

West Row

Housing Needs Assessment (HNA)

November, 2023

Quality information

Prepared by

Matthew Kearney
Senior Housing
Consultant

Checked by

Paul Avery
Principal Housing
Consultant

Approved by

Paul Avery
Principal Housing
Consultant

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	August 2022	First Draft	MK	Matthew Kearney	Senior Consultant
2	August 2022	Internal Review	PA	Paul Avery	Principal Consultant
3	October 2023	Group Review	IP	Ian Poole	Consultant to Parish Council
4	November 2023	Locality Review	AO	Annabel Osborne	Neighbourhood Planning Officer
5	November 2023	Final Report	MK	Matthew Kearney	Senior Consultant

Prepared for: West Row Parish Council

Prepared by:

AECOM Infrastructure & Environment UK Limited
Aldgate Tower
2 Leman Street
London E1 8FA
United Kingdom
aecom.com

© 2022 AECOM Infrastructure & Environment UK Limited. All Rights Reserved.

This document has been prepared by AECOM Infrastructure & Environment UK Limited ("AECOM") for sole use of our client (the "Client") in accordance with generally accepted consultancy principles, the budget for fees and the terms of reference agreed between AECOM and the Client. Any information provided by third parties and referred to herein has not been checked or verified by AECOM, unless otherwise expressly stated in the document. No third party may rely upon this document without the prior and express written agreement of AECOM.

Table of Contents

1.	Executive Summary.....	6
2.	Context.....	11
	Local context.....	11
	The Housing Market Area Context	12
	Planning policy context.....	13
	Policies in the adopted local plan	13
	Policies in the emerging local plan	14
	Quantity of housing to provide.....	16
3.	Approach.....	17
	Research Questions.....	17
	Tenure and Affordability	17
	Type and Size	17
	Specialist Housing for Older People.....	18
	Relevant Data	18
4.	RQ1: Tenure, Affordability and the Need for Affordable Housing	19
	Introduction	19
	Current tenure profile	21
	Affordability.....	22
	House prices	22
	Income	24
	Affordability Thresholds.....	24
	Affordable housing- quantity needed.....	31
	Additional HNSG findings.....	33
	Affordable Housing policy guidance	34
	Conclusions- Tenure and Affordability	38
5.	RQ2: Type and Size.....	41
	Introduction	41
	Existing types and sizes.....	41
	Background and definitions.....	41
	Dwelling type.....	42
	Dwelling size	43
	Age and household composition	44
	Age structure.....	44
	Household composition	46
	Occupancy ratings.....	47
	Dwelling mix determined by life-stage modelling.....	47
	Suggested future dwelling size mix	47
	Conclusions- Type and Size.....	51
6.	RQ3: Specialist housing for older people	53
	Introduction	53
	Current supply of specialist housing for older people	54
	Tenure-led projections.....	54
	Housing LIN-recommended provision	57
	SHMA findings.....	59
	Conclusions- Specialist Housing for Older People	59

7.	Next Steps	62
	Recommendations for next steps	62
	Appendix A : Calculation of Affordability Thresholds.....	63
A.1	Assessment geography	63
A.2	Market housing	64
i)	Market sales	64
ii)	Private Rented Sector (PRS).....	65
A.3	Affordable Housing	65
i)	Social rent.....	66
ii)	Affordable rent.....	66
iii)	Affordable home ownership	67
	Appendix B : Housing Needs Assessment Glossary	70

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HNSG	Housing Needs of Specific Groups (Cambridgeshire and West Suffolk)
HRP	Household Reference Person
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
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
WR	West Row Parish Council
WS	West Suffolk Council

1. Executive Summary

1. The population of West Row parish is currently estimated to be 1,676, according to Office for Nation Statistics (ONS) mid-2020 population estimates. This represents an increase of 47 people since the 2011 Census. The 2021 Census indicates that the population of the parish was 1,926.
2. Since 2011 there has been some residential development in the parish. According to West Suffolk Council, a total of 62 new dwellings have been completed since the 2011 Census. By adding this figure to the number of dwellings existing in the parish, it is estimated that there are approximately 823 dwellings in the West Row at present.
3. West Suffolk has provided West Row with an indicative housing requirement of 152 dwellings to be accommodate within the Neighbourhood Area by the end of the plan period.
4. It should be noted that this report was completed in August 2022 prior to the release of 2021 Census data.

Current tenure profile

5. West Row's current tenure mix reveals a relative undersupply of Affordable Housing in the parish. The 2011 Census tenure profile for West Row shows that a clear majority (69%) of householders own their own homes. This represents a 13-percentage point difference on the average in West Suffolk and was also higher than the national average. There are fairly similar numbers of people occupying private rental accommodation as there are across West Suffolk, but more than the national average.
6. Between 2001 and 2011, the private rental sector in West row grew by 68.4%, which is slower than the growth of 105.4% seen in West Suffolk over the same time period, and the 82.4% growth rate nationally.

Affordability Issues

7. House prices have risen steadily over the last decade, with median house increasing by 81.0% and mean prices showing a growth of 134.5%. Lower quartile (entry-level) prices have also grown at a rate similar to the overall average, with an increase of 86.2% since 2012.
8. Generally, home ownership on the open market is unaffordable to households on mean and lower quartile incomes. The average household income in West Row is £43,800, and the point at which median house prices become affordable is £67,500. Furthermore, entry level housing becomes affordable for incomes of £59,800 and new build for incomes of £80,537. As such, West Row exhibits particularly acute levels of unaffordability for a significant segment of the population.
9. In terms of renting on the open market in West Row, this option shows similar levels of unaffordability as homeownership: AECOM's estimates suggest that average market rents only become affordable for households with incomes of £61,240 and entry level market rents at incomes of £45,120.

