

Abbots Bromley Housing Needs Assessment (HNA)

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Quality information

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
ABPC	Abbots Bromley Parish Council
ESBC	East Staffordshire Borough Council
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
LTHPD	Long-Term Health Problem or Disability
MAR	Median Affordability Ratio
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1.1 Introduction

1. Abbots Bromley in East Staffordshire commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, we developed three research questions (RQs) for the HNA to answer. The RQs serve to direct our research into the key neighbourhood-level issues and provide the structure for the study.
2. Whilst quantity of homes is not a research question, ABPC wish to further investigate the quantity of homes that needs to be delivered in the plan period. ABPC seek to understand the quantity of homes needed, in addition to those already being built/ due to be completed in the plan period. Furthermore, ABPC will use the findings of this report to ensure that any additional housing delivered will meet the local housing needs identified in this report.

1.2 Research Questions

1.2.1 Tenure and Affordability

3. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
4. This evidence will allow Abbots Bromley to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

RQ 1: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

1.2.2 Type and Size

5. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. ABPC have recognised that there has recently been a substantial delivery of large homes of 5 bedrooms and above. However, such large homes do not meet the needs of young people, families and older people in the area. ABPC want evidence to show which types and sizes of homes are necessary to meet local needs.
6. The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

1.2.3 Specialist Housing for the Elderly

7. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of the elderly. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for the elderly through the Plan period.

RQ 3: What provision should be made for specialist housing for the elderly over the Neighbourhood Plan period?

1.3 Findings of RQ 1: Tenure and Affordability

8. In terms of Abbots Bromley's current tenure profile, the current Census data shows that a very high proportion of the parish population is made up of homeowners, ahead of the district and national figures. Over the intercensal period, this increased somewhat, which initially suggests home ownership might continue to be the preferred option for those able to afford it. However, other types of tenure such as private rented and shared ownership also grew significantly,

although they still make up a relatively small proportion of the parish housing stock, sitting well below district and national rates.

9. This being said, the highest tenure change rate in Abbots Bromley is in the private rented sector, at 68.8%. This is a trend that is echoed at district and national levels to an even greater degree, and is likely down to home ownership becoming an increasingly less viable option based on affordability.
10. According to our affordability analysis, the average annual household income (£42,400) is insufficient to occupy most tenures, unless households choose to devote a higher proportion of their income to housing costs.
11. A solution in that case may be to offer a more diverse range of tenures in Abbots Bromley, moving away from market sale and towards more viable options such as shared ownership or affordable rent. Delivering greater quantities or smaller sizes of house could also help to increase the number of dwellings accessible to those on lower incomes. Achieving the 40% AH figure from the Local Plan should be a priority for all new developments of 0.14 hectares or more, as well as the 10% affordable routes to home ownership target set out by the NPPF.
12. In terms of the tenure split of Affordable Housing, it is important to note the affordability pressures that exist among households with below average incomes in Abbots Bromley, which are clear from our affordability analysis and have been flagged by the community. For this reason, we recommend that AH provision should focus on dwellings for social and affordable rent at a rate of 70% of all Affordable Housing (in line with the evidence in the SHMA), with a relatively equal share between the two. Of the affordable routes to home ownership to be provided at 30% of all Affordable Housing, shared ownership at a 20% share would best cater to the needs of local people but some provision of discounted market sale products could extend home ownership to some households and widen choice locally.
13. Such policies should in practice be flexibly applied given the need for viability. This question is particularly pertinent in rural locations where small in-fill schemes predominate. For these schemes, providers sometimes may reject some tenures due to relatively high maintenance and management costs. Nevertheless, affordable rented tenures may potentially provide viable options for Abbots Bromley households, and should be prioritised in the mix of new homes to be developed.
14. There are currently about 23 households in Abbots Bromley unable to access affordable rented housing tenures suitable to their needs. Our calculations also suggest that, over the Plan period, 7 additional households in the Neighbourhood Plan area will fall into need, producing total affordable housing need of 30 households in Abbots Bromley. A further 59 households over the plan period may require affordable routes to home ownership. These households largely live in the private rented sector and represent potential demand for affordable home ownership products.
15. Of the 40-dwelling housing need figure provided for Abbots Bromley by East Staffordshire, 16 Affordable Housing units should be delivered in accordance with the 40% Affordable Housing requirement in Strategic Policy 17.
16. This level of expected delivery is not sufficient to meet local need as evidenced in this HNA. It is therefore critical that the 40% delivery requirement is met wherever possible in Abbots Bromley. Should the community wish to further boost the supply of Affordable Housing there are other routes available to providing it. For example, using community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of increasing the supply of affordable housing above the minima indicated by Local Plan policy.

1.4 Findings of RQ 2: Type and Size

17. Abbots Bromley's stock of existing dwellings is quite distinct from that of East Staffordshire, with more detached homes, and fewer semis, terraces and flats. Similarly, the NA exhibits higher proportions of larger homes at 7 or 8+ rooms.
18. The evolution of Abbots Bromley's dwelling mix in terms of size over the intercensal period also diverges strongly from trends observed for the wider geographies. Most notable are the NA's lack of two room dwellings, compared with strong growth in this housing size at district and national levels.
19. The age profile of the NA population is generally older than at district and national levels. There is a significantly higher number of people over the age of 45 in the area, and its main demographic challenge is this significant contraction in the replacement younger population.
20. With regard to housing, this could indicate that there is an insufficient supply of dwellings appropriate to young and newly forming households and that this shortfall should be urgently addressed. Alternatively, it could indicate that

younger age groups move away for other reasons and the stock of housing should be rebalanced to suit the growing retirement-age cohort. A neighbourhood household survey could help to clarify the primary reason for this shift, but there is nevertheless an opportunity to supply dwellings that would be appropriate to the needs and financial capabilities of both young households and downsizing households, such as two- and three-bedroom homes.

21. The NA's comparatively large stock of dwellings, its recent trends towards single occupancy, older households and fewer families with dependent children (all of which can reasonably be expected to persist in future) may warrant a Neighbourhood Plan policy intervention to restrict the future supply of very large dwellings to some extent.
22. The NA's demographic profile in 2031 is expected to be dominated by households aged 35-54. Three-bedroom homes are particularly popular among both these dominant age bands.
23. Given the fact that Abbots Bromley's current dwelling stock is made up of larger dwellings compared with East Staffordshire, and that the parish's ageing population is likely increasingly to favour smaller dwellings, it is logical that the recommended dwelling mix for new development over the Plan period should be focused on the provision of two-bedroom, three-bedroom, and – to a lesser extent – four bedroom homes suitable for downsizers and young families, at the expense of much larger homes.
24. In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. The recommendation for two and three-bedroom homes would help to achieve this. It is also advisable to promote the delivery of bungalows/single-storey homes in order to meet the needs of the ageing population and to reflect the fact that other smaller dwelling types, such as apartments, may not in practice be popular market propositions in a rural parish like Abbots Bromley.

1.5 Findings of RQ 3: Specialist Housing

25. AECOM's estimate suggests that at least 24 specialist dwellings are required to service the needs of older people over the Plan period. An upper estimate suggests this could be as high as 11 dwellings.
26. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Abbots Bromley and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
27. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for the elderly to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
28. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

It is considered that Abbots Bromley's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Abbots Bromley entirely within the Neighbourhood Plan area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Abbots Bromley, larger settlements like Rugeley or Uttoxeter are considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.

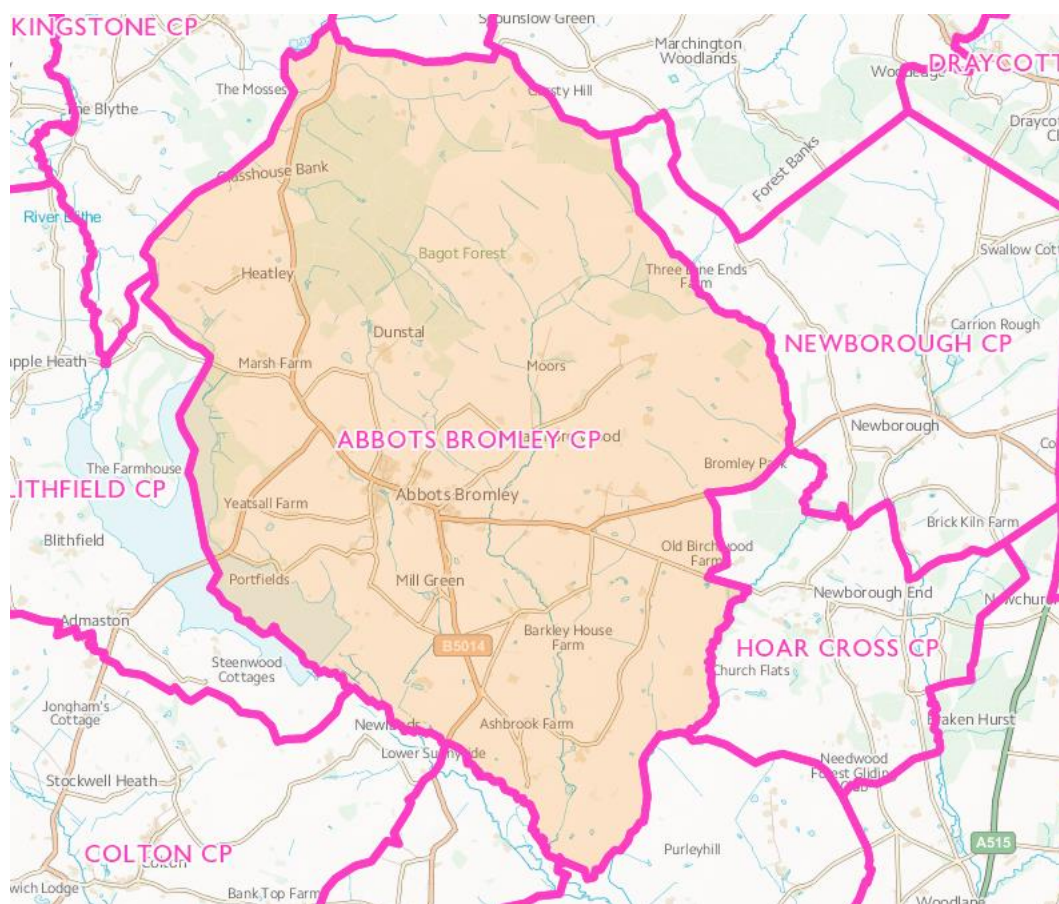
29. Wherever the specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to leave their family homes as they age and as their needs change.

2. Context

2.1 Local context

30. Abbots Bromley is a parish and Neighbourhood Plan area located in East Staffordshire. The Neighbourhood Area (NA) boundary comprises the parish of Abbots Bromley and was designated in 2017. This means that Parish data gathered for Census purposes can be used for the NA.
31. The proposed Neighbourhood Plan period starts in 2018 and extends to 2031, therefore comprising a planning period of 13 years.
32. Abbots Bromley is a largely rural parish located about 12 miles north of the city of Lichfield. The nearest railway station is Rugeley, around 5.8 miles south west of the village. The main roads through the parish are the B5014 and B5234, which offer access to the A515, A518 and A51.
33. In the 2011 Census the Neighbourhood Plan area had a total of 1779 residents. A map of the Plan area appears below in Figure 2.1.

Figure 2-1: Map of the Abbots Bromley Neighbourhood Plan area¹



Source: East Staffordshire Borough Council

¹ Available at http://www.eaststaffsbc.gov.uk/sites/default/files/docs/planning/planningpolicy/neighplanning/abbots/Abbots%20Bromley%20Parish_A4.pdf

2.2 Planning policy context

34. In line with the Basic Conditions² of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted development plan policies.³ Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
35. In the case of Abbots Bromley, the relevant local planning context comprises the adopted East Staffordshire Local Plan, which covers the years 2012-2031.
36. It was adopted on 15th October 2015 and replaced the “saved” policies of the 2006 local plan, setting out the framework for development in the borough⁴. There is currently no emerging local plan.
37. A list of all East Staffordshire policies deemed relevant for the purpose of this HNA is identified in Table 2.2 below.

Table 2-2: Summary of East Staffordshire adopted policies having relevance to Abbots Bromley Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
SP2: Settlement Hierarchy	Local Plan 2012 - 2031	Seeks to locate 13 new developments within existing settlement.
SP3: Provision of Homes and Jobs	Local Plan 2012 - 2031	Seeks to cater to growing population through provision of new housing.
SP4: Distribution of Housing Growth	Local Plan 2012 - 2031	Seeks to establish sustainable distribution and location of housing development.
SP16: Meeting Housing Needs	Local Plan 2012 - 2031	Seeks to deliver appropriate dwelling or mix of dwellings given the mix required in that part of the Borough.
SP17: Affordable Housing	Local Plan 2012 - 2031	Stipulates that developments that will provide 4 or more dwellings or on a site of 0.14 hectares or more shall provide up to 40% of the dwellings as affordable housing.

