input” into the design of the scheme.

8.80 It is also likely that applications to replace existing dwellings with new self-build properties will constitute a fair proportion of the self-build supply, even though they do not result in a net gain of housing.

8.81 Going forward, local authorities will need to continue to monitor applications for self-build dwellings in their areas. Ensuring that all supply permissions are evidenced as self-build will also be important to ensure that an assessment can be made on whether the duty is met correctly. It may also be prudent for the Council to retrospectively assess supply permissions to properly ascertain which permissions are specifically for the carrying out of self and custom-build development.

Existing Planning Policy

8.82 Authorities across Gloucestershire have taken differing approaches to self and custom build through policy, we have set out the policy position in each authority below.

8.83 The Cheltenham, Gloucester and Tewkesbury Joint Core Strategy (JCS) considers self-build within Policy SD11: Housing Mix and Standards. In part 1(ii) which states that *“self-build housing and other innovative housing delivery models will be encouraged as part of an appropriate mix”.* There is no specific policy considering self build.

8.84 At an authority level the Cheltenham Local Plan (2020) does not consider self-build in any detail, nor does it contain a self build policy.

8.85 The Gloucester City Plan (2023) does however consider self build in Policy A7, it states that:

“For all housing sites either allocated in this plan or which come forward as windfall developments, and which comprise 20 or more houses, 5% of the serviced plots shall be offered for sale to self and custom builders, subject to demand being identified on the Council’s Self & Custom Build Register.*

Self and custom build plots which come forward through this policy shall be made available and appropriately marketed for a minimum of 12 months from grant of planning permission, or a shorter period if agreed by the City Council. Marketing should be directed at those on the Council's Self and Custom Build Register as well as the general public. If, after the agreed set marketing period, the plots have not been sold it will be for the developer to consider whether the plots continue to be marketed as self/custom build opportunities or if they will be built out by the developer. Evidence of sustained marketing will need to be submitted to the Council.

Elsewhere, windfall sites for self-build and/or custom build housing will be supported where they meet other policies within the JCS and GCP.

** Excluding sites and applications for flats/apartments."*

8.86 The Tewkesbury Local Plan (2022) considers self-build within Policy RES13 Housing Mix, it states that where appropriate up to 5% of plots on new developments should be made available for self or custom build.

8.87 The Cotswold Local Plan (2018) considers self-build in Policy H1 Housing Mix, in part 3 of the policy it states that *"Proposals of more than 20 dwellings will be expected to provide 5% of dwelling plots for sale as serviced self or custom build plots unless demand identified on the Local Planning Authority's Self-Build and Custom Register, or other relevant evidence, demonstrates that there is a higher or lower level of demand for plots."*

8.88 The current Forest of Dean Local Plan (2012) does not consider self build in any policy. However, there is a specific policy in the emerging Local Plan (Policy RLP.13) which would require sites of 50 or more dwellings to set aside 4% of plots for self or custom build. It also set out a number of requirements for plot marketing as well as other considerations such as the development of a design frameworks and the reduction of impact on affordable housing delivery.

8.89 The current Stroud Local Plan (2015) considers self build in Policy HC3 which states that

"At strategic sites allocated within this Local Plan a minimum of 2% of the dwellings shall be to meet Government aspirations to increase self build

developments, subject to appropriate demand being identified. In determining the nature and scale of any provision, the Council will have regard to viability considerations and site-specific circumstances. These schemes will:

1. *Be individually designed, employing innovative approaches throughout that cater for changing lifetime needs*
2. *Provide for appropriate linkages to infrastructure and day to day facilities*
3. *Include a design framework to inform detailed design of the individual units, where more than one self build unit is proposed"*

Council Registers

8.90 The Gloucestershire authorities also vary in their approach to managing the self and custom build registers in their areas. Of the 6 authorities, 5 have introduced local connections tests which split the register into 2 parts. Only Cheltenham has not introduced a local connection test.

8.91 The council have 3 years from an individual's entry to the register to permit a plot to satisfy the need they create. Therefore, as of October 30th 2025, the need was the total entries on Part 1 of the register at the end of Base Period 7 (October 30th 2022). The table below shows the cumulative entries on Part 1 of each area's register at this point alongside the total permissions granted in that area.

8.92 Currently only 2 of the 6 authorities within Gloucestershire are meeting the need shown on part 1 of the register based on the right-to-build data on permissions granted[39], this is Forest of Dean and Stroud. All other areas see an undersupply of plots ranging from 32 in Cotswold to 118 in Gloucester.

8.93 Across Gloucestershire as a whole there is an undersupply somewhere in the region of 236 plots as at Spring 2026. While this figure can be considered fairly representative of the need arising from Gloucestershire residents as a whole, given that most authorities enforce a local connection test. There may still be some double

[39] Iceni has not assessed herein the extent to which the supply data monitoring complies with the Act

counting arising from the register in Cheltenham that does not enforce a local connection test.

Table 8-5 Supply and Demand Balance – as of Spring 2026[40]

	Need (Total entries on Part 1 at end of base period 7)	Total Permissions Granted to Oct 2025	Over/Under supply
Cheltenham	108	20	-88
Cotswold	158	140	-32
Forest of Dean	88	121	27
Gloucester	125	7	-118
Stroud	201	218	17
Tewkesbury	187	125	-62
Total	867	631	-236

Source: Right to Build Register Monitoring

8.94 The total cumulative entries on the Register at the end of base period 9 is 1,133 across Gloucestershire as shown below.

Table 8-6 Entries at the 30th of October 2026

	Need
Cheltenham	123
Cotswold	326
Forest of Dean	99
Gloucester	198
Stroud	213
Tewkesbury	264
SLP (Subtotal)	675
Total	1,133

8.95 As well as the backlog need, in taking this assessment forward, the councils will need to address the scale of any future registrations. An indication of this can be gleaned from past trends.

[40] Data available from the Central Government as of Spring 2026 (i.e. as of the time of writing) includes entries to registers and permissions granted up to the end of October 2025 – i.e. up to the end of base period 9. As authorities have three years to meet their legal duty to grant permissions, the relevant need to compare to these permissions is those up to the end of base period 7.

8.96 The Table below shows the register data for all authorities based on MHCLG right to build register monitoring. It shows the total number of entries each base period as well as an average across the 9 base periods to date. The table below does not take into account the local connection test and aims to act as an indicator of the number of plots each authority should consider planning for each annum based on historic register entries.

8.97 Overall, it is Cotswold that sees the highest annual average entries at 28 followed by Stroud at 25 and Gloucester at 23. Forest of Dean sees the lowest annual average entries at 12; although the averages in recent base periods are generally lower.

Table 8-7 Combined Self and Custom Build Register

	Cheltenham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkesbury
Base Period 1	0	66	14	5	48	21
Base Period 2	10	73	50	24	112	18
Base Period 3	19	10	10	16	2	10
Base Period 4	17	3	0	34	8	55
Base Period 5	22	0	5	24	0	45
Base Period 6	28	28	3	30	17	46
Base Period 7	12	33	8	30	12	31
Base Period 8	9	12	6	22	7	23
Base Period 9	6	11	3	13	7	15
Average (base periods 1-9)	14	28	12	23	25	31
Average (base periods 7-9)	9	19	6	22	9	23

Source: Right to Build Register Monitoring

Supply Monitoring

8.98 As discussed earlier, changes made by the Levelling Up and Regeneration Act (2023) have amended how supply permissions can be counted. Going forward, we recommend that the Councils consider monitoring receipts of CIL Self-Build Exemption Form 7 **Part 1 and Part 2** if received (providing these are filled out correctly and contain other evidence proving that a development is self or custom build). The Councils can also count permissions given through the development management process.

8.99 The Councils could also consider all planning applications for self-build development to submit a Self-Build Delivery Statement at the validation stage or during the decision-making process to confirm the development will be brought forward as self or custom build. Examples of this include those sought in Mid-Sussex[41] as well as in East Suffolk[42]. This would enable the councils to ensure that all supply permissions are accounted for, not just those that are fully developed.

8.100 Relevant permissions should be able to demonstrate that they will result in the delivery of a self and custom build dwelling. Legal agreements, such as Unilateral Undertakings and S106 agreements, can also confirm this, as can conditions attached to planning permissions and descriptions of development specifying self and custom build.

Broader demand evidence

8.101 To supplement the data from the councils' registers, we have looked to secondary sources as recommended by the PPG, which, for this report, is data from NaCSBA – the National Custom and Self-build Association.

8.102 First, it is worth highlighting that the October 2020 survey undertaken by YouGov on behalf of NaCSBA found that 1 in 3 people (32%) are interested in building their own home at some point in the future, including 12% who said they were very interested.

8.103 Notably, almost half (48%) of those aged between 18 and 24 were interested in building their own home, compared to just 18% of those aged 55 and over.

8.104 This is notable as, traditionally, self-build has been seen as the reserve of older members of society aged 55 and over, with equity in their property.

[41] Self-build and Custom Build Statement
[42] Custom-and-Self-build-Delivery-Statement-Template.pdf

8.105 Evidence from the UK self-build sector suggests that construction costs typically range from around £1,900 to £2,400 per square metre[43] for a good quality self-build dwelling, with costs varying according to size, specification and location.

8.106 In addition, data from the National Custom and Self Build Association's (NaCSBA) most recent market survey indicates that the majority of self-build plots are purchased for between £100,000 and £299,000, with cost varying depending on location and existing services.

8.107 Taking both land and build costs into account, the overall investment required for a self-build home often starts at around £350,000, although this can vary depending on a range of factors such as location, size of dwelling, project management site conditions and service access.

8.108 When compared against median house prices across the Gloucestershire authorities, this figure is below the overall median house price in Cotswold (£448,000). It also falls below the median price of detached properties in all Gloucestershire authorities, indicating that, while self-build homes require a significant investment, they can still represent a comparatively affordable route to home ownership relative to larger detached properties within the wider market.

8.109 A commonly cited advantage of self-build housing is that it can offer better value than purchasing a comparable new-build home on the open market. Unlike volume housebuilders, who must account for developer profit alongside land, construction, infrastructure and overhead costs, self-builders are commissioning a home for their own occupation and therefore do not need to incorporate a commercial profit margin into the final value of the dwelling.

8.110 As a result, a greater proportion of expenditure is directed towards the land, construction quality and specification of the home itself. Industry

[43] Self Build Costs UK: The Complete 2026 Guide

guidance from Build It[44] notes that self-build can enable households to achieve a higher-quality or larger home for a similar outlay to purchasing a comparable developer-built property, reflecting the absence of a developer's profit within the overall cost structure.

8.111 Secondly, we can draw on NaCSBA data to better understand the level of demand for serviced plots in Gloucestershire in relative terms. The association published an analysis with supporting maps and commentary titled “Mapping the Right to Build” in 2020.

8.112 This document includes an output on the demand for serviced plots as a proportion of the total population relative to all other local authorities across England (see table below).

Table 8-8 Rate of Demand per 100,000 people

	Rate of Demand	Population (2024)	Estimated Need
Cheltenham	34	121,739	41
Cotswold	167	91,661	153
Forest of Dean	86	89,753	77
Gloucester	59	138,598	82
Stroud	162	125,680	204
Tewkesbury	58	101,949	59

Source: ONS and NASCBA

8.113 This shows that the demand was highest in Cotswold at 167 per 100,000 and lowest in Cheltenham at 34 per 100,000. This aligns with the Register data, which also shows strong demand in Tewkesbury.

8.114 While the rates of demand result in varying levels of need when assessed against the 2024 population the Councils are only required to permit enough plots for self and custom build as indicated by the register.

[44] How Much Does it Cost to Build a House in 2026? Your Guide to UK Build Costs

Policy Response

8.115 The Self-Build and Custom Housebuilding PPG sets out how authorities can increase the number of planning permissions which are suitable for self-build and custom housebuilding and support the sector.

8.116 The PPG[45] Is clear that authorities should consider how local planning policies may address identified requirements for self and custom housebuilding to ensure enough serviced plots with suitable permission come forward and can focus on playing a key role in facilitating relationships to bring land forward.

8.117 There are several measures which can be used to do this, including but not limited to:

- supporting Neighbourhood Planning groups where they choose to include self-build and custom-build housing policies in their plans;
- working with Homes England to unlock land and sites in wider public ownership to deliver self-build and custom-build housing;
- when engaging with developers and landowners who own sites that are suitable for housing, encouraging them to consider self-build and custom housebuilding, and facilitating access to those on the register where the landowner is interested; and
- working with local partners, such as Housing Associations and third sector groups, to custom build affordable housing for veterans and other groups in acute housing need.

8.118 An increasing number of local planning authorities have adopted specific self-build and custom housebuilding policies in their respective Local Plans to encourage delivery, promote and boost housing supply.

8.119 There are also several appeal decisions in the context of decision-making which have found that paragraph 11(d) of the Framework is engaged in the absence of a specific policy on self-build housing when this is the focus of a planning application.

[45] Paragraph: 025 Reference ID: 57-025-20210508

8.120 There are a number of policy levers which the councils could consider as part of their response to the historic unmet need for custom and self-build housing in the borough. These include:

- **General Support Policies** - Although these set out the councils' intentions to support housing, they are weak unless supplemented with clear guidance and expectations around how self and custom build can be delivered.
- **Housing Mix Policies** – Such policies are more of strategic in nature but could address Self and Custom Build need as well as built form and the size and tenure of homes. However, such policies are unlikely to be applicable to every site.
- **Percentage Policies –** This approach seeks a specific percentage of plots from typically large sites. It is a good way of generating supply, but the councils need to ensure the supply is reliable. The scale of the site and the percentage to be applied should reflect the identified need and the likely delivery.
- **Site Allocations –** The councils could also consider allocating sites specifically for Self and Custom Build use. This could be council-owned sites or smaller sites in a particular location of high demand. Such sites provide greater certainty for delivery but may not be welcomed by the site owner in all instances.
- **Exception Sites –** Allows Self and Custom Build homes to be built where the market will not deliver, in specifically prescribed circumstances.

8.121 No single policy choice will be fully effective; therefore, the Councils should consider which suite of policies will be most effective in their area. This should include considering potential yield from both small sites that are primed for early delivery and large sites that could be sustained later into the plan period.

8.122 Where percentage policies are taken forwards, these are best suited to larger strategic sites (for 200+ homes) where there is potential to identify a part of the development for strategic sites. Policies should seek to avoid including requirements on smaller sites (such as those for < 100 dwellings) which might be taken forwards by SME housebuilders.

8.123 The table below provides an indicative analysis which seeks to forecast the self-build need over the plan period taking the shortfall to 2025,

assuming a future need arising based on recent trends, and comparing this to the standard method figures. It notionally assumes that 65% of housing delivery is on larger sites which a policy would capture. Making an allowance for some delivery on smaller sites it might support a policy seeking 5-6% self-build provision on larger sites in the SLP area, and 4-5% in Cotswold, but a lower proportion in other areas.

Table 8-9 Notional Analysis to inform policy requirements for self- and custom-build housing

	Shortfall, Oct 2025	Assumed Annual Newly-Arising Need	Total Need, 2025-46	Standard Method (2025-46)	Est. Delivery on Large Sites	Self-build need as % large site delivery
Cheltenham	-88	9	277	22,155	14,401	1.9%
Cotswold	-32	19	431	12,684	8,245	5.2%
Forest of Dean	27	6	99	17,766	11,548	0.9%
Gloucester	-118	22	580	17,241	11,207	5.2%
Stroud	17	9	172	14,700	9,555	1.8%
Tewkesbury	-62	23	545	13,230	8,600	6.3%
SLP Area	-256	88	2104	52,626	34,207	6.2%
Gloucestershire	-236	88	2084	97,776	63,554	3.3%

Source: Iceni analysis

8.124 Policies should require plots should be marketed appropriately for 6 to 12 months (online and offline at realistic prices). Then the developer can revert to delivering these sites as market accommodation without significantly elongating the build-out period if there is no take-up.

8.125 In order to provide greater clarity to the development industry, the councils may wish to consider publishing supporting text or additional guidance on matters relating to:

- Design codes
- Phasing
- S106 Clauses

- Validation requirements (e.g. delivery statements)
- Affordable Contributions

Housing Market Segments - Summary

Build to Rent

8.126 Build to Rent within Gloucestershire, only a small number of BTR schemes exist, including a 156-unit development in Matson, Gloucester and a smaller, 16-unit scheme in Tewkesbury. These schemes typically serve young professionals, sharers and households seeking high-quality, professionally managed rented homes. The county's private rented sector accounts for roughly 18% of households, rising to 21–24% in Gloucester and Cheltenham, meaning BTR can play a useful role in broadening rental choice, improving standards and easing pressure on traditional rental stock.

8.127 Policy-wise, local authorities should adopt supportive and flexible BTR policies, particularly on large strategic sites, avoiding prescriptive dwelling mixes that may inhibit viability. It recommends using the national benchmark that 20% of units in BTR schemes should be let as Affordable Private Rent, at discounts of around 20% below market rents, managed by the single institutional landlord. This approach can help deliver locally affordable rented homes while ensuring the long-term stability and professional management that define the BTR model.

Self and Custom Build

8.128 Self and custom build housing forms a notable, legally mandated element of Gloucestershire's future housing supply. By October 2026, the countywide need totals 867 serviced plots, with the highest demand in Stroud, Cotswold and Tewkesbury, and lower but still meaningful demand in Forest of Dean, Gloucester and Cheltenham. However, only Forest of Dean and Stroud are currently granting enough permissions to

meet this requirement, leaving a countywide undersupply of approximately 236 plots.

8.129 To address this, a multi-pronged policy approach is recommended, as no single mechanism reliably generates sufficient plots. Options include requiring a percentage of plots on large sites (e.g. 5%+), allocating dedicated self-build sites, or supporting exception site policies where development is supported in prescribed circumstances.

8.130 The Councils are also encouraged to strengthen monitoring, ensuring permissions genuinely deliver self-build homes, and to publish guidance on marketing periods, local-connection priority policies, design codes and delivery requirements.

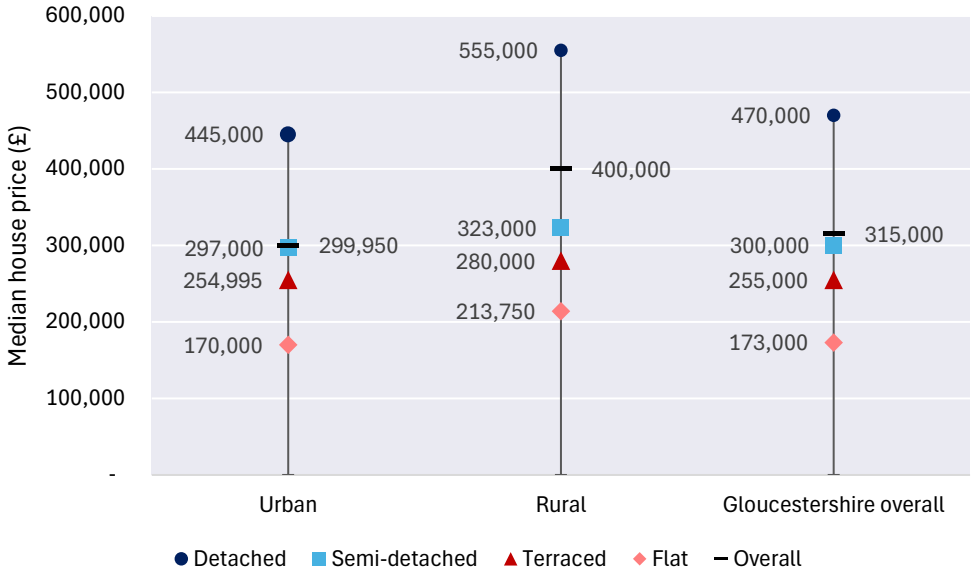
9. Rural Housing Needs

9.1 This section specifically considers the need for rural housing in Gloucestershire. Overall Gloucestershire's rural housing dynamics are shaped by higher-cost, lower-density stock, a rapidly ageing population, and strong migration-driven growth patterns.

Housing Costs

9.2 The table below looks at the difference between the urban and rural areas of the county. The difference in costs here is quite apparent, with the median prices for all property types in rural areas exceeding those in urban areas for comparable products. This suggests that the higher prices are not just a function of the mix, but that there is **a real price premium on rural areas**.

Figure 9-1: Price by Type – Urban and Rural (Year ending March 2025)



Source: Iceni analysis of HM Land Registry Price Paid Data

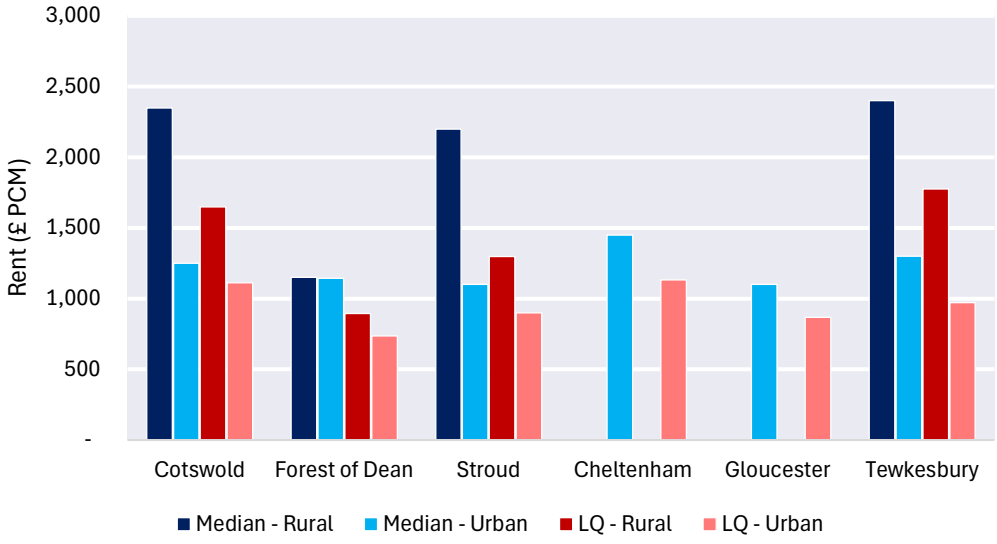
9.3 In rural areas, the median rural house price (£400,000) is far higher than the urban equivalent (£299,950) – a premium of around £100,000.

Whilst this is partly influenced by the stock composition – which is focused on larger homes – it also reflects the price premium for comparable properties, as Figure 9-1 shows.

9.4 Iceni has also reviewed rental units advertised on Rightmove across Gloucestershire as of July 2026 (noting that advertised rents may differ somewhat from actual rents).

9.5 As shown in the figure below, rural areas have substantially higher rents than urban areas in Cotswold, Stroud and Tewkesbury, although median rents are similar between rural and urban areas in Forest of Dean. Differences are greatest for median rents and somewhat lower for lower quartile (LQ) rents.

Figure 9-2: Advertised housing rents in rural and urban areas



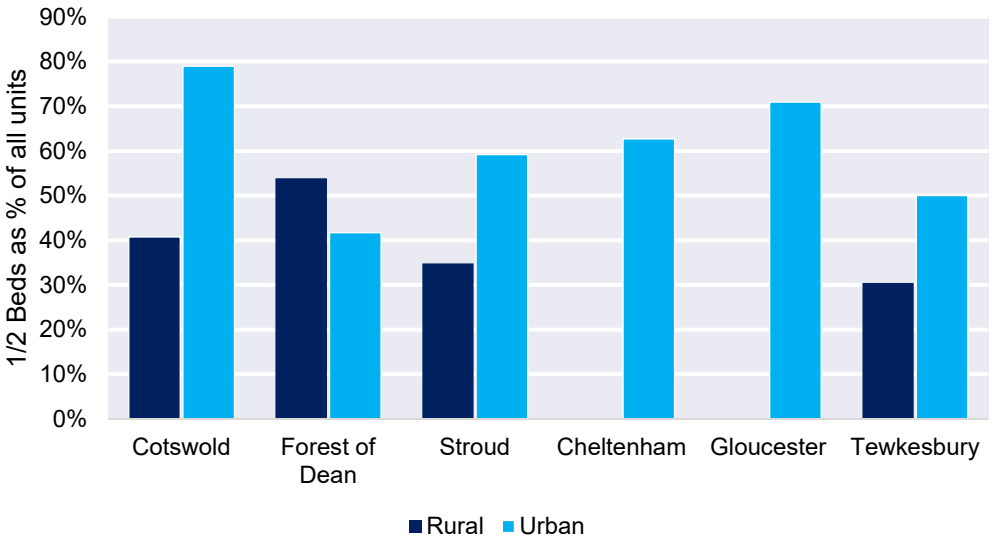
Source: Iceni analysis of properties advertised on Rightmove.com

9.6 The differences in median rents are partly due to difference in the size profiles of homes advertised for rent. As shown in the figure below, there were substantially fewer one or two bedroom homes (which are likely to be more affordable) advertised in the rural areas of Cotswold, Stroud or Tewkesbury than in urban areas.

9.7 The situation is somewhat different for Forest of Dean, in which over half of homes advertised in rural areas had one or two bedrooms, a

higher proportion than in urban areas. This is likely to be reflected in the more affordable rural rents seen in Forest of Dean.

Figure 9-3: Smaller homes as proportion of advertised homes for rent



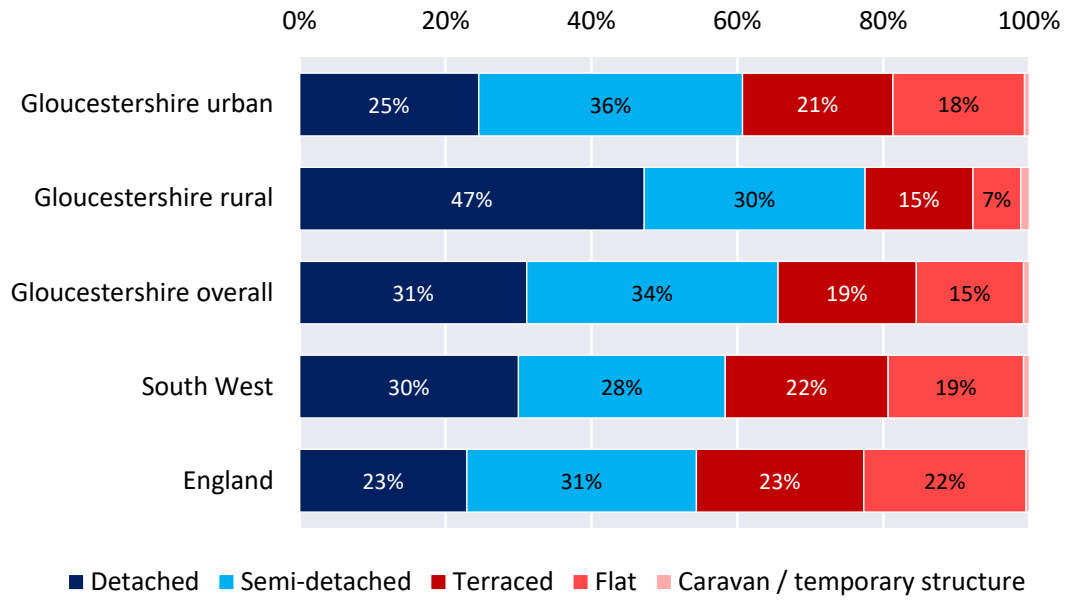
Source: Iceni analysis of properties advertised on Rightmove.com

Housing Stock

9.8 In terms of the housing stock, rural districts such as Cotswold, Forest of Dean, and parts of Stroud and Tewkesbury are impacted by stock that is characterised by a much higher proportion of detached and larger homes than in the county's urban centres.

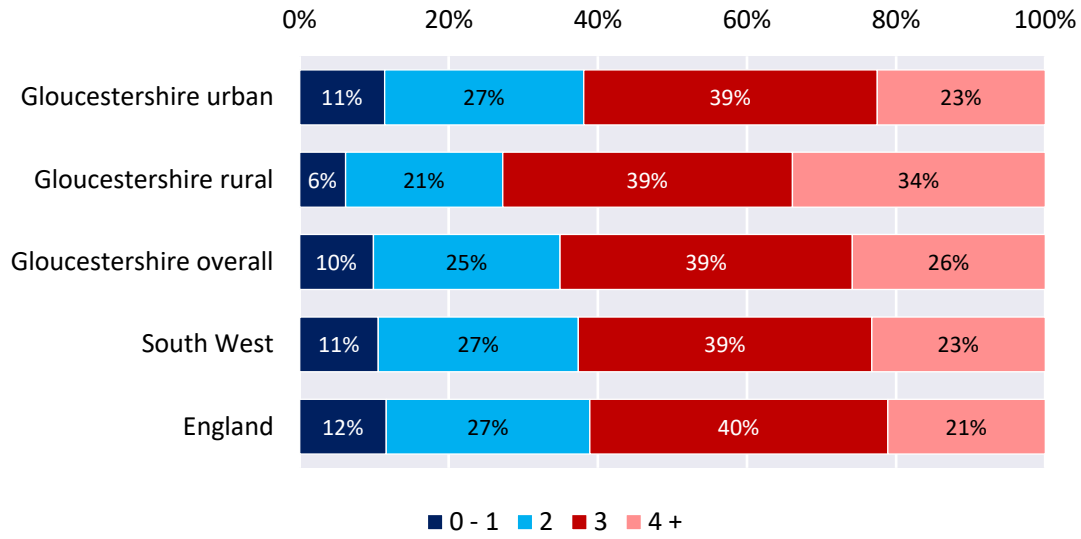
9.9 Overall, rural areas of Gloucestershire contain a significantly higher share of 4+ bedroom properties, with districts like Cotswold showing 31% of dwellings at this size, compared with far smaller proportions in Gloucester and Cheltenham. Across the county, **73% of homes in rural areas have 3- or more bedrooms.**

Figure 9-4: Housing stock by type – Urban and Rural



Source: Iceni analysis of ONS Census 2021

Figure 9-5: Housing stock by number of bedrooms – Urban and Rural



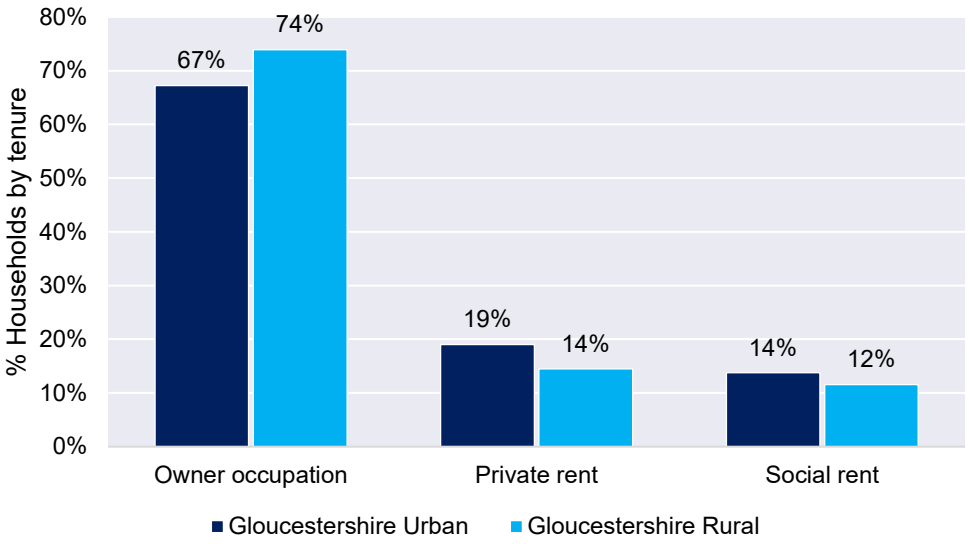
Source: Iceni analysis of ONS Census 2021

9.10 Coupled with the higher house prices, and a severe lack of smaller homes, this contributes to the difficulties for younger households in getting on the housing ladder.

Tenure Profile

9.11 There is also a modest difference in the tenure profile between urban and rural areas, with higher home ownership (74%) in rural areas, and a smaller private rented sector (14%) and social rented sector (12%). This tenure profile is influenced by the stock profile but is also a reflection of the age structure (with older households more likely to be home owners).

Figure 9-6 Tenure Profile – Urban and Rural parts of Gloucestershire



Source: 2021 Census

9.12 Given the small size of many rural settlements, and the reduced percentage of homes in the private rental market when compared to urban areas, there may be only a limited choice of rental homes available at any one time. This is likely to exacerbate challenges in finding affordable rental homes caused by differentials in asking price and size of home (as discussed above).

Affordability Challenges

9.13 Overall the housing stock profile in rural areas reflects a historic pattern of lower-density development; with a greater focus on larger homes.

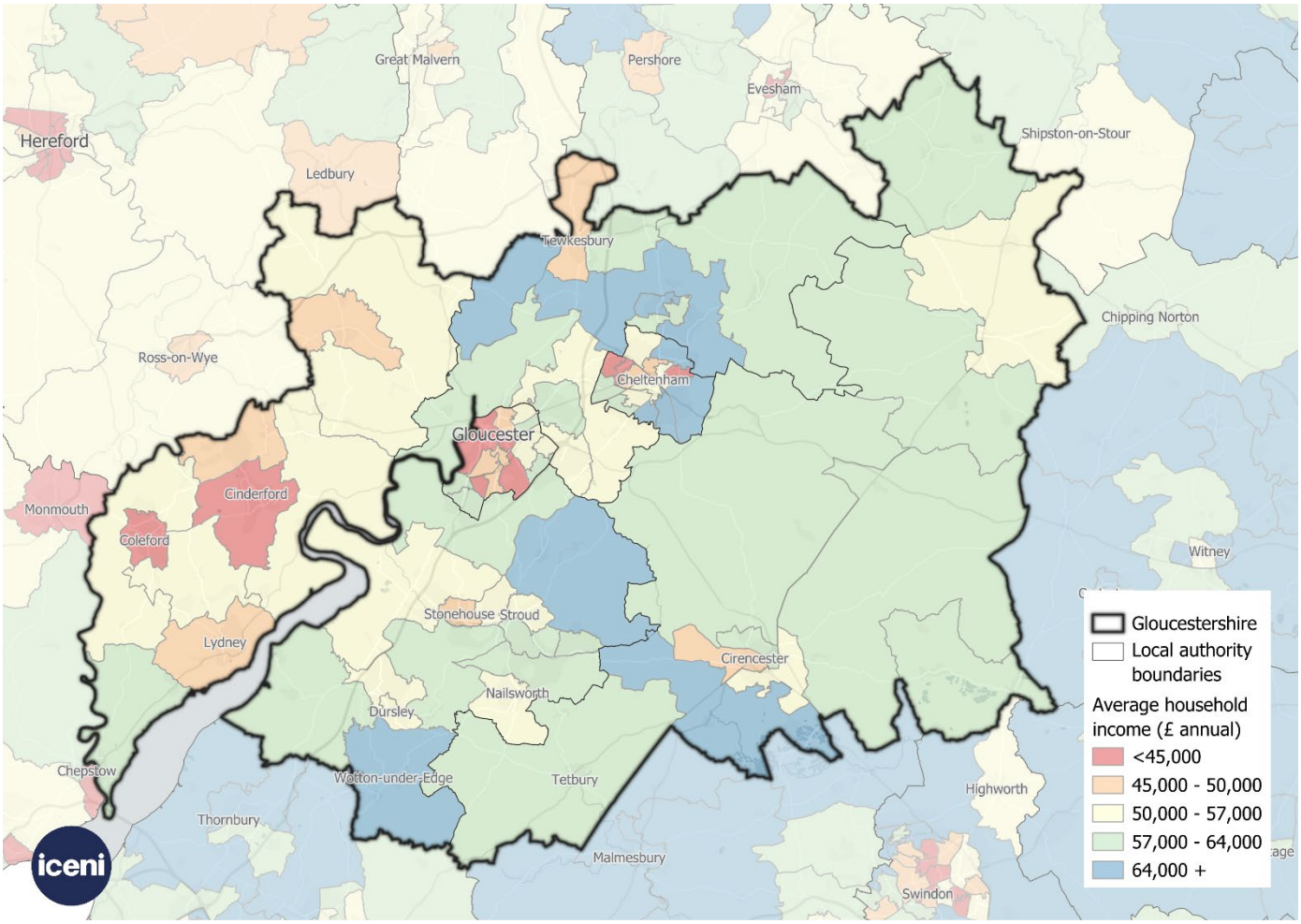
However the combination of a relatively modest stock of rented housing, which accounts for less than a quarter of homes; and higher housing costs combine to point to particular affordability issues for younger households and those on lower earnings.

9.14 This is most acute in Cotswold District, which exhibits some of the highest affordability pressures in England, with a workplace-based affordability ratio of 14.64, meaning that the median home costs nearly fifteen times local workplace earnings. As discussed earlier in this chapter, median rural house prices in Gloucestershire are substantially higher than those in larger urban areas.

9.15 The following figure shows how household income varies across the County, using data at the smallest spatial scale released by the ONS (middle layer super output areas or MSOAs). This shows rural areas to (with some exceptions) typically have household income levels higher than in nearby larger towns. For example:

- incomes in predominately rural MSOAs in Forest of Dean are higher than those containing Cinderford, Coleford, Lydney and Newent.
- MSOAs in Stroud containing the towns of Stroud, Nailsworth, Dursley and Stonehouse have the lowest household incomes.
- In Tewkesbury, the lowest incomes are in MSOAs containing the town of Tewkesbury and those in between Gloucester and Cheltenham.
- All MSOAs in Cotswold have average household incomes of at least £50,000 (and most at least £57,000) apart from one which contains central Cirencester.

Figure 9-7: Spatial variation in household income (2023)



Source: ONS *Income estimates for small areas, England and Wales: financial year ending 2023*

9.16 This would suggest that in general households in rural areas are able to afford to pay more for housing than those in urban areas. However, this broad picture is likely to mask significant variation in income within each MSOA, with lower income households and individuals in rural areas having very few affordable housing choices, noting the lower number of smaller homes available in many rural areas and their higher LQ rents.

9.17 The limited affordable housing provision, and likely lower turnover of affordable housing stock, in rural areas has an impact on economies and the viability of rural communities as well as the ability to retain talented workers. There is evidence in this report which points for instance to notable in-commuting to Cotswold District to lower paid roles, which will be influenced by affordability characteristics within it.

9.18 These dynamics reflect not only the rural housing stock and limited supply of smaller and more affordable homes; but also sustained demand from higher-income in-migrants seeking lifestyle and landscape-led quality of life (including foreign buyers in Cotswold District). This creates a challenging environment for younger households, newly forming households and those employed in key rural sectors in securing adequate and affordable housing.

Demographic Dynamics

9.19 Demographic change intensifies these pressures. Rural districts have substantially older populations, with Cotswold having 27.5% of its residents aged 65 and over, compared with just 16.9% in Gloucester. These areas are expected to see among the largest increases in older residents over the next two decades, driven both by ageing in place and inward migration of older, more affluent households. This is likely to drive significant growth in under-occupation of housing.

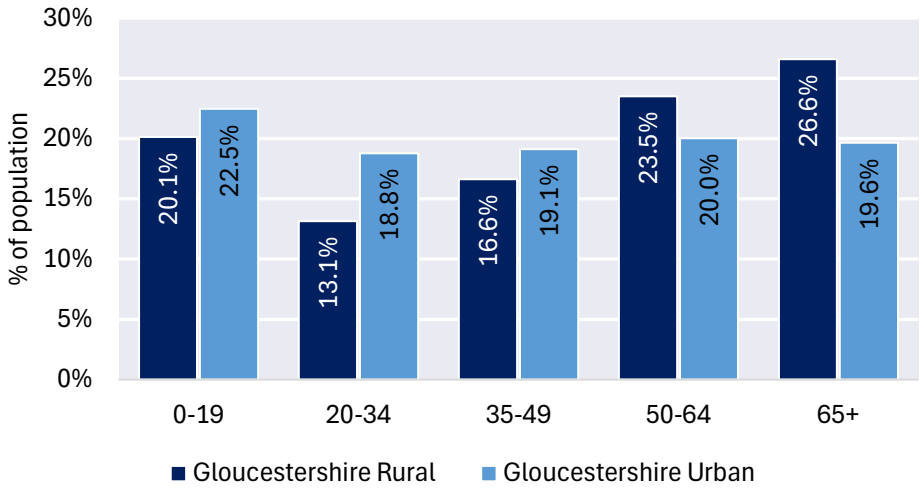
9.20 There is substantial variation in the age profile between the urban and rural parts of the County. This is partly visible in the above analysis, which sees for example 27.5% of the population of Cotswold aged 65 or older compared to only 16.9% in Gloucester and 19.8% in Cheltenham.

9.21 The following figure drills further into this issue by directly comparing the age profiles of Gloucestershire's urban and rural areas. The rural areas have a much higher proportion of people aged 50+ (50.1% vs 39.6), and a substantially lower proportion of younger people aged 20-34 (13.1% vs 18.8%).

9.22 Many young people may move away to go to university, to access employment or following a preference to live in a town or city. Nonetheless, it is important to ensure that suitable housing is available to younger people to return to or remain in rural areas - so that they do not have to move away to access genuinely affordable housing; and in

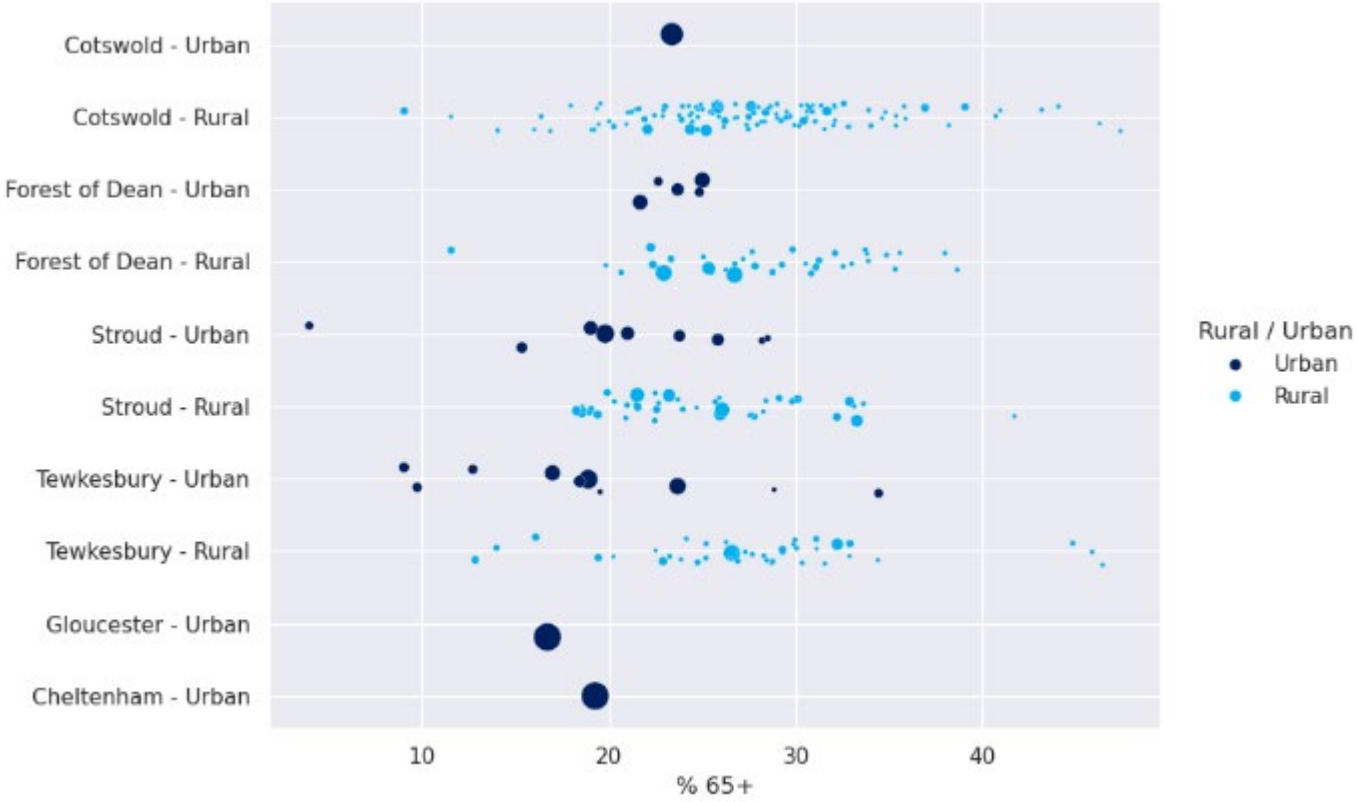
order to combat the ageing of the rural population; to support the rural economy; and to maintain the viability of rural communities.

Figure 9-8: Comparison of age profile of urban and rural areas



Source: Iceni analysis of ONS Population Estimates

Figure 9-9: Percentage of people aged 65+ by parish



Source: Iceni analysis of ONS Census 2021

Inter-relationship with the Rural Economy

9.23 Demographic concerns such as this also plays a key factor in the stability of the rural economy and infrastructure. There are clear examples across Gloucestershire of businesses closing due to sales not being able to keep up with increasing costs. One recent example of this is at pub The Corner Cupboard Inn in Winchcombe, Cotswold which in February 2026 announced its second closure in 2 years, with the owner citing "insurmountable" running costs as the primary reasons for the final shutdown[46].

9.24 This issue is not limited to pubs but also extends to other rural community services such as schools. The County Councils School Places Strategy (2025-30)[47] states that falling student rolls in some rural areas have already forced some village primary schools to close or merge with others. The County Council actively encourages the governors of schools with less than 90 pupils to consider collaboration or amalgamation with other neighbouring schools. In Gloucestershire this would relate to around 93% of primary schools. Lack of village primary school provision can directly impact ageing populations in rural areas, younger families with children are much less likely to move to a rural location if there is not sufficient school provision.

9.25 This highlights a disconnect between the existing housing stock and the households that fill them. The rural stock overall has an emphasis on larger homes. These properties are often less accessible and do not match the requirements of an ageing population that will increasingly need downsizing options, accessible bungalows, specialist accommodation and adaptable smaller homes. These large, less dense properties in rural locations are often much more suited to families,

[46] 'Sadness' at 16th century Corner Cupboard Inn to close | Cotswold Journal

[47] for-cabinet-gloucestershire-school-places-strategy-2025-2030.pdf

however when there is a decline in other services provided locally, such as schools and pubs these become much less attractive.

9.26 Housing supply dynamics in rural Gloucestershire further reinforce these pressures. Affordable housing delivery in rural districts remains limited relative to identified need, with rural authorities showing persistent gaps between new supply and required provision. The rural districts face substantial affordable housing needs, yet the scale of rural development, site availability, and viability constraints often restrict affordable delivery to small or intermittent schemes. There can also be issues of housing delivery overall more focused towards urban locations.

Visitor Economy

9.27 The visitor economy is important part of the economy in a number of rural areas in Gloucestershire; with the evidence pointing to a high level of vacant and second homes in rural areas – particularly in Cotswold District.

9.28 The table below shows rates of homes being unoccupied, meaning either that they are second homes or are truly vacant (i.e. have no indication of being used as a second home and are not inhabited by short-term residents). This is based on ONS data which combines information from the Census with administrative datasets[48].

9.29 Affordable rental options in the private sector are also constrained, with rural private rents remaining high relative to local earnings.

[48] ONS *Number of vacant and second homes, England and Wales: Census 2021* https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/numberofvacantandsecondhomesenglandandwales/census2021

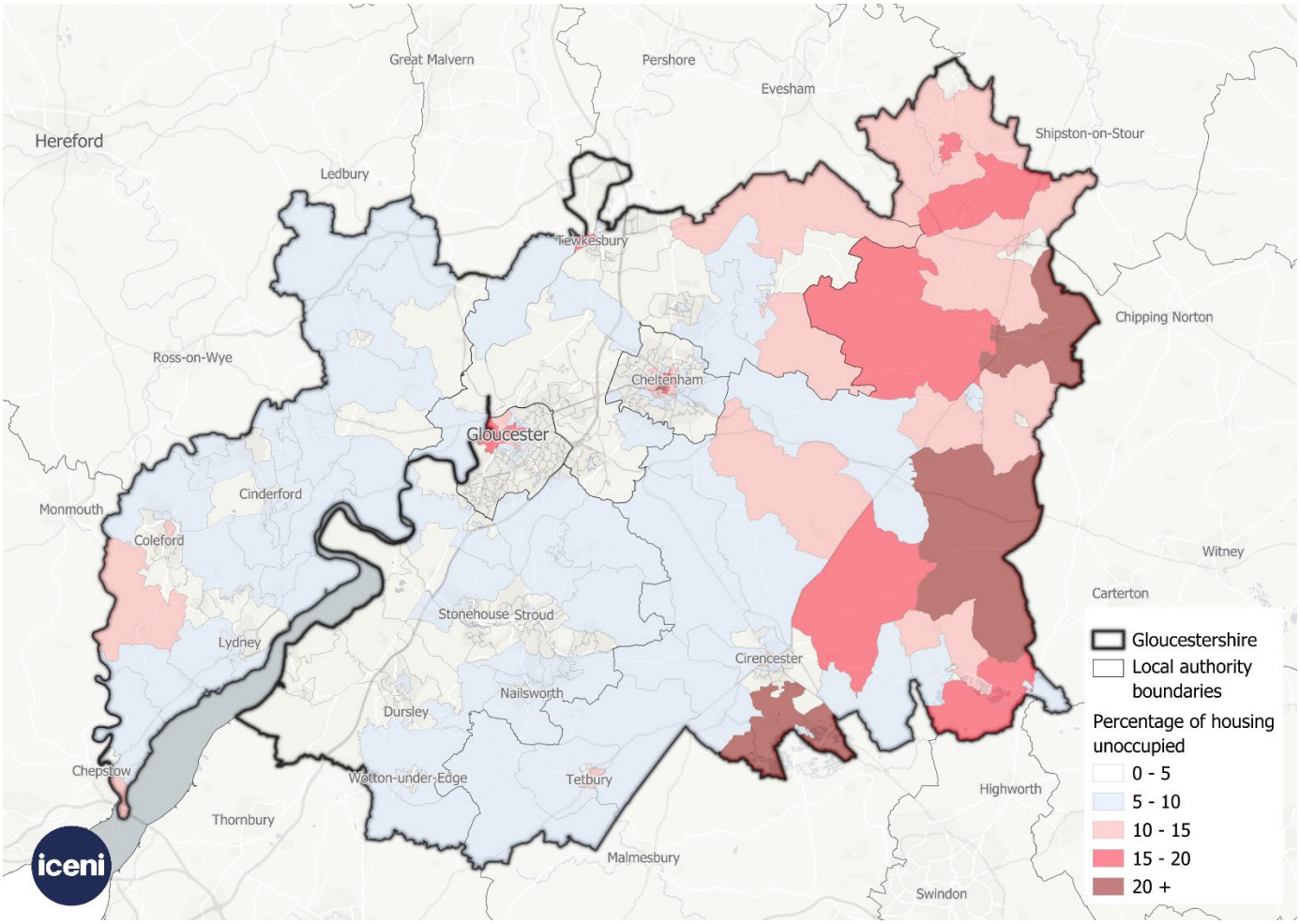
Table 9-1 Housing occupancy urban/rural breakdown (2021)

Location	% Vacant	% Second homes	% Unoccupied
Cotswold Rural	8.7%	3.3%	12.0%
Cotswold Urban	5.3%	0.7%	6.0%
Forest of Dean Rural	5.6%	0.4%	6.0%
Forest of Dean Urban	5.3%	0.3%	5.7%
Stroud Urban	4.1%	0.3%	4.4%
Stroud Rural	5.0%	0.7%	5.7%
Cheltenham Urban	6.2%	0.7%	6.9%
Gloucester Urban	4.6%	0.1%	4.7%
Tewkesbury Urban	3.6%	0.1%	3.7%
Tewkesbury Rural	5.4%	0.6%	6.0%
SLP Urban	5.0%	0.3%	5.3%
SLP Rural	5.4%	0.6%	6.0%
G'shire Urban	4.8%	0.3%	5.2%
G'Shire Rural	6.7%	1.7%	8.4%

Source: Iceni analysis of ONS *Number of vacant dwellings and second homes (with no usual residents)*

9.30 The figure below shows the geographical distributions of unoccupied housing, there are very clear areas of where the levels of unoccupied homes is very high are more than 20%. This is particularly true in the east of the county.

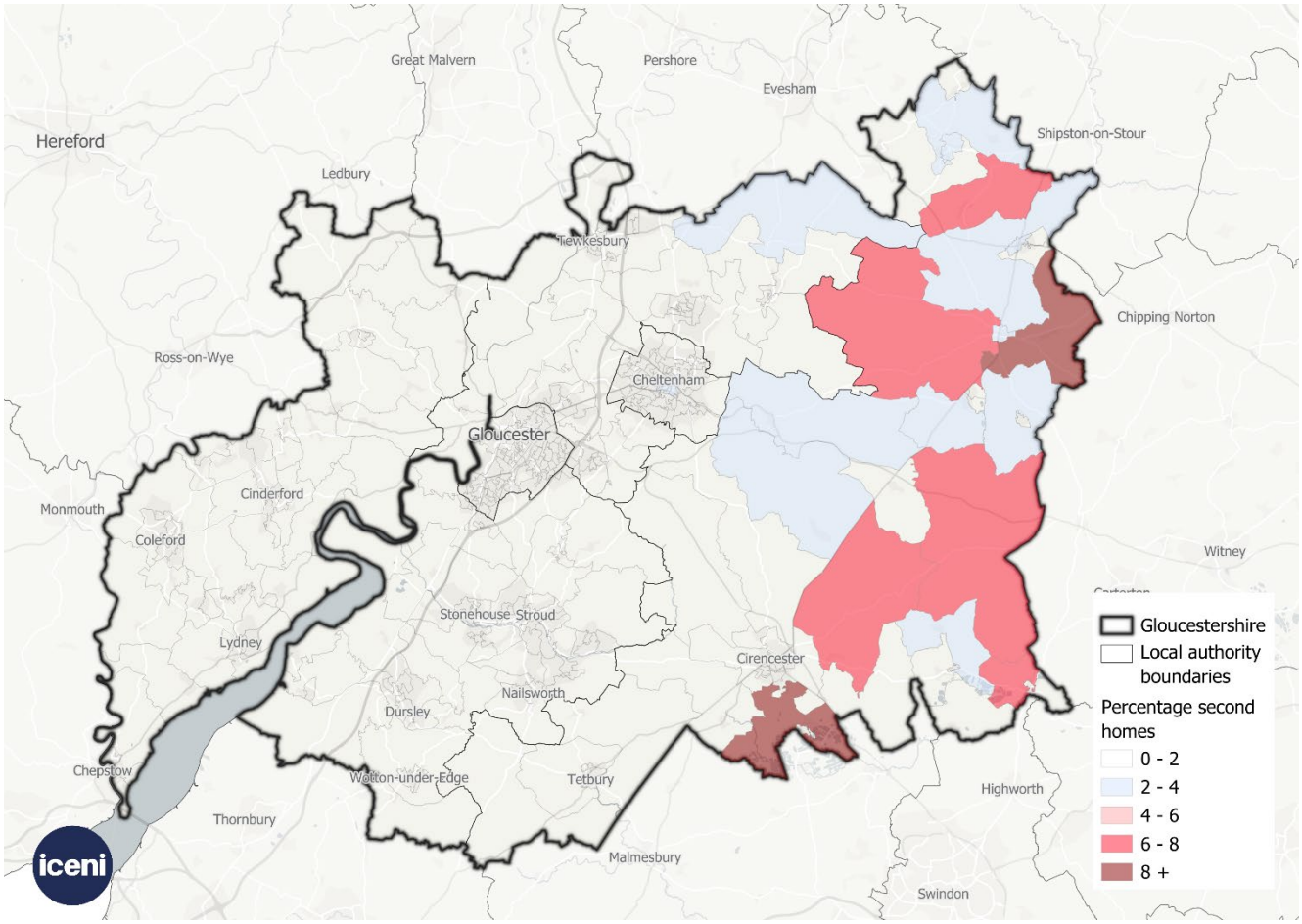
Figure 9-10: Unoccupied housing (2021)



Source: Census 2021

9.31 The proportion of properties which are second homes follows a similar pattern, although the proportions are not as high, there are particular areas in the east where second homes make up 8% or more of the dwelling stock in the area

Figure 9-11: Second homes (2021)



Source: Census 2021

9.32 These housing conditions have direct implications for the rural economy. High rural housing costs create barriers for employers trying to recruit and retain workers across agriculture, tourism, land-based industries, education, care and the wider service economy. Many of these sectors rely on lower or mid-wage labour, which cannot compete in markets dominated by large detached homes and high entry-level prices.

9.33 This has consequences for affordability in rural areas, especially in high-cost districts like Cotswold, and contributes to recruitment difficulties that can affect the viability and resilience of rural businesses. In some cases, the inability of workers to live locally undermines the sustainability of village services, weakens community vitality and places pressure on already stretched public transport links.

Policy Framework

Current framework

9.34 A number of authorities have developed planning policy that specifically considers affordable housing development in rural areas. In Cotswold, Policy H3 looks at rural exception sites and allows development in rural areas that may not otherwise be considered appropriate if these schemes provide 100% affordable dwellings and meet an identified need in the locality. Additionally, Policy H5 considers the needs for rural workers and allows development outside settlements for rural workers where need of such is evidenced.

9.35 The Tewkesbury Local Plan also enforces a similar policy framework with Policy AGR3 which supports the development of agricultural/rural worker dwellings and Policy RES 6 which supports rural exception sites. The Gloucester, Cheltenham Tewkesbury JCS supports the delivery of affordable housing on rural exceptions sites as part of Policies SD10 and SD12.

9.36 The Cheltenham Plan supports the delivery of dwellings for agricultural and forestry workers in Policy HM4 and relies on the JCS for policy regarding exception sites.

9.37 The Gloucester Local Plan has no specific policy in regard to rural exception sites or agricultural worker housing, although as an urban area this is likely not required. In any case, the City is covered by policies set out within the JCS.

9.38 The Stroud local plan does consider rural exception sites in Policy HC4 and considers the agricultural economy (including workers) as part of Policy CP15.

9.39 The Forest of Dean local plan has a policy for exception sites set out in Policy CSP 5, although does not have a policy that specifically considers agricultural worker dwellings.

Policy implications

9.40 The evidence points to a need for planning policies to support the delivery of affordable housing in rural areas, particularly where this can help to retain younger households, lower-income workers and those employed in rural services and local businesses.

9.41 Rural exception sites are likely to remain an important mechanism for addressing these needs, especially in smaller settlements where land values, limited stock turnover and a lack of smaller homes restrict affordable housing options. Local plans should therefore provide support for rural exception sites where these respond to evidenced local need and are proportionate to the scale and character of the settlement.

9.42 The setting of housing requirements for neighbourhood plans is discussed later in this chapter. It should be recognised through this process that some level of development is necessary in rural areas to increase local housing supply and ensure the continued viability of rural economies, services and communities.

9.43 In addition, it will be important to facilitate a variety of housing on allocated sites within rural areas, including some provision of smaller market homes and affordable housing.

Setting Housing Requirements for Neighbourhood Plans

9.44 This section considers the potential distribution of growth across authorities, in order to identify housing requirements for individual neighbourhoods (most likely as inputs to neighbourhood plans).

National Policy

9.45 The NPPF requires a housing requirement to be set for the whole authority. Paragraph 69 of the December 2024 NPPF then directs housing requirements to be determined for neighbourhood areas:

> *Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Once the strategic policies have been adopted, these figures should not need re-testing at the neighbourhood plan examination, unless there has been a significant change in circumstances that affects the requirement.*

9.46 Paragraph 70 provides further directions regarding neighbourhood requirements in the case that a requirement figure cannot be provided because (footnote 31) "*a neighbourhood area is designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing area out of date*". In this case, local planning authorities are required to provide an indicative figure if requested to do so by the neighbourhood planning body. The factors to be considered are identified as:

> *This figure should take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the local planning authority.*

9.47 No further guidance on neighbourhood-level housing needs is provided in Planning Practice Guidance. However, as set out above, the NPPF establishes that neighbourhood housing requirements should reflect the spatial strategy for development, and may be informed by housing need evidence and the population distribution.

9.48 The distribution of housing within a local authority will ultimately be a choice for each council, taking into account factors including environmental and infrastructure constraints as well as the supply of suitable land. In practice, this means that neighbourhood-level housing figures are a matter for local methodological judgement, exercised

within the framework of the authority-wide requirement and the adopted or emerging spatial strategy within a plan.

9.49 The role of the authority is not to undertake a wholly separate housing need exercise for each neighbourhood, but to decide how the authority-wide need or requirement should be distributed or indicated at a smaller geography, having regard to strategic allocations, settlement hierarchy, sustainability, infrastructure capacity, land supply, constraints and local circumstances.

9.50 Existing practice elsewhere illustrates that there is more than one legitimate approach: For example, North Hertfordshire has published indicative figures on a population-share basis, while East Hampshire has published parish figures using housing stock as the starting point and then applying the standard method affordability adjustment.

Pro-rata housing stock

9.51 The most straightforward and transparent approach is a pro-rata allocation based on existing housing stock or households. Under this approach, each neighbourhood's indicative housing figure is derived by taking its share of the authority's dwelling or household stock and applying that share to the authority-wide annual housing need figure. Expressed simply:

> Neighbourhood annual figure = authority annual housing need × (neighbourhood dwelling stock / authority dwelling stock).
>
> OR
>
> Neighbourhood annual figure = authority annual housing need × (neighbourhood households / authority households).

9.52 The use of dwelling stock would have a particularly strong policy and methodological logic under the current standard method, because the standard method baseline itself is explicitly derived from existing

housing stock. Such an approach would also be mathematically equivalent to applying the standard method at neighbourhood level using the district-wide affordability adjustment factor.

9.53 There are two potential ways of doing this. East Hampshire has published an official example of this general approach, stating that parish housing stock was used as the starting point and that the standard method affordability adjustment was then applied. North Hertfordshire has, by contrast, applied a households-based apportionment – where need is apportioned to the area based on the percentage of the total district households in the area.

9.54 The main attraction of these straightforward approaches is that they are easy to understand, easy to verify and easy to update. They avoid introducing a layer of subjective weighting and can be explained clearly to neighbourhood planning groups. However, these simple approaches do not take account of spatial strategy, infrastructure requirements or settlement sustainability, and so could be considered as a starting point from which final requirements can be determined. There may be a key role for such policy considerations in supporting a sustainable pattern of development.

Data sources

9.55 For designated parish-based neighbourhood areas, there are two particularly practical sources of baseline data. Firstly, authorities may use their own council tax / local land and property records as the most up-to-date operational record of dwelling stock. Nationally, council taxbase statistics are compiled from dwelling-level information on liable and exempt dwellings, although the published national release is not itself a parish-level stock dataset. In practice, local authority systems will often provide the most current sub-authority stock count.

9.56 Census 2021 parish data is available through Nomis and provides household and population counts for civil parishes but not dwelling counts. Nomis states that the parish tables contain counts of usual

residents, households and key characteristics, and that the datasets were created by plotting unique properties, identified by postcode or UPRN, into parish boundaries current at December 2022.

9.57 Where neighbourhood areas do not correspond neatly to civil parishes, a more bespoke geography build would be required if census data is to be used. ONS notes that Output Areas (OAs) are the lowest level geography for which census statistics are produced, and household and dwelling counts are available by output area. For custom neighbourhood areas, data could be aggregated from OA level, and if using dwelling stock more recent completions data (i.e. since 2021) added on.

Local affordability ratios

9.58 A more ambitious option would be to vary the affordability uplift between neighbourhoods rather than applying a single district-wide factor. In principle, this would allow the stock-based baseline to be adjusted to reflect relative affordability pressure between different neighbourhoods.

9.59 The appeal of this is clear in districts where house prices, commuting relationships and market pressures vary materially between settlements. For example, in Tewkesbury and Stroud the parts of the districts in the Cotswolds National Landscape face materially greater affordable pressures. However national policy seeks to restrict development within the National Landscape.

9.60 However, it should be noted that a direct analogue of the Standard Method affordability ratio cannot be created for smaller areas. This is because the standard method uses the five-year average median workplace-based affordability ratio at local authority level, and similar workplace-based income data is not published at a more local level.

9.61 However, there is a potential evidence base for constructing a local affordability proxy. ONS publishes small area household income estimates for MSOAs, and also publishes house price and sales data

for geographies including MSOAs. An authority could therefore create a neighbourhood-level affordability proxy by combining small-area house price data with small-area income data, and then calibrating the resulting pattern back to the authority-wide workplace-based ratio used in the standard method. That would preserve consistency with the district total while allowing neighbourhoods with relatively acute affordability pressures to receive a somewhat larger share of need.

9.62 There are however important limitations to this approach. First, the standard method uses workplace-based earnings for individuals, whereas the readily available small-area income datasets are household income measures. These are different concepts and capture different things. Household income reflects resident household composition and income sources, including pensions and other non-earnings income, whereas workplace-based earnings better capture the relationship between local labour market earnings and housing costs. In areas with a relatively large retired population (such as Cotswold), a household-income approach may materially change the affordability pattern and may not align closely with the policy intent of the workplace-based affordability adjustment used in the Standard Method.

Other top-down allocations factors

9.63 If a local authority wishes to move beyond a pure pro-rata distribution, a weighting-based approach would be needed to allocate district-wide neighbourhood need (determined through the spatial strategy) into different neighbourhood areas.

9.64 A range of factors could be considered in determining weights, with each neighbourhoods housing need then calculated as:

Neighbourhood requirement =
total housing requirement for all neighbourhoods
× neighbourhood weight
/ sum of weights for all neighbourhoods

9.65 One possible modifier would be age structure. An authority could choose to direct a somewhat greater share of housing growth toward neighbourhoods with a high or rising proportion of older residents, either to support downsizing opportunities, improve the supply of specialist housing, or maintain the long-term sustainability of local communities (as an increasingly older population would imply falling household size). Census 2021 parish data are available through Nomis and can be used to identify the proportion of older persons, household composition and related characteristics at parish level.

9.66 A second possible modifier would be employment or economic role. ONS states that the Business Register and Employment Survey is the official source of employee and employment estimates by detailed geography and industry, and it can therefore inform a view on which settlements function as employment centres or have particular economic importance. An authority might reasonably direct more growth to neighbourhoods with stronger employment bases, better access to jobs or a strategic role in supporting economic development.

9.67 More generally, any weighting system should be kept proportionate. The more variables that are introduced, the harder it becomes to explain why one neighbourhood has been assigned a particular figure rather than another. For evidence-base purposes, there is a strong case for starting with a single transparent baseline and then applying only a limited number of clearly justified adjustments, each linked back to plan objectives such as supporting sustainable settlements, addressing demographic imbalance, aligning growth with employment, or reflecting major constraints.

Relationship with the Spatial Strategy

9.68 The NPPF is clear that neighbourhood-level requirements should reflect the overall strategy for the pattern and scale of development and any relevant allocations. That means Councils may legitimately choose to set some neighbourhoods above or below a pro-rata baseline where

that is justified by the settlement hierarchy, allocated sites, infrastructure provision, accessibility, environmental constraints or wider place-making objectives. In practice there are two ways in which this could occur.

9.69 The first would be that the spatial strategy may direct a higher or lower proportion of overall housing towards neighbourhood areas (as opposed to other sources of supply like urban extension, new settlements or brownfield development). The overall requirement could then be allocated using a weighting procedure as set out above, either through only housing or household numbers, or with additional factors considered.

9.70 The second is that a stock-based, population-based or weighting-based allocation could serve as a starting point, after which an authority could apply strategic adjustments. For example, some neighbourhoods could be considered not to be sustainable locations for growth and have no housing requirements. Others may be held to have high growth potential particularly if there are existing or proposed allocations within the neighbourhood area. Alternatively, housing requirements could be modified to align with a settlement hierarchy.

9.71 Typically once an overall requirement is set for each neighbourhood, existing commitments and allocations are totalled up through the neighbourhood planning process and an outstanding housing requirement calculated.

Drawing Conclusions

9.72 For the Gloucestershire authorities, the most defensible baseline methodology is likely to be a stock-based pro-rata distribution of the authority-wide local housing need figure. This mirrors the structure of the current standard method, is straightforward to calculate from available data, and can be updated relatively easily as dwelling stock changes.

9.73 It should, however, be presented as a baseline analytical tool, not as the only possible answer. Authorities may then choose to refine the baseline through the Local Plan or other strategic evidence, taking account of settlement hierarchy, allocations, infrastructure, services, employment and constraints.

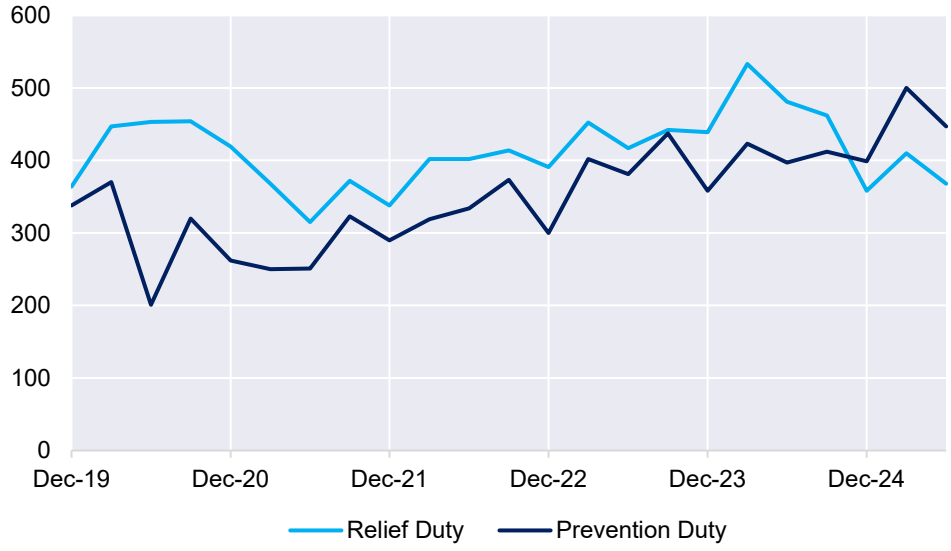
10. Housing Needs of Specific Groups

Homeless Households and those in Temporary Accommodation

10.1 The figure below shows how the overall number of homelessness duties owed in Gloucestershire has changed over time. Historically there have tended to be more households owed a relief duty rather than a prevention duty, this appears to have changed in recent years as the number of households owed a prevention duty has begun to increase, while the number owed a relief duty stayed much the same. In 2025 the number of households owed a prevention duty increased above the those owed a relief duty for the first time.

10.2 This steady increase in the number being owed a prevention duty is likely a factor of changing dynamics in the private rented sector, with many landlords leaving the market or serving Section 21 eviction notices prior to the full introduction of the Renters Rights Act.

Figure 10-1 Gloucestershire Homelessness Duties Owed

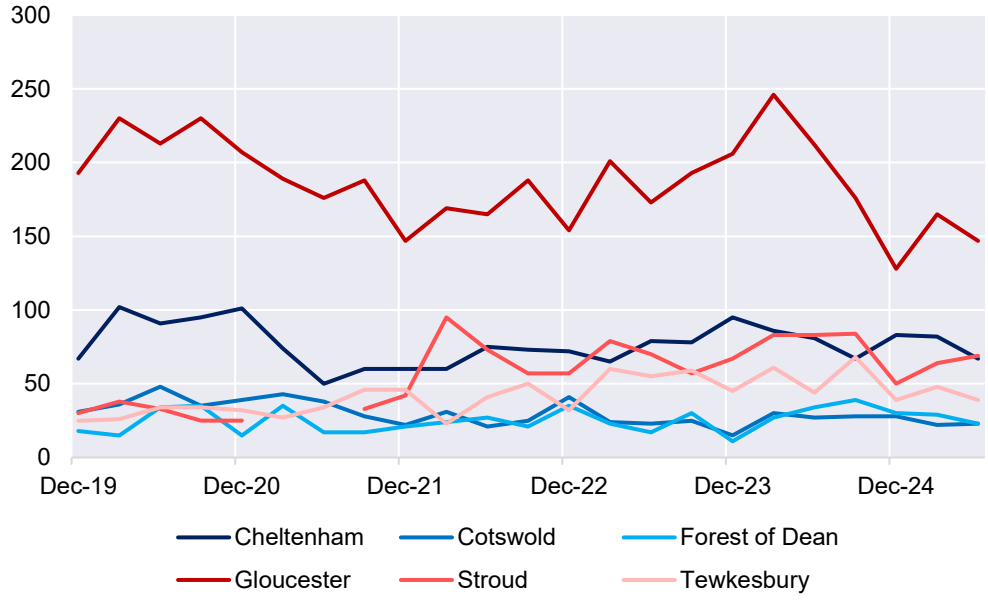


Source: MHCLG, H CLIC data

10.3 The figures below look at how prevention and relief duties have changed between 2019 and 2025 in each of the Gloucestershire

authorities. Overall it can be seen that the numbers of households being owed a relief duty each quarter has stayed much the same since 2019, with some declines seen in areas such as Gloucester, which regularly sees the highest number of households owed a duty, and this has likely led to the overall decrease in relief duties owed at a county level.

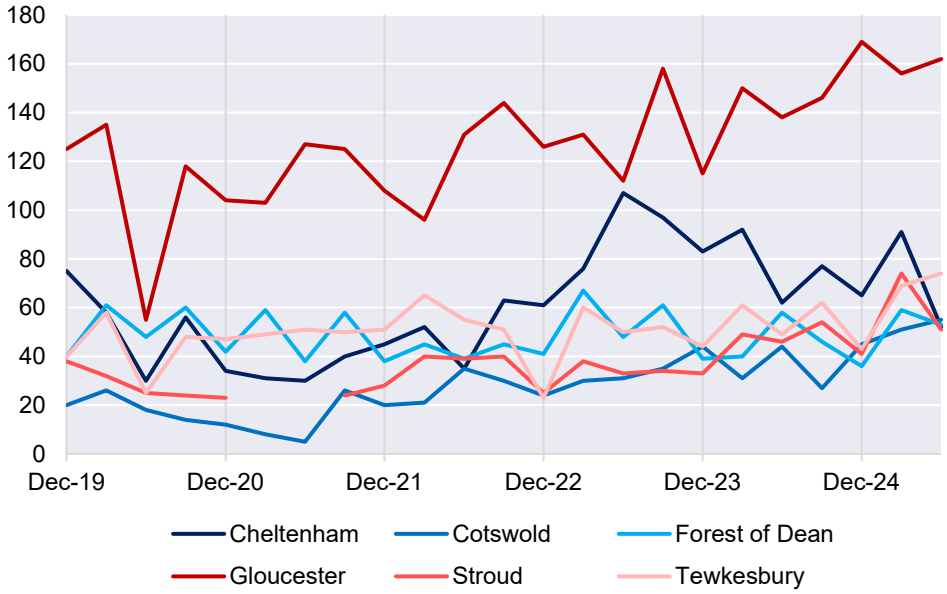
Figure 10-2 Households Owed a Relief Duty



Source: MHCLG, H CLIC data

10.4 The figure below shows that most authorities have seen an increase in the number of prevention duties since 2019 (except for Forest of Dean which numbers appear relatively static). While Gloucester has seen the most notable increases, Cotswold, Stroud and Tewkesbury have all faced increased pressure through prevention duties in the past year.

Figure 10-3 Households Owed a Prevention Duty



Source: MHCLG, H CLIC data

10.5 Overall it would appear that **increasing numbers of households are presenting as homeless within Gloucestershire's authorities.** This is being primarily driven by households who are threatened with homelessness, but not necessarily homeless at that point, and therefore are owed a prevention duty.

10.6 The table below shows the reason for the loss of the last settled home for households owed either a prevention or relief duty. Across Gloucestershire **eviction from a private rented tenancy is the most common reason for homeless presentations:** this is felt acutely in Cheltenham where the private sector makes up a large portion of the market, and evictions result in 35% of homeless presentations.

10.7 Family or friends being no longer willing to accommodate is the next most common reason at 26% across Gloucestershire: it is highest in Forest of Dean at 36%. Domestic abuse is another key driver of homelessness, although it is third in Gloucestershire overall, over 30% of presentations in Stroud and Tewkesbury are a result of domestic abuse.

Table 10-1 Reasons for loss of last settled home (June 2025)

	Cheltenham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkesbury	Gloucestershire
End of private rented tenancy	35%	33%	27%	21%	28%	19%	26%
Family or friends no longer willing or able to accommodate	25%	30%	36%	23%	19%	23%	24%
Domestic abuse	16%	11%	9%	23%	32%	33%	22%
Non-violent relationship breakdown with partner	3%	7%	7%	6%	9%	9%	7%
Left institution with no accommodation available	3%	5%	8%	6%	2%	5%	5%
Eviction from supported housing	8%	1%	1%	7%	4%	1%	5%
Required to leave accommodation provided by Home Office as asylum support	3%	0%	0%	7%	1%	1%	3%
End of social rented tenancy	3%	3%	5%	2%	2%	4%	3%
Other reasons / not known	2%	4%	1%	3%	0%	3%	2%
Home no longer suitable	1%	4%	4%	1%	2%	1%	2%
Other violence or harassment	1%	1%	1%	1%	2%	3%	1%

Source: MHCLG, H CLIC data

10.8 The table below shows how reasons behind being at risk of, or experiencing homeless have changed since December 2019. Cells highlighted in a darker red indicate a greater increase, where a darker blue is a stronger decrease.

10.9 In Gloucestershire overall domestic abuse has seen the highest percentage point increase of all reasons, while it has increased most in Stroud, the increases are significant in all areas except Cotswold and Forest of Dean. In both Cotswold and Forest of Dean there has also been a large decline in non-violent relationship breakdowns.

10.10 Interestingly, while Cotswold, Forest of Dean and Cheltenham have also seen significant increases in households becoming homeless as a result of a private sector tenancy ending, this trend is not replicated in other areas.

Table 10-2 Change in reasons for loss of last settled home (Dec 19 – Jun 25)

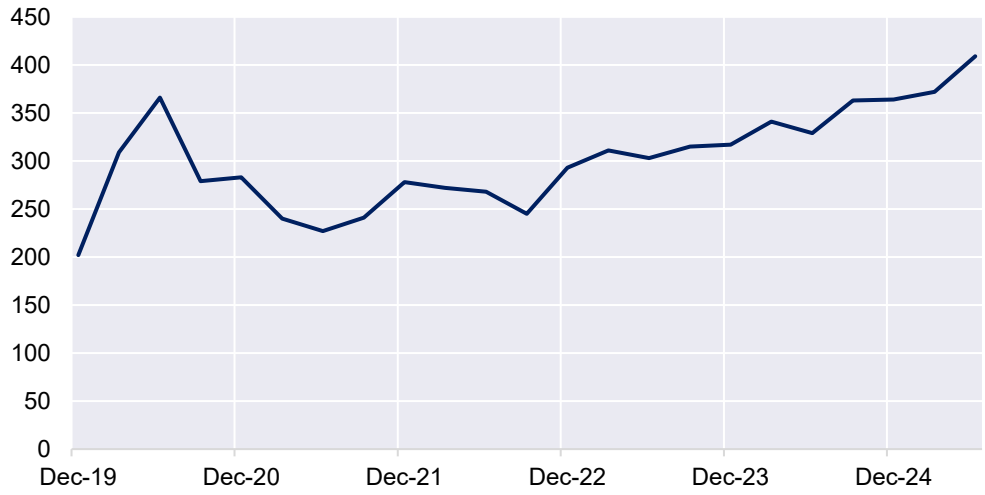
	Cheltenham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkesbury	Gloucestershire
Family or friends no longer willing or able to accommodate	1%	11%	2%	4%	-3%	0%	2%
End of private rented tenancy	6%	17%	9%	-2%	0%	2%	2%
Domestic abuse	10%	1%	2%	9%	17%	10%	10%
Non-violent relationship breakdown with partner	-4%	-21%	-11%	-3%	-2%	1%	-4%
End of social rented tenancy	0%	1%	-2%	0%	2%	-1%	0%
Eviction from supported housing	-5%	-3%	0%	-1%	1%	-1%	-2%
Other violence or harassment	-1%	1%	0%	-2%	2%	0%	-1%
Left institution with no accommodation available	3%	5%	8%	5%	2%	5%	4%
Required to leave accommodation provided by Home Office as asylum support	0%	-2%	-2%	4%	-6%	-5%	0%
Other reasons / not known	-11%	-15%	-11%	-15%	-13%	-11%	-13%
Home no longer suitable	1%	4%	4%	1%	2%	1%	2%

Source: MHCLG, H CLIC data

10.11 Although the Homelessness Prevention Act requires local authorities to work in a proactive and preventative way to prevent households from becoming homeless, in practice, the number of households becoming homeless or being threatened with homelessness can directly translate into demand for additional Temporary Accommodation (TA). The figure below looks at the overall number of households in TA in

Gloucestershire over time. This figure has very clearly been increasing over time.

Figure 10-4 Total Households in TA in Gloucestershire over time



Source: MHCLG, H CLIC data

10.12 The table below shows the change in TA use for each local authority. Gloucester sees the highest use amongst the authorities in both 2019 and 2025 and makes up 61% of the countywide total in 2025, proportionally it has seen a 98% increase in TA use since 2019.

10.13 Forest of Dean and Tewkesbury both see significant proportional increases of over 200%; and see the 2nd and 3rd highest absolute change across the period. Cheltenham has seen the lowest proportional and absolute change.

Table 10-3 Change in TA use by Local Authority

	December 19	June 25	Absolute Change	Percentage Change
Cheltenham	16	24	8	50%
Cotswold	19	32	13	68%
Forest of Dean	11	38	27	245%
Gloucester	127	251	124	98%
Stroud	20	36	16	80%
Tewkesbury	9	28	19	211%
Gloucestershire	202	409	207	102%

Source: MHCLG, H CLIC data

10.14 The table below shows the most common support needs for households presenting as homeless in Gloucestershire. Percentage figures are taken from the total number of support needs recorded from December 2019 to June 2025. It should be noted that the support needs listed are not mutually exclusive, for example those with a history of mental health problems could also need support as a result of physical ill health. Indeed, discussions with commissioners and Districts indicate that presentations are showing higher levels of co-morbidities, making addressing the root causes of homelessness more complex.

10.15 People with a history of mental health problems was the most common support need at 18% in Gloucestershire overall, the instance of this need was highest in Forest of Dean at 26% of all support needs listed, this is followed by Cotswold at 22% and Tewkesbury at 21%.

10.16 Physical ill health and disability is second most common for most areas, with the exception of Stroud and Tewkesbury which see higher instances of people who are at risk of or have experienced (or are survivors of) domestic abuse.

