

Bentley Housing Needs Assessment (HNA)

January 2020

Quality information

Prepared by	Checked by	Approved by
Akwesi Osei – Graduate Consultant Samuel Stone – Planning Assistant	Stuart Woodin – Technical Director	Kerry Parr – Associate Director

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	July 2019	Research and drafting	AO, SS	Akwesi Osei Samuel Stone	Graduate Planner Planning Intern
2	July 2019	Technical review	SW	Stuart Woodin	Technical Director
3	October 2019	Group review	NM	Nicky Moxey	Bentley Parish Council
4	November 2019	Draft Revision	AO	Akwesi Osei	Graduate Planner
5	December 2019	Draft Revision	KP	Kerry Parr	Associate Director
6	January 2020	Locality Review	AO	Annabel Osbourne	Planning Officer
7	January 2020	Draft Revision	AO	Akwesi Osei	Graduate Planner

Prepared for:

Bentley Parish Council

Prepared by:

AECOM

Aldgate Tower

2 Leman Street

London

E1 8FA

aecom.com

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
BDC	Babergh District Council
BPC	Bentley Parish 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. Bentley in Babergh commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, we developed four 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.

1.2 Research Questions

1.2.1 Quantity

2. In line with its new obligations under NPPF 2019's paragraphs 65 and 66, Babergh provided Bentley with an HRF in their recent JLP consultation draft document. However, as the JLP document is still in draft form, Babergh District Council are willing to consider alternative HRF calculations from Bentley Parish Council in their consultation response to the preferred options. Therefore, the neighbourhood planners have asked if AECOM is able to calculate the HRF in line with national policy and best practice, and Babergh have indicated that they are willing to consider alternative calculations.
3. However, a quantity figure does need to be caveated in the sense that in line with national policy, the final Babergh HRF will supersede that calculated by AECOM (if it comes to a different figure).
4. With all this in mind, an appropriate RQ for this study is as follows:

RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

1.2.2 Tenure and Affordability

5. 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.
6. This evidence will allow Bentley 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 2: 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?

1.2.3 Type and Size

7. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. A neighbourhood plan questionnaire was conducted in the village and responses revealed a high demand for small homes of 1-2 bedrooms and a significant demand for family homes of 3-4 bedrooms. There was little recorded demand for homes larger than 4 bedrooms in the Parish.
8. 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 3: 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?

1.3 Findings of RQ 1: Quantity

9. Based on the evidence available at the time of writing as presented above, the HNA therefore recommends an overall HNF of 2 dwellings (rounded) per annum, or 38 dwellings over the remainder of the Neighbourhood plan period, 2018-2036 (18 years).
10. The housing figure for Babergh is derived from the Government's Standard Methodology and is likely to change as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Babergh and any indicative housing requirement figure provided by Babergh for neighbourhood areas.
11. A housing figure has been provided for Bentley from Babergh in the emerging JLP, Policy SP04 Neighbourhood Plans. However, as the JLP document is still in draft form, Babergh District Council are willing to consider alternative HRF calculations from Bentley Parish Council in their consultation response.

This agreement also acknowledged the aforementioned caveats based on the unavailability of data on some hinterland villages.

12. At the time the final Neighbourhood Plan housing requirement figure is provided by Babergh, it can be considered to supersede the provisional calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.

1.4 Findings of RQ 2: Tenure and Affordability

13. The largest change in housing tenures in the NA is social rents, which have increased in Bentley by a quarter, which is greater than district and national figures and largely due to growth from a small base. The private rented sector also grew, reflecting change at the local authority and national levels and driven in part by declining affordability of home ownership.
14. Terraced properties have seen the largest growth over the past decade, with an increase of 137.3%, followed by detached and semi-detached.
15. The average net annual household income before housing costs (equalised) across E02006236 in 2015/16 was £38,500, while the average total annual income was £52,300.¹
16. Taking into consideration the affordability thresholds, it is apparent that the income required to buy an average market home for sale (i.e. the PT) is higher than that available to those on median incomes without a substantial deposit. The income required to buy an average entry-level home for sale is out of reach to those on lower quartile household earnings and incomes.
17. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development² should be available for affordable home ownership. The evidence in this HNA and in the Ipswich SHMA (2017 and 2019 update) suggests there is likely to be substantial appetite for affordable routes to home ownership. However, there remains significant need for social and affordable rented homes and these households have very limited choices. The Local Plan suggests a broad balance between affordable rented and ownership tenures in the local authority as a whole and this would appear a

¹ 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.

² The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

sound basis for planning in the Bentley NA.

1.5 Findings of RQ 3: Type and Size

18. Bentley's stock of existing housing is made up of a different dwelling type breakdown to that of Babergh, with slightly more detached homes, and fewer semi-detached and terraced houses. The parish has three times the proportion of detached houses and less than half the proportion of terraced homes as compared with the national average. The housing stocks of Bentley and are similarly characterised by generally large dwellings, with high percentages of homes over four rooms. There has been a significant rise in the number of very large homes of eight or more rooms in Bentley, and a corresponding decrease in dwellings of five rooms or less.
19. The evolution of Bentley's dwelling mix in terms of size over the intercensal period also diverges strongly from trends observed for the wider geographies of Babergh and England. Most notable are Bentley's limited number of small dwellings (two and three room dwellings), compared with uneven but in some cases strong growth in the comparator geographies, and Bentley's high increase in dwellings of eight or more rooms compared with a moderately lower increase in Babergh and England.
20. The age profile of Bentley's population is generally older than Babergh and England. There is a significantly higher proportion of people over the age of 65 in the area, and the main demographic challenge is this significant contraction in the replacement younger population.
21. With regard to housing, this could indicate that there is an insufficient supply of dwellings appropriate to young and newly forming households. It is likely that in the past younger aged people and household have moved away for a range of reasons and the stock of housing reflects this imbalance. A neighbourhood household survey could help to clarify the primary reason for this shift, but there is also an important opportunity to build 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.
22. Much of the new housing delivered in Bentley between 2001 and 2011 had more than five rooms. While the provision of larger homes may be suitable for larger families, this pattern of supply potentially misses an opportunity to

accommodate young families with no or few children and the fast-growing population of older people who may be seeking downsizing options.

23. The pattern of supply in recent years and Bentley's comparatively large stock of dwellings overall may warrant a Neighbourhood Plan policy intervention to prioritise the supply of one to three bedroom dwellings.
24. In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, is evident in the data. The size recommendation for prioritisation of two- and three-bedroom homes would help to achieve this. It might also be possible to support the delivery of bungalows (where viable) in order to meet some of 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 Bentley.

1.6 Findings of RQ 4: Specialist Housing

25. AECOM's tenure led projections suggest the need for around 40 dwellings which meet the needs of older people whose day to day activities are limited a lot. Not all of these need to be delivered through new specialist housing schemes. Some of this requirement could be met by improved accessibility standards in new mainstream housing or even adaptations to the existing stock. Nevertheless, the growth of households in the NA over the plan period will be driven by older households and so the NP may wish to attach some priority to this policy area.
26. The Housing LIN projections suggest 7 specialist dwellings are required for households who need housing with care. Whether this need can be met in mainstream accommodation will depend on the suitability of the home in terms of accessibility in particular the ability of care providers to meet the needs of individuals in their own homes in a rural location. Additional households are projected to need sheltered accommodation, though, similarly, these needs might be met in appropriate mainstream housing.
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 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).

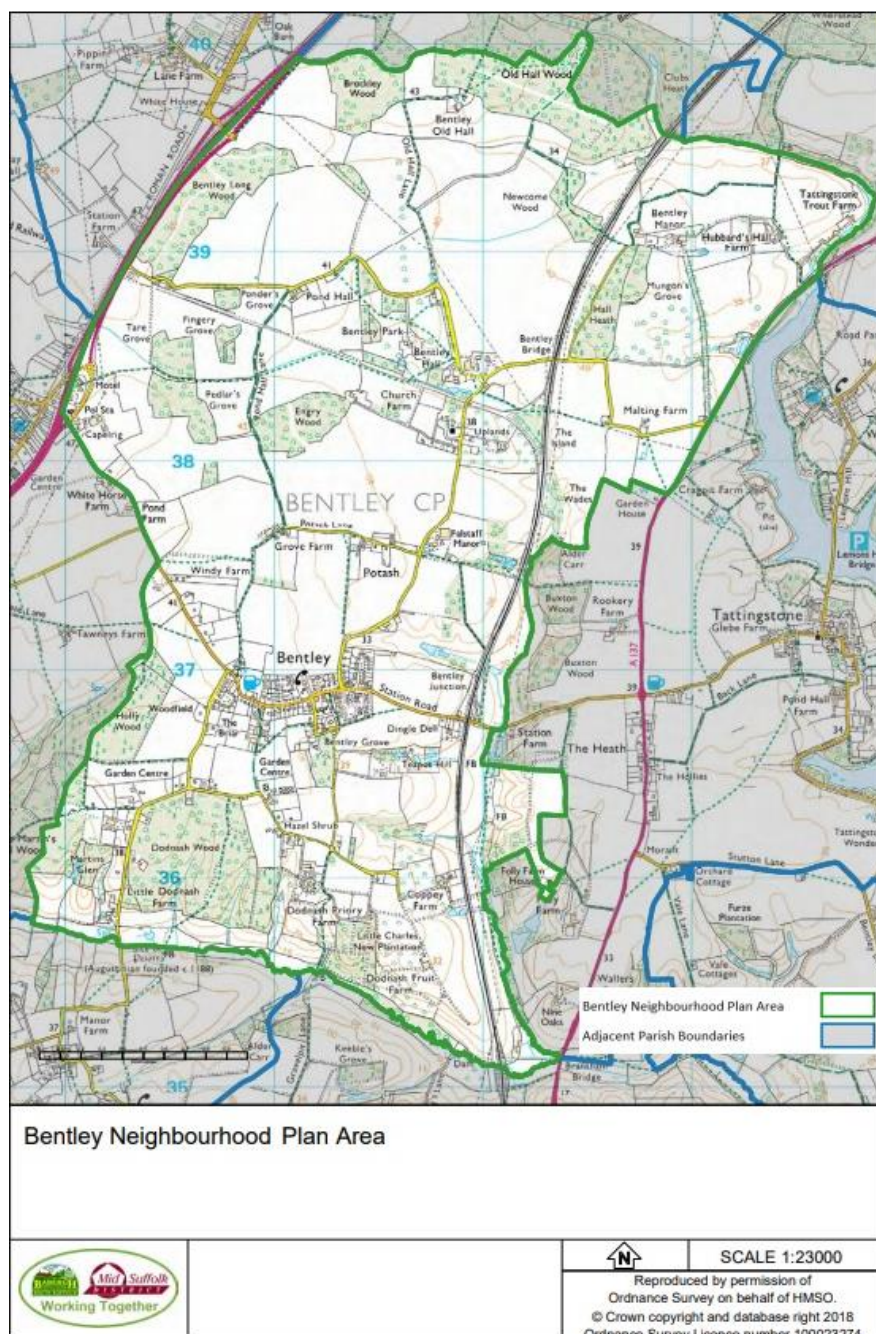
29. Bentley's position in the settlement hierarchy makes it a less suitable location for specialist schemes (such as extra care) on the basis of the accessibility criteria and the considerations of cost-effectiveness. However, the NP may wish to keep open the option of providing specialist housing if new models emerge which are suitable in the Parish context.

30. 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 in their old age.

2. Context

31. Bentley is a village and Civil Parish located within Babergh District, which is situated in the County of Suffolk, in the East of England.
32. Bentley Parish Council (BPC) have commissioned a Housing Needs Assessment from Locality, to be delivered by AECOM, to inform their emerging Neighbourhood Plan.
33. Despite being a rural location, the parish is situated 7 miles by road south west of the historical county town of Ipswich.
34. The A12 runs along the north west boundary of the Parish, providing residents with access to London, Chelmsford, Colchester, and Ipswich. Additionally, the A12 connects with the nearby A14 which also provides direct access to the East Midlands, Cambridge, Bury St Edmunds, Ipswich and Felixstowe.
35. The A137 forms part of the west boundary of the parish, and the main street through Bentley is an emergency traffic way between the two roads. The A137 provides access to Ipswich and Manningtree, including the mainline stations in both places.
36. Bentley was designated as a Neighbourhood Area (NA) in 2018, and a steering group has since been working towards developing a Neighbourhood Plan (NP). A map identifying the designated Bentley Neighbourhood Area (NPA) is shown in Figure 2-1 .