Source: East Staffordshire Local Plan 2012-2031

2.2.1 Quantity of housing to provide

38. The NPPF 2019 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood plan groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
39. East Staffordshire has fulfilled that requirement by providing Abbots Bromley with a definitive figure of 40 dwellings to be accommodated within the Neighbourhood Plan area by the end of the Plan period.⁵
40. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has already been answered. It is therefore outside the scope of this Housing Needs Assessment; for this reason, the issue of quantity has been excluded from the Research Questions (see Chapter 3 below).

² Available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

³ However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

⁴ Available at <http://www.eaststaffsbc.gov.uk/sites/default/files/docs/planning/planningpolicy/localplan2012-2031/Local-Plan-2012-2031-FINAL.pdf>

⁵ As stated in the East Staffordshire Local Plan 2012-2031.

3. Approach

3.1 Research Questions

41. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct our research and provide the structure for the HNA.
42. Below we set out the RQs relevant to this study, as discussed and agreed with Abbots Bromley.

3.1.1 Tenure and Affordability

43. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
44. This evidence will allow Abbots Bromley to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

RQ 1: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

3.1.2 Type and Size

45. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. ABPC have recognised that there has recently been a substantial delivery of large homes of 5 bedrooms and above. However, such large homes do not meet the needs of young people, families and older people in the area. ABPC want evidence to show which types and sizes of homes are necessary to meet local needs.
46. The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

3.1.3 Specialist Housing for the Elderly

47. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of the elderly. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for the elderly through the Plan period.

RQ 3: What provision should be made for specialist housing for the elderly over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

48. It is reasonable and appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Abbots Bromley Neighbourhood Area is located within East Staffordshire's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), which is known simply as the East Staffordshire SHMA.
49. For the purposes of this HNA, data from East Staffordshire's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area, and has been referenced as appropriate.

3.2.2 Other relevant data

50. In addition to the East Staffordshire evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level, and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:

- Land Registry data on prices paid for housing within the local market;
- Population and household projections produced by the Office of National Statistics (ONS);
- Information on current property asking prices, for housing for sale or rent, from [home.co.uk](https://www.home.co.uk); and
- The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for calculating need for differing types of specialist dwellings for elderly people.

4. RQ 1: Tenure and Affordability

RQ 1: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

4.1 Introduction

51. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
52. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, we will make an assessment on whether continuation of these trends would meet future needs. We will also investigate whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.⁶

4.2 Definitions

53. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.⁷ To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
54. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership, but recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.
55. The revisions seek to broaden the definition of AH (which had previously referred only to social and intermediate housing) to include a range of low-cost housing opportunities for those aspiring to own a home, including starter homes.
56. In paragraph 64 of the NPPF, the Government introduces a recommendation that "*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership*". In line with PPG,⁸ the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes starter homes, shared ownership homes, and homes available for discount market sale.

4.3 Current tenure profile

57. In order to set a baseline for our examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Abbots Bromley, compared to the rest of East Staffordshire and England.
58. As seen at district and national levels, the vast majority of households in Abbots Bromley own their own homes. This is followed by the private rented sector, and the social rented sector, both of which exhibit lower proportions than seen at district and national level.

⁶ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁷ NPPF 2019.

⁸ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

Table 4-1: Tenure (households) in Abbots Bromley, 2011

Tenure	Abbots Bromley	East Staffordshire	England
Owned; total	79.5%	69.6%	63.3%
Shared ownership	0.7%	0.6%	0.8%
Social rented; total	5.8%	13.5%	17.7%
Private rented; total	10.9%	15.1%	16.8%

Sources: Census 2011, AECOM Calculations

59. In Table 4-2, we note the changes in the way households occupied their homes during the intercensal period. The largest change in the NA was seen in private rented accommodation, although this falls well behind growth at the district and national level. Shared ownership comes a close second, falling roughly in line with district rates and more than double the change seen across England. Total ownership also grew in the NA, at rates significantly higher than seen across other geographies.

Table 4-2: Rates of tenure change in Abbots Bromley, 2001-2011

Tenure	Abbots Bromley	East Staffordshire	England
Owned; total	10.9%	2.1%	-0.6%
Shared ownership	66.7%	65.6%	30.0%
Social rented; total	2.4%	6.3%	-0.9%
Private rented; total	68.8%	141.0%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

4.4 Affordability

60. Having reviewed the tenure of the existing housing stock in Abbots Bromley, we now turn to assessing future provision over the Neighbourhood Plan period.
61. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, an important starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

4.4.1 House prices

62. In line with PPG⁹, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio¹⁰ (LQAR) and the Median Affordability Ratio¹¹ (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time. Further, PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.¹²
63. An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.
64. Figure 4-1 on the following page looks at selected measures of house prices in Abbots Bromley. It shows that there has been some fluctuation over the last decade, amidst steady price growth. The mean, median and lower quartile all saw price spikes in 2012 followed by a period of decline through 2013, with the lower quartile market suffering most. However, the lower quartile category was also fastest to rebound and enter positive growth once again into 2014, whilst

⁹ See Paragraph: 021 Reference ID: 2a-021-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

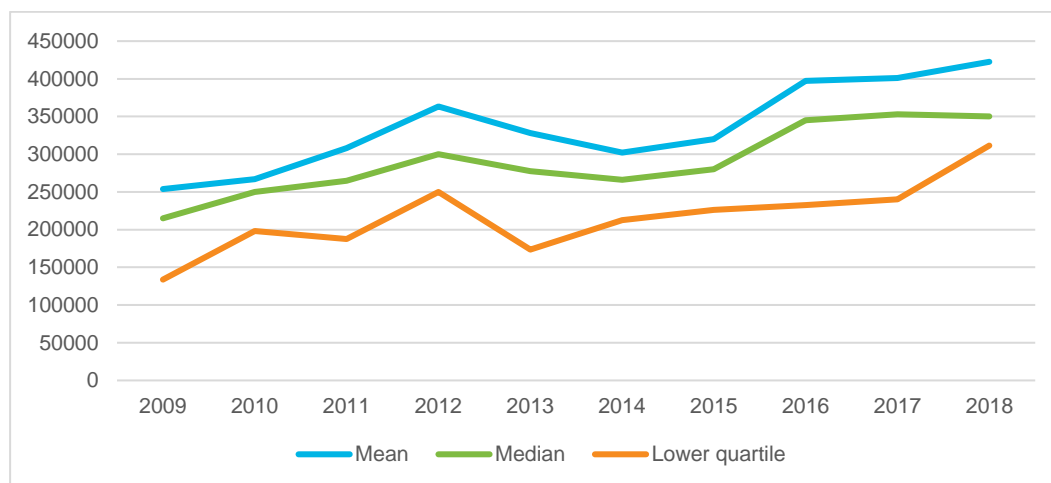
¹⁰ See Glossary in Appendix.

¹¹ See Glossary in Appendix.

¹² See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

the mean and median price continued to decline gradually until 2015. Subsequently, prices have grown across all categories to 2018 where they end on a high.

Figure 4-1: House prices in Abbots Bromley between 2009 and 2018



Source: Land Registry PPD

65. Table 4-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that terraced property prices have undergone the most growth over the last decade, at 134.6%. Semi-detached property prices underwent the second greatest growth, the figure for which is impacted by a sudden decline in price between 2017 and 2018; the volatility shown in semi-detached house prices could be due to a small sample size. Detached homes have undergone slower but steadier price growth over the time period. It is important to note that some anomalies exist in the table below due to an abnormally high house prices and few homes sold of that type in some years (for example, only two terraced homes were sold in 2012, both at £740,000).

Table 4-3: House prices by type in Abbots Bromley, 2009-2018

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached	£369,643	£281,927	£385,450	£338,000	£416,075	£339,411	£392,654	£463,170	£434,265	£496,306	34.3%
Semi-detached	£226,167	£308,500	£294,438	£363,000	£337,086	£314,630	£250,064	£222,600	£458,250	£324,567	43.5%
Terraced	£133,400	£181,983	£117,000	£740,000	£176,200	£183,306	£243,063	£248,417	£162,613	£313,000	134.6%
Flats	£211,000	£210,000	£125,833		£140,000	£95,000	£175,000	£120,000	£145,000	£217,500	3.1%
All Types	£253,816	£266,755	£308,259	£363,118	£327,885	£302,182	£320,088	£397,251	£400,969	£422,583	66.5%

Source: Land Registry PPD

4.4.2 Income

66. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. As such, we have used two sources of data for household incomes in the NA.

67. The first is locally specific but limited to the average total household income and the median net annual household income. This is the average household income estimates published by ONS¹³ at the level of the Middle-layer Super Output Area (MSOA)¹⁴. In the case of Abbots Bromley the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is known as E02006136. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.
68. The average net annual household income before housing costs (equalised) across E02006136 in 2016 was £31,700, while the average total annual income was £42,400. The latter figure of total income is taken into account by lenders in assessing how much to loan a household for a mortgage.¹⁵
69. The second source of data provides the Lower Quartile (LQ) average earnings that is helpful for understanding affordability challenges among those with lower than average earnings, but it is only available at the District level and so is less locally-specific. It also relates to individual earnings and is therefore different to household income, where there may be two people earning.
70. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local authority level. Although 2018 provisional data has been published, the revised 2017 data is considered more robust and is therefore used here.
71. East Staffordshire's gross LQ weekly earnings for 2017 was £213.90, or approximately £11,122 per year.
72. This LQ figure is a helpful indication of what those on lowest earnings are able to put towards their housing costs, although it is important to note three caveats. First, this figure applies to the wider District and may therefore differ from actual LQ income levels within the NA itself. Second, it is an indication of gross rather than net incomes, and so the actual amount of income received after taxes and expenses will likely differ. Third, it represents individual earnings not household incomes. LQ household incomes may be higher where two people in a household are earning.

4.4.3 Affordability Thresholds

73. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase Thresholds (PT) denote the standard household income needed to access mortgage products, and Income Thresholds (IT) denote the maximum share of a family's income that should be spent on accommodation costs. The PT is particularly helpful for understanding the affordability of market homes.
74. We have determined thresholds for: market purchase; Private Rented Sector (PRS); shared ownership at 25%, 50%, and 75%; affordable rent set at 80%, and estimated social rent levels across Abbots Bromley. These calculations are detailed in Appendix A. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations. Table 4-4 below shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Abbots Bromley.

¹³Available at

<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

¹⁴ An MSOA is a statistical area defined for Census purposes. For further information on MSOAs, see

<https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

¹⁵ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

Table 4-4: Affordability thresholds in Abbots Bromley (income required, £)

Tenure	Cost of purchase	Annual rent	Income required
Entry-level Market Sale	£280,350	N/A	£80,100
Shared ownership (75%)	£210,263	£7,788	£67,863
Starter Homes	£224,280	N/A	£64,080
Shared ownership (50%)	£140,175	£15,575	£55,625
Entry-level Market Rent	N/A	£9,540	£38,160
Shared ownership (25%)	£70,088	£23,363	£43,388
Affordable Rent	N/A	£7,632	£30,528
Social Rent - 3 Bed Dwelling	N/A	£4,690	£18,762
Social Rent - 2 Bed Dwelling	N/A	£4,253	£17,010

Source: AECOM Calculations

75. The income required to afford the different tenures is then benchmarked, in Figure 4-2 below, against the two measurements of household income and earnings set out above. These are £42,400 and £11,122 respectively.
76. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average entry-level market home for sale (i.e. the PT) is higher than that available to those on mean household incomes. It is relevant to note the large gap between the income required to rent in the market (£38,000) and the income required to buy (£80,000). There is a large number of households that fall into this gap and who might benefit from affordable routes to home ownership. The income required to buy an average entry-level home for sale is significantly higher than that available to those on lower quartile household earnings (even where two people in the household are earning).
77. Turning to properties for purchase through the Starter Homes and Shared Ownership tenures, i.e. those aimed at people on lower quartile incomes, the PT is too high to meet the needs of those on average incomes.
78. Government policy aimed at tackling the housing crisis has increasingly focused on helping those on modest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.¹⁶ In the case of Abbots Bromley, the table above suggests that the most appropriate tenures to help implement this policy goal locally are shared ownership (25% and 50%).
79. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development¹⁷ should be available for affordable home ownership. In terms of the tenure mix within this 10%, the analysis above suggests that in Abbots Bromley, there is potential to provide shared ownership, which is the closest ownership option to being affordable, despite even this being out of reach for lower quartile earners.
80. Shared ownership is recommended as the primary affordable route to home ownership because it is the tenure that extends home ownership to the widest group in Abbots Bromley. There are a number of points to bear in mind:
 - a. Despite being introduced back in the 1970s, shared ownership has only recently become mainstream. Partly because the affordability of home ownership has declined sharply in recent years and partly because Government has supported the provision of these homes through funding to housing associations.
 - b. Shared ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. It is popular due to the increased choice, control and security it offers in comparison to other tenures. Housing for new households and families is a particular concern for Abbots Bromley and so this should be considered as an option for the NA.
 - c. However, it should be noted that there are some issues with shared ownership which should be borne in mind. For example, buyers still have to pay service charges which are not fixed and can increase unpredictably.

