



Ickleford Housing Needs Assessment (HNA)

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Quality information

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Table of Contents

1.	Executive Summary	7
	Tenure and Affordability Conclusions	7
	Type and Size Conclusions	7
	Specialist Housing for the Older People Conclusions	8
2.	Context	10
2.1	Local context	10
2.2	Planning policy context	12
2.2.1	Policies in the adopted local plan	12
2.2.2	Policies in the emerging local plan	12
2.2.3	Quantity of housing to provide	13
3.	Approach.....	15
3.1	Research Questions	15
3.1.1	Tenure and Affordability.....	15
3.1.2	Type and Size.....	15
3.1.3	Specialist Housing for Older People.....	15
3.2	Relevant Data.....	15
4.	RQ One: Tenure, Affordability and the Need for Affordable Housing	17
4.1	Introduction.....	17
4.2	Current tenure profile	18
4.3	Affordability.....	18
4.3.1	House prices.....	18
4.3.2	Income.....	19
4.3.3	Affordability Thresholds	20
4.4	Affordable housing- quantity needed.....	24
4.4.1	Affordable Housing policy guidance	27
4.5	Conclusions- Tenure and Affordability.....	29
5.	RQ Two: Type and Size	31
5.1	Introduction.....	31
5.2	Existing types and sizes.....	31
5.2.1	Background and definitions.....	31
5.2.2	Dwelling type	31
5.2.3	Dwelling size.....	32
5.3	Age and household composition	33
5.3.1	Age structure	33
5.3.2	Household composition.....	34
5.3.3	Occupancy ratings	35
5.4	Suggested future dwelling size mix	35
5.5	The SHMA findings.....	38
5.6	Conclusions- Type and Size	39
6.	RQ Three: Specialist housing for older people.....	41
6.1	Introduction.....	41
6.1.1	Current supply of specialist housing for older people	41
6.1.2	Tenure-led projections	42
6.1.3	Housing LIN-recommended provision	44
6.2	SHMA findings.....	45
6.3	Conclusions- Specialist Housing for the Older People.....	46
7.	Conclusions	48

	5
7.1 Overview	48
7.2 Recommendations for next steps.....	50
Appendix A : Calculation of Affordability Thresholds	52
A.1 Assessment geography	52
A.2 Market housing	52
i) Market sales	52
ii) Private Rented Sector (PRS)	53
A.3 Affordable Housing	54
i) Social rent.....	54
ii) Affordable rent	54
iii) Affordable home ownership	55
Appendix B : Housing Needs Assessment Glossary	57

List of acronyms used in the text:

HLIN	Housing Learning and Improvement Network
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
MSOA	Middle Super Output Area
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

Tenure and Affordability Conclusions

As reflected at both district and national geographies, the majority of homes in Ickleford are owned. A slightly higher proportion of homes are in the social rented tenure than at wider geographies with a correspondingly lower proportion in the privately rented tenure. While between 2001 and 2011, Ickleford went from having 6 shared ownership dwellings to none which indicates there are no affordable routes to home ownership in the neighbourhood area.

House prices have fluctuated slightly between 2011 and 2020, yet the median house price is broadly the same just under £400,000 with only a 5% growth, yet mean house prices saw a 25% increase. The lower quartile price saw a 47% increase which equates to an increase of £103,000 over the past 10 years, showing that increasing price of market housing has disproportionately impacted those on lower incomes who would seek the entry-level dwellings.

Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 100% higher than the current average. Private renting is generally only affordable to average earners. While the inability of those on lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that the need of those on lower incomes are not being met in the market and this group will require a form of discounted or social housing support.

The most significant finding is the need for affordable home ownership in Ickleford. There is an identified need for an additional 12 affordable home ownership dwellings on top of those already under construction in the neighbourhood area. Government policy aimed at tackling the housing crisis continues to attach high priority on helping those on modest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership. In the case of Ickleford, the most appropriate tenures to help implement this policy goal locally are rent to buy, shared ownership (25% share) or discounted market sale (50% discount).

The Ickleford Neighbourhood Plan Questionnaire shows that 38% of residents think that social/affordable rented housing will be needed over the next 10 years, while 27% think that shared ownership schemes will be required and only 9% think private rented housing will be required.

The findings of this chapter on the potential for providing affordable and low-cost tenures across the Neighbourhood Plan area do not align with those of the SHMA. The SHMA focuses on the delivery of socially rented dwellings over affordable housing for sale; however, the findings of this HNA suggest there is already enough socially rented stock in the neighbourhood area but not sufficient affordable housing for sale. Therefore, it is suggested that a greater emphasis is put on affordable housing for sale in future policy for the neighbourhood area. The indicative tenure mix suggested as a result of the evidence presented in this HNA is 20% affordable rent and 80% affordable housing for sale.

This level of housing delivery expected is below the identified need of 12 affordable houses for sale; however, given the calculation has used the adopted policy requirements rather than the emerging policy requirements it may be expected that the overall percentage of affordable housing would be higher in the future. As such, if all 29 homes (residual housing requirement) were delivered on one site, under the emerging Local Plan policy this would require 40% to be delivered as affordable (12 dwellings) which, although this would still be split between rented and ownership, would allow for delivery of affordable housing close to the need identified.

Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. This may be of particular interest of the Neighbourhood Plan given the restrictions on development due to the Green Belt policy, as Rural Exception housing can be delivered on sites within the Green Belt providing more freedom to deliver identified need for affordable housing.

Type and Size Conclusions

This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

Ickleford has a high proportion of bungalows when compared to district and national levels, while it has a lower proportion of flats and terraced houses which may be representative of the rural nature of the Parish. Similarly, there is a higher proportion of detached dwellings, accounting for almost double the levels seen nationally.

Primarily, dwellings in Ickleford are made up of 3 or 4 or more bedrooms, with a smaller proportion of smaller dwellings with 1 or 2 bedrooms. This corresponds with the larger proportion of detached and semi-detached dwellings that tend to be larger than terraced houses and flats. However, given the lower numbers of smaller dwellings this may result in increased unaffordability for younger families and/or lack of options for older people who may wish to downsize as they get older.

Ickleford has a lower proportion of those aged under 44 and a higher proportion of those aged over 44 than in both North Hertfordshire and England more generally. This may be a reflection of the general lack of affordability, resulting in less young adults and families living or moving to the area.

It is therefore important for new development to prioritise housing that is appropriate both to young families with children and older households. The needs and financial capabilities of both these groups overlap to some extent, although the precise configuration and quality expectations that they have for smaller dwellings may vary.

Across all age groups, there is a higher proportion of households with underoccupancy rather than overoccupancy. Generally, however, the trend shows that older people tend to have higher underoccupancy while younger people have an overoccupancy. This might suggest that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or my older people who have not chosen or been able to move to smaller properties.

The results of a life-stage modelling exercise, which looks at the sizes of dwelling occupied by different age groups and projects the growth and decline of those age groups over the Plan period in order to understand what should be built, demonstrates that in Ickleford an appropriate response would be to prioritise the supply smaller to mid-sized dwellings (of 1, 2 and 3 bedrooms).

In effect, a mix of home sizes will continue to be needed, with 3 bedroom homes expected to cater best to the ageing population while providing accommodation for smaller families. There appears to be enough of the largest homes already, particularly if smaller homes attractive to those wishing to downsize can be delivered, thereby releasing existing large homes for other occupants.

This model, however, operates on the assumption that households can and will wish to occupy only housing specifically suitable for their household size, which is not a realistic prospect given that people are willing to pay for extra bedrooms for a range of reasons. It is not surprising, then, that demand for some larger dwellings will remain. The provision of these homes should therefore not be inhibited entirely (though some of that demand will be met by natural churn within the market), but to the extent that the community wish to influence the size mix of housing coming forward, small to mid-sized homes should be the priority.

The Ickleford Neighbourhood Plan Questionnaire shows that 15% of residents think that one bedroom homes will be required over the next 10 years, 44% think that two bedroom homes will be required, 43% three bedrooms and 30% think that larger homes (of more than 3 bedrooms) will be required. This confirms that small to midsized homes are likely to be most needed, yet a balance included all sizes should continue to be delivered.

In the Tenure and Affordability chapter analysis, it was found that market housing for sale (as opposed to market housing for rent and all types of Affordable Housing) is increasingly unaffordable and that those on the median incomes are unable to afford to live outside of the rented sector. While Affordable Housing should be well balanced in terms of size to cater for all circumstances, the provision of smaller and mid-sized homes for sale and rent should make an important contribution to improving affordability more widely. If older households wishing to 'rightsize' and younger ones seeking to form their own independent households are to be able to afford to live in Ickleford, increasing the provision of small and mid-size homes will be crucial.

Specialist Housing for the Older People Conclusions

The 2011 census data recorded 182 individuals aged 75 and over in Ickleford, the ONS population estimates suggest that by 2019 this had increased to around 238 individuals. It is projected that by the end of the Plan period (2031) that there will be 271 individuals aged 75 and over in Ickleford, an approximate 4% increase since 2011.

The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.

These two methods of estimating the future need in Ickleford produce a range of 22 to 37 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

The existing specialist accommodation in the Parish currently is all within social rented tenure, while neighbourhood plans cannot set the proportion of future supply that should be affordable (as this usually has to be in line with Local Plan policy), the Plan may want to encourage any additional provision to fill in a gap in the market. As such in both the tenure-led and HLIN calculations the main unmet need is for market housing, as supported by the SHMA also. This may be satisfied by making sure all new housing is accessible and adaptable for people with lower support needs. Aligned with this, both the calculations suggest there is a higher need for people with lower support needs.

Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Plan is therefore to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan, and to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock). However, this is largely covered by the emerging Local Plan.

Emerging Local Plan Policy HS5 provides explicit encouragement for development to accommodate specific groups such as older people. It suggested that 50% of new housing should meet national standards for accessibility and adaptability (Category M4(2)), and that 10% of dwellings on sites of 10 units or more should accommodate wheelchair users (Category M4(3)). The evidence gathered here justify increasing such a targets in the Neighbourhood Plan if this avenue has the support of the LPA.

It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey. The 10% target in the Local Plan may also be considered sufficient.

While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people 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.

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).

It is considered that Ickleford is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Ickleford in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.

In the Ickleford Neighbourhood Plan Questionnaire, residents were asked what type of accommodation will be needed in the Parish over the next 10 years, 34% respondents noted that retirement/sheltered housing would be required. This demonstrates local support for including specialist housing for older people within the Parish.

Wherever specialist housing 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 move in later life.