10.17 People with a history of rough sleeping, repeat homelessness or offending also feature highly in terms of support needs. This reflects that these cohorts face a cycle of homelessness without an improvement in circumstances. There is likely to be a significant level of overlap with drug/and/or alcohol support needs and the cohorts above.

Table 10-4 Most Common Support Needs

Support Need	Cheltenham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkesbury	Gloucestershire
History of mental health problems	19%	22%	26%	17%	20%	21%	18%
Physical ill health and disability	11%	14%	16%	11%	11%	12%	11%
At risk of / has experienced domestic abuse	9%	9%	8%	9%	13%	16%	10%
History of repeat homelessness	8%	5%	5%	10%	7%	5%	9%
Offending history	9%	6%	6%	8%	7%	5%	8%
Access to education, employment or training	5%	6%	3%	8%	4%	5%	6%
History of rough sleeping	6%	5%	4%	7%	6%	3%	6%
Learning disability	4%	6%	6%	5%	3%	4%	5%
Drug dependency needs	7%	4%	5%	4%	4%	7%	4%
Alcohol dependency needs	6%	4%	4%	3%	5%	5%	4%

Source: MHCLG, H CLIC data

Students

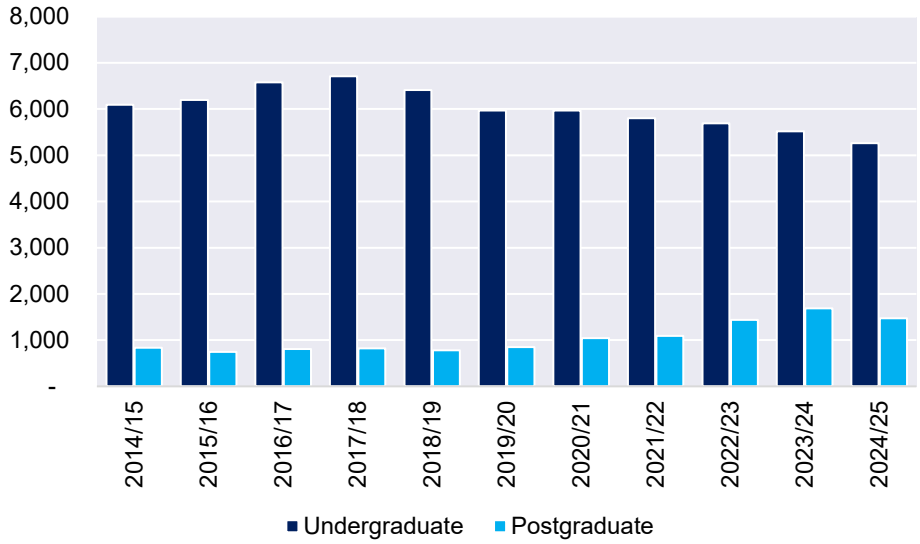
10.18 There are 3 higher education institutions in Gloucestershire, these are:

- University of Gloucestershire which has campuses in both Cheltenham and Gloucester;
- Hartpury University with one campus to the north of Gloucester based in the Forest of Dean; and
- the Royal Agricultural University (RAU) based in Cirencester in Cotswold district.

10.19 The figure below shows data on student numbers at the University of Gloucestershire since the 2014/15 academic year, drawn from the Higher Education Statistics Authority (HESA) data. In 2024/25 (the most recent year of available data) the University had 6,740 Full-Time Students. Of these students 78% (5,265) studied undergraduate courses, with the remaining 22% on postgraduate courses.

10.20 Overall it can be seen that the University of Gloucestershire has seen a decline in the number of full-time (FT) undergraduate students as well as an increase in post graduates. Total numbers of FT students have fluctuated, but have declined overall since a high of 7,530 in 2017/18.

Figure 10-5 University of Gloucestershire – Student Growth (FT)



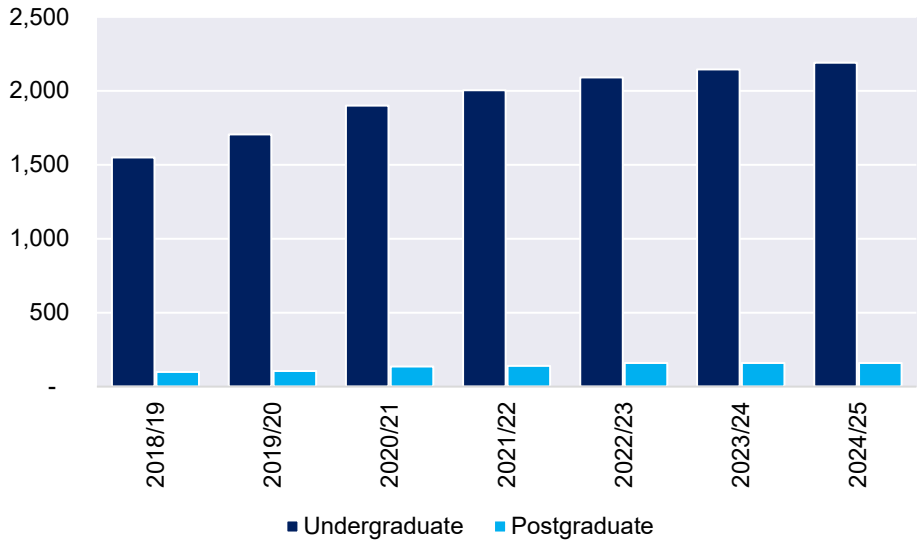
Source: Higher Education Statistics Authority

10.21 The figure below shows the same metric for Hartpury University, although data is only available from the 2018/19 year onwards. In 2024/25 the University had 2,350 Full-Time Students. Of these students 93% (2,190) studied undergraduate courses, with the remaining 7% on postgraduate courses.

10.22 Overall it can be seen that the University has seen increases in the number of undergraduate students as well post graduates. The total numbers of students has increased steadily from 2018/19 onwards, with an increase of 700 FT students seen over the 6-year period. However,

student numbers have stabilised as growth rates have decreased in recent years.

Figure 10-6 Hartpury University – Student Growth (FT)

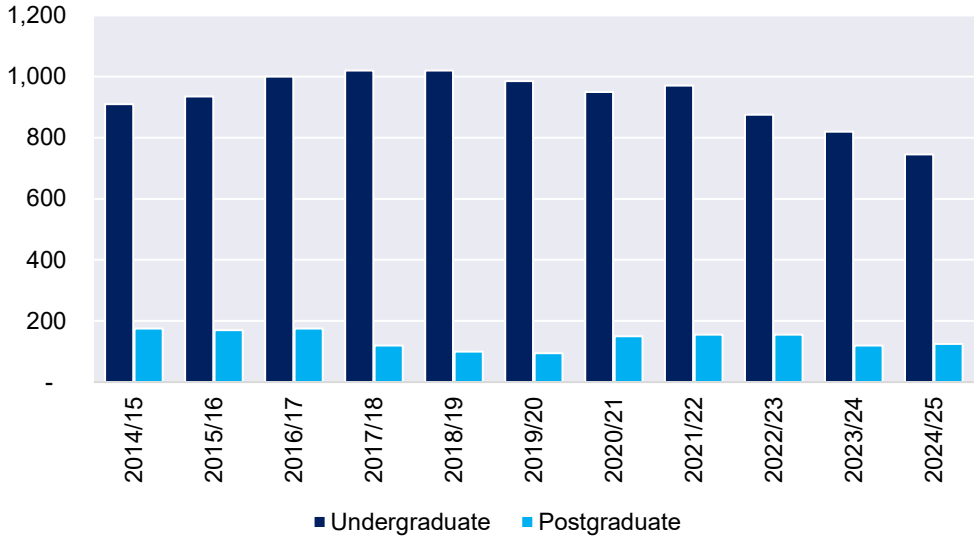


Source: Higher Education Statistics Authority

10.23 The figure below shows the same metric for the Royal Agricultural University (RAU). In 2024/25 the University had 870 Full-Time Students. Of these students 86% (745) studied undergraduate courses, with the remaining 14% on postgraduate courses.

10.24 In a similar vein to the University of Gloucestershire, the overall number of students at the RAU has fluctuated, although is currently down from a high of 1,175 in 2016/17. The number of postgraduates in particular sees no clear pattern of change. However, there is a general trend of decline in undergraduate numbers with the most recent year seeing the lowest number of undergraduates over the duration of the assessed period.

Figure 10-7 Royal Agricultural University – Student Growth (FT)



Source: Higher Education Statistics Authority

Student Accommodation

10.25 The Higher Education Statistics Authority (HESA) provides survey-based data on the accommodation choices of full-time students. This data comes with a warning that respondents 'self-declare' and may do so erroneously. For example, the 'own residence' category can pick up those in HMOs or living with parents because respondents mistakenly believe that this is their "own" residence.

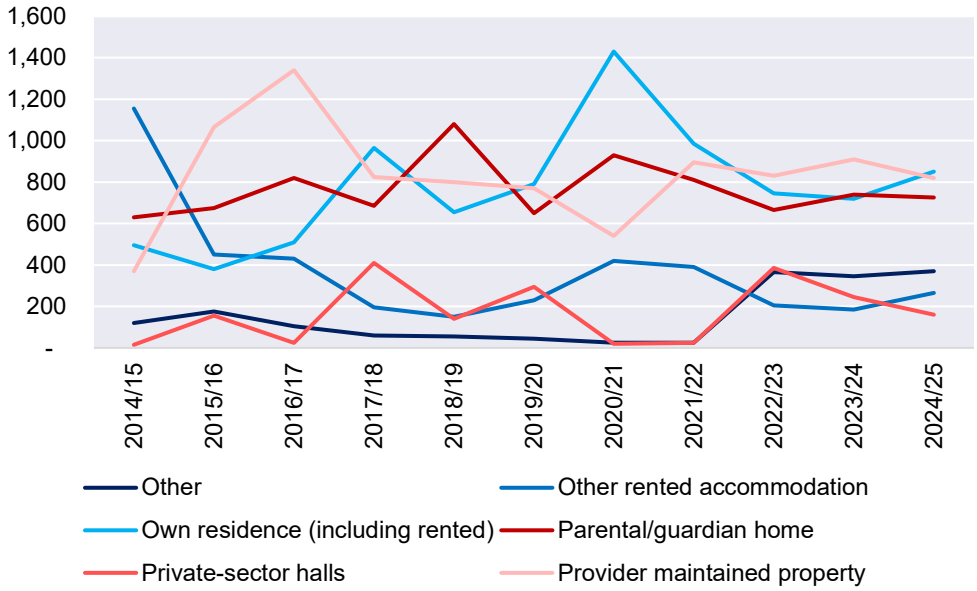
10.26 HESA's accommodation choice data includes the following categories:

- **Provider maintained property**: Residences owned by the education provider
- **Private-sector halls**: Student accommodation not maintained by the education provider
- **Parental/guardian home**: Students living with parents or guardians during term time
- **Own residence**: Students living in their own *permanent* residence, which may be owned or rented
- **Other rented accommodation**: *Temporary* rented accommodation, such as a shared house rented on a yearly basis

- **Other**: Other arrangements not captured by other categories. This may include some remote students or those on external placements.
- The figure below shows the change in term time accommodation choices for students at the University of Gloucestershire.

10.27 The figure below shows the change in term time accommodation choices for students at the University of Gloucestershire. ”Provider maintained property”, “Own residences” and “parental/guardian home” are the most common types of housing options for students. There appears to have been a decline in students who live in “other rented accommodation” since 2014/15.

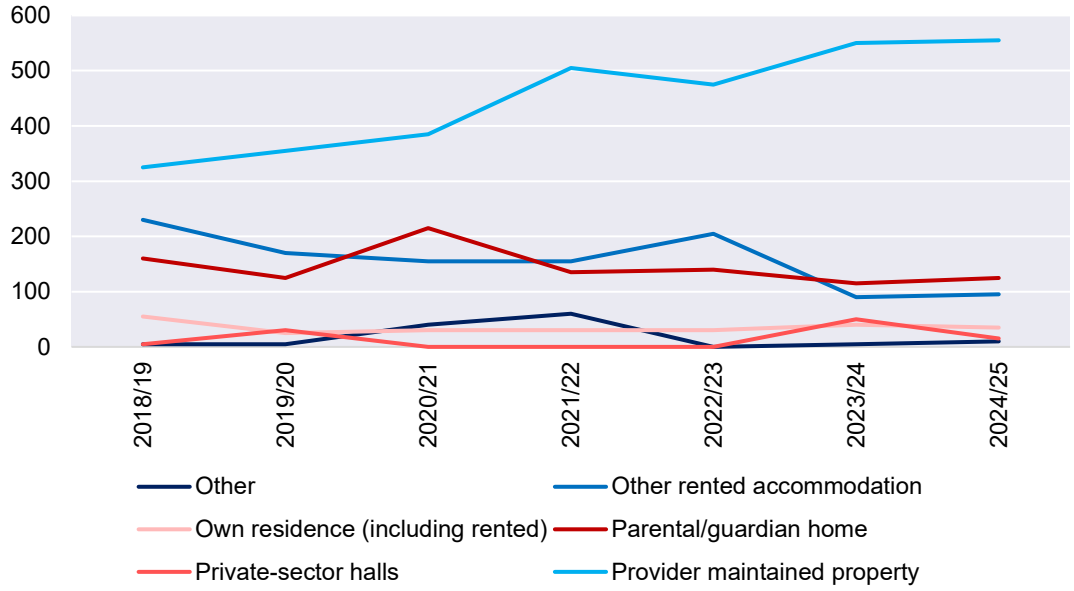
Figure 10-8 University of Gloucestershire – Term Time Accommodation



Source: Higher Education Statistics Authority

10.28 The figure below shows the same metric for Hartpury University. Provider maintained properties are the most common type of housing by far, this is followed by parental/guardian homes, although the difference between the two categories is significant. It would appear that student growth at Hartpury has been accommodated in in university owned halls, while the number of students in each of the other types of accommodation has either been static or declined.

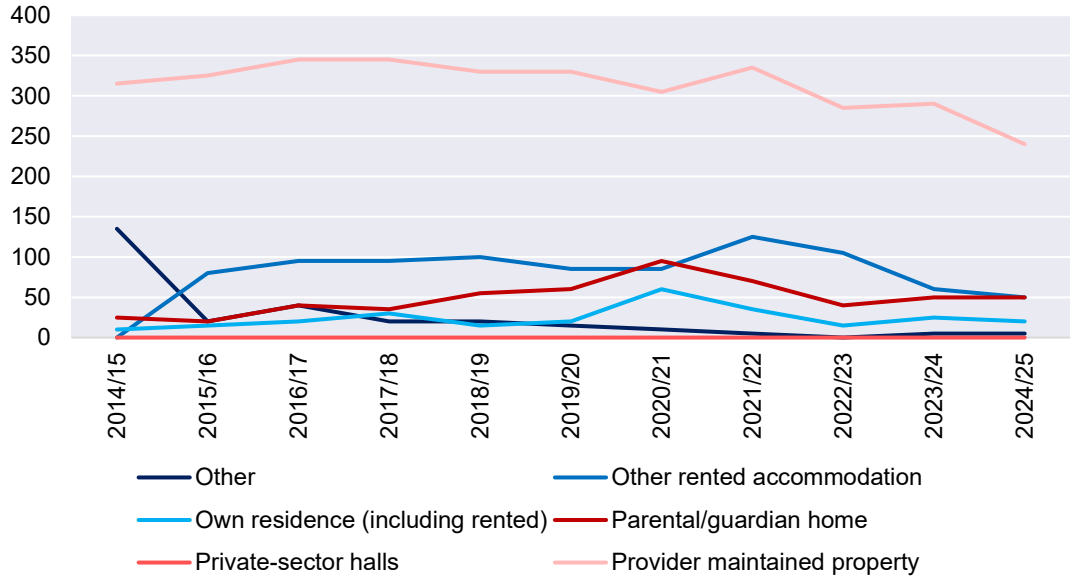
Figure 10-9 Hartpury University– Term Time Accommodation



Source: Higher Education Statistics Authority

10.29 Provider maintained properties are also the most common at RAU. The decline in RAU's student population has been reflected in declines in students living in both university halls and other rented accommodation.

Figure 10-10 Royal Agricultural University– Term Time Accommodation



Source: Higher Education Statistics Authority

Census 2021

10.30 The 2021 Census provides alternative accommodation information for residents aged over 18 who are in full-time education. However, it is important to note that this will include some older school students and those studying at other non-university institutions, as well as those who study elsewhere but live in Gloucestershire.

10.31 It is important also to note that the 2021 Census was conducted at a time when not all Universities had returned to in-person teaching following COVID-19. As a result, some students may have been counted by the Census at a home address away from Gloucestershire.

10.32 Recent Government changes to immigration rules (especially around co-dependent family members, income thresholds for citizenship and higher right to remain requirements for students) has lead to a significant decline in the number of foreign students studying at UK Universities and Higher Education establishments. Whilst the impact of these changes vary significantly based on location (e.g. with globally renowned Universities such as Oxford and Cambridge being notably affected), Gloucestershire's student population is likely to be impacted (although this impact is comparatively small).

10.33 Additional government policy has sought to place greater emphasis on apprenticeships, technical qualifications and further education pathways alongside traditional university education. In September 2025 the government scrapped a target that sought to ensure that 50% of young adults were in higher education. This aims to reflect a broader skills agenda rather than a focus on university participation. By encouraging more options in the apprenticeship market this can work to entice prospective students away from universities and therefore leading to a reduction in student numbers.

10.34 However, more recent news around the impact of student loans on graduates and the rising interest rates that sit alongside them may also impact the number of people looking to attend university. While the

government have introduced a cap on the amount of interest that can be added to student loans the prospect of this as well as the overall cost of attendance can be a significant factor in discouraging students. For context, tuition loans often start at £9,790 per year with maintenance loans starting at £4,915 a year (and increasing for students from families with a lower income), across a standard 3 year course this would see an overall cost for attending university of £44,115. The table below shows the type of accommodation students over the age of 18 reported to be living in. In Gloucestershire as a whole, most students live at home with their parents (42%), this is followed by those living in all student households (20%) and then those in a communal establishment (16%).

10.35 At a local authority level, Cheltenham sees the most students overall at 5,052, with the highest proportion in all student household at 30%, relating to a total of 1,509 students. Gloucester also sees a high number of students a 4,428 with 26% in all student households, most students in Gloucester live with their parents (37%).

10.36 When looking at the proportion of students in communal establishments, it is clear to see that university establishments are the most common with very few students in “other” establishments. This likely indicates that the market for privately funded Purpose-Built Student Accommodation is modest.

Table 10-5 Accommodation of Students 18+

	Cheltenham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkesbury
Total Students (18+)	5,052	1,948	1,834	4,428	2,038	1,543
Living with parents	24%	46%	49%	37%	68%	69%
Living in a communal establishment	24%	15%	27%	14%	2%	0%
Communal: University	21%	10%	27%	12%	0%	0%
Communal: Other	4%	5%	0%	1%	2%	0%
Living in an all student household	30%	20%	5%	26%	6%	5%
Living alone	4%	4%	3%	4%	3%	3%
Living in another household type	18%	15%	16%	19%	21%	22%

Source: Census 2021

Consultation with University of Gloucestershire

10.37 The University's estate is split across multiple sites. In Gloucester, the main locations are the City Campus and the Oxstalls Campus. In Cheltenham, the main teaching sites are Francis Close Hall and Park Campus. The University owns student accommodation at Pittville, located close to Cheltenham Racecourse.

10.38 Historically, the University's footprint has been weighted towards Cheltenham; however, the opening of a new Gloucester City Campus - within the former Debenhams building - has enabled a redistribution of provision, with some courses relocating from Cheltenham to Gloucester.

10.39 Overseas provision is relatively modest and is not a central strand of the institution's growth strategy, with around 200 students understood to be based abroad, including in Germany and Malaysia.

Student Body

10.40 The student body is predominantly full-time, with approximately 1,000 students studying part-time. This would therefore leave around 9,000 Full-Time students requiring accommodation.

10.41 Based on current patterns, around two-thirds of students are taught in Gloucester and around one-third in Cheltenham.

Overseas Students

10.42 International students make up a notable share of the postgraduate cohort, with approximately 1,500 undertaking postgraduate study. The University highlighted that a proportion of this group have historically arrived with dependants, which had implications for the type of accommodation sought, and for pressure on the wider private rented sector, although as per above, restrictions on the ability of students to bring dependents to the UK will be a factor in influencing accommodation need.

10.43 At present, there is no accommodation offer specifically aligned to this cohort, and the market has not seen HMO landlords repositioning stock to meet this need.

10.44 The position is further complicated by changes and uncertainty within the national immigration policy context, which has made forward planning more challenging. Specifically, the University noted that the ability for taught postgraduate students to bring dependents has tightened significantly, with this route now largely limited to PhD-level study, thereby constraining demand from overseas master's students who might otherwise have arrived with family members.

10.45 Alongside this, wider geopolitical factors, including a reduction in students from some source markets such as China, were identified as additional headwinds to international growth, particularly given the perceived difficulty of attracting international students to Gloucester relative to more established university locations.

Commuter Market

10.46 The University reported an increasingly important commuter market. Around 30% of students are considered “local”, including a wider commuter catchment that extends beyond Gloucestershire to locations such as Bristol, Swindon and Birmingham.

10.47 This trend is reinforced by the profile of the student body, with stakeholders advising that approximately 40% of students report a disability or an ongoing health concern. This includes neurodiversity, which has been associated with a greater likelihood that students will live at home and commute.

10.48 Physical mobility challenges and hearing impairment can increase the need for accessibly designed accommodation and appropriate support. Halls of residence play an important role in meeting these needs.

Halls of Residence

10.49 Purpose-built and institutionally controlled accommodation supply is relatively limited when set against the overall student population.

10.50 The University’s halls of residence capacity is estimated at around 1,200 bedspaces. This includes provision in Cheltenham at Pittville (circa 795 bedspaces) and Park Campus (circa 220 bedspaces) as well as provision in Gloucester at Oxstalls (circa 180 bedspaces, noted to be Council-owned).

10.51 Occupancy levels were reported to be around 90%, indicating that the halls operate close to capacity but retain some vacancy headroom in the short term.

10.52 The University advised that Hardwicke Halls closed during the summer period and that there are currently no plans to increase the overall number of halls. The contraction in University stock and centralisation of portfolios is reflective of funding pressures in the sector, as well as competition with other regional Universities.

Purpose Built Student Accommodation (PBSA)

10.53 The wider PBSA market in Cheltenham and Gloucester is comparatively small compared to other university towns and cities. The Council identified the Aspire development at Blackfriars in Gloucester Docks as providing around 500 rooms, although Hartpury students occupy some of this stock.

10.54 Collegiate operates additional PBSA at Shaftesbury Hall in Cheltenham (circa 120 rooms) and at Upper Quay House in Gloucester (circa 150 rooms), and the University has a nominations agreement in place for around 30 rooms at the latter.

10.55 In total, this gives a PBSA capacity of 770 units. These schemes were described as the only PBSA provision across the two urban areas. The University does not necessarily place students directly into private PBSA, but it does signpost them towards these options.

10.56 The University described Aspire and Collegiate as relatively flexible in accommodating second- and third-year students and reported that a growing proportion of returning students are choosing PBSA over HMOs.

Housing in Multiple Occupation

10.57 Notwithstanding the limited PBSA base, HMOs remain a significant component of student accommodation, with around 3,000 students estimated to reside in shared housing.

10.58 In Cheltenham, the principal HMO locations are in St Paul's, reflecting the proximity to Francis Close Hall and the character of the local

terraced stock, as well as concentrations in St Peter's and parts of the town centre.

10.59 The scale of student presence in St Paul's is particularly notable, with the University indicating that around 49% of residents in the St Paul's ward are students.

10.60 In Gloucester, key residential locations for students include Hucclecote, Abbeymead and the City Centre.

10.61 It is noted that Cheltenham currently has an Article 4 direction applying to conversion of C3 homes to HMOs applying to the St Paul's ward, while Gloucester is currently seeking to put an Article 4 direction in place.

Changing Habits

10.62 The University also reflected on how the geography of student living has shaped the estate's evolution. Oxstalls Campus in Gloucester opened in 2002, but the supporting offer in terms of transport connectivity, the evening economy, and wider amenities did not expand at the same pace.

10.63 This had historically led some students (particularly those initially in halls at Oxstalls) to move to Cheltenham in subsequent years. This is supported by excellent bus and rail connectivity between Gloucester and Cheltenham, enabling students to access facilities across the wider area.

10.64 That said, the University believed the offer in Gloucester is changing, and that this would continue as more courses were moved there.

Future Growth

10.65 In terms of future growth, the University reported an ambition to expand, but within a challenging market context. As a mid-tier institution, the University noted increased competition, particularly as higher-ranked

Russell Group universities have adjusted entry requirements, which are affecting recruitment and limiting the pool of students available to the University.

10.66 The institution grew by around 2% in the most recent year and aims to achieve 2%-4% annual growth going forward. While there is no overarching institutional cap on student numbers, the University identified that capacity constraints at the course level may moderate growth in practice, particularly where provision is teaching-intensive and aligned to healthcare and similar disciplines.

10.67 The accommodation implications of these trends are material. With no planned expansion of halls of residence, any near-term growth is expected to be absorbed by reducing vacancies in existing halls and drawing on capacity in the limited PBSA supply.

10.68 Beyond this, additional demand is likely to place further reliance on the HMO market. This is occurring alongside policy and market changes, which may affect the availability and quality of shared housing.

Local Policy and Other Aspects

10.69 In Cheltenham, the University described a robust approach to HMO licensing, but noted that reversion from HMO to family housing is not straightforward. This, combined with the broader regulatory environment and changing student preferences (including where students study as provision rebalances towards Gloucester), was reported to be reducing landlord appetite and contributing to a loss of student-focused landlords in Cheltenham.

10.70 Gloucester was described as more permissive, with a comparatively stronger pipeline of landlords willing to cater for students, supported in part by the ability to attract demand not only from the University but also from Hartpury.

10.71 Affordability conditions differ between the two centres, with Gloucester generally perceived to be more affordable than Cheltenham.

10.72 The University did not identify affordability pressures as causing widespread student homelessness issues; however, cost remains an important factor in housing choices, and may also be reflected in the comparatively high levels of students who choose to live at home whilst studying for Universities and Higher Education establishments across the County.

Market Demand

10.73 The University's preference is for cluster flats rather than studios, reflecting affordability considerations and student demand patterns. They conceded that there remains a market for studio accommodation, including among undergraduates, despite the higher price point.

10.74 Traditional shared townhouses were reported to be less popular when they involve shared bathrooms, indicating that specification and layout are increasingly important alongside location. Another potential factor involves lived experiences of students living through COVID-19 pandemic, which, owing to the sudden lockdowns, meant that students (in shared accommodation) were often forced to share facilities with potentially unwell housemates whilst isolating.

10.75 In terms of spatial preferences for new provision, the University indicated that, in Cheltenham, they would prefer PBSA provision outside St Paul’s but also near the Town Centre, with Hatherley, Lansdown, and Leckhampton cited as potential locations.

10.76 This aligns with the reported direction of travel away from Francis Close Hall over time, with some activity moving towards Park Campus and the sale of University assets at the Folley and Hardwick Campus. In Gloucester, Oxstalls and Longlevens were identified as preferred locations, consistent with the campus's scale and existing student residential patterns.

Support for PBSA

10.77 The University expressed support for new and improved PBSA, noting that investment in the towns and cities provides reputational benefits and can improve the overall student experience, while also raising the quality benchmark for existing stock.

10.78 At present, there is no specific “affordable” PBSA offer. Still, they indicated that the University would be willing to explore mechanisms to support students into affordable housing (affordable private rent), or at least consider such an approach, drawing a comparison with existing practices used for NHS staff.

10.79 However, it was recognised that administration could be complex, that students may be reluctant to engage due to stigma, and that the University would have limited confidence in its ability to ensure that the most needy students are prioritised without a robust allocation framework. Additionally, it would be helpful if the provision of this type of accommodation was supported by planning policies, although it is recognised that this is a comparatively untested approach.

Wider Dynamics

10.80 Finally, the University noted that wider demographic and housing market dynamics could influence future accommodation demand. Tewkesbury Borough was cited as one of the fastest-growing local authorities in the Country, which could increase local housing demand and change commuting patterns.

10.81 Finally, the University’s landlord certification scheme provides a framework for engagement with the private rented sector. This may support improved management and standards, but it does not, in itself, resolve the structural constraints associated with limited PBSA supply and the evolving regulatory environment for HMOs.

Consultation with Royal Agricultural University

10.82 The Royal Agricultural University (RAU) explained that although they submitted a masterplan around eighteen months ago setting out

ambitions for 4% annual growth from 2025/26 over a four-year period, the higher-education landscape has since changed significantly. The domestic student market has weakened markedly, with rising fees discouraging applicants and larger universities lowering entry requirements to secure their own numbers, effectively drawing students away from smaller specialist institutions such as RAU. Demand for agricultural courses has also declined, further compounding the issue. As a result, the University has shifted its focus toward short-term overseas recruitment. They currently have around twenty-five international students and anticipate further increases in April and May. These overseas cohorts are expected to come for a single term, for summer school programmes, or for postgraduate study at Master's or PhD level, and they would be housed in existing halls of residence during periods when they would otherwise be empty.

10.83 RAU already has an established international footprint, with operations in China, Tashkent (in Uzbekistan) and Ukraine, and they regularly send academic staff abroad to deliver teaching. Despite this international activity, the university's overall student body currently comprises around 1,100 to 1,200 full-time students and approximately 150 part-time or postgraduate learners, significantly lower than the 1,300 to 1,500 students they previously supported.

10.84 The accommodation capacity broadly reflects this change: halls of residence provide 346 beds, primarily reserved for first-year students, yet around forty rooms remain vacant because demand has effectively flatlined. Only 15–20% of non-first-year students live at home; the vast majority enter the private rented sector, where RAU reports no observable drop in availability or uptake. Were demand to rise meaningfully in the future, particularly if short-term international students began requiring term-time accommodation, the University would consider developing an additional block of around one hundred rooms as part of a broader refresh, but any such expansion would be located on campus. For now, there are no firm plans for new

accommodation, and their current major development relates to teaching facilities rather than residential provision, notably a new science hub.

10.85 Most off-campus students live in the Chesterton area of Cirencester, although RAU acknowledged that this sometimes creates cultural tension between students and long-standing residents. They noted their unusual alumni community, comprising many landowners, legacy families and even overseas royalty, which shapes local perceptions.

10.86 Cirencester itself is expanding relatively quickly, yet the University expressed strong concerns about infrastructure capacity. They highlighted a lack of coordinated planning for utilities and highways and the absence of sustainable transport connections between key developments (including the agri-development park), and what they perceive as deliberate resistance to facilitating growth in the area. Previous attempts to secure live-work units for postgraduates, linked to an incubator hub proposal supported by the LEP, were rejected by the Council despite the intent to help graduates remain locally.

10.87 In discussing their wider academic relationships, RAU noted their positive collaboration with Hartpury. The two institutions are complementary rather than competitive: Hartpury offers a more practical, hands-on curriculum, while RAU's strengths lie in policy, land management and bloodstock studies. Overall, the University's position is one of cautious adaptation—managing current under-demand, maintaining international teaching partnerships, and monitoring accommodation needs while navigating a constrained local planning environment.

Consultation with Hartpury University

10.88 Hartpury University and Hartpury College is a small specialist institution located on a standalone campus around 4 miles northwest of Gloucester City Centre. The institution is unusual in that it is a Further

Education (FE) college co-located with a Higher Education (HE) university.

10.89 Both the college and university have a small number of specialisms, including agriculture, sports, equine, canine and animal. In total, they have around 4,600 students, with around 2,100 FE students and 2,500 HE students, including postgraduates. In the last intake, 950 HE students were added to the role.

10.90 The student role is largely domestic with very few international students, although the university does have an international recruitment programme. The FE students are also recruited from across the country.

10.91 On campus, there are 1,100 student beds, of which 700 are allocated to under-18 FE students and 350 to 1st Year HE students. In addition, they have a nominations agreement for Blackfriars PBSA in Gloucester, where most 1st-year undergraduates live. The nominations agreement is for around 300 bedspaces in Phase 1, with an option to take more if required. In the last year, they took the option for 200 more beds.

10.92 Of the 2,100 FE students, 700 live on campus, 900 live within a 100-minute isochrone of the university and are transported by bus, and a further 500 live locally and arrive on their own steam. It is unknown what accommodation the 1,400 students who live locally have, but most are likely to live with their parents.

10.93 Of the 950 new HE students enrolled in 2025, 350 are accommodated on site, 550 live in PBSA, and the rest are dispersed across the housing market; however, the university does not know how many live at home or in HMOs. Those who live in HMOs live in either Cheltenham or Gloucester.

10.94 The University’s current accommodation offer guarantees first-year students' accommodation, although there is a slight gap between provision and enrolment. This will be bridged by students living locally.

10.95 The College and University have an ambition of modest growth to around 5,500 students. This increase of around 900 students will be a blend of both HE and FE students. There is no confirmed timetable for this, but it will be over the next few years and will likely focus on domestic students.

10.96 To accommodate this growth, they are currently developing a long-term master plan for the campus. While potential sites have been identified, they still need to determine their residential strategy (how much, if any) and allocate funds.

10.97 Third-party PBSA operators have approached the university to request a nomination agreement, but none have progressed.

10.98 Renovating some of the older halls of residence is needed, and the residential strategy will address this. At the moment, they are working around academic terms, so there is no expected interruption to supply.

10.99 Within the general housing stock, there are issues with accommodation costs. This is proving to be a barrier to recruitment. The University, however, provides bursary support to those who need it.

10.100 The quality of the HMO stock is generally poor. Accessibility is an issue for some students, and there is a distinct lack of suitable accommodation.

10.101 The University would welcome a modest additional PBSA in the City. Their preferences would be near the City Centre and Docks. This is also the students' preference and would allow them to continue running the shuttle bus to the campus. Their preference would be for cluster flats, except for accessible studio flats.

10.102 The university has offered support in allocating affordable PBSA, and any steps to address the cost-of-living crisis would be appreciated. The University suggested that those receiving bursaries and other support could benefit from the affordable provision in PBSA.

10.103 Student accommodation at Hartpury University is designed to support a close-knit, practical student experience, reflecting the institution's rural setting and specialist academic focus. First year students are guaranteed a place to live, provided they meet the relevant conditions.

10.104 Hartpury's accommodation offer includes its on-campus halls of residence. On-campus living is often chosen by those who value convenience, a quieter setting, and close day-to-day contact with fellow students.

10.105 Alongside its campus options, Hartpury also offers university-approved accommodation in Gloucester. The main city-based option is Blackfriars, a purpose-built student residence located in the centre of Gloucester. Regular transport links allow students to travel between Gloucester and the Hartpury campus relatively easily.

10.106 Private accommodation is also common, many Hartpury students choose to rent houses or rooms in Gloucester, Cheltenham, or nearby villages. This option offers flexibility in terms of location, budget and living arrangements, and is often popular with students in later years of study who are more familiar with the area and university life. While private accommodation is not managed by the university, Hartpury provides guidance to help students explore suitable local options and make informed choices.

10.107 The Hartpury 2030 Strategy makes specific reference to the investment into the student accommodation offer, ensuring it is affordable, accessible and environmentally friendly. In relation to student growth it states that by 2030 it will have increased the universities international presence. It aims to do this through gradually increasing the proportion of international students at the university.

Existing Policy Framework

10.108 Authorities across Gloucestershire have taken differing approaches to student housing through policy, we have set out the policy position in each authority below.

10.109 The Cheltenham, Gloucester and Tewkesbury Joint Core Strategy (JCS) considers the need for student accommodation in section 4, there is no specific policy relating to students with paragraph 4.11.10 putting the onus on this to individual authorities stating, "*requirements for the location and standards of student accommodation and houses in multiple occupation will also be set out in District plans where appropriate".*

10.110 The Cheltenham Local Plan (2020) **identifies a need for 179 (14 per annum) additional student bedspaces in the Gloucester, Cheltenham and Tewkesbury area across the plan period.** It additionally considers Students in Policy HM1, which states:

"The Council will work with local higher education establishments and student housing providers to

facilitate the delivery of bespoke student accommodation at appropriate locations. The Council expects

proposals for student accommodation to demonstrate that they support educational establishments within

the Borough. Housing provision for students should be located in accessible locations, close to public

transport corridors and local services and facilities.

The Council will support proposals that:

a) *Provide a high-quality living environment which includes a range of unit sizes and layouts.*

b) *Ensure that facilities will be well managed and that there will be no detriment to local amenity or unreasonable harm caused to nearby residents or the surrounding area.*

c) *Demonstrate that the facility is suitable for year-round occupation and that it has long-term sustainability and adaptability"*

10.111 In addition to this the Cheltenham Plan also considers HMO's which form a key element of student housing. Policy HM5 specifically relates to the Article 4 direction restricting the development of small HMO's in the St Pauls Ward, the policy states:

"Planning permission will be granted for proposals for use class C4 small Houses in Multiple Occupation or Sui Generis large Houses in Multiple Occupation in the St. Pauls Ward, provided that (based on the results of a biennial survey undertaken by the Council):

a) The proportion of HMO dwellings does not exceed 10% of all residential properties within a 100 metre radius of the application site; and

b) The granting of planning permission will not result in the creation of more than two adjacent properties in HMO use; and

c) The proposal does not have an adverse impact on the amenity of nearby properties by ensuring:

- *adequate provision for off-street parking;*
- *highway safety and ease of access for emergency vehicles;*
- *regard is given to Secured by Design guidance, particularly relating to occupier security, as published by the Association of Chief Police Officers (ACPO);*
- *sufficient provision for waste and recycling;*
- *the proposal is in keeping with the character of the area.*

In exceptional circumstances, within areas that have a very high concentration of HMOs, planning permission for HMO use may be granted where it can be demonstrated that there is no market demand for continued C3 occupation."

10.112 The Gloucester City Plan (2023) also considers Students in Policy A4 which states:

"Proposals for new purpose-built student accommodation must satisfy the following criteria:

1. *The proposal will provide for an identified need of a further educational establishment located in Gloucestershire, for students attending courses for one academic year or more; and*
2. *The developer has entered into a formal agreement with the further education establishment; and*
3. *The proposed accommodation is suitable in type, layout, affordability and maintenance regime for the relevant institution(s); and*

4. *The location is well served by sustainable transport modes to the educational establishment; and*

5. *Rooms and facilities are of an appropriate size for living and studying.*

The Council will seek appropriate controls to ensure that, within academic terms, the approved schemes are occupied solely as student accommodation for identified institution(s).

Proposals for purpose-built student accommodation will not be supported on sites allocated for housing elsewhere in the GCP.

The permanent loss of purpose-built student accommodating will only be supported where it can be demonstrated that the accommodation is surplus to the current and future requirements of relevant further education establishments, or equivalent or better replacement provision is made in a suitable location."

10.113 The Gloucester plan also considered HMO's in Policy A2 which states:

Planning permission for the creation of a House in Multiple Occupation (HMOs) will be permitted where:

1. *The development would not result in any existing residential property (C3 use) being 'sandwiched' between two HMOs; and*

2. *The development would not result in the creation of more than two adjacent properties in HMO use; and*

3. *HMOs, including the proposed development, would represent no more than 10% of properties within a 100-metre radius of the application property.*

10.114 The Cotswold Local Plan (2018) does not have a specific student housing related policy. However in Policy EC4 it is states that student accommodation, amongst other uses, will be permitted at the RAU site in Cirencester.

10.115 Neither the Tewkesbury Local Plan (2022), Forest of Dean Local Plan (2012) or the Stroud Local Plan (2015) consider students or HMO's in any policy.

Conclusions and Policy Recommendations

10.116 Student numbers in Gloucestershire have by and large been declining over time. Of the 3 institutions in the county, only Hartpury University has seen any real growth. Around 10,000 students were enrolled at the

3 institutions in the 2024/25 academic year around 82% of which were undergraduate.

10.117 Given the location of the 3 universities, the impact of students on the housing market is expected to be limited to Gloucester, Cheltenham, Forest of Dean and Cotswold. However, the need for student accommodation is likely more acute in Gloucester and Cheltenham given the presence of two universities in close proximity. We have set out specific policy recommendations for Gloucester and Cheltenham below.

Gloucester and Cheltenham

10.118 It would be appropriate for planning policies to support the delivery of Purpose-Built Student Accommodation (PBSA) in sustainable and appropriate locations, including on campus, and in town centres where good public transport connectivity to one of the Universities is available. Development in these areas can reduce pressure on HMOs and help rebalance concentrations of student households. Where schemes are brought forward, it would be appropriate for these to have been informed by engagement with the Universities on issues of need and the form of provision, noting the preference for the delivery of cluster flats expressed.

10.119 The Local Plans should continue to manage HMOs in line with existing Article 4 Direction controls (where appropriate) and through replicating the policy frameworks seen in the current Cheltenham and Gloucester Local Plan. Ensuring that concentrations remain within defined thresholds, ‘sandwiching’ is avoided, that family housing is not eroded in key neighbourhoods, and that issues such as parking, refuse storage and amenity impacts are effectively mitigated.

10.120 Finally, to underpin long-term decision-making, local plans should require regular monitoring of student numbers, broken down by domestic and international trends, alongside PBSA occupancy, HMO pressures, and student residency patterns in Gloucester and

Cheltenham. This monitoring, undertaken jointly with the University of Gloucestershire and Hartpury, will help determine when further PBSA development may be needed and ensure that the Councils can respond flexibly to changes in demand over the plan period.

Forest of Dean and Cotswold

10.121 Forest of Dean and Cotswold are likely to only see demand arising from Hartpury and RAU, given the rural nature of the university campuses and the generally smaller student population at both universities much of this impact is expected to be seen in or close to the campuses themselves.

10.122 We do not see a need to develop a PBSA related policy for the entirety of each District. The approach undertaken in Cotswold in regard to allowing student accommodation at the RAU campus is likely to continue to be appropriate going forwards, this is a policy approach that can also be considered in Forest of Dean relating to the Hartpury campus.

10.123 The policy direction for managing HMO's is a slightly different: while again the size of RAU and Hartpury is generally small with a larger proportion of students housing in university accommodation, there is still likely to be impact on the wider PRS market, particularly from HMOs. Cotswold and Forest of Dean should seek to monitor the impact of HMO's and respond to this as needed.

10.124 Stroud and Tewkesbury are unlikely to see high levels of demand for student accommodation and therefore are unlikely to require specific policies to consider this.

Service Families

10.125 As of April 2025 there were 1,840 service personnel based in Gloucestershire, most of which are Regular Forces personnel.

Tewkesbury has recorded the highest number of service people, followed by Cotswold then Cheltenham. No data is available for Stroud, and it is therefore assumed that no personnel are based here.

Table 10-6 Service Personnel (2025)

	Total	% of G'shire Total	Regular Forces	Civilian
Cheltenham	510	27.7%	500	10
Cotswold	550	29.9%	490	60
Forest of Dean	70	3.8%	60	20
Gloucester	10	0.5%	10	10
Tewkesbury	700	38.0%	500	200
Gloucestershire	1,860		1,560	300

Source: MOD Annual Location Statistics

10.126 Overall the number of service personnel based in Gloucestershire has reduced over time, from a high of 2,530 in 2012. While Forest of Dean, Gloucester and Tewkesbury have all seen reductions, Cheltenham and Cotswold have seen increases. This is likely a result of dynamics associated with individual MOD sites.

10.127 It would appear that the largest decline has been in Regular personnel in absolute terms; although the proportional decline of the Civilian personnel is higher.

10.128 It is likely that the number of service personnel would have increased again in 2025 following the return of soldiers from 1st Battalion The Rifles to Beachley Barracks (Forest of Dean) in October 2025. Although MoD data has not yet been updated to reflect this.

Table 10-7 Change in Service Personnel (2012-2025)

	2012	2025	Change	% Change
Cheltenham	270	510	240	89%
Cotswold	540	550	10	2%
Forest of Dean	650	70	-580	-89%
Gloucester	40	10	-30	-75%
Tewkesbury	1,030	700	-330	-32%
Gloucestershire	2,530	1,840	-690	-27%
G'shire Regular	2,070	1,550	-520	-25%
G'shire Civilian	460	290	-170	-37%

Source: MOD Annual Location Statistics

10.129 The 2025 draft NPPF consultation seeks to align with wider Government policy to expand affordable housing opportunities for serving personnel and their families. The consultation sits alongside major reforms in Defence housing policy. In early 2025, the Ministry of Defence announced a deal returning more than 36,000 military homes to public ownership, enabling the Government to accelerate building new service family accommodation and create "new opportunities for forces homeownership", including affordable homes delivered through MOD land releases. The forthcoming Military Housing Strategy, flagged within the same set of Government reforms, explicitly aims to use MOD land to support the delivery of affordable homes for families across Britain.

10.130 The NPPF consultation reflects this direction by reinforcing the overall requirement for Local Plans to address identified housing needs, including the housing needs of service personnel where relevant, and by supporting policies that allow public-sector land, including MOD estates, to be used for new affordable housing delivery. Although the consultation text does not detail a specific "military affordable housing" policy, it is clear that the Government expects planning authorities to facilitate housing delivery on surplus or remodelled Defence land, consistent with the Defence Housing Strategy 2025, which emphasises

unlocking defence development land for civilian and affordable housing as part of a national renewal of military accommodation.

10.131 Overall local plans should seek to echo the draft NPPF on supporting the provision of service personnel accommodation. Gloucestershire authorities should aim to be supportive of proposals for new military accommodation, particularly where this accommodation aims to meet the needs of officers and staff based in the county or wider military families. That being said, enabling new military accommodation will also have to be viewed through the context of the significant affordable housing need detailed in previous chapters.

10.132 Delivery of individual units for MOD accommodation can be counted towards housing delivery targets as normal i.e. 1 unit is 1 towards delivery. Other styles of accommodation such as communal barracks are unlikely to count towards dwelling delivery targets as they do not provide individual dwellings.

Looked After Children

10.133 Key legislation relating to the accommodation and maintenance of a looked-after child is set out in Section 22G of the Children Act 1989. The Act places a duty on local authorities to plan strategically for the children in their care, ensuring that, where aligned with the child's welfare, accommodation should be provided within the authority's own area. This means councils must take steps to ensure sufficient local provision is available. Looked-after children should remain close to their home community, family and support networks wherever possible.

10.134 The legislation provides a framework within which decisions about the most appropriate way to accommodate and maintain children must be considered:

- Section 22A of the Children Act 1989 imposes a duty on the responsible authority when a child is in their care to provide the child with accommodation.
- Section 22B of the Children Act 1989 sets out the duty of the responsible authority to maintain a looked-after child in other respects apart from providing accommodation.
- Section 22C of the Children Act 1989 sets out the ways in which a looked-after child is to be accommodated.
- Section 22D of the Children Act 1989 imposes a duty on the responsible authority to formally review the child's case prior to making alternative arrangements for accommodation.
- Section 22G of the Children Act 1989 requires local authorities to take strategic action with respect to those children they look after and for whom it would be consistent with their welfare for them to be provided with accommodation within their own local authority area.

10.135 In a Written Ministerial Statement[49] (WMS) In May 2023, the Housing and Planning Minister reminded local authorities of their requirement to assess the housing needs of different groups in the community, including "accommodation for children in need of social services care".

10.136 The WMS statement said, "Local planning authorities should give due weight to and be supportive of applications, where appropriate, for all types of accommodation for looked after children in their area that reflect local needs and all parties in the development process should work together closely to facilitate the timely delivery of such vital accommodation for children across the country".

10.137 The WMS follows on from the Department of Education Implementation Strategy[50] to fix children's social care from February 2023. The "Stable Homes Built on Love" Strategy has undergone a recent consultation, with results yet to be published. The strategy outlines an ambition to transform

[49] https://questions-statements.parliament.uk/written-statements/detail/2023-05-23/hcws795

[50] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147317/Children_s_social_care_stable_homes_consultation_February_2023.pdf

Children's Care through six pillars. The first of these pillars makes it clear that supporting families is the priority. This ensures that children can remain in their family home for as long as possible (Pillar 1) and, if this is not possible, within their wider family (Pillar 3). If both the immediate and wider family cannot look after a child, then Pillar 4 seeks to ensure that "when care is the best choice for a child, the care system must provide stable, loving homes close to children's communities." To achieve this, the strategy aims to increase and support foster carers and develop a programme to support improvements in the quality of leadership and management in the children's homes sector.

10.138 The Strategy sets out a mission to "see an increase of high-quality, stable and loving homes available for every child in care, local to where they are from". To do this, it suggests that an immediate action is to "boost the number of the right homes in the right places available for children as a matter of urgency." It notes, "Local authorities have primary responsibility for the children in their care. This includes ensuring there is sufficient accommodation locally to meet the range of needs of children in care in their area, and that there is a "statutory duty to ensure there is sufficient provision for their children in care".

10.139 It also states that the DfE "will continue to build on our work reforming supported accommodation for 16- to 17-year-olds. Semi-independent provision, including supported lodgings, can be the right option for some older children. Still, only where it is high-quality, and the young person is ready for the level of independence it promotes."

10.140 The Department will also continue "with the Children's Home Capital Programme, which has seen £259 million of capital funding invested to increase provision in local authority-run open and secure children's homes. We are working with local authorities to create new children's homes and increase provision in their local area."

10.141 At a similar time, the Government also launched a consultation on the "Children's Social Care National Framework" and the "Children's Social

Care Dashboard". The Framework sets out some of the outcomes to be measured, including Outcome 4, which aims to ensure that "children in care and care leavers have stable, loving homes".

10.142 The indicators include the percentage of children in care living in foster care and living in residential care, and the distance of placements from home. This is important to ensure the stability of schooling and contact with their siblings. The framework recognises that this will mean prioritising foster homes rather than residential homes.

10.143 The outcome can also be achieved by leaders undertaking "sufficiency planning and work with other local authorities and partners to jointly invest in care options that meet the future needs of children."

Gloucestershire Sufficiency Strategy

10.144 Gloucestershire's Sufficiency Strategy sets out a decisive shift towards increasing in-county residential provision after more than 15 years of relying almost entirely on the external market for children's homes. The approach is rooted in a "**family first" principle**, residential care is used only for the small cohort of children whose complex needs mean foster care or kinship care is not appropriate. The strategy responds directly to national concerns about the fragility, high cost and risk-aversion of the independent residential sector, aiming instead to deliver high-quality, trauma-informed, relational care through new council-run homes integrated with health, education and specialist support.

10.145 The County Council has begun repurposing its own buildings to create a network of children's homes and supported accommodation. Four new in-house children's homes are being mobilised, expected to provide around 18–20% of Gloucestershire's total residential requirement by 2025. Current sites include:

- Trevone House – 19 beds – Operational – Supported accommodation for care leavers
- LR – 8 beds – Mobilising – Children's Home

- BW – 2 beds – Mobilising – Children's Home
- RR – 4 beds – Mobilising – Children's Home
- Fourth children's home – 4–5 beds – in planning

10.146 In addition, council-linked provision already includes Hartwood House (Stroud) which provides short breaks for children with disabilities. Alongside these, a second in-county supported accommodation site is under development.

10.147 All new in-house homes will be staffed by directly employed managers and residential workers trained in trauma-informed, therapeutic models of care.

10.148 The strategy is shaped by key data trends: Gloucestershire County Council currently looks after around 800 children in care, with the residential care cohort reducing from 113 children in 2023 to 75 in September 2024, reflecting progress in supporting more children to remain in families or foster care.

10.149 About 24% of all children in care live more than 20 miles from home, slightly above statistical neighbours, of all the children in residential care who are looked after by the County Council around 51 (68%) are in placements outside of the county. The strategy aims to reduce the number of out of county placements and placements more than 20 miles from home by expanding in-county residential options.

10.150 The Council faces rising complexity of need—including increased emotional and mental health needs, growing numbers of unaccompanied asylum-seeking children aged 15–17, and young people displaying high-risk behaviours—and plans its residential provision to deliver integrated education, health and social care support that addresses these challenges.

Policy Implications

10.151 It is difficult to identify an exact level of need for accommodation for children in care. The County Council's strategic emphasis on foster care placements, alongside the ongoing expansion of directly provided in-house residential provision, means that future demand for different forms of accommodation is likely to remain fluid.

10.152 Furthermore, the increasing complexity and diversity of children's needs, together with the requirement to secure placements that are appropriately matched to those needs, makes forecasting future requirements particularly challenging. In response, the County Council will need to ensure that a broad range of accommodation options is available across the county, with sufficient flexibility to adapt to changing patterns of need and placement preferences over time.

10.153 The Gloucestershire local planning authorities can support the County Council in meeting these needs through regular engagement and consultation. In particular, ensuring that the County Council is consulted on applications for children's care homes, especially those proposed by private providers, can help to ensure that new provision aligns with identified needs and complements the existing accommodation offer.

10.154 This approach is consistent with the Written Ministerial Statement, which states that: *"Local planning authorities should give due weight to and be supportive of applications, where appropriate, for all types of accommodation for looked after children in their area that reflect local needs."* Planning policy should recognise the potential need for additional children's care homes, particularly those with complex needs. Our experience is that often children's homes are delivered through the change of use of existing residential properties in suburban settings. Homes generally have between 2-5 bedrooms – accommodating between 1-4 children together with provision for staff to sleep and communal accommodation. They will typically fall within a C2 use class.

10.155 Appropriate locations for such development should take account of Ofsted's Location Assessment[51] for such accommodation. In summary, this includes ensuring safeguarding concerns are met and that children have access to services.

10.156 The Councils may also wish to explore opportunities to access future independent sector supply for local children rather than out-of-area placements. This could be achieved through planning or licensing regulations requiring operators to give first refusal to local children. Lancaster City Council is using such an approach. It is noted that Gloucester City's current specialist housing policy requires development to meet locally arising need, and this have been implemented through conditioning development which out of county placements accepted only in exceptional cases.

10.157 There will also be a need for additional supported accommodation for young adults (as considered earlier in this report), and the Councils could consider working with Registered Providers to explore opportunities to provide this.

Summary

10.158 Gloucestershire has a significant and growing student population, with demand concentrated in Cheltenham and Gloucester, primarily driven by the University of Gloucestershire and, to a lesser extent, Hartpury and the Royal Agricultural University. Student behaviour and demand patterns are changing, with increased preference for PBSA cluster flats and modern amenities, but as no new halls are planned and with the potential that the HMO supply may shrink, pressure on the wider rental market is likely to intensify. Demand is shaped by affordability, location preferences, and modest expected annual university growth, meaning

51 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/339545/Children_s_homes_regulations_amendments_2014.pdf

student housing need will remain a component of Gloucestershire's housing pressures.

Service Families

10.159 The county accommodates around 1,840 service personnel and their families, with the largest concentrations in Tewkesbury, Cotswold and Cheltenham. Although total personnel numbers have declined over the past decade, demand for good-quality, affordable service family accommodation remains, shaped by ongoing MOD housing reforms and changing stationing patterns.

10.160 Service households often require stable, appropriately sized homes near bases, good access to schools and healthcare, and support during transition periods such as redeployment or discharge. Local Plans should positively support provision of new and improved military accommodation, recognising the particular mobility, affordability pressures and welfare considerations experienced by service families, however, this support should recognise and balance potentially competing pressures for general-needs affordable housing, as local authorities have statutory duties to prevent and relieve homelessness and other housing related issues.

Looked-After Children

10.161 Gloucestershire County Council currently looks after around 800 children in care, with a strategic move underway to expand in-county residential and supported accommodation. The number of children living in residential settings has fallen (from 113 in 2023 to 75 in 2024), reflecting a shift towards family-based care and the development of new council-run children's homes, four of which are being mobilised to meet around 18–20% of residential need. Despite this, a large proportion of children in residential placements are placed out of county and 24% of children live more than 20 miles from home, highlighting ongoing gaps in local provision. Demand includes both small-scale, trauma-informed residential homes for children with complex needs and a stronger

supply of supported accommodation for care leavers, whose numbers continue to grow. Planning policy should actively support new children's homes and other specialist provision to ensure children can stay connected to their communities while receiving stable, high-quality care. Planning Policy should consider the impact of out-of county placements to support countywide commissioning intentions and ensuring Gloucestershire residents are prioritised for placements where they arise.

11. Gloucestershire's Economy

11.1 This section considers the profile of the Gloucestershire's £20.3 billion economy which in 2024 employed around 336,600 people. The County's economy accounted for around 11.6% of GVA and employment across the South West Region.

Gloucestershire's Economy

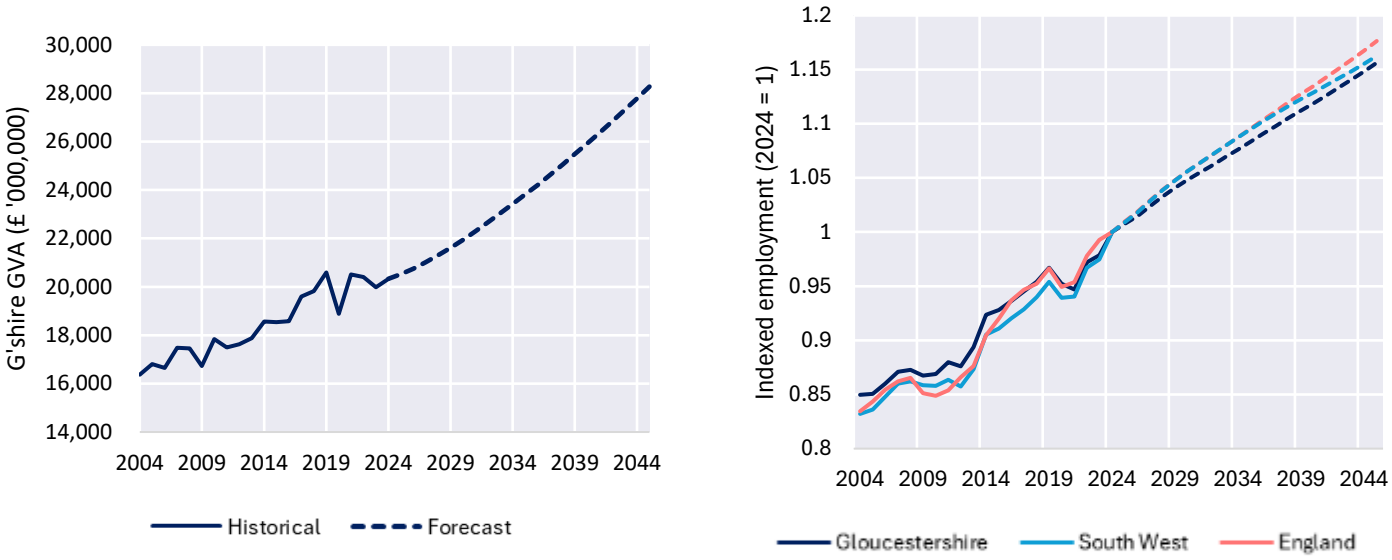
County-wide GVA and employment

11.2 Gross Value Added ("GVA") is a measure of the value of goods and services produced in an economy. It is used to consider the size of the economy in different areas.

11.3 As shown in the figure below, Gloucestershire's GVA has grown over time, with 24.2% growth from 2004 to 2024, although with some volatility year to year (particularly in 2020 as a result of COVID-19). Moving forward, GVA is forecast to continue to grow, reaching over £28 billion by 2045.

11.4 Trends in Gloucestershire's GVA broadly reflect those seen across the broader South-West and England, although Gloucestershire's growth has been slightly slower than seen in these benchmark areas.

Figure 11-1: Trends in Gloucestershire gross value added (GVA)

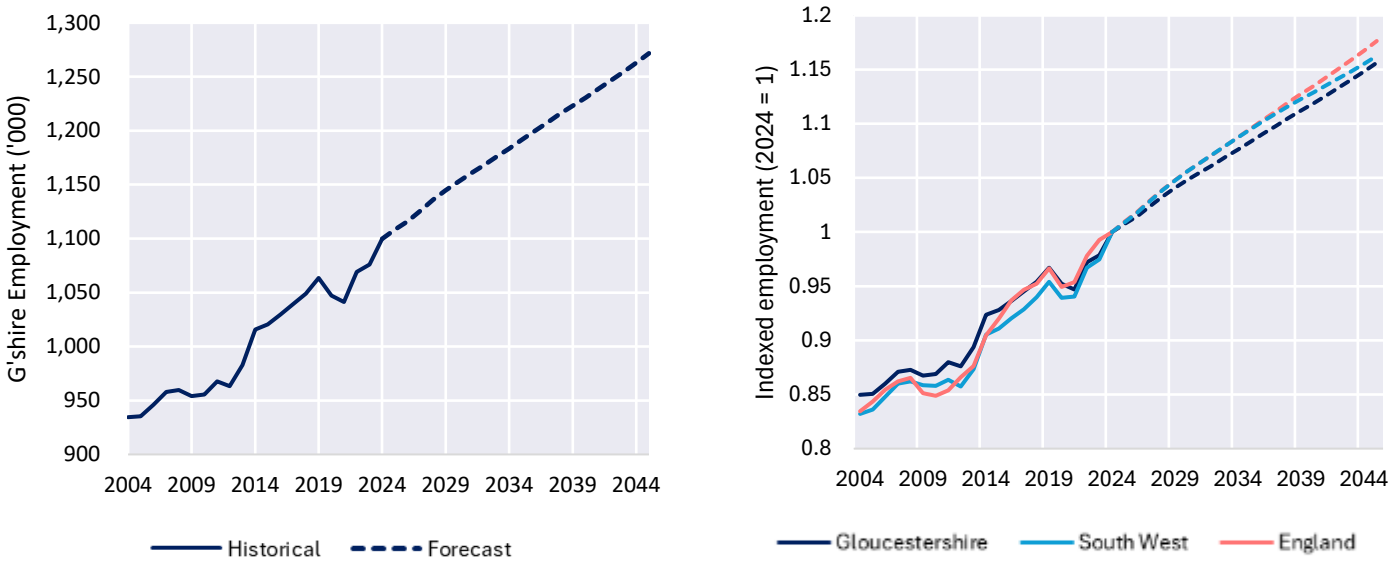


Source: Iceni analysis of Experian 2025 forecasts

11.5 Employment has also been growing steadily in Gloucestershire over the last 20 years (as shown in **Figure 11-2** below). From 2004-2014, employment has grown by 17.7% or 55,100 from 311,500 to 366,600 jobs. This growth is forecast to continue in line with past trends, with an additional 60,200 jobs added to 2046 and overall employment reaching 426,800 (this forecast is discussed in more detail in Chapter 15).

11.6 In comparison with the regional and national averages, Gloucestershire's employment has grown slightly more slowly since 2004 (17.7% vs 20.2% in the Sout West and 19.8% in England). This is forecast to continue in the future, with 17.0% growth to 2045 in England and 18.5% in the South West, slightly higher than Gloucestershire's 16.4% (this difference between Gloucestershire and the South West appears largely to relate to sectoral differences between their economies).

Figure 11-2: Trends in Gloucestershire employment



Source: Iceni analysis of Experian 2025 forecasts

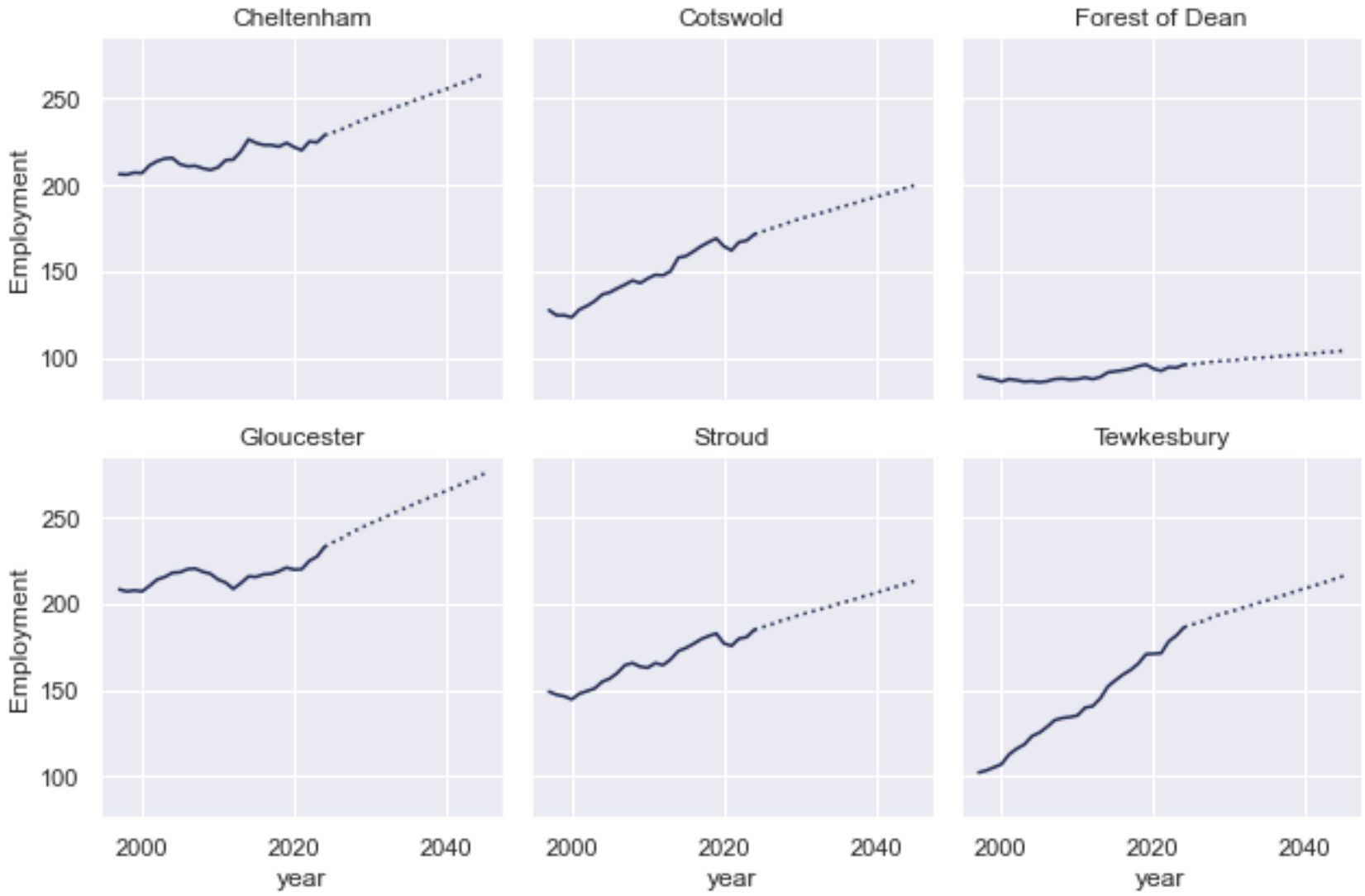
11.7 The regional and national growth position are influenced by large cities like Bristol and London in which many high-value knowledge jobs are concentrated. As a result, Gloucestershire's historical and forecast growth position (being slightly slower than the regional and national average) is still illustrative of strong economic performance in an area comprised of a combination of rural districts and small/medium sized towns and cities.

Authority-specific GVA and employment

11.8 The figures on the following two pages break down trends in employment and GVA into Gloucestershire's six authorities. Each employment chart and each GVA chart uses a consistent vertical scale, so values from different authorities can be directly compared.

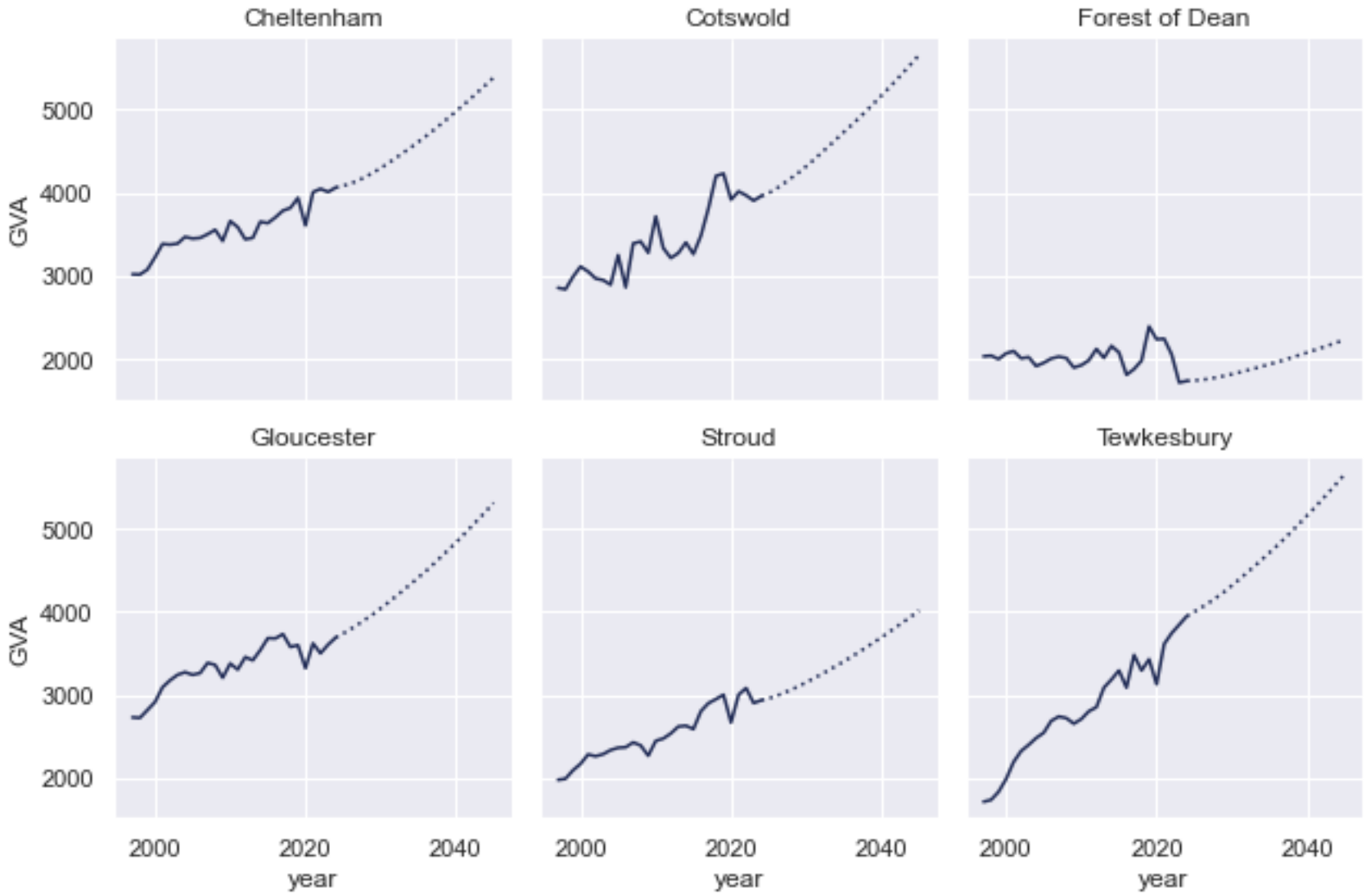
11.9 Employment has grown in each of the authorities over the last 25 years. Forecasts are for continued growth mostly in line with past trends, although with some variations, authority by authority.

Figure 11-3: Trends in employment by authority



Source: Iceni analysis of Experian 2025 forecasts

Figure 11-4: Trends in gross value added (GVA) by authority



Source: Iceni analysis of Experian 2025 forecasts

11.10 Cheltenham and Gloucester have the greatest numbers of jobs in the county. They have seen growing employment and GVA. However, as shown in the following table, which summarises employment growth outcomes by authority, these areas have seen the lowest percentage growth in employment over twenty years.

11.11 This is likely to partly relate to land supply constraints in these more developed authorities. However, Tewkesbury (which lies between them) has seen by far the greatest employment growth in absolute and percentage terms of the six Gloucestershire authorities. As a result, the GCT area overall has seen employment growth in percentage terms broadly in line with the Gloucestershire average.

Table 11-1: Recent employment growth (2004-2024)

	2004	2024	Change	% Change
Cheltenham	71,800	76,200	4,400	6.1%
Gloucester	72,600	77,600	5,000	6.9%
Tewkesbury	41,100	62,100	21,000	51.1%
GCT (Subtotal)	*185,500*	*215,900*	*30,400*	*16.4%*
Cotswold	45,500	57,100	11,600	25.5%
Forest of Dean	28,800	32,000	3,200	11.1%
Stroud	51,600	61,600	10,000	19.4%
Gloucestershire total	**311,400**	**366,600**	**55,200**	**17.7%**

Source: Iceni analysis of Experian forecasts

11.12 Forest of Dean has seen the lowest level of employment growth in absolute terms; and also has the smallest economy in the area. Experian's estimates of its GVA are relatively variable, raising questions as to the accuracy of that data (a common issue for smaller LAs). Nonetheless, it is evident that growth in economic output has been relatively low.

11.13 Cotswold has seen a high level of jobs growth over the last twenty years in both absolute and percentage terms, adding nearly 12,000

jobs. It has also seen strong (although somewhat variable) growth in GVA.

11.14 Stroud has also seen relatively high levels of growth, although below that seen in Cotswold and Tewkesbury.

Job density

11.15 Job density is defined as the ratio of workplace-based jobs to the resident working-age population within an area. It provides an indicator of the balance between local employment opportunities and the labour supply. A jobs density of 1 would indicate one job per working age person, while a jobs density below one indicates less jobs than working age people.

11.16 Job density is based on the number of jobs recorded in an area relative to the number of working-age residents. This data is workplace-based, meaning that jobs are allocated to the local authority in which the job is recorded, rather than to the local authority where the worker lives. It is not a measure of where workers are physically present on any given day.

11.17 With the rise of home working and hybrid working since the pandemic, many people now commute less frequently or in some cases not at all. This means the relationship between job density and day-to-day commuting patterns is weaker than it was before COVID-19. Even so, job density remains a useful indicator for the jobs-workers balance in an area and what this means for the success of the local economy.

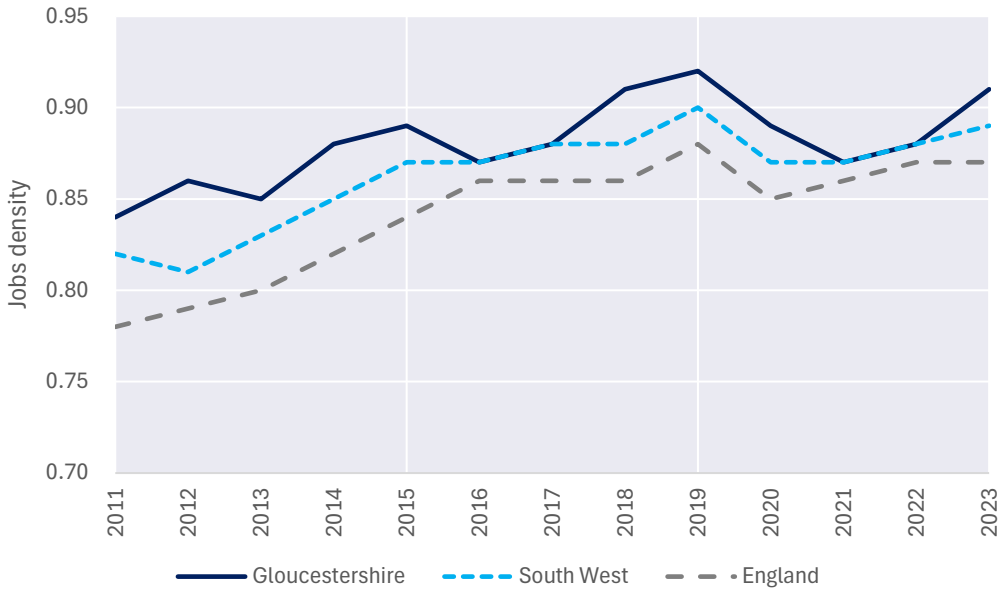
11.18 Given that not all working-age people are employed, a job density of less than one is typical nationwide. The overall job density of England n 2023 (the most recent available data) was 0.87.

11.19 Historic data, shown in the figure below, shows Gloucestershire's job density to be increasing over time, and consistently above regional and national benchmarks. This indicates that job growth in Gloucestershire has been faster than working age population growth, and that there are

a relatively high level of jobs in Gloucestershire relative to its population.

11.20 This does not by itself show whether these jobs are filled by local residents, in-commuters or second-job holders (issues of in-commuting and employment rates are considered elsewhere in this report) . However, it points to Gloucestershire performing a significant employment role relative to the size of its resident labour force and is an indicator of a strong local employment base.

Figure 11-5: Job density over time



Source: ONS 2025 *Jobs Density*

11.21 Since 2011, the job densities of all Gloucestershire's authorities have increased (as shown in the figure below). However, there is a substantial variation in job density between the authorities:

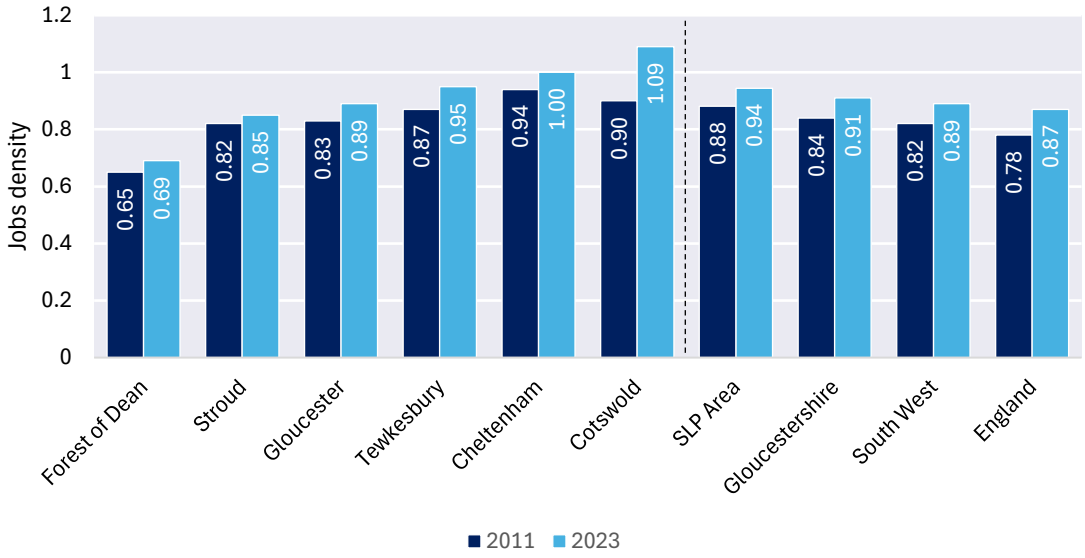
- **Forest of Dean** has by far the lowest job density, indicating a relative undersupply of jobs relative to local residents.
- **Stroud** and **Gloucester's** job densities sit at a similar level to the England wide average.
- **Tewkesbury** has seen a relatively large increase in job density between 2011-2023, likely reflecting its very strong recent jobs

growth. It now has a high job density, above the Gloucestershire, South West and England averages.

- **Cheltenham** has a high job density, and there has been a moderate increase in recent years. Cheltenham's high job density is notable given the presence of a moderately large number of students living in the area (which would typically be expected to result in a lower job density).

- **Cotswold** has by far the highest job density, indicating a very high level of local employment relative to the local population. Job density here has also increased by the most since 2011, again in line with strong jobs growth results discussed above. It has a particularly high jobs density for a predominantly rural area.

Figure 11-6: Job density – Gloucestershire and local authorities



Source: Iceni analysis of ONS 2025 *Jobs Density*

Productivity

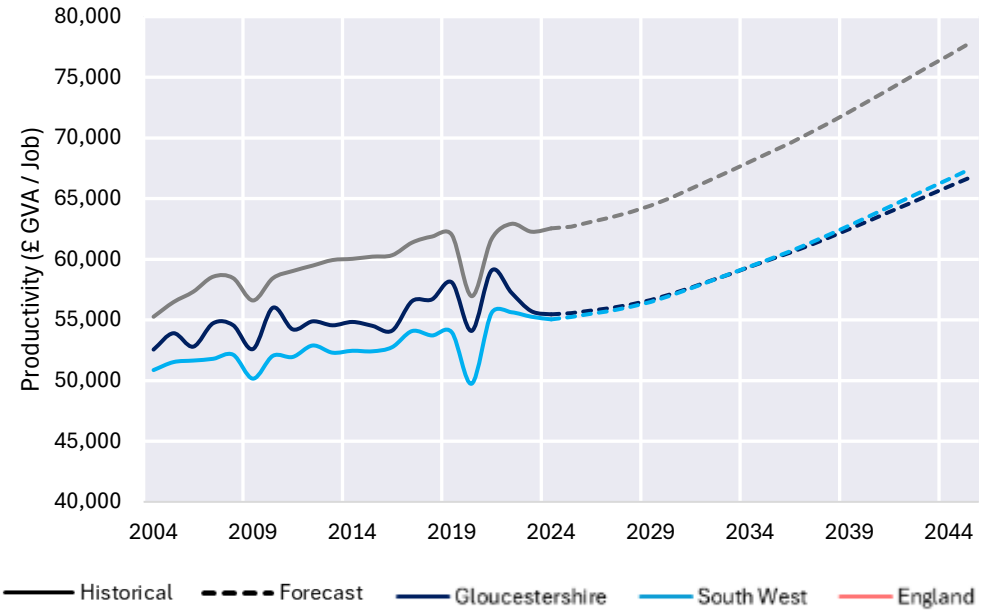
11.22 By combining data on GVA and employment, it is possible to estimate the productivity of Gloucestershire's economy. Our analysis shows GVA of around £55,500 per job. This is similar to the level seen across the South West (£55,000), but below the England-wide level which will capture high productivity jobs in larger cities like London (£62,600).

11.23 As shown in the figure below, Gloucestershire's productivity has sat between the South West and England positions over the last 20 years.

However, following a dip during COVID-19, productivity in the South West appears to have grown more than Gloucestershire's, meaning they are now at a similar level.

11.24 Despite this, the relatively higher volatility in Gloucestershire's estimated productivity (which is to be expected given that Gloucestershire is a smaller area), the convergence seen between Gloucestershire and the South West in 2023-2024 may be a function of the economic models and underlying data sources used to produce Experian's forecasts, and a longer term trend would be required to definitively identify underperformance in Gloucestershire's economy.