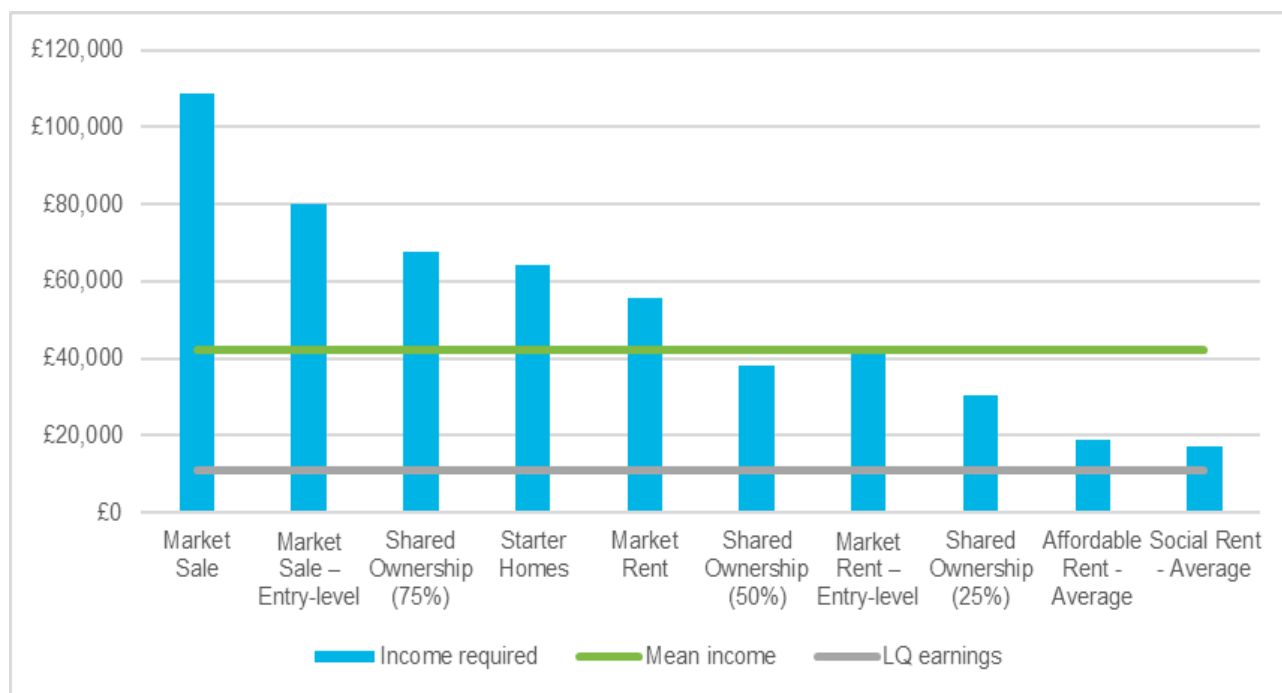
¹⁶ See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

¹⁷ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

Buyers are also responsible for the maintenance of the property, however small their share in the property. ‘Staircasing’ (see Appendix A for detailed definition) can also be costly, given that the purchase of the additional share may rise as market values rise. Furthermore, the discount attained through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling, meaning that a new shared ownership dwelling is often no more affordable than an existing dwelling offered for market sale.

81. Registered providers (e.g. housing associations) may be reluctant to deliver this tenure in rural locations as there are ongoing management costs involved. For this reason, discounted market sale homes may prove more attractive because of the more limited ongoing role for the housing association.
82. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will “significantly prejudice the ability to meet the identified affordable housing needs of specific groups”- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. Based on the findings of this chapter, there is evidence that going beyond the 10% threshold in Abbots Bromley would impact on the provision of affordable rented homes since the evidence in this report suggests 30 of these homes might be required over the plan period compared to an overall housing requirement figure of 40. It will not be possible to meet the full need for affordable rented homes given the housing requirement and Local Plan affordable housing policy so it will be important to maximise the opportunity to deliver social/affordable rented homes where possible. However, there are also good reasons to deliver affordable homeownership products e.g. to support young families into home ownership and to help support the viability of schemes. The balance of different affordable tenures needs to take these different factors into account.

Figure 4-2: Affordability thresholds in Abbots Bromley (income required, £)



Source: AECOM Calculations

4.5 Affordable housing- quantity needed

83. The starting point for examining the need for affordable housing is the relevant SHMA. Abbots Bromley, is covered by the East Staffordshire SHMA 2014. The SHMA provides estimates of the need for affordable housing in line with guidance at the time. It is important to note that this SHMA is now more than 5 years old and the methodology focuses on identifying the needs of households who cannot access market housing. It does not quantify the full need for affordable housing from households who can afford to rent in the market but cannot afford to buy and may prefer affordable home ownership. This has become a priority of Government in more recent years and is now reflected in revisions to the NPPF which include affordable home ownership products within the definition of Affordable Housing.

The SHMA 2014 identifies a need for 159 affordable homes per annum in East Staffordshire. Pro rated to Abbots Bromley (which accounts for 1.6% of the population of East Staffordshire) would imply the need for 2.5 homes per annum in the Parish – this equates to a total of 33 over the 13 year plan period.

84. Given that the SHMA assessment is more than 5 years old and is largely an estimate of the need for affordable rented homes, this HNA provides localised estimates for East Staffordshire for both rented and home ownership tenures.
85. In

86. Table 4-5 below we have calculated, using PPG as a starting point,¹⁸ an estimate of the total need for affordable rented housing in Abbots Bromley over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out in are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
87. It should also be noted that figures in are largely dependent on information provided by ESBC in its capacity as manager of the local housing waiting list. The current banding system sees those placed in band 1 and 2 having the highest housing need and those placed in bands 3 and 4 having a lower housing need that is not classed as a priority.¹⁹ The table below relies only on the priority band to avoid the risk over over-estimating or double-counting affordable housing need. This is to ensure that we capture only those on the housing waiting list who are in genuine need, rather than the rest of the people on the list, who often are on the list only as an 'insurance policy and may be captured through other data already.
88. The table shows that there are currently about 23 households in Abbots Bromley unable to access affordable housing tenures suitable to their needs. The table also suggests that, over the Plan period, 7 additional households in the Neighbourhood Plan area will fall into need, producing total affordable housing need of 30 households (2.3 per annum). This is very consistent with the level of need identified in the SHMA 2014, as pro rates to the NA.
89. Table 4-6 provides a separate estimate for the number of households who might need affordable home ownership. This is a simplified assessment of the needs of these households but considered reasonable and proportionate for the purposes of neighbourhood planning. These are households who can afford to rent in the market but cannot afford to buy and may prefer to do so. These households are additional to those identified in Table 4-5 and those identified in the East Staffordshire SHMA (although there may be some overlap at the margins). This estimate suggests there may be potential demand for around 59 (rounded) affordable home ownership dwellings over the plan period (4.5 per annum).
90. It is worth noting that often when the needs of households who cannot afford ownership (but can afford rent) are assessed they appear higher in scale than the need for rented homes. This is because the population of this group is larger, though it is important to keep in mind that their needs are less urgent and the majority are accommodated in the private rented sector. They do not lack housing but would prefer to be accommodated in a different tenure. The supply of homes in the PRS is not taken into account in meeting their needs.

¹⁸ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

¹⁹ A full description of the banding system can be found at <https://www.trentanddove.org/media/1264/finding-a-home-through-the-east-staffs-housing-register.pdf>.

Table 4-5 : Estimate of need for Social/Affordable Rented Housing in Abbots Bromley

Step	Stage	Source	Calculations (rounded)	Stage and Step Description
1. CURRENT HOUSING NEED (GROSS)				
a	Homeless households	ONS Census 2011 (QS101EW)	0	The 2011 Census recorded 0 homeless households in Abbots Bromley.
b	Priority need on housing waiting list	East Staffordshire Borough Council	4	As of August 2018, ESBC advises that there are 14 households on the affordable housing waiting list for Abbots Bromley. However, only 4 of these households are in the highest priority bands 1 and 2. The current banding system sees those placed in band 1 and 2 having the highest housing need and those placed in bands 3 and 4 having a lower housing need that is not classed as a priority
c	Overcrowded households	Census 2011 (QS412EW)	12	Assumption applied that the number remains the same as in the 2011 Census, in which Abbots Bromley recorded 12 households with a bedroom occupancy rating of -1 or less, and that these households are not on the Housing Needs Register.
d	Concealed households	Census 2011	7	Assumption applied that the number remains the same as in the 2011 Census, in which Abbots Bromley recorded 7 households who were concealed, and that these households are not registered on the Housing Needs Register.
e	Backlog need	AECOM	23	Sum of stages a-d
2. NEWLY ARISING NEED				
f	Number of households in 2011	Census 2011	740	The 2011 Census recorded a total of 740 households in Abbots Bromley.
g	Annual household formation between 2011 and end of Plan period	MHCLG 2014-based household projections; AECOM calculations	6	Taking households in 2011 in Abbots Bromley as a proportion of all households in the LPA (1.57%), Abbots Bromley's share of LPA household growth by the end of the Plan period will be 888 (rounded) ($56,728 \times 1.57 = 888$), an increase of 148 from the 2011 Census. This equates to an annual increase of 6 households (rounded) (148/25 years).
h	New household formation between 2011 and 2019	AECOM calculations	47	$g \times 8$ (number of years between 2011 and 2019)
i	Estimated current number of households	AECOM calculations	787	Sum of f + h
j	New household formation between 2018 and end of Plan period	AECOM calculations	77	$g \times 13$ (number of years between 2018 and 2031)
k	Proportion of newly forming households unable to access market housing	AECOM calculations	8.9%	On account of the lack of income data available at Abbots Bromley level, the formula used to determine the proportion of newly-forming households unable to access market housing comprises the number of people in social housing at the time of the 2011 Census (43) + backlog need (23) divided by all households (0.089).
l	Newly Arising Need	AECOM calculations	7	$j \times k$
m	TOTAL AFFORDABLE HOUSING NEED		30 (2.3 per annum)	Sum of e + l

Source: data, Census 2011, AECOM calculations

Table 4-6: Estimate of the need for affordable home ownership in Abbots Bromley

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	98.7	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	23.1%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	22.8	1.1 x 1.2
1.4 Current need (households)	56.9	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	4.4	1.4 divided by plan period (13 years)
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	76.3	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	8.1%	Current % of households in PRS
2.3 Total newly arising need	6.2	2.1 x 2.2
2.4 Total newly arising need per annum	0.5	2.3 divided by plan period (13 years)
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	7.0	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply - intermediate resales	0.3	3.1 x 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Shortfall (per annum)	4.5	Shortfall = (Step 1.5 + Step 2.4) – 3.2

Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock.

91. Of the 40-dwelling housing need figure provided for Abbots Bromley by East Staffordshire, 16 Affordable Housing units should be delivered in accordance with the 40% Affordable Housing requirement in Strategic Policy 17.
92. This level of expected delivery is not sufficient to meet local need as evidenced in this HNA. It is therefore critical that the 40% delivery requirement is met wherever possible in Abbots Bromley. Should the community wish to further boost the supply of Affordable Housing there are other routes available to providing it. For example, using community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of increasing the supply of affordable housing above the minima indicated by Local Plan policy.
93. It is difficult to exceed the Local Plan affordable housing policy requirement in the neighbourhood plan because such steps are rarely accepted by planning inspectors on the grounds that an extremely high standard of justification is required which goes beyond the scope of a HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, furthermore, have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
94. It is also important to remember that even after the Abbots Bromley, or indeed any other, Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, its allocation to those in need and the management of the housing waiting list all remain the responsibility of the local authority rather than neighbourhood planners.
95. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).