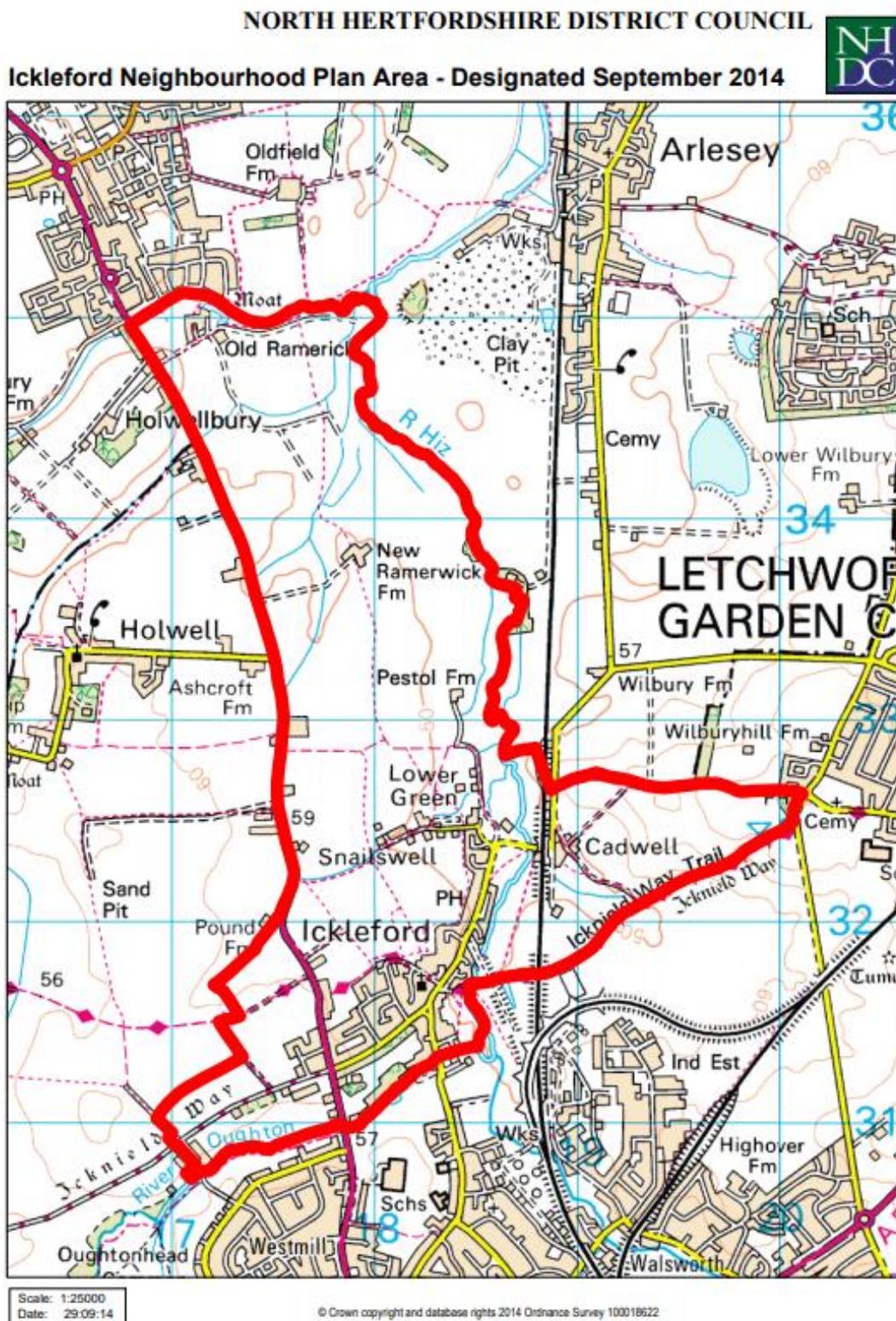
2. Context

2.1 Local context

1. Ickleford is a Neighbourhood Plan area located in North Hertfordshire, approximately 2 km north of Hitchin. The Neighbourhood Area (NA) boundary is synonymous with the Parish boundary and was designated in September 2014.
2. The proposed Neighbourhood Plan period starts in 2021 and extends to 2031, therefore comprising a planning period of 10 years. The evidence supplied in this report will look forward to the Plan end date of 2031, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
3. Ickleford lies to the north of Hitchin. Apart from the main village, the Parish includes some scattered farms and tracts of countryside. The village of Ickleford has a relatively good range of facilities, including a school, shops, public houses, village hall and church. The main village of Ickleford is inset from the Green Belt and located towards the south of the Parish, while the northern section of the Parish is being developed adjacent to Henlow Camp as a rural area beyond the Green Belt. The A600 is located along the north south boundary of the Parish and links it with Bedford to the north and Hitchin to the south.
4. Ickleford has one Conservation Area which covers the central area of the village, covering the two greens (Upper Green and Lower Green), between which the village grew. The Parish church of St Katherine's is a Grade I Listed Building.
5. The Census data used throughout this report is for Ickleford Parish, which is made up, like the rest of England, of statistical units called Output Areas (OAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
 - E00119826
 - E00119827
 - E00119828
 - E00119829
 - E00119830
 - E00119831
6. The statistics show that in the 2011 Census the NA had a total of 1,833 residents, formed into 812 households and occupying 844 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2019 population estimate for Ickleford is 1,835 – indicating population growth of around two individuals since 2011.
7. In the North Hertfordshire Annual Monitoring Data, it notes that since 2016¹ there has been a net increase of 34 dwellings in Ickleford; however, this may not have been reflected in the ONS information on population, as noted above, as the majority of these completions (32 units) were completed between 2018 and 2020. Therefore, it could be assumed that the population would have increased slightly since the mid-2019 population estimate.
8. A map of the Plan area appears below in Figure 2-1.

¹ Completions between 2011 and 2016 are unknown, according to the North Hertfordshire Local Plan there may have been around 10 completions.

Figure 2-1: Map of the Ickleford Neighbourhood Plan area²



Source: North Hertfordshire District Council Webpage

² Available at <https://www.north-herts.gov.uk/sites/northherts-cms/files/Ickleford%20Neighbourhood%20Plan%20Area%20Designated%20September%202014.pdf>

2.2 Planning policy context

9. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.³ In the case of Ickleford, the relevant adopted Local Plan for North Hertfordshire consists of:

- The North Hertfordshire Local Plan 1996 no. 2 with alterations saved policies from 2007⁴.
- The North Hertfordshire Local Plan 2011 – 2031 Proposed Submission⁵, which is currently undergoing examination. It includes the Council's spatial vision for North Hertfordshire, detailed planning policies against which planning applications will be assessed and land allocations (including housing, employment, retail, community and leisure facilities) for the District up to 2031. It is closely linked to the priorities identified in the Sustainable Community Strategy for North Hertfordshire. Once this Plan is adopted it will supersede the Local Plan 1996.

2.2.1 Policies in the adopted local plan

10. Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Ickleford.

Table 2-1: Summary of relevant adopted policies in the North Hertfordshire adopted Local Plan

Policy	Provisions
Policy 2: Green Belt	In the Green Belt the Council will aim to keep the uses of land open in character. Except for proposals within settlements which accord with Policy 3, or in very special circumstances. Planning permission will only be granted for new buildings, extensions, and changes of use of buildings and of land which are appropriate in the Green Belt, and which would not result in significant visual impact.
Policy 5: Excluded villages	Within the excluded villages (including Ickleford), the Council will normally permit development for housing, employment, service and community facilities only if the development proposed is compatible with the maintenance and enhancement of village character, and the maintenance of Green Belt boundaries as shown on the Proposals Map.
Policy 29: Rural Housing Needs	For local rural housing needs, the Council may permit specific development proposals for special small-scale housing needs designed to meet a proven local need, as an exception to its normal policies in the Green Belt (Policy 2) and the Rural Areas beyond the Green Belt (Policy 6) outside Selected Villages (Policy 7) and subject to a number of conditions.
Policy 29A: Affordable Housing for Urban Local Needs	In considering the residential development of sites within the urban areas, the Council will seek to negotiate the inclusion of affordable housing to meet local needs. The Council will seek a provision of 25% of units in the district as a whole, on sites for twenty or more dwellings; and in considering the proportion for individual sites, regard will be had to the housing needs of the local area, the economics of provision, and individual site and market consideration.
Policy 57: Residential Guidelines and Standards	The character of attractive towns and villages is determined particularly by the variations in the built environment. New development should seek to enhance the character of existing settlements through skilful design. Partly to help this process and partly to fulfil the housing needs of the local area, a mixture of dwelling sizes should be proposed, particularly on larger sites.

2.2.2 Policies in the emerging local plan

11. Table 2-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Ickleford.

³ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

⁴ Available at: https://www.north-herts.gov.uk/sites/northherts/cms/files/north_hertfordshire_district_local_plan_no2_with_alterations_april_1996.pdf

⁵ Available at: <https://www.north-herts.gov.uk/sites/northherts/cms/files/LP1%20Proposed%20Submission%20Local%20Plan.pdf>

Table 2-2: Summary of relevant adopted policies in the North Hertfordshire emerging Local Plan

Policy	Provisions
Policy SP8: Housing	<p>Between 2011 and 2031 North Herts will release sufficient land to deliver at least 14,000 homes. Four sites have been identified in Ickleford:</p> <ul style="list-style-type: none"> - LS1 set to deliver 120 homes. - IC1 set to deliver 9 homes. - IC2 set to deliver 40 homes. - IC3 set to deliver 150 homes. <p>The policy notes that a range of tenures, types and sizes of homes will be supported, for example 33% of all homes should be Affordable Housing with targets of 40% where viable. In addition, a broadly even split between smaller (1 and 2 bedroom) and larger (3+ bedroom) dwellings will be sought.</p>
Policy HS2: Affordable housing	<p>This Policy notes that on sites of 11-14 dwellings there is a target of 25% affordable housing, on sites of 15-24 there is a target of 35% and on sites of 25 dwellings or more there is a target of 40% affordable housing.</p> <p>The Policy goes on to note that the starting point for negotiation on the tenure split of affordable dwellings is 65% of homes for rented and 35% for ownership products.</p>
Policy HS3: Housing mix	<p>This Policy notes that planning permission for new homes will be granted where an appropriate range of house types and sizes are provided taking into account the findings of the SHMA, location and accessibility of the site, recent completions, existing permissions and sites in the five year housing land supply. In addition, any scheme should provide a density, scale and character of development appropriate to its location and surroundings.</p> <p>Paragraph 8.20 of the supporting text for this Policy states that on suburban and edge of settlement sites, applicants should make an initial assumption that 60% be larger (3 or more bedrooms) and 40% smaller (1 and 2 bedrooms) dwellings, with the most appropriate solution being considered on a site by site basis.</p>
Policy HS4: Supported, sheltered and older persons housing	<p>This Policy notes that planning permission for sheltered and supported housing in use classes C2 and C3 will be granted where there is good access to local services and facilities, it is well served by public transport etc. It also notes that on sites of over 100 dwellings the Council expects an element of accommodation within Use Class C3 for older persons is included, while on strategic sites, provision will be made for some accommodation in Use Class C2.</p>
Policy HS5: Accessible and adaptable housing	<p>Planning permission for major residential development will be granted where applicants demonstrate that at least 50% of homes can be built to the M4(2) Accessible and Adaptable standard; and on schemes where 10 or more affordable units will be delivered, 10% of these can additionally be built to the M4(3) wheelchair user standard.</p>

2.2.3 Quantity of housing to provide

12. The NPPF 2019 (paragraphs 65 and 66) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
13. North Hertfordshire District Council has fulfilled that requirement by providing Ickleford with an indicative figure of 209 dwellings to be accommodated within the Parish area by the end of the Plan period.⁶ However, this number includes both completions and permissions; therefore, when looking at the Annual Monitoring Data, since 2016 (the same year as the publication of the emerging Local Plan which includes the figure of 209) there have been 34 completions in the Parish. The emerging Local Plan notes that 10 dwellings had been completed or committed since 2011. However, given the AMR data only provides information back to 2014 it is not possible to know whether these are double counted.
14. As of April 2020, 146 dwellings had been committed (gained planning permission). This is primarily to be delivered on one site at land to the east of Bedford Road and west of Old Ramerick Manor Bedford Road known as allocation site LS1, which is set to deliver 144 dwellings broken down as shown in Table 2-3.
15. There are three other allocation sites in the area, yet due to the lack of detailed planning application information it is not possible to comment on the extent of affordable housing or size mix that will be delivered on the site.

⁶ As confirmed in the emerging North Hertfordshire Local Plan.

Table 2-3 Composition of a large development of site under construction in Ickleford

	1 bed flat	2 bed flat	2 bed house	3 bed house	4 bed house	5 bed house	Total
Market	-	-	14	21	46	6	87
Affordable rent	8	8	5	14	2	-	37
Affordable ownership	-	2	4	12	2	-	20

16. Therefore, this provides a residual requirement of a of 29 dwellings (209-34-146) to be provided over the plan period when excluding completed dwellings and those under construction. This has also allowed for double counting which could further reduce the requirement by another 10 dwellings. However, for a more accurate figure the LPA should be contacted to understand the number of completions between 2011-2014 (where the AMR data is missing) and any completions since April 2020. This is especially important as the site noted above on allocation LS1 is located in Ickleford Parish, yet does not seem to have been included in Ickleford, rather Lower Stondon in the emerging Local Plan therefore, there is a risk of double counting.
17. However, for the purposes of this report, the indicative residual figure of 29 dwellings will be used as proxy.
18. The emerging local plan notes that the information provided on new homes is based upon any proposed housing allocations in that area along with new homes built since 2011 and existing planning permissions. These figures are not a target and do not necessarily represent the maximum number of new homes that will be built.