10. The figures presented in this report suggest issues of affordability will impact a large proportion of the West Row Population. One of the unique drivers of this level of unaffordability in West Row is its proximity to the RAF Mildenhall Airbase, and its lack of on-site accommodation. As such, it is likely there is a large number of medium to long term renters in West Row, which in turn will increase competition in the local rental market, and may be a driver of the high rents noted above. Whilst it is difficult to fully quantify this impact, one indication of this trend is the number of rental properties on offer within a 2-mile radius of the village, with 69 being identified. This is relatively high when considering the total number of dwellings in the parish. Although the figure above is set at a spatial scale that extends beyond the parish boundary, it speaks to the high availability and turnover of rental properties, indicative of a highly active market with the ability to sustain high rental prices. It can be assumed that those service personal deployed to the airbase will be unlikely to buy property in the village and this demand is being met in the private rental market.
11. This dynamic presents the West Row housing market with several challenges. Firstly, the private rented sector is likely to be more competitive, and with commitments to keep the airbase operational for a number of years, it is unlikely there will be any reduced demand. Secondly, the sustained demand for rental accommodation and rising rents may incentivise owners to offer more homes for rent, translating into less housing available for sale. This could in turn drive up the price of those houses that do come forward for sale.
12. Generally, the more households who cannot access market housing, the more need there is for subsidised affordable and socially rented homes. Given, the lack of affordable options currently available in the parish, this may be an area of focus for the neighbourhood plan.

Quantity of Affordable Housing to plan for

13. The Cambridgeshire and West Suffolk HNSG (2021), which considered the housing needs of the wider region, and has been used to determine the scale of affordable housing need in West Row. The study identified the need for 409 units of affordable rental housing per year in West Suffolk. When prorated according to population statistics a figure of 4 units per annum for West Row is arrived at. In turn this would mean an overall need for 76 units over the entire Neighbourhood Plan Period (2040).
14. The same study provides an equivalent estimate for the scale of need for affordable home ownership products across West Row, but identifies a surplus of 45 units per annum rather than an unmet need. This result was heavily influenced by a particular assumption that diverges from AECOM's approach and may not apply to the parish specifically (because it relies on people being able to access the cheapest market homes across the whole district. Consequently, AECOM has separately estimated West Row's potential demand for affordable home ownership products. The result is potential demand for around 8 units per year or 149 over the entire Neighbourhood Plan period.

Delivery Expectations and recommended tenure split

15. On the basis of West Row's indicative site allocation of 152 additional homes, and the planning consents granted on this site, West Row has the capacity to deliver 46 Affordable Homes, based on 30% of all units being delivered as affordable. This figure would not be sufficient to meet the full potential of need within the parish.
16. Finally, 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, further larger sites would be contrary to the spatial strategy of the emerging Local Plan and West Suffolk Council has not indicated a need or intention to make further allocations in the village. 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.

Current housing stock and demographic change

17. Currently, there are approximately 823 dwellings in West Row. There is a limited diversity in the West Row housing mix, with a majority of homes being detached and semi-detached (cumulatively 94.1%), with very few terraced dwellings and flats on offer in the parish (cumulatively 5.9%). This is significantly different than the patterns observed across West Suffolk and England.
18. In terms of dwelling size, a majority of the housing offer in West Row is 2-3 bed dwellings, at a higher proportion than is seen across the LA and nationally. There is also a notable lack of smaller 1 bed dwellings on offer in the parish. Generally, the data suggests a housing profile that is in favour of families, with the age composition in the parish complementing this feature of the housing stock.
19. West Row does have a relatively high proportion of its population over the age of 65, and modelling suggests the parish will see a significant rise of 67% over the plan period. However, this high growth will no doubt be impacted by the transient population associated with the RAF Mildenhall airbase. It is likely a continuous replacement of a working age population associated with the airbase is impacting the population profile of West Row. In turn, the projected ageing of the population in the airbase may not be as severe in practice.

The future housing mix

20. The analysis suggests that West Row would benefit from increasing the offer of 2-3 bedroom dwellings to meet the needs of the changing population. It may also be beneficial for the parish to diversify the range of housing on offer, with a focus on more terraced dwellings and flats. These types of dwellings would typically accommodate the size requirements suggested above.
21. It should be noted this recommendation is a relatively blunt expression of future needs based solely on demographic change and imbalances in the existing stock. It does not account for the desire of the population to live in larger dwellings than they 'need'. However, the Neighbourhood Plan and strategies at a district level may wish to account for this dynamic or reflect any survey or consultation evidence. The future mix of homes

in West Row could also reflect how the community wishes to change the settlement pattern and support particular segments of the population.

22. It is also important to remember that other factors should be considered in determining the overall 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 parish 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.

Specialist Housing for Older People

23. ONS estimates suggest that there are currently around 176 people aged 75+ living in West Row. This represents a growth from 6.5% of the population in 2011 to a projected 10.5% in 2020. The older population is expected to increase to 206 people by the end of the Neighbourhood Plan population in 2040, suggesting that the older population will almost double between the 2011 Census and the end of Neighbourhood Plan period.
24. West Row currently does not have any form of specialist care housing facilities on offer in the parish. There are a number of units on offer in Mildenhall. However, if the neighbourhood plan is seeking to make accommodations for an aging population within the parish, specialist accommodation could usefully fill a gap in the market.
25. 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.
26. Two methods were used to estimate the future need in West Row and produce a range of 25 to 34 specialist accommodation units that might be required during the Plan period.
27. These estimates are based on the projected growth of the older population from the 2011 Census Figures – with the additional 100 people equating to approximately 74 households. In turn, it is assumed that a majority of the older population accounted for in the 2011 Census are already well accommodated in the existing housing stock. If this is not the case, it would justify an intention to exceed the provision in the parish, particularly in the absence of any specialist accommodation on offer currently.
28. Given that the parish has been allocated a site that can accommodate 152 new units, it may be possible to accommodate this need. Given that part of this site is currently under construction, when fully delivered and when Affordable Housing targets are accounted for, it would leave between 106 units on offer in the mainstream housing market. Note that there is no requirement to meet the full extent of the needs identified here. How far to balance the needs of specific groups with the wider population is a potential question for the Neighbourhood Plan as well as something that will be considered by West Suffolk when the planning permission is negotiated.
29. 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 Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model). Again, considering the high proportion of specialist accommodation on offer in Mildenhall, and the number of other smaller Neighbourhood areas similar to West Row in the vicinity, this may also be something worth discussing with West Suffolk Council.