4.5.1 Tenure split within Affordable Housing

96. In terms of the most appropriate mix of tenures within Affordable Housing, it is important to reference East Staffordshire's affordable housing policy. However, the Local Plan does not contain explicit guidance relating to the mix of Affordable Housing tenures. The SHMA, however, does breakdown the requirement for intermediate and affordable rented housing suggesting 15% of homes required are intermediate and rented tenures represent 85% of need. However, as stated earlier, this is based on an assessment which focuses on households who cannot afford to access market housing and does not include a full assessment of the needs of those who can afford to rent in the market but cannot afford to buy.
97. This HNA provides an indicative recommendation on the appropriate tenure split for new affordable housing in Abbots Bromley. This is AECOM's judgement, based on the evidence of local need, the wider SHMA evidence base for the local authority as a whole and the stated policy objectives in the Local Plan. The recommendation is that, broadly, 70% of new affordable homes should be for rent and 30% for affordable home ownership. The reason for this recommendation is as follows:
- a. The Local Plan policy prioritises the provision of social/affordable rent. Across the District there are sound reasons for this approach. Households needing social/affordable rent have little other choice and have the most urgent housing needs. This group includes homeless households and families living in temporary accommodation. Social/affordable rented housing meets the need of households on the lowest incomes. It is likely to be the priority for affordable housing delivery in Abbots Bromley.
 - b. The evidence in this HNA suggests that the need (or demand) for affordable home ownership is greater in scale than the need for social/affordable rented homes within Abbots Bromley, but the need for affordable rented homes still exceeds what is likely to be delivered through new development. Declining affordability of home ownership in recent years has resulted in more households living for longer in the PRS when they would prefer to buy their own home. These factors would support some shift towards the provision of affordable home ownership products locally but the priority is likely to remain the delivery of rented homes.
98. However, the precise mix of affordable homes at the site specific level will be influenced by factors other than the scale of need. The mix will be influenced by viability considerations, the views of Registered Providers including whether they wish to manage small numbers of affordable homes in a rural location, the existing stock mix and other policy objectives. It is important to state that the estimates of need in this HNA or elsewhere do not directly determine affordable housing policies because of these wider policy considerations.
99. AECOM has made suggestions for the split of different products within the tenure split, though this should be considered indicative as it will be subject to wider considerations of costs, viability and the availability of funding for particular products.
- 100.
101. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development²⁰ should be available for affordable home ownership.
102. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will "significantly prejudice the ability to meet the identified affordable housing needs of specific groups"- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. The findings in this chapter suggest these products could extend home ownership to households currently unable to buy, particularly when provided as shared ownership. It is important to keep in mind that delivery of these products may reduce the number of rented homes that can be provided, though there may be other policy reasons for expanding affordable home ownership (eg ability to cross subsidise other tenures, ability to attract or retain particular households).
103. Shared ownership is recommended as the primary affordable route to home ownership because it is the tenure that extends home ownership to the widest group, including some households who are unable to afford private rents in the NA. There are a number of points to bear in mind:

²⁰ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

- a. Despite being introduced back in the 1970s, shared ownership has only recently become mainstream. Partly because the affordability of home ownership has declined sharply in recent years and partly because Government has supported the provision of these homes through funding to housing associations.
- b. Shared ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. It is popular due to the increased choice, control and security it offers in comparison to other tenures. Housing for new households and families is particular concern for Abbots Bromley and so this should be considered as an option for the NA.
- c. However, it should be noted that there are some issues with shared ownership which should be borne in mind. For example, buyers still have to pay service charges which are not fixed and can increase unpredictably. Buyers are also responsible for the maintenance of the property, however small their share in the property. Staircasing can also be costly, given that the purchase of the additional share will rise as market values rise. Furthermore, the discount attained through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling, meaning that a new shared ownership dwelling is often no more affordable than an existing dwelling offered for market sale.
- d. Registered providers (eg housing associations) may be reluctant to deliver this tenure in rural locations as there are ongoing management costs involved. For this reason, discounted market sale homes may prove more attractive because of the more limited ongoing role for the housing association.

104. The tenure split in Table 4-7 should be considered a guideline for the ideal mix of tenures to be delivered within the NA. As such, it will be a useful point of reference when planning applications are considered but may not represent sufficient justification for the tenure split to be enforced precisely through a Neighbourhood Plan policy.

105. Where the neighbourhood planners wish to craft policy that enforces this split more rigidly, it is important that they liaise with the LPA to gather more detailed income and viability information, and to ensure that departures from the district-level policy context have the LPA's support. Another option is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-size circumstances in addition to this evidence.

Table 4-7: Recommended tenure split (Affordable Housing)

Routes to home ownership, of which	30%
Discounted market sale e.g. Starter Homes	10%
Shared ownership	20%
Affordable Housing for rent, of which	70%
Social rent	35%
Affordable rent	35%

Source: AECOM calculations

106. AECOM suggests that the remaining 70% of affordable homes should be relatively evenly split between social rent and affordable rent homes, though this will need to be determined by the local authority and registered provider based on scheme specific viability considerations. Where possible, the proportion of social rented homes should be expanded as these are most affordable to households on the lowest incomes.

4.6 Conclusions- Tenure and Affordability

107. In terms of Abbots Bromley's current tenure profile, the current Census data shows that a very high proportion of the parish population is made up of homeowners, ahead of the district and national figures. Over the intercensal period, this increased somewhat, which initially suggests home ownership might continue to be the preferred option for those able to afford it. However, other types of tenure such as private rented and shared ownership also grew significantly, although they still make up a relatively small proportion of the parish housing stock, sitting well below district and national rates.

108. The highest tenure change rate in Abbots Bromley is in the private rented sector, at 68.8%. This is a trend that is echoed at district and national levels to an even greater degree, and is likely down to home ownership becoming an increasingly less viable option based on affordability.

109. According to our affordability analysis, the average annual household income (£42,400) is insufficient to occupy most tenures, unless households choose to devote a higher proportion of their income to housing costs.
110. A solution in that case may be to offer a more diverse range of tenures in Abbots Bromley, moving away from market sale and towards more viable options such as shared ownership or affordable rent. Delivering greater quantities or smaller sizes of house could also help to increase the number of dwellings accessible to those on lower incomes. Achieving the 40% AH figure from the Local Plan should be a priority for all new developments of 0.14 hectares or more, as well as the 10% affordable routes to home ownership target set out by the NPPF.
111. In terms of the tenure split of Affordable Housing, it is important to note the affordability pressures that exist among households with below average incomes in Abbots Bromley, which are clear from our affordability analysis and have been flagged by the community. For this reason, we recommend that AH provision should focus on dwellings for social and affordable rent at a rate of 70% of all Affordable Housing, with a relatively equal share between the two. Of the affordable routes to home ownership to be provided at 30% of all Affordable Housing, shared ownership at a 20% share would extend home ownership the furthest.
112. Having said this, such policies should in practice be flexibly applied given the need for viability. This question is particularly pertinent in rural locations where small in-fill schemes predominate. For these schemes, providers may be reluctant to deliver certain tenures which involve relatively high management costs when delivered in small numbers.
113. Of the 40-dwelling housing need figure provided for Abbots Bromley by East Staffordshire, 16 Affordable Housing units should be delivered in accordance with the 40% Affordable Housing requirement in Strategic Policy 17.
114. This level of expected delivery is not sufficient to meet local need as evidenced in this HNA. It is therefore critical that the 40% delivery requirement is met wherever possible in Abbots Bromley. Should the community wish to further boost the supply of Affordable Housing there are other routes available to providing it. For example, using community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of increasing the supply of affordable housing above the minima indicated by Local Plan policy.

5. RQ 2: Type and Size

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

5.1 Introduction

115. The Abbots Bromley Neighbourhood Plan could include policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people at all stages of life the options they require, while keeping the market operating efficiently.

116. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Abbots Bromley. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type will be determined by the way different household types currently occupy their dwellings in the LPA, and then applying to that baseline assessment demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

117. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.

118. In this context, even smaller households (those with one or two inhabitants) may be able to choose to live in larger homes than they require, and thus would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size would suggest for future years.

119. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' should thus be translated as follows²¹:

- 1 room = bedsit
- 2 rooms = flat/house with one bedroom and a reception room/kitchen
- 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
- 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
- 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
- 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
- 7+ rooms = house with 4 or more bedrooms

120. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.²² As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.

²¹ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

²² At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

121. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as "One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area."²³ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

122. The 2011 Census shows that there were 778 households in Abbots Bromley, living in 468 detached houses, 177 semi-detached, 100 terraced houses, and 31 flats. Compared with the LPA, Abbots Bromley is characterised by nearly twice the proportion of detached homes, half the terraced houses and around just a fifth of the proportion of flats (see Table 5-1 below).

Table 5-1: Accommodation type (households), Abbots Bromley, 2011

Dwelling type		Abbots Bromley	East Staffordshire	England
Whole house or bungalow	Detached	60.2%	31.1%	22.4%
	Semi-detached	22.8%	31.5%	31.2%
	Terraced	12.9%	24.9%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	2.1%	10.0%	16.4%
	Parts of a converted or shared house	1.4%	1.3%	3.8%
	In commercial building	0.5%	0.9%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

123. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Abbots Bromley is characterised by generally large dwellings, with high proportions of properties with 4 or more rooms. This theme is broadly reflected at the LA level.

124. However, whereas the concentration for East Staffordshire tends to be around the 5 and 6 room category, Abbots Bromley exhibits a more even spread across categories of between 4 and 9 rooms, with an accordingly higher proportion of houses in the very large categories of 8 or 9+ rooms.

²³ Ibid.

Table 5-2: Number of rooms per household in Abbots Bromley, 2011

Number of Rooms	2011	2011
	Abbots Bromley	East Staffordshire
1 Room	0.0%	0.3%
2 Rooms	0.7%	1.9%
3 Rooms	3.9%	7.0%
4 Rooms	11.5%	15.6%
5 Rooms	12.8%	24.1%
6 Rooms	18.5%	23.0%
7 Rooms	18.6%	11.6%
8 Rooms or more	15.9%	8.1%
9 Rooms or more	18.0%	8.3%

Source: ONS 2011, AECOM Calculations

125. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. There are significant changes observable from the 2001 Census findings. Firstly, 2 room dwellings underwent a 28.6% reduction in the NA, against a 48.8% increase at the LA level.
126. Meanwhile, 4 bed properties underwent notable growth at 34.9%, against much lower growth of 4.7% at the LA level. Interestingly however, whilst the NA also displays significant growth in the 7 and 8 room categories, it lags behind the rates seen at LA level.
127. Losses were also made in the 5-room category, as seen at district and national levels. The losses in 2 and 5 bed categories may be due to the demolition, extension or replacement of smaller housing units, and a very limited supply of new flats.

Table 5-3: Rates of change in number of rooms per household in Abbots Bromley, 2001-2011

Number of Rooms	Abbots Bromley	East Staffordshire	England
1 Room	0.0%	13.9%	-5.2%
2 Rooms	-28.6%	48.8%	24.2%
3 Rooms	7.4%	39.2%	20.4%
4 Rooms	34.9%	4.7%	3.5%
5 Rooms	-14.4%	-2.2%	-1.8%
6 Rooms	9.6%	2.9%	2.1%
7 Rooms	10.4%	20.0%	17.9%
8 Rooms or more	28.1%	34.7%	29.8%

Source: ONS 2001-2011, AECOM Calculations

128. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that whilst at district and national level the majority of homes have 2 or 3 bedrooms, Abbots Bromley displays a heavy bias towards the 3 and 4 bed category.