3. Approach

3.1 Research Questions

19. The following research questions were formulated at the outset of the research through discussion with the Ickleford Neighbourhood Plan Steering Group. They serve to direct the research and provide the structure for the HNA.

3.1.1 Tenure and Affordability

20. 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.
21. This evidence will allow Ickleford 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.
22. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

RQ One: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

3.1.2 Type and Size

23. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. The Ickleford Neighbourhood Plan Questionnaire notes that there is a desire for any new housing to be affordable to local people, including young families, single people and elderly people wishing to downsize. Overall people thought there would be a greater need for two- or three-bedroom houses, bungalows and social/affordable rented homes than larger houses in the next ten years.
24. The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
25. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
26. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

3.1.3 Specialist Housing for Older People

27. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care.

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

3.2 Relevant Data

28. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:

- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
 - ONS population and household projections for future years;
 - Valuation Office Agency (VOA) data on the current stock of housing;
 - Land Registry data on prices paid for housing within the local market;
 - Rental prices from Home.co.uk;
 - Local Authority housing waiting list data;
 - Ickleford Neighbourhood Plan Questionnaire (May 2021); and
 - Stevenage and North Hertfordshire Strategic Housing Market Assessment Update (Vol 1 and 2) 2016⁷.
29. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot be accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

⁷ This SHMA is considered relatively dated and therefore drawn on to a lesser degree.

4. RQ One: Tenure, Affordability and the Need for Affordable Housing

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

4.1 Introduction

30. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
31. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
32. The definition of Affordable Housing set out in the 2019 NPPF makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.⁸
33. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
 - First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
 - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
 - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
 - Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
 - They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
 - In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
 - 25% of all homes delivered through Section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

⁸ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>. Note that First Homes formally come into effect from 28 June 2021, and Local and Neighbourhood Plans that have reached an advanced stage of development by that date may not need to reflect these changes. However, it is advisable for all plans in process to reflect the direction of policy changes where possible.

4.2 Current tenure profile

34. The current tenure profile is a key feature of the Neighbourhood Plan Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
35. Table 4-1 below presents data on tenure in Ickleford compared with North Hertfordshire and England from the 2011 Census, which is the most recent available source of this information.
36. As reflected at both district and national geographies, the majority of homes in Ickleford are owned. A slightly higher proportion of homes are in social rented tenure than at wider geographies with a correspondingly lower proportion in privately rented tenure. This may suggest private renting is not particularly affordable within the neighbourhood area.
37. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Ickleford the private rented sector expanded by 82% in that period, a rate of growth similar to that of national levels, yet North Hertfordshire more widely saw an almost 100% increase in private renting. In 2001 there were 6 homes in shared ownership in Ickleford, by 2011 there were zero which indicates there are no affordable routes to home ownership in the neighbourhood area, and that existing occupants have been able to take full ownership.

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

Tenure	Ickleford	North Hertfordshire	England
Owned; total	64.2%	65.6%	63.3%
Shared ownership	0.0%	0.9%	0.8%
Social rented; total	23.5%	19.3%	17.7%
Private rented; total	11.0%	13.1%	16.8%

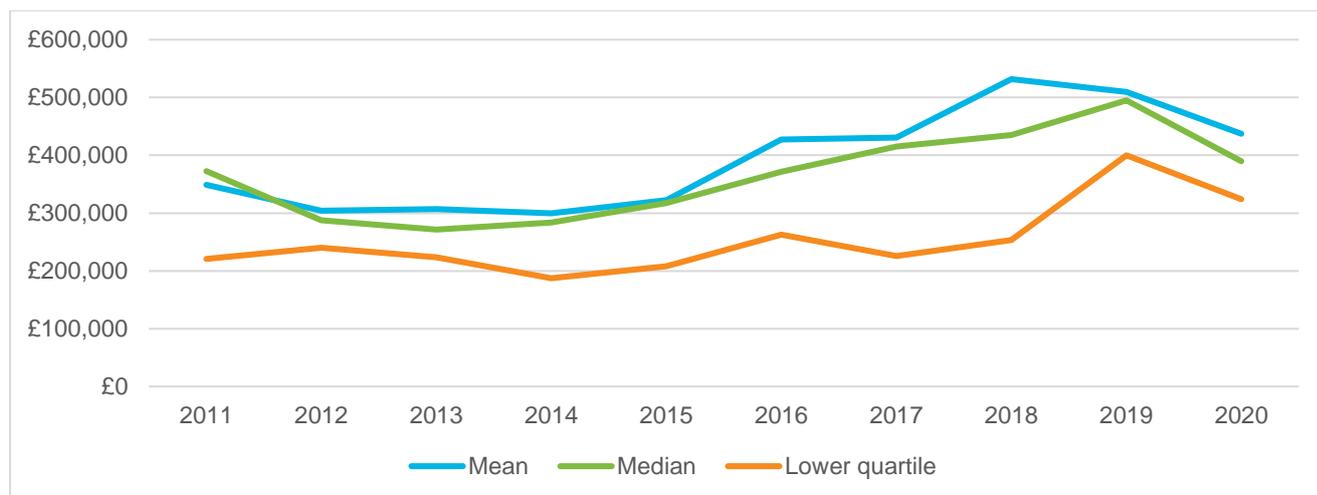
Sources: Census 2011, AECOM Calculations

4.3 Affordability

4.3.1 House prices

38. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
39. Figure 4-1 below looks at selected measures of house prices in Ickleford. It shows that house prices have fluctuated slightly between 2011 and 2020, yet the median house price is broadly the same just under £400,000 with only a 5% growth (though 2020 seems to be an outlier in the upward trend). The median is the middle number when you sort the data from smallest to largest. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median providing a 25% increase between 2011 and 2020.
40. Interestingly, the lower quartile price saw a 47% increase which equates to an increase of £103,000 over the past 10 years, showing that the increasing price of market housing has disproportionately impacted those on lower incomes who would seek the lower quartile homes. The price of a lower quartile house is now approximately £324,000.

Figure 4-1: House prices by quartile in Ickleford, 2011-2020



Source: Land Registry PPD

41. Table 4-2 below breaks down house prices by type. It shows that the prices of flats have inflated the most, increasing by more than double between 2011 and 2020. While the price of detached dwellings have increased the least at just 20%, this is likely due to the already high price of detached dwellings and low cost of flats in 2011.

Table 4-2: House prices by type in Ickleford, 2011-2020

Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	GROWTH
Detached	£490,000	£395,000	£518,000	£451,285	£462,944	£807,500	£565,000	£689,417	£631,792	£587,900	20.0%
Semi-detached	£372,999	£242,490	£327,600	£326,600	£272,857	£396,600	£713,567	£450,050	£475,421	£536,500	43.8%
Terraced	£235,250	£239,000	£247,719	£309,300	£344,641	£339,000	£317,571	£348,000	£377,950	£375,500	59.6%
Flats	£99,500	£170,000	£137,125	£165,429	£145,917	£152,750	£197,833	£184,646	£229,625	£208,208	109.3%
All Types	£348,634	£304,028	£307,193	£299,673	£322,137	£427,563	£430,796	£531,763	£509,422	£437,287	25.4%

Source: Land Registry PPD

4.3.2 Income

42. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
43. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income before housing costs locally was £50,000 in 2018. A map of the area to which this data applies is provided in Appendix A.
44. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. North Hertfordshire's gross individual lower quartile annual earnings were £17,051 in 2018. To estimate the income of households with two lower quartile earners, this figure is doubled to £34,102.
45. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

4.3.3 Affordability Thresholds

46. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
47. AECOM has determined thresholds for the income required in Ickleford to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
48. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income.
49. Table 4-3 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
50. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

Table 4-3: Affordability thresholds in Ickleford (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £50,000	Affordable on LQ earnings (single earner)? £17,051	Affordable on LQ earnings (2 earners)? £34,102
Market Housing						
Median House Price	£351,000	-	£100,286	No	No	No
LA New Build Mean House Price	£348,310	-	£99,517	No	No	No
LQ/Entry-level House Price	£291,600	-	£83,314	No	No	No
Average Market Rent	-	£11,880	£39,600	Yes	No	No
Entry-level Market Rent	-	£11,772	£39,240	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£270,908	-	£69,662	No	No	No
First Homes (-40%)	£232,207	-	£59,710	No	No	No
First Homes (-50%)	£193,506	-	£49,759	Yes	No	No
Shared Ownership (50%)	£175,500	£4,875	£66,393	No	No	No
Shared Ownership (25%)	£87,750	£7,313	£49,446	Yes	No	No
Shared Ownership (10%)	£35,100	£8,775	£39,279	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£7,099	£28,394	Yes	No	Yes
Social Rent	-	£5,690	£22,761	Yes	No	Yes

Source: AECOM Calculations

51. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give a sufficiently robust indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups, but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

52. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 100% higher than the current average.
53. Private renting is generally only affordable to average earners. Households made up of one or two lower quartile earners cannot afford the given rental thresholds, though this is only marginal for dual earners. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

54. There is a relatively large group of households in Ickleford who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £39,240 per year (at which point entry-level rents become affordable) and £83,314 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
55. The minimum equity share within shared ownership has recently fallen from 25% to 10% as a result of national policy change. At a 10% equity share, the income threshold for shared ownership would be £39,279 – thus the most affordable of all of the subsidised ownership tenures considered here. This requires a caveat, however, in that while this low equity product would have the lowest barrier to entry and could accommodate lower earning households, it offers a less compelling long-term prospect. While owning 10% of the property, the occupant would still need to pay 90% in rent each month alongside other costs (such as service charges) and it may take a long time to save enough to increase their equity stake, and to be able to afford a deposit on a market home for their next step on the property ladder. As such it is only recommended for those with appropriate circumstances and long-term goals.
56. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
57. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. The only discounted product available to those on average incomes, is properties with a 50% discount, this higher than the minimum 30% but with robust evidence the local authority or neighbourhood plan may introduce such discounts. It is clear in this case that the highest possible discount level of 50% should be sought in Ickleford.
58. However, for single lower quartile earners to afford this product an 83% discount would need to be applied, while dual earners would need a 66% discount. Therefore, First Homes are unlikely to be an effective tool to help the lower income groups get on the market ladder. Its main value is to help those on average incomes to access home ownership, who wouldn't otherwise be able to, if the higher level of discount can be secured.
59. Table 4-4 below shows the discount required for First Homes to be affordable to the three income groups, based on different ways of benchmarking the likely cost of this product.

Table 4-4 Discount on sale price required for households to afford First Homes

Tenure/product	Mean Income	LQ Income x1	LQ Income x2
Median house price	50%	83%	66%
New build mean house price (district-wide)	50%	83%	66%
Entry-level house price	40%	80%	59%

Source: Land Registry PPD; ONS MSOA total household income

60. Shared ownership appears to be more affordable than First Homes, but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁹ If this is delivered in the NA, it will make shared ownership easier to access for more people.