30. Considering West Row's position within the settlement hierarchy as a local service centre, it might make it a relatively less suitable location for specialist accommodation in terms of accessibility criteria and the considerations of cost effectiveness above. When considering that there is no specific requirement or obligation to provide specialist accommodation need arising from West Row, it may be possible that the NA can provide for some need within the parish, and benefiting from the 'hub and spoke' model to facilitate any surplus.
31. 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

Local context

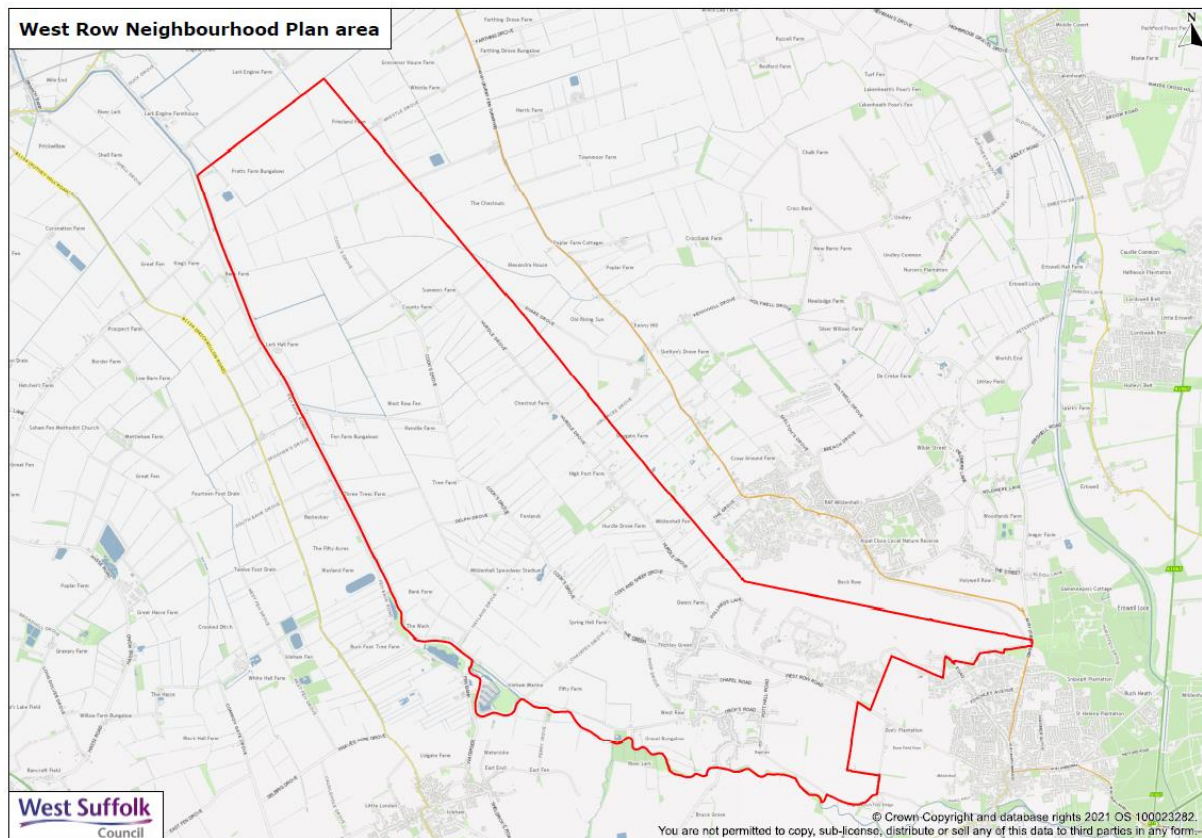
32. West Row is a Neighbourhood Area (NA) located within West Suffolk district authority in the east of England. West Suffolk is a district authority that was formed in 2019 following the amalgamation of Forest Heath and St Edmundsbury, and has a population of approximately 179,800 (Census, 2021). The West Row NA boundary was designated on 14th May 2021.
33. The proposed Neighbourhood Plan period starts in 2021 and extends to 2040, therefore comprising a planning period of 19 years. The evidence supplied in this report will look forward to the Plan end date of 2040, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
34. West Row is a village located to the west of Mildenhall and which, until 2019, was part of a combined parish with Mildenhall. The village sits on the north bank of the River Lark, and is in close proximity of the RAF Mildenhall airbase, which is occupied by the US Air Force. This airbase is partially contained within the parish boundary. The steering group has expressed a desire to understand how the location of the airbase is impacting upon the local housing market, and where possible this report will speak to this ambition. West Row has a number of local facilities including a primary and pre-school, a village store, post office and sport and leisure facilities.
35. For Census purposes, the Neighbourhood Area is made up, like the rest of England, of statistical units called Output Areas (OAs). The NA is best represented by LSOA: E01032526, which has been used throughout this report as a statistical proxy for the NA boundary and can be interrogated for data from both the 2001 and 2011 Censuses. However, it should be noted that there is an area to the northeast of the parish, contained within OA: E01032523, that straddles two boundaries. Following consultation with the Parish Council, this area has been excluded from the data presented here. Due to the low population in the OA, it is unlikely that its exclusion would have an overly distorting effect on this report's findings.
36. The statistics show that in the 2011 Census the NA had a total of 1,627 residents, formed into 701 households and occupying 761 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. Due to the recent designation of the parish, ONS has not produced figures for West Row. As such, mid-year population estimates have had to be aggregated from the figure for Mildenhall (E04009153). When the 3% population growth in Mildenhall is prorated to the 2011 Census population figure (1,627), it can be assumed that the 2020 population for West Row is 1,676 (estimate), showing growth of 47 people over this period. It is worth noting that this even the Mildenhall figure is an estimate, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count. In terms of changes to the housing stock, data provided by West Suffolk Council indicate there

have been 62 new dwellings completed since the 2011 Census, bringing the current housing stock to 823 (estimated).