Figure 2-1 : Bentley Neighbourhood Area



Source: <http://bentleypc.onesuffolk.net/neighbourhood-plan/>

2.1 Planning policy context

37. In line with the Basic Conditions of Neighbourhood Planning (NP), Neighbourhood Development Plans (NDPs) are required to be in general conformity with the strategic policies in the adopted local plan. Consequently, there is a requirement for the relevant Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
38. The current Babergh Core Strategy, adopted in 2014, sets out detailed planning policies for the area, for the period of 2011 to 2031. Babergh District Council (BDC) is working with Mid Suffolk District Council to develop a new Joint Local Plan for the Babergh and Mid Suffolk districts, which will replace the current Babergh Core Strategy. Upon completion, the Joint Local Plan will provide the most up-to-date planning policy for the area, for the period up until 2036.
39. However, given that the Joint Local Plan is not due to be adopted until 2020, the existing Babergh Core Strategy will be the document with which the NP must conform. However, in practice, there is normally little difficulty in achieving conformity with both the adopted Plan at the time of writing and the emerging Plan that will apply for the majority of the Neighbourhood Plan period, and for this reason, both Plans are reviewed.

2.1.1 Adopted Babergh Local Plan

40. This section reviews the policies of the adopted Babergh Local Plan that are considered relevant to housing needs in Bentley. Because only relevant text has been reviewed, policies have been edited for clarity.
41. According to **Policy CS1: Applying the Presumption in favour of Sustainable Development in Babergh**, BDC will take a positive approach when considering development proposals, reflecting the presumption in favour of sustainable development contained in the National Planning Policy Framework (NPPF).
42. **Policy CS2: Settlement Pattern** directs new development to the towns / urban areas and to the Core Villages and the Hinterland villages within Babergh. In the countryside, development is only permitted in exceptional circumstances, where the need is justified and proven. Within **Policy CS2**, Bentley is classified as a Hinterland Village which will accommodate some development to help meet its needs.

43. **Policy CS3: Strategy for Growth and Development** makes provision for 5,975 new dwellings within Babergh District over the plan period, with 2,200 dwellings planned between 2011 and 2016 and a further 4,875 dwellings between 2017 and 2036. In terms of new land allocation numbers, provision will be made for 2,500 new dwellings, 1,050 of which will be delivered in the Core and Hinterland villages.
44. In line with **Policy CS11: Strategy for Development for Core and Hinterland Villages**, development within Hinterland Villages will be approved where proposals demonstrate a close functional relationship to the existing settlement. Development should meet the following criteria:
- Well designed and appropriate in size, scale, layout and character to the setting and village;
 - Adjacent or well related to the existing pattern of development in the settlement;
 - Meet proven local need identified in the adopted community local plan or neighbourhood plan;
 - Support local services and create or expand employment opportunities; and
 - Not compromise the delivery of permitted or identified schemes in adopted community or village local plans.
45. **Policy CS18: Mix and Types of Dwellings** ensures that the mix, type and size of housing development reflects the established need within the Babergh district. Any development on strategic housing sites or mixed-use developments with a substantial residential element will be required to make provision for the needs of vulnerable or identified groups of people.
46. As stated in **Policy CS19: Affordable Homes**, all residential development will be required to provide 35% affordable housing in order to promote inclusive and mixed communities. However, individual targets may be set in Core and Hinterland Villages in Area Action Plans and Site Allocation DPDs. Where proposed development includes only one or two dwellings, or where affordable homes cannot be provided on site, a commuted sum will be required.
47. **Policy CS20: Rural Exception Sites** states that BDC will take a flexible approach to the location of rural exception sites, allowing proposals adjacent, or well related, to the settlement development boundaries of Core

and Hinterland Villages, where the type, size, and character is appropriate and in line with identified needs.

2.1.2 Babergh & Mid Suffolk Joint Local Plan: Preferred Options (July 2019)

48. The Babergh & Mid Suffolk Joint Local Plan: Preferred Options (July 2019) Joint Local Plan (JLP) consultation document will provide the strategy for the growth of the Districts, setting out what and where development will take place up to 2036. Nevertheless, the JLP 2019 document is a draft document that is open for public consultation and carries relatively little weight for planning purposes compared to the Adopted Local Plan reviewed above.
49. **Policy SP01 Housing Needs** - The Joint Local Plan (JLP) will seek to deliver a minimum of 7,560 additional dwellings (420 dwellings per annum) within the Babergh district over the plan period (2018 – 2036).
50. **Policy SP02 Affordable Housing** – The JLP approach will seek to retain and deliver a 35% requirement for affordable housing on relevant sites of ten or more dwellings or sites of 0.5ha or more. Proposals which provide a greater amount of affordable housing than that set out above will also be permitted, subject to the relevant Joint Local Plan policies. In exceptional circumstances, where it is evidenced and justified, and the Council is satisfied that the provision of affordable housing is not viable, the Council may agree to vary the requirement for affordable housing. A viability assessment will be required to demonstrate this.
51. **Policy SP03 – Settlement Hierarchy** - In all cases the scale and location of development will depend upon the role of settlements within the settlement hierarchy and the spatial distribution, the capacity of existing physical and social infrastructure or new/enhanced infrastructure, as well as having regard to the built and natural environment. Bentley is designated as a Hinterland village. Development within Hinterland and Hamlet Villages will be permitted within settlement boundaries where:
- Design is sympathetic to its rural surrounding and demonstrates high quality design by having regard to the relevant policies of the plan;
 - A high standard of hard and soft landscaping, appropriate for the location is used;
 - Hedgerows and treelines which make an important contribution to the wider context and setting are protected, particularly in edge of settlement locations; and
 - The cumulative impact of proposals will be a major consideration.

- 52. Policy SP04 Housing Spatial Distribution** - From April 2018 to March 2036, 10% or 894 of the 9,343 total dwellings to be delivered in Babergh will be delivered in Hinterland Villages. 585 of the 894 homes to be delivered in Babergh are dwellings that have outstanding planning permission as of the 1st April 2018, with 309 remaining.
- 53. Policy SP04 Neighbourhood Plans**- In order to assist with delivery of the overall district housing need requirements, designated Neighbourhood Plan areas will be expected to plan to deliver the minimum housing requirements between 2018 and 2036. Neighbourhood Plan documents can seek to exceed these requirements, should the unique characteristics and planning context of the designated area enable so. **The minimum housing requirement for Bentley is 52 homes.**
- 54. Policy LP06 Supported and Special Needs Housing**- Scheme composition for proposals of ten units or more or sites of 0.5ha or more must accommodate 35% affordable housing to meet affordable housing need. Moreover, Proposals for ten units or more or sites of 0.5ha or more must accommodate 3% for bungalows if appropriate for the scheme. The bungalows provided will be required to remain in perpetuity through the removal of permitted development rights. Therefore, it may be necessary for the Local Planning Authority to apply conditions and/or request in a planning obligation/legal agreement.
- 55. Policy LP07 Affordable Housing** - The Joint Local Plan will seek to retain and deliver 35% requirement for affordable housing on relevant sites of ten or more units or sites of 0.5ha or more. 984 dwellings in Babergh are to be for affordable rent / social rent, and 506 for Babergh and 583 for Mid Suffolk are to be for shared ownership and 496 for Babergh and 430 for Mid Suffolk are to be for discounted home ownership/starter homes. Neighbourhood Plans may set requirements for a greater proportion of affordable housing where this is supported by evidence of need and a viability assessment. Some communities may aspire to bring forward community-led housing schemes, which are broadly encouraged by the Councils. The Councils will need to be satisfied that (i) the scheme was initiated by, and is being led by a legitimate local community group such as a Parish Council or Community Land Trust and (ii) the scheme has general community support, with evidence of meaningful public engagement. An element of market housing on rural exception sites at a threshold of up to 35% will be supported, to

ensure that they are financially viable to deliver and ensure greater flexibility and assistance to bring forward more suitable and sustainable exception sites.

56. Policy LP07 Affordable Housing - Where major development involves housing, 10% of the housing must be available for affordable home ownership as part of the overall affordable housing contribution from the site. Unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing. Exemptions to this 10% affordable home ownership requirement:

- Solely build-to-rent homes
- Specialist accommodation for specific needs
- Community-led housing scheme
- 100% rented Gypsy & Traveller sites
- Development by people building or commissioning their own homes (self-build)
- Exclusively for affordable housing (entry-level exception site or rural exception site).

3. Approach

3.1 Research Questions

57. 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.

58. Below we set out the RQs relevant to this study, as discussed and agreed with Bentley.

3.1.1 Quantity

59. In line with its new obligations under NPPF 2019's paragraphs 65 and 66, Babergh provided Bentley with a Housing Requirement Figure (HRF) in their recent JLP consultation draft document. However, as the JLP document is still in draft form, Babergh District Council are willing to consider alternative HRF calculations from Bentley Parish Council in their consultation response to the preferred options. Therefore, the neighbourhood planners have asked if AECOM is able to calculate the HRF in line with national policy and best practice, and Babergh have indicated that they are willing to consider alternative calculations.

60. However, a quantity figure does need to be caveated in the sense that in line with national policy, the final Babergh HRF will supersede that calculated by AECOM (if it comes to a different figure).

61. With all this in mind, an appropriate RQ for this study is as follows:

RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

3.1.2 Tenure and Affordability

62. 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.

63. This evidence will allow Bentley 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 priced out of the market.

RQ 2: 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?

3.1.3 Type and Size

64. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. A neighbourhood plan questionnaire was conducted in the village and responses revealed a high demand for small homes of 1-2 bedrooms and a significant demand for family homes of 3-4 bedrooms. There was little recorded demand for homes larger than 4 bedrooms in the Parish.

65. 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 3: 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?

3.1.4 Specialist Housing for Older People

66. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people. 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 solely care homes – which are typically too large in scale to fit within the village setting. 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 older people through the Plan period.

RQ 4: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

67. 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 Bentley Neighbourhood Area is located within Babergh's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), which is known as Ipswich and Waveney Housing Market Areas Strategic Housing Market Assessment (SHMA).

68. For the purpose of this HNA, data from Babergh'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

69. In addition to the Babergh 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);
- Valuation Office Agency (VOA) data on local housing stock by dwelling type;
- The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for calculating need for differing types of specialist dwellings for elderly people; and

4. RQ 1: Quantity

RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

4.1 Introduction

70. The NPPF (paragraph 65) states that strategic policy-making authorities “should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the Plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations”.
71. NPPF paragraph 66 states that “Where it is not possible to provide a requirement figure for a neighbourhood area³ the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body”. This ‘indicative’ figure should (amongst other things) “take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority.”⁴
72. Given that no finalised and adopted housing requirement figure has been provided to Bentley at the time of writing, and that Babergh have agreed to consider alternatives as part of the consultation response to the emerging Local Plan, there is the potential to calculate an objectively assessed Housing Need Figure (HNF) for the Neighbourhood Plan area.
73. In calculating this HNF, it should be noted that paragraphs 65 and 66 place specific obligations on strategic or local planning authorities and no other parties (i.e. AECOM is not obliged to follow directly paragraphs 65 and 66). Having said this, clearly AECOM’s calculation will be of most use as a starting point, both to the neighbourhood group and to the LPA, if it can seek to mirror the NPPF suggested approach as closely as possible, and so this is the reasonable approach that has been taken.

³ For example, this could be where a neighbourhood area has been designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing are out of date.

⁴ NPPF, paragraph 66, page 18 - available at <https://www.gov.uk/government/publications/national-planning-policy-framework-2>

74. The Planning Practice Guidance⁵ states “Housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations”.
75. A housing need figure is a policy-off figure. This means that, while it takes account of the factors set out in paragraph 66 of the NPPF and dwelling completions over the course of the Plan period, it is an expression of total housing demand unconstrained by the limits of the land available to build on. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can then be reviewed in light of further evidence including environmental constraints, land availability, relevant Local and Neighbourhood Plan objectives and policies, to formulate a policy-on Neighbourhood Plan housing requirement figure.
76. We have estimated the number of new dwellings that should be sought in the Neighbourhood Plan area over the Plan period (the Housing Need Figure or HNF) using a four-step approach seeking to reflect to the maximum extent the 2019 National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) advice. This is set out in the box overleaf.

⁵ Paragraph: 001 Reference ID: 2a-001-20190220 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Step 1: “the population of the neighbourhood area”

The HNF for the Neighbourhood Plan area should take as its starting point the housing target for the Local Planning Authority (LPA) in which it sits. The baseline for our calculation for NA is therefore a share of the current LPA Local Housing Need Assessment (LHNA) figure that reflects the share of the LPA population living in the Plan area.

NPPF requires Local Authorities, and anyone calculating LHN in their place, to use the standard method.⁶ This calculation takes the most recent MHCLG-approved household population projection for the LPA, applies to it an uplift based on the most recent ONS affordability ratio for that area, and then applies a cap to that number if certain conditions are met.