Figure 11-7: Trends in Gloucestershire productivity (GVA / jobs)



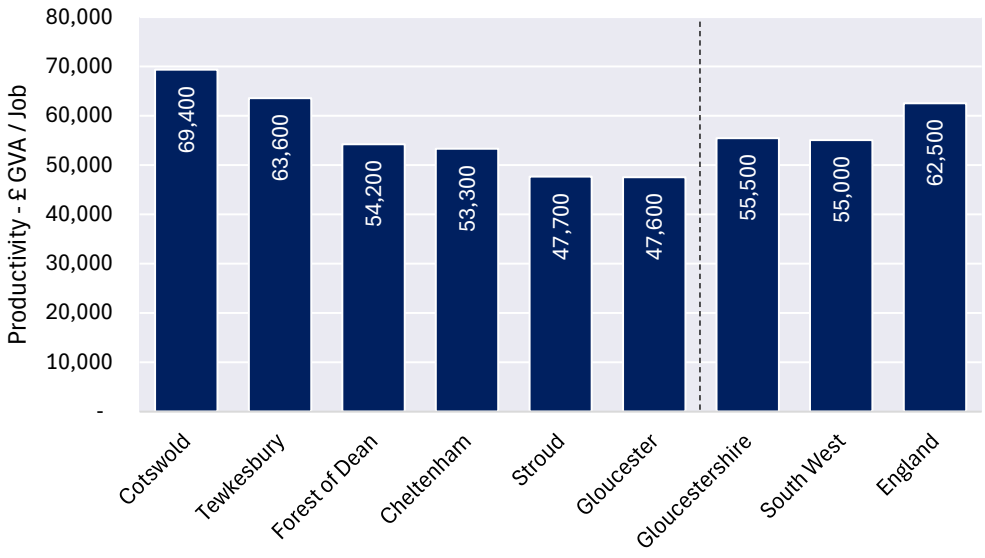
Source: Iceni analysis of Experian 2025 forecasts

11.25 Forecasts are for accelerating growth in productivity in Gloucestershire, and more broadly across the South West and England as a whole. This reflects the impact of technological shifts (e.g. AI), an increase in business investment and shifts in the sectoral composition of the economy. However, given recent trends of relatively sluggish productivity growth since the Global Financial Crisis (GFC) of the last 2000s, this may be somewhat optimistic.

11.26 Among Gloucestershire's authorities, there is again substantial variation in economic performance. Cotswold has by far the highest productivity, followed by Tewkesbury. The productivity of both of these authorities is above the England average, which is a strong result particularly for a non-urban authority like Cotswold (this is partly related to economic characteristics like sectoral structure explored throughout the rest of this chapter).

11.27 At the other end of the spectrum, Stroud and Gloucester have the lowest productivity results, below regional averages. This in part reflects economic composition, noting that several of Gloucester's industry specific productivities are above benchmark values.

Figure 11-8: Productivity of Gloucestershire authorities and benchmark areas (2024)



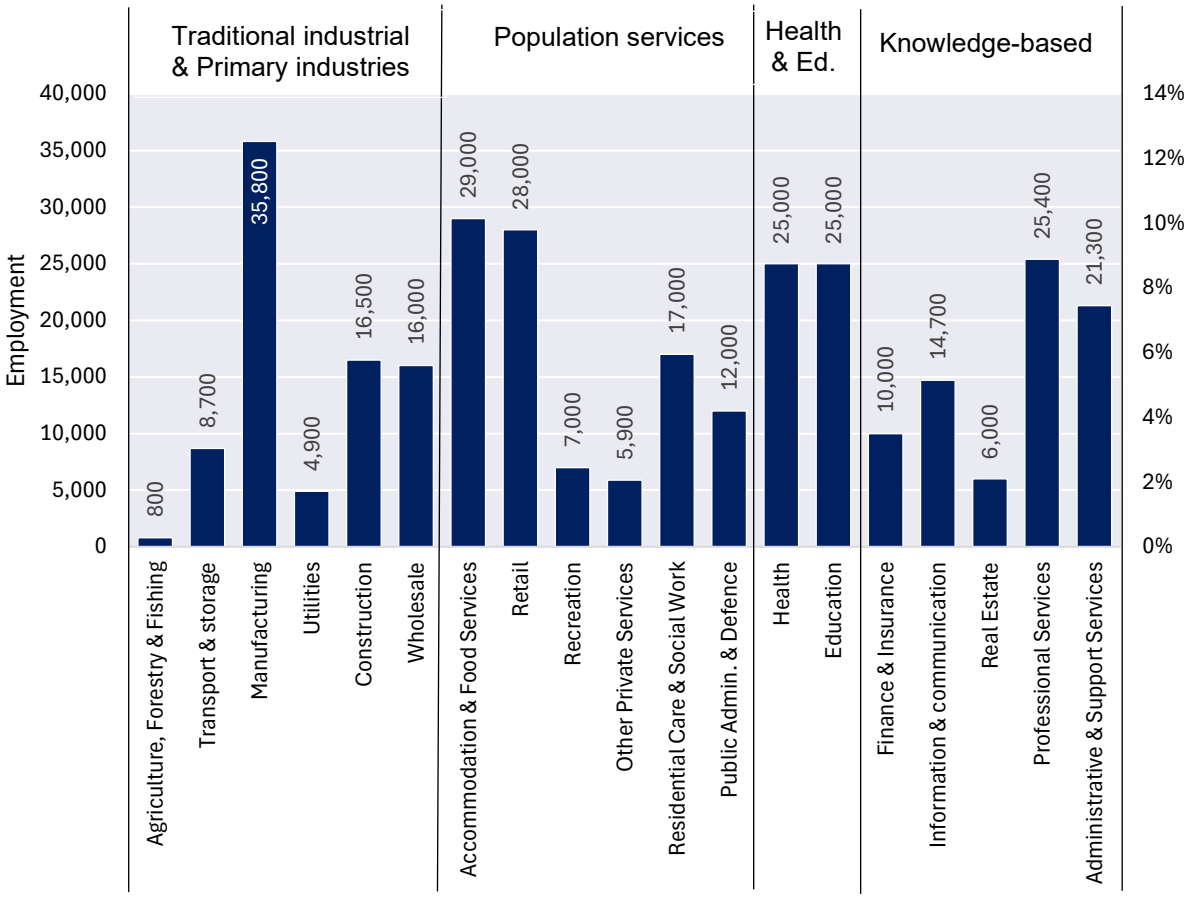
Source: Iceni analysis of Experian Forecasts 2025

Sectoral Structure

11.28 Gloucestershire has a broad-based economic structure with jobs spread across a variety of sectors including industrial, population serving and knowledge-intensive sectors as well as health and education. As shown in Figure 11-9 below, the largest sectors in terms of total employment

are manufacturing (35,800 jobs), accommodation and food services (29,000 jobs), retail (28,000 jobs), professional services (25,400 jobs), health and education (25,000 jobs each).

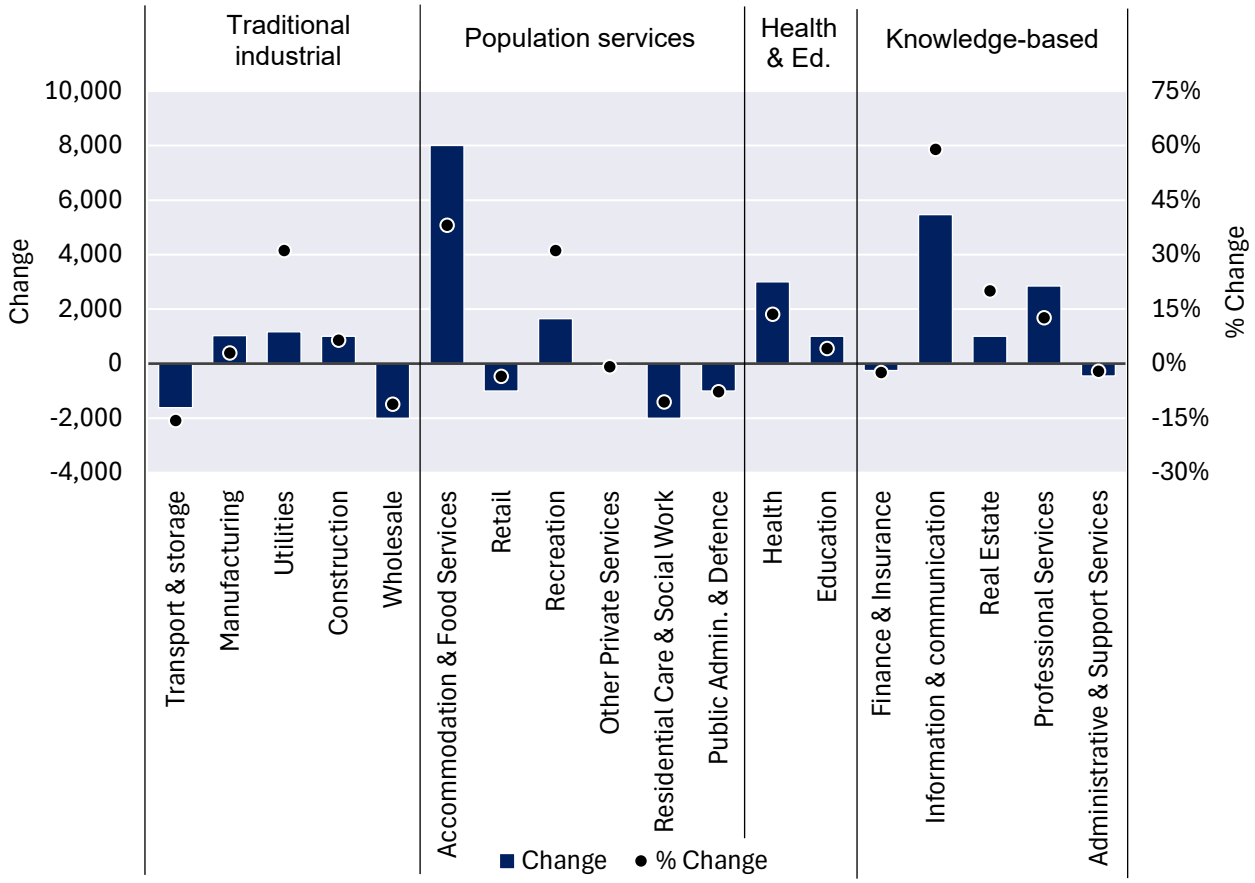
Figure 11-9: Gloucestershire employment sectoral structure (2024)



Source: ONS Business Register and Employment Survey

11.29 While overall employment has been growing relatively steadily over time, there is a more mixed picture sector by sector. Between 2015 – 2024 (the time period over which consistent data is available from BRES), there has been a small decline in employment in traditional industrial sectors, and in several population serving sectors, but growth in health and education and knowledge-based sectors.

Figure 11-10: Change in employment 2015-2024 (Gloucestershire)



Source: ONS Business Register and Employment Survey

11.30 More specifically:

- Employment in the primary industrial sectors of **manufacturing** and **transport and storage** has moved in different directions, with a low level of growth in manufacturing (+1,030 jobs or 3%) but a decline in transport and storage (-1,610 jobs or 16%).

- **Wholesale** and **construction** can be regarded as secondary industrial sectors, with some activity in these sectors taking place in industrial premises. While construction grew (+1,000 jobs or 6%), wholesale shrank substantially (-2,000 jobs or 11%).

- There was a very large percentage growth in employment in **utilities** (+1,170 jobs or 31%). Much of this employment is associated with electricity companies and is office based, with for example Ecotricity based in Stroud and EDF having an office in Tewkesbury.

- In population serving sectors, there was very strong growth in **accommodation and food services** (+8,000 jobs or 38%) and in **arts and recreation** (+1,650 jobs or 31%), but employment contracted in **retail** (-1,000 jobs or 3%) and **residential and care**

social work (-2,000 jobs or 11%).

A shift away from retail and towards food services is a common trend throughout England, although the size of local growth in accommodation and food services is very high.

- Employment growth in **health** (+3,000 jobs) was higher than that in **education** (+1,000 jobs) which at a sub-sector level occurred in other education and educational support activities (rather than school or higher education).

- There was strong growth in the knowledge intensive sectors of **information and communication** (+5,470 jobs or 59%), **real estate** (+1,000 jobs or 20%) and **professional, scientific and technical services** (+2,850 jobs or 13%). The very high growth in information and communication was primarily related to the computer programming, consultancy and related activities subsector.

11.31 The relative representation of sectors in the local economy can be considered using a location quotients (LQ) analysis. A LQ value of 1.0 indicates that a sector makes up the same proportion of employment as in the broader economy (in this case the South West), while a lower LQ indicates relative under-representation of a sector in the District and a higher LQ indicates specialisation. **Figure 11-11** below shows LQs, overlaid with recent growth rates.

11.32 As well as being the largest sector, **Manufacturing is also highly over-represented in the local economy**, with an LQ of almost 1.5. While growth in manufacturing has been slow, many other areas have seen declining manufacturing employment. The LQ score underlines the importance of manufacturing to the local economy.

11.33 Existing economic studies and strategies (discussed later in this report) show Gloucestershire to be a centre for advanced engineering and manufacturing, with a particular focus on aerospace. This is supported by mapping by the Central Government, which identifies several innovation clusters around Gloucester, Cheltenham and Tewkesbury including in Advanced Manufacturing, Materials Innovation and the

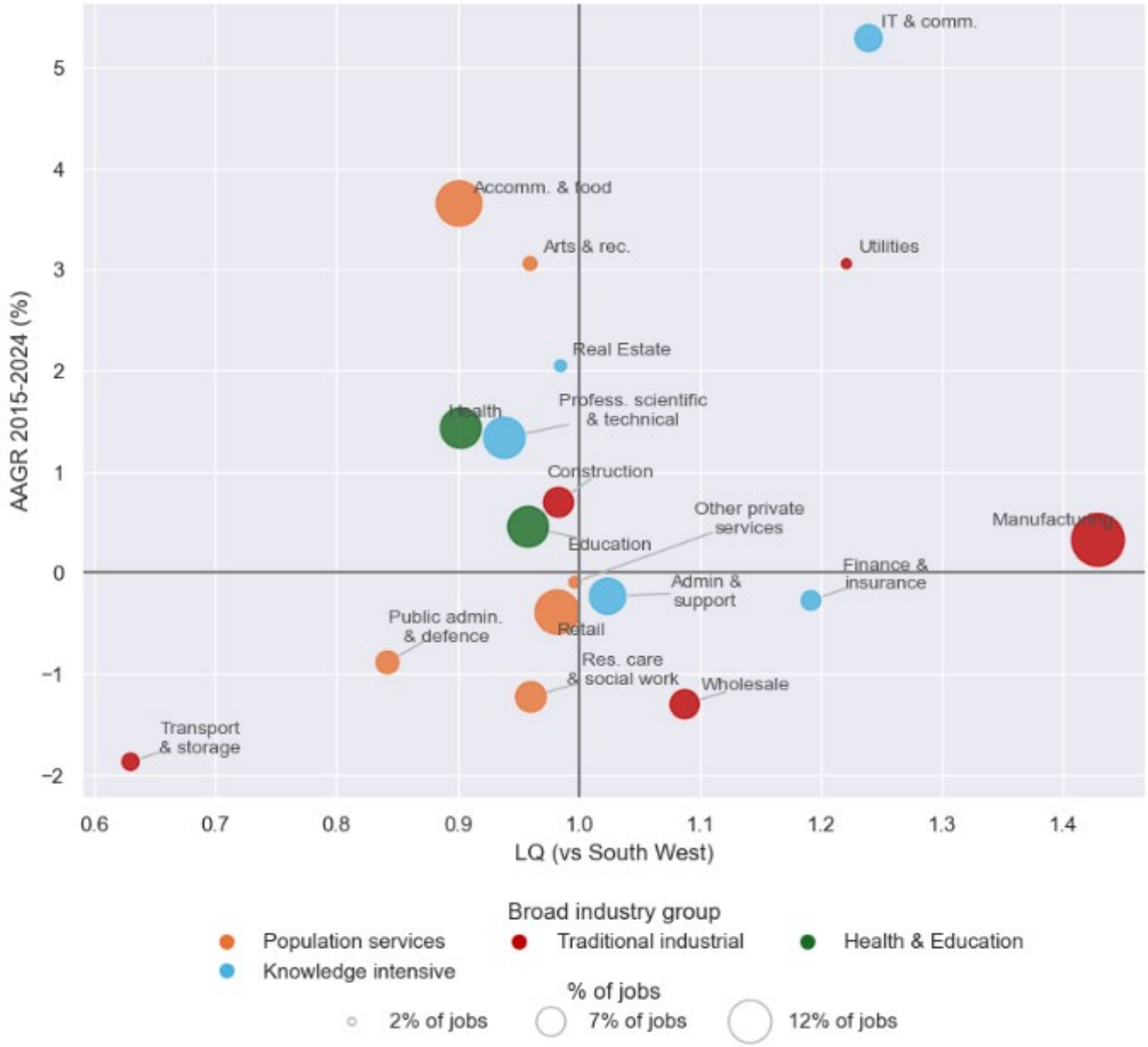
Space Economy[52]. While manufacturing has been categorised for profiling purposes as traditionally industrial, important parts of the economic activity associated with it are thus innovative and knowledge intensive.

11.34 A subsectoral profile of manufacturing across Gloucestershire is provided later in this chapter.

11.35 The other largest sectors in the local economy (accommodation and food services, retail and professional, scientific and technical services) are all slightly un-specialised (i.e. under-represented compared to the broader South-West). However, accommodation and food services and professional, scientific and technical services both saw moderate to high growth rates, and specialisation may increase in the future.

[52] Department for Science, Innovation & Technology *Innovation Clusters Map 2025*

Figure 11-11: Gloucestershire employment location quotient (2024) and average annual growth rate (AAGR)



Source: Iceni analysis of ONS Business Register and Employment Survey

11.36 Health, education, construction, arts and recreation, and real estate are also all slightly un-specialised but growing sectors which may see local specialisation increase in the future.

11.37 Information and communications and utilities are both relatively small sectors locally in terms of their percentage of local jobs. However, they

are both notable in being moderately specialised locally and having among the highest percentage growth rates across recent years.

11.38 Finance and insurance and wholesale are also moderately specialised locally. However, they saw declines in employment across recent data (albeit a small decline in the case of finance and insurance).

11.39 Transport and storage and public administration and defence are both notable for being under-represented sectors compared to the local economy. Employment in these sectors also shrank from 2015-2024.

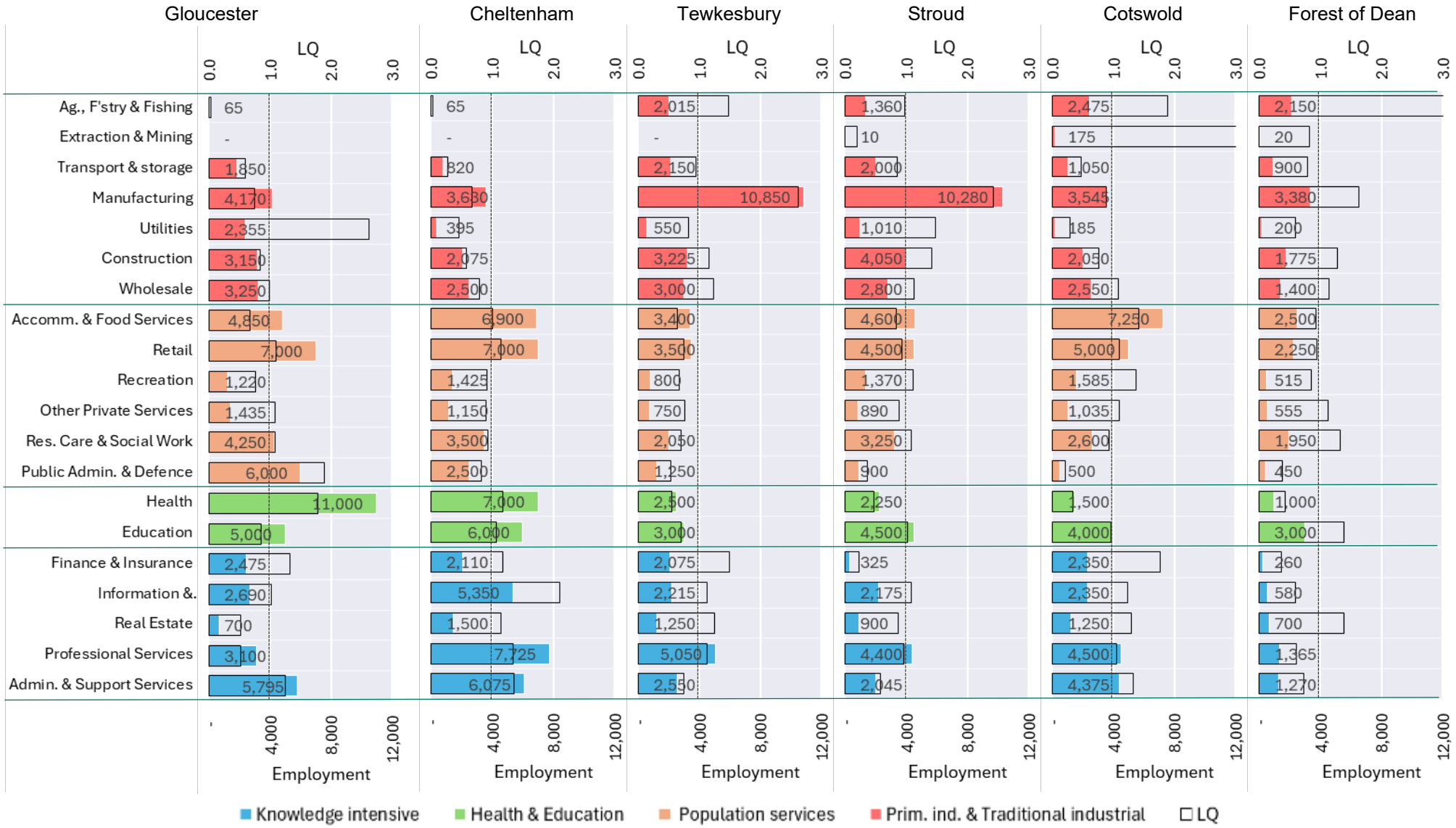
11.40 Overall, the sectoral analysis points to Gloucestershire having a relatively diversified local economy with a very large manufacturing sector, moderate levels of employment in a range of other service and knowledge-based sectors (e.g. professional, scientific and technical services), and strong specialisation in utilities and in computer programming, consultancy and related activities. Past trends suggest good growth prospects across a range of highly productive knowledge-based sectors, but there are risks around any potential decline in manufacturing employment given its importance to the local economy.

Authority-specific analysis

11.41 **Figure 11-12** below shows an authority-by-authority breakdown of employment across the county, as well as location quotients against the South West Region. This illustrates the variations in employment structure across the County.

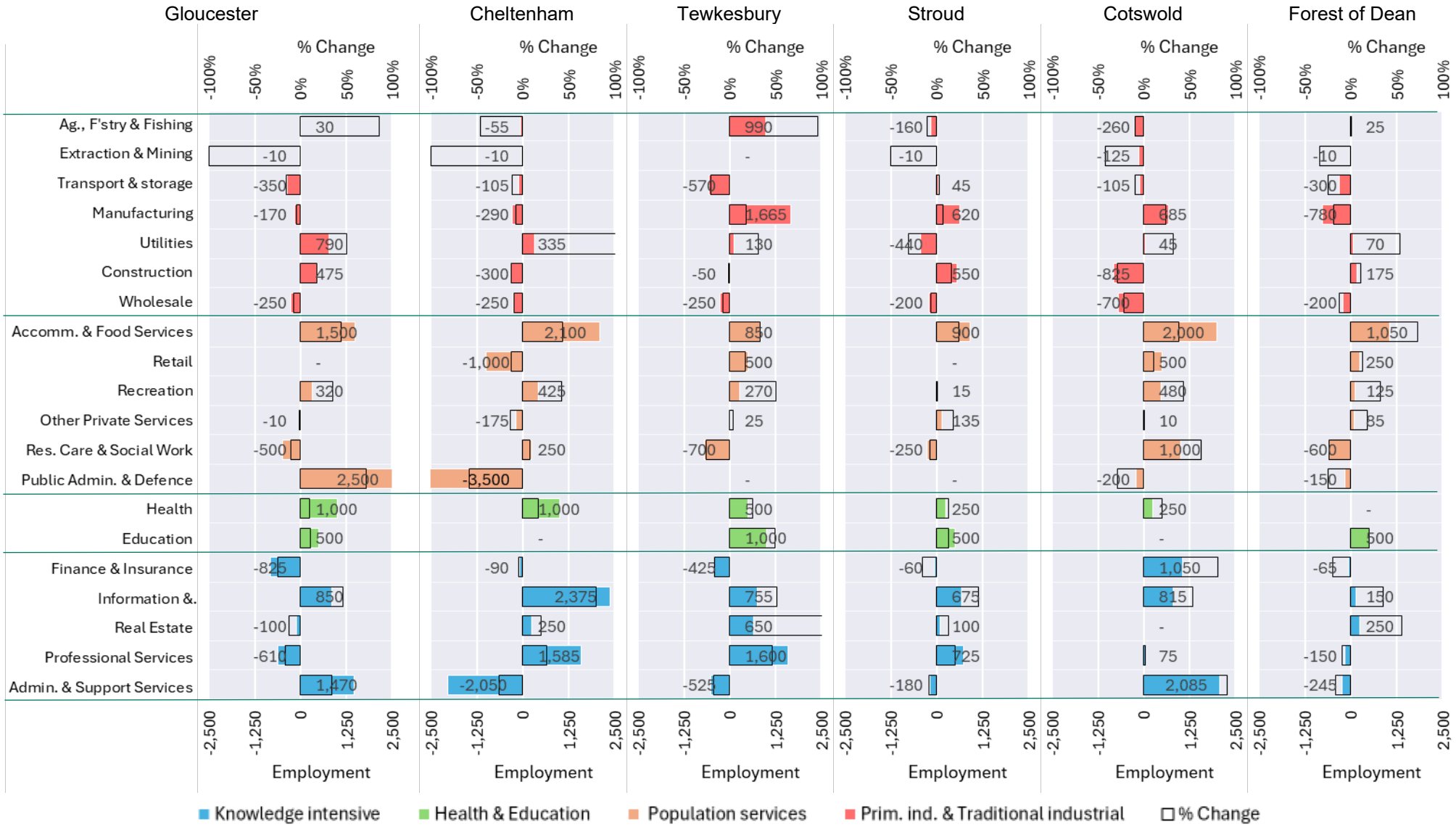
11.42 This is followed by **Figure 11-13**, which shows recent changes in employment across the authorities in both percentage and absolute terms.

Figure 11-12: Employment profile by authority (2024)



Source: Iceni analysis of ONS BRES

Figure 11-13: Employment change by authority (2015-2024)



Source: Iceni analysis of ONS BRES

Primary industries

11.43 Agricultural employment is recorded in the data but should be treated cautiously, given limitations in BRES coverage for this sector.

11.44 There is very limited employment in extraction and mining, with 175 jobs recorded in Cotswold in quarrying and extraction of gravel, sand and clays.

Traditional industrial

11.45 Industrial employment is spread across each of the authorities in the county, but is most concentrated in selected areas around the M5 corridor in Tewkesbury and Stroud. While employing less people, traditional industrial sectors in Forest of Dean also have relatively high specialisation. Between 2015 and 2024, there was mixed performance in traditionally industrial sectors, with only Tewkesbury and Stroud recording consistent growth.

11.46 Employment in **transport and storage** is generally unspecialised across the county. However Gloucester, Tewkesbury and Stroud have the most employment in this sector, with Tewkesbury and Stroud having the highest LQs of just below one. This is influenced by geography and the location of the M5 Corridor. Employment in this sector has shrunk recently in almost all authorities, with larger losses in Gloucester and Tewkesbury.

11.47 **Manufacturing** is a material component of all local economies, with over 3,000 jobs in each authority. However, there is clear spatial differentiation in the sector: it is highly specialised and employment-intensive in Tewkesbury and Stroud (with over 10,000 jobs each), highly represented although less specialised in Forest of Dean (although with only around 3,400 jobs), and with a LQ close to one in Cotswold and lower in Gloucester and Cheltenham.

11.48 **Construction** and **wholesale** follow similar patterns, though at lower scale, with employment in each authority serving local demand, although in the greatest numbers in Tewkesbury and Stroud (and Gloucester for Wholesale).

11.49 The wholesale sector shrank across all authorities between 2015-2024. Employment change was more variable in construction, although the BRES data is more variable year to year in this sector due to the high prevalence of self-employment, subcontracting and jobs without a fixed place of work.

11.50 Jobs growth data for manufacturing shows a pattern of overall consolidation into Tewkesbury and Stroud, with job losses in Cheltenham, Gloucester and Forest of Dean. However, employment also grew in Cotswold.

Population-serving and visitor-related sectors

11.51 Employment in typically population-serving sectors is spread across the different authorities in order to cater to demand from local residents in each area. However, there are some differences in employment numbers reflecting the role of tourism in Cotswold and the presence of higher-order centres in Gloucester and Cheltenham.

11.52 **Accommodation and food services** employs a large number of people across each authority. Employment is highest in Cotswold, in which the sector is specialised, reflecting the strong role of tourism in the local economy. The next highest number of jobs is in Cheltenham, while Gloucester, Tewkesbury and Stroud have a slight under-specialisation in this sector.

11.53 Between 2015-2024, this sector grew in all authorities, with the highest number of jobs added in Cotswold and Cheltenham, although other authorities also high percentage growth.

11.54 There is also high employment in each authority in the **retail** sector. The highest jobs numbers are in Gloucester and Cheltenham, which

contain large centres providing comparison shopping, followed by Cotswold with its strong tourism role. Retail is specialised (with an LQ above one) in each of these authorities, but not in the other authorities.

11.55 Between 2015-2024 the retail sector shrank in Cheltenham, but grew in Tewkesbury (likely buoyed by high levels of population growth) as well as in Cotswold and Forest of Dean (potentially backed by tourism).

11.56 **Recreation and the arts** is similarly present in all authorities, but with the highest specialisation and most jobs in Cotswold (again likely with a tourism link). This sector has grown at a high rate in all authorities except Stroud.

11.57 **Other private services**, together with residential care and social work**,** are widely distributed and have a direct link to providing services to cater to local population catchments. The absence of specialisation in Tewkesbury in these areas largely reflects the scale and dominance of its manufacturing base rather than weak absolute employment.

Public services, health and education

11.58 **Public administration and defence** employment is highly concentrated in Gloucester, with a secondary focus in Cheltenham, reflecting the location of county-level and major public sector functions. Employment in this sector is relatively limited in Stroud, Cotswold and Forest of Dean.

11.59 Between 2015 – 2024, BRES data shows a large shift in employment in this sector from Cheltenham to Gloucester. This may reflect a reclassification of place of work in the public sector, as well as some movement of staff between County offices.

11.60 **Health** employment is a particularly major component of the Gloucester economy (with 11,000 jobs) and is also significant in Cheltenham (7,000 jobs), consistent with the presence of major hospital facilities. Elsewhere it remains smaller and broadly unspecialised.

11.61 **Education** employment is more evenly distributed across the county. The highest numbers of jobs in this sector are in Gloucester and Cheltenham, which are major service centres and the primary locations of the University of Gloucestershire. However, the greatest degree of specialisation for education is in Forest of Dean, which contains Hartpury University.

11.62 Between 2015 and 2024, both health and education recorded growth in most authorities.

Knowledge intensive sectors

11.63 The distribution of knowledge-intensive employment illustrates key variations in economic development and structure across the County. In general, these sectors are most specialised in Cheltenham (which also has the highest employment in these sectors), Cotswold and Tewkesbury, with lower specialisation in Gloucester, Stroud and Forest of Dean.

11.64 These sectors grew overall between 2015-2024 in all authorities except Forest of Dean. However, growth was relatively low in Gloucester, with large contractions in the Finance and insurance and Admin and support services industries. Overall growth was highest in Cotswold, which saw growth across several sectors.

11.65 **Professional, scientific and technical services** is one of the largest sectors in Gloucestershire's economy overall, with large numbers of jobs in multiple authorities. Employment is particularly high in Cheltenham (over 7,700 jobs). This is followed by Tewkesbury, Cotswold and Stroud, which each have LQ values close to one. The sector is smaller and unspecialised in Gloucester and Forest of Dean. Growth between 2015-2024 was mostly concentrated in Cheltenham and Tewkesbury, and in Stroud to a lesser degree.

11.66 **Administrative and support services** are largest in Cheltenham and Gloucester. They are specialised in both of these authorities, as well as in Cotswold, while they are unspecialised elsewhere.

11.67 **Information and communication** has high levels of employment and specialisation in Cheltenham (over 5,000 jobs), and moderate employment in specialisation in all other authorities apart from Forest of Dean in which it is much smaller and unspecialised. This sector grew everywhere between 2015-2024, but by far the strongest growth was in Cheltenham where 2,375 jobs were added.

11.68 **Finance and insurance** employment between 2,000 – 2,500 people with either moderate of high levels of specialisation in each of Gloucester, Cheltenham, Tewkesbury and Cotswold. This is primarily associated with the insurance subsector. Employment is relatively limited and likely more confined to local branches and services in Stroud and Forest of Dean. The sector shrank in multiple authorities between 2015-2024, although growth of over 1,000 jobs was recorded in Cotswold.

Synthesis

11.69 Overall, this analysis paints the following pictures of the economic structures and growth trends in each authority.

11.70 **Cheltenham** has a service- and knowledge-led economy, with strong concentrations of employment in professional, scientific and technical services, information and communication, finance and insurance, and administrative functions. Growth since 2015 has been fuelled by high-value knowledge-intensive sectors, with Cheltenham being the primary location for many of these sectors.

11.71 **Gloucester** functions as the county's primary administrative and public service centre, with a large health sector, strong public administration presence, and a significant retail base serving a wide catchment. However, growth has been more constrained, with relatively weak

performance in knowledge-intensive sectors and recent contraction in some business services. This creates risks going forwards of continued reliance on public services and population-serving employment.

11.72 **Tewkesbury** has a strongly industrial economy centred on manufacturing, logistics and related sectors along the M5 corridor, complemented by a growing base of business and professional services. Employment growth has been relatively robust, particularly in manufacturing and knowledge-intensive sectors, noting Tewkesbury is the main location for greenfield growth/ urban extensions near Gloucester and Cheltenham.

11.73 **Stroud** retains a diversified industrial base with particular strength in manufacturing and related activities, alongside a range of services and moderate employment in knowledge-intensive sectors. Growth since 2015 has been positive but uneven, with continued consolidation of industrial employment and more limited expansion in higher-value service sectors compared to Cheltenham and Tewkesbury.

11.74 The **Cotswold** economy is characterised by a dual structure of tourism-led employment (accommodation, food, arts and recreation) and a strong and growing base of higher-value business and professional services. Employment growth has been strong and broad-based since 2015, including in knowledge-intensive sectors, indicating a relatively resilient and diversifying rural economy.

11.75 **Forest of Dean** has a smaller industrial and service-based economy, with limited presence of higher-value knowledge-intensive activities. Growth has been weaker than elsewhere in the county, with weak growth in knowledge-intensive sectors and a contraction in a range of traditionally industrial sectors. Going forwards, there is a particular risk of continued industrial contraction given the importance of these sectors to the economy.

Manufacturing subsectors

11.76 The strength of the manufacturing sector in the County is notable, and we would note the recent small but positive growth of employment within it.

11.77 However, future employment trends in the manufacturing sector are expected to be influenced by productivity improvements, such that whilst forecasts show growth in GVA, employment may not continue to grow (or growth may be modest).

11.78 The main sub-sectors in manufacturing in Gloucestershire and recent changes in employment are shown below. This illustrates **a variety of manufacturing activity taking place** in the County, with the strongest areas of focus machinery and equipment, metal products, electronics and aerospace (almost all local employment in other transport equipment manufacturing is in aerospace).

11.79 Tewkesbury is particularly strong in aerospace manufacturing, hosting several large firms in this area as well as the Gloucestershire Airport. Machinery and equipment, metal products and electronics are also local manufacturing strengths.

11.80 Across the rest of the GCT area, Gloucester and Cheltenham also have strengths in manufacturing of machinery and equipment and metal products, although Gloucester also has a large number of food product manufacturing jobs.

11.81 Stroud's largest manufacturing subsector is the manufacture of computer, electronic and optical products, with strengths also in food products, beverage, machinery, equipment and metals.

11.82 Cotswold and Forest of Dean have smaller but diverse manufacturing sectors with small business focuses. Cotswold's largest subsectors are medical and dental instruments and supplies (which is a subsector of

other manufacturing shown in the table below) and furniture, while Forest of Dean's are food products, machinery and equipment and metal products.

Employment in top eight manufacturing sectors in Gloucestershire (2024)

	Gloucester	Cheltenham	Tewkesbury	*SLP (Combined)*	Stroud	Cotswold	Forest of Dean	Total
Machinery & equipment not elsewhere classified	300	800	1,500	*2,600*	1,750	250	600	5,000
Fabricated metal products, expect machinery & equipment	700	300	1,000	*2,000*	1,500	450	500	4,500
Computer, electronic and optical products	20	50	1,000	*1,070*	3,000	150	30	4,500
Other transport equipment	400	500	3,500	*4,400*	125	25	45	4,500
Food products	600	30	500	*1,130*	1,250	450	600	3,500
Rubber and plastic products	250	50	800	*1,100*	200	75	300	1,750
Beverages	50	300	300	*650*	700	150	100	1,500
Other manufacturing (not elsewhere classified)	400	35	30	*465*	300	700	20	1,500

Source: ONS BRES
Note: The County-wide total may differ from the sum of columns due to rounding of BRES results.

11.83 In recent years, several of Gloucestershire's largest manufacturing subsectors have seen growth, including machinery and equipment, electronic products, food products and beverages. In contrast, the fabricated metal product and rubber and plastic product sectors have shrank.

11.84 In line with the general manufacturing sectoral performance discussed earlier in this chapter, growth in key manufacturing subsectors has been spread across different authorities, but principally concentrated in Tewkesbury and Stroud.

Change in employment in top eight manufacturing sectors in Gloucestershire (2024)

	Gloucester	Cheltenham	Tewkesbury	*SLP (Combined)*	Stroud	Cotswold	Forest of Dean	Total
Machinery & equipment not elsewhere classified	-150	-450	1050	*450*	250	-50	100	**500**
Fabricated metal products, expect machinery & equipment	-100	-300	-250	*-650*	250	50	-100	**-500**
Computer, electronic and optical products	-25	10	200	*185*	500	50	10	**500**
Other transport equipment	200	100	0	*300*	-50	-25	-155	**0**
Food products	100	-20	200	*280*	250	100	-100	**500**
Rubber and plastic products	0	10	200	*210*	-400	-25	-300	**-500**
Beverages	50	295	290	*635*	100	135	100	**1,000**
Other manufacturing (not elsewhere classified)	-50	-10	-70	*-130*	225	300	-55	**250**

Cells are coloured to show strong growth (+500 or more jobs) in dark green, lower growth (+200-500 jobs) in lighter green, strong contraction (loss of 500 or more jobs) in pink and small contractions (loss of 200 – 500 jobs) in orange.

Note: The County-wide total may differ from the sum of columns due to rounding of BRES results.

Source: ONS BRES

Business Base

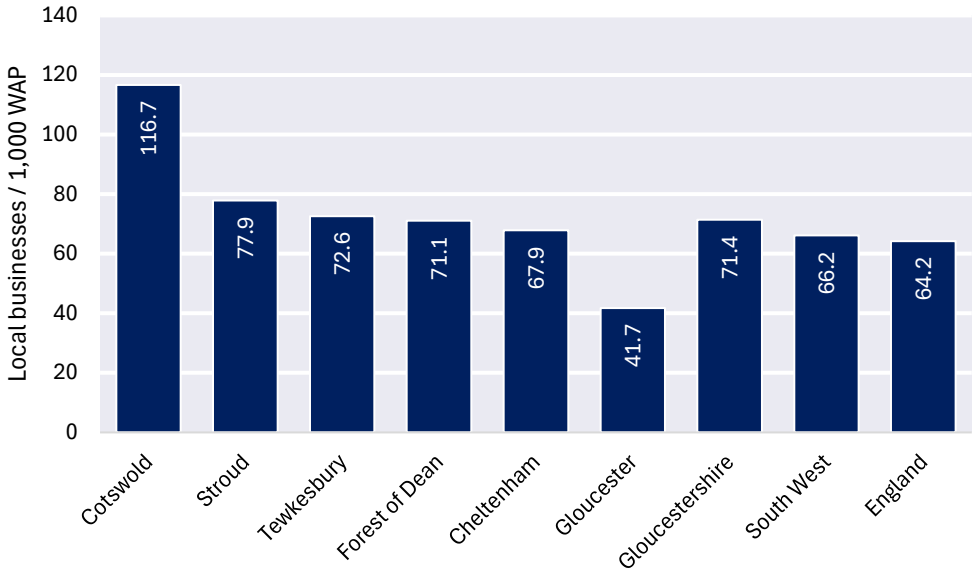
11.85 In 2025, there were 28,935 local businesses (i.e. enterprises) based in Gloucestershire, and 33,495 local units[53]. Relative to the number of working-age people, Gloucestershire has a relatively high number of local businesses when compared to the regional and national benchmarks (71.4 / 1,000 working age people vs 66.2 in the South West and 64.2 in England).

11.86 As illustrated in the figure below, this rate, usually referred to as the business density, varies between Gloucestershire's local authorities:

- Cotswold has a particularly high business density, the highest of any local authority in England outside of London boroughs and the Isles of Scilly and close to double the England-wide rate.
- Stroud, Tewkesbury, Forest of Dean and Cheltenham all have slightly lower business densities, although above the South West and England wide positions.
- Gloucester has a relatively low business density, substantially below the levels seen in other parts of Gloucestershire and the regional and national benchmarks.

[53] A local business (enterprise) refers to a single legal or organisational entity, which may operate from one or multiple locations. A local unit refers to an individual, geographically distinct site at which a business operates. As such, local units includes local sites of businesses based elsewhere.

Figure 11-14: Business ownership rate (per 1,000 working age people)



Source: Iceni analysis of ONS Business Counts, Population Estimates

11.87 In common with other parts of England, most of Gloucestershire's businesses are micro-sized, employing less than 10 people, while less than 1% are large businesses with 250 of more employees (see the Table below).

11.88 At the individual authority level, Gloucester, Cheltenham or Tewkesbury are the main locations for larger businesses, accommodating 68% of those in Gloucestershire compared to only 46% of businesses overall. The remining districts are more small-business focused, with relatively few larger businesses, and less than 2% of all businesses having 50 or more employees. Cotswold accommodates a particularly high number of micro businesses (reflected in its high business density).

Table 11-2: Local businesses (2025)

	Micro (0 - 9)	Small (10 - 49)	Medium-sized (50 - 249)	Large (250+)	Total
Gloucester	3,165	410	115	20	3,715
Cheltenham	4,615	495	95	35	5,230
Tewkesbury	3,910	410	85	20	4,430
GCT (Subtotal)	*11,690*	*1,315*	*295*	*75*	*13,375*
Cotswold	5,380	560	85	15	6,045
Forest of Dean	3,425	300	45	5	3,775
Stroud	5,135	525	75	20	5,755
Gloucester-shire	**25,625**	**2,695**	**510**	**110**	**28,935**

Source: ONS Business Counts

11.89 The following two tables provide the absolute and percentage change in local businesses over the last ten years. The number of medium and large businesses in Gloucestershire has seen a relatively large increase in percentage terms in Gloucestershire (15% and 22% respectively), although the vast majority of new businesses are micro sized. By contrast, growth in micro-sized businesses was well below the England-wide value in percentage terms.

11.90 In keeping with its recent very high employment growth, and development occurring along the M5, Tewkesbury saw the largest increase in business numbers from 2015-2025. Cheltenham and Gloucester also saw relatively high growth, while Cotswold and Forest of Dean saw lower growth levels. Stroud saw almost no growth in business numbers over this ten-year period.

Table 11-3: Change in local businesses (2015 - 2025)

	Micro (0 - 9)	Small (10 - 49)	Medium-sized (50 - 249)	Large (250+)	Total
Gloucester	240	35	10	0	290
Cheltenham	255	45	20	15	325
Tewkesbury	465	30	15	0	515
GCT (Subtotal)	*960*	*110*	*45*	*15*	*1,130*
Cotswold	135	25	20	0	185
Forest of Dean	85	0	0	0	85
Stroud	40	-20	-10	10	15
Gloucestershire	1,215	105	65	20	1,395

Source: ONS Business Counts

Note: Results for 2015 and 2025 are rounded by ONS, which may cause some inaccuracy in reported change especially where the change is small (i.e. 10 or less).

Table 11-4: Percentage change in local businesses (2015 - 2025)

	Micro (0 - 9)	Small (10 - 49)	Medium-sized (50 - 249)	Large (250+)	Total
Gloucester	8.2%	9.3%	9.5%	0.0%	8.5%
Cheltenham	5.8%	10.0%	26.7%	75.0%	6.6%
Tewkesbury	13.5%	7.9%	21.4%	0.0%	13.2%
GCT (Subtotal)	*8.9%*	*9.1%*	*18.0%*	*25.0%*	*9.2%*
Cotswold	2.6%	4.7%	30.8%	0.0%	3.2%
Forest of Dean	2.5%	0.0%	0.0%	0.0%	2.3%
Stroud	0.8%	-3.7%	-11.8%	100.0%	0.3%
Gloucestershire	5.0%	4.1%	14.6%	22.2%	5.1%
South West	6.9%	1.7%	14.1%	12.2%	6.6%
England	12.8%	6.3%	13.8%	23.6%	12.3%

Source: ONS Business Counts

Labour Market

11.91 Economic participation in Gloucestershire is relatively strong, with participation rates exceeding the regional and national benchmarks (as shown in the table below). The unemployment rate is lower than the rates for the South West and England, and being below 3% represents very low levels of unemployment. Unemployment at this level may constrain business hiring, particularly in fields with skills shortages.

11.92 While there is some variation between authorities, this data shows a consistent picture across authorities of reasonable or strong economic participation and low unemployment.

Table 11-5: Economic participation and unemployment rates (3-year average))

	Economic participation rate (% of 16-64 y.o.s)	Unemployment rate (% of economically active 16-64 y.o.s)
Gloucester	86.5	3.1
Stroud	84.9	2.3
Cheltenham	83.3	2.4
Tewkesbury	82.2	2.5
Forest of Dean	81.9	2.6
Cotswold	79.1	2.3
Gloucestershire	83.4	2.6
South West	80.9	2.8
England	78.8	3.8

Source: Iceni analysis of ONS *Annual Population Survey,* ONS *Model-based estimates of unemployment*

Note: values shown are averages of the 12-month periods ending September 2022 – June 2025

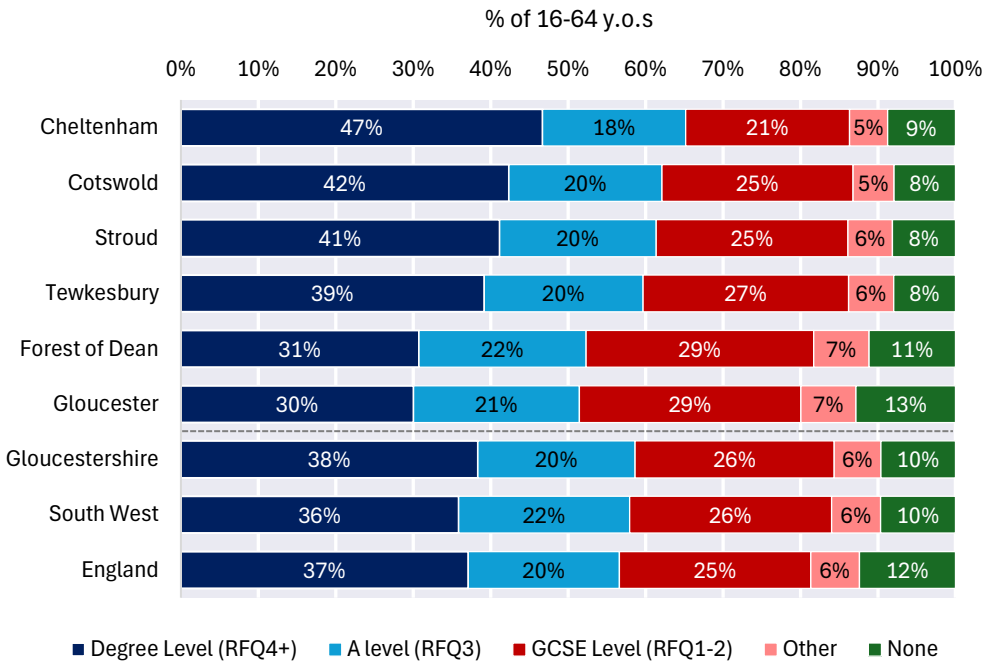
11.93 Gloucester and Stroud have particularly high rates of economic participation, while Forest of Dean and Cotswold have lower rates

(likely reflecting people retired early or looking after others). All authorities have very low unemployment rates, while Gloucester's is somewhat higher although still below the England-wide average.

Qualifications

11.94 Gloucestershire has a relatively highly qualified population, with 38% of working age residents having a degree level qualification, compared to 36% in the South West and 37% in England.

Figure 11-15: Qualifications of working age people



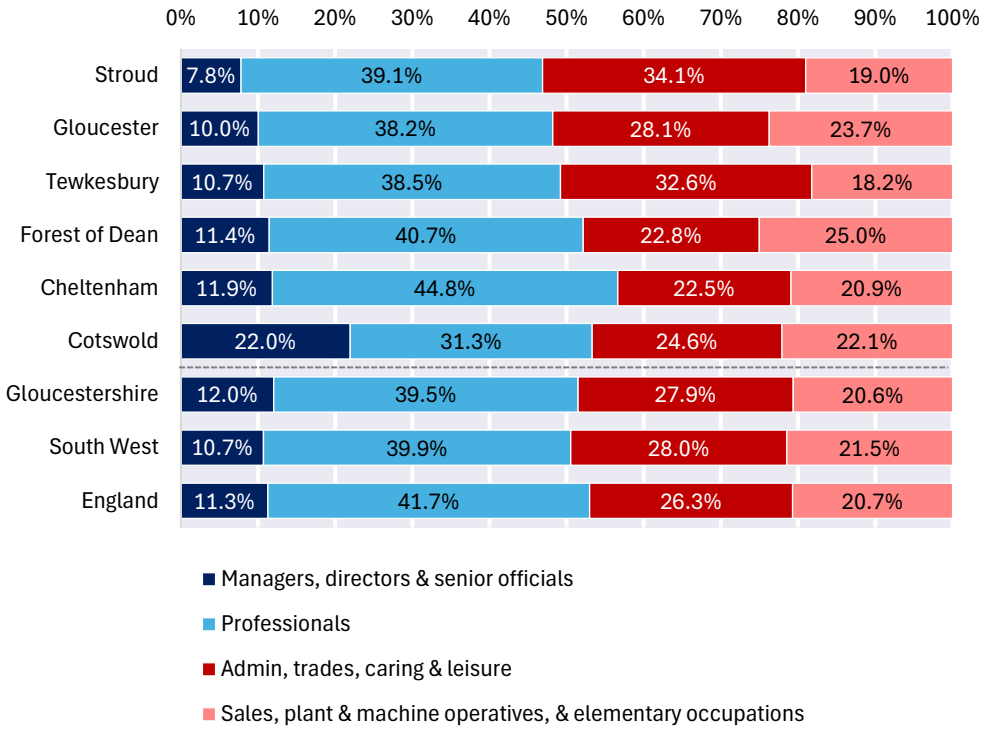
Source: ONS Census 2021

11.95 At the individual authority level, Cheltenham has the highest qualification levels, with 47% of working age residents having a degree-level qualification. The populations of Cotswold, Stroud and Tewkesbury are also relatively highly qualified, with a higher proportion of degree qualified working age residents than Gloucestershire as a whole or England. By contrast, the Forest of Dean and Gloucester have low levels of degree qualification (31% and 30% respectively), and high levels of GCSE only or no qualification (41% in both vs 37% England-wide and 35% across Gloucestershire).

Occupations

11.96 Gloucestershire's occupation profile is broadly similar to that found in the South West or England. Professional jobs are the most common, making up around 40% of resident workers.

Figure 11-16: Occupations of resident workers (Average of periods from 12 months to September 2022 – 12 months to June 2025)



Source: Iceni analysis of ONS *Annual Population Survey*

11.97 At the authority level, a very high proportion of Cotswold's resident workers have senior professional or managerial roles (22%, around double the national rate). By contrast, professional and admin, trades, caring & leisure roles are under-represented among Cotswold's residents.

11.98 Stroud accommodates a relatively low level of people with senior professional and managerial positions (only 7.8%), and only 47% of resident workers have a professional or more highly skilled role. Stroud instead accommodates a relatively high number of people in admin, trades, caring and leisure roles.

11.99 Other authorities have occupation profiles more similar to the regional and national benchmarks. Distinct characteristics of the profiles in these other authorities include:

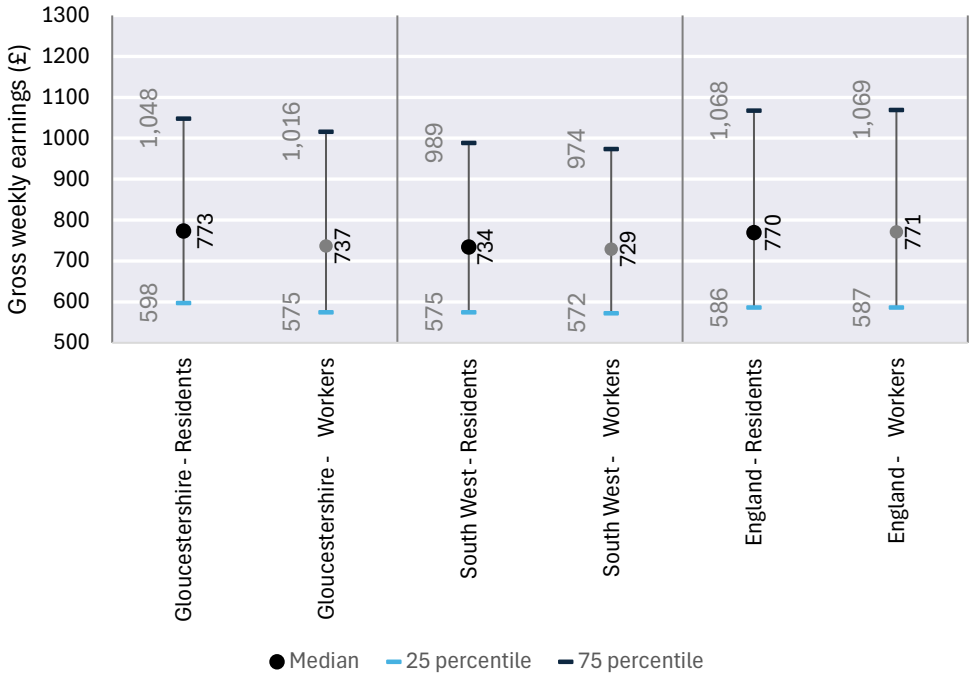
- Cheltenham has a high proportion of professionals, with professional, senior professional and managerial roles making up 57% of resident workers compared to 51% in the South West and 53% England-wide.
- Forest of Dean and Gloucester have relatively high proportions of people in sales, plant, machine operative and elementary roles (25% and 24% respectively vs 22% in the South West and 21% in England).
- Tewkesbury has a high proportion of people in admin, trades, caring and leisure occupations, although this is set against a comparatively low proportion of people in lower level sales, plan, machine and elementary roles.

Earnings

11.100 Wages for Gloucestershire residents and workers fall broadly within the rages of value seen in benchmark areas (as shown in the figure below). The wages of residents of Gloucestershire (median of £773 per week) are slightly higher than those of the South West (median of £734 per week), and similar to those of England as a whole (median of £770 per week).

11.101 Typical wages for resident workers in Gloucestershire are slightly higher (+5%) than typical wages for those in local jobs. Median earnings for local workers are similar to the median across the South West, but somewhat below the median for England as a whole (which is likely to be influenced by high paying jobs in major cities like London). The discrepancy between earnings of local residents and workers is likely to reflect some degree of outward commuting for highly paid jobs to places like Bristol.

Figure 11-17: Gross full-time wages (2025)

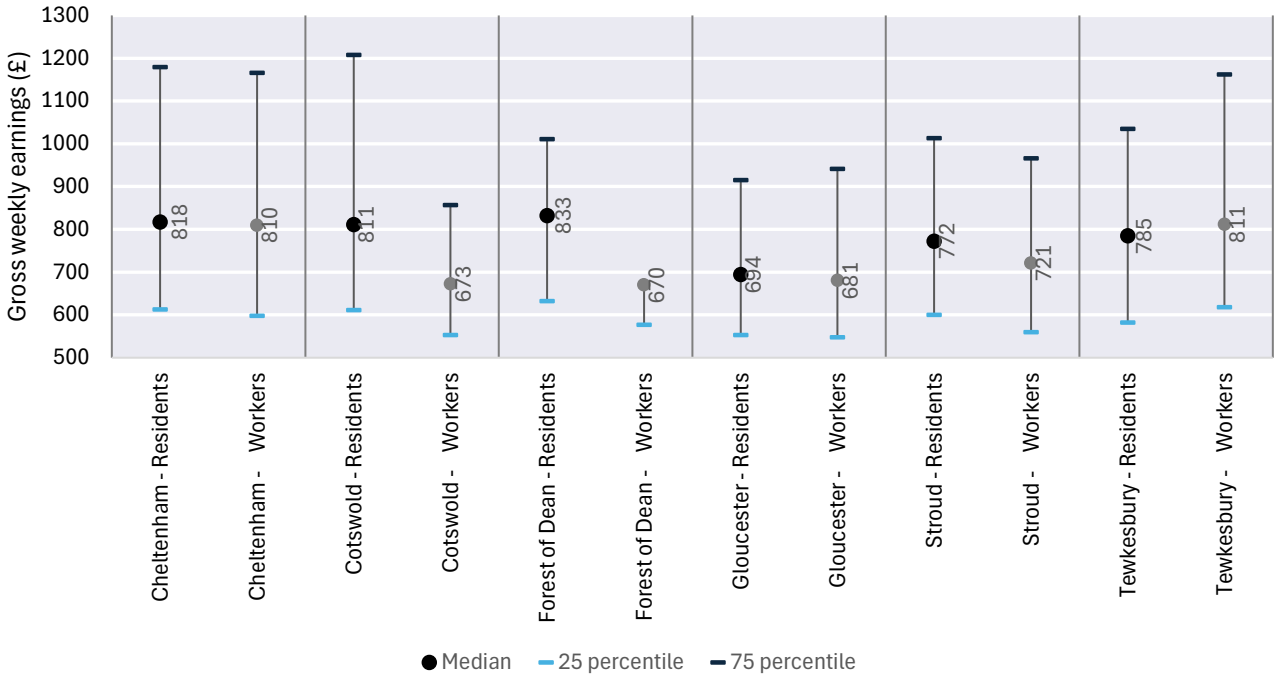


Source: ONS *Annual Survey of Hours and Earnings*

11.102 At the individual authority level, median resident earnings are highest in Forest of Dean, Cheltenham and Cotswold, positioning these authorities above the county and South West averages. Cotswold and Cheltenham also record very high 75th percentile results (£1,208 and £1,179 per week respectively), while Forest of Dean's 75th percentile is much lower (£1,011 per week), indicating a smaller cohort of residents in comparatively highly paid roles.

11.103 Gloucester stands out as having by far the lowest resident earnings in the County, reflecting the relatively low occupation skills profile of its resident workers. This is followed by Stroud and then Tewkesbury, in both of which median resident earnings are similar to the Gloucestershire and England averages.

Figure 11-18: Gross full-time wages – Individual authorities (2025)



Source: ONS *Annual Survey of Hours and Earnings*

11.104 Comparisons between resident- and workplace-based earnings provide further insight into labour market dynamics. Both Cotswold and Forest of Dean show substantially higher resident earnings than worker earnings. In Cotswold, this is consistent with significant in-commuting by lower-paid workers who are unable to affordably access local housing. In Forest of Dean, the difference is more indicative of net outward commuting of higher-paid occupations, a characteristic commonly associated with rural economies.

11.105 Tewkesbury presents a contrasting profile, with relatively high workplace earnings exceeding resident earnings, reflecting the presence of highly paid jobs within the authority.

Economic Development Strategies

Gloucestershire Economic Strategy 2024-34

11.106 Gloucestershire's Economic Strategy 2024–2034 sets out the county's approach to supporting sustainable economic growth over the next decade, with a focus on improving productivity, attracting investment and strengthening the local labour market.

11.107 This identifies key strengths – from Gloucestershire's strategic location, its heritage of energy research and development (with a strong presence of energy generation businesses), to its position as a hub for UK intelligence, security and cyber agencies. It also identifies key challenges – from limited Grade A space, a lack of affordable housing and infrastructure.

11.108 The strategy links economic growth to the delivery of infrastructure, skills and housing, recognising that the availability of suitable employment space, workforce skills and accessible places to live will influence the county's economic performance.

11.109 The strategy identifies several priority sectors where Gloucestershire has existing strengths or growth potential. These include cyber and secure digital activities, advanced engineering and manufacturing, agri-tech, and low-carbon energy and related technologies. Growth in these sectors is expected to be supported by innovation, research and development, and inward investment, alongside improvements in digital connectivity and business support.

11.110 For planning purposes, the strategy suggests continued demand for a range of employment locations, including strategic employment sites, modern industrial and business premises, and locations capable of supporting higher-value knowledge-based activity. It also recognises the role of towns and settlements in providing services, employment opportunities and housing that support the local workforce.

Local Growth Plan 2025-35

11.111 Gloucestershire's Local Growth Plan 2025–2035 sets out a county-wide framework for economic growth, prepared jointly by Gloucestershire's seven local authorities. It is intended to provide a shared statement of the county's economic priorities and to support investment, devolution discussions and coordinated delivery across the county.

11.112 The plan presents growth in explicitly place-based terms, linking economic performance to the quality of communities, housing, infrastructure, skills and the natural environment.

11.113 In sector terms, the plan focuses on Gloucestershire's high-growth and high-value parts of the economy, with particular emphasis on advanced engineering and manufacturing, cyber and digital activity, agri-tech, and green technologies and wider low-carbon growth. It positions these sectors as central to Gloucestershire's contribution to the UK's industrial priorities and to the county's future productivity and investment offer.

11.114 The plan emphasises the role of SMEs, innovation, skills, housing affordability, carbon reduction and high-quality places in supporting long-term economic performance, while recognising barriers such as productivity, deprivation, skills gaps and climate pressures. This underlines the need for housing and employment needs to be considered together, with particular attention to the relationship between homes, workforce availability, infrastructure and the county's identified growth sectors.

Gloucestershire Local Skills Improvement Plan

11.115 The Gloucestershire LSIP Progress Report 2025 (produced by Business West) brings together three years of research into local skills gaps and progress against the Gloucestershire Local Skills Improvement Plan (LSIP).

11.116 The LSIP is a Department for Education–funded initiative intended to align post-16 technical provision with employer needs. It identifies several priority sectors, including: Digital Industries, Agriculture/Agritech/Land Management, Construction & the Built Environment, and Advanced Manufacturing & Engineering.

11.117 It also identified cross-cutting themes, including digitalisation, net zero, and core/transferable skills (incl. core digital), alongside “sector-specific and technological change”.

11.118 The report highlights continued investment momentum—e.g., Safran’s Gloucester expansion (new engineering/support centre opened April 2025), and associated recruitment (204 new employees in 2024 + 30 in early 2025).

11.119 Regeneration and place-based investments are positioned as demand drivers for skills (e.g. £11m Greyfriars Quarter regeneration; plans for a National Cyber Innovation Centre at Golden Valley).

11.120 Overall, the report claims LSIP activity has contributed to curriculum reform, employer engagement, and investment decisions, embedding employer insight into delivery and improving alignment between provision and demand.

11.121 In terms of what still needs to be achieved, the report says more needs to be done to help employers understand how to engage with the skills system and what provision exists to strengthen pipelines.

11.122 It highlights challenges recruiting/retaining staff, especially in advanced manufacturing & engineering, due to salary competition with the industry.

12. Commercial Market Assessment

Office Market

12.1 The Valuation Office Agency (VOA) provides information on the volume of rateable office floorspace by administrative area. As of March 2023 (the most recent available data), there was 898,000 sqm of office space within Gloucestershire according to VOA data.

12.2 The table below shows how this floorspace stock is broken down by authority, and how it has changed since 2001. While office stock is up 161,000 sqm or 22% across Gloucestershire from 2001-2023, this overall increase masks differing dynamics in the evolution of stock over time. Office floorspace increased rapidly during the 2000s, and peaked at 969,000 sqm in 2011. Since then it has declined by 71,000 sqm of 7%. This broad trend is similar to the position nationally.

Table 12-1: Office floorspace stock ('000 sqm)

	2001	2011	2023	Change (01-23)	% Change (01-23)
Gloucester	263	289	263	0	0%
Cheltenham	229	335	262	33	14%
Tewkesbury	76	128	137	61	80%
GCT (Subtotal)	568	752	662	94	17%
Cotswold	84	102	110	26	31%
Forest of Dean	25	30	33	8	32%
Stroud	60	84	93	33	55%
Gloucestershire total	**737**	**969**	**898**	**161**	**22%**

Source: VOA Stock of properties including business floorspace

12.3 This peaking of office space in 2011 is due to losses in Gloucester (26,000 sqm) and Cheltenham (73,000 sqm) between 2011 and 2023,

likely largely due to conversions to residential use. In contrast, **Table 12-1** shows that floorspace has continued to increase, albeit at a slower rate than between 2011-2011, in the other authorities.

12.4 **Table 12-1** above also illustrates the relative sizes of office markets in different parts of Gloucestershire:

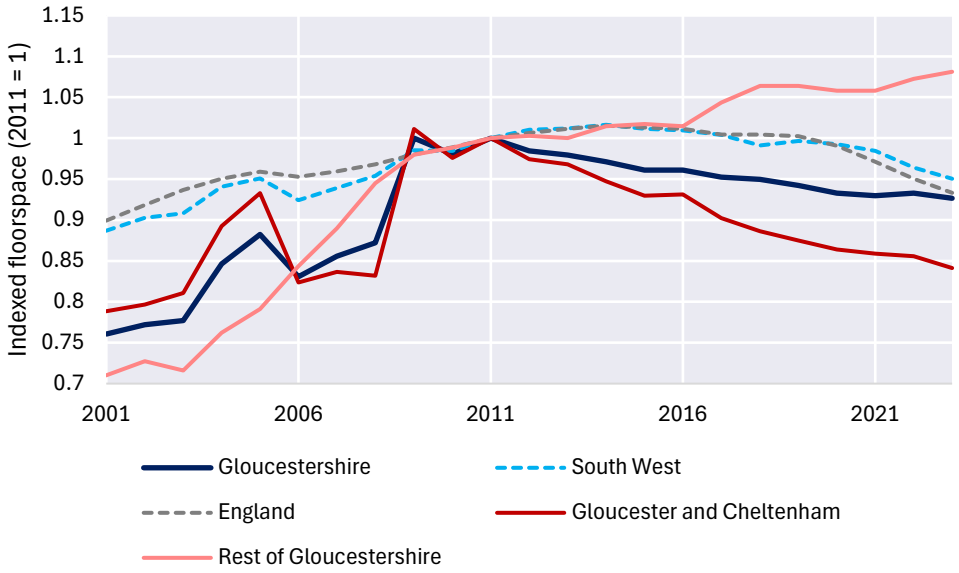
- Gloucester and Cheltenham have by far the largest office stocks at 263,000 sqm and 262,000 sqm respectively.
- Tewkesbury has the next largest (137,000 sqm), a large part of which has been developed since 2011.
- Cotswold (110,000 sqm) and Stroud (93,000 sqm) also have relatively small office markets, focused more on local demand.
- There is very little office floorspace in Forest of Dean (33,000 sqm – only 12.5% of the size of Gloucester's stock).

12.5 Altogether, the GCT area contains 662,000 sqm of office space, almost three quarters (74%) of Gloucestershire's total.

12.6 The following figure compares the evolution of Gloucestershire's office space stock with that of the South West and England as a whole, with total floorspace in 2011 in each area acting as a base index.

12.7 Similarly to Gloucester and Cheltenham, office floorspace has been declining in the South West and England as a whole in recent years as a result of residential conversions. However, the office space peak occurred somewhat later in these benchmark areas (around 2015-16), and the decline in stock in Gloucester and Cheltenham has outpaced that seen regionally and nationally. At the same time, stock in the rest of Gloucestershire has continued to increase.

Figure 12-1: Indexed office floorspace stock 2001-2023



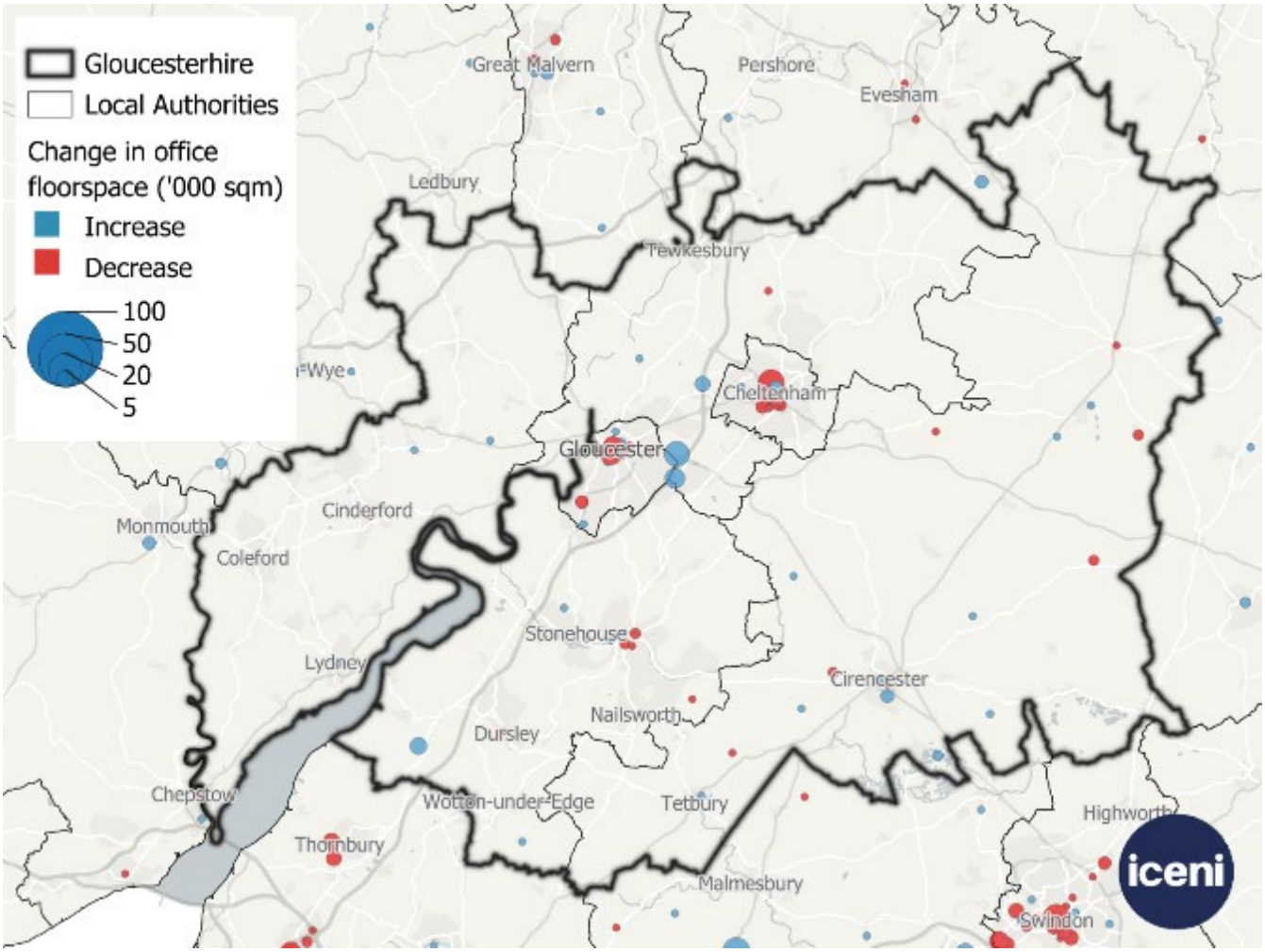
Source: Iceni analysis of VOA Stock of properties including business floorspace

12.8 **Figure 12-2** below provides a finer grained spatial picture of how these changes in office stock have been distributed throughout Gloucestershire's authorities over 10 years. This analysis shows that:

- Losses in office space have been concentrated in central Gloucester and Cheltenham, consistent with typical characteristics of residential conversions.
- There have been some smaller-scale losses elsewhere, including central Stroud.
- Additions to office stock have principally been centred around the M5 corridor in Tewkesbury and Stroud (the largest addition being at the Gloucester Business Park).
- There have been smaller additions to the office stock in various parts of Cotswold District, and to a lesser extent Forest of Dean, through rural development schemes.

12.9 The continued addition of new office space in Tewkesbury in proximity to Gloucester and Cheltenham suggests that **there is a continuing demand for higher-spec fit-for-purpose space**, even as older space in Central Gloucester and Central Cheltenham is being converted to other uses.

Figure 12-2: Changes in office floorspace 2013-2023



Source: Iceni analysis of VOA Stock of properties including business floorspace

Office Supply and Demand

12.10 The overall supply-demand balance for floorspace can be assessed by analysing headline market indicators – namely vacancy rates and rents. The drivers of changing vacancy rates, demand and supply, have then been assessed by looking at net absorption and net deliveries.

Office Vacancy rates

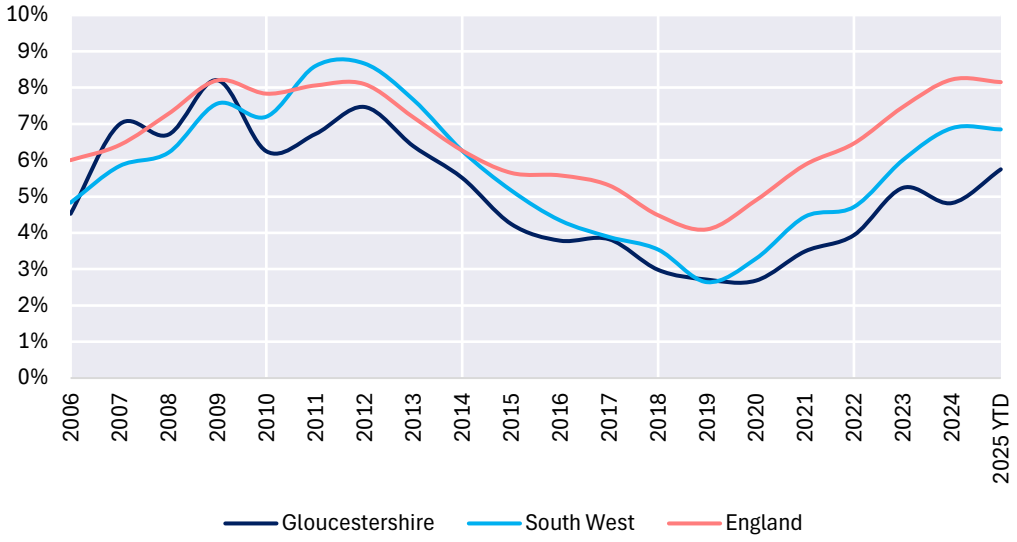
12.11 The figure below shows how the office vacancy rate in Gloucestershire has changed over time compared to the South West and England. Currently (November 2025), the vacancy rate in Gloucestershire is

5.8%, below the rates seen in the South West (6.9%) and England as a whole (8.2%). This points overall to relatively 'tight' market conditions.

12.12 In common with regional and national rates, office vacancy rates in Gloucestershire decreased steadily throughout the 2010s, before increasing since low points reached around 2019 – 2020 as working patterns have changed. In Gloucestershire a low point of 2.7% was reached in 2020, indicating a particular shortage of office space at the time.

12.13 The current vacancy rate in Gloucestershire of 5.8% sits within a healthy range, and is below the rates of 6% - 8% typically seen from 2007-2013; but below a level of 7-8% in a functioning market which we might expect to allow for turnover and refurbishment of properties.

Figure 12-3: Office vacancy rates



Source: CoStar, 2025

12.14 The following figure illustrates how this Gloucestershire-wide position varies between the different authorities. Three time points are used: the average from 2009-2012 before the rate decreased in the 2010s, 2020 the low-point of vacancy rates Gloucestershire-wide, and the current November 2025) position.

12.15 The following observations can be made:

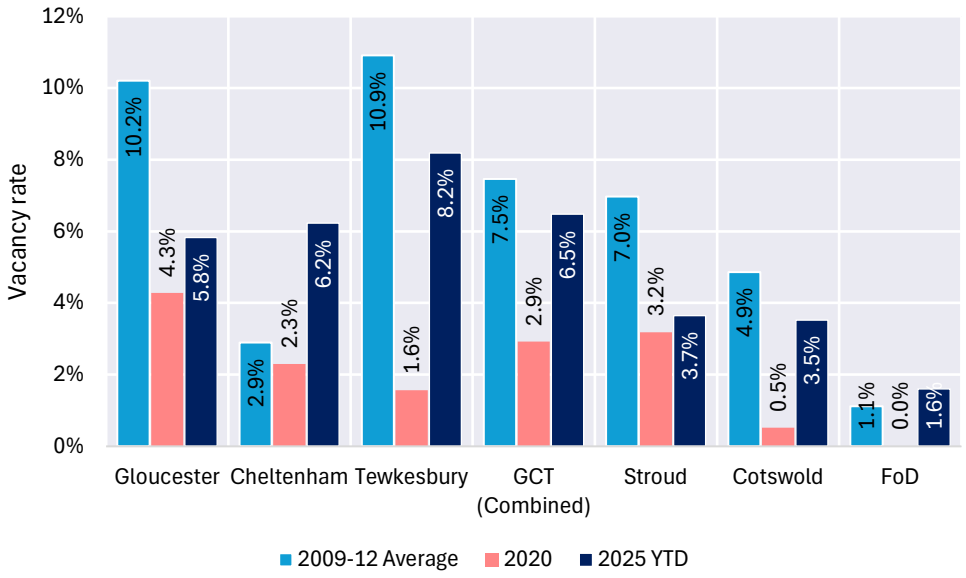
- In almost all cases, vacancy rates decreased substantially from the 2009-2012 level to a very low level in 2020, before rebounding somewhat. Cheltenham is an exception to this position, having had low vacancy rates indicative of a shortage of office stock in 2009-2012.

- Tewkesbury has the highest vacancy rate at 8.2% - although this corresponds to recent delivery of a significant amount of floorspace

- Stroud and Cotswold have low vacancy rates (3.5%), with Cotswold having reached nearly zero vacancy in 2020

- Forest of Dean has a very low vacancy of 1.6%, and had no vacant space recorded in 2020, although as discussed above there is only a very small office market in Forest of Dean.

Figure 12-4: Office vacancy rates by authority



Source: CoStar, 2025

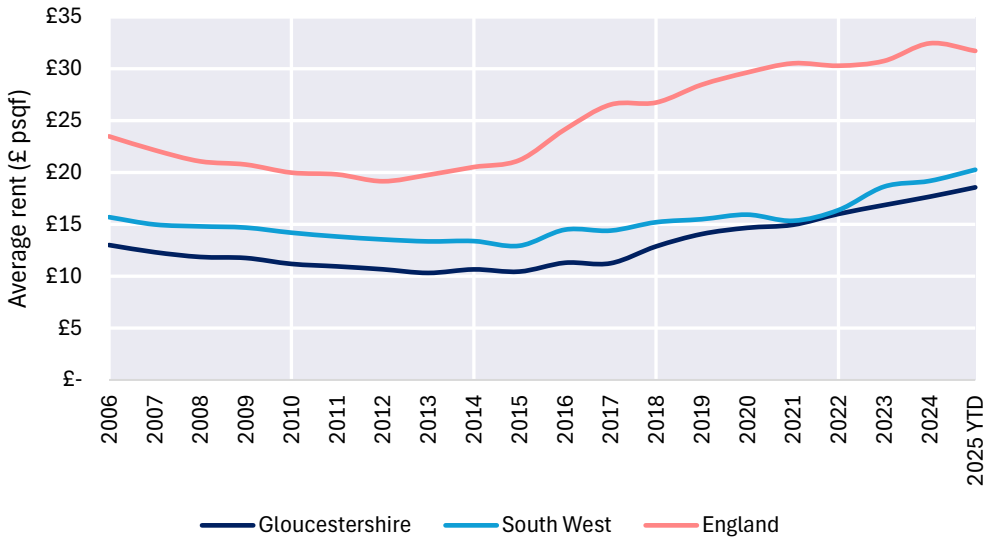
Rents

12.16 The figure below shows how average office rental prices in Gloucestershire have changed over time compared to the South West and England. As of November 2025, the average rental price in Gloucestershire was £18.57/sqft. This is lower than the average across the South West (£20.27/sqft) and considerably lower than the national average (£31.73) which is driven by prime rents in cities such as London and Manchester. Rents at Gloucestershire-wide levels mean

that new-build office development for rent will not be viable in many cases – with a premium rent or freehold sales necessary to support development.

12.17 Office rents in Gloucestershire have seen considerable growth over the last 10 years, increasing by £8.12 (78%) between 2015 and 2025. This is a higher percentage increase than seen in the South West (57%) or England (50%).

Figure 12-5: Office rents



Source: CoStar, 2025

12.18 The following figure breaks this Gloucestershire wide picture down by authority. The analysis shows that:

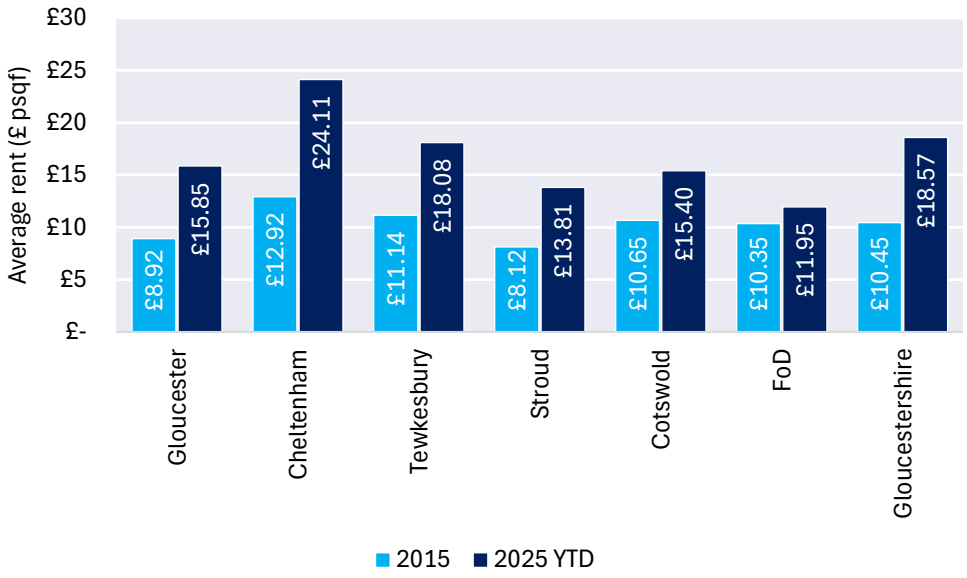
- **Cheltenham** has by far the highest rents at £24.11 psf, and has also seen the biggest increase over 10 years (£11.19 or 87%). High rents here are in keeping with Cheltenham having the strongest representation of high-value office-based knowledge jobs (as discussed in the previous chapter); with rental growth pointing to a supply-demand imbalance.