37. The 2021 Census indicates that the population of the parish was 1,926.

38. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the West Row Neighbourhood Area¹



The Housing Market Area Context

39. Whilst this HNA focuses on West Row NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of West Row, the parish sits within a housing market area which covers Cambridgeshire and West Suffolk (Cambridge, East Cambridge, Fenland, Huntingdonshire, South Cambridgeshire and West Suffolk).² This means that when households who live in these authorities move home, the vast majority move within this geography. A housing market study of the wider spatial area named 'Housing Needs of Specific Groups' (HNSG) was completed in 2021. The study also references other areas which may have impacts beyond the Housing Market Area referenced above, including the Cambridge sub-regional Housing Market

¹ Available at https://www.westsuffolk.gov.uk/planning/Planning_Policies/neighbourhood-planning/upload/West-Row-Neighbourhood-Plan-Area.pdf

² Available at <https://cambridgeshireinsight.org.uk/wp-content/uploads/2021/10/CWS-Housing-Needs-of-Specific-Groups-Oct21.pdf>

Area (HMA) and the Greater Cambridge area (Cambridge and South Cambridge). Each of these market areas are broadly similar to that above, with the only variation being the amalgamation of Forest Heath and St Edmundsbury to create West Suffolk Council.

40. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including West Suffolk, are closely linked to other areas. In the case of West Row, changes in need or demand in settlements nearby are likely to impact on the neighbourhood.
41. In summary, West Row functions within a wider strategic area. As well as fostering good working relationships with the local planning authority, West Suffolk, it is therefore useful to think about the role of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood play within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

42. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.³ In the case of West Row, the relevant Local Authority is West Suffolk. However, due to this council area only having been created in 2019, there is no relevant adopted Local Plan. As such the most relevant Local plan for West Row remains the Forest Heath Local Development Framework (Adopted 2010).
43. West Suffolk is currently in the process producing its first Local Plan. Until the new plan is adopted, the relevant plan for West Row is the Forest Heath Core Strategy Development Plan Document, which was adopted in May 2010 and covers the period 2001-2026. The plan was subject to legal challenge and was re-submitted to the Secretary of State for Examination in March 2017. However, it was found to be sound by the planning inspectorate in 2019, other than for Policy CS7 (Overall Housing Provision) which has been quashed in its entirety by the High Court, with the exception of its housing requirement.
44. In the absence of a fully adopted Local Plan for West Suffolk, reference will be made to the paper published as part of the Preferred Options Stage of the plan making process. However, it should be noted this document contains indicative targets and ambitions for the district authority and is not a statutory decision-making document.

Policies in the adopted local plan

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

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>

Table 2-1: Summary of relevant adopted policies in the Forest Heath Core Strategy (Adopted 2010)

Policy	Provisions
Policy CS 7 Overall Housing Provision	<p>Outlines a commitment to deliver 6,400 dwellings and associated infrastructure over the plan period 2001-2021. In addition, the policy references the 15 year land supply, and provisions for a further 3,700 dwellings and associated infrastructure between 2021-2031.</p> <p>The Policy also contains information on distribution, however this is struck through having been quashed following its content being subject to a high court order (March 2017). The housing requirement set out above remain the only active element of this policy.</p>
Policy CS 9 Affordable Housing Provision	<p>Subject to viability, a scheme should provide affordable housing provision in accordance with the following:</p> <ul style="list-style-type: none"> - Where there are 10 or more units, or a site is over 0.33 hectares, 30% net of the new dwellings should be provided as affordable. - Sites in Primary/Secondary Villages, schemes of 5 to 9 units, and sites larger than 0.1 hectares a target of 20% net will be provided as affordable housing. - Targets specified are subject to viability being demonstrated ('using whatever public subsidy may be available in the case'). Should the target not be achievable, the target should be the maximum that can be viable. - Tenure and size mix will take account and be informed by an up to date SHMA - When 'key worker' housing is justified, it will be included in intermediate affordable housing tenure - Affordable housing will only be provided for people in housing need, at a cost that is maintained for the life of the property <p>When the policy would result in a requirement for part of the dwelling to be affordable, a financial contribution of equivalent value will be required.</p> <p>Affordable housing in areas designated as Small Settlements and Countryside will be permitted where:</p> <ul style="list-style-type: none"> - The proposal meets affordable housing need identified in LHNA. - Affordable housing will only be provided for people in housing need, at a cost that is maintained for the life of the property <p>This policy defines 'local housing need' as the need in a parish and adjacent parishes as evidenced by the Council's waiting list, or Local Housing Needs Survey or other relevant study.</p>

Policies in the emerging local plan

46. Table 2-2 below summarises emerging Local Plan policies, contained within the Preferred Options stage of the development plan, that are relevant to housing need and delivery in West Row.

Table 2-2: Summary of relevant emerging policies in the West Suffolk Local Plan (Regulation 18) Preferred Options [Consultation May 2022 – July 2022]

Policy	Provisions
SP5 Settlement hierarchy and types of place	<p>Proposals for new development will be expected to have regard for the position of the site within the following categories:</p> <ul style="list-style-type: none"> - Towns - Key service centres - Local service centres - Type A Villages - Type B Villages - Countryside <p>West Row is considered a Local Service Centre. These settlements would tend to have fewer housing options and services than key service centres, but will have at a minimum a school, convenience store, community run shop, post office, and/or village hall.</p> <p>The preferred option for housing development in Local Service Centres is an indicative maximum scheme size of around 100 dwellings.</p>
SP6 Existing special operational uses	<p>A). RAF Mildenhall, RAF Lakenheath, RAF Honington and RAF Barnham Camp are considered as land and assets for ‘special operational uses’.</p> <p>B). To protect the operational needs of RAF Mildenhall, RAF Lakenheath, RAF Honington and RAF Barnham Camp, for development outside the area of operational uses applicants will be required to demonstrate there would be no detrimental impact to the base(s) in terms of:</p> <ul style="list-style-type: none"> - Aircraft noise and vibration associated with airbase flight paths; - Safeguarding zones - Building height restrictions (including on methods of renewable energy generation) on development due to their potential impact on military aviation activities.
SP7 Housing Needs	<p>There is an overall requirement of 15,200 homes within West Suffolk between 2021 and 2040. Currently there are 8,600 homes with planning permission, leaving 6,600 needing to be identified and located through the Local Plan.</p> <p>There is an estimated target to deliver 409 affordable houses per annum between 2020 and 2040, this figure represents 51% of overall need.</p>
SP8 Overall housing distribution	<p>Settlements are to accommodate additional housing provision according to the following categories:</p> <ul style="list-style-type: none"> - Towns: 4,913 - Key Service Centres: 1,384 - Local service centres: 741 - Type A villages: 96 <p>Total: 7,134 homes</p>