⁹ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of

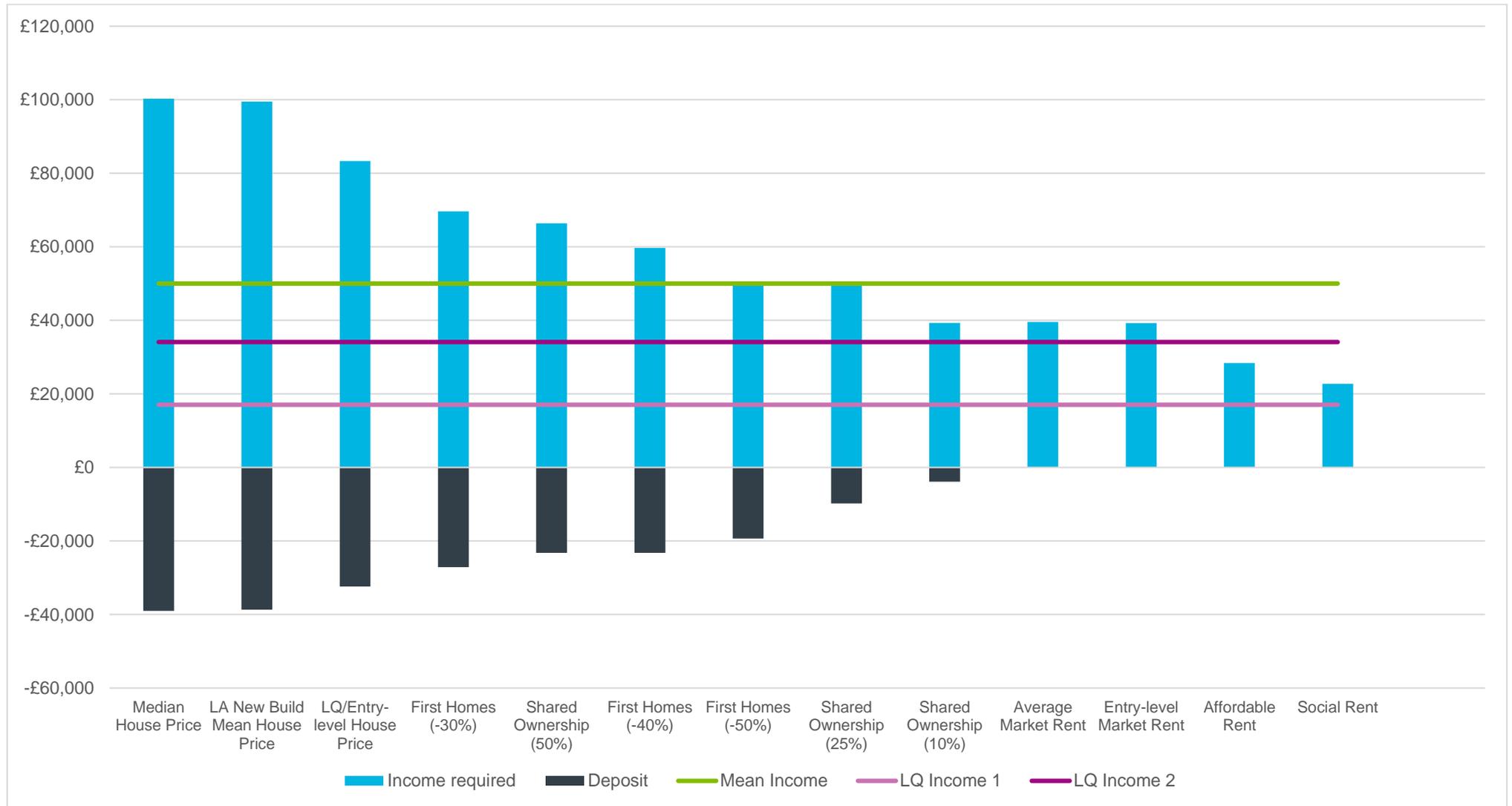
However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

61. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
62. The income required to access rent to buy is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are less affordable options.
63. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
 - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
 - Rent to buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.
64. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while rent to buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

Affordable rented housing

65. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling, require additional subsidy through Housing Benefit to access housing.
66. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Ickleford as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Figure 4-2: Affordability thresholds in Ickleford, income required (additional cost of deposit in black)



Source: AECOM Calculations

4.4 Affordable housing- quantity needed

67. The starting point for understanding the need for affordable housing in Ickleford is the relevant Strategic Housing Market Assessment (SHMA). A SHMA was undertaken for North Hertfordshire District Council or SHMA area in 2016. This study estimates the need for affordable housing in the District based on analysis of the Council's waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The SHMA identifies the need for 215 additional affordable homes each year in LPA area as a whole. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. A small proportion of these households may be able to afford shared ownership because in some cases it is more affordable than market rents, especially when available at a share of 25%.
68. When the SHMA figures are pro-rated to Ickleford based on its fair share of the population (1% of the LPA's population), this equates to 2 homes per annum (predominately for social/affordable rent) or 20 homes over the Neighbourhood Plan period 2021-2031. However, pro-rating District level estimates of affordable housing need to rural areas presents problems in practice. The District level figures are likely to represent higher needs in the urban areas of the District where there is a large social housing stock and larger numbers of households living in the PRS on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural villages like Ickleford the lack of social housing means there is no need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Ickleford.
69. Given the age of the SHMA, the fact it does not disaggregate between rented and intermediate tenures and the information supplied above, in Table 4-5 below we have calculated, using Planning Practice Guidance (PPG) as a starting point,¹⁰ an estimate of the total need for affordable rented housing in Ickleford over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
70. The table shows that there are currently about 32 households in Ickleford unable to access affordable rented homes suitable to their needs. The table also suggests that, over the Plan period, 1 additional household in the Neighbourhood Plan area will fall into need each year. However, expected levels of turnover in the existing stock produce an overall surplus of 1 affordable rented dwelling per year.
71. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 32 households). The reason for the apparent surplus over the long-term is that the model assumes a rate of turnover in the existing affordable housing stock of 3%. So of the 191 units of affordable rented accommodation existing currently, it can be expected that around 5.7 will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change.
72. An important caveat to this finding is that there are almost certainly households currently in need in the NA, and to 'spread them out' over the Plan period as the model does, suggests that some of them can be accommodated in ten years' time once a sufficient surplus has been built up through new supply and turnover of the existing stock. While possible, this is not favourable to the individuals involved. In practice, it would be better to frontload any future affordable rented provision to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock.
73. That said, the development currently under construction at the land to the east of Bedford Road and west of Old Ramerick Manor Bedford Road will deliver 37 dwellings in affordable rented tenure. This satisfies the projected newly arising need as well as some of the backlog.
74. A further caveat worth emphasizing is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable.

¹⁰ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

75. As such, it is recommended that Ickleford considers encouraging the delivery of some affordable rented housing, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties may need to satisfy new need from elsewhere in the district.
76. Given the turnover in existing stock (5 per year) and the dwellings under construction (37 dwellings), it is likely that existing affordable rented tenures meets the needs of the community across the plan period as well as potentially providing housing for those outside the Parish. Therefore, for the purpose of this assessment it is assumed that no more affordable rented dwellings need to be delivered in the Parish; however, for the reasons given above, affordable rented housing should not be discouraged.

Table 4-5 Estimate of need for Affordable Housing for rent in Ickleford

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	32.2	Latest waiting list data available from MHCLG Local authority housing statistics data return (households in priority need). Pro rata for the NA.
1.2 Per annum	3.2	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	45	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	44.5%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in parish	191	2011 Census social rented occupancy + LA % increase.
2.2.2 Number of private renters on housing benefits	7.8	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	12.1	Step 2.1 x Step 2.2.
2.4 Per annum	1.2	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	5.7	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall surplus per annum	1.3	Step 1.2 + Step 2.4 - Step 3.2
Overall surplus over plan period	13	5 x 10

Source: AECOM model, using Census 2011, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency. Figures may not sum due to rounding.

77. Turning now to Affordable Housing providing a route to home ownership, Table 4-6 below estimates the potential demand in Ickleford. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
78. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.¹¹ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
79. The result of the calculation is 4 households per annum who may be interested in affordable home ownership (or 42 for the entirety of the Plan period). However, again considering the current development in the neighbourhood area,

¹¹ <http://www.ipsos-mori-generations.com/housing.html>

the land to the east of Bedford Road and west of Old Ramerick Manor Bedford Road will deliver 20 dwellings as affordable housing for sale. Therefore, it may be considered that the residual need for AHS is 12 dwellings.

80. Again this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.
81. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Table 4-6 Estimate of the potential demand for affordable housing for sale in Ickleford

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	61	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	12.9%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	7.8	Step 1.1 x Step 1.2.
1.4 Current need (households)	39.9	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹²
1.5 Per annum	4	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	45	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	4.6%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	2.1	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.2	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	0	Number of shared ownership homes in parish (Census 2011 + LA new build to 2018/19 pro rated to NA).
3.2 Supply - intermediate resales	0	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	4.1	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over plan period	42	4.1 x 10
Residual shortfall when deducting dwellings under construction	12	Land to the east of Bedford Road and west of Old Ramerick Manor Bedford Road is currently under construction and will deliver 20 dwellings as AHS; therefore, this can be deducted from the calculated need.

Source: AECOM model, using Census 2011, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

82. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
83. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

¹² The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

4.4.1 Affordable Housing policy guidance

84. North Hertfordshire's adopted policy on this subject Policy 29A requires 25% of all new housing to be affordable on sites of 20 or more dwellings. However, the emerging Local Plan has increased this requirement, as such Policy HS2 requires 25% of all new housing to be affordable on sites of 11-14 dwellings, 35% on sites of 15-24 and 40% on sites of 25 or more.
85. On the current development site at land to the east of Bedford Road and west of Old Ramerick Manor Bedford Road affordable Housing made up 40% of new housing on the site, split between 65% affordable rented and 35% affordable for sale. This demonstrates that the requirement as set out in the emerging Local Plan is being met in the neighbourhood area.
86. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
87. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is set out in the Local Plan as 65% of homes to be rented and 35% to be for affordable ownership, as a starting point for negotiations. The HNA can supply more localized evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Ickleford specifically.
88. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:
- A. **Evidence of need for Affordable Housing:** This study estimates that Ickleford does not require a specific number of units of affordable rented housing, yet should aim to deliver an additional 12 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.

The relationship between these figures suggests that 20% of affordable housing should be rented and 80% should offer a route to ownership. Even though there is no requirement for affordable rented housing, given this is the tenure that meets acute needs it is not advisable to only focus on affordable routes for affordable home ownership. In addition, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.
 - B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.

If the adopted Local Plan target of 25% were achieved on every site, up to around 7 affordable homes might be expected in the NA¹³. This is not sufficient to satisfy the total potential demand for Affordable Housing identified here. If the majority of Ickleford's HRF is expected to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 20 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower. However, given the emerging policy requires a higher level of affordable housing and the policy applies to smaller sites (starting at sites of 11 dwellings) it could be reasonable to expect that a higher level of affordable housing could be delivered, which could meet the identified need of 12 dwellings.
 - C. **Local Plan policy:** As noted above, the adopted Local Plan seeks a tenure split of 65% affordable rented and 35% affordable for sale.
 - D. **Government policy (eg NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in North Hertfordshire, where 25% of all housing should be affordable overall, 40% of Affordable Housing should be for affordable ownership. The guideline tenure split sought in the Local Plan (for 35% affordable ownership) does not quite comply with this requirement.

¹³ Based on HRF of 29 dwellings.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA, there is no evidence that going below the 10% threshold in Ickleford would prejudice the provision of affordable rented homes.

- E. **Emerging policy:** the Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.

This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would effectively mean that of the 35% of Affordable Housing targeted for affordable ownership in the Local Plan, 25% would be First Homes with the remainder split among other tenures like shared ownership.

After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Ickleford:** The evidence suggests there is no Affordable Housing for sale in the within the NA at present; however, there is a significant amount of affordable rent. This suggests that some provision of Affordable Housing for ownership would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Ickleford and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

89. On the basis of the considerations above, Table 4-7 below proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
90. The indicative mix is chiefly a response to the assumption that social and affordable rented needs are being met by existing provision and turnover as well as recent development; therefore, primarily considering the need to deliver affordable housing for sale. For example, the model shows that there is a surplus of 1.3 dwellings per year when considering the turnover of existing social rented stock and an additional 37 units are being delivered on the site under construction at the time of writing, while in 2011 there were zero routes to affordable home ownership in the area. However, given the importance of affordable rented tenures meeting acute needs some provision is still included in the suggested tenure mix. The suggested split is in contrast to that suggested by the emerging Local Plan and should therefore be discussed with the LPA. As, for example, they may wish to include a higher percentage of affordable rented housing to help meet district wide needs which have not been considered in this assessment.
91. Since rent to buy appears the most affordable and helpful option locally the greatest weight is put on this tenure. However, given those on median incomes can afford shared ownership at 25% and First Homes (assuming it can be offered at the maximum discount level of 50%) are also included in the tenure mix.
92. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.

93. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with North Hertfordshire to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
94. Another option when developing Neighbourhood Plan policies on tenure splits 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-site circumstances in addition to this evidence.

Table 4-7 Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	80%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	25%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	30%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	20%	
Social rent	To be set by Registered Providers (RP)	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

4.5 Conclusions- Tenure and Affordability

95. As reflected at both district and national geographies, the majority of homes in Ickleford are owned. A slightly higher proportion of homes are in the social rented tenure than at wider geographies with a correspondingly lower proportion in the privately rented tenure. While between 2001 and 2011, Ickleford went from having 6 shared ownership dwellings to none which indicates there are no affordable routes to home ownership in the neighbourhood area.
96. House prices have fluctuated slightly between 2011 and 2020, yet the median house price is broadly the same just under £400,000 with only a 5% growth, yet mean house prices saw a 25% increase. The lower quartile price saw a 47% increase which equates to an increase of £103,000 over the past 10 years, showing that increasing price of market housing has disproportionately impacted those on lower incomes who would seek the entry-level dwellings.
97. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 100% higher than the current average. Private renting is generally only affordable to average earners. While the inability of those on lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that the need of those on lower incomes are not being met in the market and this group will require a form of discounted or social housing support.
98. The most significant finding is the need for affordable home ownership in Ickleford. There is an identified need for an additional 12 affordable home ownership dwellings on top of those already under construction in the neighbourhood area. Government policy aimed at tackling the housing crisis continues to attach high priority on helping those on modest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership. In the case of Ickleford, the most appropriate tenures to help implement this policy goal locally are rent to buy, shared ownership (25% share) or discounted market sale (50% discount).

99. The Ickleford Neighbourhood Plan Questionnaire shows that 38% of residents think that social/affordable rented housing will be needed over the next 10 years, while 27% think that shared ownership schemes will be required and only 9% think private rented housing will be required.
100. The findings of this chapter on the potential for providing affordable and low-cost tenures across the Neighbourhood Plan area do not align with those of the SHMA. The SHMA focuses on the delivery of socially rented dwellings over affordable housing for sale; however, the findings of this HNA suggest there is already enough socially rented stock in the neighbourhood area but not sufficient affordable housing for sale. Therefore, it is suggested that a greater emphasis is put on affordable housing for sale in future policy for the neighbourhood area. The indicative tenure mix suggested as a result of the evidence presented in this HNA is 20% affordable rent and 80% affordable housing for sale.
101. Table 4-8 below summarises Ickleford's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighborhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-8 Estimated delivery of Affordable Housing in Ickleford

	Step in Estimation	Expected delivery
A	Provisional capacity figure	29
B	Affordable housing quota (%) in LPA's Local Plan	25%
C	Potential total Affordable Housing in NA (A x B)	7
D	Rented % (e.g. social/ affordable rented)	20%
E	Rented number (C x D)	1
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	80%
G	Affordable home ownership number (C x F)	6

Source: AECOM estimate based on LPA's affordable housing policies, AECOM's indicative tenure mix

102. This level of delivery is below the identified need of 12 affordable houses for sale; however, given the above table has used the adopted policy requirements rather than the emerging policy requirements it may be expected that the overall percentage of affordable housing would be higher in the future. As such, if all 29 homes were delivered on one site, under the emerging Local Plan policy this would require 40% to be delivered as affordable (12 dwellings) which, although this would still be split between rented and ownership, would allow for delivery of affordable housing close to the need identified.
103. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. This may be of particular interest of the Neighbourhood Plan given the restrictions on development due to the Green Belt policy, as Rural Exception housing can be delivered on sites within the Green Belt providing more freedom to deliver identified need for affordable housing.

5. RQ Two: Type and Size

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

5.1 Introduction

104. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Ickleford in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.
105. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

5.2 Existing types and sizes

5.2.1 Background and definitions

106. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.
107. This study is concerned primarily with need rather than demand. Need for homes of different sizes is chiefly determined by the number of people occupying the home. In the strict sense, there is no ‘need’ for dwellings of any particular type, other than the specific needs of those with certain disabilities for level access properties, for example.
108. The best proxy for the number of people in a household is age or ‘life stage’, with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.
109. It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained. As such, all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family), and a dwelling is shared where there is more than one household occupying it (e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes.
110. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. For some aspects, such as the size mix of homes, adding together Census figures and completions data for the intervening period is highly accurate. For others, such as the type mix of homes, this method is not available and Valuation Office Agency (VOA) must be used. The most appropriate combination of approaches is used in this section.

5.2.2 Dwelling type

111. The data used in the table below is a combination of 2011 census and 2020 VOA, which provides a varied and balanced picture of the type of dwelling in the neighbourhood area. However, the figures between the two data sources cannot be directly correlated as the census data relates to the Parish only, while the VOA data relates to the Lower Super Output Area which includes the Parish as well as the village of Holwell. However, it is useful to note that similar proportions of each dwelling can be found in both 2011 and 2020.
112. Census 2011 data is also presented, but this unfortunately cannot be used to fully understand the changes between 2011 and 2020 because Census data counts bungalows within each of the other categories rather than independently

(hence the apparent decline in the number of detached properties), and because the VOA data relates to a slightly larger proxy area. Note also that VOA data is rounded to the nearest 10 in each dwelling category.

Table 5-1: Accommodation type, Ickleford, 2011 and 2020

Dwelling type	2011 (Census)	2020 (VOA)
Bungalow	-	130
Flat	140	160
Terrace	152	200
Semi-detached	240	240
Detached	298	290
Unknown/other	-	20
Total	844	1,040

Source: ONS 2011, VOA 2020, AECOM Calculations

113. Ickleford has a higher proportion of bungalows when compared to district and national levels, while it has a lower proportion of flats and terraced houses which may be representative of the relative rural character of the Parish. Similarly, there is a higher proportion of detached dwellings, accounting for almost double the level seen nationally.

Table 5-2: Accommodation type, various geographies, 2020

Dwelling type	Ickleford	North Hertfordshire	England
Bungalow	12.5%	6.5%	9.4%
Flat	15.4%	20.0%	23.0%
Terrace	19.2%	28.0%	26.4%
Semi-detached	23.1%	24.2%	23.8%
Detached	27.9%	20.0%	15.9%
Unknown/other	1.9%	1.3%	1.4%

Source: VOA 2020, AECOM Calculations

5.2.3 Dwelling size

114. Primarily, dwellings in Ickleford are made up of 3 or 4 or more bedrooms, with a smaller proportion of smaller dwellings with 1 or 2 bedrooms. This corresponds with the larger proportion of detached and semi-detached dwellings that tend to be larger than terraced houses and flats. However, given the lower numbers of smaller dwellings this may result in increased unaffordability for younger families and/or lack of options for older people who may wish to downsize as they get older.
115. Current development in the Parish, at allocation site LS1 for 144 dwellings isacerbating this position. As such, 73 of the 87 market dwellings being delivered have 3 or more bedrooms. That being said of the 55 affordable dwellings, approximately half comprise 1 and 2 bedroom dwellings.
116. While the VOA data helpfully shows changes that have been made to existing homes (i.e. extensions and the subdivision of rooms) that the other method overlooks (because the 2011 Census mix is effectively frozen at that point in time), it is in other respects less accurate. The VOA data is rounded to the nearest ten for each dwelling category, records a number of properties with an unknown number of rooms, and the newest data available is for 2020 – which misses any homes completed in the last year. In addition, it includes the village of Holwell as part of the Lower Super Output Area.

Table 5-3: Dwelling size (bedrooms), Ickleford, 2011 and 2020

Number of bedrooms	2011 (Census)	2020 (VOA)
Studio	1	-
1	89	100
2	188	250
3	306	440
4+	228	240
Unknown	-	0
Total	812	1,030

Source: ONS 2011, VOA 2020, AECOM Calculations

117. The breakdown in dwelling size is generally similar to what can be seen for higher level geographies, although there is a slightly higher proportion of dwellings with 4 or more bedrooms and slightly less of dwellings with 1 or 2 bedrooms.

Table 5-4: Dwelling size (bedrooms), various geographies, 2020

Number of bedrooms	Ickleford	North Hertfordshire	England
1	9.7%	11.6%	12.0%
2	24.3%	25.3%	27.7%
3	42.7%	45.4%	43.0%
4+	23.3%	17.5%	15.2%

Source: VOA 2020, AECOM Calculations

5.3 Age and household composition

118. Having established the current stock profile of Ickleford and identified recent changes to it, the evidence gathered below examines the composition and age structure of households living in the NA. Many of these indicators have a bearing on what housing might be needed in future years.

5.3.1 Age structure

119. Table 5-5 below shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. The data shows that the demographic in the neighbourhood area has not changed dramatically, generally the most significant change is a slight reduction in the age groups 16-24 and 25-44 and an increase in the age groups 65-84 and 85 and over.

120. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2019 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

121. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2019 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

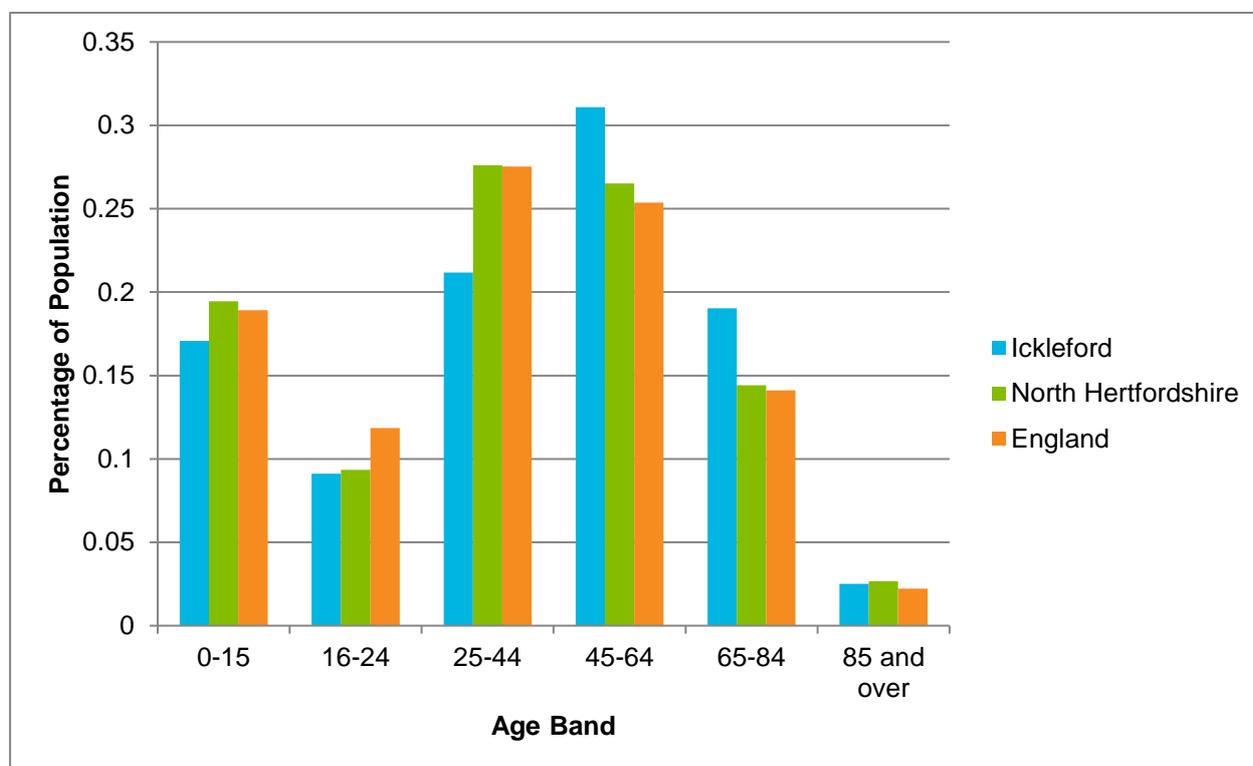
Table 5-5: Age structure of Ickleford population, 2011 and 2019

Age group	2011 (Census)		2019 (ONS, estimated)	
0-15	313	17%	319	17%
16-24	167	9%	149	8%
25-44	388	21%	324	18%
45-64	570	31%	563	31%
65-84	349	19%	413	23%
85 and over	46	3%	67	4%
Total	1,833	100%	1,835	100%

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

122. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 below (using 2011 Census data) shows that Ickleford has a lower proportion of those aged under 44 and a higher proportion of those aged over 44 than in both North Hertfordshire and England more generally. This may be a reflection of the general lack of affordability, resulting in less young adults and families living or moving to the area.