- **Tewkesbury** has the second highest average rents (£18.08 psf), and has seen also seen a solid increase over 10 years (£6.94 or 62%)

- **Gloucester** and **Cotswold** have similar average rents, although Gloucester has a much larger office market and has seen a stronger increase over time (£6.93 or 78% vs £4.75 or 45%).

- **Stroud** and **Forest of Dean** have the lowest average rents, with Forest of Dean particularly low (£11.95 psf) and having seen little increase in rents over 10 years (£1.60 or 15%, although noting the small office market makes rental data more variable).

Figure 12-6: Average office rents by Authority



Source: CoStar, 2025

Net absorption and net deliveries

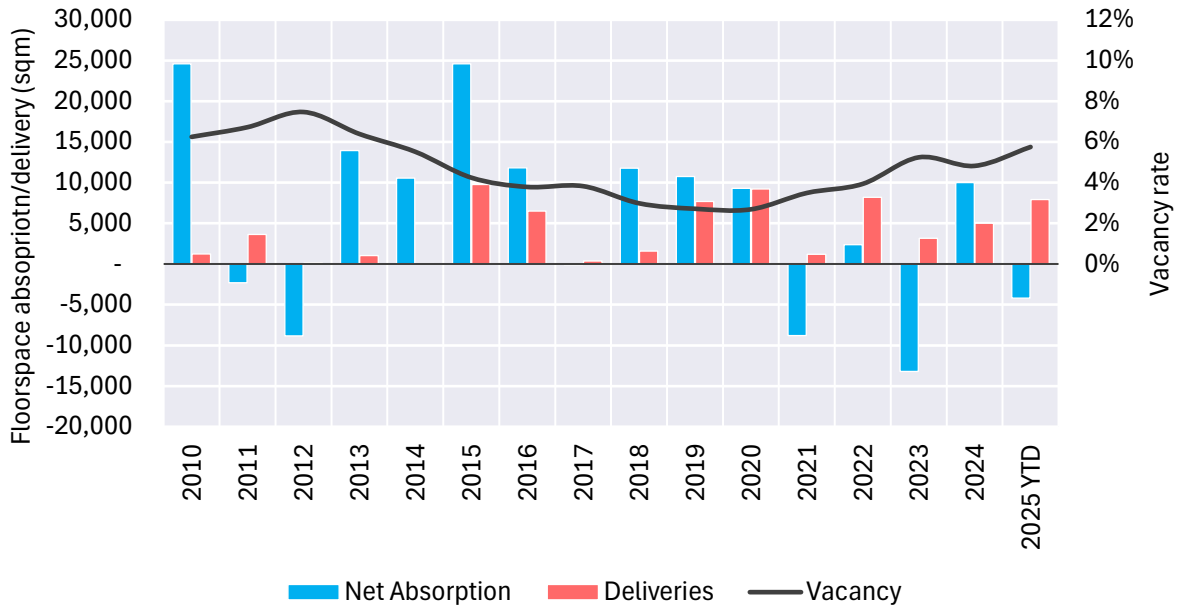
12.19 CoStar provides data on net absorption which is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move Ins – Move outs). It provides an indicator of the strength of demand. A positive net absorption figure indicates strong demand and leads to a falling vacancy rate (unless it is outweighed by net deliveries). On the other hand, a negative net absorption figure indicates weaker demand and leads to a rising vacancy rate (unless it is outweighed by negative net deliveries).

12.20 This differs from net deliveries which is the difference between floorspace delivered (i.e. constructed and brought onto the market) and demolished (or otherwise taken out of use and removed from the market). The data on CoStar does not appear to include much of the floorspace loss that has occurred in Gloucestershire, so the analysis below only includes overall deliveries (as reported on CoStar).

12.21 The figure below shows net absorption and floorspace delivery have impacted on vacancy rates in Gloucestershire. **There was consistent net absorption of space in the 2010s, meaning that the volume of occupied space increased year on year.** As net absorption was greater than the level of floorspace delivery (not even accounting for floorspace losses), this led to the decrease in overall vacancy rates seen during that period.

12.22 In the years following COVID-19 (i.e. from 2021 onward), there have been several years of negative net absorption, although floorspace has continued to be delivered. This has caused the recent increase in vacancy rates. These recent negative net absorption figures point to a decline in demand for space, likely as a result of re-evaluation of space needs as a result of increased home working. However positive net absorption in 2024 points to some market recovery.

Figure 12-7: Net absorption and deliveries of office space, Gloucestershire



Source: CoStar, 2025

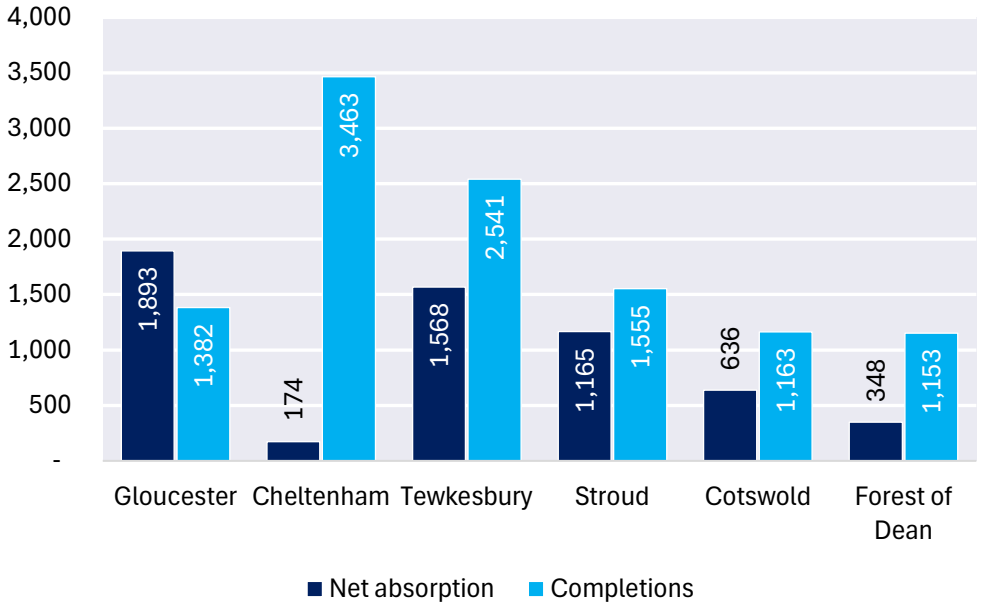
12.23 Over the last ten years, completions of office space have outpaced net absorption in all authorities except Gloucester (as shown in the figure below). This has driven the increase in vacancy rates discussed above.

12.24 Cheltenham has had the highest average completions, driven partly by a large amount of floorspace completed in 2019. However, net absorption has been strongly negative over the last five years (-4,729 sqm per annum on average), contributing to only a small positive average net absorption over a ten year period.

12.25 Tewkesbury and Cotswold have also seen negative net absorption over the last five years (-7,814 sqm for Tewkesbury and -2,357 sqm for Cotswold), leading to reduced net absorption compared to completion levels.

12.26 In keeping with their smaller office markets, Cotswold and Forest of Dean have seen relatively low average net absorption and gross completions levels in comparison with other authorities.

Figure 12-8: Average annual net absorption and gross completions of office space (sqm), 2015-2024



Source: CoStar, 2025

Leasing

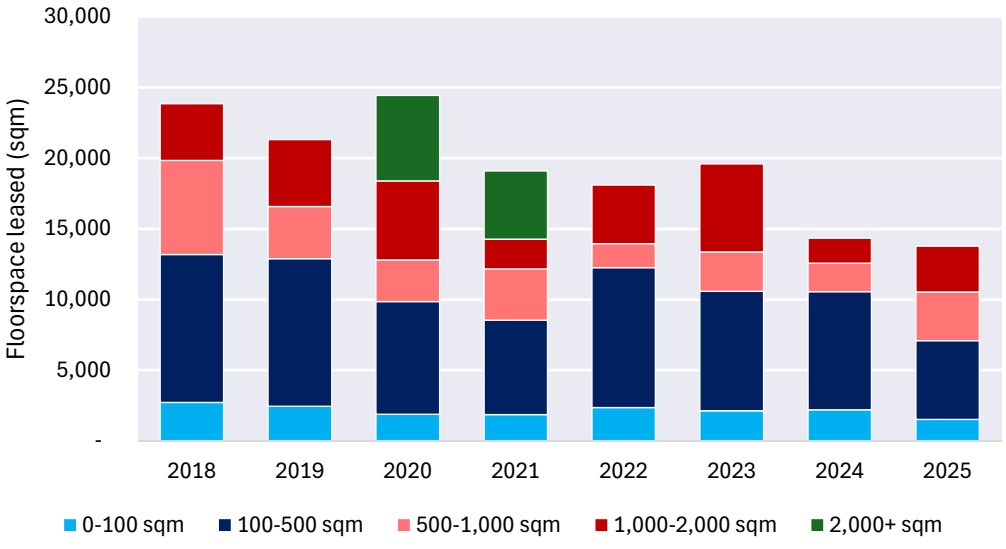
12.27 Over the last 10 years, an average of 18,574 sqm of office space has been leased per year across Gloucestershire based on CoStar data. As shown in **Figure 12-9** below, the volume of space leased has generally

been decreasing since 2018, and in recent years has been sitting well below typical volumes of the mid-2010s.

12.28 The amount of leasing activity which has occurred in various size bands has been assessed to provide an indication of demand by size. However, it should be noted that leasing activity is constrained by the size of available stock.

12.29 In terms of floorspace volume, the most common floorspace size for lease deals in Gloucestershire since 2018 has been 100 – 500 sqm. However, more deals were signed overall in the 0-100 sqm category (337 between 2018-November 2025 compared to 292 in the 100 – 500 sqm category). There was some space leased in the 500 – 1,000 sqm and 500 – 1,000 sqm categories, although these each have seen less than 5 leases signed per year and together amount to only 61 deals over the period shown. There have been only two leases signed above 2,000 sqm, one in 2020 and one in 2021.

Figure 12-9: Office space leased over time, Gloucestershire



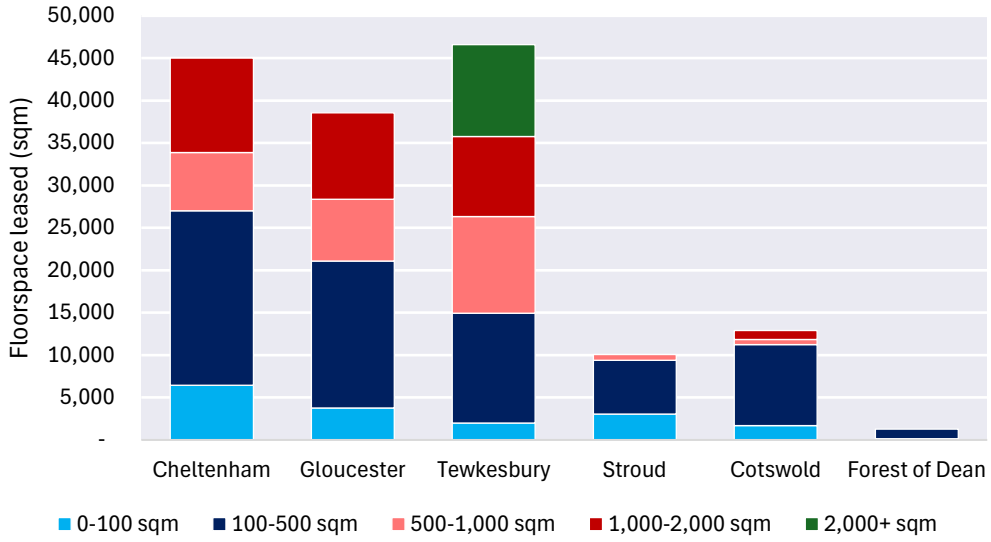
Source: CoStar, 2025

12.30 As shown in **Figure 12-10** below, almost all floorspace above 500 sqm leased in Gloucestershire since 2018 has been in Cheltenham, Tewkesbury or Gloucester. These authorities have each seen similar volumes of space leased between 500 – 2,000 sqm, but both 2000+

sqm deals have been in Tewkesbury (both in the Gloucester Business Park).

12.31 In contrast, almost all floorspace leases in Stroud, Cotswold and Forest of Dean have been for smaller spaces up to 500 sqm, with a very limited amount of larger space leased in Stroud and Cotswold and none in Forest of Dean.

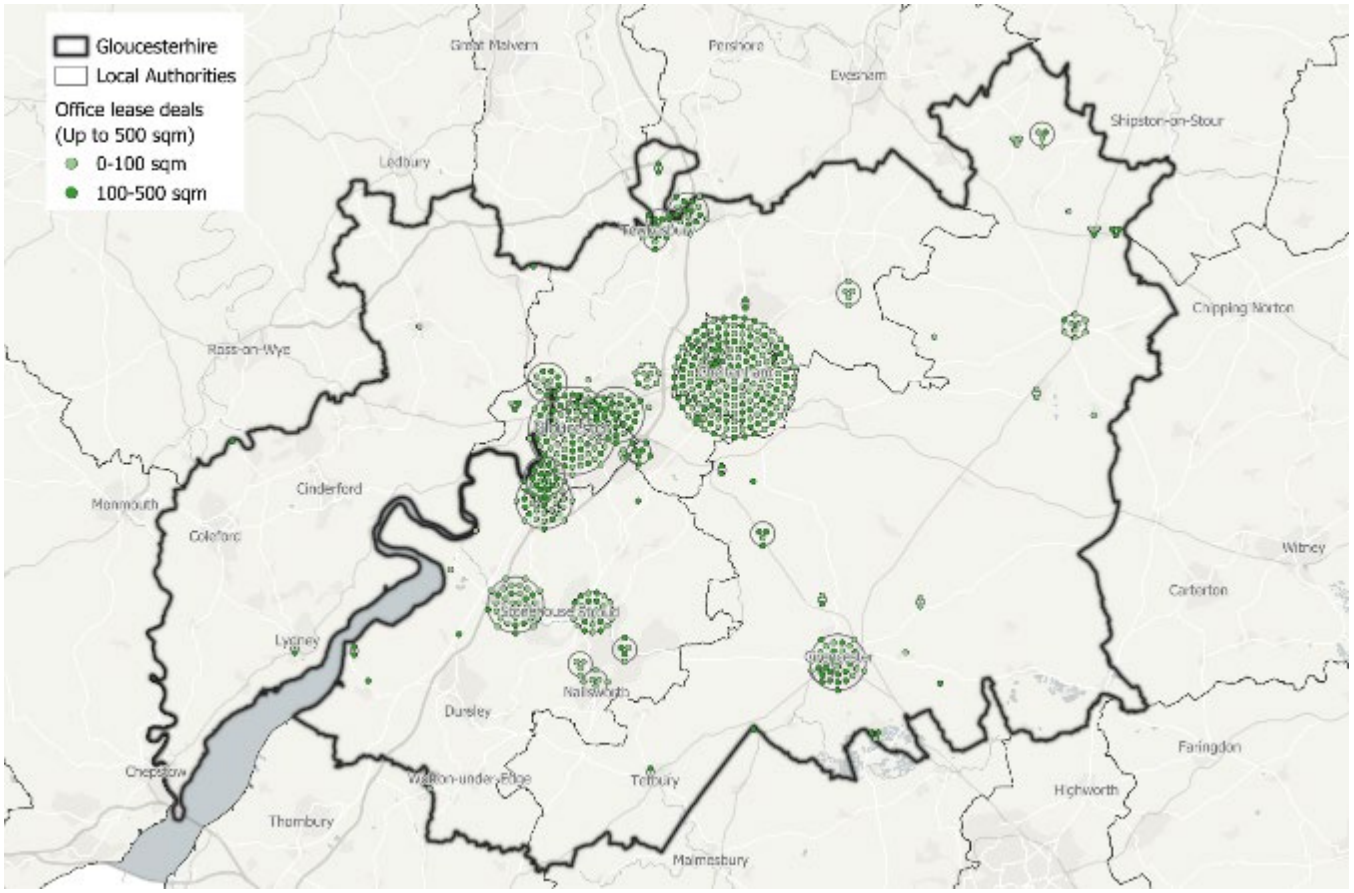
Figure 12-10: Office space leased by authority, 2018-2025

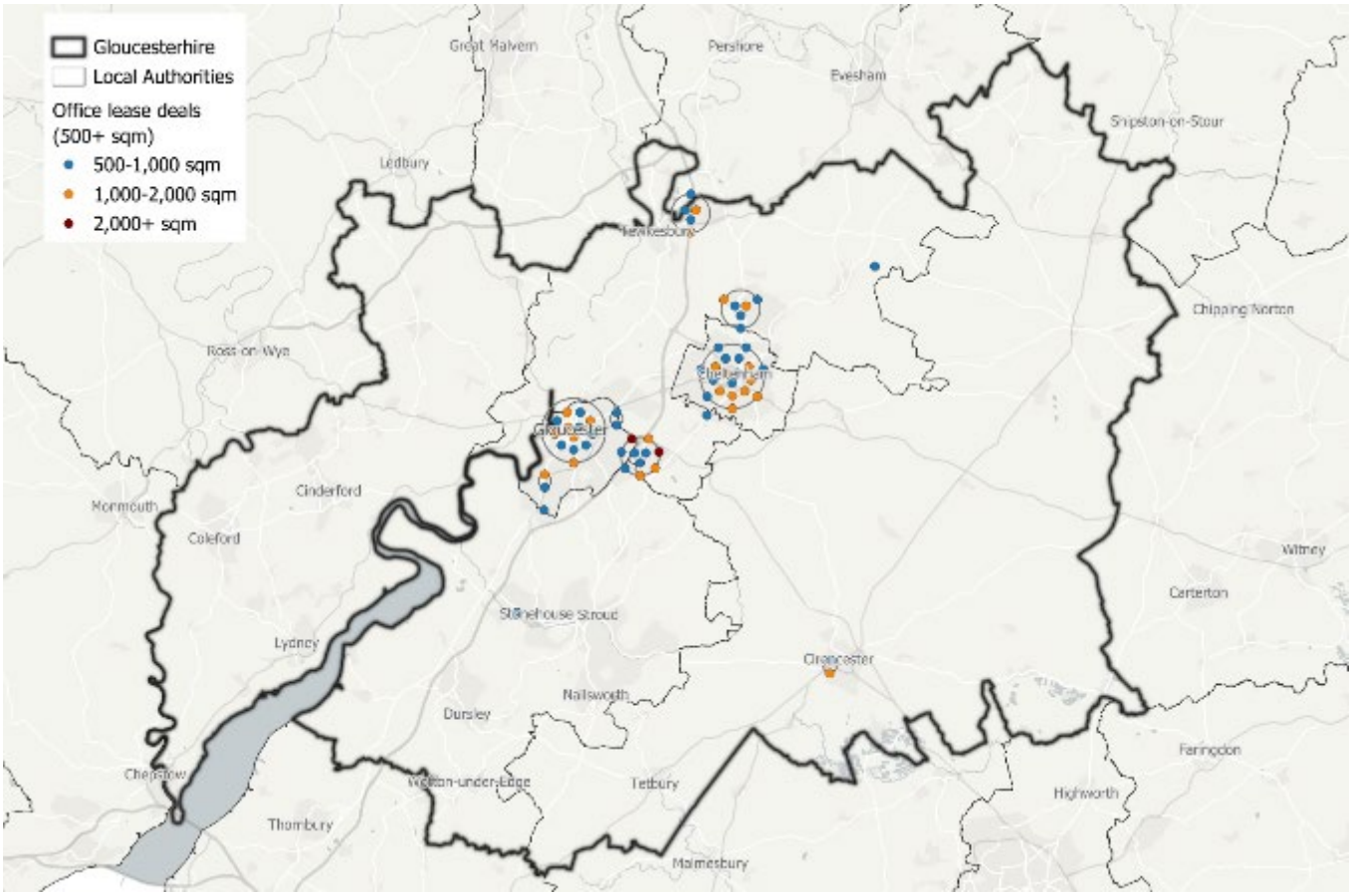


Source: CoStar, 2025

12.32 The figures overleaf provide a finer spatial scale regarding the locations of lease deals since 2018. It is evident that smaller leases have mostly occurred in Gloucester and Cheltenham, with smaller clusters in Stroud, Stonehouse, Tewkesbury and a variety of smaller settlements. Larger leases have largely been confined to Gloucester, Cheltenham and business parks along the M5 in Tewkesbury, with two otherwise recorded in Cirencester.

Figure 12-11: Office lease deals 2018 – November 2025





Source: CoStar 2025

12.33 Alongside these trends, the structure of the office market has been evolving. There has been a shift away from long-term traditional leases towards shorter and more flexible arrangements. This is reflected in growth in serviced and flexible office provision across Gloucestershire, providing smaller units and shorter lease commitments that are particularly attractive to SMEs and growing businesses. Such provision also aligns with changing working patterns, including hybrid working, where businesses may seek office locations closer to employees' homes rather than relying solely on larger central office locations.

Quality of Stock

12.34 CoStar data provides a breakdown of office stock by quality. While CoStar's data may not include all stock, it is likely to be a good representation of stock of larger spaces. As shown in the table below, this data shows around two thirds of the office space in Gloucestershire to be of 3-star quality, while as of 2025 only 14% is recorded as being of higher 4-star quality (i.e. newer, higher quality stock in a modern building). 4-star stock makes up almost all new delivery.

Table 12-2: Office stock by quality recorded in CoStar – Gloucestershire (sqm)

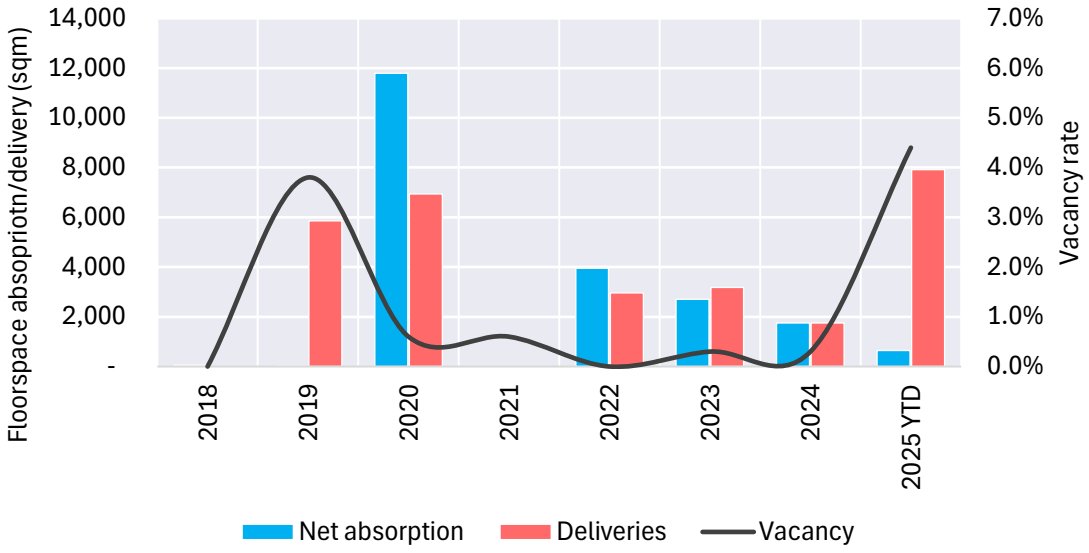
Quality	2010	2025	Change
4-star	148,702	177,286	28,583
3-star	857,615	851,875	-5,740
2-star	232,326	233,732	1,406
1-star	9,949	6,536	-3,413
Total	1,248,592	1,269,429	20,837

Source: CoStar 2025

12.35 The difference in vacancy rates and underlying drivers between these quality grades illustrate the dynamics in different parts of the Gloucestershire office market.

12.36 As shown in the figure below, **the 4-star office vacancy rate is generally close to zero**, with fluctuations to high values in the data a result of the time taken to lease individual office spaces after they are delivered or vacated. While office delivery has been limited**, there appears to be robust demand for what 4-star office stock there is in Gloucestershire.** This also points to a need to bring forwards new modern floorspace.

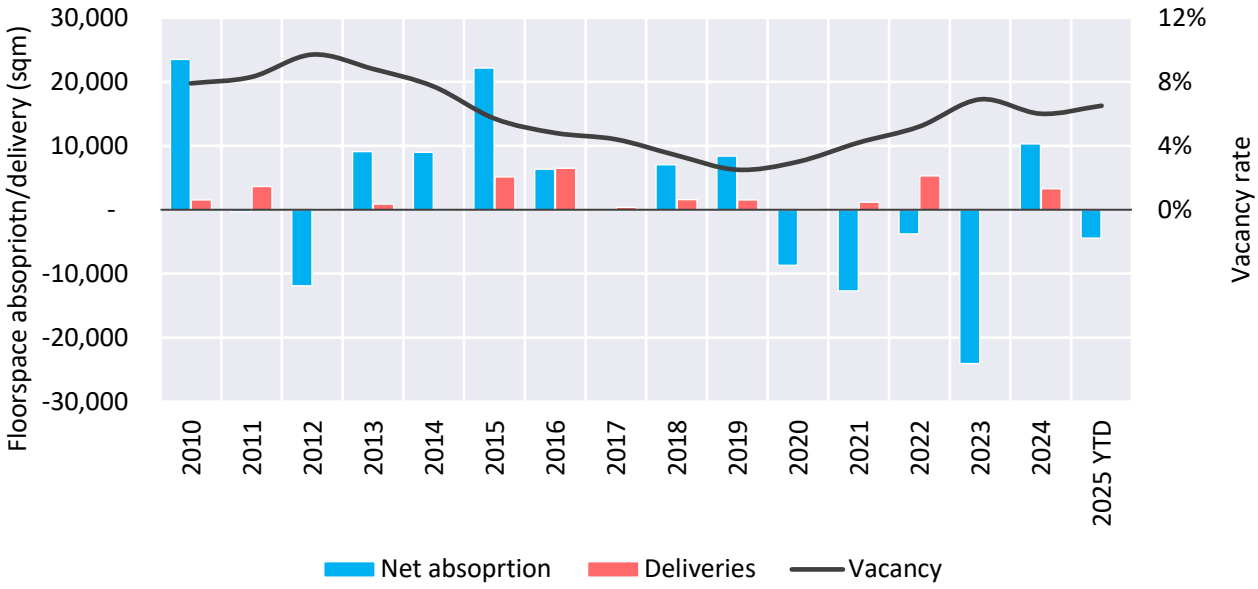
Figure 12-12: Net absorption and deliveries of 4-star office space, Gloucestershire



Source: CoStar, 2025

12.37 The vacancy rate is higher for 3-star stock, sitting at around 6.5%. As shown in the figure below, there has been a negative net absorption of office space (i.e. a net move out from space) in every year since 2020 apart from 2024.

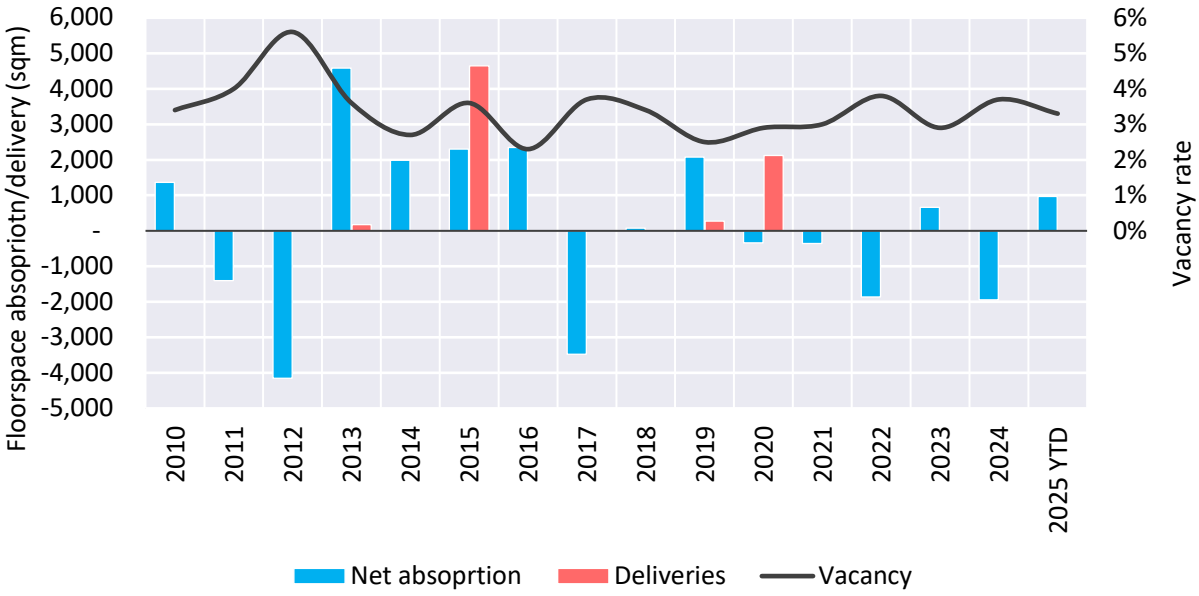
Figure 12-13: Net absorption and deliveries of 3-star office space, Gloucestershire



Source: CoStar, 2025

12.38 There is somewhat less 2-star stock, and as shown below its vacancy rate has been fluctuating around 3-4% since 2020. This rate is likely to be lower than the rate for 3-star stock because the 2-star stock is likely to be more affordable and in smaller spaces, and so to occupy a different market segment.

Figure 12-14: Net absorption and deliveries of 3-star office space, Gloucestershire



Source: CoStar, 2025

Summary

12.39 Gloucestershire's office stock has contracted since its 2011 peak, driven primarily by losses of older town-centre space in Gloucester and Cheltenham, largely through residential conversion.

12.40 There appears to be demand for modern, high-quality (4-star) space, which shows consistently low vacancy, while mid-quality (3-star) stock has experienced negative net absorption since 2020. Office growth has primarily occurred along the M5-corridor, particularly Tewkesbury (and to a lesser extent Stroud).

12.41 Overall vacancy rates are **within a healthy range**, indicating no county-wide surplus, but recent negative net absorption reflects post-COVID reassessment of space needs rather than structural oversupply.

12.42 The characteristics of each authority's office markets are summarised below:

- **Gloucester** is one of the county's two largest office markets, but has seen net stock loss since 2011 through conversions. It is a stable

but low-growth market dominated by public sector and administrative uses; with net absorption recently keeping pace with modest completions, leading to a drop in the vacancy rate.

- **Cheltenham** is the highest-value office market in the County, with the highest rents and strong historic growth. It has seen a large loss in office space recently through conversions, and negative net absorption since COVID reflects this loss of older office stock as well as softening of demand. Vacancies have increased as a result, but remain at a healthy level.

- **Tewkesbury** has a fast-growing office market focused on M5 corridor business parks. It has strong deliveries and net absorptions in the late 2010s, and is strongly represented in recent large lets. However, negative net absorption in the between 2020-2025 has given it the County's highest vacancy rate (8.2%).

- **Stroud** has a small but growing office market with low vacancy and predominantly small-scale space

- **Cotswold** has a modest, dispersed office market with low vacancy and moderate rents as well as relatively low recent deliveries.

- **Forest of dean** has a very small, low-value office market with minimal delivery. Vacancies are very low, but rents are also low and have been static over the last 10 years, suggesting a lack of strong office demand.

Industrial Market

12.43 According to Valuation Office Agency (VOA) data there was 4,202,000 sqm of industrial space in Gloucestershire in 2023 (the most recent available data). Unlike the office market, all authorities have reasonably sized industrial markets.

12.44 Stroud and Tewkesbury have the most floorspace (making up around 46% of the County total) and are the only authorities to have substantially increased their floorspace stock between 2011-2013. Cotswold saw an overall increase from 2001-2023, but this included a decline form 2011-2023. Forest of Dean saw essentially no net change in industrial floorspace stock across this 22 year period. Gloucester and

Cheltenham saw reductions in overall stock levels, reflecting brownfield redevelopment.

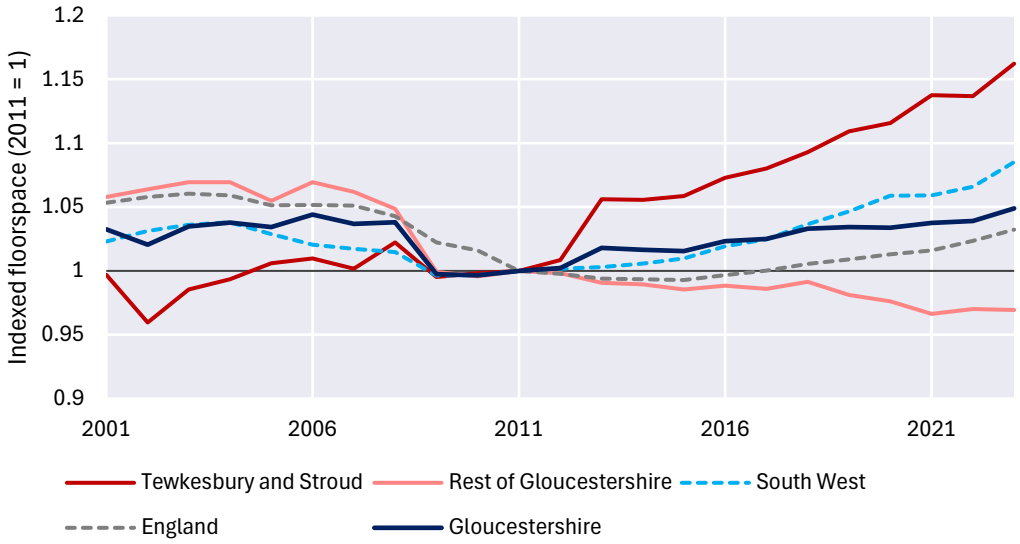
Table 12-3: Industrial floorspace stock ('000 sqm)

	2001	2011	2023	Change (03-23)	% Change (03-23)
Gloucester	853	685	692	-161	-19%
Cheltenham	458	428	365	-93	-20%
Tewkesbury	761	771	918	157	21%
GCT (Subtotal)	2,072	1,884	1,975	-97	-5%
Cotswold	476	534	521	45	9%
Forest of Dean	696	700	697	1	0%
Stroud	892	887	1,009	117	13%
Gloucestershire total	**4,136**	**4,006**	**4,202**	**66**	**2%**

Source: VOA Stock of properties including business floorspace

12.45 The following figure compares the evolution of Gloucestershire's industrial space stock with that of the South West and England as a whole, with total floorspace in 2011 in each area acting as a base index. Given their much greater rate of growth, Tewkesbury and Stroud are also shown separately to the rest of Gloucestershire.

Figure 12-15: Indexed industrial floorspace growth, 2001-2023



Source: Iceni analysis of VOA Stock of properties including business floorspace

12.46 Gloucestershire sits between the South West and England in terms of the level of growth since 2011 (4.9% in Gloucestershire vs 8.5% in the South West and 3.2% in England), although Gloucestershire's growth has been relatively slow in recent years. In common with Gloucestershire, the South West and England also saw losses of industrial space leading up to 2011.

12.47 However, a different picture emerges when considering the different parts of Gloucestershire. Tewkesbury and Stroud have seen much higher rates of growth since 2011, dramatically outpacing the South West (16.2% vs 8.5%) and other benchmark areas. In contrast, the rest of Gloucestershire has seen a relatively steady contraction of floorspace stock, which is out of keeping with regional and national trends.

12.48 **Figure 12-16** below provides a finer grained spatial picture of where changes in industrial floorspace have occurred over the most recent 10 years of data:

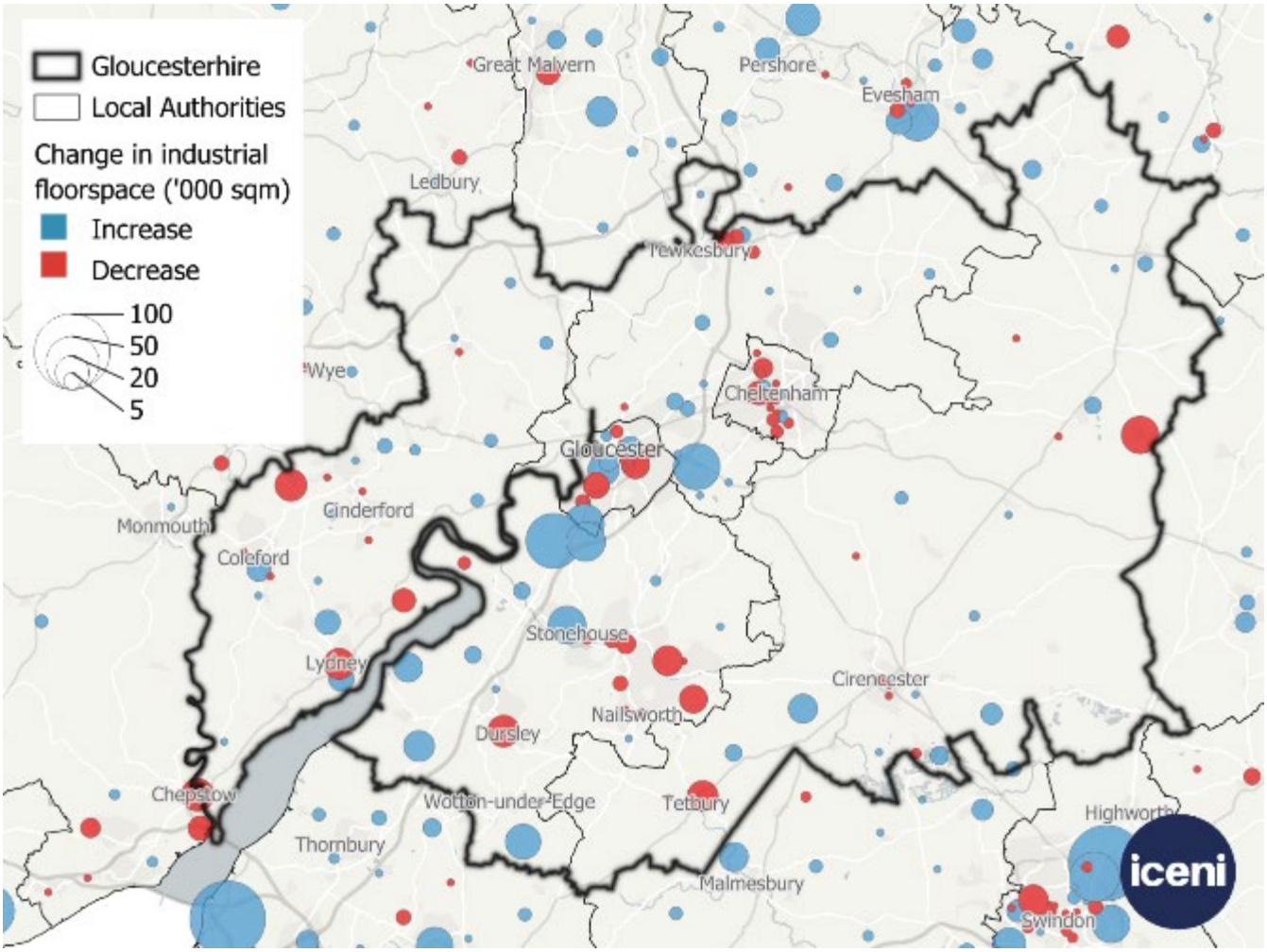
- The largest increases within Gloucestershire have been predominately along the M5 corridor in Tewkesbury and Stroud, particularly around the fringes of the boundaries of Gloucester.

- There have been smaller deliveries elsewhere, particularly in Forest of Dean and Cotswold.

- Losses of stock have occurred within Gloucester and Cheltenham, likely as a result of the conversion of redevelopment of older stock.

- There have been losses in multiple other areas, generally where large factory complexes have closed and/or redeveloped.

Figure 12-16: Changes in industrial floorspace 2013-2023



Source: Iceni analysis of VOA Stock of properties including business floorspace

12.49 Note that VOA floorspace statistics are not based on planning use classes but are derived from non-domestic rating property categories (for example the VOA's "industrial" sector). This broadly includes properties used for factories and manufacturing premises, workshops and production facilities, warehouses and storage buildings, and

distribution and logistics facilities. As such, it is broadly comparable to a combination of Use Classes B2 and B8, as well as some uses formerly within B1(c). However, the data is not necessarily directly equivalent to industrial floorspace recorded in CoStar datasets or in local authority monitoring. Nonetheless, the VOA data provides a useful long-term time series of industrial-type floorspace for each authority and at a relatively fine spatial scale.

Industrial Supply and Demand

12.50 As with the office market, the overall supply-demand balance for industrial floorspace has been assessed by considering the headline indicators of vacancy rates and rents, as well as the drivers of changing vacancy rates in the form of net absorption and net deliveries.

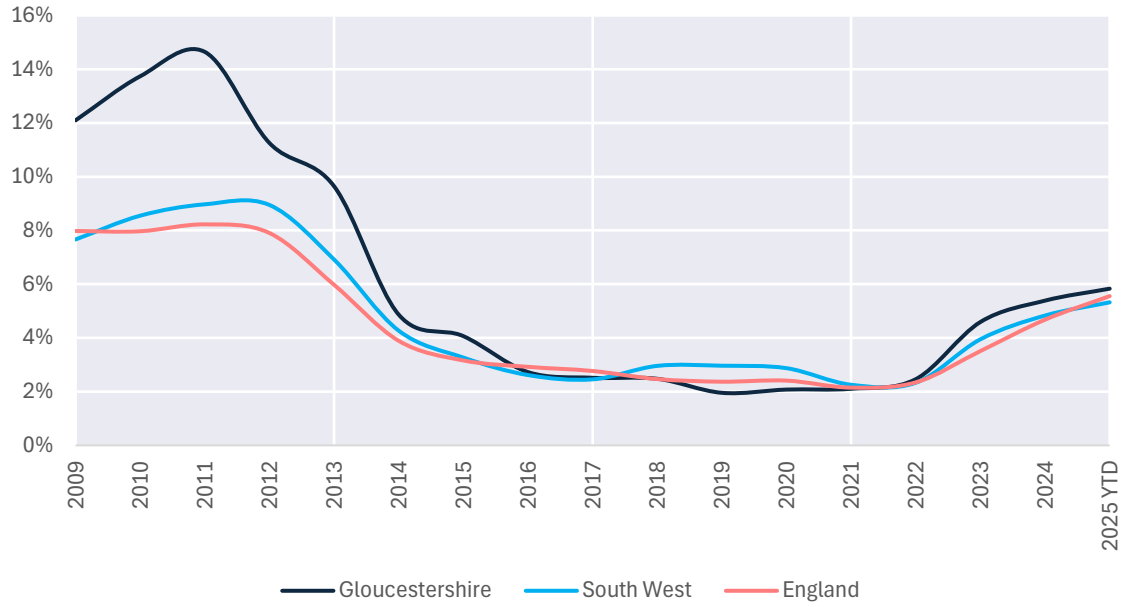
Vacancy rates

12.51 Currently (November 2025), the industrial vacancy rate in Gloucestershire is 5.8%, slightly above the rates seen in the South West (5.3%) and England as a whole (5.6%).

12.52 As shown in the figure below, industrial vacancy rates in Gloucestershire were above 10% in the late 2000s and early 2010s, before dropping to a consistent low level of 2% - 3% from around 2016-2022. This is a very low industrial vacancy rate which speaks to the potential for the supply of floorspace to constrain growth ('suppressed demand'). Since COVID-19 vacancy rates have rebounded somewhat, and are now sitting at healthier levels.

12.53 At their peak around 2011, Gloucestershire's industrial vacancy rates were well above regional and national benchmarks. However, since around 2016, Gloucestershire's rates have closely tracked those in the benchmark areas.

Figure 12-17: Industrial vacancy rates



Source: CoStar, 2025

12.54 The following figure illustrates how this Gloucestershire-wide position varies between the different authorities. Two time points are used: the average from 2015-22 (the period over which overall Gloucestershire-wide vacancy rates were relatively stable and low), and the current November 2025 position.

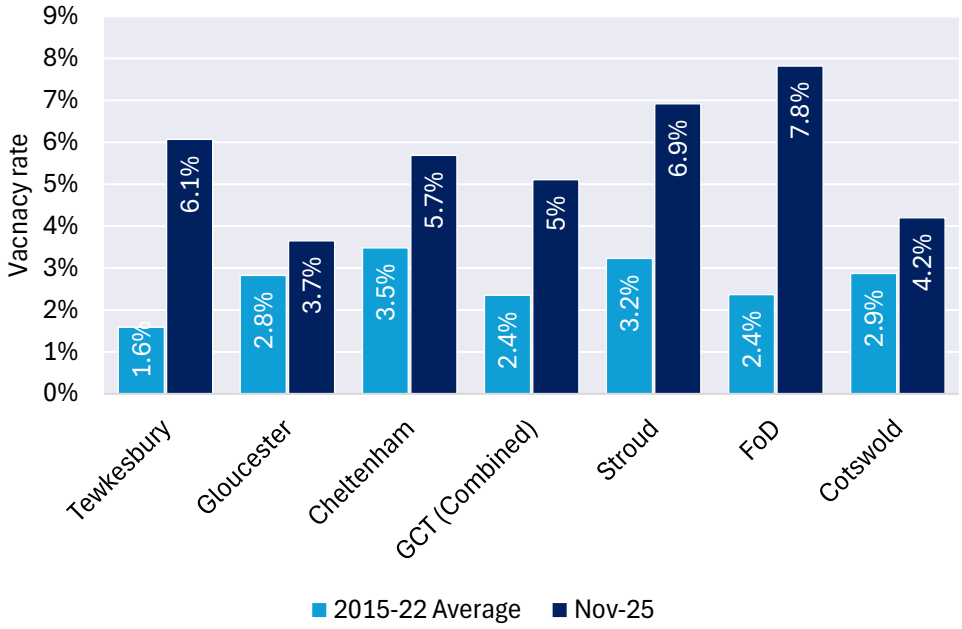
12.55 The following observations can be made:

- Tewkesbury and Stroud, which have seen the most floorspace delivery in recent years, have seen corresponding large increases in the vacancy rates, which are sitting at the higher end of the range for Gloucestershire authorities.

- Forest of Dean has seen a substantial increase in the vacancy rates, potentially related to one or more large buildings being vacated.

- Cotswold and Gloucester have seen only small increases in their vacancy rates, which are still sitting at relatively low levels.

Figure 12-18: Industrial vacancy rates by authority



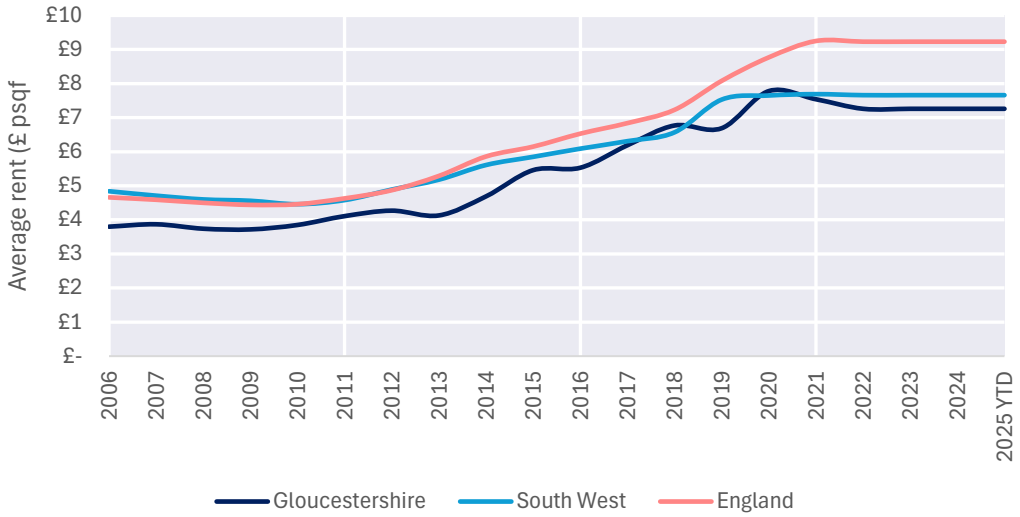
Source: CoStar, 2025

Rents

12.56 Average industrial rents in Gloucestershire (£7.26 psqf) are slightly below those for the South West (£7.66 psqf), and substantially below those for England as a whole (£9.23). In the case of England, the higher average rent will be influenced by high-demand industrial premises in the Midlands (e.g. the Golden Triangle in the Midlands) and around London.

12.57 Industrial rents in Gloucestershire and nationwide have been relatively flat since 2022, after a period of growth from 2011 onwards. In the context of the recent increases in vacancy rates discussed above, this speaks to some cooling of the industrial market from a supply constrained position in the 2010s.

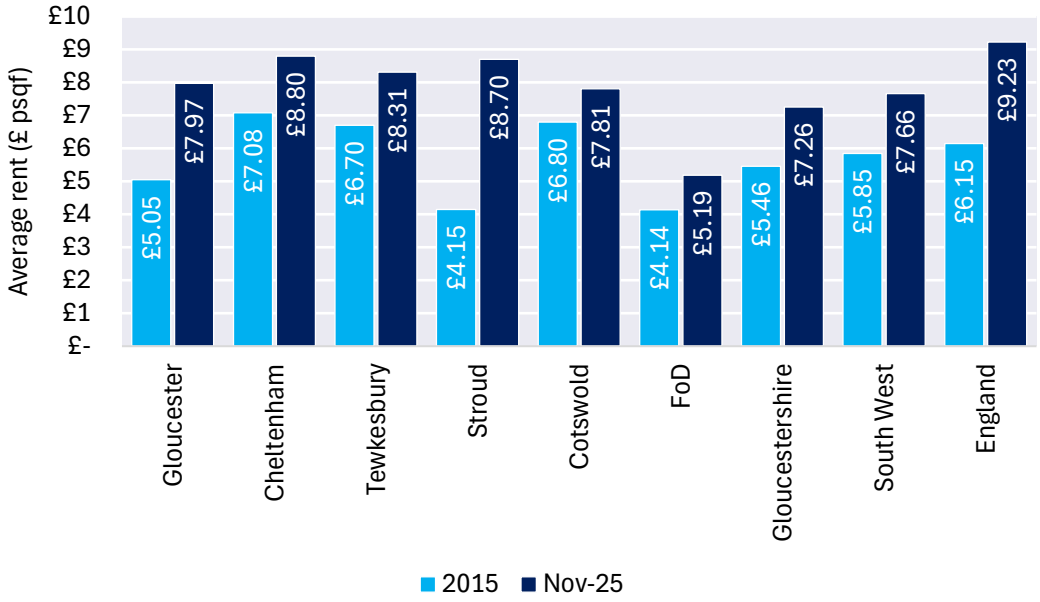
Figure 12-19: Industrial rents



Source: CoStar, 2025

12.58 The following figure breaks this Gloucestershire wide picture down by authority. Industrial rents are more even across the different authorities than office rents, with all except Stroud sitting within the range £7.80 - £8.70 psf. The Forest of Dean has by far the lowest rents (£5.19 psf), and has seen almost no increase over 10 years. Other authorities have seen moderate increases apart from Stroud, where the recent delivery or large amounts of stock may have changed the overall stock profile and so the average rents. Higher rents point to stronger relative industrial demand.

Figure 12-20: Industrial rents by authority



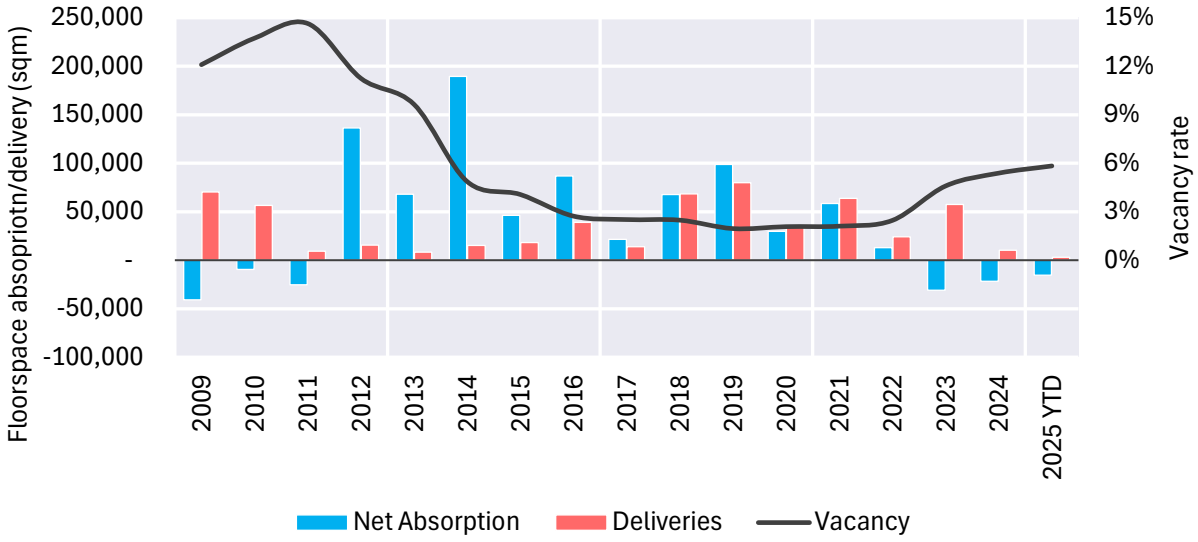
Source: CoStar, 2025

Net absorption and net deliveries

12.59 The figure below shows net absorption and floorspace delivery have impacted on industrial vacancy rates in Gloucestershire. There was consistent net absorption of space from 2012-2022, meaning the volume of occupied space increased year on year. This led to the decrease in overall vacancy rates seen during that period, and to the consistent low vacancy rates from 2016-2022.

12.60 Since 2023, there has been negative net absorption each year, meaning the volume of occupied space has decreased slightly. There has also been limited delivery of space, with 2025 to date seeing delivery of only 2,958 sqm according to CoStar. This has led to the increase in vacancy rates seen in recent years. It points to some decline in the demand for floorspace from peaks seen in the late 2010s, but as noted above, vacancy rates remain at relatively healthy levels. As noted in the following chapter, stakeholders report continued demand and shortage for several sizes of industrial premises.

Figure 12-21: Net absorption and deliveries of industrial space, Gloucestershire



Source: CoStar, 2025

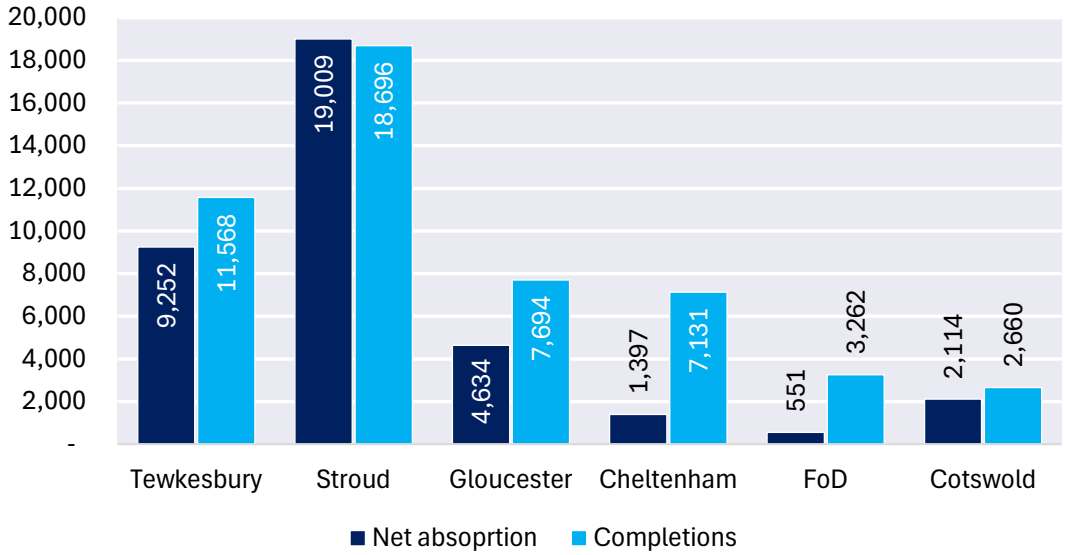
12.61 Analysis of authority specific net absorption and completions, illustrated in the figure below, reveals that:

- Tewkesbury and Stroud have recorded the strongest net absorption figures over the last ten years, in line with their strong gross completion levels.

- Gross completions have been moderate in both Gloucester and Cheltenham at around 7,700 and 7,100 sqm per annum respectively, although net absorption has lower as a result of some large tenants vacating properties.

- Forest of Dean and Cotswold have seen lower completions levels as well as relatively low net absorption. Both of these authorities have seen negative average net absorption over the last five years.

Figure 12-22: Average annual net absorption and gross completions of industrial space, 2015-2024



Source: CoStar, 2025

Leasing

12.62 Over the last 10 years, an average of 93,584 sqm of industrial space has been leased per year across Gloucestershire. The volume has space leased has decreased somewhat since a peak in 2016 of 152,819 sqm, and from 2022-2024 an average of only 74,000 sqm was leased per year.

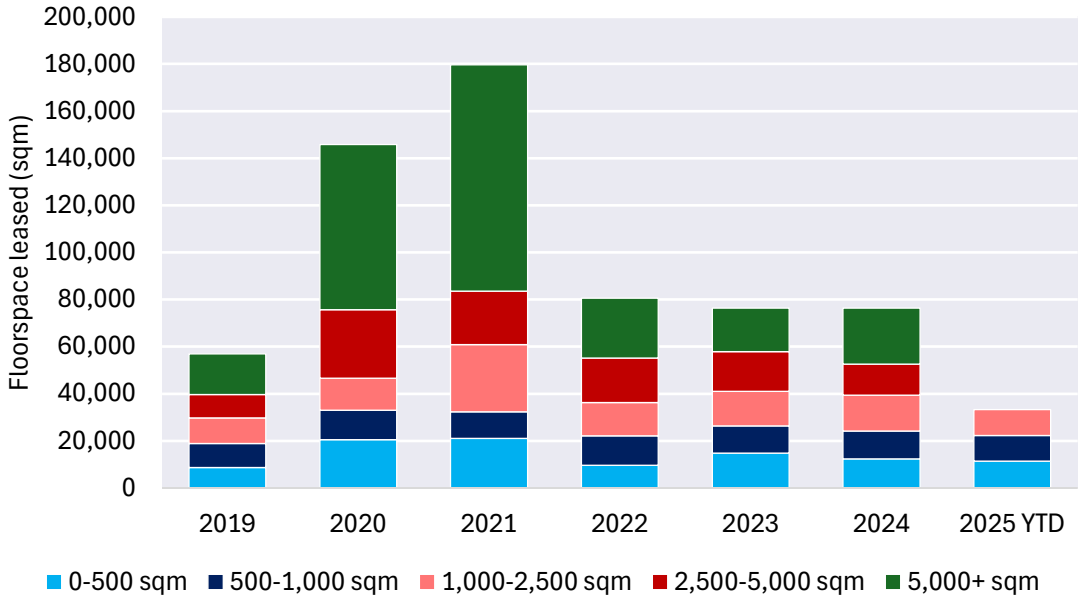
12.63 The amount of leasing activity which has occurred in various size bands has been assessed to provide an indication of demand by size. However, it should be noted that leasing activity is constrained by the size of available stock. As discussed in the following chapter, stakeholders report a shortage of strategic-size sites for development particularly in Tewkesbury, which is likely to constrain larger leases.

12.64 In terms of floorspace volume, the most common size for lease deals in Gloucestershire from 2019 onwards has been 5,000 or more sqm, and 56% of floorspace leased has been at least 2,500 sqm in size. However, there were relatively few large deals in these size bands, with

only 60 lease deals above 2,500 sqm out of 692 total from 2019 onwards.

12.65 In terms of number of lease deals, smaller spaces in the range 0 – 500 sqm are much more common. There were 450 leases recorded in this size range (65% of all leases), although they made up only 98,544 sqm of floorspace, 15% of total floorspace leased.

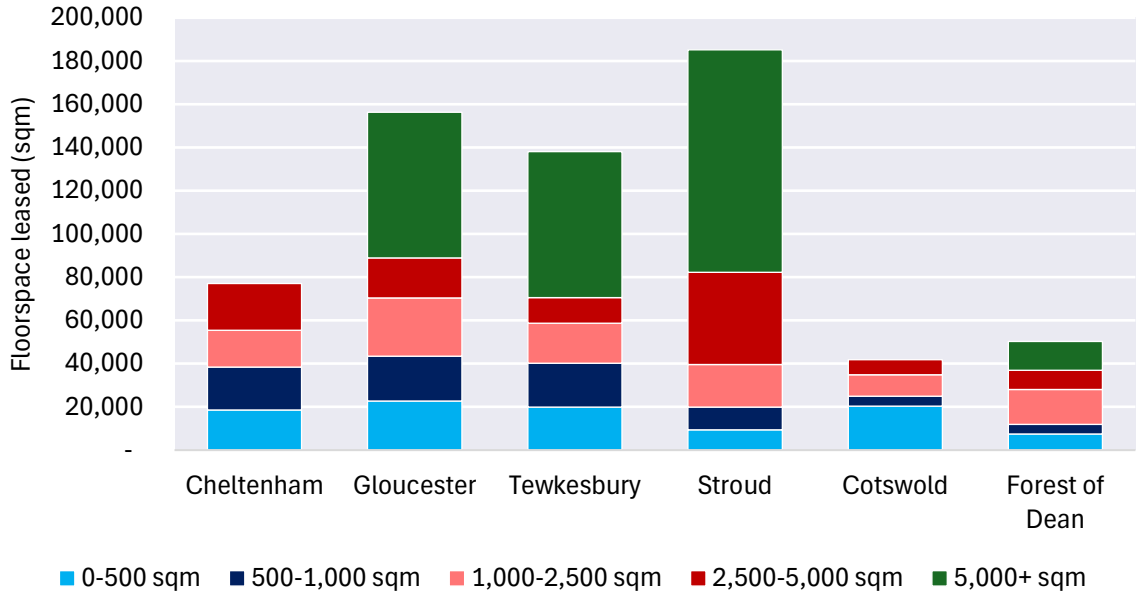
Figure 12-23: Industrial space leased over time, Gloucestershire



Source: CoStar, 2025

12.66 As shown in **Figure 12-24** below, almost all very large lease deals of 5,000 sqm or more have taken place in Tewkesbury, Gloucester or Stroud. These authorities also account for most of the leasing in the 2,500 – 5,000 sqm category, along with Cheltenham. Smaller leases, particularly for up to 500 sqm, are more evenly spread across all authorities.

Figure 12-24: Industrial space leased by authority, 2019 – 2025 (Year to date)

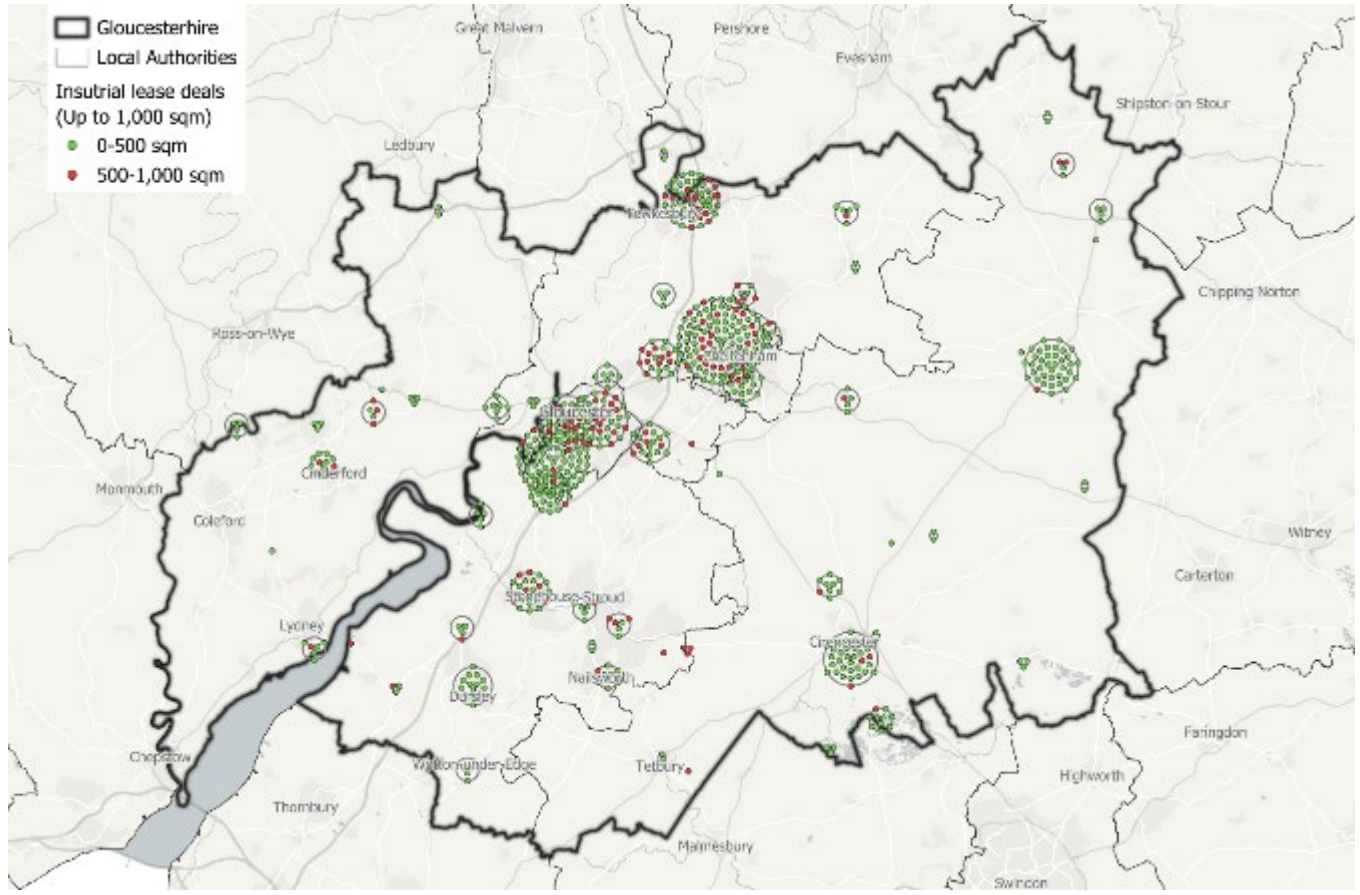


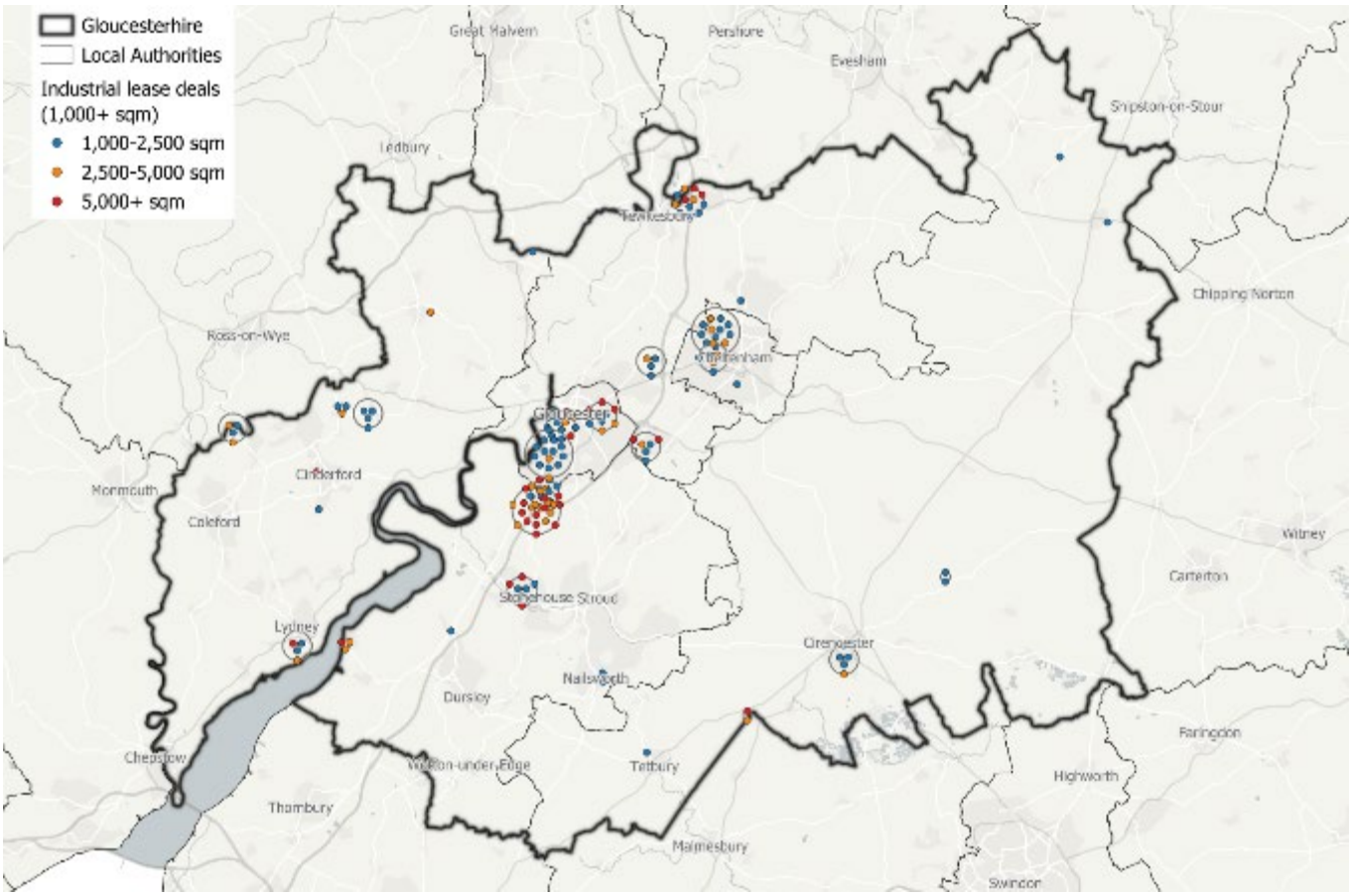
Source: CoStar, 2025

12.67 The figures overleaf provide a finer spatial scale regarding the locations of lease deals since 2019. Smaller leases have been spread throughout the County, although concentrated particularly in Gloucester, Cheltenham and in business parks in Tewkesbury along the M5. There are also smaller clusters in Cirencester, Bourton-on-the-Water, Stonehouse and Dursley, as well as fewer leases at a variety of smaller settlements. Outside of the M5 corridor, leases above 500 sqm are relatively rare.

12.68 Larger leases have followed a similar distribution overall, although there have been several leases outside of the clusters noted above (including several in Forest of Dean). There is a particular concentration of larger leases (i.e. 2,500 sqm +) in Stroud between Junction 12 of the M5 and Gloucester.

Figure 12-25: Industrial lease deals 2019 – November 2025





Source: CoStar 2025

Summary

12.69 Gloucestershire has a **large and diverse industrial base** spread across all authorities, but recent net growth and larger lettings have been **highly concentrated in Tewkesbury and Stroud**, aligned with the M5 corridor.

12.70 Other authorities, particularly Gloucester and Cheltenham, have seen **long-term net losses of industrial stock**, largely due to redevelopment of older sites.

12.71 Industrial vacancy rates were **exceptionally low between 2016–2022**, indicating supply-constrained conditions, before rising to healthier levels following recent delivery and softer demand.

12.72 **Net absorption has turned negative since 2023**, suggesting some cooling in demand, though vacancy remains within a normal market range rather than indicating oversupply.

12.73 Authority-specific findings are summarised below:

- **Stroud** and **Tewkesbury** have seen strong delivery and net absorption, focused strongly around the M5 corridor. Completions and leasing have been particularly strong in Tewkesbury around the boundaries of Gloucester and Cheltenham. Recent deliveries have outpaced net completions and vacancy rates have risen (while remaining within a healthy range).

- **Gloucester** and **Cheltenham** have moderate office stocks despite some delivery of new stock have seen a net loss of industrial space to redevelopment. Net absorption has been substantially lower than Stroud and Tewkesbury, although Gloucester has been represented in larger lease deals.

- **Cotswold** has a slightly smaller industrial market with leasing data indicating a focus on smaller spaces. Delivery has been relatively low, and vacancies are static and low.

- **Forest of Dean** has a large but static industrial floorspace stock, with low delivery, leasing and net absorption rates recently. Demand for industrial space appears to be modest, with Forest of Dean having the County's lowest rents and highest vacancy rate.

13. Stakeholder Engagement

Business Survey

13.1 Iceni undertook a Business Land and Premises Survey to understand the views of businesses within Gloucestershire about their future growth potential and premises requirements. The survey included questions regarding the suitability of existing premises, as well as whether there may be a requirement to expand or relocate in the future.

13.2 The survey was live from mid-December 2025 until mid-February 2026, and publicised by Councils via their business newsletter. The Survey was open to businesses across all sectors and sizes who rent/own at least one business premises.

13.3 In total 21 responses were received, of which three only answered the introductory questions. This is not a large enough sample of businesses to allow detailed cross-tabulation and detailed interrogation of trends.

13.4 Respondents were predominantly micro and small businesses, with the majority (11 responses) employing fewer than 20 staff. This reflects the wider structure of the local business base.

13.5 While over half reported that their current premises meet both their current and future needs (11 respondents), several indicated that their premises meet current needs but may not meet their future needs (5 respondents). In addition, many businesses reported limited ability to expand at their existing site (9 respondents reporting no expansion potential), suggesting that future growth may require relocation or access to additional space. While the small sample size limits the generalisability of this finding, it suggests potential demand for new or alternative premises for small enterprises.

13.6 Businesses were generally positive about their future prospects, with 8 respondents expecting profitability to increase over the next five years and 6 expecting it to remain stable, compared with 4 reporting declining profitability over the last five years.

13.7 However, several respondents also highlighted difficulties recruiting staff with the appropriate skills locally (9 respondents), suggesting that labour availability may act as a constraint on business growth.

Detailed Stakeholder Engagement

13.8 As part of this project, Iceni engaged with a range of stakeholders through one-to -one interviews. These included:

- Economic development officers from each district and Gloucestershire County Council,
- Business West (which acts as the Chamber of Commerce for Gloucestershire),
- The Gloucestershire Rural Community Council, and
- Gloucestershire's three universities.

13.9 Iceni also attended a session of the Gloucestershire County Council's Construction & Infrastructure Business Group , which includes representatives from a range of locally active property and development companies.

13.10 The following summary synthesizes findings from economic stakeholder engagements across Gloucestershire, outlining the county's economic trajectory and the specific implications for town planning and the emerging evidence base.

13.11 The findings as summarised below are stakeholder views rather than detailed analysis otherwise completed by Iceni.

Gloucestershire-wide economic characteristics and growth prospects

13.12 Gloucestershire was characterised as having a diverse and resilient economy with strong high-value clusters in cyber security, advanced engineering, and agritech. Stakeholders described a vibrant entrepreneurial culture, while also noting polarisation in the economy and availability of services and infrastructure between urban areas and rural districts.

Sectors

13.13 The **cyber and digital sector** was noted to be a primary driver of future growth, with opportunities centred on the Golden Valley development in Cheltenham. This project is expected to deliver approximately 12,000 jobs and supper a broader cyber security ecosystem that leverages the presence of GCHQ.

13.14 **Advanced Engineering and Manufacturing** (AEM), particularly in aerospace and defence, remains a core strength along the M5 corridor, supported by major employers like Safran, Moog, and GE. However, some stakeholders noted that talented young people often leave the area, reducing the size of the skilled labour pipeline in these sectors, with the result that a large proportion of the workforce is over age 50.

13.15 Tewkesbury has completed a specific study on AEM, and this is now being rolled out across the County. National policy also points to potential growth opportunities in AEM, aerospace and related supply chains, with the Modern Industrial Strategy identifying advanced manufacturing and defence among the UK's priority growth sectors, and the Defence Industrial Strategy seeking to use defence investment as a driver of industrial growth.

13.16 **Agritech** was noted to be emerging as a world-leading specialisation, supported by the Royal Agricultural University and Hartpury University and College. These institutions are driving innovation in sustainable

farming and robotics, creating opportunities for high-tech employment within the rural economy.

13.17 However, stakeholders felt that many people do not recognise the scale of opportunities in agriculture and agritech, meaning that young people may not consider it as an attractive sector to establish a career in.

13.18 The **visitor economy and hospitality** sectors were noted for their resilience but face intense pressure from business rates and recruitment challenges following Brexit. While tourism is a major employer in the Cotswolds and Forest of Dean, stakeholders warn that it often provides low-wage employment that does not support the high local cost of living.

Supply of employment land

13.19 There was noted to be a substantial shortage of available land for employment development in the M5 corridor, specifically for industrial and flexible business uses. Strategic sites in Tewkesbury and Cheltenham are reaching full capacity, leaving businesses with limited options for expansion and forcing some to consider relocating outside the county in order to expand.

13.20 This creates a one-in one-out situation, in which identifying space for a business depends on another business having just vacated. As a result, many businesses were reported to be considering relocating to Worcester or the Midlands to expand.

13.21 This shortage is exacerbated by the loss of existing employment stock to residential conversion. In Cheltenham and Gloucester, older office blocks and industrial units are being lost via permitted development rights. Peripheral office stock in particular is being lost to these conversions, which in some cases was noted to be pricing out small and medium-sized enterprises (SMEs) that require affordable, central space.

13.22 In Gloucester, older manufacturing companies are often forced to sell sites for housing to achieve the land values necessary to reinvest in more modern facilities on the city's edge.

13.23 In the context of land supply shortfalls, a tension was identified between the potentially high demand for logistics and big box distribution sites along the M5 (although these sectors are currently relatively small in Gloucestershire), and the need to reserve land for higher-value strategic employment. In Tewkesbury, for example, stakeholders suggested that motorway-adjacent land may be better reserved for AEM and cyber-related supply chains rather than lower-density warehousing uses.

Infrastructure

13.24 Transport infrastructure was identified as a primary barrier to growth, with a critical focus on M5 Junctions 9 and 10 as essential enablers for strategic allocations.

13.25 In rural areas, poor public transport is a severe constraint. Young people without cars often cannot access apprenticeships or training hubs, contributing to out-migration. The "Robin" bus service in the Forest of Dean was highlighted as a successful but limited model for addressing these rural connectivity gaps.

13.26 Digital connectivity and electrical grid capacity were also cited as major inhibitors for rural business parks and energy-intensive manufacturing. Improving rural broadband was seen as vital for the large population of home-workers and small professional businesses that form an important part of the rural economy.

13.27 Housing affordability was described as a serious threat to the labour market in parts of the county. High prices are driving the working-age population out of the county, resulting in an ageing demographic that struggles to support the essential service economy. In the Cotswolds and Stroud, the rise of holiday lets and second homes has further

reduced the supply of affordable housing for local workers. Higher housing growth (with associated boosted affordable housing delivery) could help to address these issues.

District-specific findings

Gloucester

13.28 Gloucester has a large office market and was noted to act as a regional hub for technical and manual labour.

13.29 Gloucester was noted to have an ageing industrial and commercial stock, with some businesses seeking to relocate to modern premises. These pressures are heightened by some industrial businesses being surrounded by incompatible uses.

13.30 However, stakeholders noted the need to view Gloucester as part of a wider functional area. Much of the City's job growth is being absorbed in Tewkesbury and Stroud, and many businesses leaving Gloucester are actually relocating to modern premises on the City's edge (but outside the authority boundaries) which are still viewed by business as being part of Gloucester or functionally linked to it.

13.31 The City is experiencing a significant shift in office demand toward flexible workspaces, work hubs, and serviced offices. Traditional and inflexible office floor plates, particularly in historic 19th-century dock buildings, are becoming less competitive due to high service charges and a lack of adaptability. This is contributing to the trend of converting older, unfit office stock into residential use.

13.32 Gloucester's core economic development strategy focuses on City Centre renewal and the delivery of Grade A office space. Flagship projects like The Forum and Kings Quarter are central to this ambition, designed to attract high-value digital and professional tenants. The opening of a new city-centre campus of the University of Gloucestershire is also expected to drive footfall and business growth.

13.33 However, there is a persistent perception challenge, with Cheltenham being regarded as having a more dynamic and high-value office sector. There are also challenges around retail vacancies and long-term voids in the City Centre, and particularly in ageing shopping centres.

13.34 There is a lack of permeability between key destinations such as the Docks and the core of the City Centre, however the City is working to improve this to ensure footfall benefits a wider part of centre.

13.35 In terms of industrial land, Gloucester faces a shortage of small industrial units suitable for local SMEs. However, larger manufacturing and engineering firms are often vacating older, constrained sites within the city to seek modern, motorway-adjacent premises in Tewkesbury.

13.36 The cyber sector was viewed as a key growth sector, in parallel with opportunities in Cheltenham. Opportunities were also noted in health and medical instrumentation, supported by the presence of the hospital and related businesses.

Cheltenham

13.37 Cheltenham is a high-value economic hub characterised by a strong concentration of professional, technical, and insurance services. It is perceived by stakeholders as having a more dynamic and prestigious office sector than neighbouring Gloucester, supported by its visitor economy.

13.38 The town centre performs exceptionally well compared to national trends, maintaining a retail vacancy rate of approximately 8% and benefiting from strong year-round footfall. This performance is anchored by a vibrant cultural and festival offer, including the races and various festivals, which attracts around 2 million visitors annually. However, stakeholders noted that high rents and expensive parking in the town centre create competitive challenges when compared to out-of-town business parks.

13.39 Residential conversions of traditional office floor space have been most prominent in historic regency terraces and peripheral office blocks. Despite this, there is a counter-trend of successful high-quality refurbishments, such as the Quadrangle, which have revitalised unfit stock into Grade A office and commercial space.