Policy	Provisions																				
NSP29 Affordable Housing	<p>a). 30% of new dwellings on brownfield sites of 10 or more dwellings or 0.5 hectares will be affordable</p> <p>b). 40% of new dwellings on greenfield sites of 10 or more dwellings or 0.5 hectares will be affordable</p> <p>d). 10% of the total homes on a site should be for affordable home ownership</p> <p>e). where sites include first homes, 25% of homes secured through developer contributions should be made available</p> <p>f). the remaining 75% will deliver as much affordable homes for rent as viability will allow</p>																				
NPS30 Housing Type and Tenure	<p>Proposals will be supported that reflect the identified housing needs, for both market and Affordable homes (AH) to buy and to rent, in the latest housing needs study that are set out below:</p> <table><tr><th>Size</th><th>Market</th><th>AH for sale</th><th>AH for rent</th></tr><tr><td>One bed</td><td>0-10%</td><td>15-25%</td><td>30-40%</td></tr><tr><td>Two Bed</td><td>25-35%</td><td>40-50%</td><td>30-40%</td></tr><tr><td>Three Bed</td><td>40-50%</td><td>25-35%</td><td>20-30%</td></tr><tr><td>Four Bed</td><td>15-25%</td><td>0-10%</td><td>0-10%</td></tr></table>	Size	Market	AH for sale	AH for rent	One bed	0-10%	15-25%	30-40%	Two Bed	25-35%	40-50%	30-40%	Three Bed	40-50%	25-35%	20-30%	Four Bed	15-25%	0-10%	0-10%
Size	Market	AH for sale	AH for rent																		
One bed	0-10%	15-25%	30-40%																		
Two Bed	25-35%	40-50%	30-40%																		
Three Bed	40-50%	25-35%	20-30%																		
Four Bed	15-25%	0-10%	0-10%																		
Site Allocations: West Row	<p>One site has been allocated as a preferred site for residential development in West Row, providing an indicative capacity for 152 dwellings. The site is currently allocated in the former Forest Heath Site Allocations Plan.</p>																				

Quantity of housing to provide

47. The NPPF 2021 (paragraphs 66 and 67) 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.
48. West Suffolk has fulfilled that requirement by providing West Row with an indicative figure of 152 dwellings to be accommodated within the Neighbourhood Area by the end of the Plan period.⁴ This figure was initially provided by Forest Heath in their adopted Local Development Framework and has been carried forward by West Suffolk in the site allocations area of the Preferred Options stage of their new Local Plan.

3. Approach

Research Questions

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

Tenure and Affordability

50. The Steering 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.
51. This evidence will allow West Row 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.

RQ1: 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?

Type and Size

52. The Steering Group is seeking to determine what size and type of housing would be best suited to the local community. The Steering Group have suggested there is a high proportion of bungalows, and this report will provide evidence that can be used to back up policies seeking to diversify the housing mix in the parish.
53. 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.
54. 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.
55. 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.

RQ2: 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?

Specialist Housing for Older People

56. 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.

RQ3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

Relevant Data

57. 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; and
 - Cambridgeshire and West Suffolk Housing Needs of Specific Groups (2021)
58. 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 brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

4. RQ1: Tenure, Affordability and the Need for Affordable Housing

RQ1: 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?

Introduction

59. 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.
60. 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.
61. The definition of Affordable Housing set out in the NPPF 2021 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. The NPPF defines Affordable Housing as *'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'*⁵. The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

⁵ Available here -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

Table 4-1: Breakdown of Affordable Housing tenures

Tenure	Rent/Ownership	Brief Description
Social Rent	Rent	<p>This tenure is owned by local authorities (what used to be called Council housing) and private registered providers (also known as housing associations).</p> <p>Guideline target rents are determined through the national rent regime and are typically the lowest-cost form of housing available.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Affordable Rent	Rent	<p>This is similar to Social Rent (above). Affordable Rent is not subject to the national rent regime but must have a rent of no more than 80% of the local market.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Rent to Buy	Combination	<p>Rent to Buy is a relatively uncommon tenure. Subsidy allows the occupant to save a portion of their rent to be used to build up a deposit to eventually purchase the home.</p>
Shared Ownership	Ownership	<p>An affordable home ownership product where a purchaser buys part (generally between 25% and 75%, but can be as little at 10%) of the value of the property. The remaining (un-owned part) is rented from a housing association or local authority.</p> <p>This Generally applies to new build properties, but re-sales occasionally become available.</p>
First Homes	Ownership	<p>First Homes are an affordable home ownership product introduced in 2021. Discounts on the market price can be set at 30%, 40%, or 50%.</p> <p>New developments will be required to provide 25% of the Affordable Housing as First Homes. This product is discussed in more detail in the commentary following this table.</p>

62. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.⁶ 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:

⁶ 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>.

- 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.

Current tenure profile

63. The current tenure profile is a key feature of the Neighbourhood 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.
64. Table 4-2 presents data on tenure in West Row compared with Forest Heath and England from the 2011 Census, which is the most recent available source of this information. In 2011 owner occupation was clearly the most popular tenure option in West Row, accounting for 69% of households. This is 13 percentage points higher than Forest Heath, and 13 percentage points higher than the national average. Otherwise, West Row follows a similar tenure profile as the LA for all other categories, except for social rent. Here, the parish has only 5.6% of households occupying socially rented housing, which is 9 percentage points below the LA and 12 percentage points less than the national average. It was not possible to break down the tenure profile of completions data provided by the LA, as such 2011 Census data remains the most accurate dataset for understanding this dynamic in the parish.
65. 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 West Row the private rented sector expanded by 68.4% in that period, a rate of growth that is quite stark, but still below the LA average of 105.4% and the national average of 82.4%. As such, this does not appear to be isolated to the parish, instead a dynamic that appears to be unfolding at a wider spatial scale.

