Future Housing and Population Change in Reading

What impact will population change, and other factors have on housing in Reading by 2050?

Debbie Mayes and Simon Macklen
(Barton Willmore)
FORMAT

• Introduction
• Past
• Present
• Future – looking forward 30 years
  • Factors influencing population change
  • Potential population change scenarios, and impact on demand for homes
INTRODUCTION
STUDY AREA
PAST – WHAT WAS READING LIKE IN 1991?

<table>
<thead>
<tr>
<th>Population</th>
<th>129,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>32,000</td>
</tr>
<tr>
<td>Working age</td>
<td>79,000</td>
</tr>
<tr>
<td>Older persons</td>
<td>18,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing stock</th>
<th>54,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average household size</td>
<td>2.38</td>
</tr>
</tbody>
</table>
## PRESENT - WHAT IS READING LIKE NOW?

<table>
<thead>
<tr>
<th></th>
<th>1991</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td>129,000</td>
<td>166,000 (+30%)</td>
</tr>
<tr>
<td>Children</td>
<td>32,000</td>
<td>43,000 (+34%)</td>
</tr>
<tr>
<td>Working age</td>
<td>79,000</td>
<td>103,000 (+30%)</td>
</tr>
<tr>
<td>Older persons</td>
<td>18,000</td>
<td>20,000 (+11%)</td>
</tr>
<tr>
<td><strong>Housing stock</strong></td>
<td>54,000</td>
<td>70,000 (+30%)</td>
</tr>
<tr>
<td>Average household size</td>
<td>2.38</td>
<td>2.37</td>
</tr>
</tbody>
</table>

Population increase: 30%
Children increase: 34%
Working age increase: 30%
Older persons increase: 11%
Housing stock increase: 30%
Average household size: 2.37
READING VS. SOUTH EAST: POPULATION CHANGE

Change 1991 to 2019

<table>
<thead>
<tr>
<th>Region</th>
<th>Change 1991-2019</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>+37,000</td>
<td>+30%</td>
</tr>
<tr>
<td>South East</td>
<td>+1.7m</td>
<td>+23%</td>
</tr>
</tbody>
</table>

Bar chart showing population change from 1991 to 2019 for different age groups in Reading and the South East.
HOW HAS THE POPULATION CHANGED?

1991 = 129k
2001 = 143k
2011 = 156k
2019 = 166k
MIGRATION PATTERNS

Reading, internal_net_2012

Males
Females

Reading, internal_net_2018

Males
Females
INCREASE IN FLATS AND SMALLER UNITS

Change 1991 to 2019

<table>
<thead>
<tr>
<th>Region</th>
<th>Change 1991</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>+16,000</td>
<td>+30%</td>
</tr>
<tr>
<td>South East</td>
<td>+700,000</td>
<td>+22%</td>
</tr>
</tbody>
</table>

![Bar charts showing increase in flats and smaller units from 1991 to 2018 by bedroom type.](chart)
CHANGE IN HOUSEHOLD TYPES

- 2001: 42% Other households with two or more adults, 11% Households with one dependent child, 6% Households with two dependent children, 15% One person households: Female, 11% One person households: Male
- 2011: 39% Other households with two or more adults, 11% Households with one dependent child, 5% Households with two dependent children, 15% One person households: Female, 14% One person households: Male
- 2019: 38% Other households with two or more adults, 11% Households with one dependent child, 4% Households with two dependent children, 15% One person households: Female, 15% One person households: Male
# LIFESTYLE GROUP ‘RENTAL HUBS’

- **Rental Hubs**: Educated young people privately renting in urban neighbourhoods

## Who We Are

<table>
<thead>
<tr>
<th>Age</th>
<th>Household Income</th>
<th>Number of children</th>
</tr>
</thead>
<tbody>
<tr>
<td>26-30</td>
<td>£20k-£29k</td>
<td>No children</td>
</tr>
<tr>
<td>22.4%</td>
<td>26.2%</td>
<td>89.9%</td>
</tr>
<tr>
<td>258</td>
<td>127</td>
<td>125</td>
</tr>
</tbody>
</table>

- **Household composition**: Single
- **Tenure**: Rented
- **Property type**: Flat

## Key Features

- Aged 18-35
- Private renting
- Singles and sharers
- Urban locations
- Young neighbourhoods
- High use of smartphones

## Channel Preference

- **Email**: 92
- **Social Media**: 114
- **Mobile**: 111
- **Post**: 82
- **People**: 88
- **Other**: 121