13.40 There is strong demand for modern, flexible workspaces and co-working hubs, and stakeholders believe there is significant scope for further development of adaptable office environments to support Cheltenham's active small-to-medium enterprise (SME) sector.

13.41 The borough's future economic growth is anchored by the Golden Valley development, which is expected to create approximately 11,000 – 12,000 high-skilled jobs and deliver around a million square feet of commercial space focused on a world-class cyber security ecosystem.

13.42 Existing industrial stock was reported to be well occupied, with a lack of developable space forcing local firms to seek expansion opportunities in Tewkesbury. While some older industrial areas, such as the Lansdown estate, are undergoing redevelopment, much of the remaining stock requires modernisation to remain functionally fit for purpose.

13.43 Housing affordability is a critical threat to Cheltenham's long-term growth, as high prices drive youth out-migration and make graduate retention difficult. This creates recruitment challenges for both high-value technical sectors and essential service industries like hospitality.

Tewkesbury

13.44 Tewkesbury is characterised as one of the fastest-growing economies in the region and a primary driver of industrial growth within Gloucestershire. Much of this growth is linked to absorbing industrial and business growth from Gloucester and Cheltenham given their constrained boundaries.

13.45 The local economy is anchored by world-class clusters in AEM, aerospace, and defence, supported by major employers and large supply chains.

13.46 Opportunities for future growth were also identified in agri-tech and cyber security, mirroring developments in Cheltenham while also capitalising on the Borough's rural assets and technical expertise.

13.47 Land supply issues were noted to be particularly severe in Tewkesbury, with high demand for premises along the M5 corridor but strategic allocations essentially built out.

13.48 While the industrial and manufacturing markets are robust, the office market in Tewkesbury town centre is described as slower and more challenging. Office stock within the town centre has seen higher vacancy rates and "stickiness" on the market, though there are emerging signs of a post-Covid recovery as demand for flexible local workspace begins to rise.

13.49 Tewkesbury's rural business parks are highly successful, maintaining high occupancy rates and providing vital flexible workspace for SMEs away from the primary motorway junctions.

Stroud

13.50 Stroud was described as having a highly entrepreneurial culture, with its strategic position along the M5 corridor making it an attractive location for businesses and families seeking a balance between quality of life and proximity to major regional centres like Bristol and Gloucester.

13.51 Growth opportunities are heavily focused on the green economy, with the Berkeley Green Science and Technology Park continuing to evolve as a flagship hub for sustainable technology, research, and green skills development.

13.52 The District is also home to major renewable energy pioneers like Ecotricity, and there is significant potential for landmark investments

such as the proposed Eco Park, which aims to combine professional sports with sustainable business space and leisure facilities.

13.53 Newer premises, such as those at the Littlecombe development in Dursley, are oversubscribed and full, yet there is a general lack of high-quality, deliverable sites available to meet this pent-up demand.

13.54 There are a large number of historic mill buildings in Stroud. While this was noted as a strength, with several housing offices for SMEs or similar, high costs and regulatory complexity were noted to limit conversion potential.

13.55 Tourism was recognised as a key economic sector that leverages the district's industrial heritage and its strategic proximity to both the Bristol market and the internationally recognised Cotswold brand. However, there is a lack of specialised tourist infrastructure, and the district commonly functions as a day-visitor destination rather than an overnight hub. The proposed Eco Park development was highlighted as having the potential to address some current gaps by delivering state of the art stadium and hotel facilities.

13.56 Constraints were highlighted in the rural parts of the District, including poor infrastructure and connectivity making it difficult for young people to access skills or training without a car. Unaffordability within villages in the Cotswolds also drives youth out-migration.

Forest of Dean

13.57 The Forest of Dean's economy was noted to have a strong specialisation in manufacturing and a significant hospitality and tourism sector.

13.58 It has a business base that is dominated by micro-businesses. However, growth is limited and while the council offers a business startup grant scheme to encourage entrepreneurship, stakeholders report that uptake has been relatively limited to date.

13.59 The district faces substantial infrastructure constraints due to its remote location and poor transport connectivity. The transport network is considered a major deterrent for new investment, affecting both business sentiment and workforce mobility. Public transport is noted to be more focused on commuting routes out of the Forest (e.g., to Gloucester) rather than providing connectivity within it.

13.60 Additionally, businesses frequently encounter digital connectivity and electricity grid constraints, while the dispersed nature of the district across many small towns prevents the formation of a single economic critical mass.

13.61 A significant barrier to growth is a persistent perception problem, with the area viewed historically as a low-income and largely rural, former mining district. Stakeholders also note a degree of local resistance to change and development, which can hinder economic modernisation and contribute to poor perceptions.

13.62 This is coupled with a major challenge in youth retention and attracting a skilled workforce; many young people leave the area for higher education and do not return, while the district struggles to attract and retain high-level professionals due to a perceived lack of opportunities and facilities.

13.63 Opportunities were noted in the visitor economy, although there are also constraints in the form of a lack of overnight accommodation, limiting visitor expenditure. Town centres also have high retail vacancy rates.

13.64 There are typically available units of various sizes to meet the needs of most local SMEs and there is a variety of vacant industrial sites. However, there was noted to be a lack of large strategic sites if required for major new inward investments, leading to lost investment opportunities.

13.65 Future economic opportunities were noted to result from the application to designate Forest of Dean as a biosphere, which would have the potential to enhance the district's green brand, boost sustainable tourism and improve marketing for locally made products.

13.66 Construction was also noted to be a potential growth sector, with the district benefiting from a specialised construction school at Gloucestershire College which provides a pipeline for local construction roles.

Cotswold

13.67 The Cotswold economy is characterised by a high concentration of small and micro-businesses. Unlike the large-scale strategic business parks found along the M5 corridor, the Cotswold property market is primarily focused on high-quality, smaller-scale office environments and industrial units.

13.68 Future growth opportunities were highlighted in high-value sectors, particularly in the cyber and digital and agri-tech sectors. The Ministry of Defence's investment in the Duke of Gloucester Barracks at South Cerney to accommodate the army's cyber regiment is expected to strengthen the county's position as a hub for cyber security and digital innovation. The Royal Agricultural University's Innovation Village represents a flagship opportunity to lead in sustainable farming and robotics, potentially creating a district-wide "knock-on effect" for regenerative agriculture.

13.69 There is a cluster of environmental technology activity within the District, particularly sustainable aviation around Cotswold Airport. However, any potential development is constrained by limited electrical grid capacity.

13.70 Tourism and hospitality are key parts of the local economy, supporting a strong local retail sector. However, these sectors are under pressure from inflation and cost of living pressures.

13.71 Highly unaffordable housing was cited as the most serious threat to the district's long-term economic sustainability, pricing younger people out of rural communities and leading to the closure of local retail and services. Poor rural transport connectivity was also cited as a barrier, preventing young people from jobs or training opportunities.

13.72 Engagement with landowners and commercial agents found standalone office development in Cotswold to be unviable. As a result, the key future economic opportunity is the boost to industrial land demand that is expected to result from the completion of the dualling of the A417/ A419 which links Cirencester to Gloucester, Swindon, the M5 and the M4.

SWOT Analysis

13.73 The findings from engagement, along with the economic profiling and property market assessment in the previous chapters, have been grouped into strengths, weaknesses, opportunities and threats.

Strengths

- **Strong Strategic Clusters**: National leadership in high-value sectors including cyber security (Cheltenham), aerospace, and advanced engineering along the M5 corridor.
- **Institutional Assets**: Presence of leading research and training facilities such as the Royal Agricultural University (RAU), Hartpury University, and specialised facilities at Gloucestershire College.
- **Strategic Location**: Excellent connectivity along the M5 corridor, acting as a primary driver for inward investment and linking the county to major UK economic hubs.
- **Resilient SME Base**: A vibrant entrepreneurial culture with a very high concentration of micro-businesses (approx. 95% in some districts), providing economic diversity and resilience.

- **High Quality of Life**: An attractive natural environment and a world-renowned cultural/festival offer (e.g., Cheltenham races and festivals) that support the visitor economy and help attract talent.

Weaknesses

- **Acute Land Scarcity**: A critical and urgent shortage of deliverable employment land, with major strategic sites like Gloucester Business Park reaching full capacity.

- **Infrastructure Deficits**: Significant constraints in digital connectivity and electrical grid capacity in rural areas, alongside poor internal public transport links.

- **Ageing Commercial Stock**: A high proportion of existing industrial and office premises are outdated in multiple areas, surrounded by incompatible uses, or no longer fit for modern business needs.

- **Rural transport connectivity:** Transport connectivity was identified as poor in multiple rural areas, inhibiting business investment, access to labour force for businesses and access to employment and services for residents

Opportunities

- **Major Strategic Projects**: Development of the Golden Valley (Cyber Central) in Cheltenham and high-profile city centre regeneration in Gloucester (The Forum, City Campus and Kings Quarter).

- **Emerging Green Economy**: Growth potential in sustainable aviation, renewable energy, and green technology training, particularly at the Berkeley Green site.

- **Specialised Sector Growth**: The RAU Innovation Village and South Cerney Barracks investment provide unique opportunities in agri-tech and defence/cyber innovation, with the potential for additional economic uplift but equally for local housing growth pressures.

- **Branding and tourism growth**: Utilizing the Biosphere application in the Forest of Dean to create a "green brand" that boosts sustainable tourism and local product marketing.

Threats

- **Housing Affordability**: Extreme house prices and the rise of holiday lets/second homes pricing out the younger workforce,

leading to severe recruitment challenges in some areas (particularly within the Cotswolds).

- **Demographic Imbalance**: An ageing population, youth out-migration and skills mismatch in some areas could weaken the future talent pipeline. This creates a need for clearer entry pathways for young people, retraining and upskilling for existing workers, and support for people returning to the labour market.

- **Loss of Employment Land**: Conversion of office and industrial units to residential use via permitted development rights.

- **Business Relocation**: The risk of major companies (both large firms and growing SMEs) moving outside the county due to a lack of expansion space.

- **Perception Gaps:** Historical reputations of some areas as low-income or static, deterring high-value investment and professional talent retention.

14. Needs of Rural Economy

14.1 This section considers the needs of Gloucestershire's rural economy in more detail. This includes the agricultural sector, but also the wide range of other businesses which operate outside of Gloucestershire's urban settlements.

14.2 As discussed in Chapter 13, stakeholder engagement was carried out with local authority and county council economic development officers as well as representatives of business groups and Gloucestershire's universities. Several themes emerged from this engagement which are relevant to rural economic issues, which are set out in the sections below.

National policy

14.3 The NPPF directs planning policies and decisions to support the needs of rural economics including through[54]:

a) The sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed, new buildings;
b) The development and diversification of agricultural and other land-based rural businesses;
c) Sustainable rural tourism and leisure developments which respect the character of the countryside; and
d) The retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.

[54] NPPG 2024 Paragraph 88

14.4 The framework notes[55] that while the use of previously development land should be encouraged where possible, sites to meet local business and community needs may have to be found adjacent to or beyond existing settlements.

14.5 The NPPF recognises the link between rural housing and rural economies, directing that rural housing should be located where it will enhance or maintain the vitality of rural communities, especially where this will support local services[56]. This link is expanded in the Planning Practice Guidance, which notes that given housing supply and affordability challenges, the location of housing can be important for the broader sustainability of rural communities[57].

Structure of the rural economy

14.6 National research consistently shows that rural areas have highly diverse economies. Beyond agriculture and other primary industries, they also accommodate substantial activity in services, construction, manufacturing, tourism and public services, among other sectors.

14.7 A House of Lords report in 2024[58] noted that the sectoral structure of the rural economy reflect England as a whole apart from Agriculture having a larger role. DEFRA's Rural Economic Bulletin[59] shows that the sectoral breakdown of GVA is similar in predominately rural and urban areas, with the greatest differences being finance and insurance services and professional and administrative services being more

[55] December 2024 NPPF Paragraph 89

[56] December 2024 NPPF Paragraph 83

[57] PPG ID 67-009-20190722

[58] House of Lord Library *The Rural Economy, December 2024* https://lordslibrary.parliament.uk/the-rural-economy/

[59] Department for Environment, Food and Rural Affairs *Statistical Digest of Rural England: 7 – Rural Economic Bulletin,* February 2024

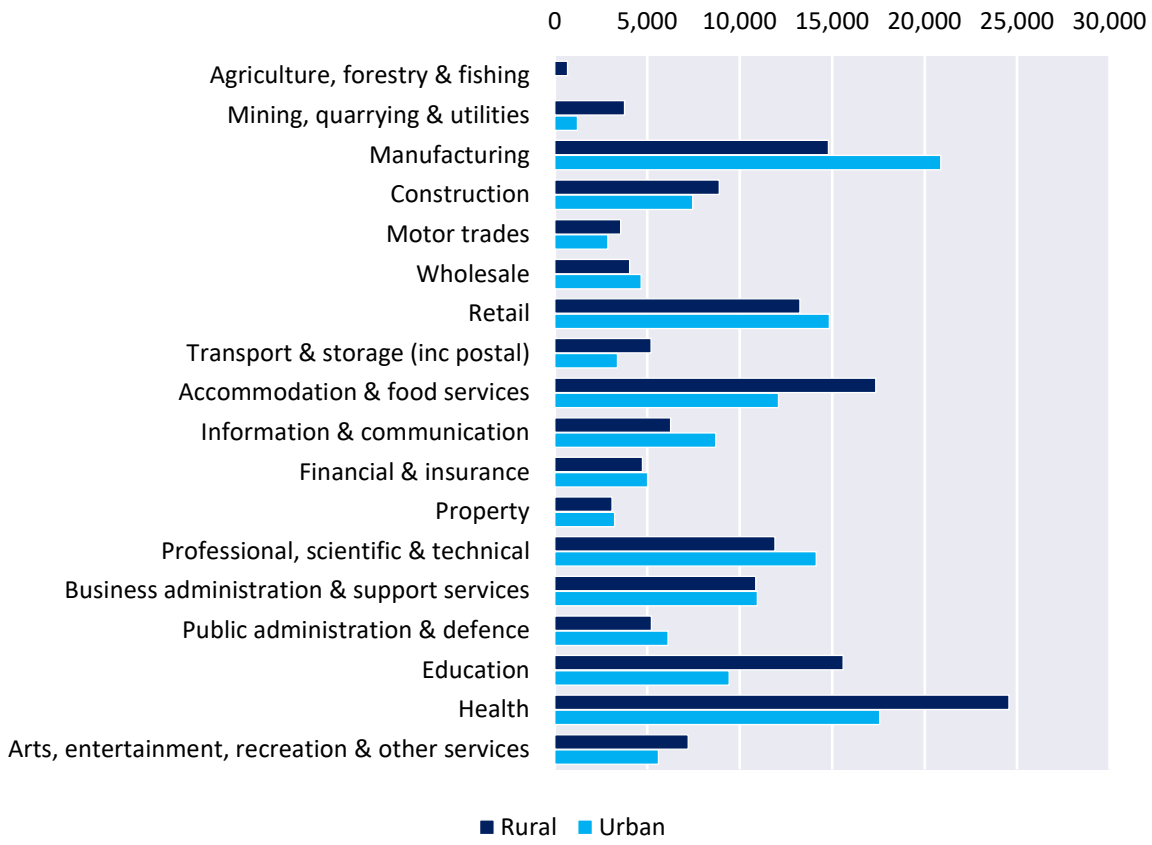
prominent in urban areas, while agriculture, forestry and fishing and real estate activities are more prominent in rural areas.

14.8 The following figure shows Iceni's analysis of Gloucestershire's urban and rural economics based on a best-fit breakdown of LSOAs into an urban and rural classification. For the purpose of this analysis, several built-up areas contiguous to or acting functionally as an extension of the Gloucester, Cheltenham and Stroud build up areas have been including in the urban category.

14.9 This analysis confirms the national trend, with both urban and rural areas accommodating jobs in a wide variety of sectors. At least 40% of jobs in every sector are in rural areas, and the majority of jobs in some sectors. This reflects that most of Gloucestershire (by area) is rural, and many jobs are located in major employment locations outside of the boundaries of the built-up areas considered to be urban, even if they are located close to urban areas.

14.10 This difference is particularly stark in accommodation and food services, education and health. In these sectors rural areas have many more jobs than urban areas. This would also be the case for agriculture, forestry and fishing, but BRES data does not provide an accurate picture of agricultural employment.

Figure 14-1: Jobs in rural and urban areas in Gloucestershire - 2024



Source: Iceni analysis of ONS BRES

14.11 Rural areas contain lower proportions of jobs, in contrast, in knowledge intensive sectors like finance and insurance, property, and professional, scientific and technical services, which are more traditionally located in urban areas (although these sectors still have substantial rural employment). Retail is also prominent in urban areas, which contain Gloucestershire's major retail centres (i.e. Gloucester, Cheltenham, Gloucester Quays, Cirencester, Stroud, Tewkesbury and several other town centres as well as a range of retail parks).

Stakeholder Engagement

14.12 Across the county, the rural economy was described as dominated by SMEs and micro-businesses. This contributes to local resilience, but can make coordination between businesses and scaling more difficult.

14.13 There is potential demand for small-scale spaces to accommodate these businesses. In Tewkesbury, rural business parks were described as consistently well occupied, demonstrating ongoing demand for rural workspace.

14.14 At the other end of the size spectrum, some rural areas host major advanced manufacturing and aerospace employers, including companies such as Safran, GE and Moog.

14.15 Several stakeholders identified shortages of suitable business premises in rural areas, particularly modern industrial premises and flexible workspaces for small businesses. An example of a rural business hub in converted agricultural buildings in Cotswold was also noted, providing co-working and innovation space tailored to rural businesses and freelancers.

14.16 This correlates with the findings of Chapter 11, which shows that the Cotswold economy in particular has a very high small business ownership rate, a strong focus on small and micro businesses, and a strong specialisation and recent growth in knowledge sectors despite a lack of recent office development. This speaks to a high level of remote and home working, as well as small-scale professional enterprises, which would suggest a strong market for converted spaces and small-scale offices.

Agricultural sector

14.17 Gloucestershire has a substantial agricultural land base. A 2019 report for the Gloucestershire LEP estimated that agricultural output in the County at around £333 million in 2017. The broader agrifood supply chain was estimated to employ over 50,000 people (14.9% of the workforce) and to generate a GVA of £1.39 billion in 2018 (8.8% of the local economy).

14.18 More recent data from DEFRA shows that in 2024 there were 2,437 agricultural land holdings in Gloucestershire, with large numbers in Cotswold, Forest of Dean, Stroud and Tewkesbury and relatively few in Gloucester and Cheltenham. Agricultural land holdings accounted for 190,653 ha across the County, with almost half of this used for grassland and rough grazing land (48%) followed by land for cereals (25%), other arable crops (11%) and only a small amount of land farmed for fruit and vegetables (0.5%).

14.19 Experian estimates that in 2024, the GVA by the agriculture, forestry and fishing sector in Gloucestershire was £212 million.

Employment

14.20 Employment data from the Department of Environment, Food and Rural Affairs (DEFRA) provides a better estimate of local agricultural employment than the BRES data analysed above due to the high proportion of self-employed farmers, family workers and seasonal/casual labour in agriculture.

14.21 DEFRA data shows there to be around 6,850 agricultural jobs in Gloucestershire. The majority of these (around 4,000) are farmers, partners, directors and spouses but there are also a substantial number of roles for casual and regular workers (around 1,300 and 1,200 respectively).

14.22 Agricultural employment is spread throughout the non-urban parts of the County. The highest number of jobs are in Cotswold (2,069), followed by Forest of Dean (1,729), Tewkesbury (1,752) and Stroud (1,204).

Table 14-1: Agricultural employment (2024)

Authority	Farmers, partners, directors and spouses	Salaried managers	Regular workers	Casual workers	Total
Gloucester	15	*	*	*	34
Cheltenham	46	*	*	*	65
Tewkesbury	744	103	278	628	1,752
GCT (Total)	805	103	278	628	1,851
Stroud	899	42	203	60	1,204
Forest of Dean	1,078	64	278	308	1,729
Cotswold	1,214	108	412	336	2,069
Total	3,995	318	1,171	1,332	6,854

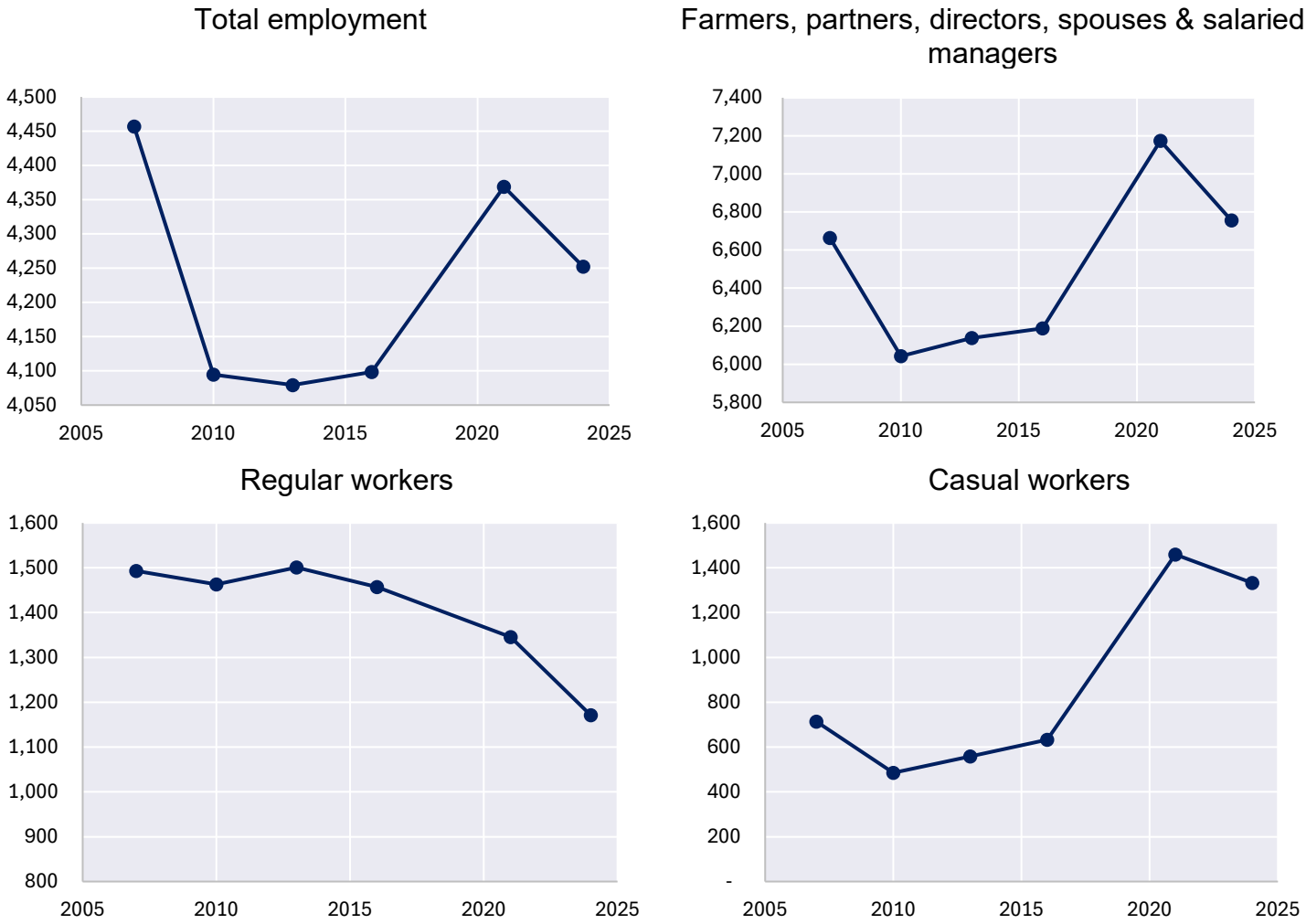
** - Note values for these cells are unavailable. This will also affect subtotals for GCT.*

Source: DEFRA *Agricultural workforce in England*

14.23 The variation over time of agricultural employment in Gloucestershire is shown in the figure below, excluding Gloucester and Cheltenham for which data is only available for selected years. These statistics are based on a large sample of farm holdings, and so are subject to a degree of sampling error particularly in smaller areas like local authorities. As such, there is some variation in results year to year.

14.24 Nonetheless, with the exception of the high 2007 result there appears to be a small upwards trend in agricultural employment over time from 2010 onwards. This is supported by upwards trends in farmers, partners, directors, spouses and salaried managers; and in casual workers. There is a clear downwards trend in regular workers in agricultural employment.

Figure 14-2: Gloucestershire agricultural employment over time



Source: DEFRA *Agricultural workforce in England*

Agricultural transition

14.25 Farming in England is undergoing a period of structural transition, with farms generally diversifying their business and sources of income over time.

14.26 A 2024 report surveying farm businesses in the North-East, South-West and West Midlands found that a high proportion of farms were seeing stable or declining income in recent years, with 83% reporting a significant impact of rising costs on cash flow[60]. Farms are particularly

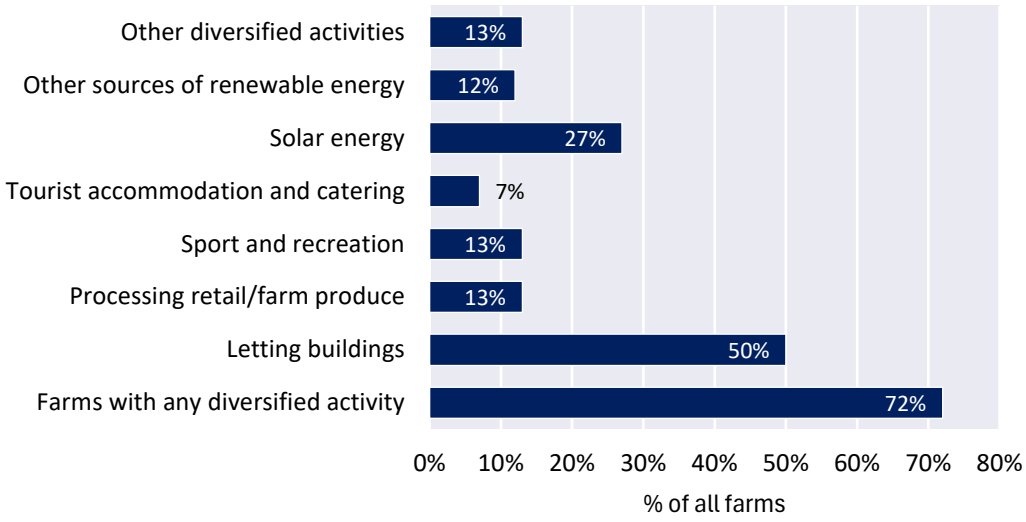
[60] National Innovation Centre for Rural Enterprise *Farm Business Performance, Marketing and Adaption Strategies, May 2024*

exposed to increase input and energy costs, with the report concluding that the farming sector is in a more challenging position than most other rural business sectors.

14.27 One consequence of this challenging operating environment is increasing pressure for farmers to diversify income sources. Central Government publications show that across England, 72% of farm business in 2024/25 had some level of diversified (i.e. non-agricultural) activity, an increase of 10 percentage points since 2015/16. This brought in an average of £31,100 per farm business. This accounted for at least half of income for 26% of diversified farms.

14.28 The commonality of different diversified activities is illustrated in the figure below. The most common activity nation-wide is letting out buildings (50% of all farms). This is also the activity which makes the greatest contribution to farm income, bringing in an average of £27,900.

Figure 14-3: Proportion of farms engaging in diversified activities – England (2024/25)



Source: DEFRA *Farm Accounts in England Datasets*

14.29 In terms of farm income generated this is followed by processing or retailing of farm produce and generating non-solar renewable energy. Less common or lower yielding activities included providing tourist accommodation and catering, generating solar energy and offering

sport and recreation activities, although activities relating to tourism are likely to be more prominent in popular tourist destinations like the Cotswolds.

14.30 Detailed data by local authority is not available, but the broad trends in the England-wide picture are confirmed by results of farm surveys contained in a report by NICRE, with results reported at the district level. This report shows that in 2023, while non-agricultural activities generated only a small portion of farm income (7% across the North West, West Midlands and South West), a large proportion of farms are engaging in diversified activities. This income is also likely to be more significant for some farms, as suggested by the England-wide data.

14.31 According to this report's results, 15% of farms in the South West make sales direct to consumers, increasing to 57% in small farms across the three regions considered. More than a quarter of farms surveyed reported interest in increasing their direct and local sales, with implications for both direct sale points and local processing supply chains.

14.32 At the same time, the report identifies clear barriers: limited demand, lack of market infrastructure, lack of time, labour shortages, weak digital connectivity in some cases, and skills or knowledge gaps, particularly for larger businesses less experienced in direct marketing.

14.33 Taken together, the evidence points to a rural economy in which farm businesses are increasingly likely to require flexibility to evolve beyond conventional agricultural production alone. It will be important that this is supported, as appropriate, by planning policies.

Stakeholder engagement

14.34 During engagement, several stakeholders highlighted opportunities linked to agricultural innovation and agri-tech, supported by the presence of institutions such as the Royal Agricultural University and Hartpury College and University. The proposed Innovation Village at the

Royal Agricultural University in particular was highlighted as having the potential to promote regenerative agriculture and sustainable farming practices, which could generate wider economic benefits for the district.

14.35 Modern farming practices increasingly involve robotics, advanced technology and innovation hubs, suggesting opportunities to modernise the sector and attract new businesses. Stakeholders reported increasing examples of farm diversification and new rural business models, including high-tech firms operating from rural premises.

14.36 However, there was noted to be a perception problem, with many including young people not appreciating the scale of opportunity in agriculture. This contributes to the agricultural sector in particular facing challenges attracting younger workers, while the lack of a talent pipeline may in turn contribute to some traditional farms being slower to adopt new technologies.

Policy implications

14.37 This has direct implications for planning policy. Policy needs to support appropriate forms of farm diversification, including the reuse and conversion of existing farm buildings for employment, small business, tourism, food processing, retail, leisure and energy-related uses, with appropriate safeguards for landscape and amenity protection

14.38 There is equally a need to ensure that planning policy does not focus only on diversification as a land use issue, but also on the practical conditions needed for diversification to succeed: suitable premises, digital connectivity, access, labour supply and housing. These considerations are particularly important in Gloucestershire given the County's opportunities in agri-tech, local food, regenerative farming, tourism and renewable energy, as well as the real constraints created by poor housing affordability, lack of transport and digital infrastructure, and the ageing profile of the rural workforce.

Tourism and the Visitor Economy

14.39 Tourism was identified by stakeholders as one of the most significant sectors in rural Gloucestershire, particularly in areas such as the Cotswolds and the Forest of Dean. The green visitor economy and sustainable tourism were highlighted as areas with growth potential.

14.40 Stakeholders reported increasing visitor numbers and spending in the Forest of Dean, with day visitors growing in particular. Plans for a biosphere designation present a potential opportunity to strengthen the area's environmental brand and attract visitors and businesses. However, the lack of tourist accommodation and some other tourist infrastructure was seen as a constraint.

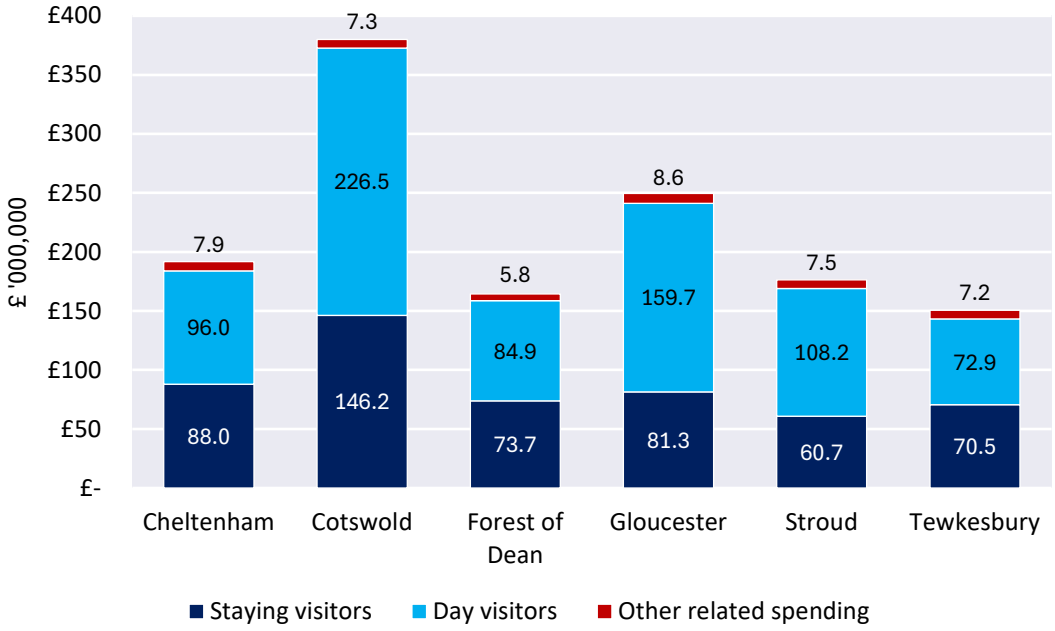
14.41 Information prepared by the South West Research Company (SWRC) illustrates the scale of the tourism sector's impact on Gloucestershire's economy[61]. This report finds that visitor-related expenditure in Gloucestershire in 2024 was £1.31 billion, generating a total business turnover of £1.78 billion. This was estimated to support 22,890 jobs, 7% of all employment in the County.

14.42 The report provides a breakdown of expenditure and jobs supported by category of activity. This underlines the broad-based impact of tourism, with accommodation making up only 14% of total expenditure, compared to 30% each for shopping and food and drink, 15% for travel, 12% for attractions and entertainment and smaller amounts for other related expenditure. In total FTE employment in businesses in receipt of visitor expenditure was estimated to be 10,050, with a further 7,222 FTE employment in indirect and induced impacts (i.e. supply chain and multiplier effects).

[61] The South West Research Company November 2025 *The Economic Impact of Gloucestershire's Visitor Economy 2024,* produced on behalf of Cotswold District Council

14.43 Every authority in Gloucestershire benefits from visitor related expenditure, which is estimated to amount to at least £150 million in each case. However, as shown in the figure below, expenditure is by far the greatest in Cotswold at £380 million and lowest in Tewkesbury (£151 million) and Forest of Dean (£164 million).

Figure 14-4: Tourism related expenditure - 2024



Source: The South West Research Company *The Economic Impact of Gloucestershire's Visitor Economy 2024*

14.44 Tourism is also estimated to support the most jobs in Cotswold, at c. 5.550, making up 13% of all employment compared to 4% - 6% in other authorities. In contrast, in Tewkesbury only 2,000 jobs are supported, and in Forest of Dean only 2,525.

14.45 Some insight into the differences in visitation and expenditure can be gained from estimates of staying trips by accommodation type, which is also provided in SWRC's report.

14.46 As shown in the table below, Cotswold has a wide variety of accommodation types, with high numbers of stays in both serviced (i.e. hotel-style) and self-catering (likely short-term rentals in homes) accommodation particularly driving visitation numbers. Cheltenham,

Gloucester and Tewkesbury all have moderate numbers of stays in serviced accommodation, but substantially less in self-catering accommodation.

14.47 Stays in serviced accommodation are somewhat lower in Stroud and much lower in Forest of Dean. Indeed, serviced accommodation stays make up only 13% of stays in Forest of Dean, compared to between 27% and 39% elsewhere. This illustrates a potential lack of hotel-style accommodation when compared to overall visitation in Forest of Dean and to a lesser extent Stroud.

14.48 It is also notable that staying with friends and family account for a large number of stays in all authorities, but particularly in Stroud, Cheltenham and Gloucester. This suggests that many stays in these areas result from people visiting others rather than purely from tourism per se.

Table 14-2: Staying visitor trips by accommodation type (2024)

Accommodation type	Cotswold	Forest of Dean	Stroud	Cheltenham	Gloucester	Tewkesbury
Serviced	172,000	37,600	75,000	140,600	137,200	111,400
Self catering	146,500	60,300	27,300	50,100	32,200	24,600
Touring caravans/tents	66,800	58,600	13,900	12,300	5,100	28,700
Group / campus	11,300	23,100	-	-	-	-
Second homes	22,000	2,800	4,500	7,300	2,300	2,400
Other	10,900	5,000	8,000	8,000	10,600	19,000
Staying with friends & relatives	113,400	109,400	151,900	145,700	163,000	121,300
Total	**542,900**	**296,800**	**280,600**	**364,000**	**350,400**	**307,400**

Source: The South West Research Company The Economic Impact of Gloucestershire's Visitor Economy 2024

14.49 Following on from this evidence, to support economic growth, planning needs to facilitate the full range of tourism related activities, particularly in places like Cotswold where tourism makes up a very large part of the overall economy.

14.50 There are likely to be particular opportunities for growth in Forest of Dean, including following the Biosphere application. Forest of Dean has among the lowest expenditure but clear landscape assets and strong self-catering, camping and group/campus stay visitation numbers. However, as noted by stakeholders, there is a lack of established accommodation options in the area.

14.51 There may also be potential for small-scale accommodation uses within rural areas (including on farms as discussed in the previous section), subject to appropriate controls on landscape, heritage and character impacts.

Renewable Energy and the Green Economy

14.52 National policy commitments to net zero alongside rising energy costs and increasing demand for energy security are creating new markets for renewable generation, energy efficiency and low-carbon technologies. This transition has particular spatial implications for rural areas, in which renewable energy infrastructure and associated land uses are often located.

14.53 Opportunities in renewable energy generation and the wider green economy in Gloucestershire were noted by stakeholders. As well as large-scale opportunities like potential for small modular nuclear reactors in Stroud district, and possible tidal generation in the Severn Estuary, this included continued opportunities for more dispersed solar and wind energy development and emerging interest in deep geothermal and heat networks.

14.54 There were also suggestions that circular economy activities and waste processing could create additional rural economic opportunities.

14.55 Gloucestershire has begun to position itself to benefit from these changes. The Gloucestershire Economic Strategy identifies green and nuclear energy as a potential area of competitive advantage. Work is also underway to develop a Local Area Energy Plan (LAEP) for the County, which is intended to identify the scale and location of future energy demand and generation, assess renewable energy potential and help coordinate infrastructure investment.

14.56 This local work will sit alongside the emerging Regional Energy Strategic Planning (RESP) process led by the National Energy System Operator (NESO). Through this process, NESO, Distribution Network Operators, Gas Distribution Networks and local authorities are expected to play an increasing role in coordinating future energy infrastructure planning at a regional level. Together. The LAEP and RESP process is expected to provide a clearer spatial framework for renewable energy development and related infrastructure in the coming years.

14.57 Cotswold has undertaken a specific study into renewable energy potential[62]. It concludes that Cotswold District has substantial technical potential for renewable generation, especially rooftop and ground-mounted solar, with more limited but still material scope for wind and other energy technologies. However, this study highlights that grid headroom is a critical delivery constraint, with further network capacity and reinforcement needed.

14.58 Furthermore, Wales & West Utilities, as the gas distribution network operator for Wales and the South West, is considering the potential role of hydrogen across its network area, including the scope for hydrogen blending and opportunities to support heavy freight and industrial

[62] Centre for Sustainable Energy *Cotswold Renewal Energy Study* January 2025, commissioned for Cotswold District Council

decarbonisation. Initiatives such as GW-SHIFT also point to the potential role of hydrogen in supporting decarbonisation across South Wales and South West England. This reinforces the need for continued engagement between energy network operators, local authorities and strategic planning authorities as work continues.

14.59 There are also potential broader economic opportunities building on existing sectoral specialisations in areas like specialised construction and retrofit, environmental consultancy and engineering and manufacturing supply chains. Green skills will be central to realising this opportunity

14.60 While planning should support renewable energy development as a key economic opportunity in rural areas, this will need to be balanced with landscape, heritage and environmental considerations, particularly in highly sensitive areas like national landscapes.

Constraints

Transport Infrastructure

14.61 Transport infrastructure was consistently identified by stakeholders as a major constraint on rural economic development, with key issues including limited rural bus services, poor internal connectivity within rural districts, reliance on private vehicles to access employment sites and road infrastructure unsuitable for heavy goods vehicles in some areas (notably much of the Forest of Dean).

14.62 Transport barriers restrict the ability of the rural population access employment, particularly if they do not have access to a car. They similarly restrict the ability of businesses to hire staff, particularly low skilled staff.

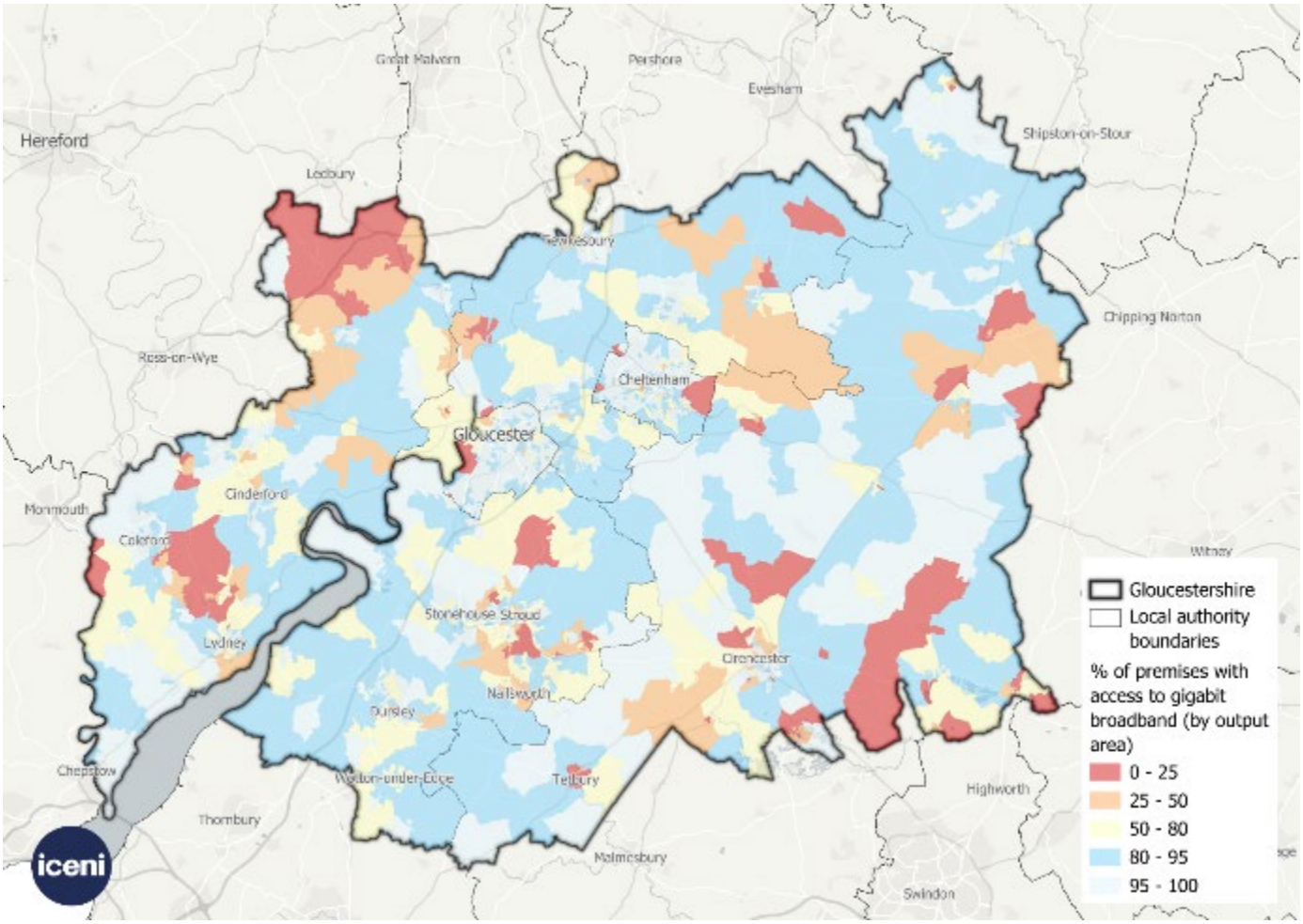
Digital infrastructure

14.63 Digital infrastructure was noted by stakeholders to remain uneven in rural areas, with broadband connectivity identified as a particular challenge for agricultural and rural businesses.

14.64 Ofcom releases data showing the proportion of out each area which has access to broadband of a variety of standards.

14.65 The figure below shows access to gigabit-capable broadband across Gloucestershire. Gigabit-standard is the fastest standard included in the data and has become the Government's primary benchmark for modern fixed digital infrastructure. While superfast (a much lower speed standard) broadband coverage now extends to the vast majority of premises nationally, gigabit coverage varies more substantially between rural and urban areas and therefore provides a more meaningful indicator of digital infrastructure coverage and constraints.

Figure 14-5: Gigabit-capable broadband access - 2025



Source: Ofcom *Connected Nations 2025 Data*

14.66 Ofcom's data also provides information on mobile coverage at the local authority level. This information is presented for Gloucestershire in the figure below using the percentage of the area of each authority covered by two key coverage metrics:

- 5G coverage from at least one operator – reflects the rollout of high-speed next-generation mobile infrastructure. 5G deployment is still expanding and typically concentrated in rural areas.

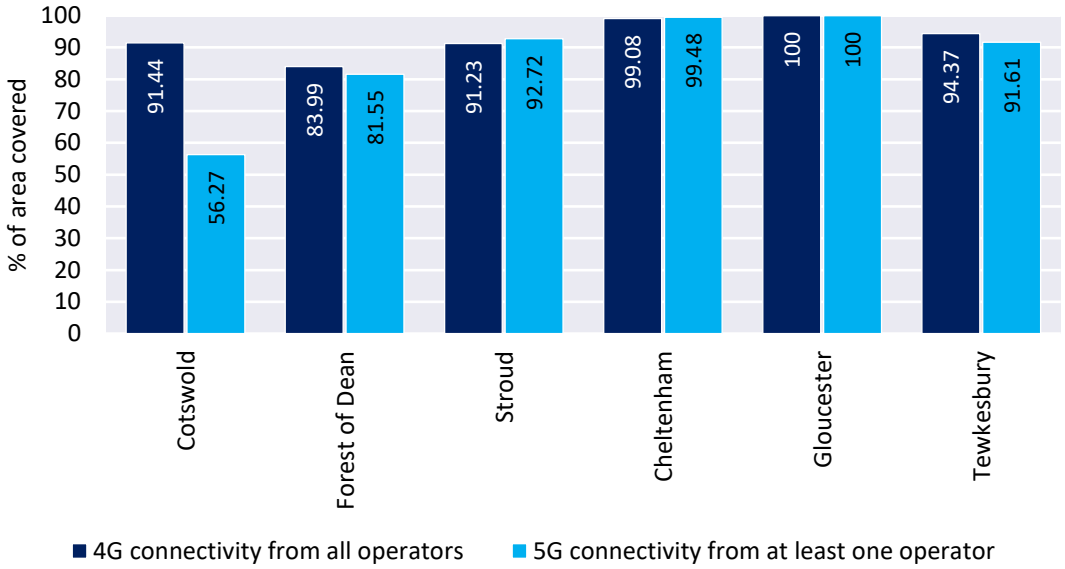
- 4G coverage from all operators – provides a measure of the quality and resilience of general mobile connectivity, with the 4G network available nation-wide, and coverage from multiple operators increasing reliability and user choice.

14.67 All of Gloucester and nearly all of Cheltenham have full 4G connectivity. 4G connectivity is high elsewhere, although somewhat poorer in

Cotswold, Stroud and Tewkesbury with between 5 – 10% of the area not being covered by all operators, and poorer again in the Forest of Dean with around 16% of the area not covered by all operators.

14.68 There are greater disparities in 5G mobile connectivity. Connectivity from at least one operator is essentially universal in Cheltenham and Gloucester, and relatively high in Stroud and Tewkesbury. However, it is much lower in the Forest of Dean, with almost 20% of the area not covered, and much lower again in Cotswold where almost 45% of the area does not have any 5G coverage.

Figure 14-6: Coverage of mobile networks - 2025



Source: Ofcom *Connected Nations 2025 Data*

County Council programs

14.69 Gloucestershire County Council recognises economic constraints resulting from unequal digital infrastructure access, and have adopted a countywide *Digital Infrastructure, Inclusion and Innovation Strategy 2025-2030.* In this Strategy, the Council commits to supporting ongoing investment in fixed and wireless broadband, including gigabit-capable networks and 5G.

14.70 Gloucestershire has benefited from substantial public intervention in broadband delivery through the Fastershire program, a partnership with

Herefordshire Council. This program increased superfast broadband availability with 98.2% of properties having access to superfast broadband by the program's conclusion in Spring 2024, gigabit-capable coverage reached 77.1%. Responsibility for further fixed-line rollout has now transferred to the Government's Project Gigabit programme, with Gloucestershire County Council working alongside BDUK and infrastructure providers to target remaining hard-to-reach premises. This includes a £16 million Project Gigabit contract for East Gloucestershire covering around 4,400 premises,

Housing affordability and workforce

14.71 A major theme across the engagement was the relationship between rural housing and economic viability. Stakeholders reported that high housing costs, second homes and holiday lets mean that many workers cannot afford to live close to rural jobs, particularly in tourism and hospitality. This limits opportunities for younger residents, contributing to ageing rural populations. In turn this leads to a lack of viability of local retail and services.

14.72 In a related way, stakeholders noted younger people often leave rural areas for education or employment as well as cheaper housing. This contributes to recruitment and retention difficulties for employers.

14.73 In some cases businesses have considered resorting to providing accommodation for staff on-site to address recruitment difficulties.

15. Employment Land Needs

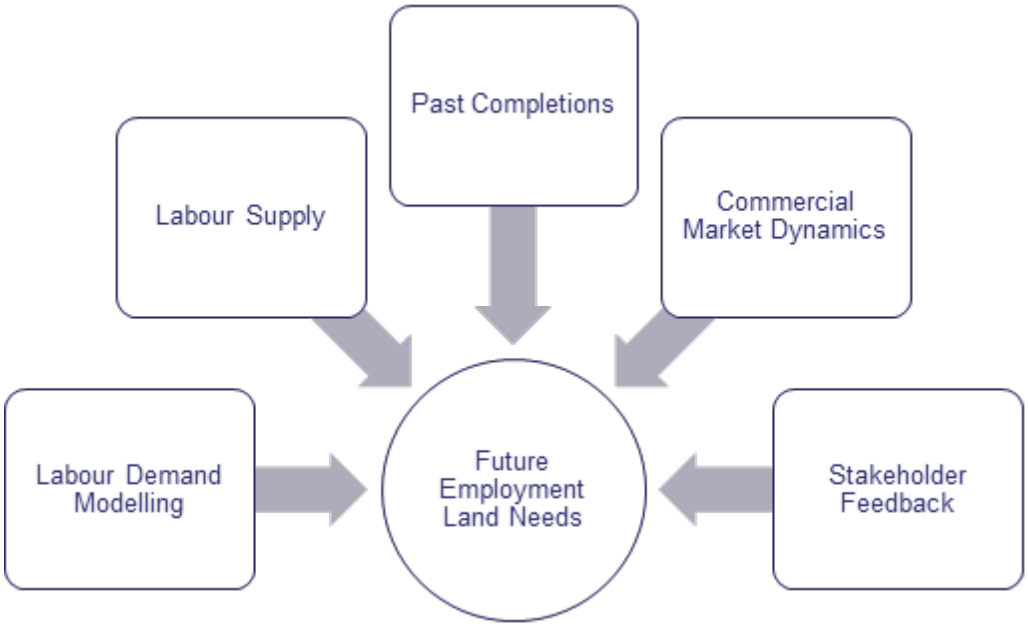
15.1 In this section we provide an assessment of future needs for employment land and floorspace between 2024-46. The analysis considers the need for office, industrial and warehouse/distribution uses.

15.2 The PPG on *Housing and economic needs assessment* provides broad guidance on assessing future needs, and outlines in Para 2a-027 a number of different approaches:

- sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand)
- demographically derived assessments of current and future local labour supply (labour supply techniques)
- analysis based on the past take-up of employment land and property and/or future property market requirements
- consultation with relevant organisations, studies of business trends, an understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics.

15.3 Iceni's approach has been to consider different methodologies and evidence. Outcomes are compared and triangulated to draw conclusions on future employment floorspace and land needs. This approach is summarised in the figure below.

Figure 15-1: Triangulating different forecasting approaches



15.4 Different forecasting techniques have their advantages and disadvantages. Econometric forecasts take account of differences in expected economic performance moving forward relative to the past. However, a detailed model is required to relate net forecasts to use classes and estimate gross floorspace and land requirements.

15.5 For office-based sectors consideration needs to be given to the impacts of trends in home working. For industrial sectors however the relationship between floorspace needs and employment trends may be weak – influenced by productivity improvements.

15.6 The potential impact of artificial intelligence (AI) and related automation technologies on employment patterns over the plan period should be recognised. AI has the potential to influence productivity, the number of jobs required in some activities, and the distribution of employment between sectors, particularly within knowledge-intensive and administrative roles. To some degree this is reflected in Experian's forecasts (as discussed in Chapter 11).

15.7 However, the scale, timing and sectoral distribution of these impacts remain highly uncertain and technological change may reshape tasks

within occupations rather than lead to immediate large-scale job displacement. For this reason, the forecasts and approaches used in this study have not been adjusted to explicitly account for potential AI-related changes as attempting to do so would introduce a high degree of speculation into the modelling. Changes in the economy including as a result of AI, and the implications for future employment land needs, should continue to be monitored by councils.

15.8 In contrast to forecast based approaches, past take-up is based on actual delivery of employment development; but does not take account of implications of growth in labour supply or housing growth nor any differences in economic performance relative to the past. It is also potentially influenced by past land supply and/or policies.

15.9 As a result, an appropriate approach is to use a range of different forecasting techniques alongside local intelligence and an understanding of the merits of different approaches in drawing conclusions. This approach of triangulating different approaches and testing findings, which Iceni adopts, is consistent with the PPG.

Baseline Labour Demand

Baseline employment forecast

15.10 We have used employment forecasts from Experian to provide a baseline employment growth position. The discussion below starts from 2024, which is the last year in the Experian forecasts based on real-world data (i.e. not forecasted), and runs until 2046.

15.11 The table below summarises the baseline employment forecasts, which would see 60,200 additional jobs added across Gloucestershire by 2046, a 16.4% from 2024 levels (0.7% per year on average). Most of this growth (62% or 37,600 jobs) would be across Gloucester, Cheltenham and Tewkesbury, with around 10,000 jobs added to each

of Cotswold and Stroud and much more limited growth (2,900 jobs) in Forest of Dean. The annual growth rate – the Compound Annual Growth Rate (CAGR) implied by the forecasts is also shown.

Table 15-1: Baseline employment forecast (2024-2046)

	2024	2046	Change	% Change	% CAGR
Cotswold	57,100	66,900	9,800	17.2%	0.72%
Forest of Dean	32,000	34,900	2,900	9.1%	0.40%
Stroud	61,600	71,500	9,900	16.1%	0.68%
Cheltenham	76,200	88,600	12,400	16.3%	0.69%
Gloucester	77,600	92,400	14,800	19.1%	0.80%
Tewkesbury	62,100	72,500	10,400	16.7%	0.71%
SLP Area	*215,900*	*253,500*	*37,600*	*17.4%*	*0.73%*
Gloucestershire total	**366,600**	**426,800**	**60,200**	**16.4%**	**0.69%**

Source: Iceni analysis of Experian forecasts 2025

15.12 Across Gloucestershire as a whole, forecast growth rates in jobs added per year are aligned with past trends, with 2,736 additional jobs per year forecast compared to 2,760 per year over the last twenty years. However, as there are more jobs in the County now than 20 years ago, the future forecast provides for a lower compound annual growth rate (0.69%) compared to that achieved over the last 20 years (0.82%).

15.13 Forecast annual growth rates for Gloucestershire are also relatively well aligned with the regional and national position.

15.14 The following table shows similar comparisons between growth achieved historically and growth forecast for each of Gloucestershire's authorities. Compared to historical growth rates, the forecast annual growth percentages are relatively similar in each part of the County, meaning that future forecasts provide a more even growth distribution that what has been seen over the last 20 years. Authority by authority this means that:

- The combined GCT area sees only a small increase in growth from historical levels. Given the joint strategic planning underway for this area, the baseline forecast should be considered as only a starting point for growth allocation;

- Forecast growth rates are over double the historical rates for Gloucester and Cheltenham;

- However, Tewkesbury's forecast growth is almost half the (very high) historical growth rate;

- Stroud and Cotswold see slightly fewer jobs added per year, although this amounts to a moderate reduction in compound growth rate;

- Forest of Dean sees a small reduction in jobs added per year. It is forecast to have by far the lowest jobs growth in the County in both absolute and percentage terms, which is consistent with the historical data.

15.15 Some of these differences will relate to the productivity improvements which are assumed within the Experian model.

Table 15-2: Baseline employment forecast compared with historical trends

	Historical (2004-2024)		Forecast (2024 – 2046)	
	Yearly change	% CAGR	Yearly Change	% CAGR
Cotswold	580	1.14%	445	0.72%
Forest of Dean	160	0.53%	132	0.40%
Stroud	500	0.89%	450	0.68%
Gloucester	250	0.33%	673	0.80%
Cheltenham	220	0.30%	564	0.69%
Tewkesbury	1,050	2.09%	473	0.71%
SLP Area	1,520	0.76%	1,709	0.73%
Gloucestershire total	**2,760**	**0.82%**	**2,736**	**0.69%**

Source: Iceni analysis of Experian forecasts 2025

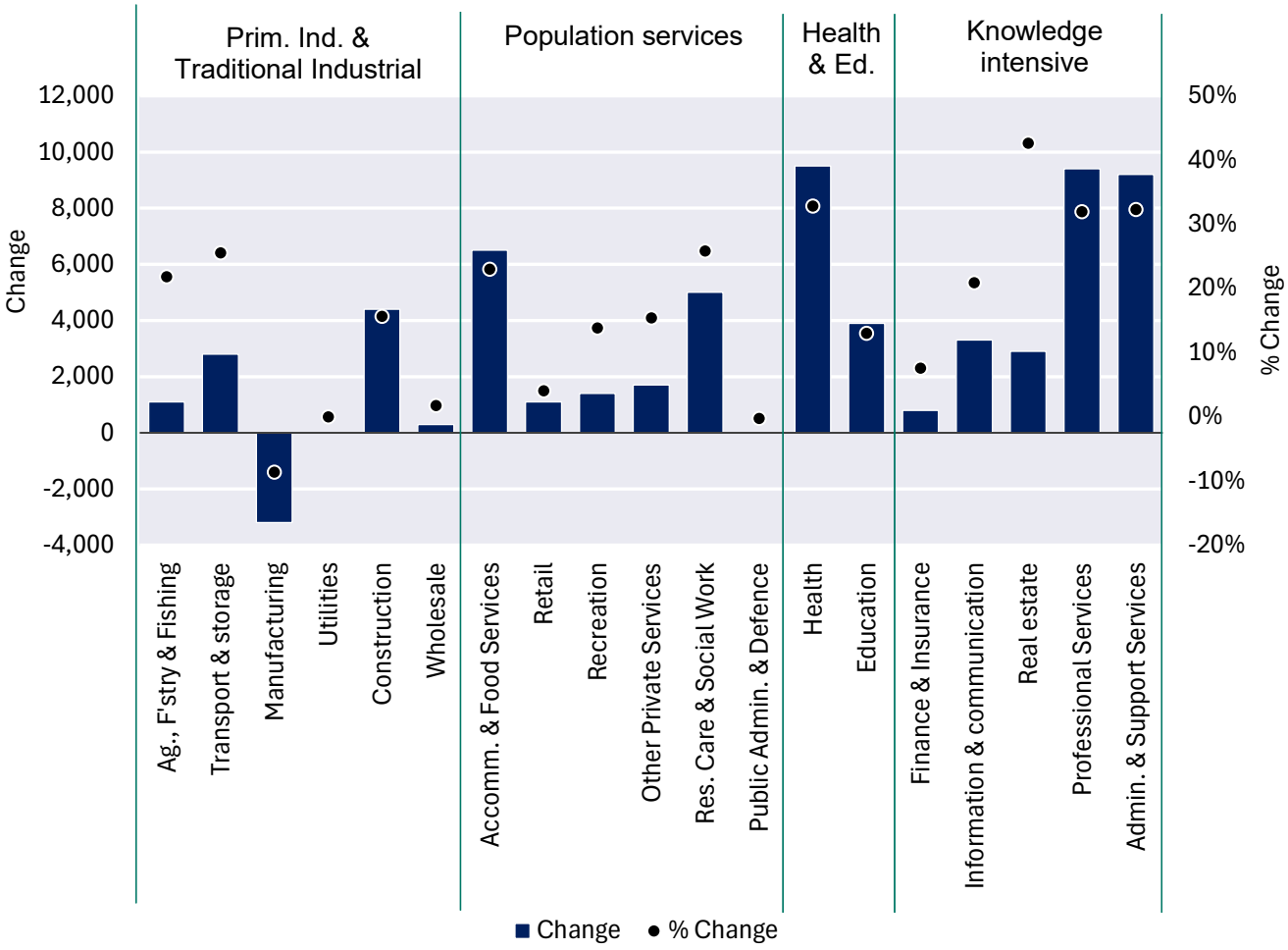
15.16 The figure below breaks the 60,200 jobs forecast to be added across Gloucestershire down by sector. The highest growth sectors in absolute terms under this baseline forecast are health (+9,500 jobs), professional, scientific and technical services (+9,400 jobs) and administrative and support services (+9,200 jobs), and accommodation and food services (+6,500 jobs). A higher percentage growth rate is forecast for real estate (+45%), but it is forecast to remain a small sector, adding only 2,900 jobs.

15.17 Employment growth is also forecast for other population services sectors, knowledge intensive sectors and for education, but at a lower rate than in the sectors highlighted above.

15.18 In traditional industrial sectors, the baseline forecast predicts mixed employment outcomes, with growth in transport and storage (+2,800 jobs), but contraction in manufacturing (-3,200 jobs) influenced in

particular by increased productivity. High growth is forecast for the construction sector (+4,400 jobs), but only a portion of these jobs are likely to be in a fixed place of work.

Figure 15-2: Baseline forecast employment growth by sector, Gloucestershire



Source: Experian Forecasts 2025

15.19 The difficulties in using employment forecasts to predict industrial land need are illustrated by comparing employment and GVA forecasts for the two primary industrial sectors of manufacturing and transport and storage (this comparison is shown in the figure below for Gloucestershire).

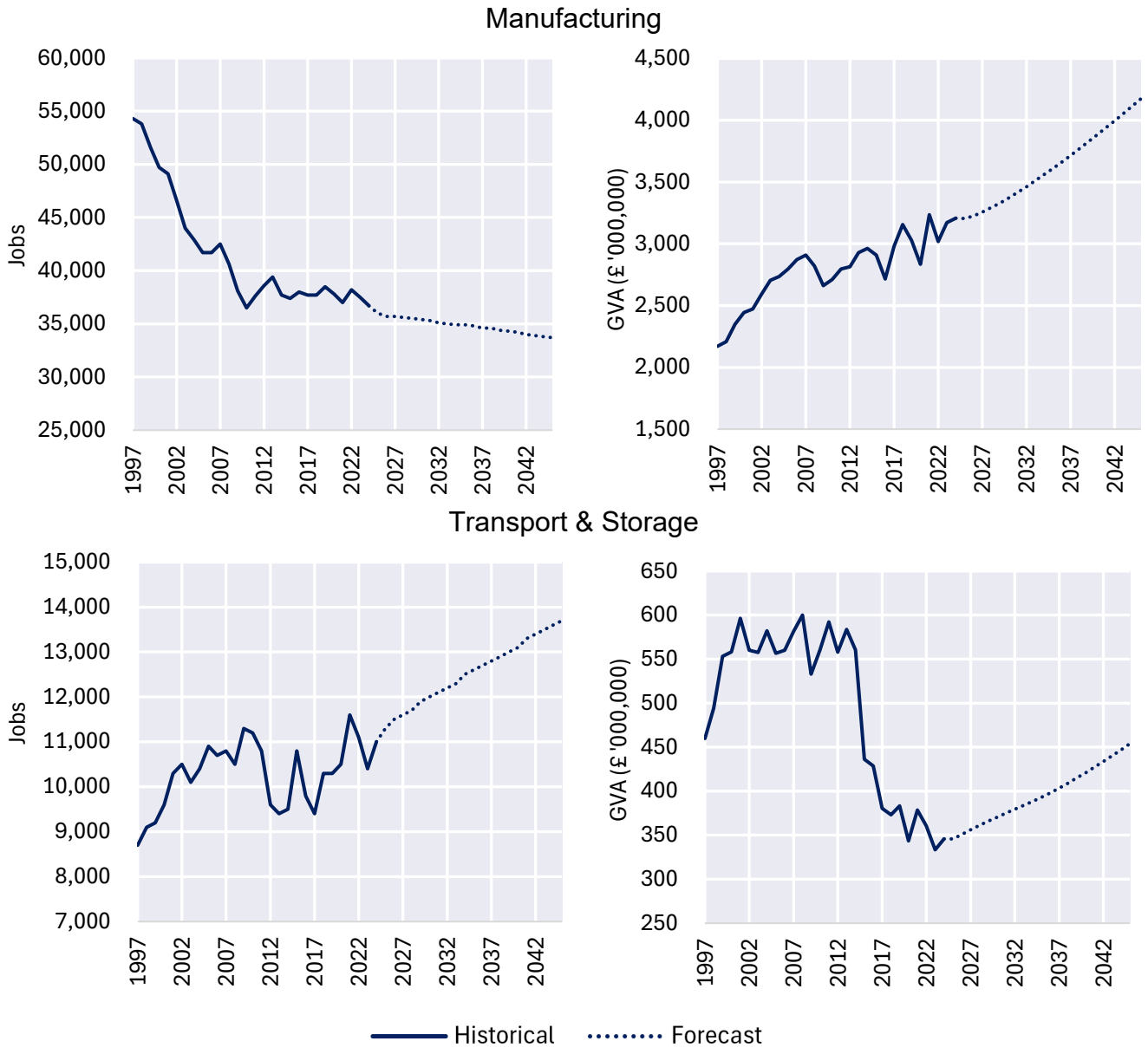
15.20 While manufacturing employment is forecast to decline, GVA is forecast to grow driven by productivity improvements. This means that even though employment is declining, additional floorspace and land may be

needed to facilitate the economic growth of the sector. Productivity improvements would also increase the need for new and fit-for-purpose industrial space, as opposed to older spaces which may not have enough physical internal height to accommodate modern industrial process, or which may not be economic to reconfigure.

15.21 The difference between employment and GVA forecasts for transport and storage is not as stark as the difference in manufacturing. However, productivity improvements (in particular automation) are also likely in transport and storage, increasing the need for modern industrial premises.

15.22 These productivity effects mean that forecasts for employment trends are not necessarily an appropriate basis for considering future floorspace and land requirements for the industrial and warehouse/distribution sectors. For manufacturing in particular, employment is expected to fall whilst the sector is expected to grow relatively strongly.

Figure 15-3: Comparison of baseline employment and GVA forecasts for primary industrial sectors (Gloucestershire)



Source: Experian forecasts 2025

Baseline labour demand modelling

15.23 Iceni has used a model to predict the floorspace needed to support forecast employment outcomes. This model includes the following steps.

15.24 First, total jobs forecasts are converted into forecasts of full-time equivalent (FTE) jobs, using locally specific data from the ONS BRES dataset. FTE jobs are then discounted using subsector-specific

assumptions to reflect a proportion of people working from home, or working in a hybrid arrangement which decreases overall floorspace need

15.25 Discounted FTE job forecasts are attributed by industry category to different uses using a matrix with use-class breakdowns for each subsector. This matrix assumes that some sectors (e.g. information and communications) are primarily office based while others (e.g. manufacturing) are based in industrial spaces or (e.g. retail) contribute to non-B class space requirements.

15.26 The total employment and FTE results stepping through this calculation are shown in the table below. There is a relatively large discount between total jobs and FTE jobs due to the high level of forecast growth in accommodation and food services, health and education, each of which has a relatively high proportion of part-time employees. Similarly, very little of the economic activity in these sectors takes place in B-class uses.

Table 15-3: Employment change for baseline forecast, 2024-2046

	Total employment	Total FTE jobs	FTE jobs after WFH discount	Discounted FTE jobs in B-class uses
Cotswold	10,500	7,600	7,000	1,700
Forest of Dean	3,000	2,400	2,200	1,000
Stroud	10,600	7,600	7,100	1,200
Cheltenham	12,400	10,300	9,400	4,500
Gloucester	16,100	11,400	10,700	3,400
Tewkesbury	12,100	8,700	8,100	3,100
SLP Area	*40,600*	*30,400*	*28,200*	*11,000*
Total	**64,700**	**48,000**	**44,500**	**15,000**

Source: Iceni analysis

15.27 The following table shows in more detail the results in the last column of the above table, breaking them down by use class. By far the largest

category in terms of increase in FTE is office and research and development (R&D). While these results show a reduction in B2 FTE, this is driven by the forecast decrease in manufacturing employment, and as noted earlier in this chapter forecasts of industrial floorspace and land need based on employment forecasts such as this should be treated with caution and does not necessarily imply a reduction in floorspace need.

Table 15-4: FTE jobs change by use class in baseline forecast, 2024-2046

Use / use class	Office & R&D	B2	B8	Total
Cotswold	2,200	-500	-	1,700
Forest of Dean	700	200	100	1,000
Stroud	2,000	-1,300	500	1,200
Cheltenham	5,200	-900	200	4,500
Gloucester	3,000	-100	500	3,400
Tewkesbury	1,600	400	1,200	3,100
SLP Area	*9,700*	*-600*	*1,900*	*11,000*
Total	**14,700**	**-2,200**	**2,600**	**15,100**

Source: Iceni analysis

Note: Column and row totals may appear to differ from the totals quoted due to intermediate rounding.

15.28 Floorspace needs are then calculated. The assumptions used in these steps are set out in the table below, and are informed by the Homes and Communities Agency (HCA) Employment Density Guide Third Edition.

Table 15-5: Floorspace density and plot ratio assumptions for labour demand modelling

Use / Use class	Office	R&D	B2	B8
Floorspace per FTE (sqm)	14	60	38	74

Source: HCA Employment Densities Guide: 3rd Edition, adapted by Iceni

15.29 Applying these floorspace density assumptions to the FTE by use class results in **Table 15-4** generates the following floorspace need results, which amount to 209,100 sqm of office/R&D and 190,700 sqm of additional B8 space by 2046. The contraction in B2 FTE shown above translates to the negative floorspace result here, but as noted above this result should be treated with caution.

Table 15-6: Floorspace need (without margin or replacement demand) – 2024-46

	Office & R&D	B2	B8	Total
Cotswold	35,600	-19,200	2,700	19,100
Forest of Dean	10,300	6,700	6,000	23,000
Stroud	23,800	-49,200	39,900	14,400
Cheltenham	73,000	-33,300	16,300	56,100
Gloucester	41,800	-3,300	40,100	78,700
Tewkesbury	22,300	14,700	85,900	123,000
SLP Area	*137,200*	*-21,800*	*142,300*	*257,700*
Total	**206,900**	**-83,600**	**190,900**	**314,200**

Source: Iceni analysis

Margin to Provide Flexibility

15.30 Iceni consider that there is then a need to provide a margin to support choice and competition in the market for employment land. This would also allow for potential issues and delays with the delivery of employment sites while ensuring that economic growth is not constrained.

15.31 We have assumed a 5-year margin for industrial and 2-year margin for office/R&D is provided based, on past completions trends by use (using the 10-year trend). While Council monitoring data would be the most accurate source for average completions, a consistent set of data is not available across all authorities. As an alternative approach, CoStar data has instead been used to calculate average gross completions.

Replacement demand

15.32 The modelled forecasts are net changes and do not take account of replacement demand, such as from existing companies requiring upgraded floorspace or for existing or allocated sites for employment lost to other uses such as residential (and where businesses may require relocation). In considering how much employment land to allocate, it is therefore appropriate to consider this as an additional influence.

15.33 In modelling the potential for replacement demand, Iceni has also taken into account the potential for a level of latent demand for new employment space to have arisen whereby businesses have not been able to relocate because of a lack of available supply taking account of the low vacancy rate and limited new-build development in recent years.

15.34 In several cases there is evidence that there are likely to have been constraints on employment land supply in recent years. For Tewkesbury multiple stakeholders reported shortages of employment land, with existing allocations essentially built out. For Cotswold there has been limited progress in delivery of some of the major allocations in the 2018 Local Plan to date – including in particular the larger allocations at the Strategic Site south of Chesterton (the Steadings) at Cirencester and the Fire Service College in Moreton-in-Marsh.

15.35 More broadly, industrial vacancy rates in Gloucestershire were well below 5% across the County from around 2015-2022, indicating a persistent lack of available stock. Cotswold's vacancy rates remains below 5%.

15.36 A further consideration in driving replacement demand is prospective changes to legislative requirements requiring commercial premises to meet Minimum Energy Efficiency Standards (MEES).

15.37 Longer-term and comprehensive time-series data on the loss of employment floorspace is not available. As a result, and taking into account the above considerations, it is therefore assumed that replacement demand over the plan period will be the equivalent to one third of the older industrial stock listed on CoStar dating to before the 1990s. The following table illustrates this calculation, which implies a need for 774,328 sqm of additional industrial space across Gloucestershire over the period to 2046, with the majority of this need arising from the SLP Area.

Table 15-7: Industrial floorspace replacement demand calculation

	A: Pre-1990 stock	B: Replacement demand (B = A / 3)
Cotswold	171,765	57,255
Forest of Dean	302,474	100,825
Stroud	334,907	111,636
Cheltenham	221,596	73,865
Gloucester	425,086	141,695
Tewkesbury	453,579	151,193
SLP Area	*1,100,261*	*366,754*
Total	**1,909,408**	**636,469**

Source: Iceni analysis using CoStar data

15.38 Adding the flexible margin and the replacement demand requirement to the baseline labour demand model results in a need by use class for employment floorspace as shown in the table below.

Table 15-8: Floorspace need – sqm (including margin and replacement demand) – 2024-46

	Office & R&D	Industrial	Total
Cotswold	40,100	79,100	119,200
Forest of Dean	12,700	129,800	142,500
Stroud	26,900	195,700	222,600
Cheltenham	80,000	92,600	172,500
Gloucester	44,600	217,000	261,600
Tewkesbury	27,400	309,700	337,100
SLP	*152,000*	*619,200*	*771,200*
Total	**231,600**	**1,023,900**	**1,255,500**

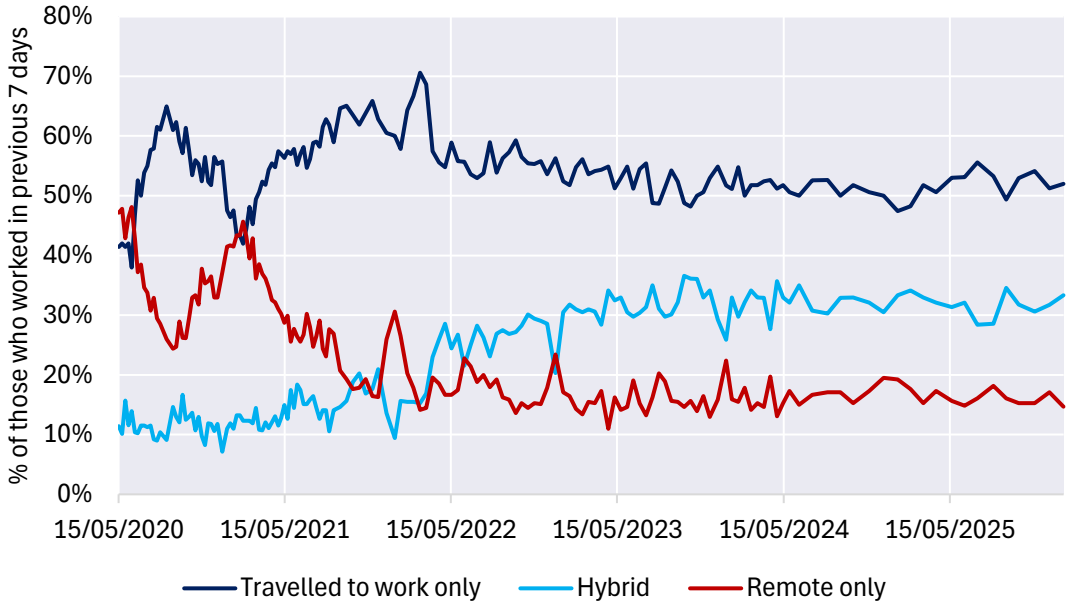
Source: Iceni analysis

Working from home scenario

15.39 Remote and hybrid working is becoming increasingly entrenched over time, if at below the levels seen during COVID-19. This is particularly notable in rural areas popular with professionals like Cotswold, where knowledge-intensive employment has grown substantially in recent years while very limited office space has been delivered.

15.40 The following figure shows the latest data from the ONS nation-wide on the prevalence of remote and hybrid working. This shows that rates have been relatively stable since mid-2023 (with perhaps a slight downwards trend in remote only work) with around 52% of people travelling to work only in the last seven days, 16% working remotely only, and 32% working in a hybrid arrangement. Given these percentages are for all workers, remote work rates are likely to be much higher in professional and office-based sectors.

Figure 15-4: Prevalence of remote and hybrid working – Great Britain



Source: Iceni analysis of ONS *Public opinions and social trends, Great Britain: working arrangements*

15.41 Slightly older ONS statistics from 2024 provide an indication of remote work rates by occupation and industry. This data shows remote working rates of those who worked in the last seven days of 22% - 24% for professionals, with hybrid working rates at around 50% for the same group. These statistics also show that 8% of all businesses operated entirely remotely, but this increased to 28% in the IT and communications sector, 18% in professional, scientific and technical services; and 11% in real estate.

15.42 The baseline labour demand modelling results above include a discount to employment of between 10-15% for broadly office-based sectors, and 5% for other sectors, to account for a proportion of employment occurring outside of offices and other regular workplaces (for example, for employees working from home). This discount reflects hybrid and remote working continuing in the longer term, but at a rate below current rates indicated by ONS statistics.

15.43 To reflect the potential for remote and hybrid working to continue in line with current patterns, an additional working from home labour demand

scenario has been created. This scenario uses higher discounts for office-based sectors broadly in line with current remote working rates indicated by ONS.

15.44 An additional discount has also been applied to office need results in this scenario to reflect lower utilisation of office space in the context of hybrid working patterns.

15.45 The latest research from the British Council for Offices (BCO) published in July 2025[63] indicates that office utilisation – the proportion of office-based workers who are in the office has settled at an average of 30% across the week, with a higher figure of 40% between Tuesday – Thursday. Their research indicates that for space planning it would be appropriate to plan for an upper parameter of 66% of office-based workers being in the office to provide some flexibility and account for the higher mid-week occupancy. This compares to the pre-pandemic figure of 80%.

15.46 Further evidence is provided by the Hybrid Working Index report from global consultancy Advanced Workplace Associates[64], which indicates that in Q2 2024, UK offices provided 56 desks per 100 employees on average, down from 79 per 100 in the July 2022 report.

15.47 The baseline labour demand results assumed 14 sqm per FTE job, based on the HCA Employment Densities Guide third edition, which would presumably have reflected average pre-pandemic occupancies. To reflect a reduction in office occupancies since then, a discount of 25% has been applied to additional office need results moving forwards in the working from home scenario (this would represent a reduction from 80% to 60% for example).

15.48 Floorspace needs under this scenario are shown in the tables below, including a margin for flexibility and provision for replacement demand.

[63] BCO Review of Post Pandemic UK Office Utilisation, July 2025

[64] Advanced Workplace Associates Hybrid Working Index 4, November 2024

Industrial results have been left unchanged from the baseline scenario. This results in a reduction in office and R&D floorspace needs county-wide from 231,700 sqm to 167,000 sqm.

Table 15-9: Floorspace need – sqm (including margin and replacement demand) – 2024-46

	Office & R&D	Industrial	Total
Cotswold	29,500	79,100	108,600
Forest of Dean	9,500	129,800	139,300
Stroud	19,300	195,700	215,000
Cheltenham	57,300	92,600	149,900
Gloucester	31,700	217,000	248,800
Tewkesbury	20,500	309,700	330,200
SLP	*109,600*	*619,200*	*728,800*
Total	**167,900**	**1,023,900**	**1,191,800**

Source: Iceni analysis

Employment Growth Scenario

15.49 There are a number of reasons to consider amended economic scenarios reflecting Gloucestershire specific economic prospects as an alternative to the baseline forecasts.

15.50 Off-the-shelf baseline forecasts largely share national and regional growth down to a local level using the relative strength of each sector locally influenced by past performance. Where there are planned growth initiatives or inward investment opportunities these will not be reflected (particularly in as far as they may result in a different outcome from historical initiatives). There can also be distortions caused by the national/regional outlook that should not be applied uncritically to the local level.

Difference between labour supply and baseline forecasts

15.51 Furthermore, the PPG sets out that demographically derived assessments of current and future local labour supply should be considered as an approach when modelling future employment land needs.

15.52 As set out in Chapter 3, the Government, through revisions to the NPPF in December 2024, has revised the standard method. The Revised Standard Method result is a substantial uplift on the previous standard method in many areas, including parts of Gloucestershire like Cotswold.

15.53 The following table compares the jobs supported by the Standard Method (as discussed in Chapter 3) with the baseline jobs growth for each authority. For every authority except Gloucester, the baseline jobs growth is lower than the jobs supported by the standard method, and in many cases substantially lower. This means that a much higher level of employment growth than the baseline forecast would be required to keep jobs and homes aligned. The difference is particularly large for Cotswold and Forest of Dean.

15.54 It is also worth noting that a large increase in housing development and population growth would be expected to increase jobs growth in sectors that provide services to the local population (e.g. retail), in construction, and to a lesser degree across the supply chain.

Table 15-10: Comparison of baseline jobs forecast to labour supply growth under the Standard Method (2024-46)

	Jobs supported by standard method	Baseline jobs growth forecast
Cotswold	26,300 - 28,000	10,500
Forest of Dean	11,400 - 14,600	3,000
Stroud	18,200 - 20,800	10,600
Gloucester	12,900 - 13,400	16,100
Cheltenham	17,400 - 18,700	12,400
Tewkesbury	15,800 - 17,500	12,100
SLP Area	*41,500 - 47,000*	*40,600*
Gloucestershire total	**106,800 - 107,700**	**64,700**

Source: Iceni analysis

Note the total and SLP Area subtotal jobs supported is different from the sum of the rows as the calculation applies commuting ratios from the broader area rather than summing rows.