Table 5-4: Number of bedrooms in household spaces in Abbots Bromley, 2011

Bedrooms	Abbots Bromley		East Staffordshire		England	
All categories: no. of bedrooms	740	100.0%	47,251	100.0%	22,063,368	100.0%
No. bedrooms	0	0.0%	89	0.2%	54,938	0.2%
1 bedroom	43	5.8%	3,781	8.0%	2,593,893	11.8%
2 bedrooms	120	16.2%	12,456	26.4%	6,145,083	27.9%
3 bedrooms	274	37.0%	20,797	44.0%	9,088,213	41.2%
4 bedrooms	234	31.6%	8,121	17.2%	3,166,531	14.4%
5 or more bedrooms	69	9.3%	2,007	4.2%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

5.3 Household composition and age structure

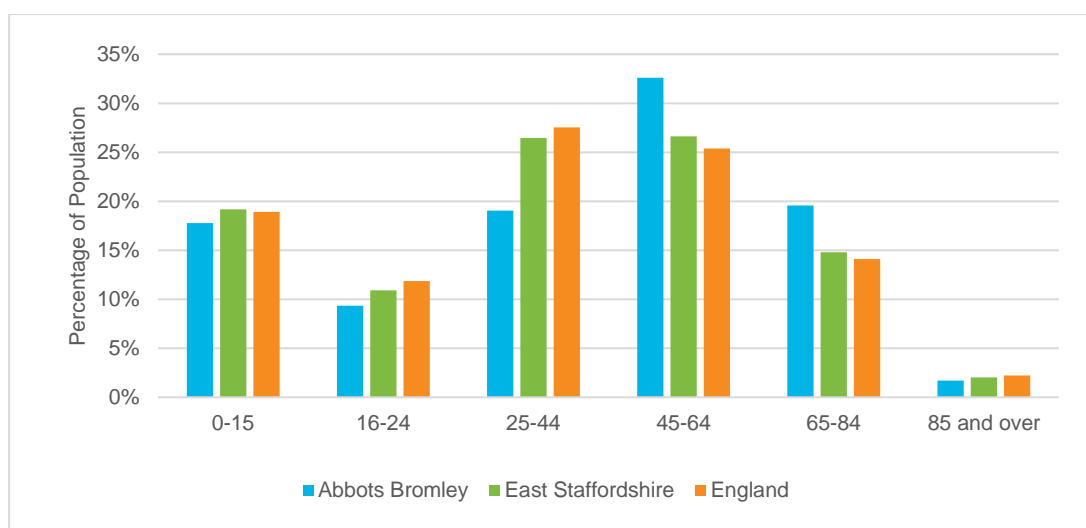
129. We have now established the current profile of housing stock in Abbots Bromley and identified recent changes in its composition. The evidence assembled below examines the composition and age structure of households both in the 2011 Census and in future years. Through a consideration of the types of households projected to form over the Neighbourhood Plan period, and the mix of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Neighbourhood Plan area by the end of the planning period.

5.3.1 Age structure

130. The 2011 Census data reveals that Abbots Bromley has a high percentage of people aged over 45, when compared with district and national figures. With an ageing population, Abbots Bromley is likely to require some smaller dwellings better suited to older couples and single persons who wish to downsize, running contrary to the recent building patterns in the Parish (see Figure 5-1 below).

131. Abbots Bromley has low rates of young people aged 44 and under, as compared with the national average. Although Abbots Bromley demographics are not dissimilar to those of East Staffordshire, there are far fewer people aged between 25-44 in the area and higher numbers of those aged between 65 and 84. It also illustrates the significant jump that can be expected in the over 65 population as Abbots Bromley's large 45-64 age cohort ages over the Plan period.

Figure 5-1: Age structure in Abbots Bromley , 2011



Source: ONS 2011, AECOM Calculations

132. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 the NA population has grown for those aged 45+ and shrunk for the 25-44 category (see Table 5-5 below).
133. Rates of change at the NA level differ significantly from what is seen at district and national levels. All geographies exhibit strong growth in the 16-24 category, but the decline in the 24-44 category seen at NA level is drastic compared to the relatively steady rates seen in other geographies.
134. Furthermore, whilst all geographies exhibit growth in the 65-84 category, it is particularly pronounced at the NA level. This indicates a population that is ageing more rapidly than at higher level geographies.
135. With regard to housing, this could indicate that there is an insufficient supply of dwellings appropriate to young and newly forming households and that this shortfall should be addressed. Alternatively, it could indicate that younger age groups move away for other reasons and the stock of housing should be rebalanced to suit the growing retirement-age cohort. A neighbourhood household survey could help to clarify the primary reason for this shift, but there is nevertheless an opportunity to supply dwellings that would be appropriate to the needs and financial capabilities of both young households and downsizing households, such as two- and three-bedroom homes.

Table 5-5: Rate of change in the age structure of Abbots Bromley population, 2001-2011

Age group	Abbots Bromley	East Staffordshire	England
0-15	0.0%	-1.1%	1.2%
16-24	30.7%	25.9%	17.2%
25-44	-13.1%	-0.4%	1.4%
45-64	9.0%	19.0%	15.2%
65-84	34.4%	16.3%	9.1%
85 and over	30.4%	24.4%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.3.2 Household composition

136. Household composition is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
137. In assessing Census data on household composition, we see that Abbots Bromley differs from the LPA in that there is a slightly lower proportion of one person households overall, but a slightly higher proportion of one person households aged 65+. It is also notable that there is a significantly higher proportion of households with no children in the plan area, compared to district and national rates (Table 5-6).

Table 5-6: Household composition (by household), Abbots Bromley, 2011

Household composition		Abbots Bromley	East Staffordshire	England
One person household	Total	27.2%	29.3%	30.2%
	Aged 65 and over	13.9%	12.4%	12.4%
	Other	13.2%	16.8%	17.9%
One family only	Total	68.8%	65.1%	61.8%
	All aged 65 and over	12.0%	8.8%	8.1%
	With no children	23.4%	19.4%	17.6%
	With dependent children	22.6%	27.4%	26.5%
	All children Non-Dependent	10.8%	9.6%	9.6%
Other household types	Total	4.1%	5.6%	8.0%

Source: ONS 2011, AECOM Calculations

138. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001

and 2011, the main changes in household composition were a significant increase in the number of one person households, at nearly double the rate seen at district levels, most of which occurred in the under 65 age group (see Table 5-7).

139. Conversely, the number of households with dependent children decreased in the NA, in contrast to moderate increases at district and national levels. Meanwhile, households with non-dependent children increased at a rate far above that seen at district and national levels.
140. Seen in the context of Abbots Bromley's comparatively large stock of dwellings, these trends towards single occupancy, older households and fewer families with dependent children may warrant a Neighbourhood Plan policy restricting the future supply of larger dwellings to some extent. However, it may also be the case that the declining number of families in Abbots Bromley is a function of the limited number of dwellings that are both appropriately-sized and affordable to younger families, so it may be beneficial to encourage the provision of mid-sized housing suitable for this demand segment. The forthcoming analysis will help to clarify housing need with regard to the life stages of Abbots Bromley households.

Table 5-7: Rates of change in household composition, Abbots Bromley, 2001-2011

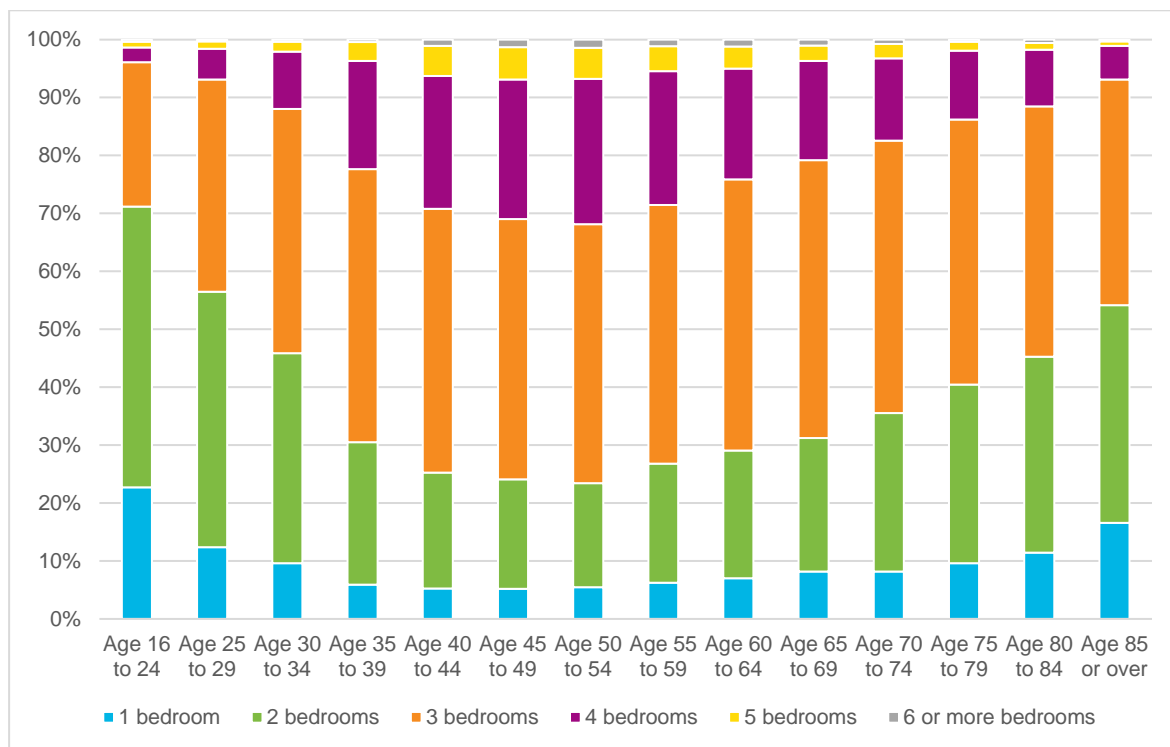
Household type		Percentage change, 2001-2011		
		Abbots Bromley	East Staffordshire	England
One person household	Total	32.2%	16.9%	8.4%
	Aged 65 and over	9.6%	-1.7%	-7.3%
	Other	69.0%	35.8%	22.7%
One family only	Total	5.2%	6.4%	5.4%
	All aged 65 and over	14.1%	5.5%	-2.0%
	With no children	3.6%	5.7%	7.1%
	With dependent children	-6.2%	4.1%	5.0%
	All children non-dependent	31.1%	16.4%	10.6%
Other household types	Total	50.0%	34.4%	28.9%

Source: ONS 2001-2011, AECOM Calculations

5.4 Dwelling mix determined by life-stage modelling

141. Recognising the fact that households of different ages have different housing needs, to estimate the housing mix needed by the end of the Plan period we adopt an approach based on the reasonable assumption that current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age.
142. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data (i.e. East Staffordshire) needs to be used as the closest proxy.
143. Figure 5-2 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that 3 bedroom dwellings are the most common house size for all age categories except those aged 16-29.
144. 2 bedroom properties are far more popular amongst the younger age groups, but this pattern declines into the middle aged categories, before rising slightly again from age 60 onward. The popularity of 3 bed, 4 bed and 5 bed properties follows a pattern roughly inverse to that seen for 2 bed and one bed properties, being more popular with middle-aged households.

Figure 5-2: Age of household reference person by dwelling size in East Staffordshire, 2011



Source: ONS 2011, AECOM Calculations

145. We then use household projections provided by MHCLG to achieve an understanding of the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, we have estimated what the distribution of households by the age of the HRP would be in 2031, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-8 below.
146. Table 5-8 below also provides an insight into the Projected distribution of households by age of HRP in East Staffordshire. It is interesting to note that all age groups are expecting growth, with the exception of households headed by those aged 25- 34.

Table 5-8: Projected distribution of households by age of HRP, East Staffordshire

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	1,599	6,269	18,754	8,043	12,586
2014	1,517	6,275	18,308	7,987	14,377
2031	1,488	5,714	18,698	8,307	20,475
2039	1,475	5,450	18,882	8,458	23,344

Source(s): MHCLG 2014-based household projections, ONS 2011, AECOM Calculations

147. At this point, it is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Abbots Bromley. To do so, the percentage of increase expected for each group across East Staffordshire, derived from the data presented above, was mapped to the population of Abbots Bromley. The results of this calculation are detailed in Table 5-9.

Table 5-9: Projected distribution of households by age of HRP, Abbots Bromley

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	4	49	286	155	246
2014	4	49	279	154	281
2031	4	45	285	160	400
% change 2011-2033	-7%	-9%	0%	3%	63%

Source: AECOM Calculations

148. Then, to complement the two stages above, in Table 5-10 below we set out the distribution of dwellings of different sizes according to the age of the HRP as they appeared in Census 2011. This provides the basis for a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across East Staffordshire by the end of the plan period.