## Technology Adoption

- **Early Adopters**

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# LIFESTYLE GROUP ‘RENTAL HUBS’

## Rental Hubs
Educated young people privately renting in urban neighbourhoods

<table>
<thead>
<tr>
<th>Age</th>
<th>18-25</th>
<th>26-35</th>
<th>36-45</th>
<th>46-55</th>
<th>56-65</th>
<th>66+</th>
<th>Adult mean age</th>
<th>H of HH mean age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16.58%</td>
<td>42.52%</td>
<td>22.67%</td>
<td>12.23%</td>
<td>4.8%</td>
<td>1.4%</td>
<td>35.4</td>
<td>37.14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Detached</th>
<th>Semi-detached</th>
<th>Bungalow</th>
<th>Terraced</th>
<th>Purpose built flats</th>
<th>Converted flats</th>
<th>Farm</th>
<th>Named building</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.55%</td>
<td>8.01%</td>
<td>0.38%</td>
<td>19.87%</td>
<td>90.56%</td>
<td>15.88%</td>
<td>0.01%</td>
<td>0.24%</td>
</tr>
</tbody>
</table>

## Household Composition

| Family Type          | 6.44%  | 1.28%  | 3.96%  | 13.55% | 29.11% | 23.84% | 287  | 5.34%  | 3.92%  | 219   | 6.1%  | 0.95%  | 0.97%  |

## Household Income

| Income Range       | 14.11% | 4.07%  | 28.24% | 21.87% | 12.93% | 8.39% | 5.84% | 5.97%  | 0.86%  | 0.39%  |

## Home Ownership

| Ownership Type | 23.37% | 40.7%  | 70.2%  | 8.42%  |

## Online Access

| Access Frequency | 75.16% | 17.97% | 4.38%  | 0.0%   | 1.62%  |
LIFESTYLE GROUP – ‘DOMESTIC SUCCESS’

Domestic Success
Thriving families who are busy bringing up children and following careers

Who We Are

<table>
<thead>
<tr>
<th>Age</th>
<th>41-45</th>
<th>22.8%</th>
<th>239</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Income</td>
<td>£70k-£99k</td>
<td>21.5%</td>
<td>332</td>
</tr>
<tr>
<td>Household composition</td>
<td>Family</td>
<td>47.3%</td>
<td>191</td>
</tr>
<tr>
<td>Number of children</td>
<td>2 children</td>
<td>24.0%</td>
<td>261</td>
</tr>
<tr>
<td>Tenure</td>
<td>Owned</td>
<td>92.6%</td>
<td>144</td>
</tr>
<tr>
<td>Property type</td>
<td>Detached</td>
<td>39.0%</td>
<td>219</td>
</tr>
</tbody>
</table>

Key Features
- Families with children
- Upmarket suburban homes
- Owned with a mortgage
- 3 or 4 bedrooms
- High Internet use
- Own new technology

Channel Preference
- Phone: 100, 110, 105
- Email: 91, 86, 119
- Mobile: 119

Technology Adoption
Early Majority
Lifestyle Group – ‘Domestic Success’

- **Domestic Success**
  - Thriving families who are busy bringing up children and following careers

### Household Composition

- **Families**: 47.29%
- **Extended family**: 7.13%
- **Extended household**: 5.13%
- **Pseudo family**: 11.80%
- **Single male**: 9.65%
- **Single female**: 11.27%
- **Male homesharers**: 1.18%
- **Female homesharers**: 1.55%
- **Mixed homesharers**: 3.82%
- **Abbrev. male families**: 0.69%
- **Abbrev. female families**: 0.95%

### Children

- **No children**: 33.84%
- **1 child**: 24.81%
- **2 children**: 23.99%
- **3 children**: 13.37%
- **4+ children**: 4.00%
- **Age <5**: 26.19%
- **Age 5-11**: 25.28%
- **Age 12-17**: 12.16%
- **Age >18**: 7.86%

### Property Type

- **Detached**: 219 (39.01%)
- **Semi-detached**: 35.94%
- **Bungalow**: 8.63%
- **Terraced**: 15.42%
- **Purpose built flats**: 2.19%
- **Converted flats**: 0.00%
- **Farm**: 0.04%
- **Named building**: 1.21%