Growth scenario

15.55 As a result of the difference between jobs supported and baseline growth, and of the economic effects of higher housing growth, a higher 'growth scenario' has been derived which broadly aligns to the growth in labour supply arising from housing provision in line with the standard method. To do this, uplifts have been applied at the sector level to the baseline Experian forecast.

15.56 Forecasts were first created for Cotswold, Forest of Dean, Stroud and the SLP Area, with the SLP Area forecast then uplifts broken down into constituent authorities (Gloucester, Cheltenham and Tewkesbury). While separate results are provided below for Gloucester, Cheltenham and Tewkesbury, it is most appropriate to consider these authorities at a joint level, particularly given that Golden Valley straddles the Tewkesbury / Cheltenham boundary and that much of the growth in

Tewkesbury recently has been within the broader urban areas of Gloucester and Cheltenham.

15.57 Uplifts were derived through a two-step process:

- Firstly, uplifts were applied to population-driven sectors based on jobs per person multipliers derived by Iceni from nation-wide jobs data, and from the level of uplift between population growth assumed in Experian's forecasts and that implied by the Standard Method.

- Secondly, further uplifts were applied in specific sectors based on likely growth sectors and opportunities indicated by stakeholder engagement (discussed in Chapter 13), the findings of the economic baseline and commercial market review, and extrapolation of past 10-year and 20-year employment trends.

15.58 The resulting employment forecasts under this scenario are shown in the table below. This scenario would see 103,700 jobs added in Gloucestershire between 2024-2046, an increase of 28% (1.1% per year). This is substantially above the baseline addition of 60,200 jobs over the same period.

Table 15-11: Growth scenario employment forecast – total employment

	2024	2046	Change	% Change	% CAGR
Cotswold	57,100	83,400	26,300	46.1%	1.74%
Forest of Dean	32,000	43,500	11,500	35.9%	1.41%
Stroud	61,600	80,300	18,700	30.4%	1.21%
Cheltenham	76,200	95,400	19,200	25.2%	1.03%
Gloucester	77,600	94,100	16,500	21.2%	0.88%
Tewkesbury	62,100	73,900	11,800	18.9%	0.79%
SLP Area	*215,900*	*263,400*	*47,500*	*22.0%*	*0.91%*
Gloucestershire total	**366,600**	**470,600**	**104,000**	**28.4%**	**1.14%**

Source: Iceni analysis of Experian forecasts 2025

15.59 The total jobs changes align with the job supported results in the following ways:

- The Cotswold result (+26,300 jobs) has been aligned with the 1:1 commuting ratio jobs supported. This commuting ratio has been used instead of the 2011 and 2021 commuting ratios (which would imply higher jobs growth) as Cotswold already has net in-commuting and a very high jobs density and so choosing the 2011 or 2021 commuting ratio would risk perpetuating current imbalances in jobs distributions.

- The Forest of Dean result (+11,500 jobs) has been aligned with the jobs supported under the Standard Method using the 2021 commuting ratio (+11,400), which is a lower number of jobs than implied by the 2011 ratio (+12,600) or 1:1 ratio (+14,600). This is considered realistic given the geography of the area and its relationship to wider employment centres on the M5 Corridor which are more commercially attractive locations for employment development.

  Given that historic employment growth in the Forest of Dean has been much lower than any of these results, the addition of 11,500 jobs appears more realistic than 12,600 or 14,600, albeit still challenging (and aspirational) given past trends and the commercial market. There do not appear to be planned infrastructure improvements or other economic opportunities which would justify a higher job forecast.

- An average between the 2011 and 2021 commuting ratio results has been used for Stroud.

- The SLP Area result (+47,300 jobs) is somewhat higher than the jobs supported under the Standard Method would suggest (an addition of between 41,500 and 47,000). This higher jobs result reflects the scale of economic opportunities at Golden Valley and along the M5 corridor, and also compensates for the lower commuting ratio being chosen for Forest of Dean (noting many Forest of Dean residents commute to Gloucester and the broader SLP Area).

15.60 The following table provides a breakdown of the employment uplift applied Gloucestershire-wide. The highest uplifts are applied in the following sectors:

- Computing and information services (+5,410 jobs), driven by opportunities at Golden Valley,

- Education (+3,740 jobs), accommodation and food services (+3,240) and residential care and social work (+2,410 jobs) and retail (+2,210 jobs), principally driven by the level of population uplift as well as by tourism opportunities for retail and hospitality,

- Land transport, storage and post (+2,210 jobs), reflecting likely interest in logistics uses along the M5 and the dualling of the A417/419 through Cotswold,

- Construction of buildings (+2,160 jobs) and specialised construction activities (+2,100 jobs), reflecting additional jobs opportunities created through residential construction and its supply chain and flow-on impacts, as well as economic opportunities from specialised technical education.

- Utilities (+2,120 jobs), reflecting existing sectoral strengths in Stroud and opportunities at Berkeley Green and in renewable energy more broadly.

Table 15-12: Comparison of baseline jobs forecast to labour supply growth under the Standard Method (2024-46)

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	1,000	1,270	270
Food, Drink & Tobacco (manufacture of	-100	1,190	1,290
Textiles & Clothing (manufacture of)	-300	20	320
Wood & Paper (manufacture of)	-200	780	980
Printing and Recorded Media (manufacture of)	-200	20	220
Pharmaceuticals (manufacture of)	200	100	-100
Non-Metallic Products (manufacture of)	-200	190	390
Metal Products (manufacture of)	800	930	130
Machinery & Equipment (manufacture of)	-1,500	-	1,500
Computer & Electronic Products (manufacture of)	-1,400	90	1,490
Transport Equipment (manufacture of)	-400	-	400
Other Manufacturing	200	840	640

Utilities	100	2,220	2,120
Construction of Buildings	1,000	3,160	2,160
Civil Engineering	100	180	80
Specialised Construction Activities	3,100	5,200	2,100
Wholesale	200	2,100	1,900
Retail	900	3,110	2,210
Land Transport, Storage & Post	2,700	4,910	2,210
Accommodation & Food Services	6,700	9,940	3,240
Media Activities	300	310	10
Telecoms	100	60	-40
Computing & Information Services	2,900	8,310	5,410
Finance	1,300	2,110	810
Insurance & Pensions	-500	240	740
Real Estate	2,800	3,920	1,120
Professional Services	9,600	11,590	1,990
Administrative & Supportive Services	9,200	9,760	560
Public Administration & Defence	-100	80	180
Education	4,100	7,840	3,740
Health	9,700	10,700	1,000
Residential Care & Social Work	5,000	7,410	2,410
Recreation	1,500	2,810	1,310
Other Private Services	1,800	2,650	850
Total	**60,200**	**104,000**	**43,800**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

15.61 Authority by authority breakdowns are provided in Appendix A3. However, the following broad directions were taken in deriving the scenario in each authority.

15.62 In **Cotswold**, large uplifts were applied to population-driven sectors (given the scale of additional population growth implied by the Standard

Method) and industrial and logistics sectors (given the dualling of the A417/419 and more dispersed industrial opportunities). Knowledge intensive sectors were uplifted, but to a lesser degree given market intelligence that stand-alone office development in Cotswold is unviable, and very little office space has been delivered in recent years.

15.63 In **Forest of Dean**, the largest uplifts were in tourism related sectors (accommodation and food services and retail and to a lesser extent recreation), construction and education (population driven as well as potential growth opportunities arising from Hartpury). Smaller uplifts were applied to several industrial and manufacturing sectors, which are relatively specialised in the area. Uplifts to professional services were relatively small, reflecting the very small office market in Forest of Dean and historically poor performance in these sectors.

15.64 In **Stroud**, the greatest uplifts were applied in:

- Utilities/ energy, reflecting existing sectoral strengths and ambitions for the Berkeley Green site;
- Several manufacturing subsectors which were forecast to have sharp declines under the baseline forecast for which no decline was forecast in the growth scenario;
- Transport and logistics, reflecting potential demand for sites along the M5;
- Hospitality, based on the potential for Stroud to capture a greater level of expenditure from visitors.

15.65 Again, smaller uplifts were applied in other sectors with relatively limited uplifts in knowledge intensive sectors (in line with past performance).

15.66 In the **SLP Area**, a large uplift was applied in the computing and information services, consistent with the 10-year growth trend, and reflecting potential employment growth at and around Golden Valley. A smaller uplift was applied for supply chain uplifts in professional services. Small uplifts were also applied in several manufacturing

subsectors which were forecast to decline in employment under the Experian baseline.

Growth Scenario Labour Demand

15.67 As with the baseline employment forecast, a labour demand model has been used to show the floorspace need implications of the employment growth scenario. Consistent approaches and assumptions have been used for labour demand modelling between the two scenarios.

15.68 The following table shows total employment and FTE results stepping through the labour demand calculation for the growth scenario. As with the baseline scenario, high levels of forecast growth in hospitality, health and education lead to relatively large discounts between total jobs and FTE jobs, and between total FTE jobs and those in B class uses.

Table 15-13: Employment change for growth forecast, 2024-2046

	Total employment	Total FTE jobs	FTE jobs after WFH discount	Discounted FTE jobs in B-class uses
Cotswold	26,000	21,400	20,000	8,300
Forest of Dean	11,200	9,300	8,700	2,800
Stroud	19,400	15,300	14,300	5,000
Cheltenham	18,400	15,400	14,000	6,900
Gloucester	17,000	12,500	11,600	4,900
Tewkesbury	13,100	9,900	9,300	4,500
SLP Area	*48,500*	*37,800*	*34,900*	*16,200*
Gloucestershire total	**105,100**	**83,800**	**78,000**	**32,300**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding

15.69 The following table breaks the last column down to show the increase in FTE jobs by specific B-class uses. As with the baseline the largest

category by additional FTE jobs is Office and R&D. In contrast to the baseline, there is an increase in FTE jobs in B2 class uses (apart from in Cheltenham), and a larger increase in B8 class uses.

Table 15-14: FTE jobs change by use class for growth forecast, 2024-2046

Use / use class	Office & R&D	B2	B8	Total
Cotswold	4,700	2,300	1,200	8,300
Forest of Dean	1,300	1,300	200	2,800
Stroud	3,200	700	1,100	5,000
Cheltenham	7,300	-800	400	6,900
Gloucester	4,400	-	500	4,900
Tewkesbury	1,800	1,500	1,100	4,500
SLP Area	*13,400*	*700*	*2,000*	*16,200*
Gloucestershire total	**22,700**	**5,000**	**4,100**	**32,300**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding

15.70 Floorspace needs are then calculated, with the results shown in the following table. This gives an overall employment floorspace need of around 803,300 sqm across Gloucestershire. There is a substantial need for office space in the SLP area in particular, and for industrial space across all authorities (although the lowest need is in Forest of Dean).

Table 15-15: Floorspace need under employment growth scenario – sqm (without margin or replacement demand) – 2024-46

	Office & R&D	B2	B8	Total
Cotswold	73,600	88,400	91,000	253,000
Forest of Dean	18,400	49,100	16,900	84,400
Stroud	46,300	25,100	84,200	155,600
Cheltenham	102,800	-29,100	26,500	100,200
Gloucester	61,300	-400	38,300	99,200
Tewkesbury	27,400	57,800	82,600	167,700
SLP Area	*191,500*	*28,300*	*147,300*	*367,100*
Gloucestershire total	**329,700**	**191,000**	**339,500**	**860,100**

Source: Iceni analysis

15.71 Adding the flexible margin and replacement demand gives higher need results shown in the tables below.

Table 15-16: Floorspace need under employment growth scenario (with margin and replacement demand) – 2024-46

	Office & R&D	Industrial	Total
Cotswold	78,100	275,100	353,100
Forest of Dean	20,700	183,100	203,900
Stroud	49,400	314,400	363,800
Cheltenham	109,800	106,900	216,700
Gloucester	64,000	218,000	282,100
Tewkesbury	32,500	349,400	381,800
SLP Area	206,300	674,400	880,600
Gloucestershire total	**354,400**	**1,447,000**	**1,801,400**

Source: Iceni analysis

15.72 Similarly to the approach taken with the baseline employment scenario, a working from home scenario has been created using these higher employment growth figures, assuming working from home rates stay at

current levels and that office occupation rates are reduced from pre-pandemic levels. The resulting floorspace needs are shown in the table below.

Table 15-17: Floorspace need under employment growth WFH scenario (with margin and replacement demand) – 2024-46

	Office & R&D	Industrial	Total
Cotswold	55,200	275,100	330,200
Forest of Dean	15,100	183,100	198,300
Stroud	35,900	314,400	350,300
Cheltenham	76,700	106,900	183,600
Gloucester	43,900	218,000	262,000
Tewkesbury	24,000	349,400	373,400
SLP Area	144,600	674,400	819,000
Gloucestershire total	**250,800**	**1,447,000**	**1,697,800**

Source: Iceni analysis

Completions Projections

15.73 Historic completions have been considered and projected forward to provide an indication of future floorspace need. This projection provides a market trend-based result which indicates how much floorspace will be needed in the future if the market behaves as it has in the past. Both gross and net deliveries have been considered and are discussed below.

15.74 **Gross completions** have been analysed using CoStar data (note this data may understate the level of delivery as it may not capture smaller schemes) for all authorities except Cotswold where a detailed timeseries of completions data in a suitable format is available, and has been analysed by Iceni as part of a separate commission, and so was used.

15.75 Gross completions are useful as they inherently take into account all demand including replacement demand (on-site and off-site redevelopment and redeployment). This is particularly relevant considering that replacement demand has not been considered as part of the labour demand modelling.

15.76 However, using gross completions can overstate demand given that some development may have been for redevelopment for the same use but with newer stock – such redevelopment may continue in the future but do not generate a need for additional land provision.

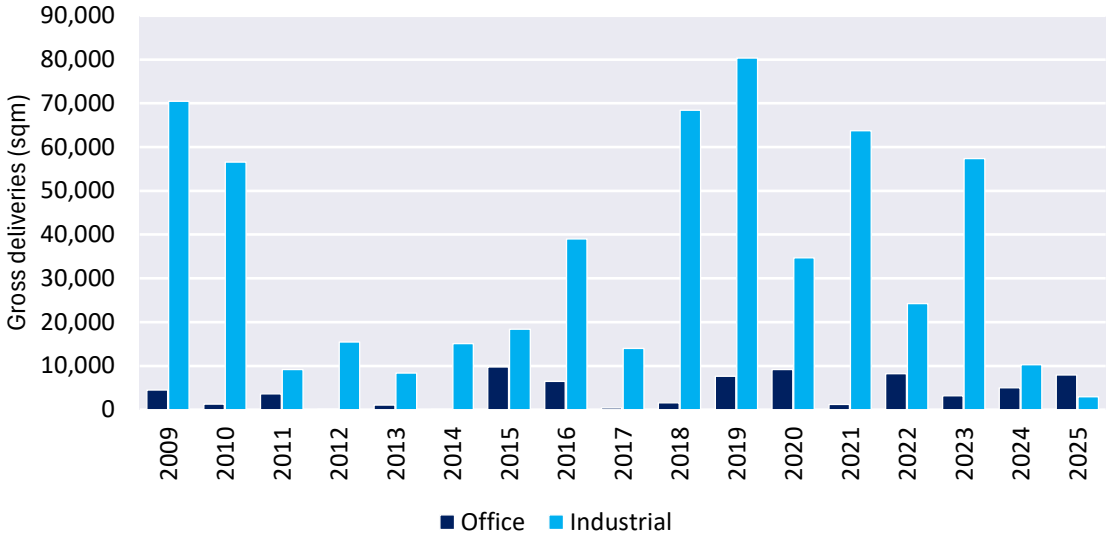
15.77 **Net completions** deduct losses from gross completions to identify total stock change. As comprehensive data is not available from all authorities, this has instead been considered based on the total stock in each authority as reported by the Valuation Office Agency (VOA). Again for Cotswold a detailed timeseries of net completions from monitoring data was available and was used instead of VOA data.

15.78 Depending on the types of losses that have taken place, net completions change can significantly underestimate needs. Detailed data on losses is required to understand how net completions need to be augmented to take account of losses that need to be replaced – i.e. replacement demand.

Gross completions

15.79 The chart below profiles trends in gross employment floorspace completions by time over the last 15 years in Gloucestershire. There were several large completions in Tewkesbury and Stroud in 2009 and 2010, followed by a period of modest delivery. Since 2015 delivery has been higher. Industrial delivery has substantially outpaced office delivery in all years.

Figure 15-5: Gross floorspace completions per year, Gloucestershire



Source: CoStar, 2025

15.80 The time period considered for market-trend based land need calculations should ideally be long enough to capture market cycles including periods of higher and lower delivery; but should not be unduly influenced by outlier years or periods with significant supply constraints (in particular land constraints). The ten year period from 2015-2024 (the data for 2025 is not for a complete year) has been selected for this purpose as a period with moderate delivery including years both before and after COVID-19.

15.81 The following two tables present the need calculation using this time period for office and industrial land uses. It is not possible to separate B2 and B8 uses in this calculation because CoStar does not separate these classes in its industrial market data.

Table 15-18: Office floorspace need calculation using gross completions

	A: 10y average yearly deliveries	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin
Cotswold	2,237	49,200	53,700
Forest of Dean	1,153	25,400	27,700
Stroud	1,555	34,200	37,300
Cheltenham	3,463	76,200	83,100
Gloucester	1,382	30,400	33,200
Tewkesbury	2,541	55,900	61,000
SLP	*7,386*	*162,500*	*177,300*
Total	**12,331**	**271,300**	**295,900**

Source: Iceni analysis

Table 15-19: Industrial floorspace need calculation using gross completions

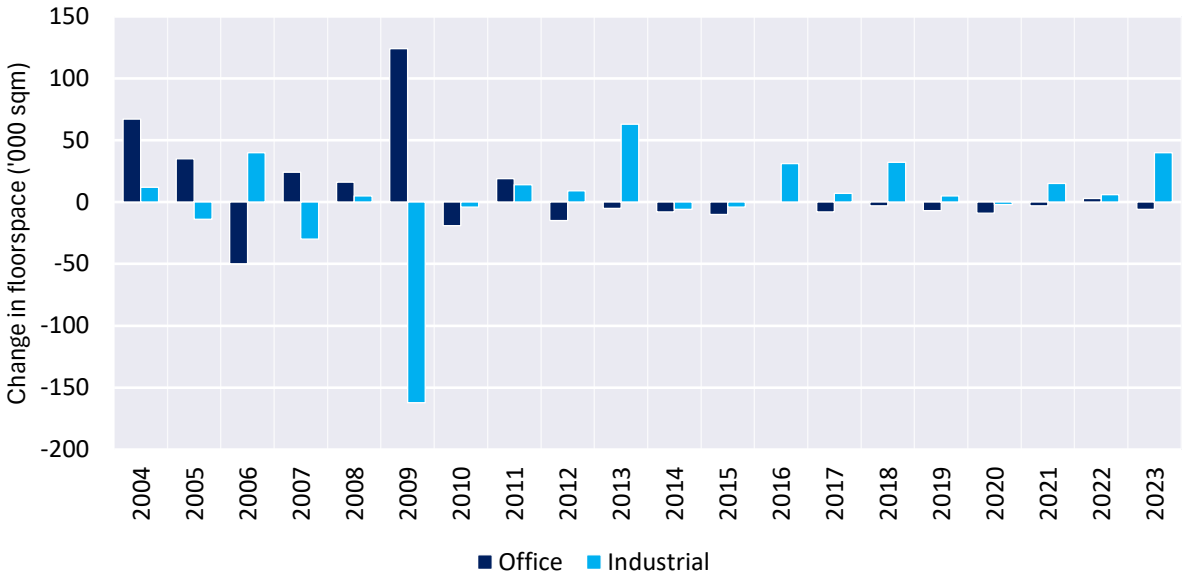
	A: 10y average yearly delivery	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin & repl. demand
Cotswold	7,670	168,700	207,100
Forest of Dean	3,262	71,800	88,100
Stroud	18,696	411,300	504,800
Cheltenham	7,131	156,900	192,500
Gloucester	7,694	169,300	207,700
Tewkesbury	11,568	254,500	312,300
SLP	*26,393*	*580,600*	*712,600*
Total	**56,020**	**1,232,400**	**1,512,500**

Source: Iceni analysis

Net change in floorspace

15.82 The following figure shows the net change in floorspace per year across the County over the last 20 years as recorded by the VOA.

Figure 15-6: Change in floorspace per year, Gloucestershire



Source: VOA 2025

15.83 The very large decrease in industrial space in 2009 at the same time as a very large increase in office space appears to be the result of a reclassification of floorspace rather than any real loss or gain of space. A similar issue may be present in 2006. As the data in these years appears more variable and less robust, a time period used to calculate average net change should not cover these years. Instead, a ten year window (2013-2023) has been adopted consistent with the gross completions analysis

15.84 However, the VOA records no net increase in office space since 2013 on a county-wide basis. As a result, this analysis is likely to understate office need overall.

15.85 The following two tables show the resulting need calculations using this data. As a result of the recent loss of office space in Gloucester and Cheltenham, this analysis does not indicate a net need for office space

in the future (given that it is trend based). However, this result should be treated with caution particularly without consideration of replacement demand and the degree to which supply-side constraints may have influenced trends.

15.86 As with the labour demand modelling, the net completions trend results include an allowance for replacement of industrial stock, and a margin for flexibility.

Table 15-20: Office floorspace need calculation using net change in floorspace (VOA, with monitoring data for Cotswold)

	A: 10y average yearly change	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin
Cotswold	300	5,800	10,300
Forest of Dean	300	6,600	8,900
Stroud	900	19,800	22,900
Cheltenham	-4,900	-107,800	-100,900
Gloucester	-3,000	-66,000	-63,200
Tewkesbury	1,100	24,200	29,300
SLP	*-6,800*	*-149,600*	*-134,800*
Total	**-5,336**	**-117,400**	**-92,700**

Source: Iceni analysis

Table 15-21: Industrial floorspace need calculation using net change in floorspace (VOA, with monitoring data for Cotswold)

	A: 10y average yearly change	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin & repl. demand
Cotswold	4,600	100,700	196,300
Forest of Dean	300	6,600	123,700
Stroud	11,800	259,600	464,700
Cheltenham	-4,800	-105,600	3,900
Gloucester	1,100	24,200	204,400
Tewkesbury	5,800	127,600	336,600
SLP	*2,100*	*46,200*	*544,900*
Total	**18,775**	**413,100**	**1,329,600**

Source: Iceni analysis

Net Absorption

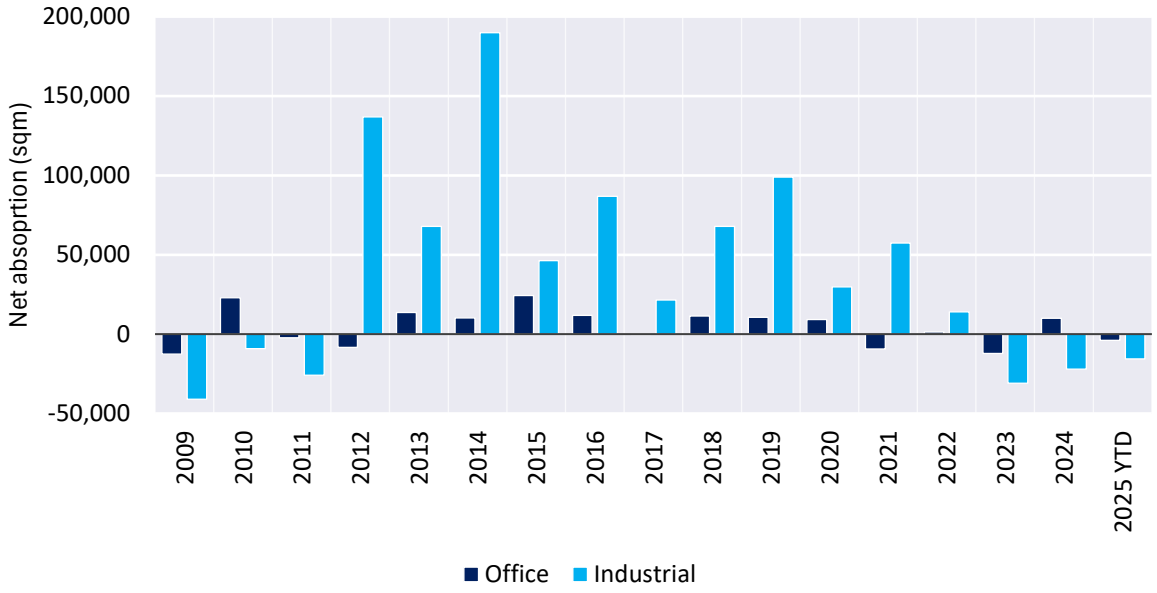
15.87 A third supply-based calculation looks at past take-up of space occupied (rather than land delivered), measured by net absorption using CoStar data. As explained in the Chapter 6, the net absorption is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move ins – Move outs), equating to the change in occupied space.

15.88 This differs from the net completions-based calculations in that it predicts future floorspace requirements directly based on market demand for floorspace rather than past completions of floorspace (which is only a proxy for floorspace demand).

15.89 As shown in the figure below (and discussed in Chapter 7), net absorption for office as well as industrial uses has been static or negative since COVID-19, and so a short-term time-period would not provide a good basis for establishing a net absorption trend to be used

in predicting future needs. In contrast, net absorptions were very high in 2012 and 2014 driven by the take-up of large premises in Tewkesbury and Stroud. As a result, a ten-year period (aligned with the analysis above) has been used for this analysis.

Figure 15-7: Net absorption by year, Gloucestershire



Source: CoStar 2025

15.90 The following two tables illustrate the calculation of need using net absorption for industrial and office. As with the completions-based analysis above, it is not possible to provide separate results for B2 and B8 as a result of these use classes not being separated in CoStar.

15.91 The estimated floorspace requirements below also show the employment floorspace requirements after considering a margin for flexibility. An additional allowance for replacement demand has not been applied to the net-absorption-based projections. This is because net absorption reflects the net change in occupied floorspace arising from market activity, and therefore already incorporates an element of occupier churn, relocations and firm expansion. Applying a separate replacement allowance could therefore risk double counting demand already reflected in the historic absorption trends.

Table 15-22: Office floorspace need calculation using net absorption

	A: 10y average yearly net absorption	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin
Cotswold	636	14,000	18,500
Forest of Dean	348	7,700	10,000
Stroud	1,165	25,600	28,700
Cheltenham	174	3,800	10,800
Gloucester	1,893	41,600	44,400
Tewkesbury	1,568	34,500	39,600
SLP	*3,635*	*80,000*	*94,700*
Total	**5,785**	**127,300**	**151,900**

Source: Iceni analysis

Table 15-23: Industrial floorspace need calculation using net absorption

	A: 10y average yearly net absorption	B: Need 2024-46 without margin (A x 22)	C: Need 2024-46 with margin
Cotswold	2,114	46,500	84,900
Forest of Dean	551	12,100	28,400
Stroud	19,009	418,200	511,700
Cheltenham	1,397	30,700	66,400
Gloucester	4,634	101,900	140,400
Tewkesbury	9,252	203,500	261,400
SLP	15,282	336,200	468,200
Total	**36,957**	**813,000**	**1,093,100**

Source: Iceni analysis

Suppressed demand

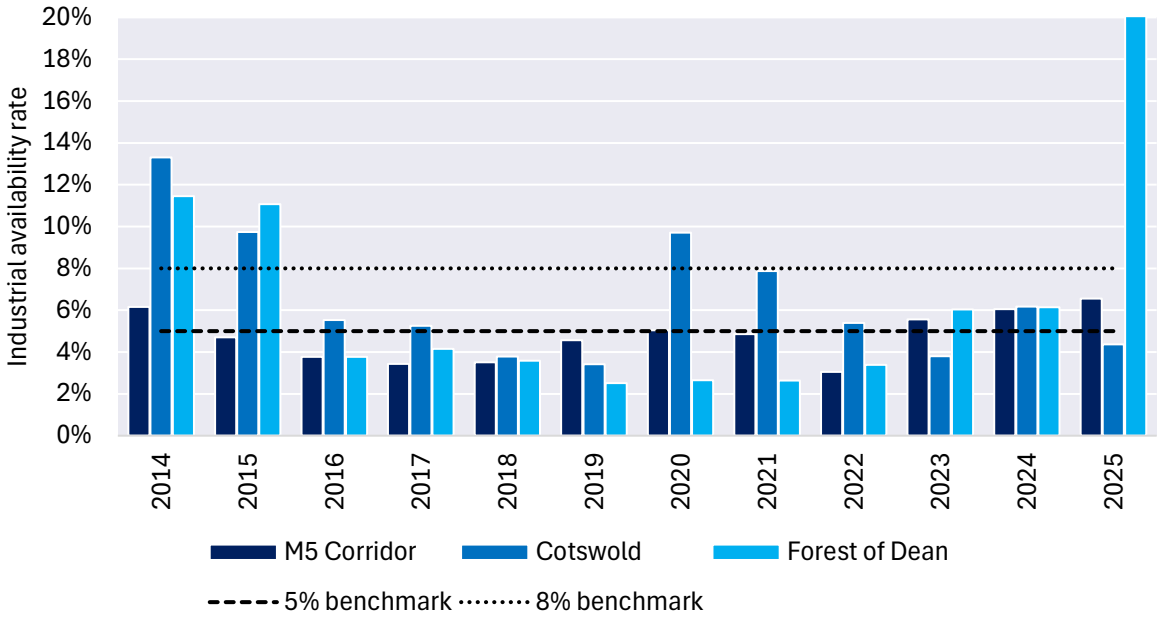
15.92 An alternative to a margin for flexibility is an adjustment for 'suppressed demand'. This reflects the concept of insufficient supply in the market, leading to demand not being accommodated and therefore can be

considered 'suppressed', with prospective occupiers unable to find suitable space. Ongoing supply shortages can deter inward investment and growth.

15.93 As noted previously, it is widely considered that a 5% - 10% vacancy (and availability) is a healthy market[65], allowing new occupiers to enter and existing occupiers to find new space or expand, with 8% being a typical optimum.

15.94 The figures below show the historic availability rate (space advertised rather than vacant) and net absorption for industrial uses in authorities along the M5 corridor (i.e. Gloucester, Stroud, Tewkesbury and Cheltenham) which is considered a natural market geography for strategic industrial sites. Availability rates are shown separately for Cotswold and Forest of Dean.

Figure 15-8: Availability rate of industrial stock



Source: CoStar 2025

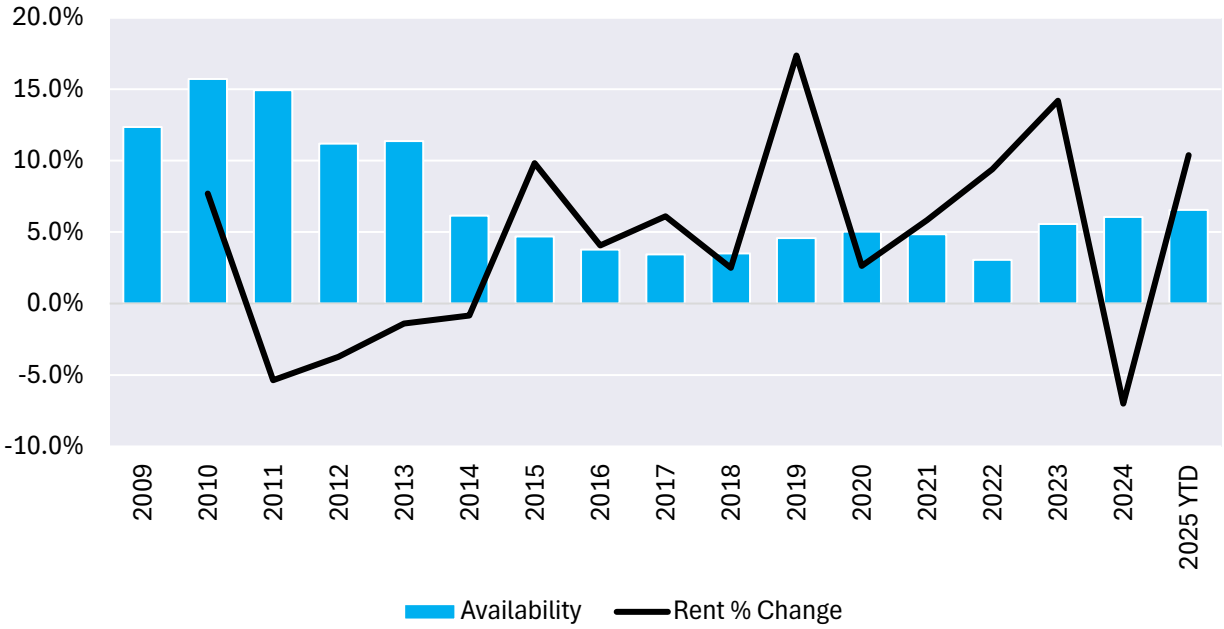
[65] Found in a number of publications, including GLA's Land for Industry and Transport Supplementary Planning Guidance (SPG) and British Property Federation Levelling up of Logistics 2021

15.95 In the M5 corridor, availability rates were consistently low from 2015 until 2022, falling below both the 5% and 8% benchmarks throughout this period, although rising above 5% from 2023 onwards. Availability rates have been somewhat higher in Cotswold and Forest of Dean, although both have seen availability below 5% in some years.

15.96 There is thus the potential that demand, and so absorptions, along the M5 corridor in particular may have been suppressed by the lack of available stock. As a result, some occupiers looking to move into or within the M5 corridor in Gloucestershire may have been unable to find space, and so either not expanded or gone elsewhere in the region / UK This is consistent with the findings of the stakeholder engagement, which noted very low availability for strategic sites.

15.97 Further evidence is provided by comparing changes in rents to the availability rate over time. This comparison is shown in the figure below for the M5 corridor authorities (i.e. the SLP area plus Stroud). A period of high rental growth of generally 5% per year or more appears to have coincided with stock availability falling below 5% from 2015 onwards. This supports the hypothesis that demand suppression has occurred.

Figure 15-9: Industrial availability vs rental growth in M5 corridor authorities



Source: Iceni analysis of CoStar 2025

15.98 A 'suppressed demand' model has been developed by Savills and set out in the British Property Federation's Levelling up of Logistics 2021 report[66]. This 'tops up' historic take-up to where it would have been at 8% availability. Whilst the model is not established in Planning Practice Guidance, it is considered useful as a sensitivity scenario in this study, where the market appears to have been consistently suppressed over several years. It assumes that the market 'wanted and will want' this level of take-up consistently, which may not be the case.

15.99 Savills' preference for the availability 'target' is 8%, with 5% being a recognised minimum. However, for strategic units and strategic sites, this 8% is considered by Iceni to be more optimistic than the wider market, partly as build-to-suit rather than spec build is more common for very large units due to higher costs, which would mean typically lower vacancy and potentially lower availability depending on marketing and pre-let strategies. As a result, it is considered that a rate below 8% is a

[66] https://bpf.org.uk/our-work/research-and-briefings/

reasonable minimum, and an availability rate of 5% has been carried forward under a 'Low' scenario, and an 8% rate under a 'High' scenario and a suppressed-demand scenario. The steps involved in the calculation are:

- Available floorspace (C) is calculated by multiplying the inventory by the availability rate.
- To calculate the floorspace required to achieve an 5/8% availability rate for each year, the availability rate (B) is taken away from 5/8%, and the residual is multiplied by the inventory (A). This produces the figure in column F.
- The ratio of net absorption and available floorspace is calculated for each year (E = D/C), and the average is produced.
- For each year that the availability is below 5/8%, the average ratio is multiplied by the floorspace required to reach 5/8% availability to estimate each year's suppressed net absorption (G=X%*F) and then the average of this is calculated.

15.100 The suppressed demand need at 5% and 8% availability has been run for the 10-year (2015-24 inclusive) period, and the results are detailed in the table below. The average annualised suppressed demand is rolled forward over the plan period (multiplied by 24) to provide a 'top-up' in addition to the base 10-year historical net absorption trend.

15.101 This calculation has been performed for the M5 corridor authorities given there is a degree of interchangeability of strategic sites along or near the M5, and that strategic employment growth in Tewkesury and Stroud is meeting some needs unable to be met in Gloucester and Cheltenham.

15.102 The M5 corridor results have then been allocated into the SLP area and Stroud on an 80%/20% ratio as a midpoint between the distribution between these areas of:

- Existing stock (27% in Stroud and 73% in the SLP area),
- Recent leasing activity (36% in Stroud and 64% in the SLP area, noting this could be impacted by availability of strategic sites), and

- Supressed demand calculations for the areas individually (8% in Stroud vs 92% in the SLP area).

15.103 While an 80%/20% ratio is considered reasonable on this basis, an alternative ratio could be justified based on land availability through a joint strategic planning process or duty to cooperate.

15.104 A further allocation from the SLP Area results into the individual authorities has not been conducted given joint strategic planning within the SLP areas, and the likely very limited availability of additional land for strategic industrial uses within Gloucester and Cheltenham.

15.105 For completeness, the supressed demand analysis has also been performed for Cotswold and Forest of Dean, noting that industrial sites in these authorities are considered less comparable to those along the M5 corridor, and that while availability in these authorities has fallen below 5% in some years there is less clear-cut evidence of demand suppression.

Table 15-24: Industrial floorspace need calculation using suppressed demand model (using 5% benchmark availability rate)

	A: Yearly need based on net absorption	B: Yearly supressed demand adjustment	C: Yearly need with adjustment (C = A + B)	D: Need 2046 with adjustment (D = C x 22)
Cotswold	2,114	146	2,261	49,700
Forest of Dean	551	673	1,224	26,900
Stroud	19,009	1,247	20,257	445,600
SLP Area	15,282	4,989	20,271	446,000
Total	**36,957**	**7,055**	**44,012**	**968,300**

Source: Iceni analysis

Table 15-25: Industrial floorspace need calculation using suppressed demand model (using 8% benchmark availability rate)

	A: Yearly need based on net absorption	B: Yearly supressed demand adjustment	C: Yearly need with adjustment (C = A + B)	D: Need 2046 with adjustment (D = C x 22)
Cotswold	2,114	834	2,948	64,900
Forest of Dean	551	2,037	2,588	56,900
Stroud	19,009	6,283	25,293	556,400
SLP Area	15,282	25,133	40,415	889,100
Total	**36,957**	**34,287**	**71,243**	**1,567,400**

Source: Iceni analysis

Bringing the Evidence Together

15.106 Approximate land area requirements have been calculated from each floorspace need result using plot ratio assumptions. A plot ratio of 0.5 has been used for offices, assuming that most office space is delivered at business park rather than town centre densities having regard to the nature of the area, market and viability considerations. A plot ratio of 0.4 is adopted for industrial uses.

Industrial needs

15.107 The following table collates the floorspace and land need results for industrial space from the analyses above.

15.108 As discussed earlier in this chapter, the baseline labour demand scenario does not facilitate sufficient jobs growth to support the additional labour supply supported by the standard method. It also does not take account of local economic opportunities or strengths, including those associated with additional housing development and population

growth. As a result, the baseline labour demand results are likely to understand industrial land needs.

15.109 There is substantial evidence of industrial demand suppression in the M5 corridor from both market data and stakeholder engagement. As a result, it is appropriate to plan for a level of growth which recognises this. For the SLP area, the growth scenario labour demand results fall between the two supressed demand modelling results, and so appear to be the most sensible guide to future industrial needs. This is above the two net market signals approaches (as expected given historic constraints on supply), but falls below the gross completions which in many cases would be considered an upper bound for demand.

15.110 For Stroud, a result between the two suppressed demand results again appears sensible. In this case the net absorption result (which includes a large margin for flexibility based on recent high completions rates) falls within this range. While it lies above the growth scenario labour demand result, this gap would facilitate additional delivery to combat past supply constraints, and would also allow changes in industrial use patterns as productivity improves. In a context where the floorspace demand is influenced by replacement demand issues it does not imply that jobs growth would be necessarily higher overall ; and the sectoral distribution of employment may differ from that in the growth scenario.

15.111 For Cotswold and Forest of Dean, all market-trend based results including the supressed demand results (noting the evidence for supressed demand is less clear) fall below the growth scenario labour demand modelling result. Given this, it is considered most appropriate to plan for growth in line with the growth scenario labour demand modelling, as this is the only result which captures the implications of the population growth required by the Standard Method, as well as additional economic opportunities in Cotswold following the A417/419 duplication.

15.112 In summary, it is considered that the following industrial land needs should be planned for across the 2024-46 period:

- 275,100 sqm or 68.8 ha in Cotswold, equivalent to around 12,500 sqm or 3.1 ha per year
- 183,100 sqm or 45.8 ha in Forest of Dean, equivalent to around 8,300 sqm or 2.1 ha per year
- 511,700 sqm or 127.9 ha in Stroud, equivalent to around 23,300 sqm or 5.8 ha per year
- 674,400 sqm or 168.8 ha in the SLP area, equivalent to around 30,670 sqm or 7.7 ha per year, with the allocation into each authority determined through joint planning.

15.113 It may be appropriate to regard this level of provision as a minimum, given the potential for some sui generis uses such as data centres or uses associated with emerging energy technologies (i.e. battery storage energy systems or hydrogen production, storage and distribution facilities). Emerging uses such as these which have not been developed previously would not be accounted for in market signals and may require large spaces out of keeping with their level of employment, and so would not necessarily be reflecting in the modelling presented above.

15.114 A quantitative understanding of potential land needs for data centre and energy related uses would require separate technical evidence and is beyond the scope of this report.

Table 15-27: Industrial floorspace need results summary (sqm)

	Baseline labour demand	Growth scenario labour demand	Gross completions	Net completions (VOA)	Net absorption	Suppressed demand (5% benchmark)	Suppressed demand (8% benchmark)
Cotswold	79,100	275,100	207,100	196,300	84,900	49,700	64,900
Forest of Dean	129,800	183,100	88,100	123,700	28,400	26,900	56,900
Stroud	195,700	314,400	504,800	464,700	511,700	445,600	556,400
Cheltenham	92,600	106,900	192,500	3,900	66,400	N/A	N/A
Gloucester	217,000	218,000	207,700	204,400	140,400	N/A	N/A
Tewkesbury	309,700	349,400	312,300	336,600	261,400	N/A	N/A
SLP	*619,200*	*674,400*	*712,600*	*544,900*	*468,200*	*446,000*	*889,100*
Total	**1,023,900**	**1,447,000**	**1,512,500**	**1,329,600**	**1,093,100**	**968,200**	**1,567,300**

Source: Iceni analysis

Table 15-28: Industrial land need results summary (ha)

	Baseline labour demand	Growth scenario labour demand	Gross completions	Net completions (VOA)	Net absorption	Suppressed demand (5% benchmark)	Suppressed demand (8% benchmark)
Cotswold	19.8	68.8	51.8	49.1	21.2	12.4	16.2
Forest of Dean	32.5	45.8	22.0	30.9	7.1	6.7	14.2
Stroud	48.9	78.6	126.2	116.2	127.9	111.4	139.1
Cheltenham	23.1	26.7	48.1	1.0	16.6	N/A	N/A
Gloucester	54.3	54.5	51.9	51.1	35.1	N/A	N/A
Tewkesbury	77.4	87.3	78.1	84.2	65.4	N/A	N/A
SLP	*154.8*	*168.6*	*178.2*	*136.2*	*117.1*	*111.5*	*222.3*
Total	**256.0**	**361.7**	**378.1**	**332.4**	**273.3**	**242.1**	**391.8**

Source: Iceni analysis

Office

15.115 The following tables provide a similar summary of results for office and R&D floorspace and land results. Overall, office need results are substantially lower than industrial results.

15.116 Apart from the gross completions, the market-trend based results for office space fall well below the growth scenario labour demand results (under either the standard or WFH set of assumptions). This reflects recent office losses from conversions and reductions in office demand in the context of the recent rise in remote and hybrid working.

15.117 The condition of the office market should be considered when triangulating between the different office need results. Analysis of recent leases as reported on CoStar show that rents of £35/sqf or above have only have achieved on large leases in Cheltenham, and in rare cases for small amounts of floorspace elsewhere (less than 100 sqm) generally in boutique developments. As a result, stand-alone speculative office development is unlikely to currently be feasible in most parts of the County (noting rents of £35/sqf and often at least £40/sqf are generally required for feasibility).

15.118 This is consistent with the findings of stakeholder consultation, and with recent office delivery, which has been relatively lumpy year to year (i.e. not a consistent pattern of deliveries across multiple years) and concentrated in a few key areas (mostly M5 office park locations).

15.119 Given this, market evidence would in most cases not support the existence of a need for office delivery above labour demand modelling results under the working from home set of assumptions. However, as with industrial the baseline set of labour demand results do allow for enough jobs growth to align with the increase in labour supply under the standard method. As such, the ‘Growth Scenario WFH labour demand’ results are considered the most appropriate for Cotswold, Forest of Dean and Stroud.

15.120 Cheltenham has the strongest office market, and the SLP area has strong economic opportunities in knowledge based sectors, particularly IT, following on from the Golden Valley development. As a result, it is considered that the growth scenario WFH results (144,600 sqm) for the SLP area should be considered as a *minimum* level of office and R&D floorspace need to plan for. It is noted that between 1 and 1.2 million sqf of commercial space are proposed at Golden Valley, which would constitute most of this need result.

15.121 Providing some scope for provision above this over the modelled period would therefore ensure that there is a sufficient flexibility in economic land supply not to risk constraining growth, particularly in the context of recent losses of office space through conversion to residential use in both Gloucester and Cheltenham. As a result, it would be appropriate to plan for a level of office supply between the growth scenario labour demand modelling results under the WFH and standard set of assumptions (i.e. between 144,600 sqm and 206,200 sqm).

15.122 In summary, Iceni recommend that the following office and R&D needs should be planned for over the 2024-46 period:

- 55,200 sqm or 11.0 ha in Cotswold, equivalent to around 2,500 sqm or 0.5 ha per year
- 15,100 sqm or 3.0 ha in Forest of Dean, equivalent to around 700 sqm or 0.14 ha per year
- 35,900 sqm or 7.2 ha in Stroud, equivalent to around 1,600 sqm or 0.3 ha per year
- Between 144,600 and 206,300 sqm, or 28.9 and 41.3 ha in the SLP area, with any allocation into individual authorities to be determined through joint strategic planning processes

Table 15-29: Office floorspace need results summary (sqm)

	Baseline labour demand	Growth scenario labour demand	Baseline WFH labour demand	Growth Scenario WFH labour demand	Gross completions	Net completions (VOA)	Net absorption
Cotswold	40,100	78,100	29,500	55,200	53,700	10,300	18,500
Forest of Dean	12,700	20,700	9,500	15,100	27,700	8,900	10,000
Stroud	26,900	49,400	19,300	35,900	37,300	22,900	28,700
Cheltenham	80,000	109,800	57,300	76,700	83,100	-100,900	10,800
Gloucester	44,600	64,000	31,700	43,900	33,200	-63,200	44,400
Tewkesbury	27,400	32,500	20,500	24,000	61,000	29,300	39,600
SLP	*152,000*	*206,300*	*109,600*	*144,600*	*177,300*	*-134,800*	*94,800*
Total	**231,600**	**354,400**	**167,900**	**250,800**	**295,900**	**-92,700**	**151,900**

Source: Iceni analysis

Table 15-30: Office land need results summary (ha)

	Baseline labour demand	Growth scenario labour demand	Baseline WFH labour demand	Growth scenario WFH labour demand	Gross completions	Net completions (VOA)	Net absorption
Cotswold	8.0	15.6	5.9	11.0	10.7	2.1	3.7
Forest of Dean	2.5	4.1	1.9	3.0	5.5	1.8	2.0
Stroud	5.4	9.9	3.9	7.2	7.5	4.6	5.7
Cheltenham	16.0	22.0	11.5	15.3	16.6	-20.2	2.2
Gloucester	8.9	12.8	6.3	8.8	6.6	-12.6	8.9
Tewkesbury	5.5	6.5	4.1	4.8	12.2	5.9	7.9
SLP	*30.4*	*41.3*	*21.9*	*28.9*	*35.5*	*-27.0*	*19.0*
Total	**46.3**	**70.9**	**33.6**	**50.2**	**59.2**	**-18.5**	**30.4**

Source: Iceni analysis

15.123 In the context of viability challenges which are expected to inhibit the delivery of standalone office floorspace in multiple areas, it is appropriate to consider how the policy framework within local plans can support office floorspace development.

15.124 Iceni consider that there is potential for conversions of buildings from other uses to viably support the delivery of new office floorspace, with potential for instance for conversions of barns and other agricultural buildings in rural areas; as well as retail floorspace in town centre locations across the District. In town centres this is realistic in particular for buildings which offer the potential to create open plan floorplates. Policies within the plan should be drafted to support this, recognising that this is a key means of supporting the delivery of office space.

Qualitative considerations

15.125 Outside of the SLP area and parts of Stroud along the M5 corridor, there is a clear basis for aggregating office and industrial needs and for providing flexible employment allocations through local plans. This would allow for site development to respond to diverse and changing occupier requirements, particularly in the context of lower demand for office space and likely poor viability of stand-alone offices in the short-term. This would also help to ensure that local plans provide a realistic supply of land for small and medium sized businesses that may require flexible premises combining multiple functions.

15.126 Stroud, the SLP authorities and particularly Tewkesbury have economic strengths in manufacturing, with clear opportunities for growth in advanced manufacturing and engineering, aerospace and defence-related activity. This heightens the need to ensure an appropriate supply of industrial land at multiple scales.

15.127 While sufficient industrial land supply will be critical to support the manufacturing industry, it is not considered that a rigid distinction should be enforced between B2 and B8 uses on strategic-scale sites as

such a distinction would not reflect how many modern businesses operate. Manufacturing and advanced engineering firms often require a mix of production, testing, storage, distribution, office and ancillary functions, and the boundary between industrial and logistics uses can therefore be blurred. For example manufacturing businesses that would typically be understood to require B2 space may hold B8 storage space to guard against supply chain disruptions.

15.128 For land allocations, a better distinction is between E(g)(iii) light industrial uses which can co-exist with residential, and B2/B8 which require a clear buffer, may require 24 hour access and which will generally require larger sites.

15.129 There is a case for allocations of different sizes of sites to ensure that there is a supply for mid and smaller-box industrial premises rather than just big-box occupiers, preserving space for smaller and mid-sized businesses (many of whom may provide services to the local population or be within the supply chain or strategic sectors).

15.130 It is not possible to precisely disaggregate the above conclusions on industrial needs into separate B2 and B8 results due to data from CoStar and the VOA reporting only a combined industrial total (as discussed earlier in this chapter). Nonetheless, some idea of the broad split in need can be gauged from the growth scenario labour demand modelling results, and from existing strategic-scale stock. The split of each of these for Stroud and the SLP Area (i.e. authorities along the M5 corridor) are shown in the table below. The analysis would suggest that indicatively, between 25-40% of the industrial need relates to B2 manufacturing, which aligns with the evidence in other areas that manufacturing space accounts for around 30% of strategic demand as a rule of thumb.

Table 15-1: % of industrial floorspace which is B2

	Existing strategic-scale stock (i.e. buildings of 50,000+ sqft)	Growth scenario labour demand results
Stroud	26%	39%
SLP	49%	14%
Combined	42%	26%

Source: Iceni analysis using CoStar data

15.131 Within Tewkesbury in particular it will nonetheless be important to monitor industrial land supply and take-up and to continue to liaise with businesses in key manufacturing sectors to ensure that a sufficient supply of sites is available and that growth is not limited by land constraints.

16. Conclusions and Recommendations

Housing Need

16.1 The 2024 Standard Method for Housing Need identifies a need for 4,680 dwellings per annum across Gloucestershire (102,958 between 2024-46), with a breakdown provided in the table below. This is above past housing delivery, and would support higher population and workforce growth.

Table 16-1: Standard Method – (as of data released May 2026)

	Local Housing Need (dpa)	Housing need 2024-46
Cotswold	1,054	23,184
Forest of Dean	598	13,153
Stroud	869	19,121
Cheltenham	808	17,776
Gloucester	706	15,540
Tewkesbury	645	14,185
SLP Area (Subtotal)	*2,159*	*47,500*
TOTAL	**4,680**	**102,958**

Source: MHCLG

16.2 This level of housing development would imply workforce growth that would support around 107,000 additional jobs Gloucestershire-wide, well above baseline employment forecasts of 64,700 additional jobs. As a result, councils will need to plan for higher employment growth to ensure that jobs and homes remain in balance. This has been reflected in employment land needs modelling in this report, which generally goes above the levels that recent market trends would suggest.

Affordable Housing

16.3 The evidence indicates that there is an acute need for affordable housing in Gloucestershire (2,180 affordable homes per year). This reflects high housing costs relative to incomes, particularly in Cotswold and in rural areas more broadly. It is unlikely this entire need will be able to be met, underlining the need for councils to maximise affordable housing delivery wherever possible.

16.4 On the basis of current plans and the high level of need, it is considered that a 40% overall target could provide a good starting point for viability testing in each authority although it is recognised this may not be realistic in some areas (notably Gloucester).

16.5 Given that households with a need for rented affordable housing products are more likely to have acute needs and fewer options in the housing market, it recommended that councils prioritise rented affordable homes in tenure mix policy, and in particular social rent.

16.6 On the basis of the available data and market signals, how this impacts potential affordable housing delivery levels, and what this means for meeting rented needs, Iceni recommends that Districts apply the following tenure mixes on new development.

Table 16-2: Recommended affordable housing tenure split (subject to viability and overall affordable housing delivery policy)

Affordable housing delivery %	Social rented	Other rented	Low-cost home ownership
Cotswold	40%	10%	50%
Forest of Dean	60%	15%	25%
Stroud	45%	15%	40%
Cheltenham	60%	20%	20%
Gloucester	60%	20%	20%
Tewkesbury	60%	20%	20%

Source: Iceni analysis

16.7 Analysis suggests that the low-cost home ownership portion should be focussed on shared ownership and potentially rent-to-buy, with no need identified for low cost home ownership in most cases. However,it is recognised that rent increases in shared ownership may present longer-term affordability challenges and may also be difficult to sell in some cases.

16.8 This would still be subject to viability and would also need to reflect the potential for alternative choices to be made by the Councils in line with creating mixed and balanced communities and a balanced housing market across Gloucestershire and individual areas.

Housing mix

16.1 In all sectors the analysis in this report points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes. For rented affordable housing there is a clear need for a range of different sizes of homes, including up to 45% to have at least 3-bedrooms of up to 15% should have at least 4-bedrooms.

16.2 It is appreciated that local authorities may wish to tailor this approach to take account of neighbourhood dynamics, ongoing housing management and creating mixed and balanced communities. Clearly, viability will also be a significant factor in determining how need translates into affordable housing delivery.

16.3 Our recommended mix at a strategic level is set out below by authority and tenure. For market housing, this reflects some potential for downsizing, and would shift the existing housing stock distribution towards 1 and 2 bedroom homes in the face of affordability challenges. For social/affordable rented homes, a small preference has been applied for 3+ bedroom homes above modelling results, reflecting low existing supply of larger homes and priority needs on housing registers.

Table 16-3 Recommended Mix – Social/ Affordable Rented

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	25-35%	25-35%	30-40%	25-35%	25-35%	25-35%
2	25-35%	30-40%	30-40%	25-35%	30-40%	30-40%
3	30-35%	25-30%	20-30%	30-35%	25-30%	30-35%
4+	10-15%	5-15%	5-15%	10-15%	5-15%	5-15%

Table 16-4 Recommended mix summary – Affordable home ownership

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	20-30%	15-20%	15-25%	15-25%	15-25%	15-25%
2	35-45%	40-50%	35-45%	35-45%	35-45%	35-45%
3	20-30%	25-35%	25-35%	25-35%	25-35%	25-35%
4+	5-10%	5-10%	5-10%	5-15%	5-10%	5-10%

Table 16-5 Recommended mix summary – Market housing

Bedrooms	Chelten-ham	Cotswold	Forest of Dean	Gloucester	Stroud	Tewkes-bury
1	10-20%	5-10%	5-10%	5-15%	5-15%	5-10%
2	30-40%	30-40%	30-40%	30-40%	30-40%	30-40%
3	30-40%	35-45%	35-45%	35-45%	30-40%	35-45%
4+	10-20%	15-25%	15-25%	15-25%	15-25%	15-25%

16.4 The mix identified in this section could inform strategic policies although a flexible approach should be adopted and regard 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, past housing delivery (of all tenures), upcoming projected delivery (where a final consent has been granted) and turnover of properties at the local level. Taking this holistic approach will ensure that housing mixes best reflect local need, whilst being mindful of viability considerations, given the best information available.

Older Persons Housing Need

16.5 The analysis provides clear evidence of a need for specialist housing, driven in particular by a growing older population, with a specific need identified for nursing accommodation which can accommodate and support residents with dementia . Nevertheless, this will need to be balanced against NHS and Commissioning intentions to provide DFGs, and building more accessible homes to help keep the majority of older and frailer residents in their existing homes and communities for longer. However, modelling results show need for additional units/beds for all kinds of specialist older persons housing by 2046.

16.6 The councils should consider whether to allocate specific sites for specialist housing provision – for instance where sites are promoted by a specialist housing / care provider, and may wish to consider how to achieve this objective whilst creating balanced communities. Councils should also consider in these terms whether policies for larger urban extensions/ strategic sites should require specific types of specialist housing, given the clear need across a range of cohorts; and set potential minimum quantum for this having regard to the above benchmarks.

16.7 The evidence indicates a significant rise in those with mobility problems or impaired mobility over the 2024-46 period. In addition, the evidence

suggests that only a very small proportion of the existing housing stock in Gloucestershire is accessible to those with disabilities or wheelchair users. The evidence also suggests substantial public benefits to provision of homes to M4(2) and M4(3) standard, including in reducing need for specialist housing and broad savings for public finances.

16.8 It is difficult to directly model need for M4(2) homes. However, given the substantial increase forecast in people with a disability (reaching above the Standard Method housing need 2024-46), poor existing stock accessibility, and likely limited impact on viability, it is considered that all new homes should meet at least M4(2) standards.

16.9 Modelling shows that households with a wheelchair user by 2046 will be notionally around 10% of the 2024-46 Standard Method housing need County-wide, and that need is greater in the affordable than market sector. Taking into account that not all housing sites will be suitable for wheelchair-accessible housing (such as those where there is not level access or there is steep topography, or where a listed building is being adapted), some may not deliver wheelchair housing for other reasons (such as viability), and that existing housing is likely to have very poor accessibility, Iceni would therefore recommend that 10% of affordable housing and 5% of market housing on major developments is delivered to M4(3) standards, subject to viability.

Rural Housing and Economies

16.10 This report has found that rural areas face particular challenges relating to affordability and housing availability. The aging of the rural population, partly reflecting a lack of affordable housing stock, is threatening the viability of services, amenities and local economies in some communities.

16.11 In response to this, local planning policies should support the delivery of housing in rural areas where sustainable, and continue to enable rural exception sites to deliver affordable housing.

16.12 A broader approach will also be needed to support vibrant rural communities, including overcoming shortfalls in digital infrastructure and transport infrastructure and services, as well as by supporting key rural sectors.

16.13 Iceni has provided a summary of potential methods for determining neighbourhood housing need, with a baseline proportional to housing stock in each neighbourhood recommended as the most defensible baseline methodology. Authorities may then choose to refine the baseline through the Local Plan or other strategic evidence, taking account of settlement hierarchy, allocations, infrastructure, services, employment and constraints.

16.14 The evidence indicates that Gloucestershire's rural economy is diverse with substantial activity in manufacturing, construction, tourism, services and land-based industries as well as agriculture. Particular opportunities were identified in agri-tech and agricultural diversification, the visitor economy, and renewable energy and the green economy. However, there are notable constraints on rural economies including poor transport connectivity, digital and energy infrastructure limitations and poor housing affordability.

16.15 Local plans should support the sustainable growth and diversification of the rural economy including through:

- Supporting agricultural diversification including through reuse and conversion of rural buildings
- Support tourism related development and uses, including small-scale visitor accommodation and noting a lack of stand-alone accommodation identified in Forest of Dean (although noting Cotswold's general housing market has a high level of housing vacancy and experiences pressure from short-term accommodation which may necessitate a different policy response)

- Enable renewable and low-carbon energy schemes where impacts on landscape, heritage and environmental assets can be appropriately managed

- Recognise that the success of the rural economy is linked to wider enabling conditions, including digital and transport infrastructure, housing affordability and the availability of local labour

Other Housing Market Segments

16.16 Iceni have considered housing needs in a range of specific sectors and market segments.

16.17 The greatest potential for **build to rent** is in Gloucester and Cheltenham and on larger strategic sites. Local Plans should adopt supportive but flexible policies for Build to Rent development, recognising the different viability model of this product and avoiding overly prescriptive dwelling mix requirements.

16.18 The evidence indicates a county-wide undersupply of **self and custom build** plots against identified demand. A range of potential policy responses are discussed in this report including general policy support, housing mix policies, percentage policies (best suited to larger strategic sites), site allocations and exception sites. No single policy choice will be fully effective; therefore, the Councils should consider which suite of policies will be most effective in their area.

16.19 **Student housing** demand is concentrated principally in Gloucester and Cheltenham. It would be appropriate for planning policies to support the delivery of Purpose-Built Student Accommodation (PBSA) in sustainable and appropriate locations in Gloucester and Cheltenham, and to manage HMOs in line with existing Article 4 Directions. Forest of Dean and Cotswold are likely to only see demand arising from Hartpury and RAU, given the rural nature of the university campuses and the generally smaller student population at both universities. Stroud and Tewkesbury are unlikely to see high levels of demand for student

accommodation and therefore are unlikely to require specific policies to consider this.

16.20 The county accommodates around 1,840 **service personnel and their families**, with the largest concentrations in Tewkesbury, Cotswold and Cheltenham. Local Plans should positively support provision of new and improved military accommodation, recognising the particular mobility, affordability pressures and welfare considerations experienced by service families, while being mindful of pressures in the broader housing market.

16.21 Gloucestershire currently has around 800 **children in care**, with a strategic move underway to expand in-county residential and supported accommodation. Planning policy should actively support new children's homes and other specialist provision to ensure children can stay connected to their communities while receiving stable, high-quality care.

Employment Land Needs

16.22 The assessment considers employment land need using multiple approaches, including labour demand modelling, completions trends and market signals.

16.23 The evidence indicates continued demand for industrial and logistics floorspace across Gloucestershire, particularly along the M5 corridor where there is evidence of historical supressed demand. Additional industrial land will also be needed in response to higher levels of population growth across the County. Reflecting these considerations, it is considered that the following industrial land needs should be planned for across the 2024-46 period:

- 275,100 sqm or 68.8 ha in Cotswold, equivalent to around 12,500 sqm or 3.1 ha per year and reflecting increased opportunities along the A417/419 following duplication.

- 183,200 sqm or 45.8 ha in Forest of Dean, equivalent to around 8,400 sqm or 2.1 ha per year.

- 511,700 sqm or 127.9 ha in Stroud, equivalent to around 23,300 sqm or 5.8 ha per year. Development should focus on the M5 corridor which is likely to have the highest demand.

- 674,400 sqm or 168.8 ha in the SLP area, equivalent to around 30,670 sqm or 7.7 ha per year, with the allocation into each authority determined through joint planning. Development should focus on the M5 corridor, with a notable undersupply reported of strategic industrial land.

16.24 The analysis indicates more modest demand for office floorspace overall, reflecting changes in working patterns and viability challenges for speculative office development. Nonetheless there are likely to be substantial opportunities in the SLP area following the Golden Valley development, particularly in the Cyber sector.

16.25 Following these considerations, Iceni recommend that the following office and R&D needs should be planned for over the 2024-46 period:

- 55,200 sqm or 11.0 ha in Cotswold, equivalent to around 2,500 sqm or 0.5 ha per year

- 15,100 sqm or 3.0 ha in Forest of Dean, equivalent to around 700 sqm or 0.14 ha per year

- 35,900 sqm or 7.2 ha in Stroud, equivalent to around 1,600 sqm or 0.3 ha per year

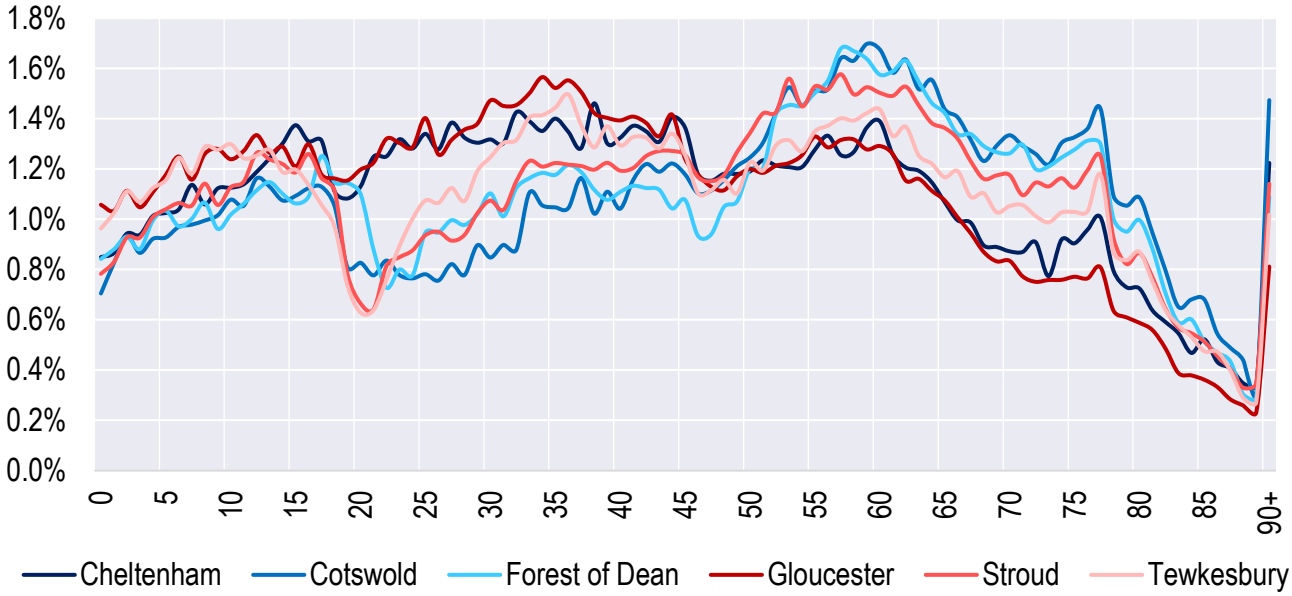
- Between 144,600 and 206,300 sqm, or 28.9 and 41.3 ha in the SLP area, with any allocation into individual authorities to be determined through joint strategic planning processes.

16.26 Outside of the SLP area, stand-alone office development is likely to be unviable, and so it is appropriate to consider how the policy framework within local plans can support office floorspace development. Iceni consider that there is potential for conversions of buildings from other uses to viably support the delivery of new office floorspace.

16.27 It is considered that flexible employment allocations should be pursued where possible, reflecting the overlap between B2 and B8 needs in modern businesses and the poor viability of stand-alone office space in most districts. However, there is a case for allocations of different sizes of sites to ensure that there is a supply for mid and smaller-box industrial premises rather than just big-box occupiers.

A1. Authority-level demographics

Figure A1: Population profile (2024) – local authorities



Source: ONS

Historical population change by broad age group

Table A1: Change in population by broad age group (2014-24) – Cheltenham

	2014	2024	Change	% change
Under 16	20,085	21,139	1,054	5.2%
16-64	76,050	76,476	426	0.6%
65+	20,959	24,124	3,165	15.1%
TOTAL	117,094	121,739	4,645	4.0%

Source: ONS

Table A2: Change in population by broad age group (2014-24) – Cotswold

	2014	2024	Change	% change
Under 16	13,854	14,419	565	4.1%
16-64	50,296	52,068	1,772	3.5%
65+	20,506	25,174	4,668	22.8%
TOTAL	84,656	91,661	7,005	8.3%

Source: ONS

Table A3: Change in population by broad age group (2014-24) – Forest of Dean

	2014	2024	Change	% change
Under 16	13,803	14,424	621	4.5%
16-64	50,381	52,360	1,979	3.9%
65+	19,193	22,969	3,776	19.7%
TOTAL	83,377	89,753	6,376	7.6%

Source: ONS

Table A4: Change in population by broad age group (2014-24) – Gloucester

	2014	2024	Change	% change
Under 16	25,209	26,459	1,250	5.0%
16-64	81,159	88,748	7,589	9.4%
65+	19,799	23,391	3,592	18.1%
TOTAL	126,167	138,598	12,431	9.9%

Source: ONS

Table A5: Change in population by broad age group (2014-24) – Stroud

	2014	2024	Change	% change
Under 16	20,595	21,389	794	3.9%
16-64	69,941	74,295	4,354	6.2%
65+	24,675	29,996	5,321	21.6%
TOTAL	115,211	125,680	10,469	9.1%

Source: ONS

Table A6: Change in population by broad age group (2014-24) – Tewkesbury

	2014	2024	Change	% change
Under 16	15,197	19,262	4,065	26.7%
16-64	51,148	60,305	9,157	17.9%
65+	18,481	22,382	3,901	21.1%
TOTAL	84,826	101,949	17,123	20.2%

Source: ONS

Components of population change

Table A7: Components of population change, mid-2011 to mid-2024 – Cheltenham

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

Table A8: Components of population change, mid-2011 to mid-2024 – Cotswold

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

Table A9: Components of population change, mid-2011 to mid-2024 – Forest of Dean

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
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2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

Table A10: Components of population change, mid-2011 to mid-2024 – Gloucester

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

Table A11: Components of population change, mid-2011 to mid-2024 – Stroud

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

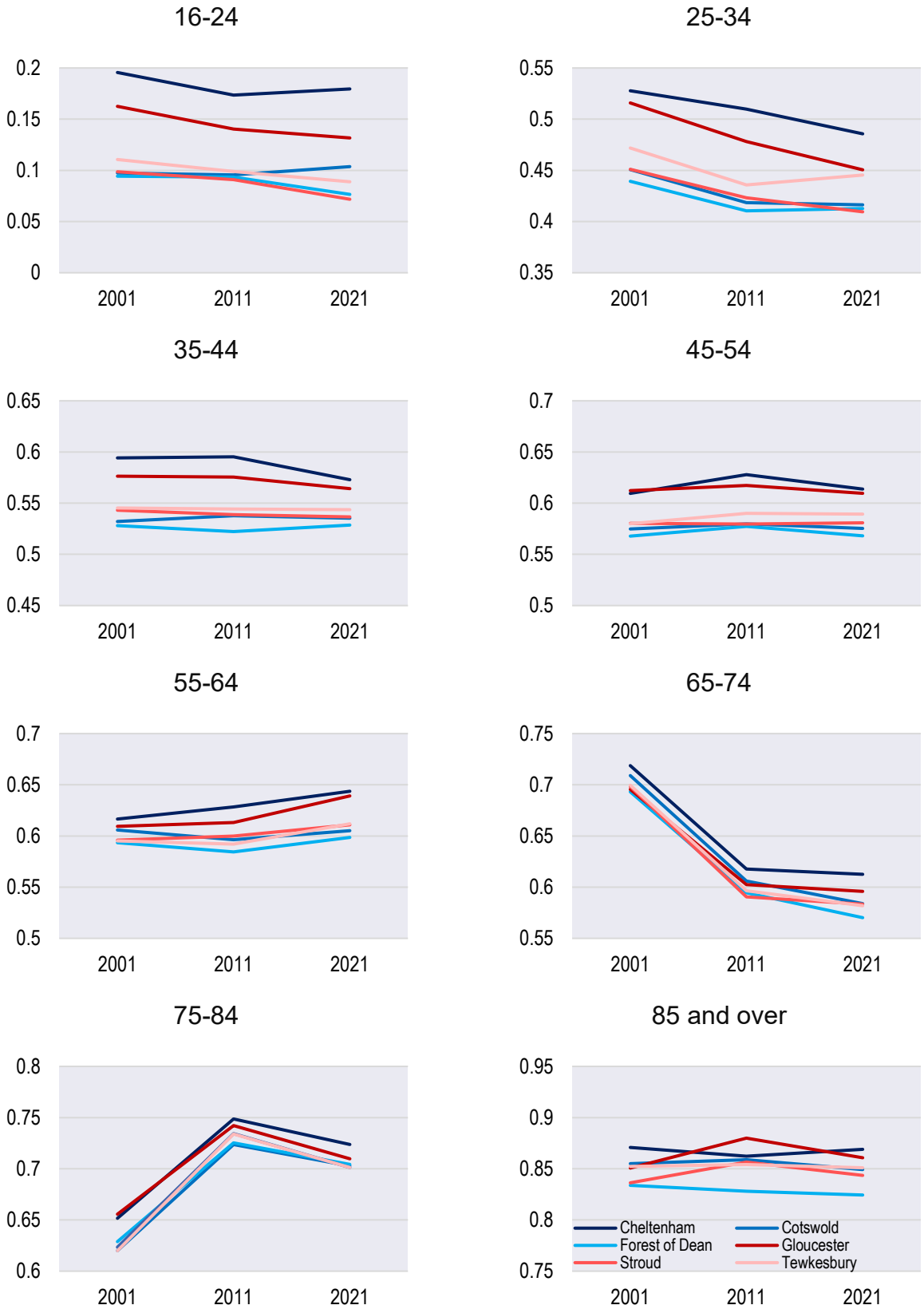
Table A12: Components of population change, mid-2011 to mid-2024 – Tewkesbury

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	1,241	1,554	262	88	-133	3,012
2012/13	658	2,700	625	32	-103	3,912
2013/14	871	4,536	737	86	-112	6,118
2014/15	413	5,006	821	171	-71	6,340
2015/16	672	4,599	1,067	105	-38	6,405
2016/17	136	5,032	395	108	-35	5,636
2017/18	308	4,636	-78	25	50	4,941
2018/19	102	4,034	-271	51	107	4,023
2019/20	-917	3,012	-740	225	316	1,896
2020/21	-726	6,294	-317	322	340	5,913
2021/22	-848	4,174	3,100	27	0	6,453
2022/23	-1,260	4,286	5,975	-215	0	8,786
2023/24	-1,013	3,694	5,311	-336	0	7,656

Source: ONS

Household representative rates

Figure A2: Change in household representative rates by age 2001-21



Source: ONS

Projected population

Table A13: Projected population change 2024 to 2046 by broad age bands – Cheltenham

	2024	2046	Change in population	% change
Under 16	21,139	20,878	-261	-1.2%
16-64	76,476	92,504	16,028	21.0%
65 and over	24,124	33,992	9,868	40.9%
Total	121,739	147,374	25,635	21.1%

Source: Iceni analysis

Table A14: Projected population change 2024 to 2046 by 5-year age bands – Cheltenham

	2024	2046	Change in population	% change
0-4	5,611	6,491	880	15.7%
5-9	6,553	6,322	-231	-3.5%
10-14	7,302	6,643	-659	-9.0%
15-19	7,535	7,455	-80	-1.1%
20-24	7,583	8,938	1,355	17.9%
25-29	8,073	10,225	2,152	26.7%
30-34	8,263	10,724	2,461	29.8%
35-39	8,272	10,934	2,662	32.2%
40-44	8,229	9,840	1,611	19.6%
45-49	7,375	9,895	2,520	34.2%
50-54	7,370	9,160	1,790	24.3%
55-59	7,910	8,744	834	10.5%
60-64	7,539	8,013	474	6.3%
65-69	5,887	7,113	1,226	20.8%
70-74	5,289	6,454	1,165	22.0%
75-79	5,351	6,601	1,250	23.4%
80-84	3,613	6,191	2,578	71.4%
85 & over	3,984	7,634	3,650	91.6%
Total	121,739	147,374	25,635	21.1%

Source: Iceni analysis

Table A15: Projected population change 2024 to 2046 by broad age bands – Cotswold

	2024	2046	Change in population	% change
Under 16	14,419	20,266	5,847	40.6%
16-64	52,068	76,603	24,535	47.1%
65 and over	25,174	40,101	14,927	59.3%
Total	91,661	136,970	45,309	49.4%

Source: Iceni analysis

Table A16: Projected population change 2024 to 2046 by 5-year age bands – Cotswold

	2024	2046	Change in population	% change
0-4	3,898	6,470	2,572	66.0%
5-9	4,479	6,492	2,013	44.9%
10-14	5,040	6,136	1,096	21.7%
15-19	4,771	5,626	855	17.9%
20-24	3,650	5,578	1,928	52.8%
25-29	3,697	6,333	2,636	71.3%
30-34	4,385	7,744	3,359	76.6%
35-39	4,938	9,160	4,222	85.5%
40-44	5,343	9,080	3,737	69.9%
45-49	5,282	8,521	3,239	61.3%
50-54	6,372	8,598	2,226	34.9%
55-59	7,330	8,833	1,503	20.5%
60-64	7,302	8,299	997	13.7%
65-69	6,127	8,046	1,919	31.3%
70-74	5,874	8,043	2,169	36.9%
75-79	5,751	8,403	2,652	46.1%
80-84	3,815	7,436	3,621	94.9%
85 & over	3,607	8,172	4,565	126.6%
Total	91,661	136,970	45,309	49.4%

Source: Iceni analysis

Table A17: Projected population change 2024 to 2046 by broad age bands – Forest of Dean

	2024	2046	Change in population	% change
Under 16	14,424	16,285	1,861	12.9%
16-64	52,360	65,694	13,334	25.5%
65 and over	22,969	31,035	8,066	35.1%
Total	89,753	113,015	23,262	25.9%

Source: Iceni analysis

Table A18: Projected population change 2024 to 2046 by 5-year age bands – Forest of Dean

	2024	2046	Change in population	% change
0-4	4,065	4,992	927	22.8%
5-9	4,519	5,193	674	14.9%
10-14	4,886	5,092	206	4.2%
15-19	5,113	5,445	332	6.5%
20-24	3,845	4,735	890	23.1%
25-29	4,387	5,393	1,006	22.9%
30-34	5,014	6,320	1,306	26.1%
35-39	5,183	7,267	2,084	40.2%
40-44	4,960	7,330	2,370	47.8%
45-49	4,551	7,175	2,624	57.7%
50-54	6,039	7,742	1,703	28.2%
55-59	7,217	7,955	738	10.2%
60-64	7,005	7,339	334	4.8%
65-69	5,976	6,548	572	9.6%
70-74	5,578	6,422	844	15.1%
75-79	5,242	6,733	1,491	28.4%
80-84	3,391	5,692	2,301	67.8%
85 & over	2,782	5,640	2,858	102.7%
Total	89,753	113,015	23,262	25.9%

Source: Iceni analysis

Table A19: Projected population change 2024 to 2046 by broad age bands – Gloucester

	2024	2046	Change in population	% change
Under 16	26,459	23,665	-2,794	-10.6%
16-64	88,748	99,763	11,015	12.4%
65 and over	23,391	31,532	8,141	34.8%
Total	138,598	154,960	16,362	11.8%

Source: Iceni analysis

Table A20: Projected population change 2024 to 2046 by 5-year age bands – Gloucester

	2024	2046	Change in population	% change
0-4	7,428	7,310	-118	-1.6%
5-9	8,487	7,309	-1,178	-13.9%
10-14	8,868	7,509	-1,359	-15.3%
15-19	8,319	7,904	-415	-5.0%
20-24	8,776	9,244	468	5.3%
25-29	9,303	10,086	783	8.4%
30-34	10,318	11,000	682	6.6%
35-39	10,266	11,282	1,016	9.9%
40-44	9,606	10,987	1,381	14.4%
45-49	8,085	11,112	3,027	37.4%
50-54	8,421	10,889	2,468	29.3%
55-59	9,044	10,209	1,165	12.9%
60-64	8,286	8,587	301	3.6%
65-69	6,555	7,209	654	10.0%
70-74	5,372	6,294	922	17.2%
75-79	4,977	6,466	1,489	29.9%
80-84	3,327	5,651	2,324	69.9%
85 & over	3,160	5,912	2,752	87.1%
Total	138,598	154,960	16,362	11.8%

Source: Iceni analysis

Table A21: Projected population change 2024 to 2046 by broad age bands – Stroud

	2024	2046	Change in population	% change
Under 16	21,389	23,589	2,200	10.3%
16-64	74,295	92,484	18,189	24.5%
65 and over	29,996	41,590	11,594	38.7%
Total	125,680	157,662	31,982	25.4%

Source: Iceni analysis

Table A22: Projected population change 2024 to 2046 by 5-year age bands – Stroud

	2024	2046	Change in population	% change
0-4	5,625	6,975	1,350	24.0%
5-9	6,733	7,520	787	11.7%
10-14	7,540	7,583	43	0.6%
15-19	6,916	7,012	96	1.4%
20-24	4,835	5,542	707	14.6%
25-29	5,986	7,357	1,371	22.9%
30-34	7,168	8,901	1,733	24.2%
35-39	7,635	10,607	2,972	38.9%
40-44	7,782	11,114	3,332	42.8%
45-49	7,563	11,068	3,505	46.3%
50-54	9,047	11,339	2,292	25.3%
55-59	9,607	11,191	1,584	16.5%
60-64	9,247	9,864	617	6.7%
65-69	7,854	8,938	1,084	13.8%
70-74	7,178	8,590	1,412	19.7%
75-79	6,686	8,749	2,063	30.8%
80-84	4,268	7,321	3,053	71.5%
85 & over	4,010	7,991	3,981	99.3%
Total	125,680	157,662	31,982	25.4%

Source: Iceni analysis

Table A23: Projected population change 2024 to 2046 by broad age bands – Tewkesbury

	2024	2046	Change in population	% change
Under 16	19,262	19,756	494	2.6%
16-64	60,305	74,587	14,282	23.7%
65 and over	22,382	30,970	8,588	38.4%
Total	101,949	125,313	23,364	22.9%

Source: Iceni analysis

Table A24: Projected population change 2024 to 2046 by 5-year age bands – Tewkesbury

	2024	2046	Change in population	% change
0-4	5,396	6,043	647	12.0%
5-9	6,265	6,143	-122	-1.9%
10-14	6,380	6,291	-89	-1.4%
15-19	5,194	5,902	708	13.6%
20-24	3,998	4,825	827	20.7%
25-29	5,636	6,579	943	16.7%
30-34	6,815	8,016	1,201	17.6%
35-39	7,107	8,545	1,438	20.2%
40-44	6,696	8,342	1,646	24.6%
45-49	5,844	8,584	2,740	46.9%
50-54	6,422	8,705	2,283	35.5%
55-59	7,074	8,721	1,647	23.3%
60-64	6,740	7,646	906	13.4%
65-69	5,688	6,816	1,128	19.8%
70-74	5,237	6,444	1,207	23.1%
75-79	5,039	6,496	1,457	28.9%
80-84	3,438	5,680	2,242	65.2%
85 & over	2,980	5,533	2,553	85.7%
Total	101,949	125,313	23,364	22.9%