Step 2: “most recently available planning strategy of the planning authority”

We then follow the guidance presented in the NPPF which states that the initial HNF for neighbourhood plans should reflect “the overall strategy for the pattern and scale of development and any relevant allocations,”⁷ and “the most recently available planning strategy of the local planning authority.”⁸

This means introducing Local Authority spatial policy, housing targets, and assessments of housing need at different scales to estimate a more locally appropriate proportion of the LPA housing target that should be provided in NA. This will often result in a slightly different figure to that produced in Step 1.

Step 3: Dwelling completions

Next, any dwellings that have already been completed over the Plan period to the present date should be deducted from the total in order to provide a HNF for the remainder of the Plan period and an annual HNF that reflects past under- or over-delivery. While it

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

⁷ NPPF, paragraph 65, page 18.

⁸ Ibid.

is appropriate to consider existing commitments (i.e. dwellings with planning permission, but not yet completed) at this point, they should not be deducted from the total until they are completed.

Step 4: the Local Authority

The NPPF makes it clear that the Local Authority should provide housing numbers to designated neighbourhood planning areas within their area where requested to do so. To this extent, AECOM is performing a similar role to that required of the Local Authority in providing a HNF to the Neighbourhood Plan area. With this in mind, it is important the group share the HNF and underlying methodology once they have received the final version of this document with the LPA to seek confirmation it is aligned with their current planning strategy, in particular those circumstances which may justify an uplift to the HNF set out in PPG.⁹

77. Employing this methodology, the Housing Needs Figure for the Neighbourhood Area may be calculated as follows:

4.2 Standard method (Step 1)

78. Firstly, we calculate the Local Housing Need (LHN) for the LPA using the standard method outlined in Planning Policy Guidance, before taking the population of the Neighbourhood Plan area, and calculating the proportion of the total population of the LPA area that it represents. This percentage will then be used to determine the share of the LPA target that should be apportioned to the Neighbourhood Plan area.

79. The Babergh LHN figure, using the standard method, is calculated as follows¹⁰:

80. **Stage one** is to set the baseline, by calculating the projected average annual household growth in Babergh over a 10-year period, beginning with the current year, using the most recent ONS household projections:

⁹ Paragraph: 010 Reference ID: 2a-010-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁰ Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

- According to Babergh's 2014-based household projection, total household growth will be 2,932 dwellings between 2019 and 2029. This equates to an annual average of 293 dwellings.

81. **Stage two** is to adjust this annual average using the most recent ONS median workplace-based affordability ratios,¹¹ which provide the ratio of house prices to earnings in various geographies. For each 1% increase in the ratio above 4, projected household growth should be increased by a quarter of a percent:

- Babergh's 2018 median affordability ratio is 11.39. Using the formula outlined in PPG to calculate the adjustment factor¹² (1.461) results in a minimum annual figure of 428 dwellings (rounded).

82. **Stage three** is to apply a cap which limits the magnitude of increase an LPA can face. How this is calculated depends on the current status of relevant strategic policies for housing. There are two options depending on whether those policies were adopted within the last five years or are older:

- Option 1: where the relevant strategic policies were adopted within the last five years (at the point of making the calculation), the LHN is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and have been found not to require updating.
- Option 2: where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the LHN is capped at 40% above whichever is the higher of:
 - a) the annual average projected household growth for the area over the 10-year period identified in Stage One above; or
 - b) The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).

83. The existing relevant strategic policies are those in the Babergh Core Strategy, adopted in February 2014. As this document was not adopted

¹¹ Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

¹² Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

within the last five years, the second option above is applied and the LHN is capped at 40% above whichever is the higher of either a) or b) described in Option 2 above.

84. The projected household growth for the area (thus a) above) over the 10-year period identified in step 1 is 2,932 dwellings between 2019 and 2029, which equates to 293 dwellings per annum for this period.
85. The average housing requirement figure (thus b) above) for Babergh District for the plan period 2011 – 2036 is at least 5,975 homes, or an average of 299 homes per annum.
86. Therefore, b) is higher than a), so the cap is applied to b). A cap of 40% above 299 is $(299 \times 1.4 =)$ 419 (rounded).
87. The cap of 419 is smaller than the figure of 428 dwellings, and therefore limits the adjustment for affordability. The minimum LHN for Babergh is therefore 419 net additional dwellings per year.¹³
88. Having derived Babergh's LHN, we now calculate Bentley's share of that target, by determining what proportion of Babergh's population currently reside in Bentley and applying that percentage to Babergh's LHN.
89. At the time of the last Census, there were 776 people living in Bentley, or 0.88% of the 87,740 people in Babergh. Therefore, applying this percentage to Babergh's LHN (0.88% of 419) gives an indicative HNF for Bentley of 4 dwellings (rounded) per annum, or 67 dwellings over the Neighbourhood Plan period 2018-2036. Note that the unrounded annual figure of 3.68 dwellings per year was multiplied by the number of years in the Plan period in this case in order to increase accuracy given the low annual figure.

4.3 Latest available LPA planning strategy (Step 2)

90. However, as stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available¹⁴ development plan document for the LPA. The policies reflect the overall strategy for the pattern and scale of development and any relevant allocations. This requires producing a HNF

¹³ Note that the 2019 SHMA Part 2 Partial Update calculates Babergh's annual need as 428 dwellings per year rather than 419. However, this is because at the time of the SHMA calculation, Babergh's adopted planning strategy was adopted less than five years ago, whereas at the time of writing this report (May 2019), the five-year point has now been passed (it passed in February 2019). Therefore, the cap has to be applied differently.

¹⁴ This is the exact word used in the NPPF, i.e. not necessarily 'adopted'. In the case of Babergh, the most recently 'available' planning strategy is the Babergh & Mid Suffolk Joint Local Plan: Preferred Options (July 2019), even though this is not the most recently 'adopted' planning strategy.

for the Neighbourhood Plan area that takes into account the Local Authority's spatial strategy, and therefore may differ slightly from the initial HNF calculated above.

91. In Babergh, this document is the emerging Babergh & Mid Suffolk Joint Local Plan (JLP). The overall strategy for the pattern and scale of development is outlined in Policy SP04 - Housing Spatial Distribution.
92. Bentley is designated as a Hinterland Village and approximately 10% homes in the District should be delivered in Hinterland Villages over the JLP period (2018 – 2036).
93. Firstly, having identified Bentley as being a Babergh Hinterland Village, and the intention that 10% of Babergh's total housing need requirement should be delivered in Babergh Hinterland Villages, it is necessary to calculate Bentley's fair share of this figure.
94. We have therefore calculated the number of dwellings in the settlement as a proportion of all dwellings in all of the settlements that come under the Babergh Hinterland Village category set out in Policy SP03 - Settlement Hierarchy.
95. The total number of dwellings in the Babergh Hinterland Villages is 6,478 dwellings. This figure has been determined by accessing Census 2011 data relating to each Hinterland Village that is a parish. A list of Parishes included in this figure is found in Table 4-1. However, a number of Hinterland Villages could not be included as there is insufficient data on the precise number of dwellings in these Hinterland Villages, many of which are a segment of a Parish. As a result, and in line with guidance provided by Babergh, the following hinterland villages have been omitted from the table:
 - Cockfield – Howe Lane
 - Polstead – Church
 - Shotley Gate
 - Tattingstone – Church
 - Wherstead – Bourne Hill*
 - Wherstead Park*
96. Moreover, a number of Hinterland Villages are also included in the segment of the settlement hierarchy labelled Ipswich Fringe. As the population of the

villages listed above has not been included in the total, an approach has been taken that includes the settlements that appear in both parts of the settlement hierarchy. We have therefore included the Ipswich Fringe Hinterland Village of Copdock and Washbrook. The remaining Ipswich fringe hinterland villages of Wherstead Park and Wherstead – Bourne Hill cannot be included in our calculation as there is insufficient data on the precise number of dwellings in these Ipswich Fringe Hinterland Villages.

97. These caveats to the robustness of the data have been acknowledged and agreed by both BPC and BDC.

Table 4-1 : Babergh Hinterland Villages

Settlement name	Dwellings
Assington	173
Belstead	89
Bentley	350
Burstall	90
Chelmondiston	519
Chilton	151
East End (East Bergholt)	1182
Elmsett	337
Great Waldingfield	622
Hartest	210
Hintlesham	256
Hitcham	366
Kersey	177
Monks Eleigh	247

Newton	218
Raydon	222
Stoke by Nayland	327
Stratford St Mary	398
Stutton	407
Whatfield	137
Total	6,943

98. Therefore, Bentley's share of all the dwellings that come under the Babergh Hinterland Village category set out in Policy SP03 - Settlement Hierarchy equates to 5.04% (350 dwellings in Bentley/ 6,943 hinterland villages).
99. We have now determined that Bentley's share of all the dwellings that come under the Babergh Hinterland Village category is 5.04% and we can now calculate Bentley's share of the total housing need figure for Babergh. Firstly, we calculate 10% of the LHN for Babergh of 419 net additional dwellings per year, which equates to 42 dwellings per year (rounded). The LHN for Babergh is used in this calculation, rather than the housing requirement figure stated in the Babergh & Mid Suffolk Joint Local Plan (JLP), as the standard method is a requirement of the NPPF and provides the most up to date figure.
100. Then to obtain Bentley's share of the 42 dwellings per year to be delivered in Babergh's Hinterland Villages, we divide 42 by 5.04% which equates to 2 dwellings per year (rounded).
101. This results in a housing need figure for Bentley of 2 (rounded) dwellings per annum, or 38 dwellings over the Plan period (2018-2036). This is 2 dwellings per year lower than the result of Step 1 above, and it is appropriate to take forward this figure because it complies with the PPG requirement that the local authority's strategy for the scale and pattern of development is taken into consideration.
102. Attention should be paid to the hinterland villages that were omitted from this calculation and BPC should seek further guidance and data from BDC to

gain a more accurate housing needs figure.

4.4 Past dwelling completions (Step 3)

103. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2018 - 2036 and present, as well as considering commitments.
104. There have been no recorded dwelling completions in Bentley between 2018 and present, as confirmed by Babergh District Council. There are also no known dwelling commitments (i.e. planning permissions that are yet to be implemented) over the same period. However, AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.
105. **Therefore, Bentley's indicative requirement is 38 dwellings between 2018 and 2036, or 2 dwelling (rounded) per year.**

4.5 Final Housing Need Figure

106. Based on the evidence available at the time of writing as presented above, the HNA therefore recommends an **overall HNF of 2 dwellings (rounded) per annum, or 38 dwellings over the remainder of the Neighbourhood plan period, 2018-2036 (18 years).**
107. The housing figure for Babergh is derived from the Government's Standard Methodology and is likely to change as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Babergh and any indicative housing requirement figure provided by Babergh for neighbourhood areas.
108. A housing figure has been provided for Bentley from Babergh in the emerging JLP, Policy SP04 Neighbourhood Plans. However, as the JLP document is still in draft form, Babergh District Council are willing to consider alternative HRF calculations from Bentley Parish Council in their consultation response. This agreement also acknowledged the aforementioned caveats based on the unavailability of data on some hinterland villages.
109. At the time the final Neighbourhood Plan housing requirement figure is provided by Babergh, it can be considered to supersede the provisional

calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.

5. RQ 2: Tenure and Affordability

RQ 2: 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?

5.1 Introduction

110. 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.
111. This section examines 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.¹⁵

5.2 Definitions

112. 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.¹⁶ To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
113. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership, but recognises the important

¹⁵ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁶ NPPF 2018.

role of social, affordable, and private rent tenures for those not currently seeking home ownership.

114. 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.
115. 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,¹⁷ 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.

5.3 Current tenure profile

116. 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 5-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Bentley, compared to the rest of Babergh and England.
117. As with the district and England as a whole, the vast majority (82.5%) of households in Bentley are owned. This is followed by the private rented sector which makes up 16% of households, just slightly lower than Babergh, and then social rented which accounts for only 5.9%; less than half the proportion seen at the district level.

¹⁷ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

Table 5-1: Tenure (households) in Bentley, 2011

Tenure	Bentley	Babergh	England
Owned; total	82.5%	71.9%	63.3%
Shared ownership	0.0%	0.5%	0.8%
Social rented; total	5.9%	13.1%	17.7%
Private rented; total	10.1%	12.6%	16.8%

Sources: Census 2011, AECOM Calculations

118. In Table 5-2, we note the changes in the way households occupied their homes during the intercensal period. The largest change can be seen with the social rented sector, which has increased in Bentley by a quarter, which is greater than district and national figures. This change results from a presumably low base in Babergh, and could be the result of only a few dwellings being constructed. It is also worth noting that private rented accommodation has doubled in sized in Babergh. There has been a 21% increased in the size of the PRS in Bentley but this rate of growth lags behind changes seen at district and national levels. Notably, shared ownership has increased significantly at district and national levels. This is likely due to a combination of recent government backing of this more affordable route for younger buyers, and low starting figures. However, there has been no increase in shared ownership at the parish level.