66. A final point worthy of note is the lack of shared ownership in the parish, which account for only 0.1% of the tenure profile in 2011. Whilst this might not seem too surprising in the context of low delivery rates in both the LA (1.4%) and nationally (0.8%), it is interesting that between 2001 and 2011 West Row experienced 0% growth in this housing option. This is a stark contrast to the 30% increase nationally and the 269% increase in the LA. Furthermore, Socially Rented housing only saw a 2.6% increase in the same period.
67. A key conclusion from the 2011 tenure profile figures (and associated changes from 2001) that there is scarcity of Affordable Housing options in the Parish, in comparison to LA and national averages.

Table 4-2: Tenure (households) in West Row, 2011

Tenure	West Row	Forest Heath	England
Owned	69.0%	55.9%	63.3%
Shared ownership	0.1%	1.4%	0.8%
Social rented	5.6%	14.7%	17.7%
Private rented	22.8%	24.4%	16.8%

Sources: Census 2011, AECOM Calculations

Affordability

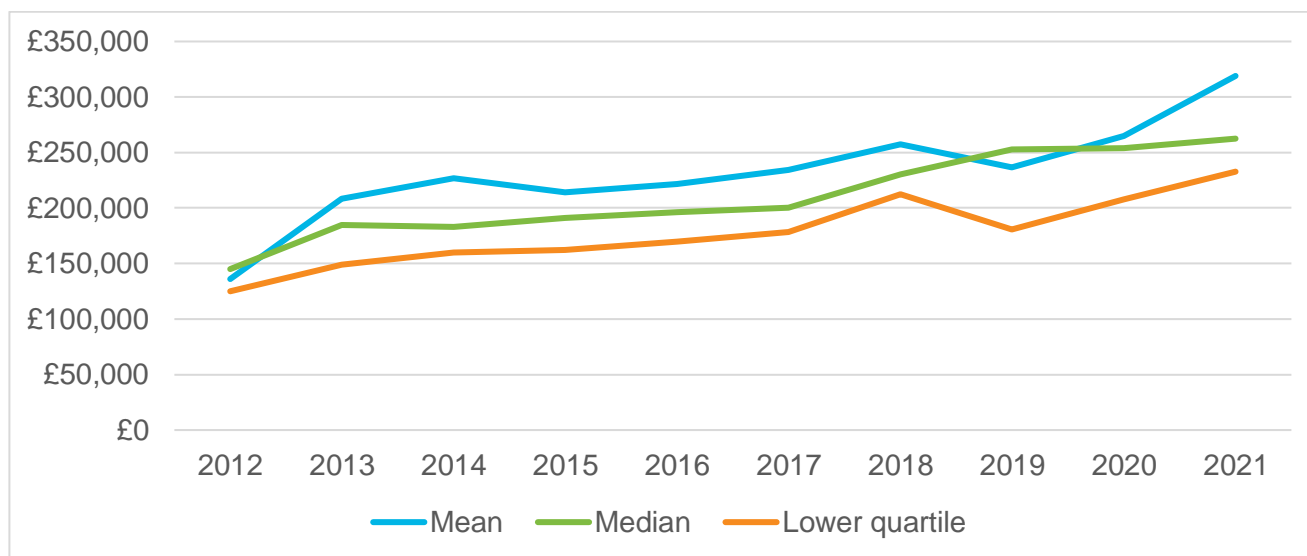
House prices

68. 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.
69. Figure 4-1 looks at the average and lower quartile house prices in West Row based on sales price data published by the Land Registry. It shows that the median house price in West Row in 2021 was £262,500, which represents an 81% increase since 2012. There has generally been a steady increase year on year in terms of mean and median house prices, however the mean price does show a more significant increase of 134.5%.
70. Another trend worthy of note is the growth in the highest sale price in each year, which shows a 347.8% increase from £165,250 in 2012, to £740,00 in 2021. this is complemented by maximum sales exceeding £600,000 in 2014 (£632,000), 2017

(£799,050) and 2018 (£692,850). These figures show that whilst there may be some more affordable options in West Row, there are some high valued dwellings in the NA. It may also be possible that these high valued sales are skewing the average prices. However, the similarity between the mean and median would suggest these figures are generally reflective of the actual housing market.

71. Lower Quartile prices in West Row were £232,750 in 2021, which represents price growth of 86.2% since 2012.

Figure 4-1: House prices by quartile in West Row, 2012-2021



Source: Land Registry PPD

72. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that generally for all house types over the ten-year period between 2012-2021 there was an 81% growth in house prices, with the median house price being £117,500 more expensive in 2021 than it was in 2011.
73. Flats appear to be the house type that has shown the most significant growth with prices growing 196.2%. However, as is expressed in the table below, sales for flats in West Row were only registered in 2016, 2020 and 2021. On closer inspection, it would appear that there were two flats sold for £92,500 and there were flats sold for £290,000 in 2020 and £274,000 in 2021. As such, the sample size is too small to draw conclusions on the desirability of flats within the parish. It does however, speak to scarce availability in the parish where single sales can manipulate the averages so dramatically.
74. Another point worthy of note from the Table is a lack of diversity in the West Row housing market: alongside flats, there were no sales registered for Terraced housing in 2012, 2013 and 2017.