Source: Iceni analysis

Table A25: Projected population change 2024 to 2046 by broad age bands – SLP area

	2024	2046	Change in population	% change
Under 16	66,860	64,299	-2,561	-3.8%
16-64	225,529	266,854	41,325	18.3%
65 and over	69,897	96,493	26,596	38.1%
Total	362,286	427,647	65,361	18.0%

Source: Iceni analysis

Table A26: Projected population change 2024 to 2046 by 5-year age bands – SLP area

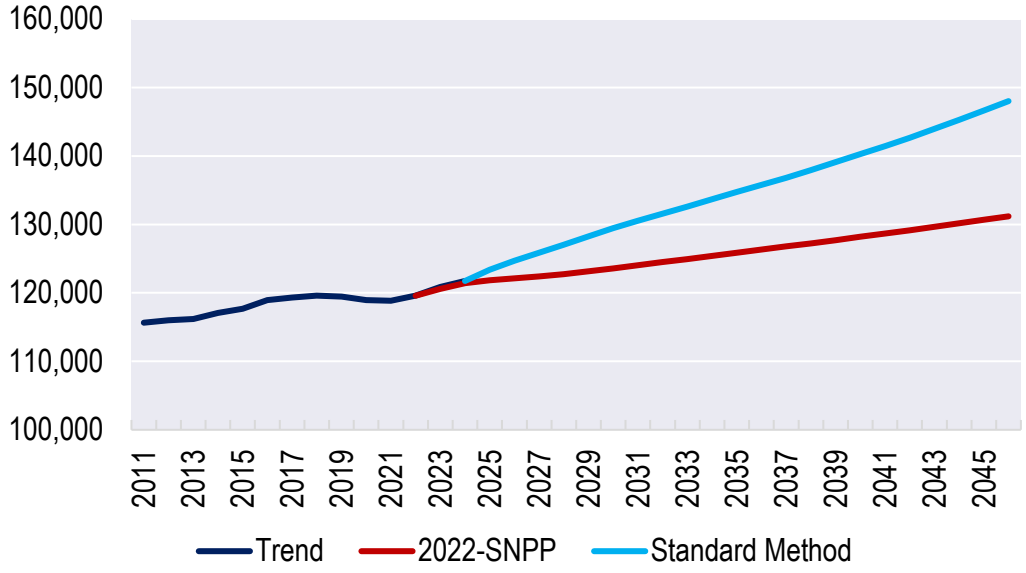
	2024	2046	Change in population	% change
0-4	18,435	19,844	1,409	7.6%
5-9	21,305	19,774	-1,531	-7.2%
10-14	22,550	20,443	-2,107	-9.3%
15-19	21,048	21,261	213	1.0%
20-24	20,357	23,007	2,650	13.0%
25-29	23,012	26,890	3,878	16.9%
30-34	25,396	29,740	4,344	17.1%
35-39	25,645	30,761	5,116	19.9%
40-44	24,531	29,168	4,637	18.9%
45-49	21,304	29,591	8,287	38.9%
50-54	22,213	28,754	6,541	29.4%
55-59	24,028	27,674	3,646	15.2%
60-64	22,565	24,246	1,681	7.5%
65-69	18,130	21,138	3,008	16.6%
70-74	15,898	19,192	3,294	20.7%
75-79	15,367	19,563	4,196	27.3%
80-84	10,378	17,522	7,144	68.8%
85 & over	10,124	19,079	8,955	88.4%
Total	362,286	427,647	65,361	18.0%

Source: Iceni analysis

Past trends and projected population

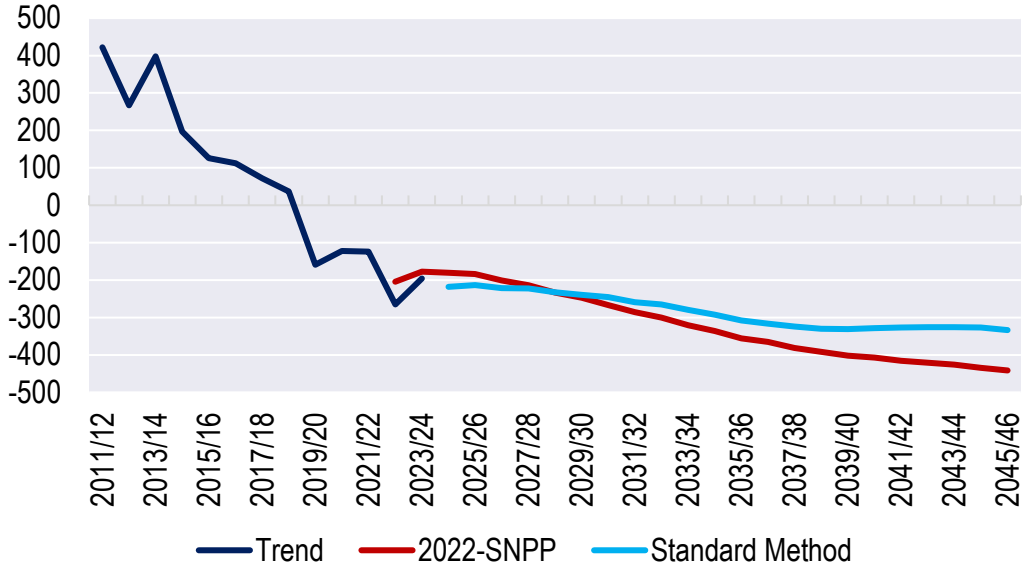
Cheltenham

Figure A3: Past trends and projected population – Cheltenham



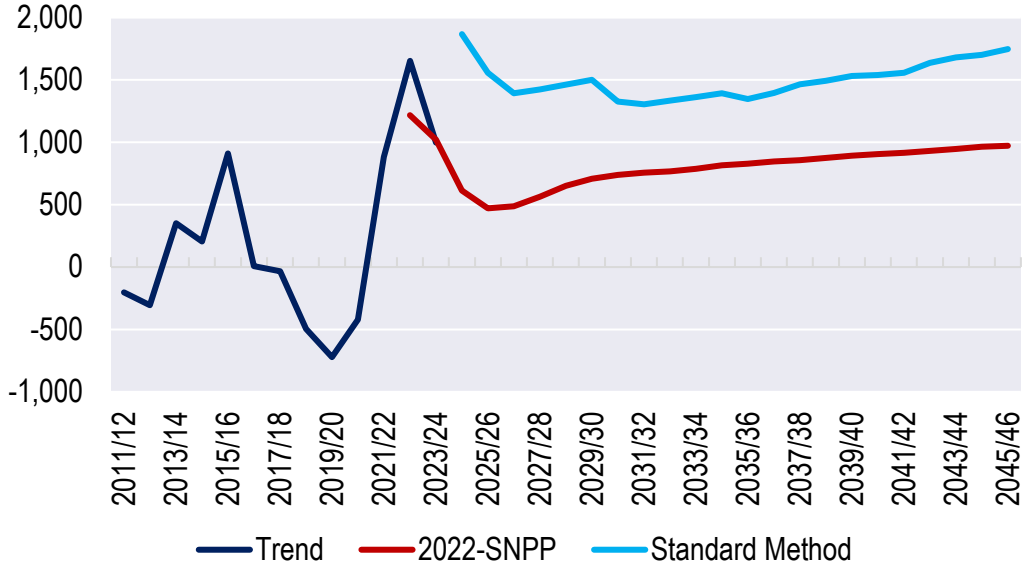
Source: ONS and Iceni analysis

Figure A4: Past trends and projected natural change – Cheltenham



Source: ONS and Iceni analysis

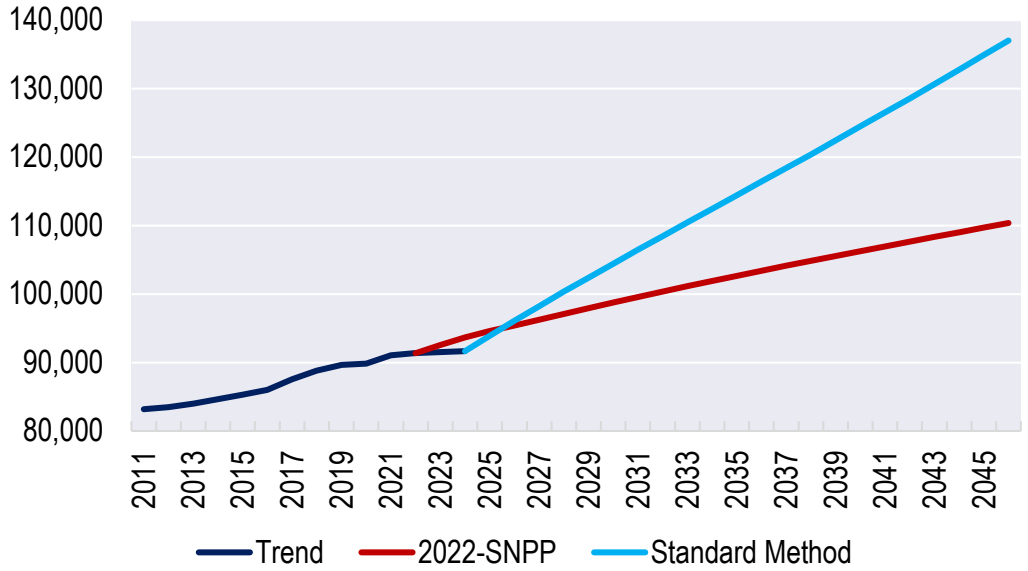
Figure A5: Past trends and projected net migration – Cheltenham



Source: ONS and Iceni analysis

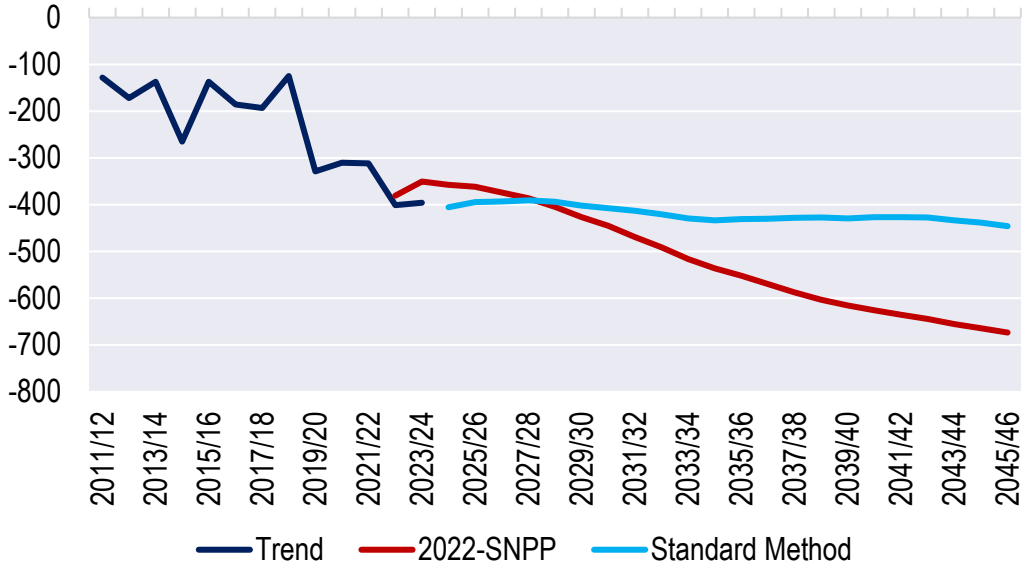
Cotswold

Figure A6: Past trends and projected population – Cotswold



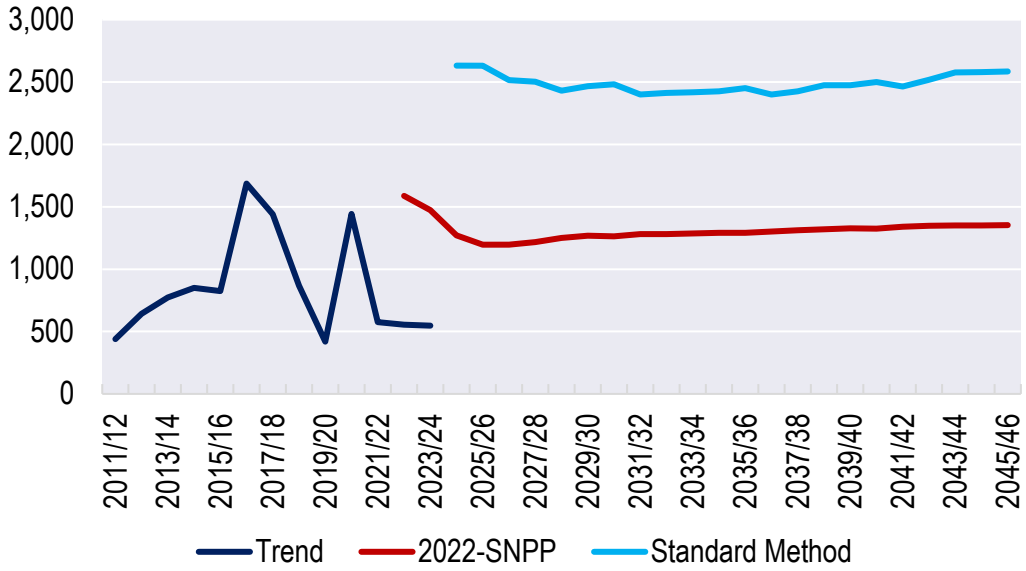
Source: ONS and Iceni analysis

Figure A7: Past trends and projected natural change – Cotswold



Source: ONS and Iceni analysis

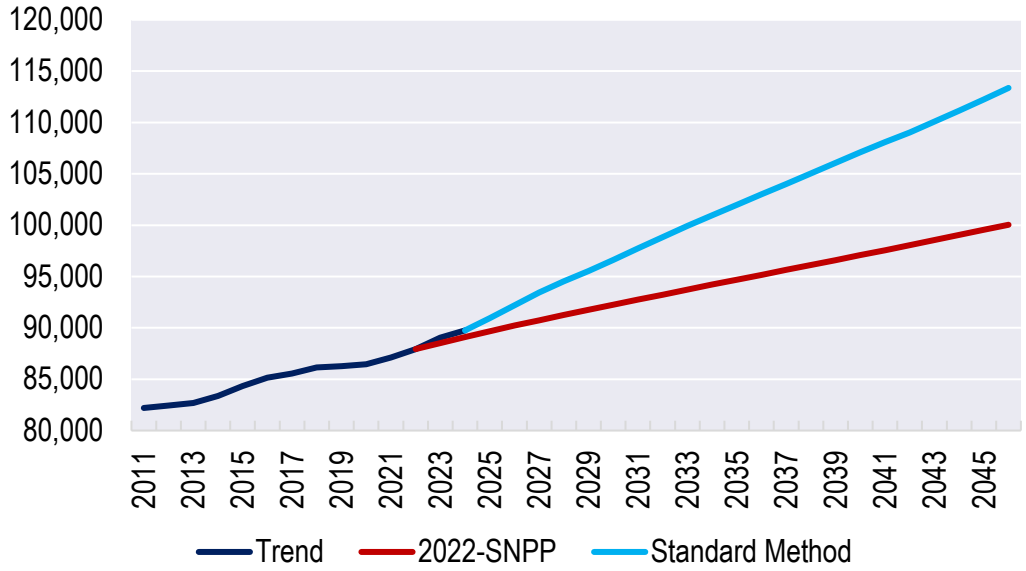
Figure A8: Past trends and projected net migration – Cotswold



Source: ONS and Iceni analysis

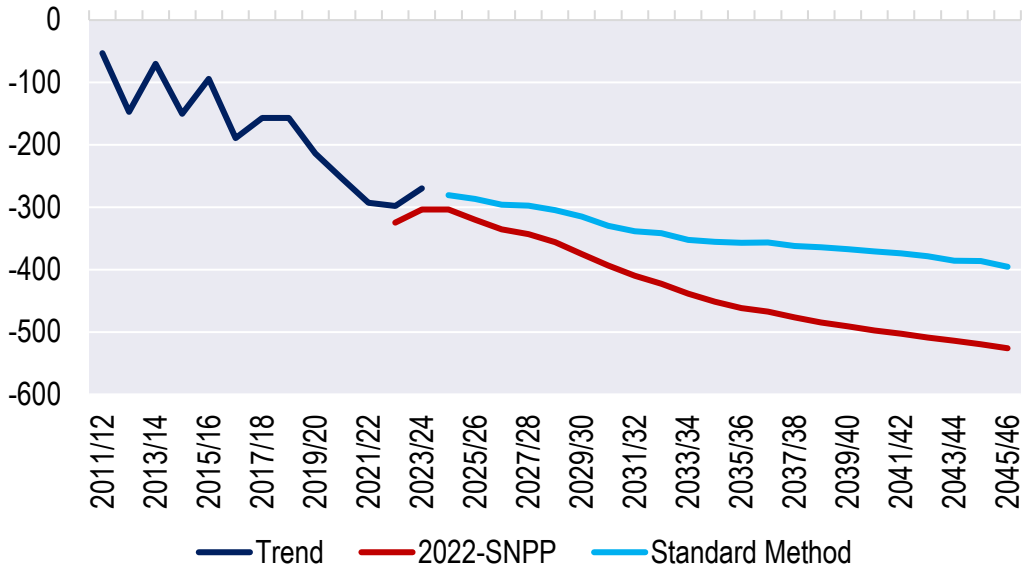
Forest of Dean

Figure A9: Past trends and projected population – Forest of Dean



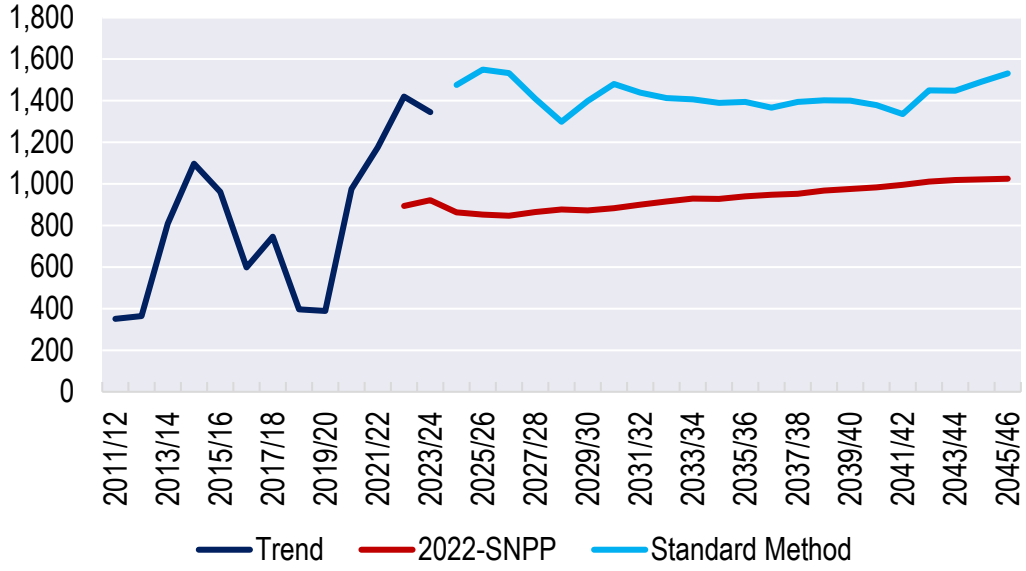
Source: ONS and Iceni analysis

Figure A10: Past trends and projected natural change – Forest of Dean



Source: ONS and Iceni analysis

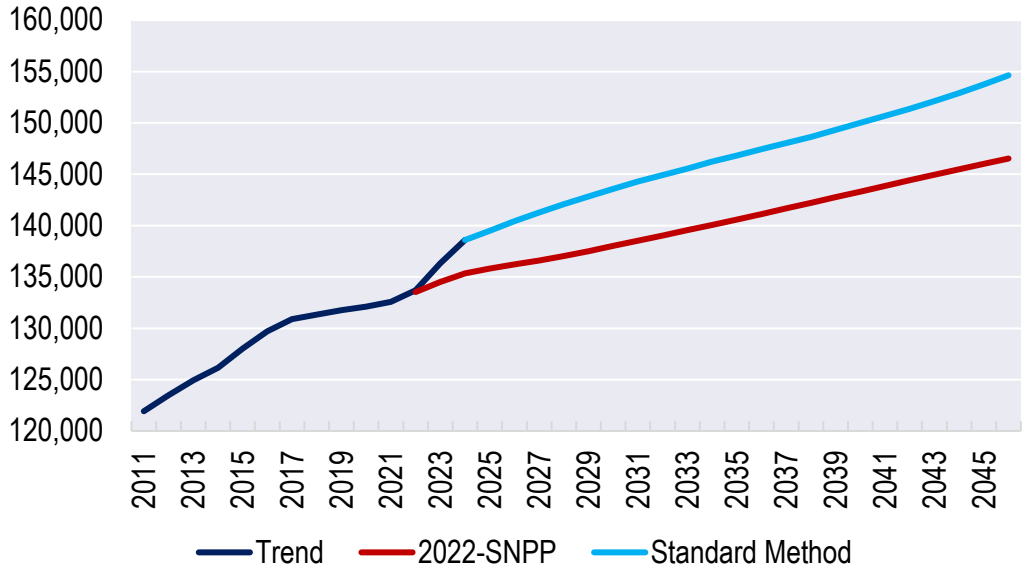
Figure A11: Past trends and projected net migration – Forest of Dean



Source: ONS and Iceni analysis

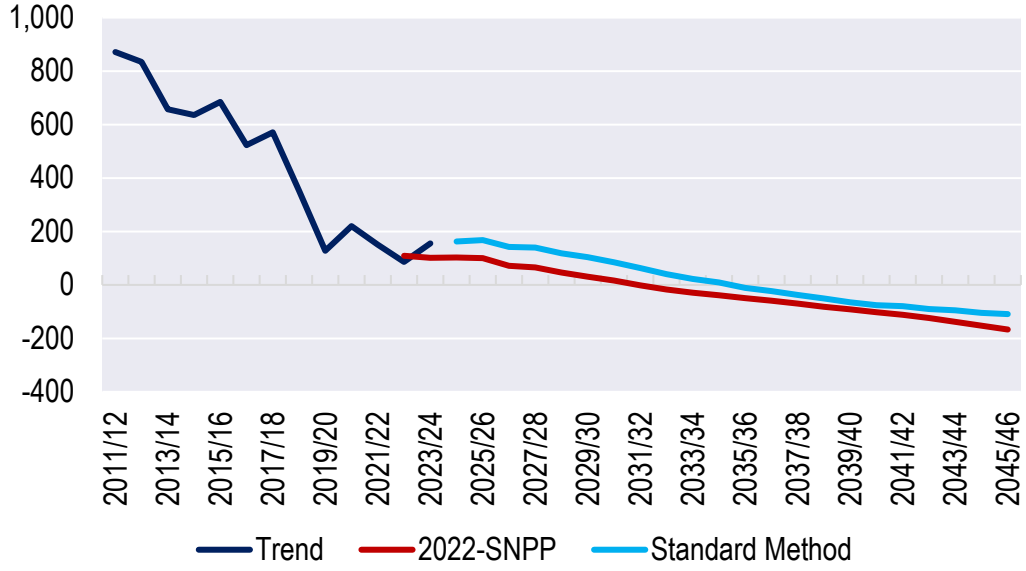
Gloucester

Figure A12: Past trends and projected population – Gloucester



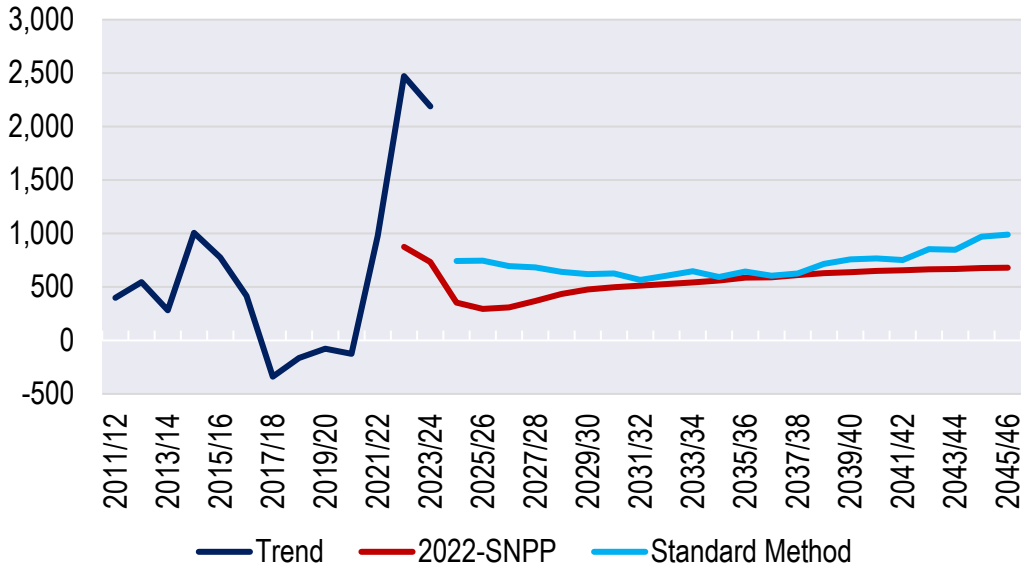
Source: ONS and Iceni analysis

Figure A13: Past trends and projected natural change – Gloucester



Source: ONS and Iceni analysis

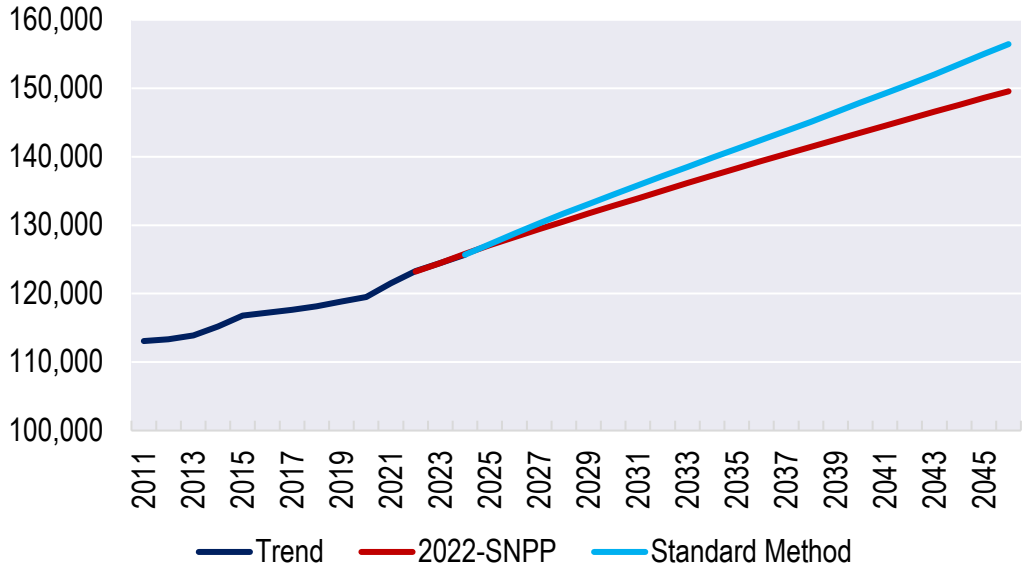
Figure A14: Past trends and projected net migration – Gloucester



Source: ONS and Iceni analysis

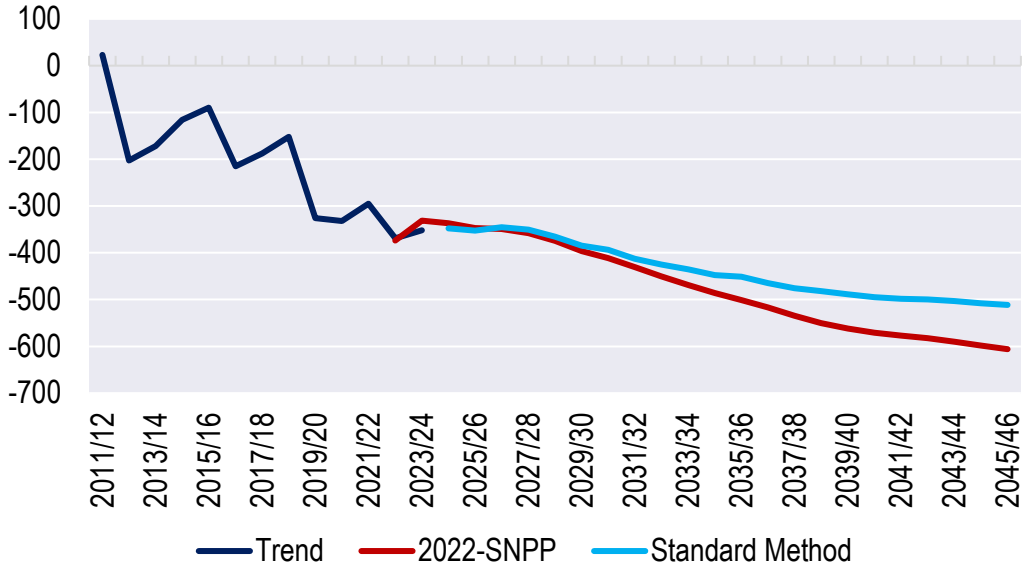
Stroud

Figure A15: Past trends and projected population – Stroud



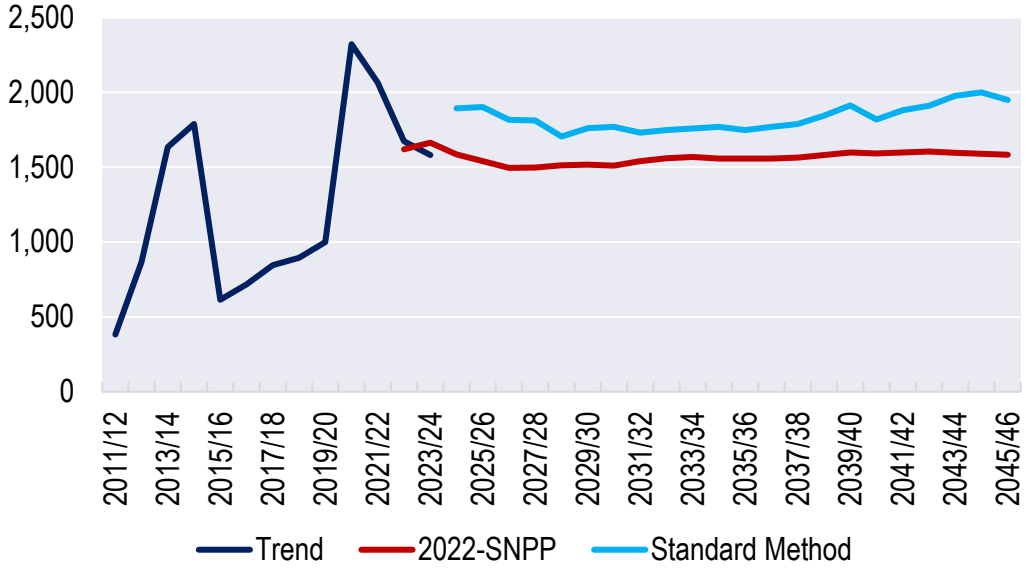
Source: ONS and Iceni analysis

Figure A16: Past trends and projected natural change – Stroud



Source: ONS and Iceni analysis

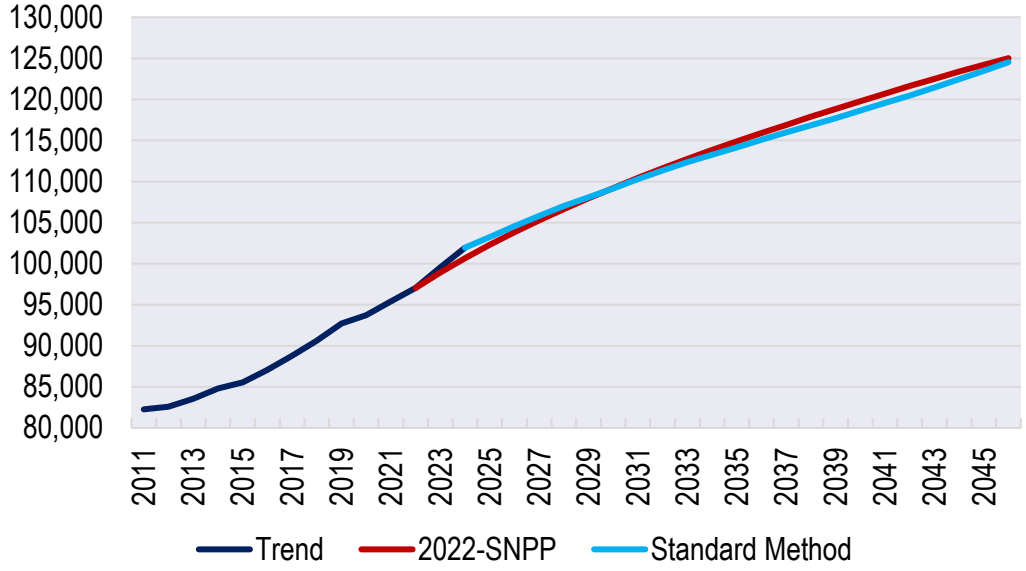
Figure A17: Past trends and projected net migration – Stroud



Source: ONS and Iceni analysis

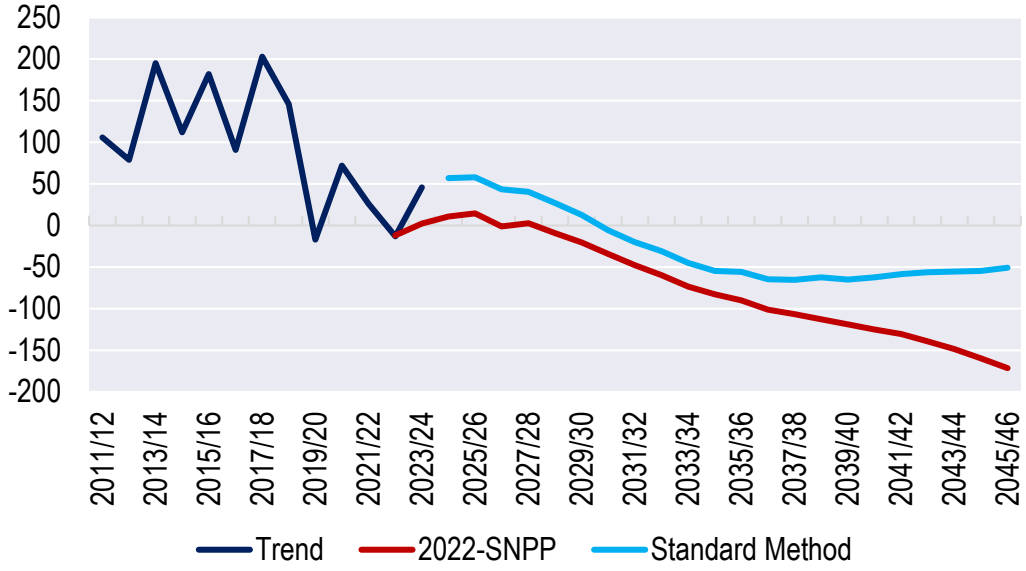
Tewkesbury

Figure A18: Past trends and projected population – Tewkesbury



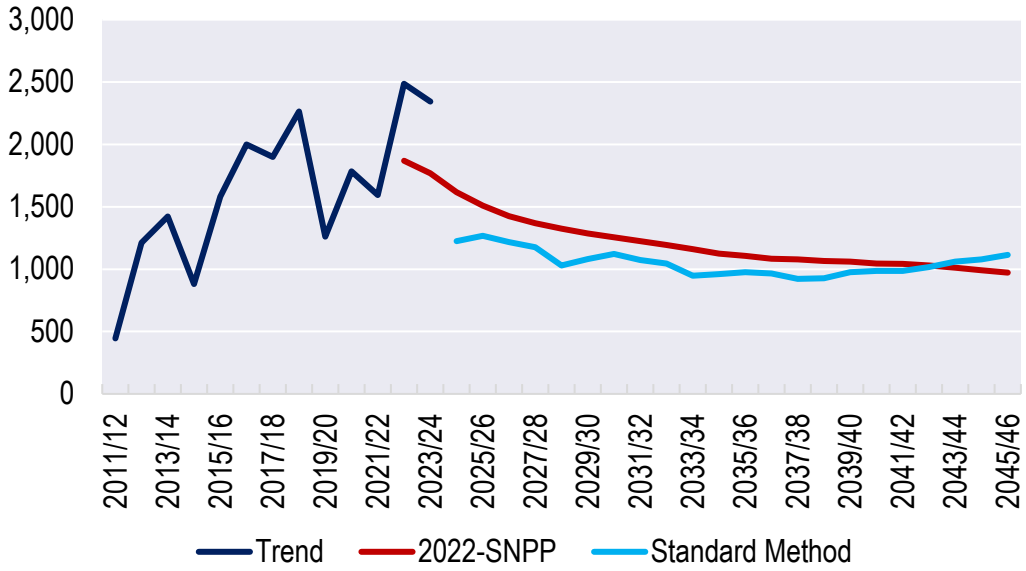
Source: ONS and Iceni analysis

Figure A19: Past trends and projected natural change – Tewkesbury



Source: ONS and Iceni analysis

Figure A20: Past trends and projected net migration – Tewkesbury



Source: ONS and Iceni analysis

Commuting Patterns

Table A27: Commuting Patterns – Cheltenham

	2011	2021
Live and Work in Borough	29,462	18,426
Home Workers or No Fixed Workplace	10,285	28,815
In Commute	24,148	15,052
Out Commute	19,782	11,931
Total Working in LA	63,895	62,293
Total Living in LA and Working Anywhere	59,529	59,172
Commuting Ratio	0.932	0.950

Source: Census 2011, 2021

Table A28: Commuting Patterns – Cotswold

	2011	2021
Live and Work in District	16,221	11,232
Home Workers or No Fixed Workplace	12,007	23,432
In Commute	15,709	12,239
Out Commute	13,820	9,430
Total Working in LA	43,937	46,903
Total Living in LA and Working Anywhere	42,048	44,094
Commuting Ratio	0.957	0.940

Source: Census 2011, 2021

Table A29: Commuting Patterns – Forest of Dean

	2011	2021
Live and Work in District	15,379	11,048
Home Workers or No Fixed Workplace	9,366	18,188
In Commute	6,015	5,280
Out Commute	14,627	10,755
Total Working in LA	30,760	34,516
Total Living in LA and Working Anywhere	39,372	39,991
Commuting Ratio	1.280	1.159

Source: Census 2011, 2021

Table A30: Commuting Patterns – Gloucester

	2011	2021
Live and Work in City	29,407	22,431
Home Workers or No Fixed Workplace	8,628	25,248
In Commute	26,131	17,921
Out Commute	23,617	17,933
Total Working in LA	64,166	65,600
Total Living in LA and Working Anywhere	61,652	65,612
Commuting Ratio	0.961	1.000

Source: Census 2011, 2021

Table A31: Commuting Patterns – Stroud

	2011	2021
Live and Work in District	23,998	17,280
Home Workers or No Fixed Workplace	13,221	29,502
In Commute	13,287	11,365
Out Commute	20,526	13,130
Total Working in LA	50,506	58,147
Total Living in LA and Working Anywhere	57,745	59,912
Commuting Ratio	1.143	1.030

Source: Census 2011, 2021

Table A32: Commuting Patterns – Tewkesbury

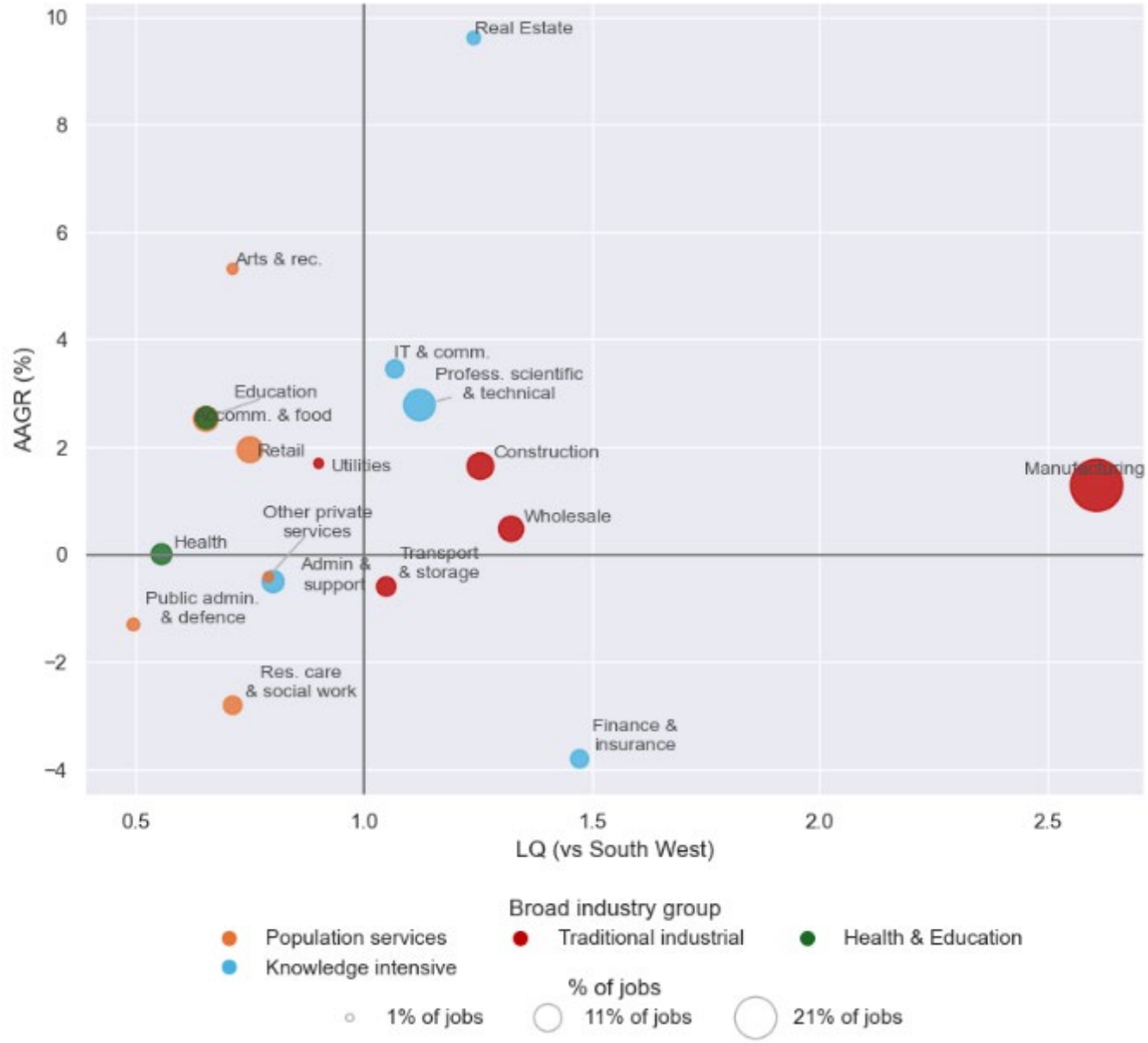
	2011	2021
Live and Work in Borough	12,915	9,367
Home Workers or No Fixed Workplace	8,368	21,485
In Commute	25,211	16,078
Out Commute	20,566	15,677
Total Working in LA	46,494	46,930
Total Living in LA and Working Anywhere	41,849	46,529
Commuting Ratio	0.900	0.991

Source: Census 2011, 2021

A2. Authority-level Economic Profiling

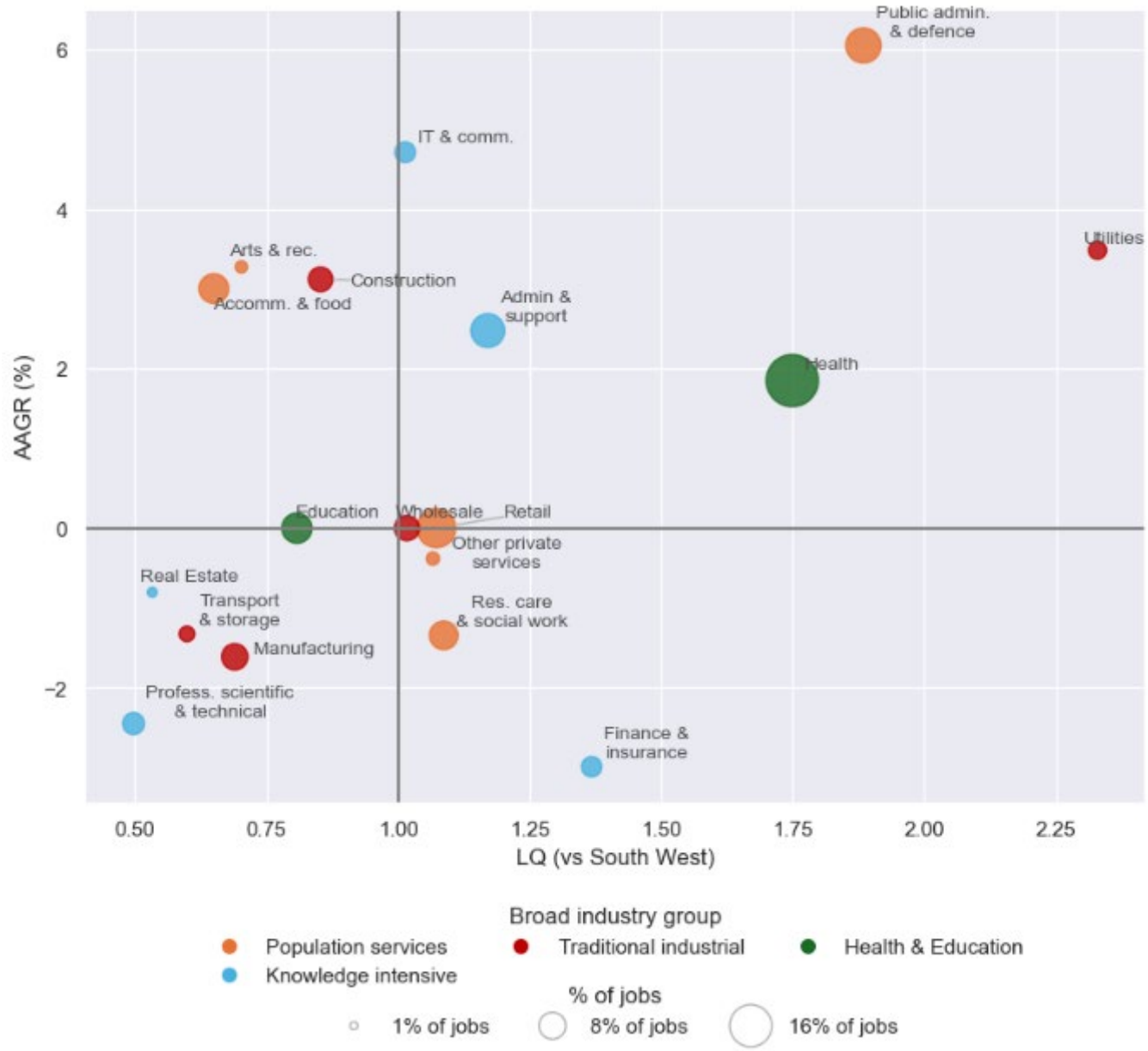
Employment structure

Figure A21: Employment structure – Tewkesbury



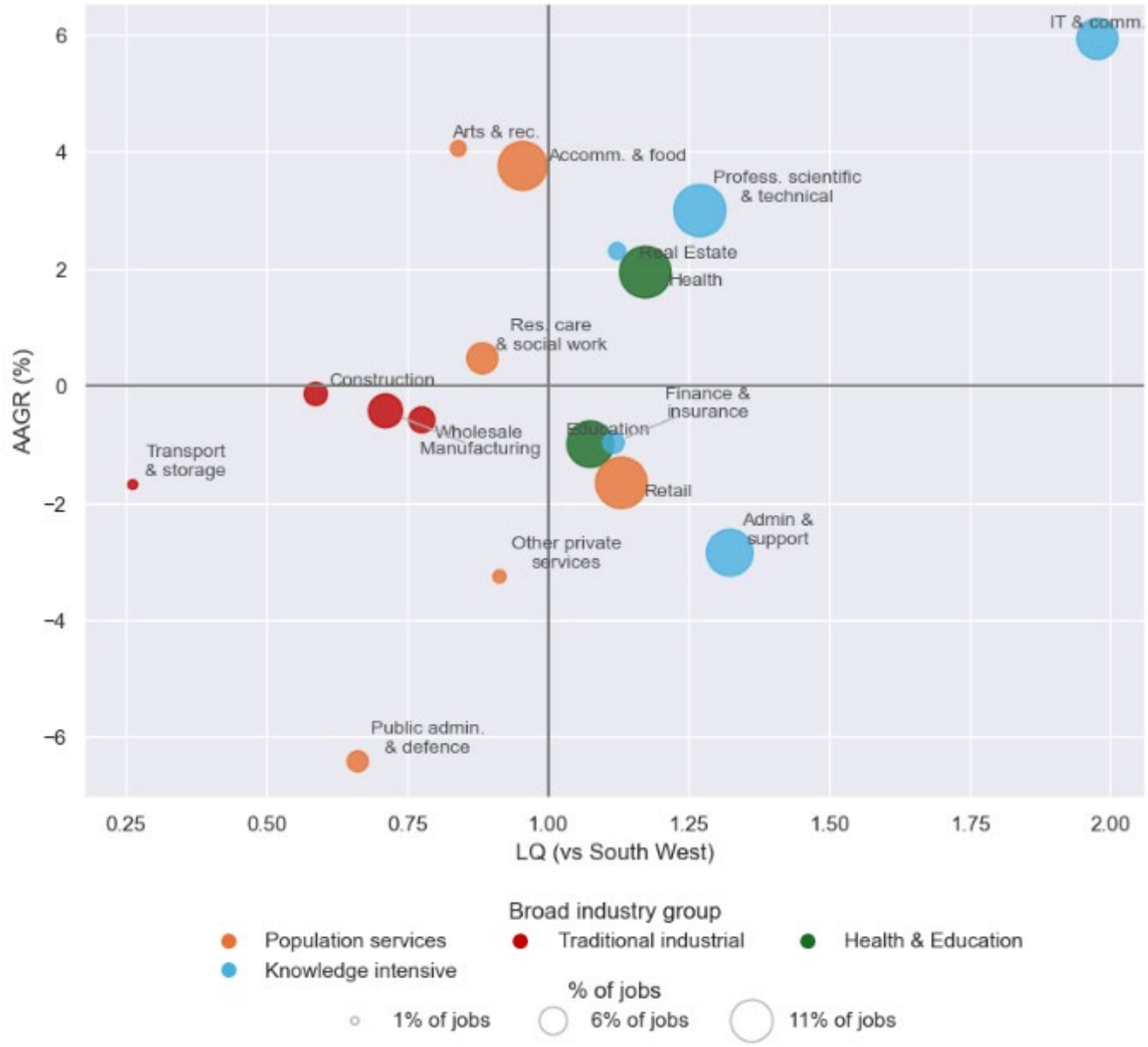
Source: Iceni analysis of ONS BRES

Figure A22: Employment structure – Gloucester



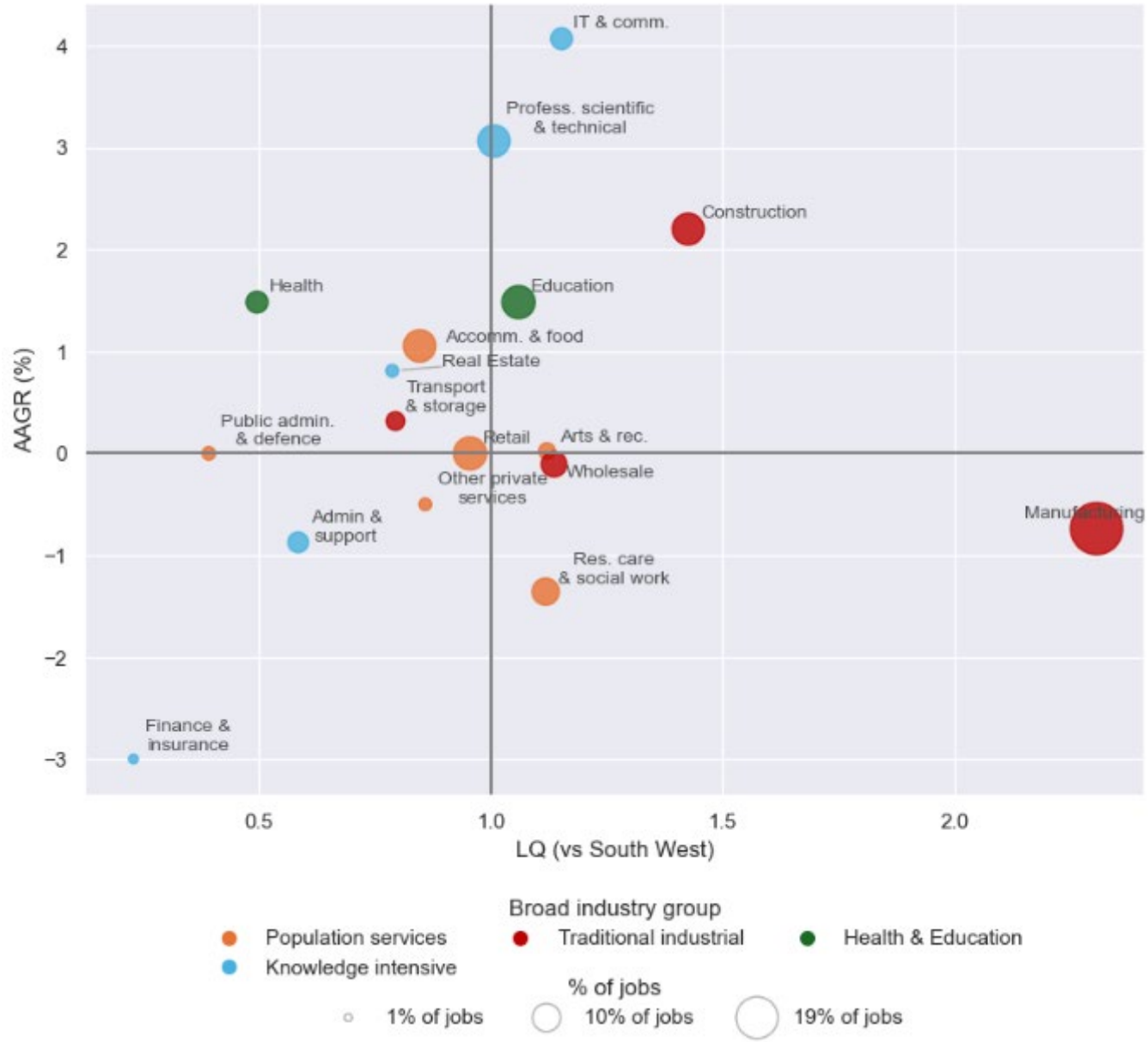
Source: Iceni analysis of ONS BRES

Figure A23: Employment structure – Cheltenham



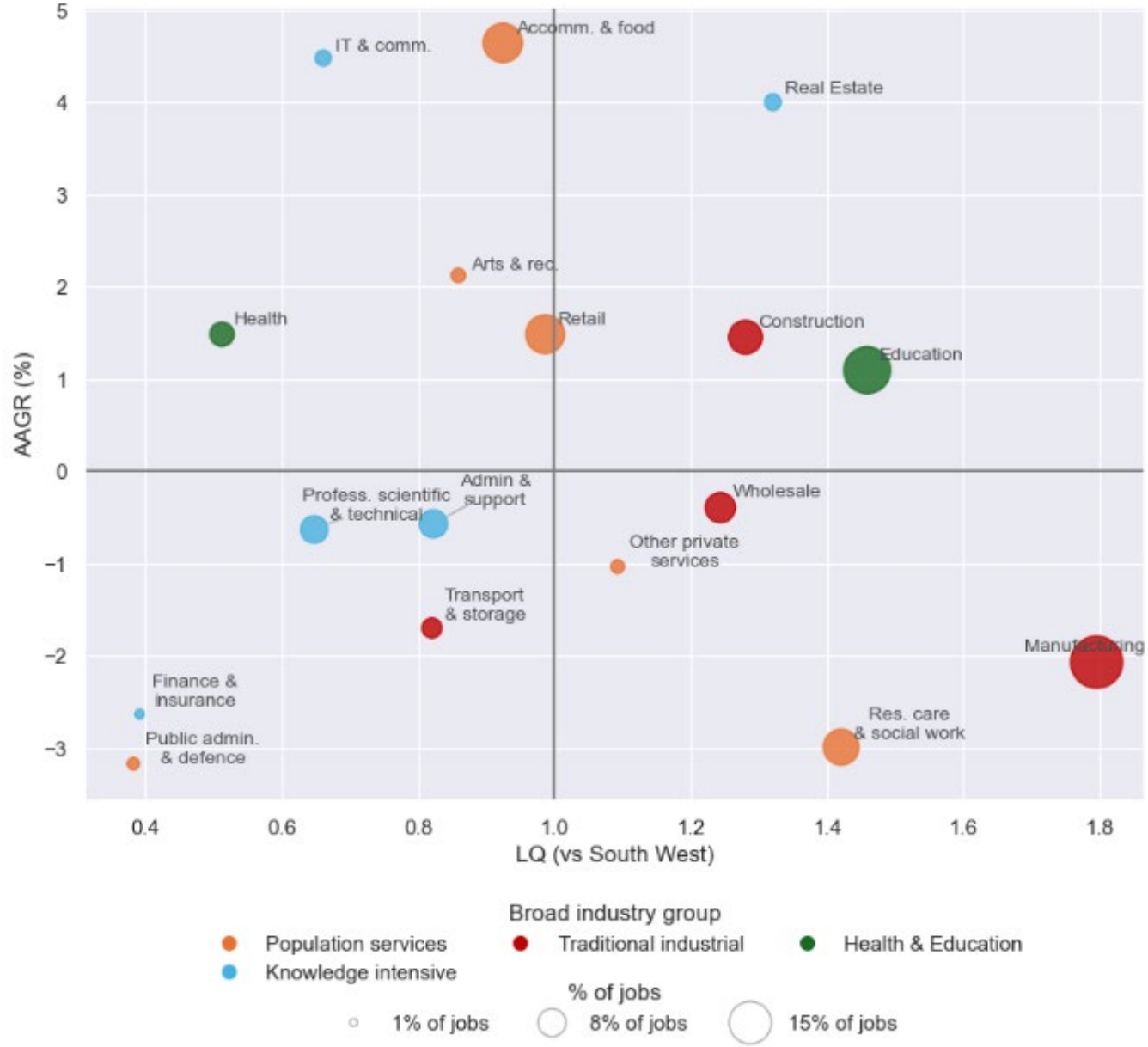
Source: Iceni analysis of ONS BRES

Figure A24: Employment structure – Stroud



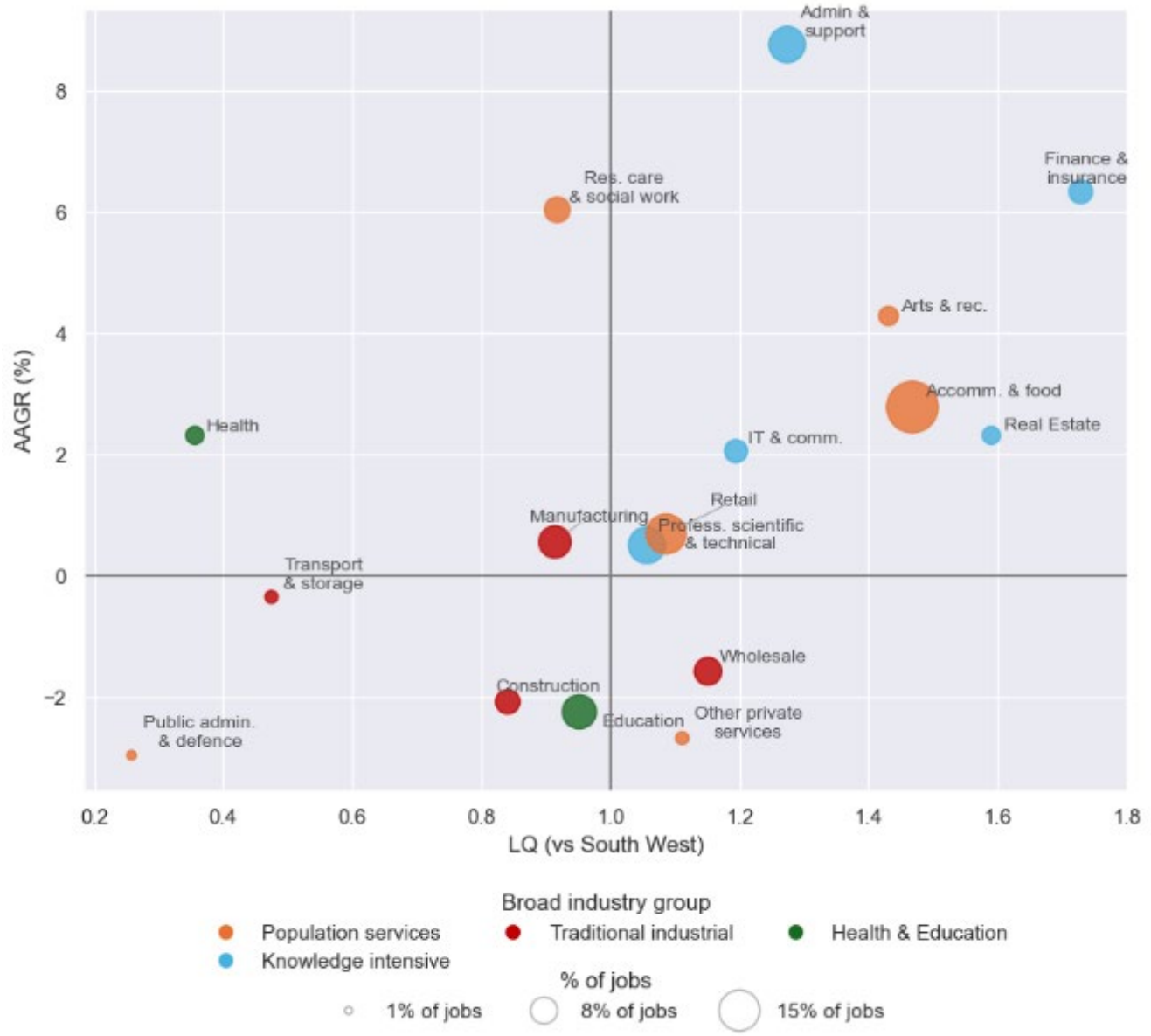
Source: Iceni analysis of ONS BRES

Figure A25: Employment structure – Forest of Dean



Source: Iceni analysis of ONS BRES

Figure A26: Employment structure – Gloucester



Source: Iceni analysis of ONS BRES

A3. Authority-level job growth scenarios

Table A33: Comparison of baseline jobs forecast to employment growth scenario (2024-46) - Cotswold

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	200	130	-70
Food, Drink & Tobacco (manufacture of	-100	720	820
Textiles & Clothing (manufacture of)	-	-	-
Wood & Paper (manufacture of)	-100	560	660
Printing and Recorded Media (manufacture of)	-	-	-
Pharmaceuticals (manufacture of)	-	-	-
Non-Metallic Products (manufacture of)	-100	90	190
Metal Products (manufacture of)	-	130	130
Machinery & Equipment (manufacture of)	-	-	-
Computer & Electronic Products (manufacture of)	-100	90	190
Transport Equipment (manufacture of)	-	-	-
Other Manufacturing	-	540	540
Utilities	-	550	550
Construction of Buildings	100	1,170	1,070
Civil Engineering	-	-	-
Specialised Construction Activities	300	1,370	1,070
Wholesale	-300	990	1,290
Retail	100	800	700
Land Transport, Storage & Post	100	1,190	1,090
Accommodation & Food Services	2,100	2,750	650
Media Activities	-	-	-
Telecoms	-	-	-

Computing & Information Services	600	1,370	770
Finance	-100	470	570
Insurance & Pensions	-400	440	840
Real Estate	800	1,300	500
Professional Services	1,800	2,550	750
Administrative & Supportive Services	2,000	2,330	330
Public Administration & Defence	-	30	30
Education	500	1,750	1,250
Health	800	1,170	370
Residential Care & Social Work	900	2,100	1,200
Recreation	300	1,010	710
Other Private Services	400	750	350
Total	**9,800**	**26,350**	**16,550**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A34: Comparison of baseline jobs forecast to employment growth scenario (2024-46) – Forest of Dean

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	400	640	240
Food, Drink & Tobacco (manufacture of	100	470	370
Textiles & Clothing (manufacture of)	-	20	20
Wood & Paper (manufacture of)	-	220	220
Printing and Recorded Media (manufacture of)	-	20	20
Pharmaceuticals (manufacture of)	-	-	-
Non-Metallic Products (manufacture of)	100	100	-
Metal Products (manufacture of)	300	300	-
Machinery & Equipment (manufacture of)	-200	-	200
Computer & Electronic Products (manufacture of)	-	-	-
Transport Equipment (manufacture of)	-	-	-
Other Manufacturing	100	100	-
Utilities	-100	180	280
Construction of Buildings	-	910	910
Civil Engineering	-	180	180
Specialised Construction Activities	100	430	330
Wholesale	-100	220	320
Retail	-200	610	810
Land Transport, Storage & Post	100	220	120
Accommodation & Food Services	700	1,820	1,120
Media Activities	-	-	-
Telecoms	-	60	60
Computing & Information Services	100	220	120
Finance	-100	50	150
Insurance & Pensions	-	-	-

Real Estate	200	460	260
Professional Services	600	890	290
Administrative & Supportive Services	300	410	110
Public Administration & Defence	-	10	10
Education	-	1,320	1,320
Health	200	440	240
Residential Care & Social Work	200	570	370
Recreation	-	350	350
Other Private Services	-	270	270
Total	**2,800**	**11,490**	**8,690**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A35: Comparison of baseline jobs forecast to employment growth scenario (2024-46) - Stroud

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	200	200	-
Food, Drink & Tobacco (manufacture of	-	-	-
Textiles & Clothing (manufacture of)	-100	-	100
Wood & Paper (manufacture of)	-100	-	100
Printing and Recorded Media (manufacture of)	-	-	-
Pharmaceuticals (manufacture of)	-	-	-
Non-Metallic Products (manufacture of)	-	-	-
Metal Products (manufacture of)	300	300	-
Machinery & Equipment (manufacture of)	-800	-	800
Computer & Electronic Products (manufacture of)	-1,300	-	1,300
Transport Equipment (manufacture of)	-100	-	100
Other Manufacturing	100	100	-
Utilities	-	1,370	1,370
Construction of Buildings	300	600	300
Civil Engineering	-	-	-
Specialised Construction Activities	900	1,540	640
Wholesale	100	440	340
Retail	600	940	340
Land Transport, Storage & Post	600	1,340	740
Accommodation & Food Services	1,500	2,200	700
Media Activities	100	120	20
Telecoms	-	-	-
Computing & Information Services	300	350	50
Finance	200	310	110
Insurance & Pensions	-	-	-

Real Estate	200	350	150
Professional Services	1,500	1,860	360
Administrative & Supportive Services	800	920	120
Public Administration & Defence	100	120	20
Education	1,100	1,720	620
Health	1,200	1,440	240
Residential Care & Social Work	1,200	1,560	360
Recreation	500	620	120
Other Private Services	200	360	160
Total	**9,600**	**18,760**	**9,160**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A36: Comparison of baseline jobs forecast to employment growth scenario (2024-46) - Cheltenham

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	-	-	-
Food, Drink & Tobacco (manufacture of	-	-	-
Textiles & Clothing (manufacture of)	-	-	-
Wood & Paper (manufacture of)	-	-	-
Printing and Recorded Media (manufacture of)	-	-	-
Pharmaceuticals (manufacture of)	-	-	-
Non-Metallic Products (manufacture of)	-	-	-
Metal Products (manufacture of)	-100	-100	-
Machinery & Equipment (manufacture of)	-400	-400	-
Computer & Electronic Products (manufacture of)	-200	-200	-
Transport Equipment (manufacture of)	-200	-200	-
Other Manufacturing	-	-	-
Utilities	-	20	20
Construction of Buildings	100	200	100
Civil Engineering	-	-	-
Specialised Construction Activities	200	380	180
Wholesale	-300	-240	60
Retail	-400	20	420
Land Transport, Storage & Post	200	380	180
Accommodation & Food Services	700	1,370	670
Media Activities	100	100	-
Telecoms	-	-	-
Computing & Information Services	900	3,200	2,300
Finance	800	890	90
Insurance & Pensions	-	-	-

Real Estate	800	930	130
Professional Services	3,000	3,700	700
Administrative & Supportive Services	2,900	2,900	-
Public Administration & Defence	-	20	20
Education	500	1,270	770
Health	2,500	2,790	290
Residential Care & Social Work	1,000	1,450	450
Recreation	200	350	150
Other Private Services	200	400	200
Total	**12,500**	**19,230**	**6,730**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A37: Comparison of baseline jobs forecast to employment growth scenario (2024-46) - Gloucester

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	-	-	-
Food, Drink & Tobacco (manufacture of	-200	-200	-
Textiles & Clothing (manufacture of)	-	-	-
Wood & Paper (manufacture of)	-	-	-
Printing and Recorded Media (manufacture of)	-	-	-
Pharmaceuticals (manufacture of)	100	100	-
Non-Metallic Products (manufacture of)	-100	-100	-
Metal Products (manufacture of)	100	100	-
Machinery & Equipment (manufacture of)	-	-	-
Computer & Electronic Products (manufacture of)	-	-	-
Transport Equipment (manufacture of)	-	-	-
Other Manufacturing	-	-	-
Utilities	-100	-100	-
Construction of Buildings	100	100	-
Civil Engineering	-	-	-
Specialised Construction Activities	600	590	-10
Wholesale	100	100	-
Retail	400	380	-20
Land Transport, Storage & Post	600	590	-10
Accommodation & Food Services	900	880	-20
Media Activities	100	100	-
Telecoms	-	-	-
Computing & Information Services	300	2,420	2,120
Finance	600	600	-
Insurance & Pensions	-	-	-

Real Estate	500	500	-
Professional Services	1,600	1,590	-10
Administrative & Supportive Services	1,700	1,700	-
Public Administration & Defence	-	-	-
Education	1,000	970	-30
Health	4,100	4,090	-10
Residential Care & Social Work	1,400	1,380	-20
Recreation	200	190	-10
Other Private Services	500	490	-10
Total	**14,500**	**16,470**	**1,970**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A38: Comparison of baseline jobs forecast to employment growth scenario (2024-46) - Tewkesbury

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	300	300	-
Food, Drink & Tobacco (manufacture of	-	200	200
Textiles & Clothing (manufacture of)	-	-	-
Wood & Paper (manufacture of)	-	-	-
Printing and Recorded Media (manufacture of)	-100	-	100
Pharmaceuticals (manufacture of)	-	-	-
Non-Metallic Products (manufacture of)	-	100	100
Metal Products (manufacture of)	200	200	-
Machinery & Equipment (manufacture of)	-100	400	500
Computer & Electronic Products (manufacture of)	-	200	200
Transport Equipment (manufacture of)	-	200	200
Other Manufacturing	100	100	-
Utilities	200	200	-
Construction of Buildings	200	190	-10
Civil Engineering	-	-	-
Specialised Construction Activities	900	880	-20
Wholesale	600	590	-10
Retail	400	360	-40
Land Transport, Storage & Post	1,200	1,180	-20
Accommodation & Food Services	1,000	930	-70
Media Activities	-	-	-
Telecoms	-	-	-
Computing & Information Services	400	760	360
Finance	-200	-210	-10
Insurance & Pensions	-200	-200	-

Real Estate	400	390	-10
Professional Services	900	1,000	100
Administrative & Supportive Services	1,500	1,500	-
Public Administration & Defence	-100	-100	-
Education	900	820	-80
Health	800	770	-30
Residential Care & Social Work	400	350	-50
Recreation	300	280	-20
Other Private Services	400	380	-20
Total	**10,400**	**11,770**	**1,370**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

Table A39: Comparison of baseline jobs forecast to employment growth scenario (2024-46) – SLP Area

Sector	Jobs change – Experian Baseline	Jobs change – Growth Scenario	Difference
Agriculture, Forestry & Fishing	300	300	-
Food, Drink & Tobacco (manufacture of	-200	-	200
Textiles & Clothing (manufacture of)	-	-	-
Wood & Paper (manufacture of)	-	-	-
Printing and Recorded Media (manufacture of)	-100	-	100
Pharmaceuticals (manufacture of)	100	100	-
Non-Metallic Products (manufacture of)	-100	-	100
Metal Products (manufacture of)	200	200	-
Machinery & Equipment (manufacture of)	-500	-	500
Computer & Electronic Products (manufacture of)	-200	-	200
Transport Equipment (manufacture of)	-200	-	200
Other Manufacturing	100	100	-
Utilities	100	120	20
Construction of Buildings	400	490	90
Civil Engineering	-	-	-
Specialised Construction Activities	1,700	1,860	160
Wholesale	400	450	50
Retail	400	760	360
Land Transport, Storage & Post	2,000	2,150	150
Accommodation & Food Services	2,600	3,170	570
Media Activities	200	200	-
Telecoms	-	-	-
Computing & Information Services	1,600	6,380	4,780
Finance	1,200	1,280	80
Insurance & Pensions	-200	-200	-

Real Estate	1,700	1,810	110
Professional Services	5,500	6,290	790
Administrative & Supportive Services	6,100	6,100	-
Public Administration & Defence	-100	-80	20
Education	2,400	3,060	660
Health	7,400	7,650	250
Residential Care & Social Work	2,800	3,180	380
Recreation	700	830	130
Other Private Services	1,100	1,270	170
Total	**37,400**	**47,470**	**10,070**

Source: Iceni analysis

Note: Row totals may differ from the sums of the rows due to intermediate rounding of results

A4. HMA & FEMA Geographies

Planning policy guidance

A4.1 Paragraph 39 of the Plan-making Planning Practice Guidance (PPG)[67] indicates that Strategic policy-making authorities will need a clear understanding of housing needs in their area, including working with neighbouring authorities and key stakeholders to establish the housing market area, or geography, which is the most appropriate to prepare policies for meeting housing needs across local authority boundaries.

A4.2 Paragraph 18 of the Plan-making PPG goes on to define what a Housing Market Area (HMA) is and sets out the approach local authorities should take when defining these. According to the Guidance, a housing market area is a "geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work." The PPG goes on to add:

"These can be broadly defined by analysing:

- The relationship between housing demand and supply across different locations, using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas.

- Migration flow and housing search patterns. This can help identify the extent to which people move house within an area, in particular where a relatively high proportion of short household moves are contained, (due to connections to families, jobs, and schools).

- Contextual data such as travel to work areas, retail and school catchment areas. These can provide information about the areas

[67] Reference ID: 61-018-20190315

within which people move without changing other aspects of their lives (e.g. work or service use)."

A4.3 The current version of guidance notably omits any self-containment threshold for defining HMAs. This is unlike the previous version of the PPG which stated that migration self-containment of "typically 70 per cent" excluding long-distance moves can help identify a suitable HMA. However, it is considered that the Government's previous advice remains of some relevance as it provides a helpful rule of thumb and facilitates more detailed analysis of functional relationships between local authorities.

A4.4 It is also worth noting that HMA boundaries do not stop and start at administrative boundaries. Despite this, it is often commonplace (and indeed practical) for housing market areas to be defined using local authority boundaries. This is because many of the key datasets used in both defining housing market geographies and housing need (such as the affordability ratios) are only published at a local authority level. A pragmatic response is therefore to define HMAs at a local authority level but recognise that the functional geography likely goes beyond administrative boundaries.

A4.5 These issues were touched upon in the Planning Advisory Services Technical Advice Note on Objectively Assessed Housing Need and Housing Targets[68] (July 2015) which concluded that:

"It is best if HMAs, as defined for the purpose of needs assessments, do not straddle local authority boundaries. For areas smaller than local authorities data availability is poor and analysis becomes impossibly complex. There may also be 'cliff edge' effects at the HMA boundary,

[68] Planning Advisory Services, July 2015. Objectively Assessed Need and Housing Targets Technical advice note. Accessed at: https://www.local.gov.uk/sites/default/files/documents/objectively-assessed-need-9fb.pdf

for example, development allowed on one side of a road but not the other."

A4.6 However, the Technical Advice Note notably adds:

"This is not always possible and it may be the case that some areas, particularly those covering an expansive area fall into more than one HMA".

A4.7 The PPG on Plan-making also provides specific guidance on how Functional Economic Market Areas (FEMA) can be defined[69]. Again, it notes that no standard approach is possible as patterns of economic activity vary from place to place, however, it suggests that analysis of the following is undertaken when defining a FEMA:

- The extent of any Local Enterprise Partnership within the area[70];
- travel to work areas;
- housing market area;
- flow of goods, services and information within the local economy;
- service market for consumers;
- administrative area;
- catchment areas of facilities providing cultural and social well-being; and
- transport network.

A4.8 As the FEMA also considers the HMA and Travel to Work areas there is an element of overlap between the approaches to defining functional geographies for housing and employment.

[69] Paragraph 61-019-20190315

[70] While still part of the guidance LEPs are being phased out with their function being absorbed by unitary and county councils

Review of previous research

HMA

A4.9 The most recent review of the HMA is contained in the 2019 *Gloucestershire Local Housing Needs Assessment* (GLHNA). The study found that given the need from an administrative and pragmatic point of view for HMAs to follow local authority boundaries, the six LPAs of Gloucester remain the most appropriate grouping to assess housing needs.

A4.10 This study concludes that the main core of Gloucestershire lies within a single HMA. It notes the potential for other HMAs within Gloucestershire, with travel to work areas overlapping with surrounding authorities. However, from a pragmatic point of view in which HMA boundaries following local authority boundaries, the six LPAs in Gloucestershire are considered the most appropriate grouping for a HMA. This Is supported by high self-containment in commuting and migration.

A4.11 The study notes evidence of links to other areas, with ONS travel to work areas (TTWAs) showing Cinderford in Forest of Dean to have its own TTWA extending into Monmouthshire, and parts of Cotswold lying within the Swindon TTWA.

A4.12 The Gloucestershire housing evidence in place before this study (the 2014 Gloucestershire Strategic Housing Market Assessment) did not contain a comprehensive review of the HMA. However, it did note that previous work had found Gloucestershire to constitute a HMA, and found this still to be reasonable based on a brief review of house price information.

FEMA

A4.13 The 2020 Gloucestershire Economic Needs Assessment provides the most recent assessment of the FEMA for Gloucestershire. Adopting a best fit approach whereby FEMAs are aligned to local authority boundaries, the study found that the balance of evidence would support a single FEMA including the six Gloucestershire authorities.

A4.14 This conclusion is supported by:

- Strong commuting self-containment for Gloucestershire as a whole and lower self-containment of individual districts, or of individual districts with surrounding areas
- The largest commercial property market lying along the M5 corridor, which runs through the middle of the County
- Rural parts of the County outside of the M5 corridor (i.e. Cotswold, Forest of Dean and parts of Tewkesbury and Stroud) not containing centres or markets large enough to constitute their own FEMA, and also having strong commuting connections with other parts of Gloucestershire
- The main retail and leisure centre for each authority being either within the authority or in another part of Gloucestershire (notably Gloucester or Cheltenham).

While Gloucester and Cheltenham lie within their own TTWAs, the study finds a high level of commuting overlap in their catchment areas, supporting a single rather than separate FEMAs. It was noted that Tewkesbury had a particularly low level of self-containment, with strong links to both Gloucester and Cheltenham.

Studies from neighbouring authorities

A4.15 The table below summarises the recent

- South Gloucestershire sitting within a broader Bristol functional area

- Swindon and Wiltshire sitting together, with economic relationships in Swindon and northern Wiltshire oriented along the M4 towards Reading and the Thames Valley
- West Oxfordshire sitting within an Oxfordshire functional area
- Stratford-on-Avon oriented towards Warwickshire, Coventry and the West Midlands more broadly
- Malvern Hills and Wychavon sitting within the same functional areas centred around Worcester and Warwickshire

A4.16 Analysis for Herefordshire and Monmouthshire is less detailed. However, there are found to be some overlaps in housing market areas between parts of Monmouthshire and Forest of Dean.

A4.17 Analysis of commuting and economic relationships shows some cross-boundary connections between parts of Gloucestershire and surrounding authorities, particularly:

- Commuting links between Stroud, South Gloucestershire and the Bristol area
- The Swindon / northern Wiltshire FEMA extending into the southern part of Cotswold
- South Worcestershire sitting within a broad secondary FEMA which includes Tewkesbury, Cheltenham and Cotswold.

A4.18 However, it is notable that no authority within Gloucestershire is found to lie wholly or mostly within the HMA or FEMA of an authority outside of the County.

Authority	HMA Study	FEMA Study
South Gloucestershire	The Wider Bristol HMA SHMA (ORS, 2015) was prepared for Bath & North East Somerset, Bristol, North Somerset and South Gloucestershire. The study identifies separate HMAs for Bristol and Bath and defines the "Wider Bristol HMA" as best fitting the combined local authority areas of Bristol City, North Somerset and South Gloucestershire. The more recent South Gloucestershire Local Housing Needs Assessment (LHNA, 2023) updates need using the standard method but doesn't redefine HMAs	West of England Employment Land Spatial Needs Assessment (WELSNA, 2023) treats the West of England LEP area (Bristol, B&NES, North Somerset, South Gloucestershire) as the FEMA, as previously defined in the West of England Economic Development Needs Assessment (2015/16). The South Gloucestershire FEMA Technical Paper (informed the WELSNA) notes cross-boundary commuting links including with Stroud. The WELSNA also notes synergies and cross-boundary relationships with Gloucestershire LEP and linkages with Cheltenham and Gloucester.