Table 5-10: Age of household reference person to size, grouped, East Staffordshire, Census 2011

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	22.7%	10.8%	5.4%	6.6%	10.1%
2 bedrooms	48.5%	39.7%	20.2%	21.3%	29.4%
3 bedrooms	25.0%	39.7%	45.5%	45.7%	45.3%
4 bedrooms	2.5%	7.9%	22.9%	21.1%	12.7%
5+ bedrooms	1.4%	1.9%	6.0%	5.2%	2.5%

Source(s): MHCLG 2014-based household projections, ONS 2011, AECOM Calculations

149. Finally, having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in East Staffordshire and Abbots Bromley falling into each of these stages by the end of the Plan period in 2031, it is now possible to recommend how the housing stock could evolve in terms of size over the Neighbourhood Plan period to overcome existing or future misalignments between the supply of and demand of dwellings (see Table 5-11 below).
150. The table takes in turn each projected age group in 2031, estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. By doing so for each age bracket and then adding together the totals for each dwelling size, we arrive at an estimate of what proportion of each size of dwelling will be required overall. Multiplying household numbers by the percentages in Table 5-10 above, the results are rarely whole numbers and are therefore presented as rounded. Because the totals are derived from the exact (non-rounded) data, not all columns and rows will sum precisely.

Table 5-11: Ideal dwelling size distribution in Abbots Bromley by the end of the Plan period, based on modelled household life-stages (totals may not sum due to rounding)

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Households 2031	4	45	285	160	400	-
1 bedroom	1	5	15	11	41	72
2 bedrooms	2	18	57	34	118	229
3 bedrooms	1	18	130	73	181	403
4 bedrooms	0	4	65	34	51	153
5+ bedrooms	0	1	17	8	10	37

Source: Census 2011, AECOM Calculations

151. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-11 above modelling the change in the age structure of the population in Abbots Bromley.
152. Table 5-12 below indicates that, by 2031, the size distribution of dwellings should be quite different to what currently exists. Significantly more 2 and 3 bedroom properties are required, with large reductions in the proportion of 4 and 5 bed properties. This reinforces the earlier conclusion of a need for more, smaller housing in the NA, running contrary to recent building activity.

Table 5-12: 2011 housing sizes compared to ideal distribution at end of Plan period, Abbots Bromley

Number of bedrooms	2011		2031	
1 bedroom	43	5.8%	72	8.1%
2 bedrooms	120	16.2%	229	25.6%
3 bedrooms	274	37.0%	403	45.1%
4 bedrooms	234	31.6%	153	17.2%
5 or more bedrooms	69	9.3%	37	4.1%
Total households	740	100.0%	894	100.0%

Source: Census 2011, AECOM Calculations

153. Table 5-13 below sets out the estimated misalignment between future demographic demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

Table 5-13: Future potential misalignments of supply and demand for housing, Abbots Bromley

Number of bedrooms	2011	2031	Change to housing mix	Recommended split
1 bedroom	43	72	29	11.0%
2 bedrooms	120	229	109	40.7%
3 bedrooms	274	403	129	48.3%
4 bedrooms	234	153	-81	0.0%
5 or more bedrooms	69	37	-32	0.0%

Source: AECOM Calculations

154. The result of the life-stage modelling exercise, therefore, is that to minimise misalignments between supply and demand, 11% of dwellings in new developments should have one bedroom, 40.7% should have two bedrooms, 48.3% should have three bedrooms.
155. Note that the changes to the housing mix given above for four and five-bedroom dwellings are negative numbers. Because, in light of the national and local housing shortage, it is rarely advisable or practicable to remove dwellings from the available stock (as would otherwise be suggested here for dwellings with three or more bedrooms) we have instead set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total. In other words, the interim results of the life-stage modelling suggest that there will be no need for further four and five-bedroom dwellings at Abbots Bromley over the Neighbourhood Plan period.
156. Note that only the percentage mix in the right-hand column is relevant for the purposes of this HNA and the neighbourhood planning process. The actual numbers of dwellings required to adjust the size mix do not reflect the actual quantity of housing needed in the NA, rather being simply a step in the calculation necessary to produce a percentage split. As a general point, therefore, this dwelling mix (in percentage terms) stands alone from the overall quantity of housing needed or allocated over the Plan period, and could equally apply to windfall development, allocations beyond the plan period, or any other source of housing supply.

5.4.1 Adjustment of model results

157. However, it is important to caveat the result of this model, because it is based on past trends and existing supply. Future supply, not just demographic profile, can influence occupancy patterns. For instance, it may be that the construction of smaller bungalows would encourage older people to downsize, but in the absence of such accommodation, these older households will remain in their large five-bedroom homes. For this reason, we verify the results further with respect to occupancy trends at the national level (England and Wales). This would give the following split (Table 5-14):

Table 5-14: Nationally-adjusted future potential misalignments of supply and demand for housing, Abbots Bromley

Number of bedrooms	2011	2031	Change to housing mix	Recommended split
1 bedroom	43	101	58	20.2%
2 bedrooms	120	239	119	41.5%
3 bedrooms	274	384	110	38.3%
4 or more bedrooms	234	130	-104	0.0%

Source: AECOM Calculations

158. A direct comparison between the two recommended splits above (based first on District occupation patterns and second on national occupation patterns) is given in Table 5-15 below.

Table 5-15: District-based and nationally-adjusted recommended housing size mixes compared, Abbots Bromley

Number of bedrooms	District-based mix	Nationally-adjusted figure
1 bedroom	11.0%	20.2%
2 bedrooms	40.7%	41.5%
3 bedrooms	48.3%	38.3%
4 or more bedrooms	0.0%	0.0%

Source: AECOM Calculations

159. This recommended split implies nearly double the requirement for 1 bedroom properties when nationally adjusted, with a similar level of 2 and 4+ bedroom properties, but 10% fewer 3 bedroom properties. This could be explained by the fact that a higher proportion of younger households and older households occupy very small one-bedroom properties.

160. To reflect this, the HNA advises taking the average of the recommendations set out in Table 5-13 and Table 5-14 above.

5.5 Conclusions- Type and Size

161. Abbots Bromley's stock of existing dwellings is quite distinct from that of East Staffordshire, with more detached homes, and fewer semis, terraces and flats. Similarly, the NA exhibits higher proportions of larger homes at 7 or 8+ rooms.
162. The evolution of Abbots Bromley's dwelling mix in terms of size over the intercensal period also diverges strongly from trends observed for the wider geographies. Most notable are the NA's lack of two room dwellings, compared with strong growth in this housing size at district and national levels.
163. The age profile of the NA population is generally older than at district and national levels. There is a significantly higher number of people over the age of 45 in the area, and its main demographic challenge is this significant contraction in the replacement younger population.
164. With regard to housing, this could indicate that there is an insufficient supply of dwellings appropriate to young and newly forming households and that this shortfall should be addressed. Alternatively, it could indicate that younger age groups move away for other reasons and the stock of housing should be rebalanced to suit the growing retirement-age cohort. A neighbourhood household survey could help to clarify the primary reason for this shift, but there is nevertheless an opportunity to supply dwellings that would be appropriate to the needs and financial capabilities of both young households and downsizing households, such as two- and three-bedroom homes.
165. The NA's comparatively large stock of dwellings, its recent trends towards single occupancy, older households and fewer families with dependent children (all of which can reasonably be expected to persist in future) may warrant a Neighbourhood Plan policy intervention to restrict the future supply of very large dwellings to some extent.
166. The NA's demographic profile in 2031 is expected to be dominated by households aged 35-54. Three-bedroom homes are particularly popular among both these dominant age bands.
167. Given the fact that Abbots Bromley's current dwelling stock is made up of larger dwellings compared with East Staffordshire, and that the parish's ageing population is likely increasingly to favour smaller dwellings, it is logical that the recommended dwelling mix for new development over the Plan period should be focused on the provision of two-bedroom and three-bedroom homes suitable for downsizers and young families, at the expense of much larger homes.
168. In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. The recommendation for two and three-bedroom homes would help to achieve this. It is also advisable to promote the delivery of bungalows/single-storey homes in order to meet the needs of the ageing population and to reflect the fact that other smaller dwelling types, such as apartments, may not in practice be popular market propositions in a rural parish like Abbots Bromley.

6. RQ 3: Specialist housing for older people

RQ 3: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

6.1 Introduction

169. This chapter considers in detail the specialist housing needs for older and disabled people in Abbots Bromley. It considers the quantity, tenure and size of dwellings to plan for.
170. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.²⁴
171. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method.²⁵
172. Specialist housing for older and disabled people is appropriate to consider for the population aged 75+. The needs of this sector of the population have been assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool²⁶, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
173. Housing need assessments cover the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)²⁷. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for the elderly that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, residential homes for the elderly, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
174. As such, existing and future specialist housing for the elderly may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

6.2 Housing for older people- context

175. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an

²⁴ See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

²⁵ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

²⁶ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

²⁷ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

understanding of how the ageing population affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.²⁸

176. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable housing can have a negative impact on disabled people and their carers. An ageing population will see the numbers of disabled people continuing to increase, and it is important to plan early to meet their needs throughout their lifetime.
177. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. Two main types of specialist accommodation for older people include sheltered housing and extra care housing (see 0 for definitions).
178. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.²⁹ A Demos survey of over 60s conducted in 2013 found a “considerable appetite” amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.³⁰
179. Indeed, 76% of those in homes of three or more bedrooms wished to downsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.³¹ However, in spite of evidence of high demand, currently only 5% of older people’s housing is made up of specialist homes,³² with Demos suggesting that “the chronic under-supply of appropriate housing for older people is the UK’s next housing crisis”,³³ and local authorities often “accused of reluctance to approve development plans for specialist housing...out of fear of increased care costs”.³⁴ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately does is likely to be relatively low, and many who downsize may move into general needs housing, for example market sale bungalows.
180. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.³⁵ This situation reflects the significant constraints on the delivery of such housing in the market sector, as well as the improved health of older people today in comparison with previous generations.
181. Local planning authorities can plan for senior co-housing communities through their implementation of the Self-build and custom-build legislation 2015³⁶, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for senior co-housing communities are part of their overall assessment of land available for housing over the plan period.³⁷
182. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a ‘tenure-led’ approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

6.3 Approach

183. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health.³⁸ These are then

²⁸ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

²⁹ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁰ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³¹ Ibid.

³² https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³³ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁴ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁵ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

³⁶ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

³⁷ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

³⁸ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across East Staffordshire.

184. Clearly, this calculation represents an assumption, with the actual decision for an elderly or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of elderly people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of elderly people currently choose to continue to live in their homes into their old age.
185. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”³⁹ By understanding the tenure breakdown of specialist housing need, we are able to better understand the extent to which demand will be a factor in this market segment.

6.3.1 Current supply of specialist housing for older people

186. When determining an estimate of the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within East Staffordshire’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Counsel’s Website: <http://www.housingcare.org>.
187. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.⁴⁰ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)⁴¹. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Abbots Bromley.
188. Given that communal establishments are generally outside the scope of housing needs assessments for the reasons described above, we need to discount those care homes from our analysis, and the remaining specialist housing for the elderly, which should be within use class C3 and thus within the scope of this assessment, is presented in Table 6-1 below. This gives a total of **22** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of **145**. This suggests the actual rate of provision in Abbots Bromley is approximately **152** dwellings per 1000 population aged 75+.

Table 6-1: Existing specialist housing for the elderly (use class C3 only) in Abbots Bromley

	Name	Description	Bed spaces	Tenure	Type
1	Swan Lakes & Clarkes Crescent	11 bungalows. Sizes 2 bedroom	22	Social Landlord	Age exclusive housing

Source: <http://www.housingcare.org>

6.3.2 Tenure-led projections

189. Turning now to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across East Staffordshire, as this is the smallest geography for which tenure by age bracket data is available. We take this age cohort-based approach because it is these households which, over the next 20 years, will be reaching the age of 75+, which is considered the typical threshold age for specialist housing provision. We will then use the existing tenure split within this cohort to project forward the need for specialist housing according to different tenure.
190. The projection is based on the premise that those currently occupying their own home will also wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented accommodation of some kind.

³⁹ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁴⁰ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

⁴¹ See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

191. According to Table 6-2 below, 53.9% of dwellings in Abbots Bromley in the 55-75 age group are owned outright and 22.3% are owned with a mortgage or loan or shared ownership. 23.8% of dwellings are rented in Abbots Bromley and a significant 16.1% of all dwellings are socially rented.

Table 6-2: Tenure of households aged 55-75 in East Staffordshire, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
76.2%	53.9%	22.3%	23.8%	16.1%	6.5%	1.2%

• Source: Census 2011

192. The next step is to project how the overall number of older people in Abbots Bromley is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for East Staffordshire at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 below.

193. This calculation indicates that by 2031 there will be 239 residents in Abbots Bromley in this age group, an increase of 146 residents. Our calculations also show that the majority of this increase is likely to be those aged 75 and over, because 94 additional residents will be aged 75 and over in 2036.