Table 5-2: Rates of tenure change in Bentley, 2001-2011

Tenure	Tenure	Bentley	Babergh	England
Owned; total	Owned; total	2.6%	2.3%	-0.6%
Shared ownership	Shared ownership	0.0%	18.7%	30.0%
Social rented; total	Social rented; total	25.0%	7.6%	-0.9%
Private rented; total	Private rented; total	21.4%	101.4%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

5.3.1 House prices

119. In line with PPG¹⁸, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and

¹⁸ See Paragraph: 021 Reference ID: 2a-021-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

incomes, as expressed in the Lower Quartile Affordability Ratio¹⁹ (LQAR) and the Median Affordability Ratio²⁰ (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.²¹

120. 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.
121. Figure 5-1 on the following page looks at selected measures of house prices in Bentley. It shows significant fluctuations over the past decade, particularly when looking at the average house price. The mean, median and lower quartile saw spikes in the years 2014, and 2017, with the mean and median also undergoing spikes in 2010. The mean, median and lower quartile all underwent price dips in 2015, with the lower quartile also performing poorly in 2010.

¹⁹ See Glossary in Appendix.

²⁰ See Glossary in Appendix.

²¹ See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Figure 5-1: House prices in Bentley between 2009 and 2018



Source: Land Registry PPD

122. Table 5-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). Terraced properties have seen the largest growth over the past decade, with an increase of 137.3%, suggesting high demand, followed by detached and semi-detached. House prices for detached properties have fluctuated greatly over the decade, with a high of £530,625 in 2016, up from £312,333 the previous year. This could be down to a small sample size, or number of house sales. No flat sales were recorded, which is perhaps unsurprising as the housing type is uncommon within a small, parish setting.

Table 5-3: House prices by type in Bentley, 2008-2017

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached	£238,667	£265,833	£358,250	£319,000	£323,143	£422,050	£312,333	£530,625	£480,188	£502,438	110.5 %
Semi-detached	£204,000	£375,000	£209,200	£215,000	£294,500	£467,500	£340,000	£280,333	£292,786	£287,100	40.7 %
Terraced	£141,500	£58,000	£127,475	£182,500		£191,667	£177,570	£196,333	£257,000	£335,833	137.3 %
Flats											
All Types	£201,000	£246,100	£248,541	£262,938	£319,563	£375,929	£240,539	£318,577	£407,093	£403,906	100.9 %

Source: Land Registry PPD

5.3.2 Income

123. Household income determines 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 average household income estimates published by ONS²² at the level of the Middle-layer Super Output Area (MSOA)²³. In the case of Bentley the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is E02006236. 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.
124. The average net annual household income before housing costs (equalised) across E02006236 in 2015/16 was £38,500, while the average total annual income was £52,300.²⁴

5.4 Affordability Thresholds

125. 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.
126. 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 Bentley. These calculations are detailed in Appendix A. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations. Table 5-4 below shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Bentley.

²² Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

²³ 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>

²⁴ 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 5-4: Affordability thresholds in Bentley (income required, £)

Tenure	Cost of purchase	Annual rent/mortgage	Income required
Market Sale	£403,906		£115,402
Entry-level market sale	£263,750	-	£67,821
Shared ownership (75%)	£197,813	£1,813	£58,119
Starter homes	£189,900	-	£54,257
Entry-level market rent	-	£8,580	£34,320
Shared ownership (50%)	£131,875	£3,627	£48,417
Shared ownership (25%)	£65,938	£5,440	£38,715
Affordable rent	-	£6,864	£27,456
Social rent - 3 bed dwelling	-	£4,889	£19,556
Social rent - 2 bed dwelling	£263,750	-	£67,821

Source: AECOM Calculations

127. The income required column to afford the different tenures is then benchmarked against two measurements of household income: firstly the median annual household income and secondly the lower quartile household incomes²⁵ for Babergh (this is used as a proxy as we do not have access to data at a lower geographical level).
128. Taking into consideration the affordability thresholds (i.e. income required) set out above in 5-4, it is apparent that the income required to buy an average market home for sale (i.e. the PT) is higher than that available to those on median or even the Babergh upper quartile household incomes. The income required to buy an average entry-level home for sale is higher than that available to those on lower quartile household incomes.

²⁵ Based on the CACI income data in the SHMA 2017

129. Turning to properties for purchase through the Starter Homes and Shared Ownership tenures, i.e. those aimed at people on modest incomes, the PT is at the margins of what those on median incomes are able to afford and out of reach for those on lower than average incomes.
130. Finally, the inability of those on lower quartile incomes to afford entry-level market rents, affordable rent or even social rent (without benefits) suggests that these homes in the NA remain unaffordable to those on the lowest household incomes. Social rent is the cheapest housing tenure in the NA but this is still unaffordable to those on the lowest incomes without housing benefit.
131. Government policy aimed at tackling the housing crisis continues to focus on helping those on the lowest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.²⁶ In the case of Bentley, the table above suggests that the most appropriate tenures to help implement this policy goal locally are social and affordable rent tenures, with households supported by housing benefit in many cases. Affordable routes to home ownership could also assist households who are able to rent in the market but cannot afford to buy ie those with incomes between £34,300 and £67,800 (the difference between entry level rents and entry level ownership).
132. In line with Policy LP07 Affordable Housing in the draft emerging JLP, 35% of all housing (on sites with 10 or more homes) should be affordable. As it is not clear which figure should be the housing need figure for Bentley at the time of writing, it is not advisable to provide exact figures on how many affordable homes should be delivered.
133. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development²⁷ should be available for affordable home ownership. In terms of the tenure mix within this 10%, the analysis above suggests that in Bentley, affordable homes should consist mainly of shared ownership, entry level market rent, affordable rent and social rent housing. These tenures are affordable to those whose income is within the MSOA average household income. However, for those whose income is within the Babergh Lower

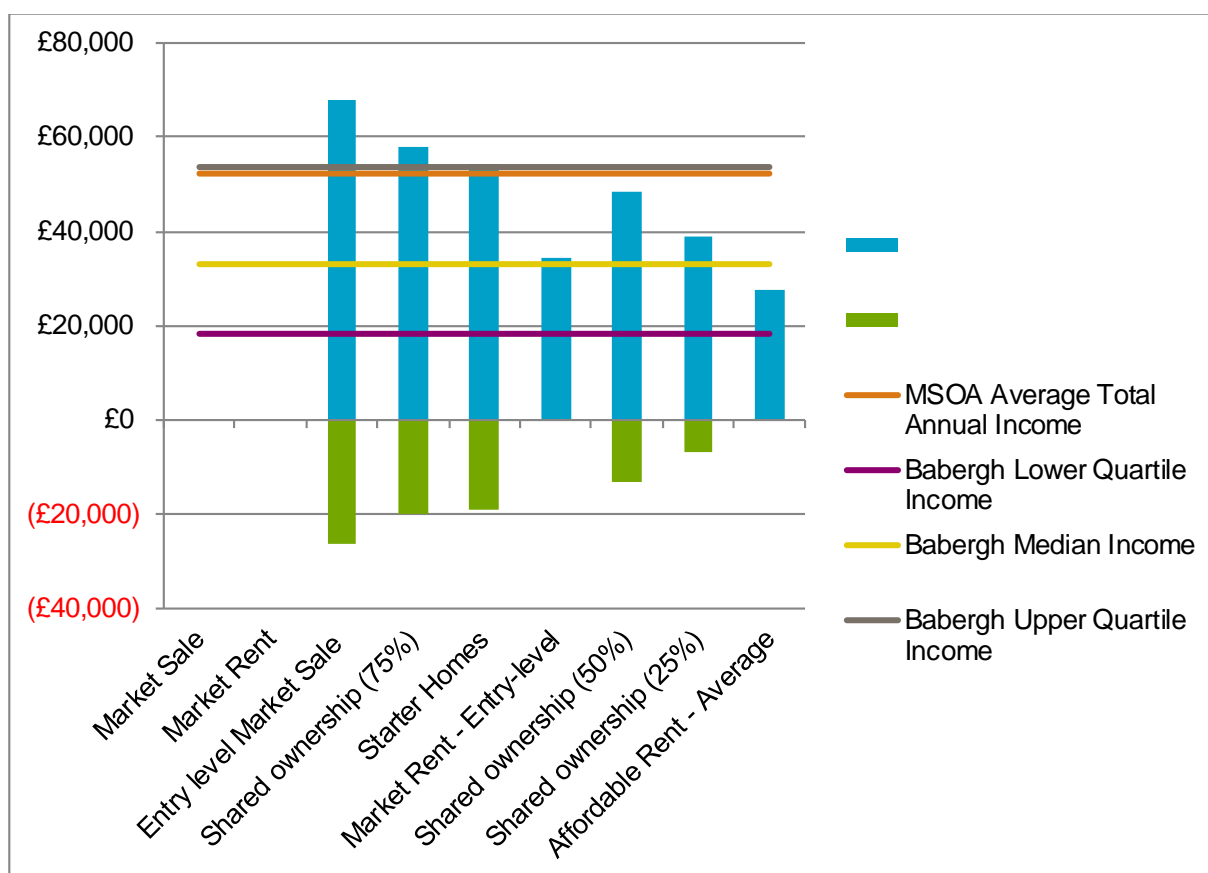
²⁶ See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

²⁷ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

quartile earnings and incomes, the most affordable tenures are affordable and social rent. However, it is also important to note that average incomes in Babergh are lower than the Parish average incomes and therefore it can be assumed that, in the absence of data, the Babergh lower quartile is most likely lower than the lower quartile income for the Parish.

134. 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 no evidence that going beyond the 10% threshold in Bentley would prejudice the provision of much needed affordable rented homes.
135. In terms of the role that the private rental sector (PRS) plays or may play in future, there is limited potential for this sector to provide accommodation for those on lower quartile earnings and incomes, though they may be supported in this sector by housing benefit. The sector plays an important role in housing those who can afford to rent but cannot afford home ownership.

Figure 5-2: Affordability thresholds in Bentley (income required, £)



Source: AECOM Calculations

5.5 Affordable Housing – Quantity Needed

136. A SHMA covering Ipswich and Waveney (including Babergh) was undertaken in 2017 which included an assessment of the need for affordable housing. The estimates produced in the 2017 SHMA primarily focused on the need for social/affordable rented homes because the assessment focused on households living in unsuitable housing, those on the waiting list and new households forming who were unable to afford market rents. A full assessment of the need or demand from households able to rent but unable to afford home ownership was not undertaken in the SHMA 2017. However, an update to the SHMA was published in 2019 which provided estimates of the need for different tenures of homes over the plan period, based on modelling of tenure change. Figure 5-3 presents the relevant summary table from the SHMA update in 2019.
137. The 2019 update also provides an estimate of the need for discounted home ownership products of 495 dwelling over the plan period. These overlap with the need for private rented accommodation in the SHMA's Table 4.3c.

Figure 5-3: Tenure of new accommodation required, Babergh, SHMA Update 2019

Table 4.3c Tenure of new accommodation required in Babergh over the next 18 years				
Tenure	Current tenure profile	Tenure profile 2036	Change required	% of change required
Owner-occupied	20,026	32,820	4,794	64.7%
Private rent	6,344	7,468	1,124	15.2%
Shared ownership	180	686	506	6.8%
Social Rent/ Affordable Rented	5,241	6,225	984	13.3%
Total	39,791	47,198	7,407	100%

Source: Ipswich SHMA Part 2 Update 2019

138. When these figures are pro rated for Bentley (0.88% of Babergh's total figures) this implies the following need for affordable housing over the plan period:
- a. 8.66 homes for social/affordable rent (0.48 per annum)
 - b. 4.45 homes for shared ownership (0.25 per annum)
 - c. 4.37 homes for discounted home ownership (0.24 per annum) (these overlap with the PRS tenure in the table above)
139. Taken together, these tenure change estimates imply the need for 1 new affordable home each year in Bentley - 18 in total over the plan period. Broadly, half of these homes should be for social/affordable rent and half for affordable home ownership.