### Home Ownership

- **Owned**: 92.60%
- **Rented**: 5.81%
- **Council / HA**: 1.80%

### Household Income

- **<£15k**: 2.64%
- **£15k-£19k**: 2.55%
- **£20k-£29k**: 4.19%
- **£30k-£39k**: 11.18%
- **£40k-£49k**: 18.71%
- **£50k-£59k**: 16.50%
- **£60k-£69k**: 13.56%
- **£70k-£99k**: 21.47%
- **£100k-£149k**: 7.37%
- **£150k+**: 1.43%

### Online Access

- **Every day**: 72.26%
- **Most days**: 20.45%
- **Weekly**: 5.03%
- **Monthly**: 0.84%
- **Not at all**: 1.03%
South East Affordability Ratios by Local Authority 2018

<table>
<thead>
<tr>
<th>District</th>
<th>Affordability Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>8.54</td>
</tr>
<tr>
<td>South Oxfordshire</td>
<td>12.36</td>
</tr>
<tr>
<td>Wokingham</td>
<td>11.17</td>
</tr>
<tr>
<td>West Berkshire</td>
<td>9.61</td>
</tr>
<tr>
<td>Basingstoke and Deane</td>
<td>9.48</td>
</tr>
<tr>
<td>Hart</td>
<td>12.32</td>
</tr>
<tr>
<td>Windsor and Maidenhead</td>
<td>13.16</td>
</tr>
<tr>
<td>Wycombe</td>
<td>11.43</td>
</tr>
<tr>
<td>Bracknell Forest</td>
<td>8.97</td>
</tr>
<tr>
<td>Vale of White Horse</td>
<td>9.85</td>
</tr>
<tr>
<td>Surrey Heath</td>
<td>12.99</td>
</tr>
<tr>
<td>South Bucks</td>
<td>18.36</td>
</tr>
</tbody>
</table>
CROSSRAIL ROUTE

- Reading
- Heathrow
- Abbey Wood
- Shenfield

- Already operating
- Under construction
- Set to enter Crossrail service in Dec 2019

Source: Crossrail
INTERNAL FACTORS

• Demographic
  • Fertility
  • Mortality
  • Migration
  • Household Formation

• Economic
  • Growth ambition/ attractiveness
  • Employment opportunities

• Social
  • Homes – Choice/ House price/ Affordability
  • Attractiveness
EXTERNAL FACTORS

• Infrastructure Projects
• London
  • Affordability issues, increasing out-migration to wider South East
• Affordability
  • Across wider South East
• Working patterns
  • Commute flows/ working remotely
• International migration
• BREXIT
DRIVERS OF HOUSING DEMAND

- Access to Employment
- Attractiveness of Place

- Out Migration
- In Migration
- Net Migration
- Population Change
  - Natural Change
    - Births
    - Deaths
  - Employment/Earnings
    - Mortgage Availability

- Existing Stock
- Affordability

- Choice
- Household Formation
  - Housing Needs
  - Housing Demand

- Housing Types
FUTURE POPULATION GROWTH
## FUTURE – READING IN 2050

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Children</th>
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<td>54,000</td>
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<tr>
<td>2019</td>
<td>166,000</td>
<td>43,000</td>
<td>103,000</td>
<td>20,000</td>
<td>70,000</td>
</tr>
<tr>
<td>2050</td>
<td>186,000</td>
<td>44,000</td>
<td>106,000</td>
<td>35,000</td>
<td>???</td>
</tr>
</tbody>
</table>
HOUSEHOLD FORMATION

![Graph showing household formation rates for different age groups from 2001 to 2041. The graph indicates a general upward trend in household formation rates for all age groups, with the 25-34 age group showing the highest rates.](image_url)
CHANGING HOUSEHOLD TYPES

- One person households: Male
- One person households: Female
- Households with one dependent child
- Households with two dependent children
- Households with three or more dependent children
- Other households with two or more adults

Number of households:

- 2016
- 2050

Bar chart showing the number of households by type for the years 2016 and 2050.
IMPACT OF POPULATION CHANGE AND OTHER FACTORS ON HOUSING IN READING BY 2050

• Volume of Homes – informed by growth in the population and changes to household formation

• Housing Type – informed by changes to key household groups including:
  • Students
  • Young working age
  • Families
  • Older people
ISSUES TO ADDRESS

• Current levels of net out-migration
• The housing demands of an ageing population
  • More suitable accommodation to age in place
  • A freeing up of family housing
• Addressing issues of household formation in younger age groups
  • Where formation is limited by affordability/ choice
• Supporting a growth in the local labour force to balance with Reading 2050 economic aspiration
• Increasing demand from surrounding, less affordable, areas – including London