Table 6-3: Modelled projection of older population in Abbots Bromley by end of Plan period

Age group	2011		2031	
	Abbots Bromley (Census)	East Staffordshire (Census)	Abbots Bromley (AECOM Calculation)	East Staffordshire (ONS SNPP 2014)
All ages	1,779	113,583	1,925	122,880
75+	145	8,762	239	14,438
%	8.2%	7.7%	12.4%	11.7%

• Source: ONS SNPP 2016, AECOM Calculations

194. The results of this exercise provide us with a projection of the number of people in Abbots Bromley living in each tenure in the 55-75 cohort by 2011, as shown in the table below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for East Staffordshire presented in Table 6-2 above, and is set out in Table 6-4 below.

195. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2031, and consequently the number of specialist units to be provided, the growth in the overall population of those aged 75 and over may be used.

196. This is justified on the basis that the proportion of people over the age of 75 living alone on account of, for example, the death of a partner, is higher than the average for the population as a whole.

Table 6-4: Projected tenure of households aged 75+ in Abbots Bromley to the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
182	129	53	57	39	15	3

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

197. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Abbots Bromley. This allows us to link the levels of need (as defined by extent of mobility limitations within

the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).

198. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Abbots Bromley, 2011

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot	Day-to-day activities limited a little	Day-to-day activities not limited			
All categories: Tenure	378	53	14.0%	116	30.7%	209	55.3%
Owned or shared ownership: Total	323	34	10.5%	103	31.9%	186	57.6%
Owned: Owned outright	292	30	10.3%	94	32.2%	168	57.5%
Owned: Owned with a mortgage or loan or shared ownership	31	4	12.9%	9	29.0%	18	58.1%
Rented or living rent free: Total	55	19	34.5%	13	23.6%	23	41.8%
Rented: Social rented	27	11	40.7%	6	22.2%	10	37.0%
Rented: Private rented or living rent free	28	8	28.6%	7	25.0%	13	46.4%

- Source: DC3408EW Health status

199. If we focus on those whose activities are limited a lot, the calculations suggest that of the 55 renters and 323 owners in Abbots Bromley in this age group, there could be a need for 19 specialist homes for owner occupiers (10.5% x 182) and 20 for renters of all kinds (34.5% x 57), or 39 new specialist homes in total.

200. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot could benefit from housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day-to-day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services.

Table 6-6: AECOM estimate of specialist housing need in Abbots Bromley by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.	39
	20	19	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.	72
	13	58	
Total	33	77	110

Source: Census 2011, AECOM Calculations

201. The number of households falling into potential need for specialist accommodation is therefore 110, which is 46% of the 239 households in total aged 75 and above projected to live in Abbots Bromley by the end of the Plan period.

6.3.3 Housing LIN-recommended provision

202. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), an authority on how to plan for the housing needs of the older population. In Table 6-7 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into different tenures.

Table 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) ³⁶	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN SHOP Toolkit

203. As we have seen in Table 6-3, Abbots Bromley is forecast to have an over-75 population of 239 by the end of the Plan period, an estimated increase of 94 people from the 2011 Census. According to the HLIN recommendations, and assuming that a range of suitable accommodation was already available in 2011, this should mean there will be an additional need as follows:

- Conventional sheltered housing to rent = $60 \times (94/1000) = 6$
- Leasehold sheltered housing = $120 \times (94/1000) = 11$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times (94/1000) = 2$
- Extra care housing for rent = $15 \times (94/1000) = 1$
- Extra care housing for sale = $30 \times (94/1000) = 3$
- Housing based provision for dementia = $6 \times (94/1000) = 1$

204. This produces an overall total of 24 specialist dwellings.

205. Table 6-8 below sets out the HLIN recommendations in the same format as

206. Table 6-6.

Table 6-8: HLIN estimate of specialist housing need in Abbots Bromley by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	7
	3	4	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	17
	6	11	
Total	9	15	24

Source: Housing LIN, AECOM calculations

6.4 Conclusions- Specialist Housing for the Older People

207. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are limited 'a little' in

208. Table 6-6 with 'sheltered housing' in Table 6-8, even though both types of housing address the needs of those with relatively lesser disability. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.
209. A more realistic result, therefore, can be achieved by comparing the 39 dwellings identified in the tenure-led approach for those who require housing with care with the 7 specialist dwellings that emerge from the HLIN calculations. By contrast, the figure of 17 in the tenure-led projections is based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.
210. For this reason, our recommendation would be to treat these estimates as a range, with at least 24 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 110 dwellings functioning as an upper estimate.
211. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Abbots Bromley and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
212. In addition, given that specialist housing for older people costs more to build than standard housing, it is considered that to assume 30% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.
213. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for the elderly to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
214. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
215. It is considered that Abbots Bromley's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Abbots Bromley entirely within the Neighbourhood Plan area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Abbots Bromley, larger settlements like Rugeley or Uttoxeter are considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.
216. Wherever the specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for elderly people who wish to leave their family homes in their old age.

7. Conclusions

7.1 Overview

217. Table 7-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 7-1: Summary of study findings specific to Abbots Bromley with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>In terms of Abbots Bromley's current tenure profile, the current Census data shows that a very high proportion of the parish population is made up of homeowners, ahead of the district and national figures. Other types of tenure such as private rented and shared ownership grew significantly between 2001 and 2011, although they still make up a relatively small proportion of the parish housing stock, sitting well below district and national rates.</p> <p>The highest tenure change rate in Abbots Bromley is in the private rented sector, at 68.8%.</p> <p>According to our affordability analysis, the average annual household income (£42,400) is insufficient to occupy most tenures, unless households choose to devote a higher proportion of their income to housing costs.</p>	<p>30 households are expected to be in need of Affordable Housing for rent in Abbots Bromley over the Plan period. There is further potential demand for 59 affordable homes for sale to meet the needs and aspirations of households who can afford to rent in the market but cannot afford to buy.</p> <p>Just 16 units will be delivered if the policy requirement for 40% of all new development to be affordable is met on the 40 homes due to be delivered over the Plan period.</p> <p>Achieving the 40% AH figure from the Local Plan should therefore be a priority for all new development, and other means of delivering Affordable Housing, such as through rural exception sites and community-led housing could be explored to plug the gap.</p> <p>In terms of the tenure split of Affordable Housing, it is important to note the affordability pressures that exist among households with below average incomes in Abbots Bromley, which are clear from our affordability analysis and have been flagged by the community. For this reason, we recommend that AH provision should focus on dwellings for Social and Affordable Rent at a rate of 70% of all Affordable Housing, with a relatively equal split between the two. Of the affordable routes to home ownership to be provided at 30% of all Affordable Housing, shared ownership at a 20% share will best cater to the needs of local people by extending home ownership to more households. Discounted market sale products could form part of the future mix and may widen choice locally.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	<p>Abbots Bromley’s stock of existing dwellings is quite distinct from that of East Staffordshire, with more detached homes, and fewer semis, terraces and flats. Similarly, the NA exhibits higher proportions of larger homes at 7 or 8+ rooms.</p> <p>The age profile of the NA population is generally older than at district and national levels. There is a significantly higher number of people over the age of 45 in the area, and its main demographic challenge is therefore a significant contraction in the replacement younger population.</p>	<p>In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. It is also advisable to promote the delivery of bungalows in order to meet the needs of the ageing population and to reflect the fact that other smaller dwelling types, such as apartments, may not in practice be popular market propositions in a rural parish like Abbots Bromley.</p> <p>The result of the life-stage modelling exercise, is that to minimise misalignments between supply and demand, 11% of dwellings in new developments should have 1 bedroom, 41% should have two bedrooms, 48% should have three bedrooms.</p> <p>The nationally adjusted split implies nearly double the requirement for 1 bedroom properties, with a similar level of 2 and 4+ bedroom properties, but 10% fewer 3 bedroom properties. This could be explained by the fact that a higher proportion of younger households and older households occupy very small one-bedroom properties.</p> <p>To reflect this, the HNA advises taking the average of the estimates set out in Table 5-13 and Table 5-14.</p>
Specialist housing for older people	<p>There are currently 22 specialist dwellings (or bed spaces) in Abbots Bromley. There are 145 residents aged 75+ in the NA based on the 2011 census. This suggests the actual rate of provision in Abbots Bromley is approximately 152 dwellings per 1000 population aged 75+.</p> <p>Our calculations indicate that by 2031 there will be 239 residents in Abbots Bromley, an increase of 146 residents. The majority of this increase is likely to those aged 75 and over. It is expected that 94 additional residents will be aged 75 and over in 2036.</p>	<p>At least 24 specialist dwellings could be required to service the needs of older people over the Plan period, and the estimate of 110 dwellings should function as an upper estimate. These are gross figures and the current supply of specialist housing should be deducted from this figure).</p>

7.2 Recommendations for next steps

218. This Neighbourhood Plan housing needs assessment aims to provide Abbots Bromley with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with East Staffordshire with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of East Staffordshire – in particular in relation to the quantity of housing that should be planned for;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers;
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by East Staffordshire, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA);
- The recommendations and findings of this study; and
- The impact of the Government's Standard Methodology on calculating housing need for East Staffordshire and the neighbourhood plan areas within it.

219. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

220. Bearing this in mind, we recommend that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, East Staffordshire or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

221. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

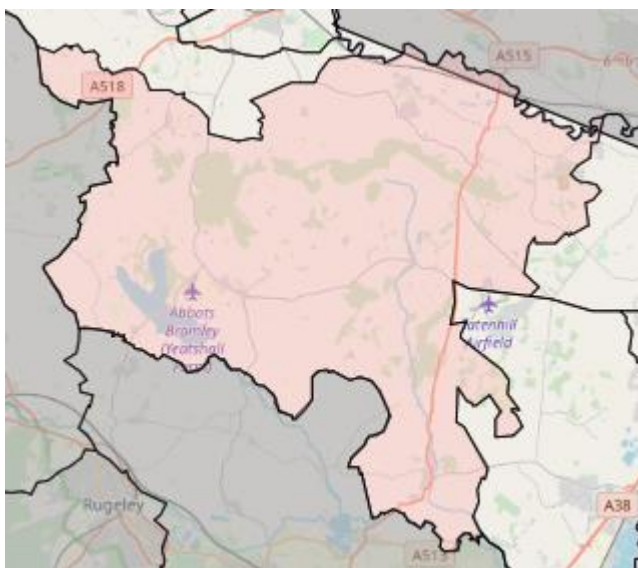
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

222. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at MSOA level but not at the level of neighbourhood plan areas.

223. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Abbots Bromley, it is considered that MSOA E02006136 is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of E02006136 appears below in Figure A-1.

Figure A-1: MSOA [insert MSOA name] used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

224. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.

225. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.

226. In this sense, the notion of development viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

227. To determine affordability in market housing, we consider two primary indicators: income thresholds (IT), which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds (PT), which denote the standard household income required to access mortgage products.

i) Market sales

228. The starting point for calculating the affordability of a dwelling for sale (i.e. the PT) from the perspective of a specific household is the loan-to-value ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.

229. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Abbots Bromley. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

230. The calculation is therefore:

- Value of an 'entry level dwelling'⁴² = £311,500;
- Purchase deposit = £31,150 @ 10% of value;
- Value of dwelling for mortgage purposes = £280,350;
- Loan to value ratio = 3.5 of value of mortgage;
- **Purchase threshold = £80,100.**

ii) Private Rented Sector (PRS)

231. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rent property if the lower quartile private rent does not exceed 25% of gross household income for households with incomes of less than £40,000 per annum, or 30% of gross household income for households with incomes of more than £40,000 per annum.

232. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁴³ such a home would require three habitable rooms (a flat or house with two bedrooms).

233. The property website Home.co.uk shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the WS15 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

234. According to home.co.uk, there is one two-bed property currently listed for rent across WS15, with a price of £795 per calendar month.

235. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:

- Annual rent = £795 x 12 = £9,540;
- Multiplied by 4 = £38,160;
- **Income threshold (private rental sector) = £38,160.**

236. The NPPF 2019 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

A.3 Affordable Housing

237. There are a range of tenures that constitute the definition of Affordable Housing within the 2018 NPPF: social rent and affordable rent, starter homes, discounted market sales housing, and other affordable routes to home ownership.

238. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more sectors of the population, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.