5.5.1 Tenure Split within Affordable Housing

140. In terms of the most appropriate mix of tenures within Affordable Housing, it is important to reference Babergh's affordable housing policy, as set out in the Local Plan, which recommends a balance of 13.3% of all housing to be Affordable Rented (this includes both social and affordable rent) and 13.5% affordable home ownership (of which 6.8% could be Shared Ownership and 6.7% Starter Homes). This equates to 49.6% of the total affordable housing to be Affordable Rented and 50.4% affordable home ownership (of which 25.4% could be Shared Ownership and 25% Starter Homes). This balance reflects the estimates produced by the tenure modelling in the SHMA 2019 update.

141. There are a number of factors, examined in this report, which might point to an affordable housing policy in Bentley which is different to that at the local authority level. For example:
- a. The need for affordable homes (of around 1 per annum – 18 over the plan period (rounded) would equate to almost half of the total housing requirement (currently estimated as 38 for the plan period). It is possible to justify an affordable housing quota, therefore, that is higher than the 35% requirement in the Local Plan for Babergh. Whether this is viable and achievable would need to be tested with the LPA (on viability matters) and registered providers that might own and manage the affordable dwellings.
 - b. The low level of social/affordable rented housing in the NA compared to the local authority might mean the neighbourhood planners wish to consider efforts to boost delivery of this tenure.
 - c. Similarly, in 2011 there were no shared ownership properties in the NA. Given the need for this tenure identified in the SHMA and supported by evidence on local incomes in this HNA, the neighbourhood planners could consider prioritising the delivery of this tenure along with social/affordable rented homes.
 - d. The high price of home ownership in the Parish which means that even those households with modest incomes cannot afford to buy would support delivery of a proportion of discounted market homes. These products could extend home ownership to households who can currently afford to rent but cannot afford to buy. This could include delivery of rent to buy homes which allow households to rent at a discount on market rents with the option to buy the property within a specified period of time. The income data suggests there is likely to be demand for these discounted sale products; though AECOM suggest that the Local Plan policy that these make up 25% of affordable homes is a reasonable balance and likely to be appropriate.
142. Where the neighbourhood planners wish to develop policy that requires a different mix, 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 5-5: Recommended tenure split (Affordable Housing)

Routes to home ownership, of which	50%
Starter Homes (or other discounted home ownership products)	25%
Shared ownership	25%
Affordable Housing for rent, of which	50%
Social rent	25%
Affordable rent	25%

Source: AECOM summary of Local Plan policy

143. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development²⁸ should be available for affordable home ownership. As Local Policy and our affordability analysis suggest, there is the ability to provide more than this within the NA. As our affordability analysis suggests, routes to affordable home ownership remain largely unaffordable to those on the lowest household incomes but offer the opportunity to extend home ownership to those on modest incomes, largely living in the private rented sector. Shared ownership offers the best opportunity to extend homeownership to those that cannot afford to buy as it is the cheapest of the affordable home ownership products. However, new products including discounted market sale and rent to buy may be preferable to some households, particularly those on the margins of being able to afford to buy.
144. 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

²⁸ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes.

145. Given that shared ownership is recommended as the most appropriate affordable route to home ownership, it is worth looking at the scheme in more detail. Despite being introduced back in the 1970s, shared ownership has only recently become established at the national level. This is due to the scheme being relaunched in recent years with a substantial boost to development from 2009 as private developers sold unsold market homes to registered providers during the financial crisis. As a form of tenure, it is generally more affordable than buying and on a par or cheaper than renting privately – both in the NA and the Country as a whole. 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. Given that Bentley is home to these households, shared ownership is likely to be of interest in the NA.
146. It is also popular due to the increased choice, control and security it offers in comparison to other tenures. However, it should be noted that there are some issues with shared ownership which affect its affordability. For example, buyers of shared ownership flats 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 (buying a greater share) 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.

5.6 Conclusions- Tenure and Affordability

147. The largest change in housing tenures in the NA is social rents, which have increased in Bentley by a quarter, which is greater than district and national figures. However, this is based on a small base of properties.
148. Terraced properties have seen the largest growth over the past decade, with an increase of 137.3%, followed by detached and semi-detached.

149. The average net annual household income before housing costs (equalised) across E02006236 in 2015/16 was £38,500, while the average total annual income was £52,300.²⁹
150. Taking into consideration the affordability thresholds, it is apparent that the income required to buy an average market home for sale (i.e. the PT) is clearly higher than that available to those on median incomes unless they have access to a substantial deposit. The income required to buy an average entry-level home for sale is also substantially higher than that available to those on lower quartile household incomes.
151. The inability of those on lower quartile incomes to afford even entry-level market rents, affordable rent and social rent (without housing benefit) suggests that these homes in the NA remain unaffordable to those on the lowest household incomes. Social rent is the cheapest housing tenure in the NA but this is still unaffordable to many of those on the lowest incomes without subsidy.
152. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development³⁰ should be available for affordable home ownership. The analysis in the SHMA 2019 update suggests there is likely to be need for these products in the NA. The HNA analysis of local incomes suggests shared ownership would extend home ownership furthest but other discounted market sale homes would widen the choice available to those unable to buy.

²⁹ 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.

³⁰ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

6. RQ 3: Type and Size

RQ 3: 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?

6.1 Introduction

154. The Bentley Neighbourhood Plan will need to include policies informed by robust data 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.
155. 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 Bentley. 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.

6.2 Existing types and sizes

6.2.1 Background and definitions

156. 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.
157. In this context, even smaller households (those with fewer than three 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.

158. 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 follows³¹:

- 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 3, 4 or more bedrooms

159. 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.³² 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.

160. 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*

³¹ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

³² At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

or dining area.”³³ 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.

6.2.2 Dwelling type

161. The 2011 Census shows that there were 350 households in Bentley, living in 222 detached houses, 81 semi-detached, 44 terraced houses, and 2 flats. Compared with the LPA, Bentley is characterised by a slightly different dwelling type breakdown. There are slightly fewer semi-detached homes, notably fewer terraced homes, and a significantly higher proportion of detached homes than seen at LPA level (see Table 6-1 below).

Table 6-1: Accommodation type (households), Bentley 2011

Dwelling type		Bentley	Babergh	England
Whole house or bungalow	Detached	63.4%	41.6%	22.4%
	Semi-detached	23.1%	29.4%	31.2%
	Terraced	12.6%	21.7%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	0.0%	5.5%	16.4%
	Parts of a converted or shared house	0.3%	0.9%	3.8%
	In commercial building	0.3%	0.8%	1.0%

Source: ONS 2011, AECOM Calculations

6.2.3 Dwelling size

162. Table 6-2 below sets out the distribution of the number of rooms by household space.

163. Rooms per household is the most accurate proxy for size of dwelling for which data is available. The housing stock in Bentley and Babergh are characterised by generally large dwellings, with high percentages of homes

³³ Ibid.

over 4 rooms. This is particularly pronounced in the case of Bentley, where there are no properties with 2 rooms or less, with a correspondingly higher proportion of properties with 3 rooms or more and a significant proportion (26%) of very large homes of 8/9 rooms or more.

Table 6-2: Number of rooms per household in Bentley, 2011

Number of Rooms	2011 Bentley	2011 Babergh
1 Room	0.0%	0.2%
2 Rooms	0.0%	1.3%
3 Rooms	1.2%	5.3%
4 Rooms	10.1%	15.9%
5 Rooms	26.0%	24.5%
6 Rooms	21.9%	19.5%
7 Rooms	14.2%	12.6%
8 Rooms or more	9.8%	9.6%
9 Rooms or more	16.9%	11.2%

Source: ONS 2011, AECOM Calculations

164. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. Table 6.4 shows that the distribution of housing stock in Bentley has undergone significant change over the 10 year period, with particularly high growth in 8 or more room dwellings.
165. The evolution of Bentley's dwelling mix in terms of size also diverges strongly from trends observed for the larger geographies of Babergh and England as a whole. Most notably, there is a comparative lack of growth in dwellings with 3 rooms or less, coupled with higher proportional growth in dwellings with 8 or more rooms.
166. It is important to note the loss of housing with 5 rooms and less, despite overall growth in these categories for Babergh and England as a whole. The sharp decline of dwellings of less than 5 rooms may be due to the demolition, extension or replacement of smaller housing units, and a very limited supply of new flats.

Table 6-3: Rates of change in number of rooms per household in Bentley, 2001-2011

Number of Rooms	Bentley	Babergh	England
1 Room	0.0%	-29.1%	-5.2%
2 Rooms	-100.0%	17.9%	24.2%
3 Rooms	-33.3%	17.2%	20.4%
4 Rooms	-8.1%	-1.9%	3.5%
5 Rooms	-17.0%	-4.5%	-1.8%
6 Rooms	15.6%	10.8%	2.1%
7 Rooms	14.3%	16.6%	17.9%
8 Rooms or more	32.4%	23.4%	29.8%

Source: ONS 2001-2011, AECOM Calculations

167. 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 6-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that Bentley lags behind Babergh and England in terms of dwellings with 2 or less bedrooms, whilst exhibiting conversely higher proportions of properties with 3 or more bedrooms.

Table 6-4: Number of bedrooms in household spaces in Bentley, 2011

Bedrooms	Bentley		Babergh		England	
All categories: no. of bedrooms	338	100.0%	37,522	100.0 %	22,063,368	100.0 %
No bedrooms	0	0.0%	48	0.1%	54,938	0.2%
1 bedroom	6	1.8%	2,361	6.3%	2,593,893	11.8%
2 bedrooms	65	19.2%	9,525	25.04 %	6,145,083	27.9%
3 bedrooms	159	47.0%	15,756	42.0%	9,088,213	41.2%
4 bedrooms	79	23.4%	7,576	20.2%	3,166,531	14.4%

5 or more bedrooms	29	8.6%	2,256	6.0%	1,014,710	4.6%
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Source: ONS 2011, AECOM Calculations

6.3 Household composition and age structure

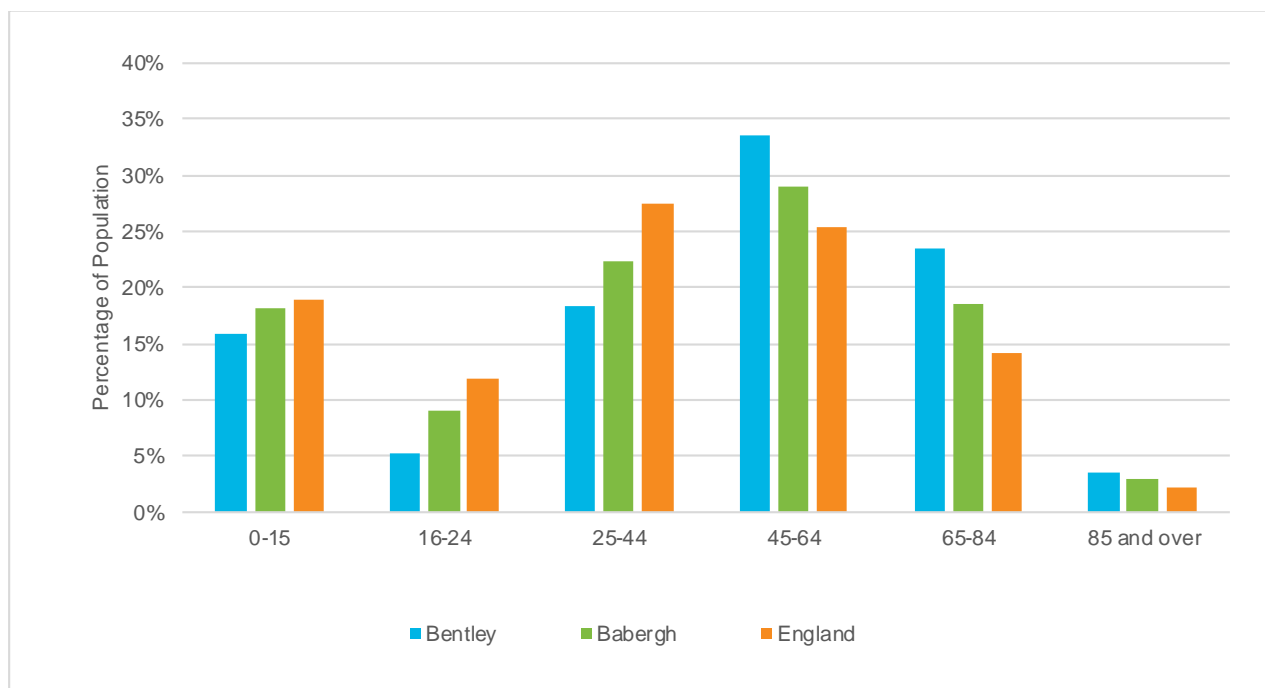
168. We have now established the current stock profile of Bentley and identified recent changes in its composition. The evidence assembled below examines the composition and age structure of households both in the 2011 Census and in future years. Through a consideration of the types of households projected 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.