Table 4-3: Median house prices by type in West Row, 2012-2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	PRICE GROWTH
Detached	£147,500	£210,000	£237,500	£250,000	£245,250	£272,000	£304,750	£282,000	£280,000	£313,500	112.5%
Semi-Detached	£134,500	£149,000	£159,950	£166,500	£191,225	£187,500	£222,500	£200,000	£253,000	£250,000	85.9%
Terraced	-	-	£166,000	£205,500	£196,000	-	£225,000	£264,150	£200,000	£235,000	41.6%
Flats	-	-	-	-	£92,500	-	-	-	£290,000	£274,000	196.2%
All Types*	£145,000	£185,000	£183,000	£191,000	£196,000	£200,000	£230,000	£253,000	£254,000	£262,500	81.0%

Source: Land Registry PPD

Income

75. 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.
76. 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 locally was £43,800 in 2018. A map of the area to which this data applies is provided in Appendix A.
77. 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. West Suffolk's gross individual lower quartile annual earnings were £15,457 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £30,914.
78. 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.

Affordability Thresholds

79. 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.
80. AECOM has determined thresholds for the income required in West Row 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.
81. 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. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken, and a case can be made for alternatives.

82. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason interpret the findings with a degree of flexibility.
83. 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.
84. 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 West Row (income required, £)

Tenure	Mortgage Value	Rent	Income required	Affordable on mean incomes? (£43,000)	Affordable on LQ 1 incomes? (£15,427)	Affordable on LQ 2 incomes? (£30,914)
Market Housing						
Median House Price	£236,250	-	£67,500	No	No	No
Estimated NA New Build Entry-Level House Price	£244,714		£69,918	No	No	No
LQ/Entry-level House Price	£209,475	-	£59,850	No	No	No
LA New Build Median House Price	£281,250	-	£80,357	No	No	No
Average Market Rent	-	£18,372	£61,240	No	No	No
Entry-level Market Rent	-	£13,536	£45,120	No	No	No
Affordable Home Ownership						
First Homes (-30%)	£171,300	-	£48,943	No	No	No
First Homes (-40%)	£146,828	-	£41,951	Yes	No	No
First Homes (-50%)	£122,357	-	£34,959	Yes	No	No
Shared Ownership (50%)	£122,357	£3,399	£46,288	No	No	No
Shared Ownership (25%)	£61,178	£5,098	£34,474	Yes	No	No
Shared Ownership (10%)	£24,471	£6,118	£27,385	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£6,803	£22,655	Yes	No	Yes
Social Rent	-	£4,789	£15,946	Yes	No	Yes

Source: AECOM Calculations

85. 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.
86. The most notable finding from Table 4-3 is that for all earners included in the analysis (Mean/Lower Quartile/2x Lower Quartile) all market housing appears to be unaffordable. This suggests there are quite acute affordability issues for all residents in parish who do not have access to additional savings or equity in their existing home. This dynamic is explored in more detail below in terms of tenure types.

Market housing for purchase and rent

87. 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 of £59,850, which 37% higher than the current average income of £43,800.
88. Furthermore, private renting is generally only affordable to high earners, requiring an income of £61,240 for average market rents, and £45,120 for entry-level rents. Households made up of two lower quartile earners also cannot afford the given rental thresholds. 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

89. With the particularly acute affordability issues referenced above, and with rents being generally unaffordable to a large portion of population, the parish will experience issues for those trying to access home ownership. Those in the parish who can afford to rent but cannot access homeownership could be earning between £45,120 (at which point entry-level rents become affordable) per year to £67,500 (at which point entry-level market sale homes become affordable) per year. Considering the general unaffordability in the parish, it should be noted here that these are blunt figures which express the point at which the average of these tenure types become affordable, with room for more variation in practice.
90. 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.
91. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Drawing on the findings expressed in table 4-3 above, First Homes would become affordable at discounts of 40% to those on mean incomes. Generally, even at maximum discounts of 50% First Homes would still be unaffordable to households with 2x Lower Quartile earners. However, the difference between that income threshold (£30,914) and the affordability threshold (£34,959) is not so stark that it may be accessible to this population segment if they are able save for a larger deposit.
92. Table 4-4 shows the discount required for First Homes to be affordable to the three income groups. Because it is not possible to estimate the cost of a typical First Home due to a lack of data on new build entry-level house prices in the NA, it is worth considering the discounts required for some additional price benchmarks. Table 4-4 uses median house prices in the NA as the best proxy for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing (which would bring the price closer

to the price of median existing homes than existing entry-level homes). However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, and of entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table 4-4: Discount on sale price required for households to afford First Homes Source: Land Registry PPD; ONS MSOA total household income

Tenure/ product:	Mean Income	LQ Income 1	LQ Income 2
NA Median House Price	35%	77%	54%
NA Estimated New Build Entry-Level House Price	37%	78%	56%
NA Entry-level House Price	27%	74%	48%
LA Median New Build House Price	45%	81%	62%

Source: Land Registry PPD; ONS MSOA total household income

93. Shared ownership appears to be more affordable than First Homes, but this would highly depend on the ownership portion the shared ownership arrangement referred to. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁷ If this is delivered in the NA, it will make shared ownership easier to access for more people. 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.
94. 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.
95. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis and considering the relatively high rental rates in the parish, First Homes and shared ownership are still a more affordable option.
96. 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.

⁷ 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 staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