⁴² 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁴³ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

239. A good example is, in 2012, the introduction of dwellings for affordable rent. Rent for this tenure is set at up to 80% of market rent. Labelled an 'intermediate' product, this tenure is suitable for people with an income that precludes them from eligibility for socially-rented dwellings (where rent is set in accordance with the Government's rent policy), but who, at the same time, cannot afford to access the private market.
240. The overall aim is to restrict eligibility for social rent dwellings to those with very low household incomes, relatively speaking. However, within this tenure, market principles also apply, given the link between rents and size of dwelling. There is a strong financial incentive for households to only occupy a dwelling deemed suited to their needs, based on an 'occupancy rating' formula set by the Government.
241. We consider each of the affordable housing tenures in turn, before developing a recommendation for how the quota of affordable housing yielded by development should be divided between these tenures.

i) Social rent

242. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on low incomes and is subject to strict eligibility criteria.
243. To determine social rent levels, we used the data and statistical return from Homes England. This data is only available at the LPA level so must act as a proxy for Abbots Bromley. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for East Staffordshire in the table below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£73	£82	£90	£98	£83
Annual average	£3,789	£4,253	£4,690	£5,100	£4,294
Income needed	£15,157	£17,010	£18,762	£20,399	£17,177

Source: Homes England, AECOM Calculations

ii) Affordable rent

244. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Abbots Bromley is £9,540. In the event of a 20% reduction in rent to £7,632, the income threshold would reduce to an estimated **£30,528**.

iii) Intermediate tenures

245. Intermediate housing includes homes for sale and rent provided at a cost above social rent, but below market levels, subject to the criteria in the affordable housing definition above. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

Starter homes

246. The Housing and Planning Act 2016 introduced a duty on planning authorities in England to promote the supply of 'starter homes', and to require a minimum number or proportion of 'starter homes' on certain residential development sites. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that "where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership".
247. In effect, therefore, the NPPF permits neighbourhood planners to decide an appropriate level of affordable home ownership tenure, while taking note of the 10% policy expectation.
248. A starter home is a new build home with a value not exceeding £250,000 (or £450,000 in London); they are eligible for first time buyers aged 40 or younger.

249. Whether to treat discounted market sale homes as affordable housing or not depends on whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access AMH for purchase.
250. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £311,500.
251. Applying a discount of 20% provides an approximate selling price of £249,000. Allowing for a 10% deposit further reduces the value of the property to £225,280. The income threshold at a multiple of 3.5 is £64,080.

Shared ownership

252. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned.
253. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
254. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £311,500.⁴⁴ The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to value ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).
255. A 25% equity share of £311,500 is £77,875, from which a 10% deposit of £7,788 is deducted. The mortgage value of £70,088 (£77,875 - £7,788) is then divided by 3.5. To secure a mortgage of £70,088, an annual income of £20,025 (£70,088/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £311,500. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £5,841 and requires an income of £23,263. Therefore, an annual income of around **£43,388** (£23,363 + £20,025) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.
256. A 50% equity share of £311,500 is £155,750, from which a 10% deposit of £15,575 may be deducted. The mortgage cost of £140,175 (£155,750 - £15,575) is then divided by 3.5. To secure a mortgage of £140,175, an annual income of £40,050 (£140,175 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £155,750. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £3,894, requiring an income of £15,575. Therefore, an annual income of around **£55,625** (£15,575 + £40,050) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.
257. A 75% equity share of £311,500 is £233,625, from which a 10% deposit of £23,362 can be deducted. The mortgage cost of £210,263 (£233,625 - £23,362) is then divided by 3.5. To secure a mortgage of £210,263, an annual income of £60,075 (£210,263 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £77,875. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,947, requiring an income of £7,788]. Therefore, an annual income of around **£67,863** (£7,788 + £60,075) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

⁴⁴ It is important to note that this is based on new build sales only. The current shared ownership models are only available for new build homes, with the assumed cost therefore differing from the cost of open market housing, which also includes property re-sale.

Appendix B: Housing Needs Assessment Glossary

Adoption

This refers to the final confirmation of a local plan by a local planning authority.

Affordability

The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' refers to particular products outside the main housing market.

Affordability Ratio

Assessing affordability involves comparing house costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = £200,000/£25,000 = 8, (the house price is 8 times income).

Affordable Housing (NPPF Definition)

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

a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms

(March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods⁴⁵.

Age-Restricted General Market Housing

A 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.

Annual Monitoring Report

A report submitted to the Government by local planning authorities assessing progress with and the effectiveness of a Local Development Framework.

Basic Conditions

The Basic Conditions are the legal tests that are considered at the examination stage of neighbourhood development plans. They need to be met before a plan can progress to referendum.

Backlog need

The backlog need constitutes those households who are eligible for Affordable Housing, on account of homelessness, overcrowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

Bedroom Standard⁴⁶

The bedroom standard is a measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of household in residence). The Census overcrowding data is based on occupancy rating (overcrowding by number of rooms not including bathrooms and hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

Co-living denotes people who do not have family ties sharing either a self-contained dwelling (i.e., a 'house share') or new development akin to student housing in which people have a bedroom and bathroom to themselves, but share living and kitchen space with others. In co-living schemes each individual represents a separate 'household'.

Community Led Housing/Community Land Trusts

Housing development, provision and management that is led by the community is very often driven by a need to secure affordable housing for local people in the belief that housing that comes through the planning system may be neither the right tenure or price-point to be attractive or affordable to local people. The principle forms of community-led models include cooperatives, co-housing communities, self-help housing, community self-build housing, collective custom-build housing, and community land trusts. By bringing forward development which is owned by the community, the community is able to set rents and/or mortgage payments at a rate that it feels is appropriate. The Government has a range of support programmes for people interested in bringing forward community led housing.

Community Right to Build Order⁴⁷

A community right to build order is a special kind of neighbourhood development order, granting planning permission for small community development schemes, such as housing or new community facilities. Local community organisations that meet certain requirements or parish/town councils are able to prepare community right to build orders.

⁴⁵ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

⁴⁶ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁴⁷ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

Concealed Families (Census definition)⁴⁸

The 2011 Census defined a concealed family as one with young adults living with a partner and/or child/children in the same household as their parents, older couples living with an adult child and their family or unrelated families sharing a household. A single person cannot be a concealed family; therefore one elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

Extra Care Housing or Housing-With-Care

Housing which 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.

Fair Share

'Fair share' is an approach to determining housing need within a given geographical area based on a proportional split according to the size of the area, the number of homes in it, or its population.

Habitable Rooms

The number of habitable rooms in a home is the total number of rooms, excluding bathrooms, toilets and halls.

Household Reference Person (HRP)

The concept of a Household Reference Person (HRP) was introduced in the 2001 Census (in common with other government surveys in 2001/2) to replace the traditional concept of the head of the household. HRPs provide an individual person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person.

Housing Market Area

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. It might be the case that housing market areas overlap.

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

There is no official definition of housing need in either the National Planning Policy Framework or the National Planning Practice Guidance. Clearly, individuals have their own housing needs. The process of understanding housing needs at a population scale is undertaken via the preparation of a Strategic Housing Market Assessment (see below).

⁴⁸ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Housing Needs Assessment

A Housing Needs Assessment (HNA) is an assessment of housing needs at the Neighbourhood Area level.

Housing Products

Housing products simply refers to different types of housing as they are produced by developers of various kinds (including councils and housing associations). Housing products usually refers to specific tenures and types of new build housing, such as Starter Homes, the Government's flagship 'housing product'.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household (i.e. detached, semi-detached, terraced including end of terraced, and flats). Flats are broken down into those in a purpose-built block of flats, in parts of a converted or shared house, or in a commercial building.

Housing Tenure (Census Definition)

Tenure provides information about whether a household rents or owns the accommodation that it occupies and, if rented, combines this with information about the type of landlord who owns or manages the accommodation.

Income Threshold

Income thresholds are derived as a result of the annualisation of the monthly rental cost and then asserting this cost should not exceed 35% of annual household income.

Intercensal Period

This means the period between the last two Censuses, i.e. between years 2001 and 2011.

Intermediate Housing

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as 'low-cost market' housing, may not be considered as affordable housing for planning purposes.

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the NA. Given the shared behavioural patterns associated with these metrics, they provide a helpful way of understanding and predicting future community need. This data is not available at neighbourhood level so LPA level data is employed on the basis of the NA falling within its defined Housing Market Area.

Life-time Homes

Dwellings constructed to make them more flexible, convenient adaptable and accessible than most 'normal' houses, usually according to the Lifetime Homes Standard, 16 design criteria that can be applied to new homes at minimal cost: <http://www.lifetimehomes.org.uk/>.

Life-time Neighbourhoods

Lifetime neighbourhoods extend the principles of Lifetime Homes into the wider neighbourhood to ensure the public realm is designed in such a way to be as inclusive as possible and designed to address the needs of older people, for example providing more greenery and more walkable, better connected places.

Local Development Order

An Order made by a local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a specific development proposal or classes of development.

Local Enterprise Partnership

A body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area.

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

The public authority whose duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the District Council, London Borough Council, County Council, Broads Authority, National Park Authority or the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

This is the plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies form part of the Local Plan and are known as 'Development Plan Documents' (DPDs).

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as an entry level price and is the recommended level used to evaluate affordability; for example for first time buyers.

Lower Quartile Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Lower Quartile Household Incomes and Lower Quartile House Prices, and is a key indicator of affordability of market housing for people on relatively low incomes.

Market Housing

Market housing is housing which is built by developers (which may be private companies or housing associations, or Private Registered Providers), for the purposes of sale (or rent) on the open market.

Mean (Average)

The mean or the average is, mathematically, the sum of all values divided by the total number of values. This is the more commonly used "average" measure as it includes all values, unlike the median.

Median

The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.

Median Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Median Household Incomes and Median House Prices, and is a key indicator of affordability of market housing for people on middle-range incomes.

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years⁴⁹, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

An NDO will grant planning permission for a particular type of development in a particular area. This could be either a particular development, or a particular class of development (for example retail or housing). A number of types of development will be excluded from NDOs, however. These are minerals and waste development, types of development that, regardless of scale, always need Environmental Impact Assessment, and Nationally Significant Infrastructure Projects.

Neighbourhood plan

A plan prepared by a Parish or Town Council or Neighbourhood Forum for a particular neighbourhood area (made under the Planning and Compulsory Purchase Act 2004).

Older People

People over retirement age, including the active, newly-retired through to the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

Output Area/Lower Super Output Area/Middle Super Output Area

An output area is the lowest level of geography for publishing statistics, and is the core geography from which statistics for other geographies are built. Output areas were created for England and Wales from the 2001 Census data, by grouping a number of households and populations together so that each output area's population is roughly the same. 175,434 output areas were created from the 2001 Census data, each containing a minimum of 100 persons with an average of 300 persons. Lower Super Output Areas consist of higher geographies of between 1,000-1,500 persons (made up of a number of individual Output Areas) and Middle Super Output Areas are higher than this, containing between 5,000 and 7,200 people, and made up of individual Lower Layer Super Output Areas. Some statistics are only available down to Middle Layer Super Output Area level, meaning that they are not available for individual Output Areas or parishes.

Overcrowding

There is no single agreed definition of overcrowding, however, utilising the Government's bedroom standard, overcrowding is deemed to be in households where there is more than one person in the household per room (excluding kitchens, bathrooms, halls and storage areas). As such, a home with one bedroom and one living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

A condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990) or a condition included in a Local Development Order or Neighbourhood Development Order.

Planning Obligation

A legally enforceable obligation entered into under section 106 of the Town and Country Planning Act 1990 to mitigate the impacts of a development proposal.

⁴⁹ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Purchase Threshold

Purchase thresholds are calculated by netting 10% off the entry house price to reflect purchase deposit. The resulting cost is divided by 4 to reflect the standard household income requirement to access mortgage products.

Proportionate and Robust Evidence

Proportionate and robust evidence is evidence which is deemed appropriate in scale, scope and depth for the purposes of neighbourhood planning, sufficient so as to meet the Basic Conditions, as well as robust enough to withstand legal challenge. It is referred to a number of times in the PPG and its definition and interpretation relies on the judgement of professionals such as Neighbourhood Plan Examiners.

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

Housing for older people which 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.

Residential Care Homes and Nursing Homes

Housing for older people comprising of 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.

Rural Exception Sites

Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable dwellings without grant funding.

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75%, and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing⁵⁰

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bed roomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

⁵⁰ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the Plan period. SHLAAs are sometimes also called LAAs (Land Availability Assessments) or HELAAs (Housing and Economic Land Availability Assessments) so as to integrate the need to balance assessed housing and economic needs as described below.

Strategic Housing Market Assessment (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole housing market area. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the Plan period. Sometimes SHMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for the Elderly

Specialist housing for the elderly, sometimes known as specialist accommodation for the elderly, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups (usually 55+ or 65+). This could include residential institutions, sometimes known as care homes, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services. This housing can be provided in a range of tenures (often on a rented or leasehold basis).

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.⁵¹

⁵¹ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