6.3.1 Age structure

169. The 2011 Census data reveals that Bentley has a high percentage of people over the age of 45, compared with Babergh and England (see Figure 6-1 below). With an aging population, Bentley is likely to require smaller dwellings better suited to older couples and single persons, running contrary to the recent building patterns in the Parish.

170. Bentley has low rates of young people aged 44 and under, as compared with the national averages. Although Bentley's demographics usually run congruent with that of Babergh, there are far fewer people aged between 25-44 in the area and higher numbers of those aged 65-84. It also illustrates the significant jump that can be expected in the over 65 population as Bentley's large 45-64 age cohort ages over the Plan period.

Figure 6-1: Age structure in Bentley, 2011



Source: ONS 2011, AECOM Calculations

171. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001, the proportions of Bentley's population aged below 15 and over 65, and between 25-44, have grown modestly. Conversely, proportions of people aged 16-24 and 45-64 have reduced.
172. Bentley's patterns of population growth are notably different to those seen across Babergh, where the only category exhibiting reasonable similarity is the growing 65-84 category. This is significantly higher for both Bentley and Babergh when compared with national rates.
173. The total rate of change in the three population brackets under 44 years in Bentley is a 27.1% increase, in stark contrast to the -3.9% change seen for Babergh. However, it is noteworthy that the growth seen in Bentley is overwhelmingly driven by the 0-15 age group and based on small numbers. It is difficult to draw too many conclusions from this data but it does suggest that Bentley is a popular place for younger families.
174. With regard to housing, this could indicate that there needs to be a sufficient supply of dwellings appropriate to young and newly forming households. Alongside the growth in the older population, there is an opportunity for new development to support the needs and financial

capabilities of both young households and also those households wishing to downsize to a more appropriate or manageable dwelling, such as two- and three-bedroom homes.

Table 6-5: Rate of change in the age structure of Bentley population, 2001-2011

Age group	Bentley	Babergh	England
0-15	29.5%	-2.1%	1.2%
16-24	-6.8%	6.4%	17.2%
25-44	4.4%	-8.2%	1.4%
45-64	-7.4%	10.7%	15.2%
65-84	24.7%	20.0%	9.1%
85 and over	-3.6%	39.5%	23.7%

Source: ONS 2001-2011, AECOM Calculations

6.3.2 Household composition

175. Household composition (i.e the mix of adults and children in a dwelling) is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
176. In assessing Census data on household composition, we see that Bentley differs from the LPA in that there are a lower proportion of one person households both overall, and aged 65 and over (

177. Table 6-6). There is a significantly higher proportion of single family households all aged 65 and over and with no children, and a lower proportion of one family households with dependent children. The proportion of households with children is also lower than the District and national rates.

Table 6-6: Household composition (by household), Bentley, 2011

Household composition		Bentley	Babergh	England
One person household	Total	22.5%	28.2%	30.2%
	Aged 65 and over	12.7%	14.1%	12.4%
	Other	9.8%	14.0%	17.9%
One family only	Total	73.1%	67.8%	61.8%
	All aged 65 and over	17.5%	11.7%	8.1%
	With no children	26.0%	21.6%	17.6%
	With dependent children	20.7%	25.2%	26.5%
	All children Non-Dependent	8.9%	9.2%	9.6%
Other household types	Total	4.4%	4.1%	8.0%

Source: ONS 2011, AECOM Calculations

178. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the notable changes in household composition were a 4.4% decline in the proportion of one-person households over 65 years old, and a rise (10%) in the proportion of one person households aged below 65. There was a simultaneous increase in the proportion of one family households with dependent children.
179. The proportion of one family households grew overall, but at a lower rate than seen for Babergh and England as a whole.
180. Other household types grew at a rate roughly in line with district and national levels.
181. Seen in the context of Bentley's stock of comparatively large dwellings, the trend towards family occupancy with dependent children may indicate a reasonable supply of dwellings for this demand segment (i.e. growing families). However, it may still be beneficial to encourage the provision of mid-sized housing suitable for this demographic (see Table 6-7).

182. Families with non-dependent children (those over the age of 18) declined by 18.9%, possibly indicating that those without children in the home may choose to move away from the area, which could be due to a lack of downsizing options available, though it is important to emphasise these rates of change are based on small numbers.

Table 6-7: Rates of change in household composition, Bentley, 2001-2011

Household type		Percentage change, 2001-2011		
		Bentley	Babergh	England
One person household	Total	1.3%	11.7%	8.4%
	Aged 65 and over	-4.4%	1.8%	-7.3%
	Other	10.0%	23.7%	22.7%
One family only	Total	3.3%	5.5%	5.04%
	All aged 65 and over	9.3%	9.2%	-2.0%
	With no children	-7.4%	8.2%	7.1%
	With dependent children	32.1%	1.1%	5.0%
	All children non-dependent	-18.9%	7.2%	10.6%
Other household types	Total	25.0%	17.4%	28.9%

Source: ONS 2001-2011, AECOM Calculations

6.4 Dwelling mix determined by life-stage modelling

183. Recognising the fact that households of different ages may 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 single person households aged over 65 will

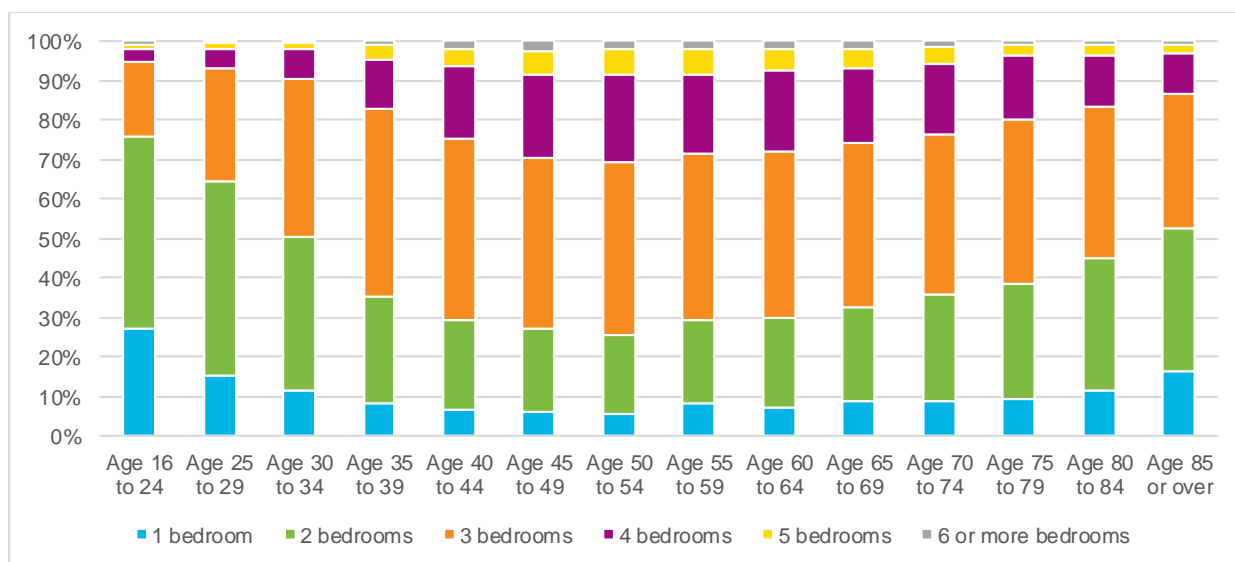
lead to an increase in the need for the type of housing currently occupied by single person households of that age.

184. 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 needs to be used as the closest proxy.

185. Figure 6-2 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 while a majority of Bentley households under the age of 30 live in one or two-bedroom dwellings, the proportion of households occupying these smaller dwellings declines steeply as households age, before gradually increasing from the age of 60-64, until they are again occupied by a majority of households only from the age of 85 onwards.

186. Three-bedroom dwellings are the most common dwelling size for 10 of the 14 age bands considered here. The occupation of dwellings with four or more bedrooms follows a similar curve to that of two-bedroom dwellings, but peaks at the age of 50-54, while the occupation of one-bedroom dwellings is consistently low.

Figure 6-2: Age of household reference person by dwelling size in Babergh 2011



Source: ONS 2011, AECOM Calculations

187. 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 2036, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 6-8 below.

Table 6-8: Projected distribution of households by age of HRP, Babergh

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	700	3,401	13,700	7,598	12,123
2014	702	3,321	13,200	6,897	14,356
2036	638	2,802	11,726	6,663	22,568
2039	629	2,731	11,524	6,631	23,688

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

188. 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 Bentley. To do so, the percentage of increase expected for each group across Babergh, derived from the data presented above was mapped to the population of Bentley. The results of this calculation are detailed in Table 6-9 below:

Table 6-9: Projected distribution of households by age of HRP, Bentley

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	2	20	96	89	131
2014	2	20	92	81	155
2036	2	16	82	78	244

Source: AECOM Calculations

189. Then, to complement the two stages above, in Table 6-10 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 Babergh by the end of the plan period.

Table 6-10: Age of household reference person to size, grouped, Babergh, 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	20.3%	10.6%	4.5%	4.9%	7.6%
2 bedrooms	49.8%	38.7%	19.1%	20.5%	30.4%
3 bedrooms	26.3%	40.1%	43.5%	43.1%	41.1%
4 bedrooms	2.4%	8.4%	25.0%	24.5%	16.4%
5+ bedrooms	1.2%	2.1%	8.0%	7.1%	4.5%

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

190. Finally, having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Babergh and Bentley falling into each of these stages by the end of the Plan period in 2036, 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 dwellings and demand (see Table 6-11 overleaf).

Table 6-11: Ideal dwelling size distribution in Bentley by the end of the Plan period, based on modelled household life-stages

Size	Age HRP of 16 to 24	Age HRP of 16 under 35	Age HRP of 35 to 54	Age HRP of 55 to 64	Age HRP of 65 and over	Total households requiring dwelling sizes
Pop	2	16	82	78	244	-
1 bedroom	0	2	4	4	18	28
2 bedrooms	1	6	16	16	74	113
3 bedrooms	0	7	36	34	100	177
4 bedrooms	0	1	21	19	40	81
5+ bedrooms	0	0	7	6	11	23

Source: Census 2011, AECOM Calculations

191. 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 6-11 above modelling the change in the age structure of the population in Bentley.
192. Table 6-12 below indicates that, by 2036, the size distribution of dwellings should be relatively similar to what presently exists, with a moderate decrease in the three, four and five bedroom units required, and an increase in the 1 and 2 bed proportions needed.

Table 6-12: 2011 housing sizes compared to ideal distribution at end of Plan period, Bentley

Number of bedrooms	2011		2036	
1 bedroom	6	1.8%	28	6.6%
2 bedrooms	65	19.2%	113	26.8%
3 bedrooms	159	47.0%	177	41.8%
4 bedrooms	79	23.4%	81	19.2%
5 or more bedrooms	29	8.6%	23	5.5%
Total households	338	100.0%	422	100.0%

Source: Census 2011, AECOM Calculations

193. Table 6-13 overleaf sets out the estimated misalignment between future

demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

194. This exercise suggests the need to prioritise the provision of one, two, three bedroom dwellings.
195. In light of the national and local housing shortage, it is rarely advisable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with five or more bedrooms, we have 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 results of the life-stage modelling suggest that there will be no need for further 5 bedroom dwellings over the Neighbourhood Plan period based on current occupancy patterns and projected demographic change.

Table 6-13: Future potential misalignments of supply and demand for housing, Bentley

Number of bedrooms	2011	2036	Change to housing mix	Recommended split
1 bedroom	6	28	22	24.5%
2 bedrooms	65	113	48	53.5%
3 bedrooms	159	177	18	19.6%
4 bedrooms	79	81	2	2.4%
5 or more bedrooms	29	23	-6	0.0%

Source: AECOM Calculations

196. The result of the life-stage modelling exercise, therefore, is that to minimise misalignments between supply and demand, 24.5% of dwellings in new developments should have 1 bedroom, 53.5% should have two bedrooms, 19.6% should have three bedrooms, 2.4% should have four bedrooms.

6.5 Conclusions- Type and Size

197. Bentley's stock of existing housing is made up of a different dwelling type breakdown to that of Babergh, with slightly more detached homes, and fewer semi-detached and terraced houses. The parish has three times the

proportion of detached houses and less than half the proportion of terraced homes as compared with the national average. The housing stock of Bentley is similarly characterised by generally large dwellings, with high percentages of homes over four rooms. There has been a significant rise in the number of very large homes of eight or more rooms in Bentley, and a significant decrease in dwellings of five rooms or less.