Wiltshire & Swindon	The Swindon & Wiltshire SHMA (2017) treats Swindon and Wiltshire as a best fit area containing four separate HMAs – none extending outside of the boundaries of the two authorities.	The Swindon & Wiltshire FEMA Assessment (2016) identifies three FEMAs within Swindon and Wiltshire. The most relevant is the Swindon/M4 corridor FEMA which covers Swindon and the northern-eastern parts of Wiltshire, and is found to extend into the southern part of Cotswold as well as parts of Oxfordshire (the exact boundaries are not defined). This FEMA is based around east-west connections along the M4 and Great Western Mainline, and from a business point of view is found to primarily look eastward toward Oxford and Thames Valley.
West Oxfordshire	The 2014 Oxfordshire SHMA found that Oxfordshire constituted a single functional HMA. This conclusion is then reviewed and adopted in the 2021 Oxfordshire Growth Needs Assessment and 2022 Oxfordshire Housing and Economic Needs Assessment.	The 2021 Oxfordshire Growth Needs Assessment found that Oxfordshire is a reasonable approximation for the Oxfordshire FEMA, with Oxford at its centre and several subareas. The 2025 West Oxfordshire Economic Needs Assessment reviews the FEMA from a West Oxfordshire specific lens, and finds that West Oxfordshire is relatively self-contained economically, with connections to the four other Oxfordshire authorities.

Stratford-on-Avon	The Coventry & Warwickshire HEDNA (2022) finds Coventry and Warwickshire to remain an appropriate best fit HMA, with links primarily acknowledged to HMAs in other parts of the Midlands.	The Coventry & Warwickshire HEDNA (2022) also finds Coventry and Warwickshire to remain an appropriate best fit FEMA, with economic connections oriented to other parts of the Midlands including Birmingham.
Malvern Hills & Wychavon	The Malvern Hills, Worcester City and Wychavon SHMA Update 2021 concludes that the South Worcestershire area is a self-contained housing market area in terms of migration and travel to work, making it an appropriate HMA for plan making purposes.	The South Worcestershire Economic Development Needs Assessment update (2022) states that the primary FEMA can be approximated by the Worcestershire County area. A secondary FEMA is also defined which includes Cotswold, Tewkesbury and Cheltenham as well as Birmingham and Stratford-on-Avon.
Herefordshire	The Herefordshire Housing Market Area Needs Assessment divides Herefordshire into seven sub-HMAs to model housing need. Housing need is thus positioned as being best considered at an authority-wide or sub-authority level.	Employment evidence for Herefordshire (the 2012 Herefordshire County Employment Land Study and 2022 Provision of Emplyoment Land Requirements Study) does not provide an analysis of discussion of the FEMA. Employment needs are framed and discussed at an authority-wide level.

Monmouthshire	Monmouthshire's Local Housing Market Assessment 2020-2025 splits the County into three HMAs aligned with Travel to Work Areas. The Monmouth HMA (one of these) is aligned with the Cinderford and Ross-on-Wye Travel to Work Area, which extends into Forest of Dean, although Forest of Dean is not explicitly noted to be part of the HMA. The 2022-2037 LHMA Refresh adopts the same boundaries as the 2020-2025 study.	The 2022 Monmouthshire Employment Land Review Update does not provide an analysis of discussion of the FEMA. Employment needs are framed and discussed at an authority-wide level.

Broad Rental Market Areas

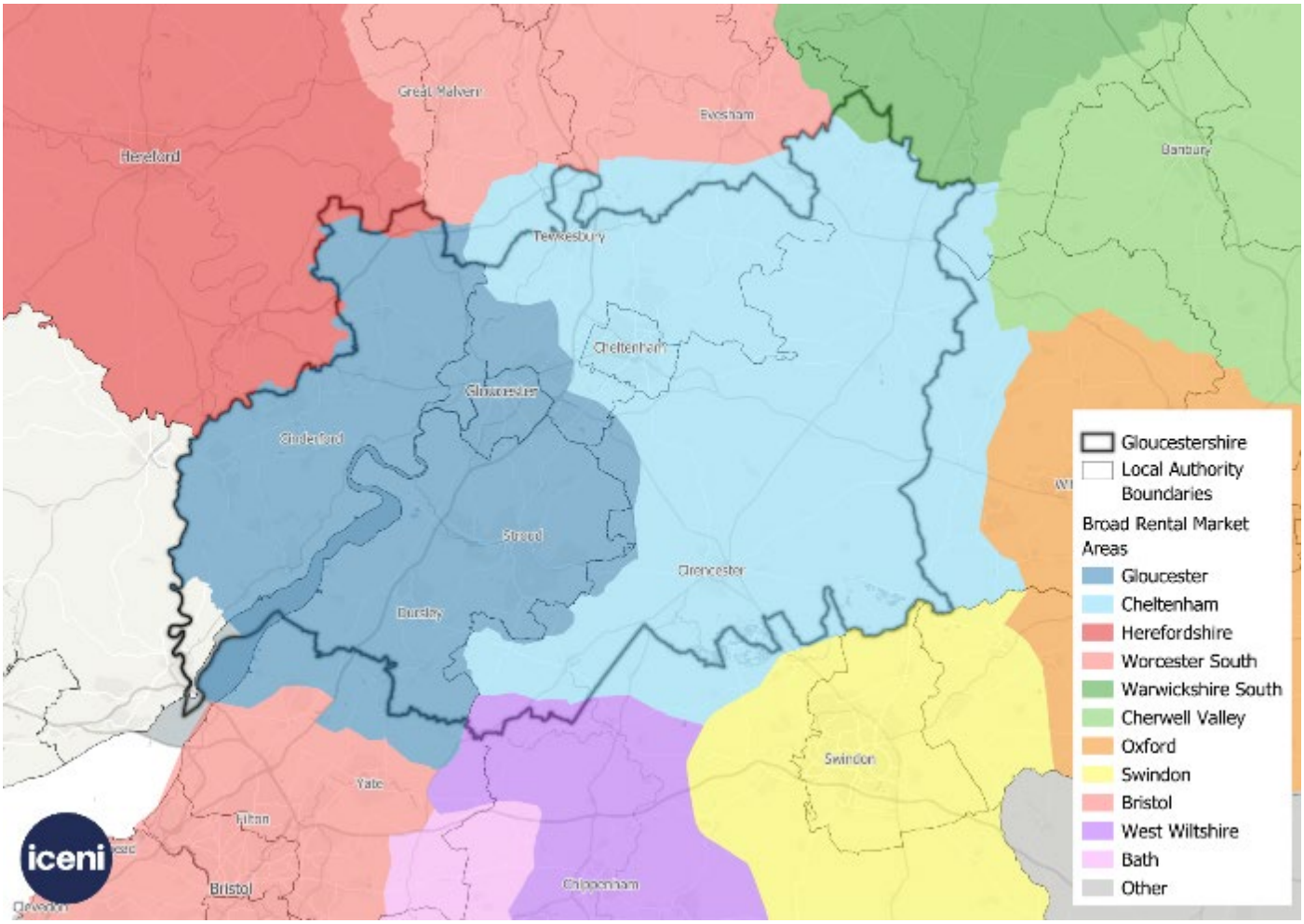
A4.19 Broad Rental Market Areas (BRMAs) are geographic areas used to set local housing allowance rates for housing benefits. They group together localities with broadly similar rental costs and are designed to reflect rental markets within which people could reasonably be expected to live and commute to work.

A4.20 As shown in the figure below, Gloucestershire is largely split into two BRMAs:

- One based around Gloucester and covering the Stroud and Forest of Dean districts as well as Gloucester and the South-Western part of Tewkesbury
- One based around Cheltenham and covering most of Cotswold, all of Cheltenham, and most of Tewkesbury.

A4.21 The BRMA boundaries do not completely align with the boundaries of Gloucestershire, and so the Gloucester BRMA extends into South Gloucestershire, while the Cheltenham BRMA includes small parts of Wiltshire, West Oxfordshire, Stratford-on-Avon, Wychavon and Malvern Hills. There are also very small parts of Cotswold and Forest of Dean covered by neighbouring BRMAs.

Figure A 27: Broad rental market areas



Source: VOA *Broad Rental Market Area Boundaries*

Migration

A4.22 Migration flows from the 2021 Census and from yearly ONS internal migration data have been analysed as an indicator of housing market geography. However, it should be noted that the 2021 Census was taken during a period of partial Covid-19 lockdown therefore dynamics in both migration and commuting terms may be affected.

A4.23 Gross migration flows (the sum of flows in both directions) between areas have been used to understand the relative strength of housing market interactions between different local authorities. The largest

gross flows for each of Gloucestershire's authorities are shown in the table below.

A4.24 Gross migration per 1,000 population is also shown. This metric controls for the size of each authority, with larger migration totals expected with larger authorities as a result of their size rather than the underlying strength of the interaction. Under this metric the largest migration flows from each of the six Gloucestershire authorities (and apart from Forest of Dean the second largest as well) is with another Gloucestershire authority.

A4.25 The top four flows from Gloucester and Cheltenham are within Gloucestershire, with the strongest flows with Tewkesbury in both cases. Stroud also large gross migration flows with Gloucester. Large flows with Stroud and Tewkesbury partly reflect the geography of settlement, with growth in Tewkesbury predominantly around the boarders of Gloucester and Cheltenham, and some growth in Stroud at the edge of the Gloucester City boundaries and within Gloucester's built up area.

A4.26 Tewkesbury also has moderate flows with Wychavon which lies to its north, although much smaller than Tewkesbury's flows with Gloucester and Cheltenham. Five of the top six flows by authority to and from Tewkesbury are within Gloucestershire.

Figure A 28: Top authorities by gross migration (2020-2024)

	Gloucester			Cheltenham			Tewkesbury		
	Authority	**Total**	**Per 1,000 pop'n***	**Authority**	**Total**	**Per 1,000 pop'n***	**Authority**	**Total**	**Per 1,000 pop'n***
1	Tewkesbury	12,550	11.20	Tewkesbury	14,778	13.98	Cheltenham	14,778	13.98
2	Stroud	10,060	8.03	Gloucester	6,835	5.45	Gloucester	12,550	11.20
3	Cheltenham	6,835	5.45	Cotswold	3,750	3.60	Wychavon	2,871	2.60
4	Forest of Dean	5,624	5.16	Stroud	3,191	2.68	Stroud	2,841	2.69
5	Bristol	2,189	0.73	Bristol	3,183	1.08	Forest of Dean	2,572	2.88
6	South Gloc.	1,965	0.94	Birmingham	1,874	0.30	Cotswold	1,908	2.10
	Stroud			**Cotswold**			**Forest of Dean**		
	Authority	**Total**	**Per 1,000 pop'n***	**Authority**	**Total**	**Per 1,000 pop'n***	**Authority**	**Total**	**Per 1,000 pop'n***
1	Gloucester	10,060	8.03	Wiltshire	4,642	1.57	Gloucester	5,624	5.16
2	South Gloc.	5,547	2.75	Cheltenham	3,750	3.60	Herefordshire	3,904	2.86
3	Bristol	4,540	1.54	Stroud	3,568	3.42	Monmouthshire	3,157	3.54
4	Cotswold	3,568	3.42	West Oxfordshire	3,234	3.21	Tewkesbury	2,572	2.88
5	Cheltenham	3,191	2.68	Swindon	3,010	1.88	Bristol	2,175	0.78
6	Tewkesbury	2,841	2.69	Stratford-on-Avon	2,296	2.10	South Gloc.	2,140	1.15

Source: Iceni analysis of ONS *Internal migration in England and Wales*

Note: authority names are underlined where they fall within Gloucestershire.

* - Gross migration / 1,000 population calculated for each year and then averaged across the period shown

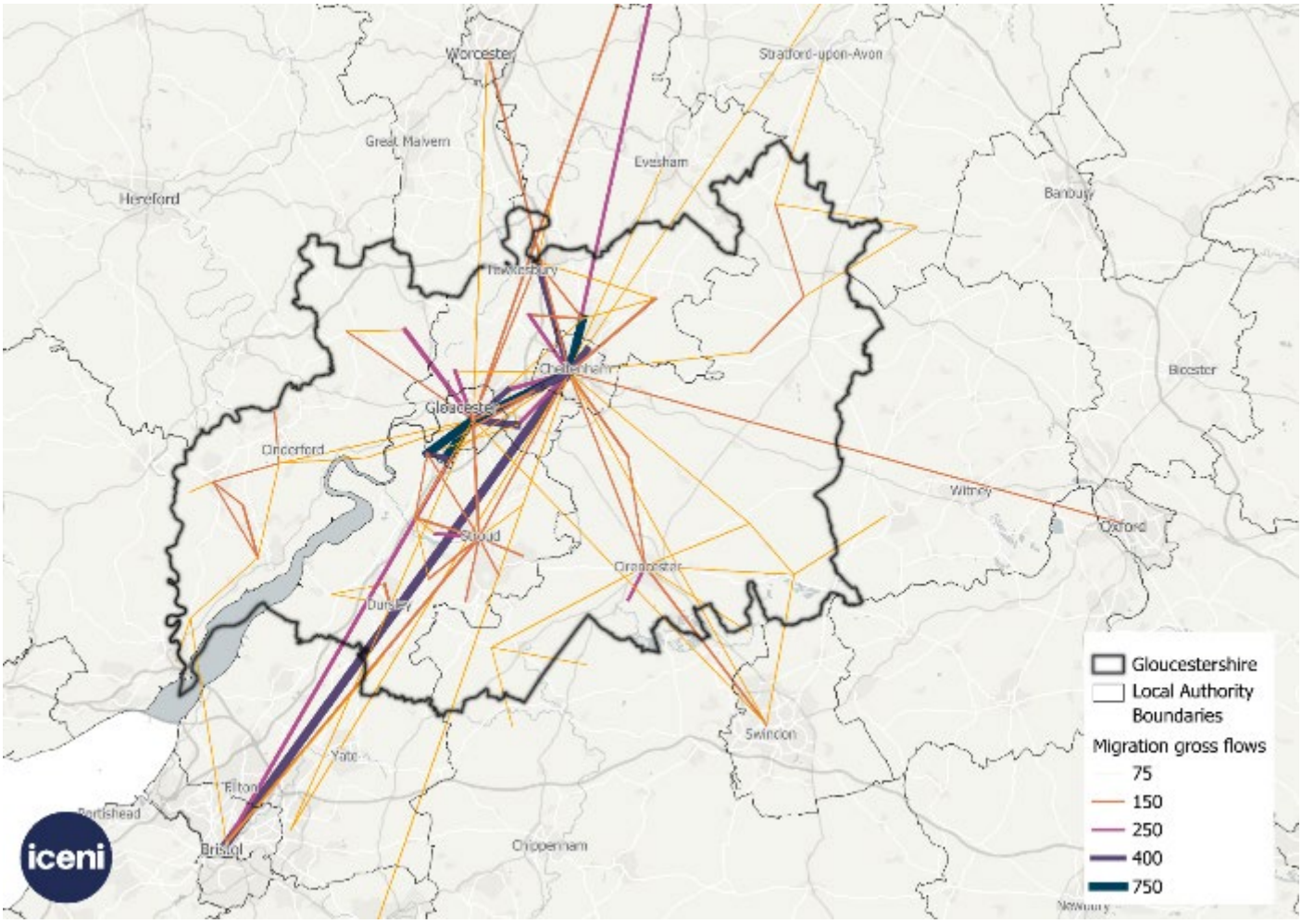
A4.27 Data for Stroud, Cotswold and Forest of Dean illustrate more influences from surrounding areas, while still showing strong functional relationships with other parts of the County of Gloucestershire. In more detail:

- While Stroud's strongest migration relationships are with Gloucester, and four of its top six flows are within Gloucestershire, it also has moderate flows to the south with South Gloucestershire and Bristol.
- While Cotswold has strong flows with Cheltenham and Stroud, the strongest grow flow is with Wiltshire and the other bordering authorities of West Oxfordshire, Swindon and Stratford-on-Avon also feature in the top six.
- Forest of Dean's strongest flows are with Gloucester, but it also has strong flows with the adjoining authorities of Herefordshire, Monmouthshire and Tewkesbury, as well as over the Severn Bridge to South Gloucestershire and Bristol.

A4.28 The following figure provides a finer grain spatial portrait these migration flows. This illustrates that most of the strongest migration flows originating in or with a destination in Gloucestershire fall entirely within Gloucestershire. The exceptions to this are moderate flows across the boundaries particularly from the edges of Cotswold and Stroud, and large flows from Gloucester and Cheltenham to the urban areas of Bristol and Birmingham, and to a lesser degree Worcester and Oxford.

A4.29 This figure also illustrates that the migration influence of Gloucester is strongest in the south-western half of Gloucestershire, and of Cheltenham in the north-eastern half. However, there is considerable overlap in their areas of influence particularly in the immediate proximity of each within the Tewkesbury District.

Figure A 29: Gross migration flows to and from Gloucestershire



Note: Analysis is carried out by BUA / MSOA

Source: Iceni analysis of ONS Census data 2021

Self containment

A4.30 One of the previous benchmarks for identifying an HMA was self-containment levels, although this has subsequently been removed from the PPG. Self-containment rates are the percentage of moves to or from an area originating from the same area. The guidance previously suggested that a self-containment rate of 70% would be typical of an HMA[71].

[71] PPG 2a-011-20140306, removed in update on 24 July 2018. Previous guidance available at https://webarchive.nationalarchives.gov.uk/ukgwa/20170202002647/https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments

A4.31 The previous guidance also suggested long-distance moves should be excluded as these would include such things as people retiring to the area or moving for university, which would typically be outside of the HMA they reside.

A4.32 While planning policy guidance no longer refers to a 70% threshold, this is still a helpful indicator of housing market self-containment when analysing functional flows of people in the form of migration or commuting. The guidance continues to refer to migration self-containment in the form of "*the extent to which people move house within an area, in particular where a relatively high proportion of short household moves are contained)"*[72]*.*

A4.33 The following tables use data from the 2021 Census on migration flows to analyse self-containment rates in Gloucestershire. The self-containment rates of each authority individually are shown in the table below. Each authority falls short of the 70% threshold, with the highest self-containment in Cheltenham (68%/66%) followed by Gloucester (66%/66%). The lowest self-containment rates are found for Tewkesbury, reflecting its strong migration connections to Cheltenham and Gloucester (shown later in this section).

[72] PPG 61-018-20190315

Figure A 30: Migration self-containment rates by authority (2021)

	Origin of move in authority	Destination of move in authority
Gloucester	66%	66%
Cheltenham	66%	68%
Tewkesbury	50%	44%
Stroud	65%	58%
Cotswold	57%	58%
Forest of Dean	60%	56%

Source: Iceni analysis of ONS 2021 Census

A4.34 By contrast, Gloucestershire as a whole achieves a very high degree of self containment (85%/83%), well above a 70% indicative threshold. The GCT area also achieves self-containment above 70% (81%/80%), although lower than Gloucestershire as a whole.

Figure A 31: Commuting self-containment rates by combined areas (2021)

	Origin of move in area	Destination of move in area
GCT	81%	80%
Gloucestershire	85%	83%

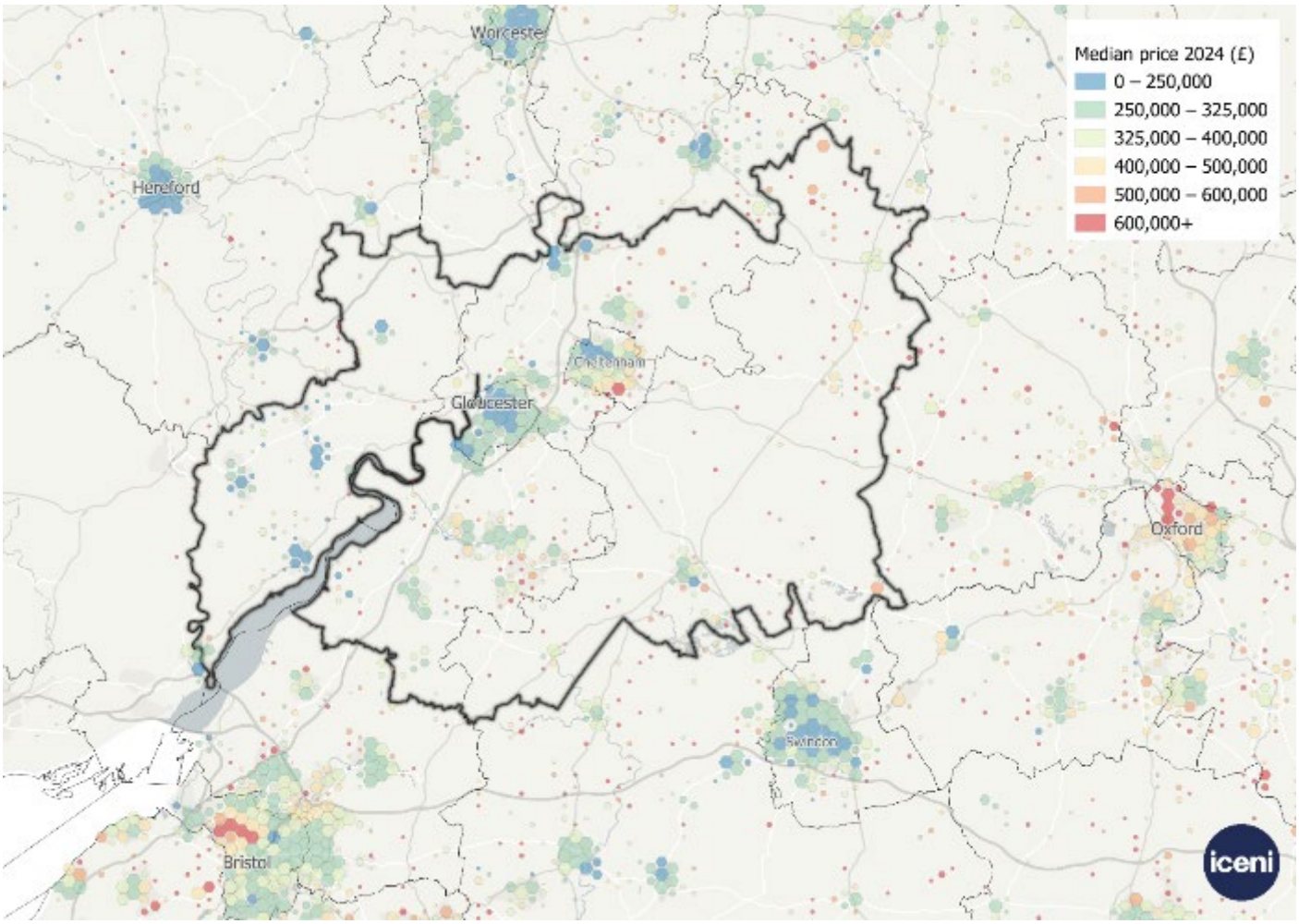
Source: Iceni analysis of ONS 2021 Census

House prices

A4.35 The Plan-making PPG suggests that when identifying HMAs, analysis should be undertaken regarding the "*relationship between housing demand and supply across different locations using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas*."

A4.36 The map below illustrates the median cost of housing in different parts of Gloucestershire and surrounds. The hexagons on this map are scaled to show the number of sales recorded in each are, with no hexagons shown where there are very few or no sales.

Figure A 32: Median house prices in Gloucestershire and surrounds



Source: Iceni analysis of HM Land Registry *Price Paid Data*

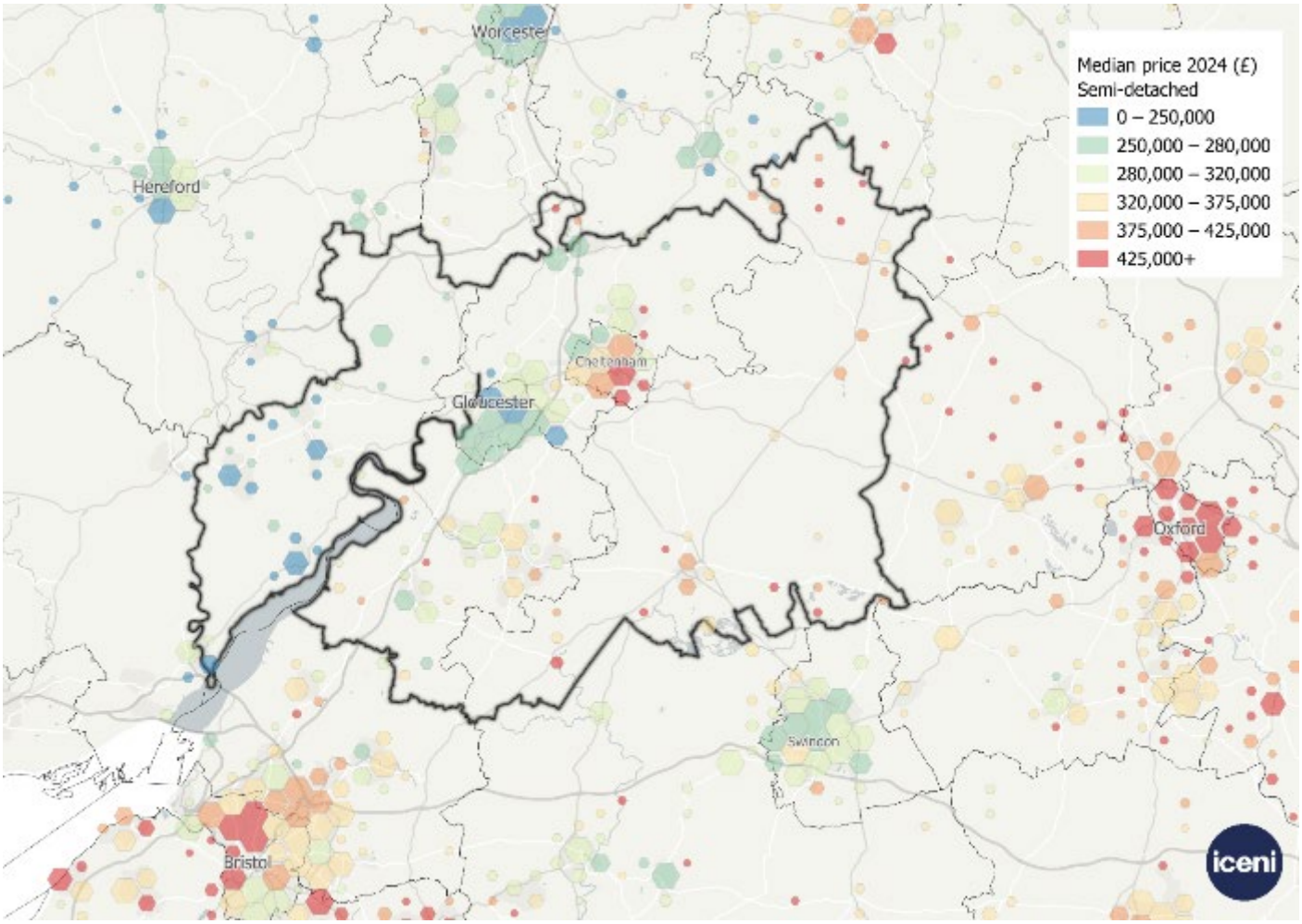
A4.37 There is wide price variation within Gloucestershire, with median prices ranging from less than £250,000 (in areas predominately containing flats in Central Gloucester and Cheltenham as well as much of the Forest of Dean) to more than £600,000.

A4.38 Cotswold has the highest prices, with a clear rural-urban divide with rural areas having particularly high house prices but few sales. Similar prices are also seen in the some of the parts of Stroud and Tewkesbury

that fall within the Cotswolds National Landscape. Similarly, rural prices are over £600,000 in nearby parts of Wiltshire, West Oxfordshire and Stratford-on-Avon, particularly in places within the National Landscape.

A4.39 The following figure shows the median price landscape in Gloucestershire and the immediate surrounds, but only including semi-detached homes. This attempts to provide a like for like comparison by controlling for variations in price between rural and urban areas caused by different in housing stock profile (with larger and detached homes more expensive than smaller homes more commonly found in towns).

Figure A 33: Median semi-detached housing prices in Gloucestershire and surrounds



Source: Iceni analysis of HM Land Registry *Price Paid Data*

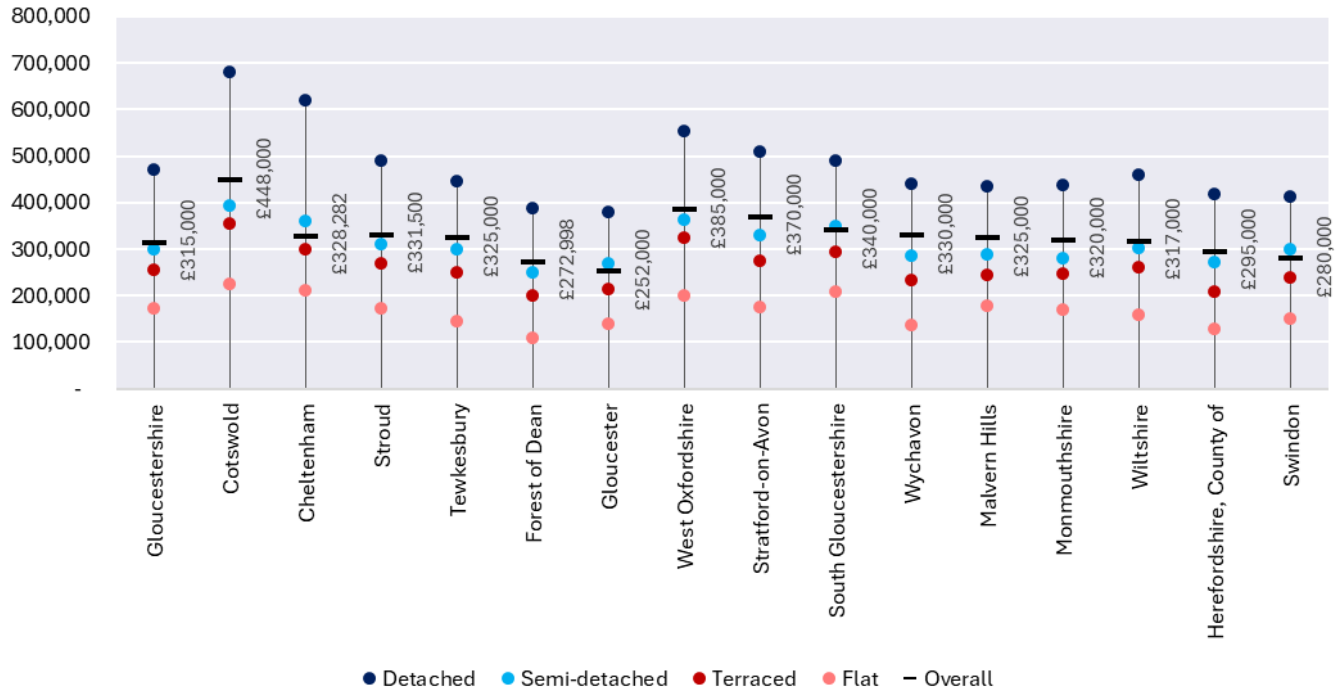
A4.40 Many of the same trends are again visible in Gloucestershire. This includes the urban/rural split, although it is less pronounced. The following observations can be made:

- Prices are highest in Cotswold and Cheltenham, more in line with prices around Bristol (which are relatively high) as well as West Oxfordshire and Stratford-on-Avon.
- While geographically close to Cotswold, Swindon has far lower prices.
- Tewkesbury and Stroud generally have moderate prices, with higher prices seen within the National Landscape
- There is some price variation within Gloucester, although it's prices appear broadly similar to those seen within Worcester and the town of Hereford.
- The Forest of Dean has the lowest prices, including both within towns and in rural areas (even though Gloucester has a lower overall median price reflecting its housing mix – as set out in Chapter 3)

A4.41 The figure overleaf summarises this information by showing the median price for each authority, broken down by dwelling type. This is followed by a chart showing the change in median prices over the last five years of data (i.e. from the year to May 2020 until the year to May 2025) in each case.

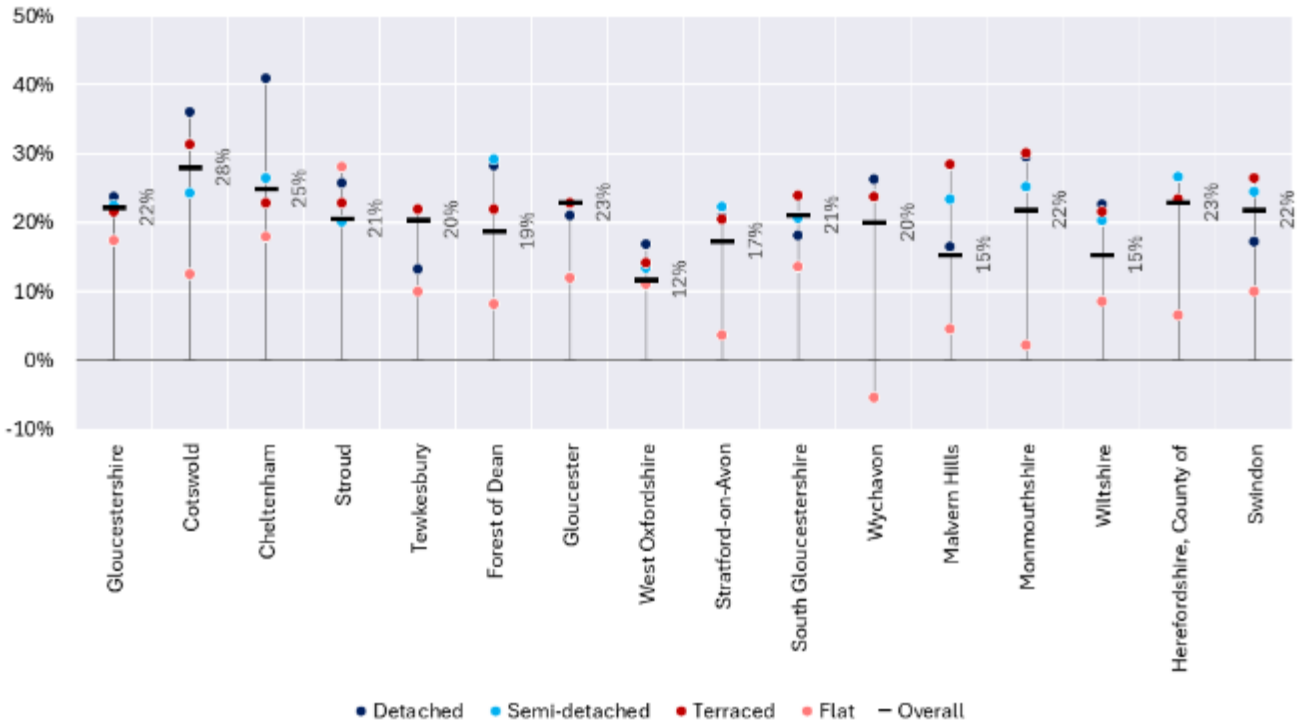
A4.42 Distinct market dynamics are visible in Cotswold and Cheltenham, with semi-detached and terraced housing prices somewhat similar to those seen in West Oxfordshire, but detached housing prices by far the highest seen in any authority, and a very high overall median price in Cotswold. These two authorities have also seen higher house price growth than any other authority shown, with particularly high growth in detached homes (this likely reflects increased demand for large homes in prestigious rural areas following COVID-19).

Figure A 34: Median house prices by authority in Gloucestershire and surrounds (Year to May 2025)



Source: Iceni analysis of HM Land Registry *Price Paid Data*

Figure A 35: Percentage change in median house prices over five years by authority (Five year period up to year to May 2025)



Source: Iceni analysis of HM Land Registry *Price Paid Data*

A4.43 Tewkesbury and Stroud have similar overall median prices, as well as medians for semi-detached and terraced homes, although Stroud's detached homes are more expensive (again reflecting a prestige Cotswolds market). Similar dynamics are seen in Wychavon, Malvern Hills, Monmouthshire and Wiltshire.

A4.44 Gloucester and Forest of Dean have the lowest overall median prices, and the lowest for each housing type. Broken down by housing price, medians are most similar to Herefordshire, with Swindon have slightly higher prices.

A4.45 Apart from Cotswold and Cheltenham, each of Gloucestershire's authorities have seen median house growth over five years in a narrow band between 19% - 23%, with similar proportion change seen for semi-detached homes (apart from Forest of Dean) and for terraced homes. Several surrounding authorities have also seen growth in this range, including South Gloucestershire, Swindon, Wychavon, Herefordshire and Monmouthshire (although some distinctions are visible by dwelling type). However, several of these other authorities say higher levels of growth in detached, semi-detached and terraced homes, but lower levels of growth for flats.

A4.46 While there are similarities between Cotswold, Cheltenham and West Oxfordshire by median price, West Oxfordshire has seen lower proportional growth over five years. This is likely attributable to high baseline prices in West Oxfordshire, as well as to high levels of housing development in West Oxfordshire (new build sales made up 22% of all sales in West Oxfordshire over the five year period shown, compared to 12% across Gloucestershire, 8% in Cotswold and 5% in Cheltenham).

A4.47 This analysis positions Cotswold and Cheltenham as occupying a market position relatively distinct from surrounding authorities, with some pricing similarities to nearby parts of the Cotswold national

landscape but a higher level of recent growth and particularly high detached prices.

A4.48 Otherwise, Gloucestershire's authorities sit broadly within the surrounding housing market context, although with some distinct local dynamics. Tewkesbury and Stroud having similar price levels to several surrounding authorities, and similar overall growth levels (although some differences by housing type). Gloucester and Forest of Dean have consistently lower prices, although there are housing market similarities with nearby Herefordshire and Monmouthshire, and between Gloucester and the urban areas of Swindon and Worcester.

Commuting

A4.49 Commuting flows provide important evidence of the relationships between different areas. The PPG on Plan-making directs planning authorities to consider travel to work areas as a source of contextual information about the spatial dynamics of the local labour market[73], as these will somewhat influence search patterns and location choices within the housing market.

A4.50 For each authority in Gloucestershire the following table shows the six authorities with the largest number of gross commutes (i.e. total commutes whether to or from a given local authority). The following observations can be made:

- For **Gloucester** the top six authorities by gross commutes are the six Gloucestershire authorities, with strongest flows within the authority as well as to Tewkesbury and Stroud. There is net out commuting to Tewkesbury, Stroud and Cheltenham.

- By far the strongest flows to and from **Cheltenham** and **Tewkesbury** are with authorities within Gloucestershire, with Wychavon also appearing towards the bottom of the top six list in

[73] PPG 61-019-20190315

the place of Forest of Dean for Cheltenham, or Cotswold for Tewkesbury. Cheltenham has strong net in-commuting from Tewkesbury.

- **Stroud's** strongest gross commuting relationships are within the district and with Gloucester. While it also has moderate flows with Cotswold, Cheltenham and Tewkesbury, South Gloucestershire has the third highest flows (albeit much lower than within Stroud or with Gloucester), with net out commuting from Stroud.

- **Forest of Dean's** strongest gross commuting relationships are also within the district and with Gloucester. Herefordshire and Monmouthshire occupy the next two stops, although there are also moderate commuting flows to and from Tewkesbury and Cheltenham. Forest of Dean has net out commuting to each of the other authorities shown, with particularly strong net out commuting to Gloucester.

- While the largest commuting flows are within the District, three of **Cotswold's** top six authorities by grow commutes are outside of Gloucestershire (Swindon, Wiltshire and West Oxfordshire). The largest flows to other authorities within Gloucestershire are to and from Stroud and Cheltenham.

Figure A 36: Top authorities by number of commutes (2021)

	Gloucester				Cheltenham				Tewkesbury			
	Authority	Gross	In	Out	Authority	Gross	In	Out	Authority	Gross	In	Out
1	Gloucester	22,431	-	-	Cheltenham	18,426	-	-	Tewkesbury	9,367		
2	Tewkesbury	9,310	4,360	4,950	Tewkesbury	9,684	5,908	3,776	Cheltenham	9,684	3,776	5,908
3	Stroud	8,569	3,749	4,820	Gloucester	6,312	3,335	2,977	Gloucester	9,310	4,950	4,360
4	Cheltenham	6,312	2,977	3,335	Cotswold	2,251	1,019	1,232	Stroud	2,032	1,135	897
5	Forest of Dean	3,973	2,847	1,126	Stroud	2,177	1,245	932	Wychavon	1,965	1,306	659
6	Cotswold	1,275	552	723	Wychavon	995	669	326	Forest of Dean	1,706	1,228	478
	Stroud				**Cotswold**				**Forest of Dean**			
	Authority	Gross	In	Out	Authority	Gross	In	Out	Authority	Gross	In	Out
1	Stroud	17,280			Cotswold	11,232			Forest of Dean	11,048		
2	Gloucester	8,569	4,820	3,749	Swindon	2,876	1,763	1,113	Gloucester	3,973	1,126	2,847
3	South G'shire	3,029	1,143	1,886	Stroud	2,814	1,803	1,011	Herefordshire	2,530	1,004	1,526
4	Cotswold	2,814	1,011	1,803	Wiltshire	2,358	1,366	992	Monm'thshire	1,964	765	1,199
5	Cheltenham	2,177	932	1,245	Cheltenham	2,251	1,232	1,019	Tewkesbury	1,706	478	1,228
6	Tewkesbury	2,032	897	1,135	West Oxfordshire	1,808	559	1,249	Cheltenham	964	240	724

Source: Iceni analysis of ONS Census 2021

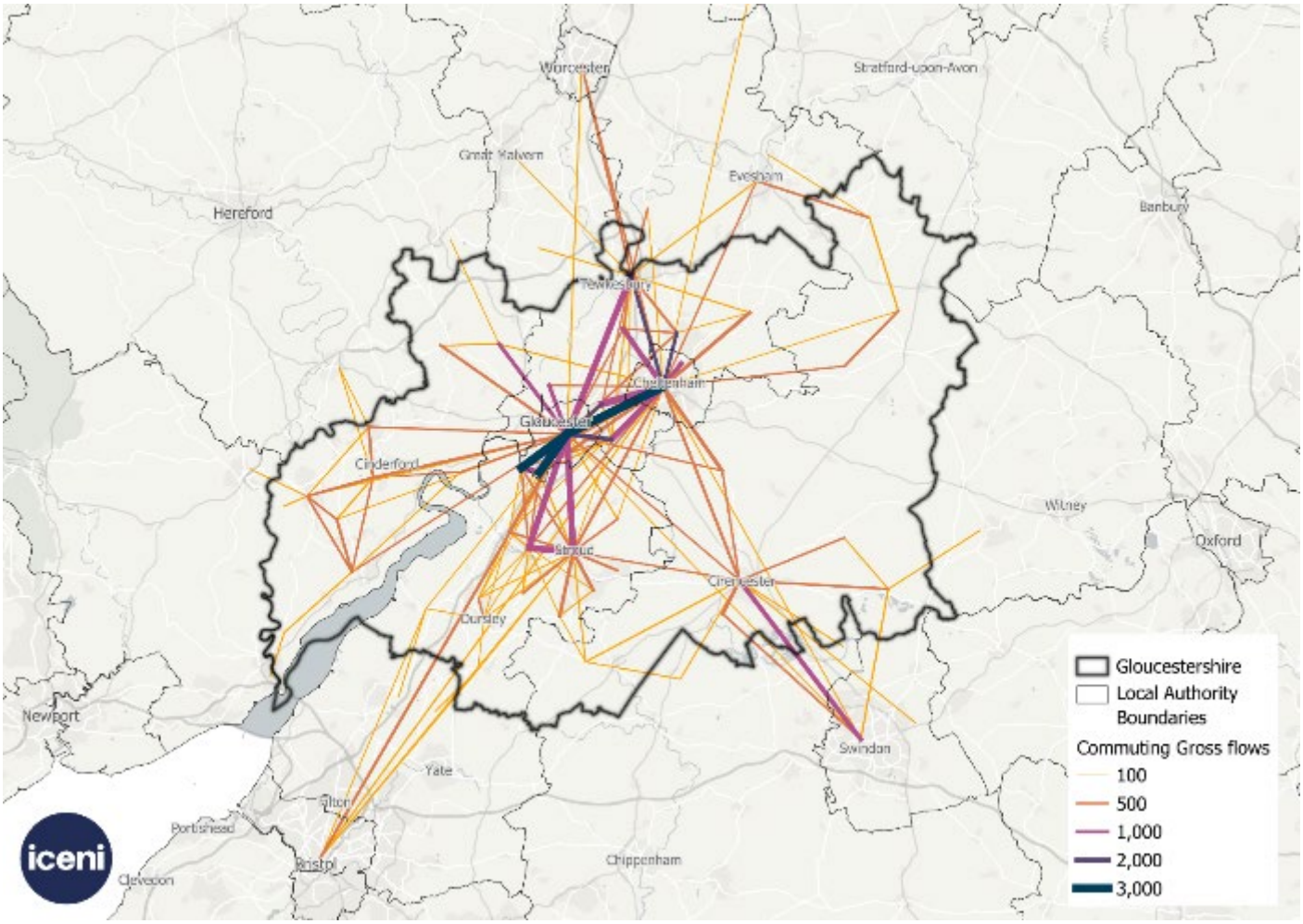
Note: Authority names are underlined if they are in Gloucestershire.

A4.51 The following figure provides a finer spatial portrait of these gross commuting flows. As with migration, this shows most of the largest flows originating in or with a destination in Gloucestershire being contained within the County, with flows to and from Gloucester and Cheltenham being particularly prominent.

A4.52 There are also flows:

- From the southern part of Stroud as well as from Gloucester and the Stroud built up area to Bristol
- From the southern part of Cotswold (particularly Cirencester) to and from Swindon,
- To the north from the edges of Cotswold, Tewkesbury and Forest of Dean
- From Gloucester and Cheltenham to and from Worcester.

Figure A 37: Gross commuting flows to and from Gloucestershire



Note: Analysis is carried out by BUA / MSOA

Source: Iceni analysis of ONS Census data 2021

Self containment

A4.53 Commuting self containment rates for each authority based on the 2021 Census are shown in the table below. For example, 61% of commutes by Cheltenham residents are to a destination in Cheltenham, while 55% of Cheltenham's jobs are filled by local residents.

A4.54 Commuting self containment rates for each authority are lower than migration self containment rates (discussed earlier in this section), and all substantially below 70%. The lowest self containment rates are again achieved by Tewkesbury, reflecting its strong commuting flows to and from Gloucester and Cheltenham.

Figure A 38: Commuting self-containment rates by authority (2021)

	Resident self-containment	Workplace self-containment
Gloucester	56%	56%
Cheltenham	61%	55%
Tewkesbury	38%	37%
Stroud	57%	60%
Cotswold	55%	48%
Forest of Dean	51%	68%

Source: Iceni analysis of ONS 2021 Census

A4.55 By contrast, very high self-containment rates (85% / 86%) are achieved for Gloucestershire as a whole. The GCT area also achieves self-containment rates above 70%, albeit lower than those achieved for Gloucestershire as a whole.

Figure A 39: Commuting self-containment rates by combined areas (2021)

	Resident self-containment	Workplace self-containment
GCT	79%	76%
Gloucestershire	85%	86%

Source: Iceni analysis of ONS 2021 Census

Travel to Work Areas

A4.56 Travel to Work Areas (TTWAs) are areas which are relatively self-contained from a commuting point of view and are intended to

approximate labour market areas. The 2011 TTWAs are areas with 75% travel to work self-containment, or 66.7% for larger urban areas[74].

A4.57 The map below shows the 2011 TTWAs overlaid with Local Authority boundaries. Despite their age, these are still the latest set of published TTWAs. In addition, the 2021 Census took place during a period with COVID-19 restrictions, impacting the reliability of its travel to work data.

A4.58 There are seven different TTWAs which overlap with Gloucestershire. The two which cover the largest part of the County are the Gloucester and Cheltenham TTWAs. The Gloucester TTWA covers Gloucester, the northern two-thirds of Stroud District, part of Tewkesbury District and the north-eastern half of Forest of Dean. The Cheltenham TTWA covers Cheltenham, part of the Tewkesbury District and part of Cotswold. It also covers a small parts of Wychavon and Malvern Hills which border Tewkesbury.

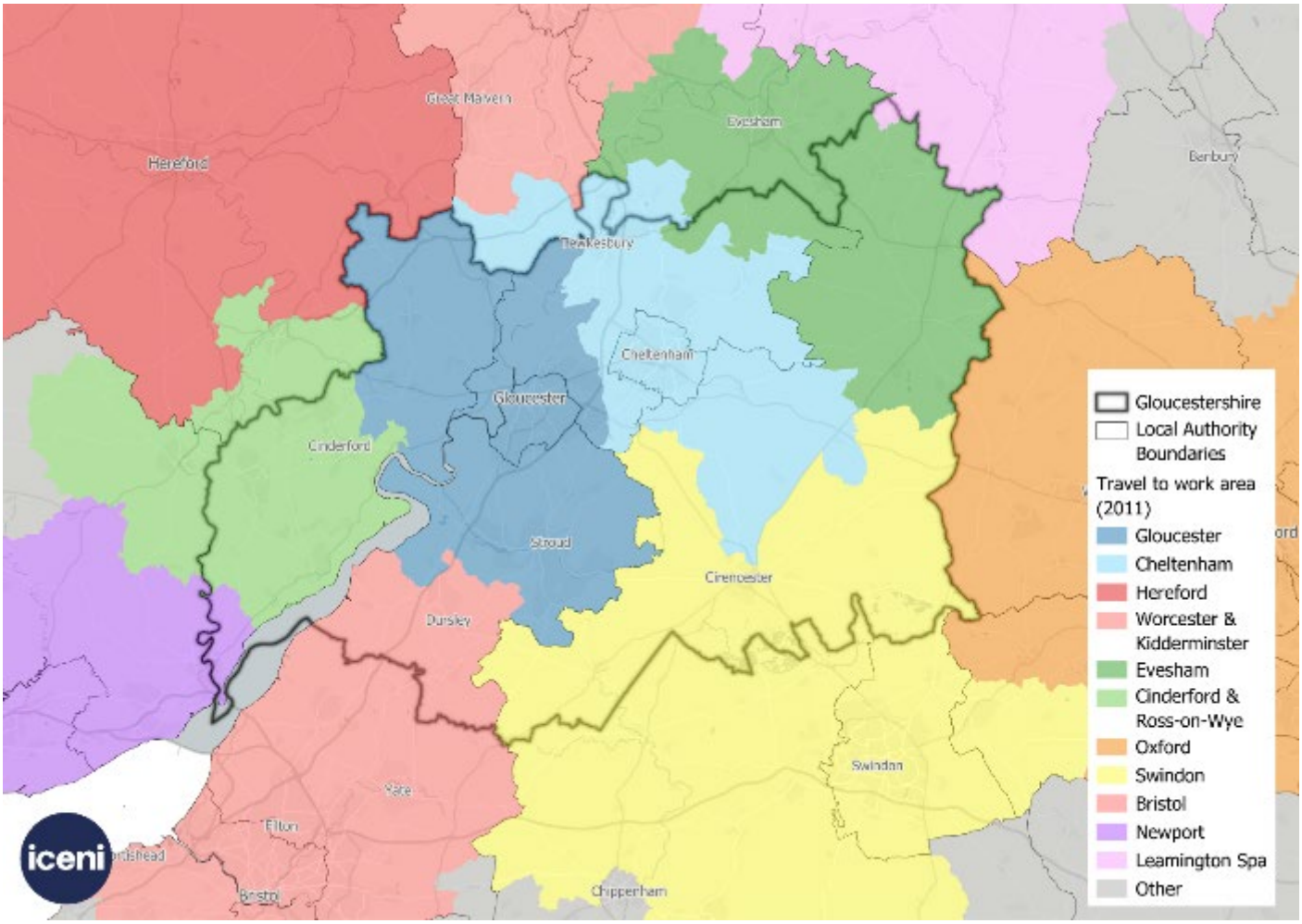
A4.59 The other TTWAs which cover parts of Gloucestershire are:

- The Cinderford and Ross-on-Wye TTWA, which covers the south-western half of Forest of Dean and extends into Herefordshire and Monmouthshire.
- The Evesham TTWA, which covers the northern part of Cotswold (around Moreton-in-Marsh and Chipping Campden) as well as a small part of Tewkesbury, and which reflects the influence of the town of Evesham in Wychavon
- The Swindon TWA, which covers around half of Cotswold which is nearest to Swindon, including Cirencester
- The Bristol TTWA, which covers the southern part of Stroud including Dursley.

[74] That is, at least 75% (or 66.7%) of the resident workforce work in the area, and at least 75% (or 66.7%) of the people who work in the area live in the area. This definition is provided at ONS 2016 *Travel to work area analysis in Great Britain: 2016*

- The Leamington Spa TTWA, which covers a very small area at the northern extreme of Cotswold around Mickleton.

Figure A 40: Travel to work areas



Source: ONS Travel to Work Areas

A4.61 Overall these TTWAs illustrate the role of Gloucester and Cheltenham in forming the basis for commuting catchments in the centre of Gloucestershire, along with the influence of multiple surrounding centres on the edges of the County.

Economic links

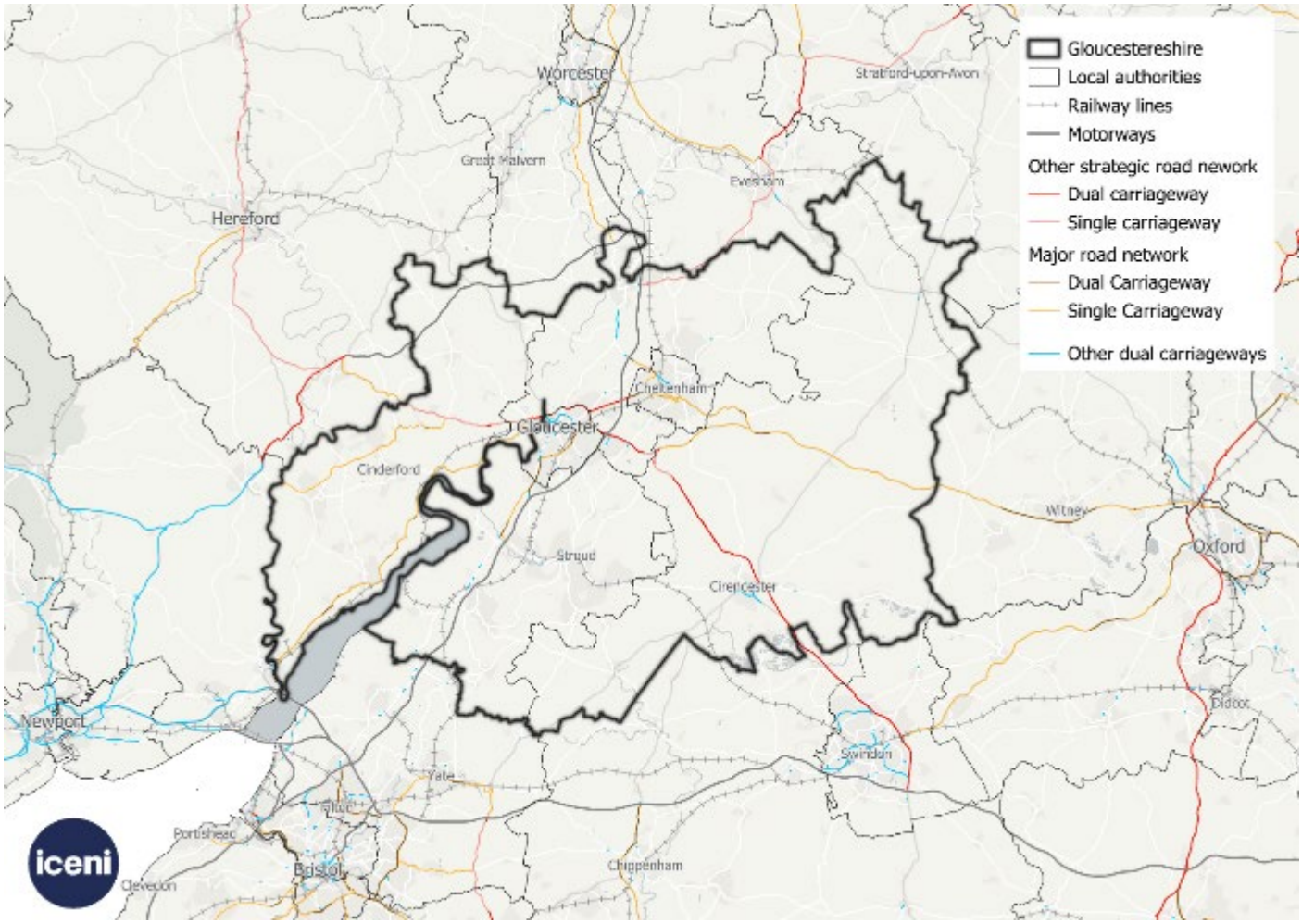
A4.62 There are a range of other indicators of economic linkages identified in planning policy guidance as relevant to the identified of the functional economic market area. These were considered in previous analyses

including the 2018 Interim HEDNA. The findings are summarised below, updated as necessary where new information or data sources are available.

Transport networks

A4.63 As shown in the figure below, the primary strategic road connection through Gloucestershire is the M5 motorway, which runs north-south through Stroud and Tewkesbury between Gloucester and Cheltenham, and which connects to Bristol, Worcester and up to the West Midlands. This is paralleled by passenger rail connections which link Bristol to Worcester and on to the West Midlands.

Figure A 41: Major transport connections



Source: Network Rail *Network Model*, Highways England *Network Model*, DfT *Major Road Network*, OS Maps *OS Open Roads*

A4.64 There is also a strategic road network connections from Gloucester through Cirencester to Swindon (the A417/A419) which will soon be entirely dual carriageway. There is also a smaller section of motorway (the M50) which runs east-west through the top of Gloucestershire and which connects to the M5 and towards Newport.

A4.65 Single carriageway connections which are part of the major road network connect Gloucester and Cheltenham to Oxford (the A40), and connect Gloucester through the Forest of Dean towards Newport (the A48 and A4136).

A4.66 Passenger rail connections also connect Cheltenham and Gloucester to Stroud and Swindon, and connect Gloucester to Newport and other parts of Wales.

A4.67 This analysis shows that the major transport network in Gloucestershire is strongly focused around both Gloucester and Cheltenham, connecting them to other parts of the County in a radial fashion. This emphasises the centrality of these two major centres in functional economic links in the County. It is also noted that north-south connections along the M5 and the dual-carriageway connection to Swindon will shape economic connectivity from the edges of Gloucestershire to surrounding areas.

A4.68 To the south of Gloucestershire, the M4 connects Bristol to Swindon and to London. This is very significant to the functional relationships between Swindon and surrounding areas, as highlighted in their HMA and FEMA definitions (discussed earlier in this section), and orients Swindon and the northern part of Wiltshire away from Gloucestershire.

Administrative boundaries

A4.69 Many key service providers operate at county scale. This includes Gloucestershire Constabulary, Gloucestershire Fire and Rescue

Service, and Gloucestershire County Council, which has strategic responsibilities including highways and education. Health commissioning is conducted by the NHS Gloucestershire Integrated Care Board, which is also aligned with the County Council boundaries.

A4.70 To the south of Gloucestershire, Bristol, South Gloucestershire and Bath and North East Somerset sit within the West of England Combined Authority (WECA). There has also been an established pattern of joint working between WECA and North Somerset. For example, the (withdrawn) West of England Joint Spatial Plan was prepared across these our authorities , and the WECA has announced that a strategic planning board will be established in 2026 to take forward work on a SDS[75].

A4.71 There are also established joint working relationships between other authorities around Gloucestershire:

- To the north, there is a long-established joint planning framework in South Worcestershire via the South Worcestershire Development Plan (SWDP), jointly prepared by Malvern Hills, Wychavon and Worcester City (and now being progressed through a plan review).
- To the east, Oxfordshire has operated a formal cross-council collaboration model (formerly the Future Oxfordshire Partnership / Oxfordshire Growth Board) and this has been taken forward through joint committee arrangements focused on devolution, strategic planning, infrastructure and economic strategy.

A4.72 National Landscapes are a layer of place-based designation that cut across administrative boundaries in Gloucestershire. They have formal governance arrangements and produce a statutory management plan which local authorities need to have regard to in plan-making and decision-taking.

[75] westofengland-ca.gov.uk/what-we-do/planning-housing/spatial-development-strategy/

A4.73 The County includes parts of the Cotswolds National Landscape (principally within Cotswold, Cheltenham, Tewkesbury and parts of Stroud) and the Wye Valley National Landscape (principally within the Forest of Dean). The Cotswolds National Landscape extends to the south into South Gloucestershire, Wiltshire, and Bath and North East Somerset, and north into West Oxfordshire, Stratford-on-Avon and Wychavon (and a small area in Cherwell). The Wye Valley National Landscape also covers parts of Herefordshire and Monmouthshire.

A4.74 Overall, there is a clear pattern of administrative boundaries following the Gloucestershire county boundary. Multiple cross boundary working arrangements and the WECA to the South show functional linkages between authorities adjoining Gloucestershire, but do not include Gloucestershire.

Local Enterprise Partnerships

A4.75 The Local Enterprise Partnership covering Gloucestershire was GFirst LEP (Gloucestershire Local Enterprise Partnership). It was established in 2011 as part of the national LEP programme, with a remit spanning the county's six districts. The Gloucestershire Growth Deal (the LEP funding package negotiated with Central Government) aimed to developing a skilled workforce with a focus on local specialisations of engineering, nuclear and low carbon industries, as well as to improve transport connections in and around the M5 corridor.

A4.76 Following the Government's decision to withdraw core LEP funding from April 2024 and integrate LEP functions into local democratic institutions, GFirst's roles and responsibilities transferred to Gloucestershire County Council from April 2024.

Property markets

A4.77 The operation of commercial property markets can provide an indication of functional economic market areas. Market areas defined by CoStar provide a useful indication of the spatial scale of property markets.

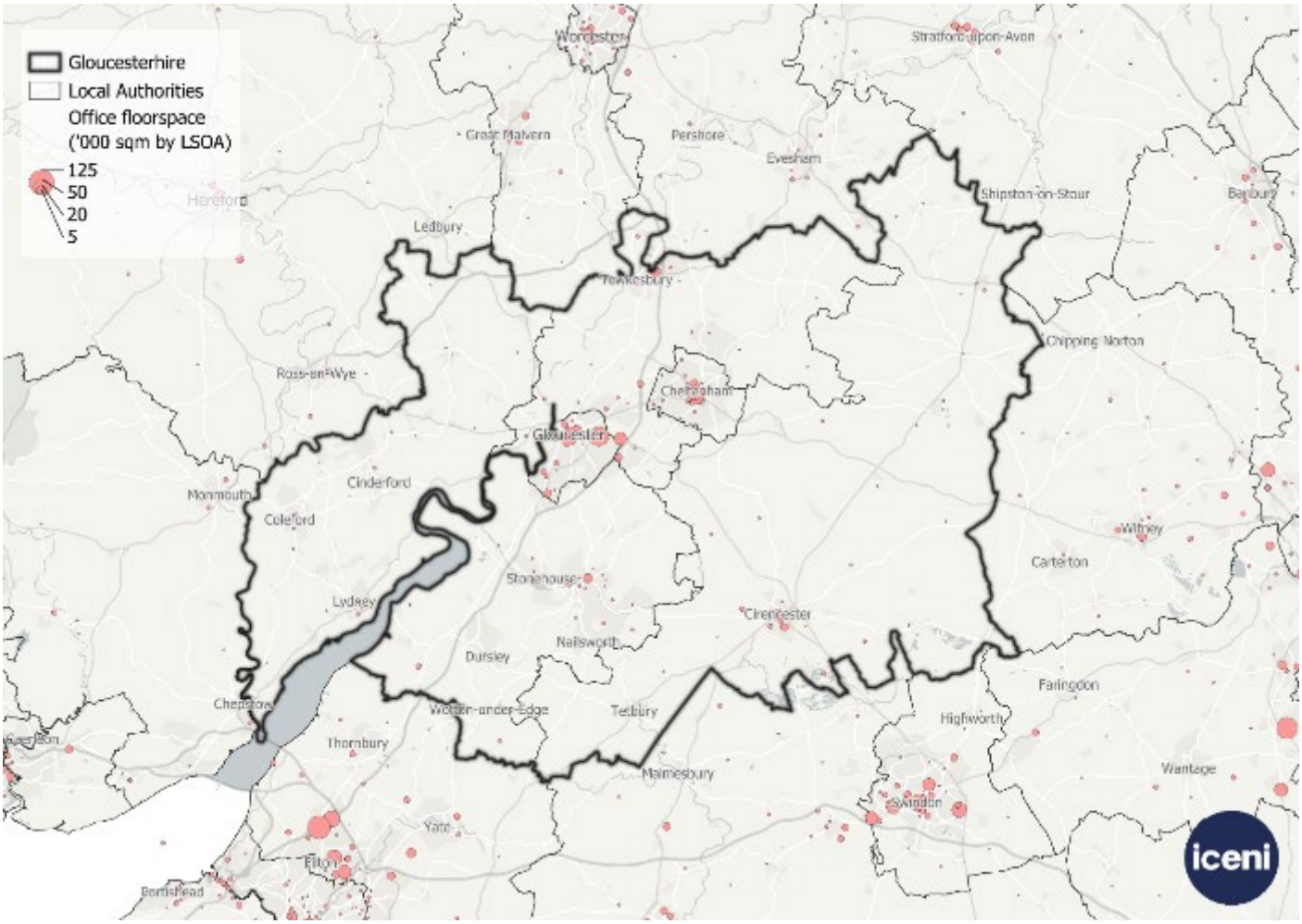
A4.78 CoStar define office and industrial property submarkets for each of the authorities in Gloucestershire, with the office market for Cheltenham split into Central Cheltenham and Outer Cheltenham. This suggests a degree of self-containment.

A4.79 Further insight into property markets and office/industrial clusters can be obtained from the distribution of floorspace across Gloucestershire and surrounding areas.

A4.80 As shown in the following figure, office space is strongly concentrated in Gloucester and Cheltenham, and adjoining parts of the M5 in Tewkesbury. There are smaller concentrations in Stroud and Cirencester. Outside of the County, there are substantial clusters of offices in Swindon and parts of South Gloucestershire, and to a lesser degree in Worcester, Hereford and Stratford-upon-Avon.

A4.81 This analysis illustrates the sub-regional role of Gloucester and Cheltenham's office markets, being the largest office markets serving the surrounding areas. The concentration of office space in Swindon is likely to promote some economic connections to Cirencester, but is also likely to be more oriented to economic connections along the M4.

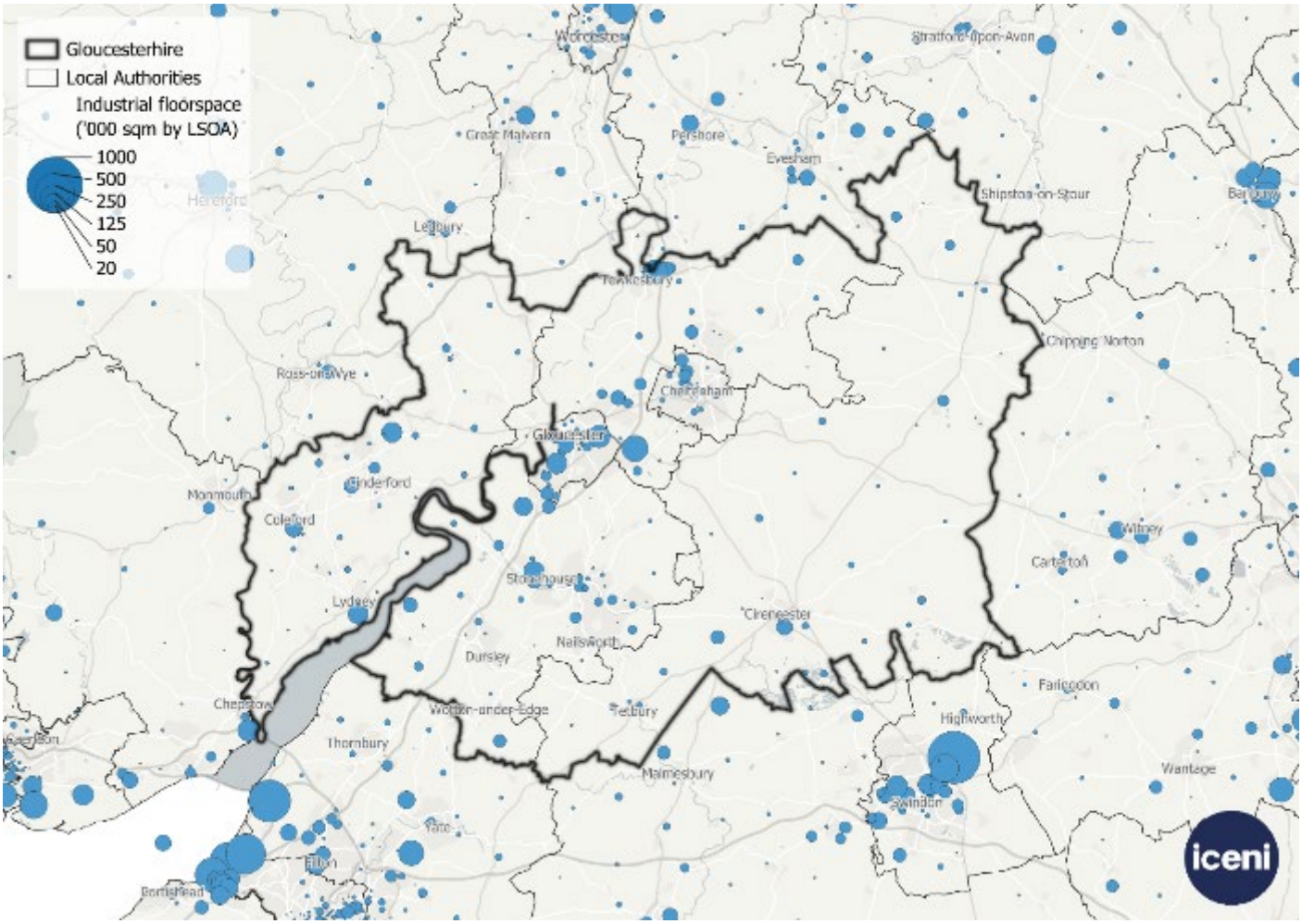
Figure A 42: Office floorspace



Source: VOA *Stock of business floorspace*

A4.82 As shown in the figure below, industrial floorspace is more distributed throughout Gloucestershire and surrounding areas. Nonetheless, the largest concentrations are along the M5 particularly around Gloucester, Cheltenham and nearby parts of Tewkesbury and Stroud. Other nearby industrial concentrations are around Bristol, Swindon, Worcester and Newport.

Figure A 43: Industrial floorspace



Source: VOA *Stock of business floorspace*

A4.83 The large amount of industrial stock reflects access to strategic road corridors (primarily the M5) and underlines the importance of these corridors to the movements of goods to and from Gloucestershire.

Retail and leisure provision

A4.84 Iceni has reviewed the most recent retail, leisure and town centre evidence for each authority, which is summarised in the table overleaf.

A4.85 Collectively, these studies identify that everyday retail needs (i.e. convenience retailing) are largely met locally, while higher-order comparison retail and some associated leisure activity is more spatially concentrated in a small number of higher-order destinations.

Cheltenham is the largest highest order centre with the largest offer, followed by Gloucester (complemented by leisure and out of centre retail and outlet provision at Gloucester Quays).

A4.86 Stroud, Tewkesbury and Cirencester contain a mix of convenience and comparison retailing, leisure facilities and services, but fall at a lower point in the retail hierarchy than Gloucester and Cheltenham. This is particularly notable for Tewkesbury, which is noted to have difficulty competing given the proximity of Gloucester and Cheltenham.

A4.87 As well as Gloucester and Cheltenham, there is also leakage of expenditure from the edges of the County (i.e. particularly from parts of Cotswold and Stroud) to Swindon, Bristol and Cribbs Causeway.

A4.88 There is limited up-to-date evidence for Forest of Dean, but it's centres are smaller and more locally focussed. It is largely likely to look outward for comparison shopping and leisure. Gloucester is the nearest higher-order centre to most of Forest of Dean, although it may also see influences from Briston and Newport.

Figure A 44: Retail and leisure evidence base summary

Authority & Retail study	Key centres within authority	Competing centres and other influences
Gloucester Gloucester, Tewkesbury & Cheltenham Retail and City / Town Centre Review (2021)	**Gloucester City Centre** is treated as one of the three main centres at the top of the JCS hierarchy. It contains a wide range of comparison retail and leisure uses, although some retail categories are over or under represented. Substantial out of centre retail and leisure provision at **Gloucester Quays** is also discussed, potentially sucking pedestrian traffic from the City Centre. The food/beverage offer described as historically modest, but improving. Gloucester Quays has attracted multiple national food/beverage operators, while the traditional city centre is more focused on local independent traders.	Cheltenham Town Centre is cited as a competitor to Gloucester City Centre, with a wider offering. report also notes Gloucester is noted to have lost out to Cheltenham and, further afield, Bristol.
Cheltenham Gloucester, Tewkesbury & Cheltenham Retail and City / Town Centre Review (2021)	**Cheltenham Town Centre** is treated as one of the three main centres at the top of the JCS hierarchy. It has strong comparison retail offerings as well as large convenience retail offerings. There is also a significant leisure offer, with the study highlighting a cinema and a wide rate of restaurants and bars plus a strong day-time and night-time economy. Cheltenham has a wide market share/catchment for comparison goods, including drawing substantial proportions of clothing/fashion and other trips from Bishops Cleeve, Winchcombe and Tewkesbury, and also from the Stroud area for several categories.	Gloucester City Centre is noted be the main centre competing with Cheltenham, with Cheltenham's wider offer making it more attractive.

Authority & Retail study	Key centres within authority	Competing centres and other influences
Tewkesbury Gloucester, Tewkesbury & Cheltenham Retail and City / Town Centre Review (2021)	**Tewkesbury Town Centre** is described as the northernmost of the three main centres in the JCS area, but by far the smallest of these centres. It provides a mix of retailers, but has seen a decline in convenience and comparison market share and a rise in service uses and vacancy rates. The study also includes **Winchcombe** and **Bishops Cleeve** as smaller centres with distinct roles. Winchcombe provides an array of niche and specialist retailers with a modest but strong retail and service offer, supported by visitors. Bishops Cleeve contains large supermarkets and several hospitality premises. The Ashchurch Retail Outlet Centre is located on the fringes of the town of Tewkesbury, and has been completed since the retail study.	The study states that Tewkesbury will find it difficult to compete directly with Gloucester and Cheltenham, particularly for certain types of comparison goods shopping, and flags potential additional pressure from the Ashchurch retail outlet centre.
Stroud Stroud Retail / Town Centre Planning Policy Advice (2021)	**Stroud** is stated to be the principal town centre in the district, with the largest amount of retail, leisure, service and commercial floorspace. Dursley, Nailsworth, Stonehouse and Wotton-under-Edge are highlighted as the district's other town centres, although with smaller (and in some cases contracting) retail offers.	Stroud Town Centre is explicitly positioned at a lower point in the County's retail hierarchy than Gloucester and Cheltenham. Loss of retail expenditure is also noted to Cirencester, Bristol and Cribbs Causeway, particularly from the district's peripheries.

Authority & Retail study	Key centres within authority	Competing centres and other influences
Cotswold Cotswold Retail Study 2016	The report sets out the (then) draft Local Plan hierarchy including a primary town centre in **Cirencester** and key centres in **Bourton-on-the-Water**, **Chipping Campden**, **Moreton-in-Marsh**, **Stow-on-the-Wold** and **Tetbury**. Cirencester is described as the only significant comparison goods destination in the district. It also provides a range of services, convenience retailing and leisure facilities. Other centres are noted to be much smaller, with visitor-related retail being prominent in their offerings in multiple cases.	The study identifies competition from surrounding centres for comparison goods shopping including Cheltenham, Swindon and Oxford. It is also noted that given the geography of the district, there is competition for convenience retail spending for residents on the edges to nearby centres like Stroud, Dursley, Nailsworth, Malmesbury and Evesham.
Forest of Dean	There is no up to date retail study available. The most recent retail evidence is formed of a 2008 study, 2011 update and 2014 retail keynote update report. The 2008 Study finds that the town centres have largely similar characteristics and perform similar roles and functions for their individual catchment area, with **Lydney**, **Cinderford** and **Coleford** identified as the dominant centres in the district (and Lydney having the highest turnover), while **Newent** serves a smaller rural catchment and experiences competition from larger centres. The Retail Keynote Update 2014 provides updated town-centre surveys and shows that retailing remains shop-led (Use Class A1) across all four centres, with a relatively small leisure component.	The 2008 study also places the district within a wider hierarchy where Gloucester and Cheltenham function as sub-regional shopping centres and Bristol as a regional centre, noting these centres' influence on local shopping patterns. Monmouth and Ross-on-Wye are noted to compete with centres in the north of the District, and Chepstow to draw in expenditure in the south. Only a small amount of expenditure is shown to flow to Cardiff or Newport.

Source: Iceni review

A4.89 Overall, this review highlights the primacy of Gloucester and Cheltenham in the County's retail hierarchy, with their market areas extending well into each of the other authorities. There is likely to be some travel from within the County to other higher-order centres particularly in Swindon and Bristol, with this influence strongest on the fringes of the County.

Conclusions

A4.90 The findings of the analysis in this appendix are broadly consistent with the previous housing and economic need evidence for Gloucestershire. That is, they point to strong economic and housing market links within Gloucestershire, although with influences from other authorities around the fringes of the County.

Housing Market Area

A4.91 Analysis of migration and commuting flows shows strong functional relationships within the County, centered around the two primary centres of Gloucester and Cheltenham. Gloucestershire as a whole has very high self-containment rates for both migration and commuting. For each of the six Gloucestershire authorities, the highest gross commuting and migration flows are to another authority within Gloucestershire (except for commuting flows to/from Cotswold, with slightly higher gross commutes to/from Swindon than Stroud which is the next highest.

A4.92 Both TTWAs and BRMAs are split between Gloucester and Cheltenham, splitting Gloucestershire between their areas of influence. However, while Cotswold appears to have stronger links to Cheltenham, and Forest of Dean to have stronger links to Gloucester, migration and commuting analysis does show considerable overlap in Cheltenham and Gloucester's catchment areas. They are also both

broadly acknowledged as the primary retail and service centres for Gloucestershire. As such, the evidence would support a single HMA rather than two separate HMAs.

A4.93 Migration and commuting analysis also showed functional relationships between areas on the fringes of Gloucestershire and surrounding authorities, in particular between:

- The southern part of Cotswold and Swindon/Wiltshire
- The eastern part of Cotswold and West Oxfordshire
- Forest of Dean and Monmouthshire and Herefordshire
- The southern part of Stroud and South Gloucestershire, and Bristol more broadly

A4.94 Cotswold in particular can be considered as lying between different major centres and housing markets. However, it is noted that gross migration flows per 1,000 people are strong from Cotswold to other parts of Gloucestershire than to elsewhere, and that property prices show Cotswold to have relatively distinct housing market dynamics which are closest to those in Cheltenham, and clearly different from Swindon (which has much lower prices), and from West Oxfordshire (which has seen lower price growth and much relative higher levels of housing development tied to Oxfordshire's broader growth profile.

A4.95 Parts of Forest of Dean lie in other TTWAs, including the Cinderford and Ross-on-Wye TTWA which extends into surrounding authorities. However, analysis has shown that taken as a whole, Forest of Dean also has particularly strong functional links to Gloucester.

A4.96 Given the pragmatic need to define HMAs aligned with authority boundaries, this evidence in sum therefore continues to support a whole of Gloucestershire HMA, encompassing the six constituent authorities.

A4.97 This conclusion is consistent with the evidence and pattern of joint working in surrounding authorities, which in most cases establishes HMAs oriented away from Gloucestershire.

Functional Economic Market Area

A4.98 The analysis in this appendix has shown Gloucester's has shown Gloucestershire's economy to be centered around the two primary centres of Gloucester and Cheltenham, which are the primary service centres and each have large office markets.

A4.99 The M5 corridor more broadly is also highly significant to the local economy, acting as a key organising principles to industrial property markets, accommodating most new floorspace, and providing rapid access to nearby larger economies around Bristol and in the Midlands.

A4.100 It is again noted that Gloucestershire has high commuting self-containment, and that the largest commuting flows originating within the county are mostly to other places in the County. Administrative boundaries are also broadly aligned to the County boundaries, and there are clear local economic specialisms, for example in aerospace, cyber and green energy, identified by the local LEP as well as in the economic profiling in this report.

A4.101 These factors point to a county-wide FEMA including each of the six authorities, and recognising the key role of the M5 corridor.

A4.102 As with the HMA, it must be acknowledged that there are clear cross-boundary functional relationships from the fringes of the County. In particular and as noted above, parts of Cotswold have strong commuting and transport links to Swindon and northern Wiltshire. TTWAs also point to the influences of Bristol and Evesham on parts of Gloucestershire, as well as between Forest of Dean and Herefordshire.

A4.103 However, as acknowledged in their own evidence, Swindon's industrial and office market is more aligned along the M4 corridor, and in scale has a clearly distinct role to local markets within Cotswold. In addition, the duplication of the A417 should strengthen economic ties between Cirencester and other parts of Cotswold with Gloucester and the M5 corridor.

A4.104 As a result, taking the pragmatic approach of aligning the FEMA with authority boundaries, it is again considered most reasonable to acknowledge a FEMA aligned with County boundaries and including the six constituent authorities. This is again aligned with the evidence and patterns of joint working of surrounding authorities, which mostly define travel FEMAs which are oriented away from Gloucestershire.

A5. Additional affordable housing results

Table A40: Priority affordable needs as percentage of total affordable delivery – delivery 5% lower

	Potential affordable housing delivery as % of all housing delivery	Affordable housing delivery at this level (annual)	Meets all affordable need?	Rented need as % of delivery	% of rented need at social rents	Social rented need as % of delivery
Cotswold	30%	317	No	58%	62%	36%
Forest of Dean	20%	121	No	89%	77%	69%
Stroud	25%	212	No	73%	73%	53%
Cheltenham	30%	246	No	112%	71%	79%
Gloucester	20%	140	No	222%	77%	171%
Tewkesbury	30%	189	No	114%	74%	84%
SLP Area		575	No	139%	74%	103%
G'shire		1,224	No	102%	72%	73%

Source: Iceni analysis

Table A41: Priority affordable needs as percentage of total affordable delivery – delivery 5% higher

	Potential affordable housing delivery as % of all housing delivery	Affordable housing delivery at this level (annual)	Meets all affordable need?	Rented need as % of delivery	% of rented need at social rents	Social rented need as % of delivery
Cotswold	40%	422	Yes	44%	62%	27%
Forest of Dean	30%	181	No	60%	77%	46%
Stroud	35%	296	No	52%	73%	38%
Cheltenham	40%	328	No	84%	71%	59%
Gloucester	30%	210	No	148%	77%	114%
Tewkesbury	40%	252	No	85%	74%	63%
SLP Area		790	No	101%	74%	75%
G'shire		1,690	No	74%	72%	53%

Source: Iceni analysis