Figure 5-1: Age structure in Ickleford, 2011



Source: ONS 2011, AECOM Calculations

5.3.2 Household composition

123. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-6 shows that there is more than double the number of households that are families compared to single persons. In addition, in those family households the majority have dependent children.

124. Between the 2001 and 2011 census, the proportion of family households who were all aged 65 and over increased by 14%, much higher than seen at the district level (0.5%) and nationally (where levels fell by 2%). This indicates that family households are getting older and remaining in the village, while fewer younger families are arriving, potentially due to the lack of appropriately sized or affordable housing.

Table 5-6: Household composition, Ickleford, 2011

Household composition		Ickleford	North Hertfordshire	England
One person household	Total	30.8%	29.0%	30.2%
	Aged 65 and over	15.9%	12.6%	12.4%
	Other	14.9%	16.4%	17.9%
One family only	Total	65.5%	65.7%	61.8%
	All aged 65 and over	11.8%	8.7%	8.1%
	With no children	18.1%	19.4%	17.6%
	With dependent children	26.6%	28.3%	26.5%
	All children Non-Dependent ¹⁴	9.0%	9.2%	9.6%
Other household types	Total	3.7%	5.3%	8.0%

Source: ONS 2011, AECOM Calculations

5.3.3 Occupancy ratings

125. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
126. Census data on occupancy rating is only provided down to MSOA level. So for the purpose of this analysis, the NA is represented by MSOA North Hertfordshire 014. Across all age groups, there is a higher proportion of households with underoccupancy rather than overoccupancy. Generally, however, the trend shows that older people tend to have higher underoccupancy while younger people have an overoccupancy.
127. This might suggest that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

Table 5-7: Occupancy rating by age in Ickleford, 2011

Age group	+2 rating	+1 rating	0 rating	-1 rating
0-15	12%	22%	28%	33%
16-49	31%	43%	48%	52%
50-64	31%	18%	14%	9%
65 and over	26%	16%	10%	5%
All ages	41%	34%	21%	3%

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

5.4 Suggested future dwelling size mix

128. As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the parish at the end of the Neighbourhood Plan period. The steps involved in this model are not presented in full, but can be summarised – along with the underpinning assumptions and some limitations – as follows:

- The starting point is the age distribution of Ickleford households in 2011.

¹⁴ Refers to households containing children who are older than 18 e.g. students or young working people living at home.

- The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
- As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
 - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
 - The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.

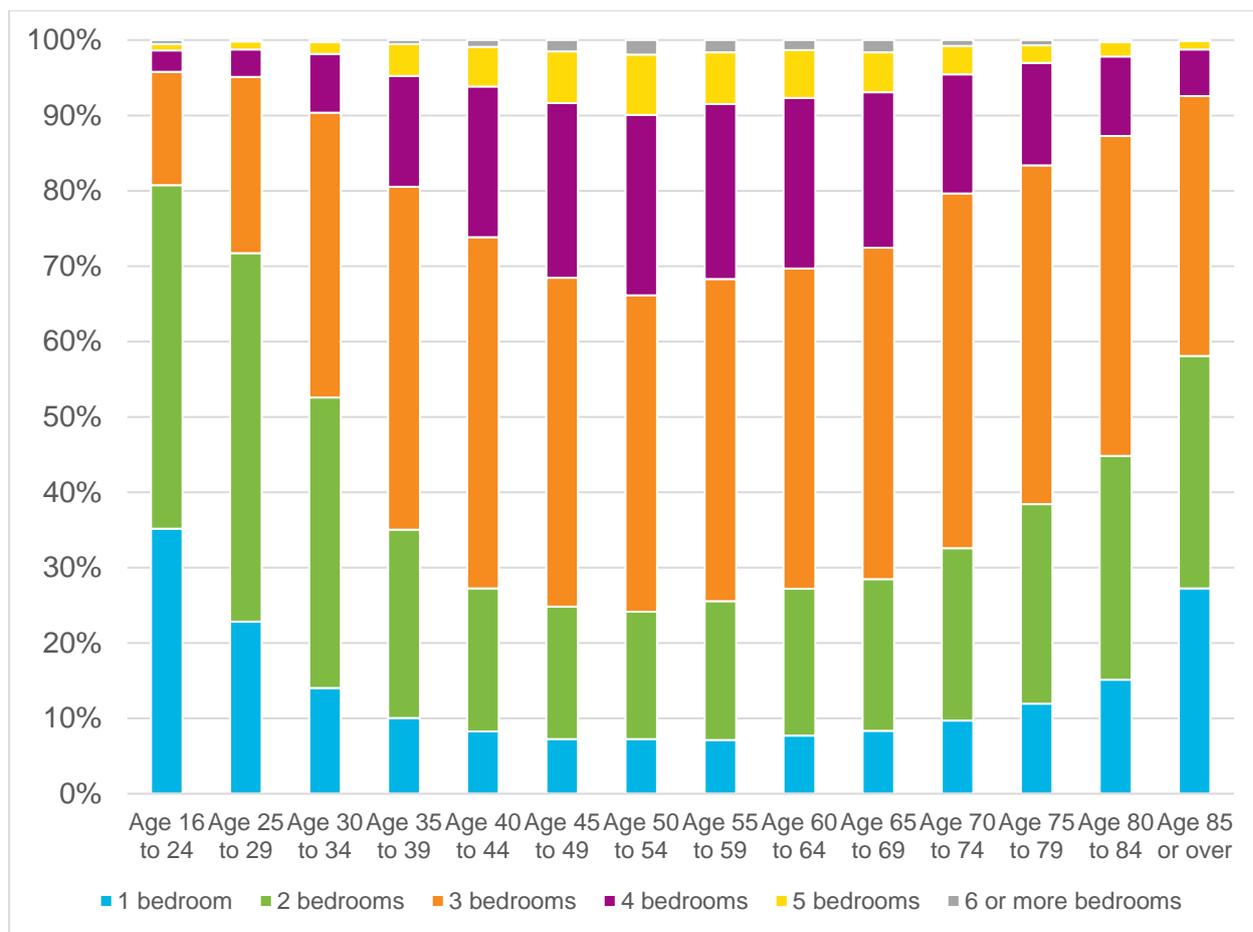
129. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.

130. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.

131. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.

132. The first, given as Figure 5-2 below, sets out the relationship between household life stage and dwelling size for North Hertfordshire in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in North Hertfordshire District Council, 2011



Source: ONS 2011, AECOM Calculations

133. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Ickleford households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 below makes clear that population growth can be expected to be driven by the oldest households, with 41% of HRPs being 65 and over, while households with a HRP of 54 and under are all projected to decrease between 2011 and 2031.

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

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	13	72	300	156	271
2031	12	64	298	176	382
% change 2011-2031	-8%	-10%	-1%	13%	41%

Source: AECOM Calculations

134. The final result of this exercise is presented in Table 5-9 below. The model suggests that 60% of homes built in the Parish should consist of dwellings with 3 bedrooms, 23% with 2 bedrooms, 11% with 1 bedroom and 6% with 5 or more bedrooms. This suggests that no more dwellings with 4 bedrooms are required.

Table 5-9: Suggested dwelling size mix to 2031, Ickleford

Number of bedrooms	Current mix (2011)	Target mix 2031	Balance of new housing to reach target mix
1 bedroom	11.0%	11.3%	11.2%
2 bedrooms	23.2%	23.8%	23.0%
3 bedrooms	37.7%	42.2%	60.3%
4 bedrooms	22.7%	17.1%	0.0%
5 or more bedrooms	5.4%	5.6%	5.5%

Source: AECOM Calculations

135. It is generally not advisable to restrict future housing delivery in specific size categories, as for the larger sizes recommended here. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.
136. For example, the young starter families and downsizing older households present in the NA may both need 'mid-sized' homes, but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.
137. The Ickleford Neighbourhood Plan Questionnaire shows that 15% of residents think that one bedroom homes will be required over the next 10 years, 44% think that two bedroom homes will be required, 43% three bedrooms and 30% think that larger homes (of more than 3 bedrooms) will be required. This again demonstrates that small to midsized homes are likely to be most needed, yet a balance included all sizes should continue to be delivered.
138. The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
139. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
140. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the Parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix, but is among the good reasons not to inhibit any size of dwelling entirely.
141. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to smaller and mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

5.5 The SHMA findings

142. The SHMA outlines the mix of dwelling size and type needed across North Hertfordshire, split between market housing and affordable housing. As can be seen from the figure below, overall most of the market housing need is for housing (consisting of primarily 3 and 4 bedroom dwellings) with a smaller requirement for flats. While the need for affordable housing again identified more housing than flats but a higher proportion of flats than compared with market housing. In addition, a larger proportion of smaller dwellings (2 and 3 bedroom) are required in the affordable tenure.

Figure 5-3 Housing mix of objectively assessed need for market and affordable housing by Local Authority

		Stevenage Number	Stevenage Percentage	North Hertfordshire Number	North Hertfordshire Percentage	TOTAL
MARKET HOUSING						
Flat	1 bedroom	30	0.8%	200	2.0%	230
	2+ bedrooms	30	0.8%	360	3.6%	390
House	2 bedrooms	320	8.2%	840	8.4%	1,160
	3 bedrooms	2,960	75.9%	5,300	53.0%	8,260
	4 bedrooms	520	13.3%	2,540	25.4%	3,050
	5+ bedrooms	40	1.0%	790	7.9%	830
Total Market Housing		3,900	100%	10,000	100%	13,900
AFFORDABLE HOUSING						
Flat	1 bedroom	550	16.2%	740	16.8%	1,280
	2+ bedrooms	300	8.8%	470	10.7%	760
House	2 bedrooms	840	24.7%	1,010	23.0%	1,850
	3 bedrooms	1,470	43.2%	1,810	41.1%	3,280
	4+ bedrooms	250	7.4%	330	7.5%	580
Total Affordable Housing		3,400	100%	4,400	100%	7,800
TOTAL		7,300		14,400		21,700

Source: Stevenage and North Hertfordshire Strategic Housing Market Assessment

5.6 Conclusions- Type and Size

143. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
144. Ickleford has a high proportion of bungalows when compared to district and national levels, while it has a lower proportion of flats and terraced houses which may be representative of the rural nature of the Parish. Similarly, there is a higher proportion of detached dwellings, accounting for almost double the levels seen nationally.
145. Primarily, dwellings in Ickleford are made up of 3 or 4 or more bedrooms, with a smaller proportion of smaller dwellings with 1 or 2 bedrooms. This corresponds with the larger proportion of detached and semi-detached dwellings that tend to be larger than terraced houses and flats. However, given the lower numbers of smaller dwellings this may result in increased unaffordability for younger families and/or lack of options for older people who may wish to downsize as they get older.
146. Ickleford has a lower proportion of those aged under 44 and a higher proportion of those aged over 44 than in both North Hertfordshire and England more generally. This may be a reflection of the general lack of affordability, resulting in less young adults and families living or moving to the area.
147. It is therefore important for new development to prioritise housing that is appropriate both to young families with children and older households. The needs and financial capabilities of both these groups overlap to some extent, although the precise configuration and quality expectations that they have for smaller dwellings may vary.
148. Across all age groups, there is a higher proportion of households with underoccupancy rather than overoccupancy. Generally, however, the trend shows that older people tend to have higher underoccupancy while younger people have an overoccupancy. This might suggest that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.
149. The results of a life-stage modelling exercise, which looks at the sizes of dwelling occupied by different age groups and projects the growth and decline of those age groups over the Plan period in order to understand what should be built, demonstrates that in Ickleford an appropriate response would be to prioritise the supply smaller to mid-sized dwellings (of 1, 2 and 3 bedrooms).