198. The evolution of Bentley's dwelling mix in terms of size over the intercensal period also diverges strongly from trends observed for the wider geographies of Babergh and England. Most notable are Bentley's limited number of the smallest (two and three room dwellings), compared with uneven but in some cases strong growth in the comparator geographies, and Bentley's high increase in dwellings of eight or more rooms compared with a moderately lower increase in Babergh and England.
199. The age profile of Bentley's population is generally older than Babergh and England. There is a significantly higher proportion of people over the age of 65 in the area.
200. 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. However, growth in the youngest age cohort suggests that Bentley is attractive to younger families. New development provides an opportunity to build dwellings that would be appropriate to the needs and financial capabilities of both young households and older households who may wish to downsize, such as two- and three-bedroom homes.
201. Much of the new housing delivered in Bentley between 2001 and 2011 had more than five rooms. While the provision of larger homes may be suitable for larger families, this pattern of supply potentially misses an opportunity to accommodate young families with no or few children (who may make up a declining share of households in the parish as a result of the lack of suitable housing), and the fast-growing population of older people some of whom may seek downsizing options locally.

202. Seen in the context of this pattern of supply and Bentley's comparatively large stock of dwellings overall, may warrant a Neighbourhood Plan policy intervention to prioritise the provision of one to three bedroom homes.
203. Bentley's demographic profile in 2036 is expected to be dominated by households aged 65 and over. Three-bedroom homes are particularly popular among this dominant age band, with the group also expressing a preference for two-bedroom homes.
204. Given the fact that Bentley's current dwelling stock is made up of larger dwellings compared with larger scale geographies, and that the parish's ageing population is likely increasingly to favour smaller dwellings or specialist accommodations, it is logical that the recommended dwelling mix for new development over Plan period should be focused on the provision of two-bedroom , three-bedroom and four bedroom homes suitable to downsizers and young families, at the expense of much larger homes.
205. 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 size recommendation for two- and three-bedroom homes would help to achieve this. It is also advisable to support the delivery of bungalows, where viable, 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 Bentley.

7. RQ 4: Specialist housing for older people

RQ 4: What provision should be made for specialist housing for older over the Neighbourhood Plan period?

7.1 Introduction

206. This chapter considers in detail the specialist housing needs for elderly people in Bentley. It considers the quantity, tenure and size of dwellings to plan for.

207. Specialist housing for older people is appropriate to consider for the population aged 75+. The needs of this sector of the population are 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) tool³⁴, which is based on best practice nationally with an aspiration to expand the provision of specialist accommodation and sets a recommended level of provision per 1,000 head of population to achieve this aim.

7.2 Housing for older people- context

208. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both mainstream 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).

209. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.³⁵ 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.³⁶

³⁴ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

³⁵ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁶ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

210. 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.³⁷ However, in spite of evidence of high demand, currently only 5% of older people's housing is made up of specialist homes,³⁸ with Demos suggesting that "the chronic under-supply of appropriate housing for older people is the UK's next housing crisis",³⁹ and local authorities often "accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs".⁴⁰ 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 or other manageable mainstream accommodation.
211. 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 the private sector and the rest provided at social rent levels.⁴¹ 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.
212. 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.

7.3 Approach

213. 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. These are then compared with rates of provision that have been

³⁷ Ibid.

³⁸ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³⁹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

⁴⁰ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

⁴¹ 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

recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Babergh.

214. Clearly, this calculation represents an assumption, with the actual decision for an older person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older 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 older people currently choose to continue to live in their homes into their old age.

215. 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.”⁴² 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.

7.3.1 Current supply of specialist housing for older people

216. When determining a final target for 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 Bentley’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 Councils Website: <http://www.housingcare.org>.

217. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.⁴³ 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)⁴⁴. 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 Bentley.

⁴² See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁴³ 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>

⁴⁴ See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

218. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Bentley, it has been identified that no residents are living in such accommodation.

7.3.2 Tenure-led projections

219. 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 Babergh, 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.

220. 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.

221. According to Table 7-1 below, 61.2% of dwellings in Bentley are owned outright and 21.1% are owned with a mortgage or loan or shared ownership. 17.8% of dwellings are rented in Bentley and a significant 9.9% of all dwellings are socially rented.

Table 7-1: Tenure of households aged 55-75 in Babergh, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
82.2%	61.2%	21.1%	17.8%	9.9%	6.4%	1.5%

Source: Census 2011

222. The next step is to project how the overall number of older people in Bentley is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Babergh 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 7-2 below.

223. This calculation indicates that by 2036 there will be 869 residents in Bentley, an increase of 93 residents. Our calculations also show that the majority of this increase is likely to those aged 75 and over. It is expected that 97 additional residents will be aged 75 and over in 2036, which suggest there will be a decline in other age groups in Bentley.

Table 7-2: Modelled projection of elderly population in Bentley by end of Plan period

Age group	2011		2036	
	Bentley (Census)	Babergh (Census)	Bentley (AECOM Calculations)	Babergh (ONS)
All ages	776	87,740	869	98,260
75+	87	8,746	184	18,546
%	11.2%	10.0%	21.2%	18.9%

Source: ONS SNPP 2016, AECOM Calculations

224. The results of this exercise provide us with a projection of the number of people in Bentley 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 Babergh presented in Table 7-1 above, and is set out in Table 7-3 below.

225. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2036, 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.

226. 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 7-3: Projected tenure of households aged 75+ in Bentley 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
152	113	39	33	18	12	3

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

227. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Bentley. 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).

228. 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 7-4: Tenure and mobility limitations of those aged 65+ in Bentley, 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		209	42	20.1%	45	21.5%	122	58.4%
Owned or shared ownership: Total		183	29	15.8%	43	23.5%	111	60.7%
Owned: outright	Owned	168	26	15.5%	41	24.4%	101	60.1%

Owned: Owned with a mortgage or loan or shared ownership	15	3	20.0%	2	13.3%	10	66.7%
<i>Rented or living rent free: Total</i>	26	13	50.0%	2	7.7%	11	42.3%
Rented: Social rented	16	7	43.8%	2	12.5%	7	43.8%
Rented: Private rented or living rent free	10	6	60.0%	0	0.0%	4	40.0%

Source: DC3408EW Health status

229. If we focus on those whose activities are limited a lot, the calculations suggest that of the 26 renters and 183 owners in Bentley in this age group, there could be a need for 24 specialist homes for owner occupiers (15.8% x 152) and 16 for renters of all kinds (50% x 33), or 40 new specialist homes in total.

230. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot may need 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 7-5: AECOM estimate of specialist housing need in Bentley 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 tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	40

	Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot		
	16	24	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	38
	3	36	
Total	19	60	79

Source: Census 2011, AECOM Calculations

231. The number of households falling into potential need for specialist accommodation is therefore 79, which is 43% of the 185 households in total aged 75 and above projected to live in Bentley by the end of the Plan period.

7.3.3 [Housing LIN-recommended provision](#)

232. 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 older people. In Table 7-6 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 and an aspiration to expand specialist provision, 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 the different tenures.

Table 7-6: 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

233. As we have seen in Table 7-2, Bentley is forecast to have an over-75 population of 184 by the end of the Plan period, an estimated increase of 97 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 = $60 \times (97/1000) = 6$
- Leasehold sheltered housing = $120 \times (97/1000) = 12$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times (97/1000) = 2$
- Extra care housing for rent = $15 \times (97/1000) = 1$
- Extra care housing for sale = $30 \times (97/1000) = 3$
- Housing based provision for dementia = $6 \times (97/1000) = 1$

234. This produces an overall total of 24 specialist dwellings, though the majority is made up of sheltered housing which may be substitutable with mainstream housing where dwellings are secure, accessible and capable of providing an appropriate setting to receive care (where required). In short, the projected need for specialist provision may be met in different ways, depending on the quality of mainstream housing provided and how care and support is organised eg whether local authorities or private providers can support home based care.

235. Table 7-7 below sets out the HLIN recommendations in the same format as Table 7-5 above.

Table 7-7: HLIN estimate of specialist housing need in Bentley 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 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	18
	6	12	
Total	9	16	24

Source: Housing LIN, AECOM calculations

7.4 Conclusions- Specialist Housing for Older People

236. 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 Table 7-5 with ‘sheltered housing’ in Table 7-7, even though both types of housing address the needs of those with relatively limited needs. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.
237. A more realistic estimate, therefore, can be achieved by comparing the 40 dwellings identified in the tenure-led approach for those who require housing with care (because their day to day activities are limited a lot) with the 7 specialist dwellings that emerge from the HLIN calculations. The additional 18 dwellings 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.

238. As these estimates relate 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 Bentley.
239. Our recommendation would be to treat these estimates as a guide to future planning. The projections suggest there is some requirement for housing with care to meet the need of the older population. It may be possible to meet these needs within the mainstream housing stock if homes are accessible, adaptable and appropriate care can be provided in the home. The neighbourhood planners may wish to consider how policies which support the provision of accessible homes (eg optional building regulation standards) could ensure that the future housing stock is better able to meet these needs.
240. 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.
241. 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 person's 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).
242. It is considered that Bentley'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 Bentley entirely

within the Neighbourhood Plan area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Bentley, Ipswich is 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.

243. 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.

8. Conclusions

8.1 Overview

244. Table 8-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 8-1: Summary of study findings specific to Bentley with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Quantity of housing plan for	<p>The housing figure of 38 dwellings for the plan period (2018-2036) for Bentley is derived from the Government's Standard Methodology.</p> <p>A housing figure has been provided for Bentley from Babergh in the emerging JLP, Policy SP04 Neighbourhood Plans. However, as the JLP document is still in draft form, Babergh District Council are willing to consider alternative HRF calculations from Bentley Parish Council in their consultation response.</p>	<p>Bentley's indicative requirement is 38 dwellings between 2018 and 2036, or 2 dwelling (rounded) per year over the remainder of the Neighbourhood plan period, 2018-2036 (18 years).</p> <p>At the time the final Neighbourhood Plan housing requirement figure is provided by Babergh, it can be considered to supersede the provisional calculation within this HNA. The neighbourhood group need to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.</p>

<p>Housing tenure and affordability</p>	<p>The SHMA 2019 update provided tenure change estimates for Babergh which, when pro rated to Bentley, imply the need for 1 new affordable home each year in Bentley -18 in total over the plan period. Broadly, half of these homes should be for social/affordable rent and half for affordable home ownership.</p>	<p>There are a number of factors which might point to an affordable housing policy which is different to that at the local authority level. It is possible to justify an affordable housing quota in Bentley that is higher than the 35% requirement in the Local Plan for Babergh. Whether this is viable and achievable would need to be tested with the LPA (on viability matters) and registered providers that might own and manage the affordable dwellings.</p> <p>The low level of social/affordable rented housing in the NA compared to the local authority might justify actions to boost delivery of this tenure.</p> <p>Similarly, the lack of shared ownership properties in the NA and the high price of home ownership in the Parish would support delivery of products that aim to extend home ownership to households who are currently unable to afford to buy. This could include delivery of rent to buy homes which allow households to rent at a discount on market rents with the option to buy the property</p>
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Issue	Summary of evidence and data assessed	Conclusions and recommendations
		<p>within a specified period of time.</p> <p>If the NP wishes to develop affordable housing policies which differ from the Local Plan, further evidence (eg on viability and deliverability) is likely to be required. On balance, AECOM suggest that the Local Plan's tenure split provides a sound basis for planning at the NA level.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	<p>Bentley's stock of existing housing is different to that of Babergh, with more detached homes, and fewer semi-detached and terraced houses. There has been a significant rise in the number of very large homes of eight or more rooms in Bentley 2001-2011, and a decrease in dwellings of five rooms or less.</p> <p>New development provides an opportunity to build dwellings that would be appropriate to the needs and financial capabilities of both young households and older households who may wish to downsize, such as two- and three-bedroom homes.</p>	<p>In the context of the pattern of supply in recent years and Bentley's comparatively large stock of dwellings overall, the Neighbourhood Plan could set out a policy to prioritise the provision of one to three bedroom homes.</p>

<p>Specialist housing for elderly people</p>	<p>The growth of households in Bentley over the plan period will be dominated by older households.</p> <p>A tenure led estimate of the need for specialist accommodation suggests the need for 40 dwellings to meet the needs of older people who may require housing with care (because their day to day activities are limited a lot). The Housing LIN model implies the need for 7 specialist dwellings where older people can access housing with care and further 'sheltered' accommodation; though this can often be met through the mainstream stock.</p> <p>The projections suggest the need for specialist homes which meet the needs of households as they age.</p>	<p>AECOM's recommendation would be to treat these estimates as a guide to future planning. The projections suggest there is some requirement for housing with care to meet the need of the older population. It may be possible to meet these needs within the mainstream housing stock if homes are accessible, adaptable and appropriate care can be provide in the home.</p> <p>The neighbourhood planners may wish to consider how policies which support the provision of accessible homes (eg optional building regulation standards) could ensure that the future housing stock is better able to meet these needs.</p> <p>It is unlikely that Bentley would provide a suitable location for specialist housing with care schemes given the scale of these schemes and the rural nature of the Parish. However, the NP may wish to keep open the option of providing specialist schemes if new models emerge which are appropriate to the Parish context.</p>
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8.2 Recommendations for next steps

245. This Neighbourhood Plan housing needs assessment aims to provide Bentley 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 Babergh 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 Babergh – 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 Babergh, 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 Babergh and the neighbourhood plan areas within it.