150. In effect, a mix of home sizes will continue to be needed, with 3 bedroom homes expected to cater best to the ageing population while providing accommodation for smaller families. There appears to be enough of the largest homes already, particularly if smaller homes attractive to those wishing to downsize can be delivered, thereby releasing existing large homes for other occupants.
151. This model, however, operates on the assumption that households can and will wish to occupy only housing specifically suitable for their household size, which is not a realistic prospect given that people are willing to pay for extra bedrooms for a range of reasons. It is not surprising, then, that demand for some larger dwellings will remain. The provision of these homes should therefore not be inhibited entirely (though some of that demand will be met by natural churn within the market), but to the extent that the community wish to influence the size mix of housing coming forward, small to mid-sized homes should be the priority.
152. The Ickleford Neighbourhood Plan Questionnaire shows that 15% of residents think that one bedroom homes will be required over the next 10 years, 44% think that two bedroom homes will be required, 43% three bedrooms and 30% think that larger homes (of more than 3 bedrooms) will be required. This confirms that small to midsized homes are likely to be most needed, yet a balance included all sizes should continue to be delivered.
153. In the Tenure and Affordability chapter analysis, it was found that market housing for sale (as opposed to market housing for rent and all types of Affordable Housing) is increasingly unaffordable and that those on the median incomes are unable to afford to live outside of the rented sector. While Affordable Housing should be well balanced in terms of size to cater for all circumstances, the provision of smaller and mid-sized homes for sale and rent should make an important contribution to improving affordability more widely. If older households wishing to 'rightsize' and younger ones seeking to form their own independent households are to be able to afford to live in Ickleford, increasing the provision of small and mid-size homes will be crucial.

6. RQ Three: Specialist housing for older people

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

6.1 Introduction

154. This chapter considers in detail the specialist housing needs of older and disabled people in Ickleford. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows:

- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
- Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
- Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

155. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.

156. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

157. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁵ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

158. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁶

159. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁷ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

6.1.1 Current supply of specialist housing for older people

160. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.

161. Table 6-1 below counts a total of 43 units of specialist accommodation in the NA at present, which are available for social rent for those in financial need, made up of 1 and 2 bedroom flats.

¹⁵ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

¹⁶ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁷ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

162. ONS 2019 population estimates suggest that there are currently around 238 individuals aged 75 or over in Ickleford. This suggests that current provision is in the region of 130 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

Table 6-1: Existing specialist housing for the elderly in Ickleford

Name	Description	Bed spaces	Tenure	Type	
1	Glebe House	Retirement Housing	43 flats	Social rented	1 and 2 bedroom

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

6.1.2 Tenure-led projections

163. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across North Hertfordshire District Council, as this is the most recent and smallest geography for which tenure by age bracket data is available.
164. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2031. It is assumed that those currently occupying their own home will 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 specialist accommodation.
165. According to Table 6-2 below, the majority of those aged 55-75 own their homes (76%), with a large share of this owning their homes outright. 24% of households are rented, with a larger share socially rented rather than privately rented.

Table 6-2: Tenure of households aged 55-75 in North Hertfordshire District Council, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
75.9%	53.4%	22.4%	24.1%	17.5%	5.7%	0.9%

Source: Census 2011

166. The next step is to project how the overall number of older people in Ickleford is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for North Hertfordshire District Council at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 below. It is projected that in Ickleford the population of those aged 75 and over will increase by approximately 4% (or 89 people). This is a slightly higher increase than is expected at district level where the population is expected to increase by approximately 3%.

Table 6-3: Modelled projection of elderly population in Ickleford by end of Plan period

Age group	2011		2031	
	Ickleford (Census)	North Hertfordshire (Census)	Ickleford (AECOM Calculation)	North Hertfordshire (ONS SNPP 2014)
All ages	1,833	127,114	1,977	137,085
75+	182	10,878	271	16,193
%	9.9%	8.6%	13.7%	11.8%

Source: ONS SNPP 2016, AECOM Calculations

167. A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).

168. In the Ickleford Neighbourhood Plan Questionnaire, residents were asked what type of accommodation will be needed in the Parish over the next 10 years. 34% respondents noted that retirement/sheltered housing would be required, thus demonstrating local support for including specialist housing for older people within the Parish. Yet this does not provide insight into how the existing older population are currently accommodated.
169. The people whose needs are the focus of the subsequent analysis are therefore the additional 89 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in North Hertfordshire in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 10,878 individuals aged 75+ and 7,645 households headed by a person in that age group. The average household size is therefore 1.4, and the projected growth of 89 people in Ickleford can be estimated to be formed into around 64 households.
170. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-4 below. This provides a breakdown of which tenures those households are likely to need.

Table 6-4: Projected tenure of households aged 75+ in Ickleford 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 free	rent free
48	34	14	15	11	4	1	

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

171. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs, they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-5 below presents this data for Ickleford from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Ickleford, 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	395	71	18.0%	103
Owned or shared ownership: Total	260	27	10.4%	66
Owned: Owned outright	246	27	11.0%	66
Owned: Owned with a mortgage or loan or shared ownership	14	0	0.0%	0
Rented or living rent free: Total	135	44	32.6%	37
Rented: Social rented	114	36	31.6%	32
Rented: Private rented or living rent free	21	8	38.1%	5

Source: DC3408EW Health status

172. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 37.
173. 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. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

Table 6-6: AECOM estimate of specialist housing need in Ickleford 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 Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	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	14
	7	7	
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	23
	6	17	
Total	13	24	37

Source: Census 2011, AECOM Calculations

6.1.3 Housing LIN-recommended provision

174. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table 6-7 below reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide 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 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

175. As Table 6-3 shows, Ickleford is forecast to see an increase of 89 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.089 = 5$
- Leasehold sheltered housing = $120 \times 0.089 = 11$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.089 = 1.8$
- Extra care housing for rent = $15 \times 0.089 = 1.3$
- Extra care housing for sale = $30 \times 0.089 = 2.7$
- Housing based provision for dementia = $6 \times 0.089 = 0.5$

176. This produces an overall total of 22 specialist dwellings which might be required by the end of the plan period.

177. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 above. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

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

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	6
	2.76	3.56	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	16
	5	11	
Total	8	14	22

Source: Housing LIN, AECOM calculations

6.2 SHMA findings

178. The SHMA provides benchmark figures for specialist holder person housing, and provides a useful framework for understanding the potential demand for different forms of older person housing. As can be seen from the figure below, there is greater demand for owned specialist housing compared with rented, which is corroborated in the findings in this HNA for Ickleford.

Figure 6-1 Benchmark Figures for Specialist Older Person Housing

Form of Provision	More Choice, Greater Voice toolkit			SHOP resource pack		
	Owned	Rented	TOTAL	Owned	Rented	TOTAL
Demand per 1,000 persons aged 75+						
Leasehold Schemes for the Elderly (LSE)	75	-	75	120	-	120
Conventional Sheltered Housing	-	50	50	-	60	60
Sheltered 'plus' or 'Enhanced' Sheltered	10	10	20	10	10	20
Extra care	12.5	12.5	25	30	15	45
Dementia	-	10	10	-	6	6
TOTAL	97.5	92.5	180	160	91	251

Source: Stevenage and North Herts Strategic Housing Market Assessment

6.3 Conclusions- Specialist Housing for the Older People

179. The 2011 census data recorded 182 individuals aged 75 and over in Ickleford, the ONS population estimates suggest that by 2019 this had increased to around 238 individuals. It is projected that by the end of the Plan period (2031) that there will be 271 individuals aged 75 and over in Ickleford, an approximate 4% increase since 2011.
180. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
181. These two methods of estimating the future need in Ickleford produce a range of 22 to 37 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
182. The existing specialist accommodation in the Parish currently is all within social rented tenure, while neighbourhood plans cannot set the proportion of future supply that should be affordable (as this usually has to be in line with Local Plan policy), the Plan may want to encourage any additional provision to fill in a gap in the market. As such in both the tenure-led and HLIN calculations the main unmet need is for market housing, as supported by the SHMA also. This may be satisfied by making sure all new housing is accessible and adaptable for people with lower support needs. Aligned with this, both the calculations suggest there is a higher need for people with lower support needs.
183. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Plan is therefore to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan, and to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock). However, this is largely covered by the emerging Local Plan.
184. Emerging Local Plan Policy HS5 provides explicit encouragement for development to accommodate specific groups such as older people. It suggested that 50% of new housing should meet national standards for accessibility and adaptability (Category M4(2)), and that 10% of dwellings on sites of 10 units or more should accommodate wheelchair users (Category M4(3)). The evidence gathered here justify increasing such a targets in the Neighbourhood Plan if this avenue has the support of the LPA.
185. It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey. The 10% target in the Local Plan may also be considered sufficient as a largely standard percentage.
186. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people 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.
187. 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).
188. It is considered that Ickleford is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Ickleford in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist

need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.

189. In the Ickleford Neighbourhood Plan Questionnaire, residents were asked what type of accommodation will be needed in the Parish over the next 10 years, 34% respondents noted that retirement/sheltered housing would be required. This demonstrates local support for including specialist housing for older people within the Parish.
190. Wherever specialist housing 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 move in later life.

7. Conclusions

7.1 Overview

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

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

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Housing tenure and affordability</p>	<p>As reflected at both district and national geographies, the majority of homes in Ickleford are owned. A slightly higher proportion of homes are in social rented tenure than at wider geographies with a correspondingly lower proportion in privately rented tenure. While between 2001 and 2011, Ickleford went from having 6 shared ownership dwellings to zero which indicates there are no affordable routes to home ownership in the neighbourhood area.</p> <p>Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 100% higher than the current average. Private renting is generally only affordable to average earners. While the inability of those on lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that the need of those on lower incomes are not being met in the market and this group will require a form of discounted or social housing support.</p>	<p>The most significant finding is the need for affordable home ownership in Ickleford. There is an identified need for an additional 12 affordable home ownership dwellings on top of those already under construction in the neighbourhood area. Government policy aimed at tackling the housing crisis continues to attach high priority on helping those on modest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership. In the case of Ickleford, the most appropriate tenures to help implement this policy goal locally are rent to buy, shared ownership (25% share) or discounted market sale (50% discount).</p> <p>The findings of this chapter on the potential for providing affordable and low-cost tenures across the Neighbourhood Plan area do not align with those of the SHMA. The SHMA focuses on the delivery of socially rented dwellings over affordable housing for sale; however, the findings of this HNA suggest there is already enough socially rented stock in the neighbourhood area but not sufficient affordable housing for sale. Therefore, it is suggested that a greater emphasis is put on affordable housing for sale in future policy for the neighbourhood area. The indicative tenures suggested as a result of the evidence presented in this HNA is 20% affordable rent and 80% affordable housing for sale.</p> <p>Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. This may be of particular interest of the Neighbourhood Plan given the restrictions on development due to the Green Belt policy, as Rural Exception housing can be delivered on sites within the Green Belt providing more freedom to deliver identified need for affordable housing.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Housing type and size</p>	<p>Ickleford has a high proportion of bungalows when compared to district and national levels, while it has a lower proportion of flats and terraced houses which may be representative of the relative ruralness of the Parish. Similarly, there is a higher proportion of detached dwellings, accounting for almost double than seen nationally.</p> <p>Primarily, dwellings in Ickleford are made up of 3 or 4 or more bedrooms, with a smaller proportion of smaller dwellings with 1 or 2 bedrooms. This corresponds with the larger proportion of detached and semi-detached dwellings that tend to be larger than terraced houses and flats. However, given the lower numbers of smaller dwellings this may result in increased unaffordability for younger families and/or lack of options for older people who may wish to downsize as they get older.</p> <p>In terms of demographics, Ickleford has a lower proportion of those ages under 44 and a higher proportion of those aged over 44 than in both North Hertfordshire and England more generally. This may be a reflection of the general lack of affordability, resulting in less young adults and families living or moving to the area. It is therefore important for new development to prioritise housing that is appropriate both to young families with children and older households. The needs and financial capabilities of both these groups overlap to some extent, although the precise configuration and quality expectations that they have for smaller dwellings may vary.</p> <p>Across all age groups, there is a higher proportion of households with underoccupancy rather than overoccupancy. Generally, however, the trend shows that older people tend to have higher underoccupancy while younger people have an overoccupancy. This might suggest that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or my older people who have not chosen or be able to move to smaller properties.</p>	<p>The results of a life-stage modelling exercise, which looks at the sizes of dwelling occupied by different age groups and projects the growth and decline of those age groups over the Plan period in order to understand what should be built demonstrates that in Ickleford an appropriate response would be to prioritise the supply smaller to mid-sized dwellings (of 1, 2 and 3 bedrooms).</p> <p>In effect, a mix of home sizes will continue to be needed, with 3 bedroom homes expected to cater best to the ageing population while providing accommodation for smaller families. There appears to be enough of the largest homes already, particularly if smaller homes attractive to those wishing to downsize can be delivered, thereby releasing existing large homes for other occupants.</p> <p>In the Tenure and Affordability chapter analysis, it was found that market housing for sale (as opposed to market housing for rent and all types of Affordable Housing) is increasingly unaffordable and that those on the median incomes are unable to afford to live outside of the rented sector. While Affordable Housing should be well balanced in terms of size to cater for all circumstances, the provision of smaller and mid-sized homes for sale and rent should make an important contribution to improving affordability more widely. If older households wishing to 'rightsize' and younger ones seeking to form their own independent households are to be able to afford to live in Ickleford, increasing the provision of small and mid-size homes will be crucial.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Specialist housing for older people</p>	<p>The two methods of estimating the future need in Ickleford produce a range of 22 to 37 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.</p> <p>The existing specialist accommodation in the Parish currently is all within social rented tenure, while neighbourhood plans cannot set the proportion of future supply that should be affordable (as this usually has to be in line with Local Plan policy), the Plan may want to encourage any additional provision to fill in a gap in the market. As such in both the tenure-led and HLIN calculations the main unmet need is for market housing, as supported by the SHMA also. This may be satisfied by making sure all new housing is accessible and adaptable for people with lower support needs. Aligned with this, both the calculations suggest there is a higher need for people with lower support needs.</p> <p>Emerging Local Plan Policy HS5 provides explicit encouragement for development to accommodate specific groups such as older people. It suggested that 50% of new housing should meet national standards for accessibility and adaptability (Category M4(2)), and that 10% of dwellings on sites of 10 units or more should accommodate wheelchair users (Category M4(3)). The evidence gathered here justify increasing such a targets in the Neighbourhood Plan if this avenue has the support of the LPA.</p>	<p>It is considered that Ickleford is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Ickleford in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.</p> <p>It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this.</p> <p>Wherever specialist housing 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 move in later life.</p>

7.2 Recommendations for next steps

192. This Neighbourhood Plan housing needs assessment aims to provide Ickleford 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 North Hertfordshire District Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular 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 North Hertfordshire District Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by North Hertfordshire District Council.

193. 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.

194. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, North Hertfordshire District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
195. 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.

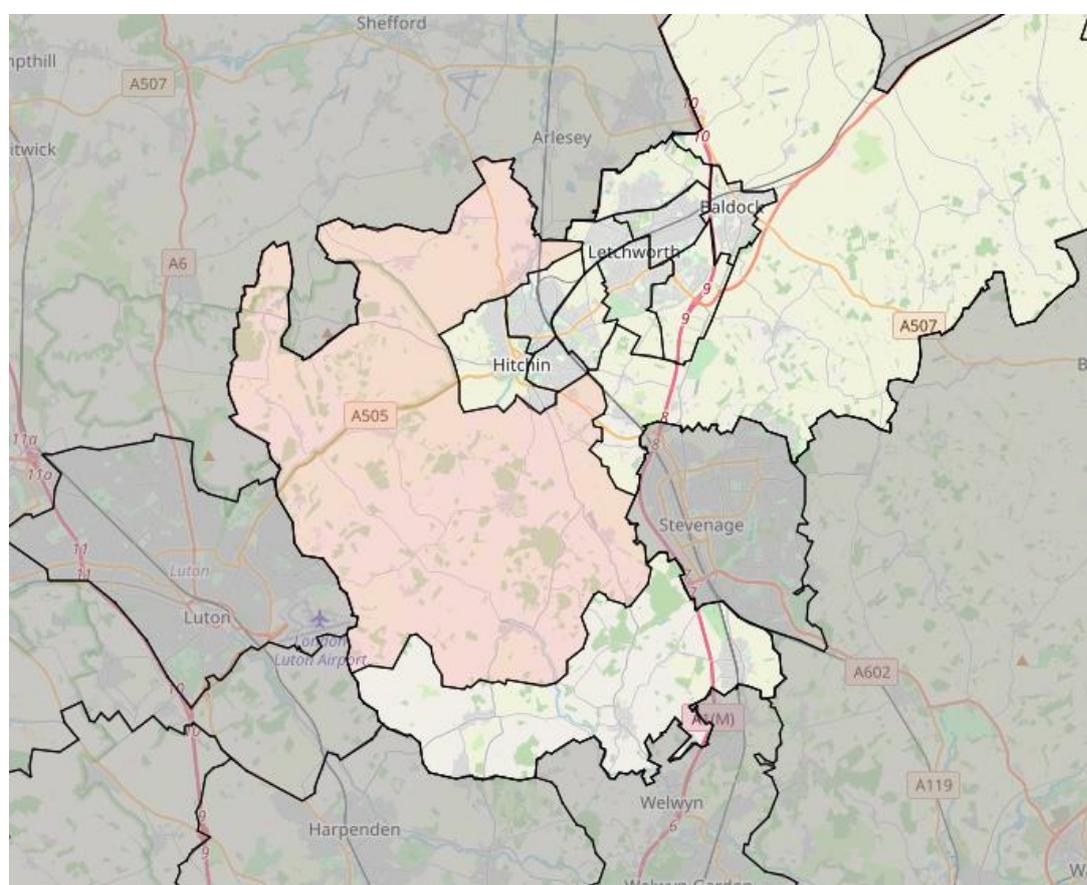
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

196. As noted in the Tenure and Affordability chapter, 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.

197. As such, when calculating affordability thresholds, a Middle Super Output Area needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Ickleford, it is considered that MSOA North Hertfordshire 014 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 North Hertfordshire 014 appears below in Figure 7-1. This MSOA covers a much wider area than the Parish, but is used as proxy as relevant data on smaller geographical areas is not available. The MSOA is coloured pink on the map.

Figure 7-1: MSOA North Hertfordshire 014 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

198. Market housing is not subsidised, and tends to be primarily accessible to people on higher incomes.

199. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

200. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
201. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Ickleford, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
202. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2020) = £390,000;
 - Purchase deposit at 10% of value = £39,000;
 - Value of dwelling for mortgage purposes = £351,000;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £100,286.
203. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2020 was £324,000, and the purchase threshold is therefore £83,314.
204. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 2 sales of new build properties in the NA in 2020. This sample size is not big enough to provide an accurate average; therefore, an average costs of new builds at local authority level is provided below:
- Detached - £717,910
 - Semi-detached - £582,000
 - Terraced - £572,500
 - Flats – 387,011
 - All types - £387,011 which requires a purchase threshold of £99,517.

ii) Private Rented Sector (PRS)

205. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
206. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
207. 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 SG5 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.
208. According to [home.co.uk](https://www.home.co.uk), there were 23 properties for rent at the time of search in June 2021, with an average monthly rent of £990. There were 12 two-bed properties listed, with an average price of £981 per calendar month.
209. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £981 x 12 = £11,772;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £39,240.

210. The calculation is repeated for the overall average to give an income threshold of £39,600.

A.3 Affordable Housing

211. There are a range of tenures that constitute the definition of Affordable Housing within the 2019 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. More recently, a new product called First Homes has been introduced in 2021. Each of the affordable housing tenures are considered below.

i) Social rent

212. Rents in socially rented properties reflect a formula based on 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 the lowest incomes and is subject to strict eligibility criteria.
213. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Ickleford. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for North Hertfordshire District Council in the table below.
214. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£81.93	£93.80	£108.41	£114.83	£109.43
Annual average	£4,260	£4,878	£5,637	£5,971	£5,690
Income needed	£17,041	£19,510	£22,549	£23,885	£22,761

Source: Homes England, AECOM Calculations

ii) Affordable rent

215. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
216. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
217. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for North Hertfordshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
218. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually just under the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£115.76	£147.56	£154.76	£156.94	£136.51
Annual average	£6,020	£7,673	£8,048	£8,161	£7,099
Income needed	£24,078	£30,692	£32,190	£32,644	£28,394

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

219. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and rent to buy. These are considered in turn below.
220. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

221. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
222. The starting point for these calculations is therefore the estimated cost of new build housing in North Hertfordshire noted above of £387,011, which happens to be almost identical to the cost of a median existing home in the NA.
223. For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (LA average) = £387,011;
 - Discounted by 30% = £270,908;
 - Purchase deposit at 10% of value = £27,091;
 - Value of dwelling for mortgage purposes = £253,817;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £69,661.
224. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £59,710 and £49,759 respectively.
225. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
226. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq m and a build cost of £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Ickleford.

Shared ownership

227. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), 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 occupant can be increased over time through a process known as 'staircasing'.
228. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share

they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

229. To determine the affordability of shared ownership, calculations are again based on the estimated costs of smaller and larger newly built flats. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector). The affordability threshold for smaller flats at a 25% equity share is calculated as follows:

- A 25% equity share of £390,000 is £97,500;
- A 10% deposit of £9,750 is deducted, leaving a mortgage value of £87,750;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £25,071;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £292,500;
- The estimated annual rent at 2.5% of the unsold value is £7,313;
- This requires an income of £24,375 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £49,446 (£25,071 plus £24,375).

230. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £39,279 and £83,339 respectively.

Rent to buy

231. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up equity in the property with a portion of the rent, but this portion is still a monthly outgoing for the occupant.

Help to Buy (Equity Loan)

232. The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.

233. It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

b) 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.

c) 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 methods¹⁸.

Age-Restricted General Market Housing

A type of housing which is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.

¹⁸ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard¹⁹

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²⁰

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)²¹

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

¹⁹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

²⁰ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²¹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

Extra Care Housing or Housing-With-Care

Housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

Fair Share

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

First Homes

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provide a discount of at least 30% on the price of new homes. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments will be required to provide 25% of Affordable Housing as First Homes. A more detailed explanation of First Homes and its implications is provided in the main body of the HNA.

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.

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 years²², i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

²² See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category, which will have included

some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

Housing for older people which usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.

Residential Care Homes and Nursing Homes

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Rightsizing

Households who wish to move into a property that is a more appropriate size for their needs can be said to be rightsizing. This is often used to refer to older households who may be living in large family homes but whose children have left, and who intend to rightsize to a smaller dwelling. The popularity of this trend is debatable as ties to existing communities and the home itself may outweigh issues of space. Other factors, including wealth, health, status and family circumstance also need to be taken into consideration, and it should not be assumed that all older households in large dwellings wish to rightsize.

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 10% 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 Housing²³

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. 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.

²³ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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.²⁴

²⁴ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