246. 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.

247. 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, Babergh or any other relevant

party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

248. 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.

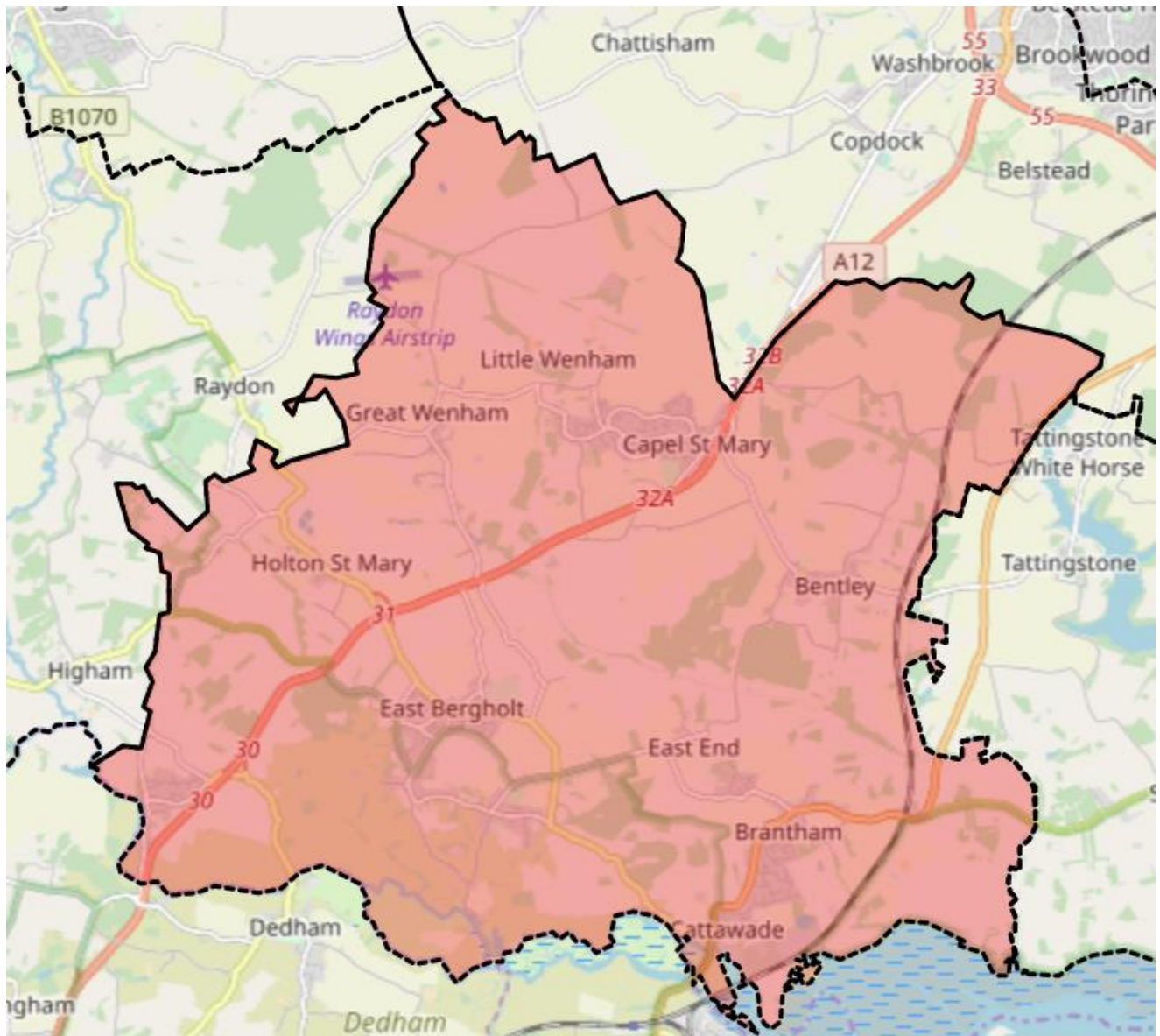
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

249. 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.

250. 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 Bentley, it is considered that MSOA E02006236 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 MSOA E02006236 appears below in Figure 8-1.

Figure 8-1: MSOA E02006236 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

251. 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.
252. 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.

253. 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.

254. 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

255. 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.

256. 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 Bentley. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

257. The calculation is therefore:

- Value of an 'entry level dwelling'⁴⁵ = £ 263,750;
- Purchase deposit = £26,375 @ 10% of value;
- Value of dwelling for mortgage purposes (value of entry level dwelling – purchase deposit) = £237,375;
- Loan to value ratio = 3.5 of value of mortgage;
- **Purchase threshold = £67,821.**

ii) Private Rented Sector (PRS)

⁴⁵ '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.

258. 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.
259. 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,⁴⁶ such a home would require three habitable rooms (a flat or house with two bedrooms).
260. The property website [Home.co.uk](https://www.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 IP9 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.
261. According to [home.co.uk](https://www.home.co.uk), there are 5 two-bed properties currently listed for rent across the IP9 postcode area, with an average price of £715 per calendar month.
262. 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 = £715 x 12 = £8,580;
 - Multiplied by 4 = £34,320;
 - **Income threshold (private rental sector) = £34,320.**
263. The NPPF 2018 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.

⁴⁶ 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

A.3 Affordable Housing

264. 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.
265. 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.
266. 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

267. 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.
268. 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 Bentley. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Babergh in the table below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All Stock Sizes ⁴⁷
Average Net rent per week	£74.69	£91.74	£102.35	£113.04	£93.76
Average social rent rate per week	£74.15	£91.21	£101.79	£112.71	£93.36

⁴⁷ Weighted average

Annual rent	£3,895	£4,784	£5,337	£5,894	£4,889
Income needed	£15,578	£19,134	£21,347	£23,577	£19,556

Source: Homes England, AECOM Calculations

ii) Affordable rent

269. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Bentley is £8,580. In the event of a 20% reduction in rent to £6,864, the income threshold would reduce to an estimated £27,456.

iii) Intermediate tenures

270. 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

271. 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 2018, 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"*.

272. 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.

273. 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.

274. 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.

275. 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 £263,750.

276. Applying a discount of 20% provides an approximate selling price of £211,000. Allowing for a 10% deposit further reduces the value of the property to £189,900. The income threshold at a multiple of 3.5 is **£54,257**.

Shared ownership

277. 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.

278. 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 £60,000.

279. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £263,750⁴⁸. 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).

280. A 25% equity share of £263,750 is £65,938, from which a 10% deposit of £6,594 is deducted. The mortgage value of £59,344 (£65,938 - £6,594) is then divided by 3.5. To secure a mortgage of £59,344, an annual income of £16,955 ($59,344/3.5$) is therefore needed. In addition to mortgage costs, rent

⁴⁸ 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.

is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £197,813. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £5,440 and requires an income of £21,759. Therefore, an income of around **£38,715** (£16,955 + £21,759) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.

281. A 50% equity share of £263,750 is £131,875, from which a 10% deposit of £13,188 may be deducted. The mortgage cost of £118,688 (£131,875 - £13,188) is then divided by 3.5. To secure a mortgage of £118,688, an annual income of £33,911 (£118,688 / 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 £131,875. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £3,627, requiring an income of £14,596. Therefore, an annual income of around **£48,417** (£33,911 + £14,506) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.

282. A 75% equity share of £263,750 is £197,813, from which a 10% deposit of £19,781 can be deducted. The mortgage cost of £178,031 (£197,813 - £19,781) is then divided by 3.5. To secure a mortgage of £178,031, an annual income of £50,886 (£178,031 / 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 £65,938. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,813, requiring an income of £7,253. Therefore, an annual income of around **£58,119** (£50,866 + £7,253) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

Appendix B : Affordable Housing Quantity Calculations

Table 8-2: Quantity of need for Affordable Housing for sale in Bentley over the Plan period

Step	Stage	Source	Calculations	Stage and Step Description
1. Current need (backlog)				
1.	Current number of households in the PRS in the NA	ONS Census 2011; English Housing Survey, 2018	41	According to Census data, there were 34 renters in Bentley in 2011. This figure is uplifted by 22% to account for the growth in the PRS in England between 2011 and 2018 according to data from the English Housing Survey. Therefore, it is estimated that 41 households are currently privately renting in Bentley.
2.	Number of housing benefit recipients among private renters in the NA	ONS housing benefit caseload data to May 2018	7	According to ONS housing benefit caseload data in May 2018, 16% of private renters were housing benefit recipients in Babergh. Applied to the estimated 41 private renters in the NA, this represents 7 households.
3.	Potential need for Affordable Housing for sale in 2018	AECOM Calculations	26	The number from Step 3. (7) is discounted from the current total number of private renters calculated in Step 1. The resulting number is used as proxy for households who can afford to rent but are unable to “climb the property ladder”. It is assumed that these households would benefit from affordable home ownership products. As a caveat, a 25% factor is discounted from this number to reflect households who are in the PRS by choice and do not desire to become homeowners.
4.	Annualised need for Affordable Housing to rent	AECOM Calculations	1	This result is then divided by the 18 years in the Bentley Neighbourhood Plan period, giving an annualised current need figure of 1.
2. Future need (newly arising)				
1.	New household formation between 2019 and 2030	ONS Census 2011; MHCLG 2014-based household projections	45	Using household projections, the increase rate in the number of households between 2011 and 2018 and between 2018 and 2036 is applied onto Bentley to estimate the number of households in 2018 (357) and by 2036 (402). An additional 45 households will form between 2018 and 2036.
2.	Rate of need for Affordable Housing for sale	ONS Census 2011; ONS housing benefit caseload data to May 2018	8%	According to the ONS Census data, 0 households were occupying an affordable home ownership tenure in 2011. This number is added to the number of households in need for affordable home ownership calculated in Step 1.3. This is divided by the estimated number of households in Bentley currently. The rate of need for Affordable Housing for sale is therefore 8%.
3.	Future need for Affordable Housing for sale	AECOM Calculations	81	The rate calculated in Step 2.2 is applied onto the number of additional households projected to form between 2018 and 2036, or a total of 3 total newly arising need.

4.	Future annualised need for Affordable Housing for sale	AECOM Calculations	0.2	This number is then divided by the number of years in the Plan period to produce future annualised need of 0.2.
3. Supply				
1.	Total supply of affordable housing for sale	ONS Census 2011, MHCLG, Live Tables 1006C, 1006aC, 1007C and 1008C	53	There were 0 households living in shared ownership dwellings (the only representation of Affordable Housing for sale captured in the Census). Between 2011 and 2018 there was an additional supply of 112 affordable home ownership. Pro-rata to the NA this represents an additional 1 dwelling. Therefore, the total number of affordable housing for sale is 1.
2.	Annual supply of shared ownership dwellings in NA		0.05	It is assumed that 5% of stock is sold each year. $5\% \times 1$ produces an annual supply figure of 0.05.
Shortfall per annum				
NA need for Affordable Housing for sale in Bentley over the Plan period			2	Current need in Bentley of 1 plus future need of 0.2, minus supply of 0.05 = 2 Over the Plan period, this amounts to need for 29 households (rounded).

Appendix C : 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 = $\text{£}200,000/\text{£}25,000 = 8$, (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 methods⁴⁹.

Annual Monitoring Report

⁴⁹ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

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, over-crowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

Bedroom Standard⁵⁰

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

⁵⁰ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

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 Order⁵¹

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.

Concealed Families (Census definition)⁵²

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 Housing⁵³

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming frailer and less able to

⁵¹ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁵² See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

⁵³ See <http://www.housingcare.org/jargon-extra-care-housing.aspx>

manage day-to-day tasks without assistance. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet.

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).

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 years⁵⁴, 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

⁵⁴ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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.

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.

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 Housing⁵⁵

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

⁵⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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.

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.⁵⁶

⁵⁶ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