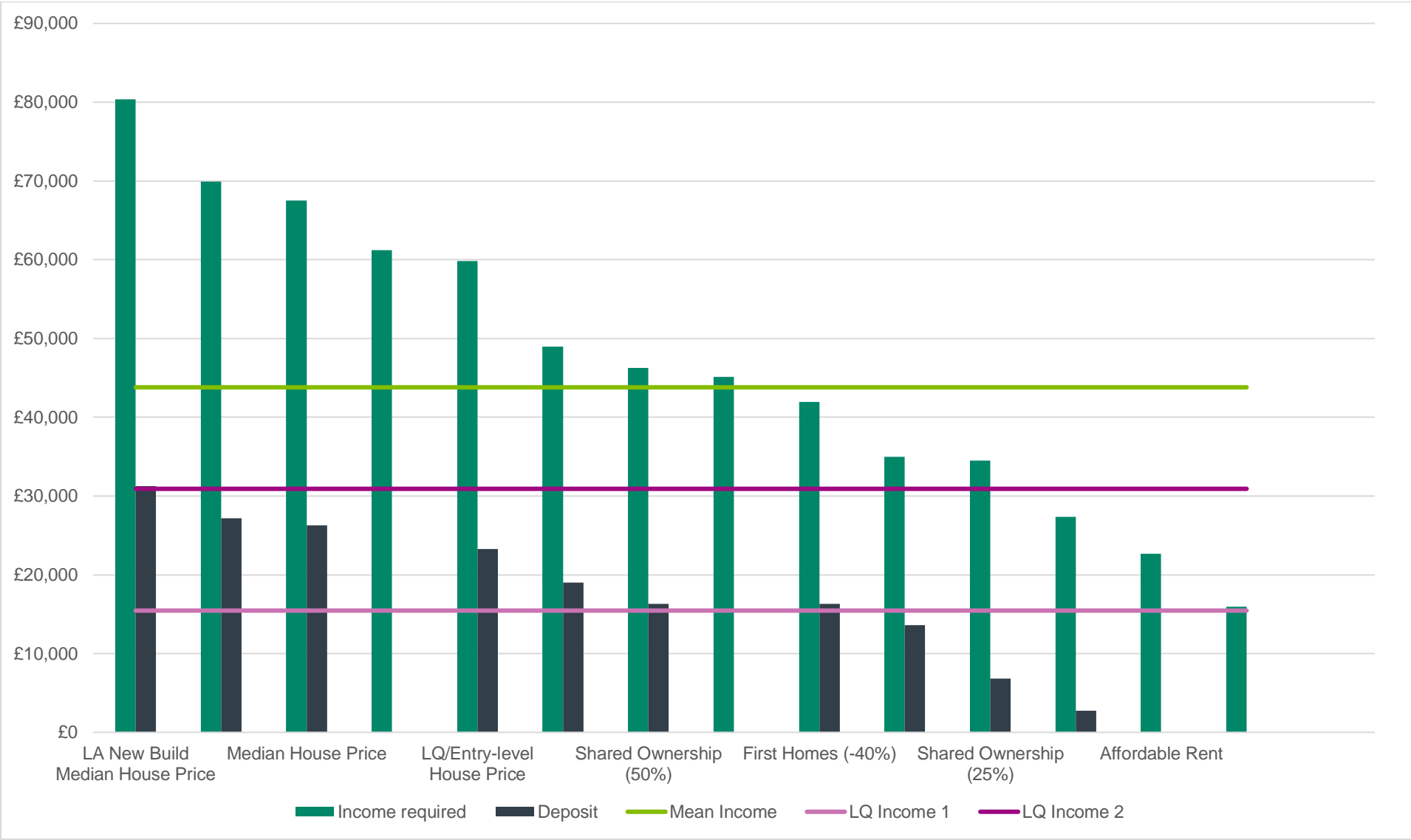
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly 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.

97. 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. However, due to the particularly acute affordability issues evidenced above, it is unlikely that these products have the capacity to fully address housing issues in the parish.

Affordable rented housing

98. 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.
99. The evidence in this chapter suggests that the affordable rented sector performs a vital function in West Row 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 mean 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 West Row, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

100. The starting point for understanding the need for affordable housing in West Row is the relevant Strategic Housing Market Assessment. The relevant SHMA for the NA covers the wider sub-region of Cambridge and was published in 2013. However, in 2021 an assessment of Housing Needs of Specific Groups was published, which provides more up to date information.

Housing Needs of Specific Groups: Cambridge and West Suffolk

101. This Housing Needs of Specific Groups (HNSG) study (2021), was undertaken to understand the housing needs of Cambridgeshire and West Suffolk. Its purpose is to establish an understanding of the wider housing market (in which West Row operates), and to support the preparation of Local Plans and support housing market interventions.
102. 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 HNSG study identifies the need for 409 units Affordable Rental and a surplus of 45 units for affordable home ownership per annum for West Suffolk.
103. When these figures are prorated to West Row, they equate to 4 units for affordable/social rental per annum, or 76 over the Neighbourhood Plan period (2021-2040), on the basis that West Row represents 1% of the total population of West Suffolk. Given that the regional HNSG was completed in 2021, these figures can be considered relatively up to date.
104. In terms of the need for Affordable Home ownership in the region, the HNSG identifies a surplus of 45 units in West Suffolk per annum. This study arrives at this figure by firstly providing a gross need figure of 255 units and suggesting that that 50% of sales at the lower end of the mainstream housing market would go in some way to satisfy the total need in West Suffolk. When these figures are prorated to the West Suffolk following the same calculation referenced above, this would equate to a surplus of 0 (0.45) new units of affordable home ownership dwellings per annum.
105. As an alternative to this figure, using AECOM's own modelling, Table 4-6 estimates the potential demand for affordable home ownership in West Row. It suggests that there could be 8 households per annum who may be interested in Affordable Home ownership (or 149 for the entirety of the Plan period). 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 most 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.
106. There are several reasons for the variation in the figures presented in this report and those in the regional HNSG. The first is that AECOM's analysis does not consider LQ market sales in its approach. As such, it produces a shortfall based on the number of renters identified and their ability to access homeownership. In

contrast, the regional HNSG views sales at the lower end of the mainstream market as a way to satisfy the need for affordable home ownership. While this is possible, it does not specifically test the affordability of these homes, nor does it account for dwelling type or location, leaving open the possibility that all of them could be small flats in the cheapest urban location – which would not meaningfully widen access to ownership for people across the area. Indeed, Table 4-5 in this HNA shows that entry level housing in Sandiacre requires an income of £59,850 which would be unaffordable to households with two LQ earners. Furthermore, the present study is at neighbourhood level, and whilst a surplus need figure may be identified across the Local Authority, this would not preclude any localised need which may be identified within the parish.

107. It is important to keep in mind that the households identified in these estimates 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. If the Parish Council wish to develop Affordable Housing policies in their plan, it may be possible to rationalise both positive and negative figures to arrive at an approach that best reflects local need.

Table 4-5: Estimate of the potential demand for affordable housing for sale in West Row

STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	195.0	Census 2011 number of renters * national % increase to 2018
1.2 Percentage renters on housing benefit in LA	11.2%	% of renters in 2018 on housing benefit
1.3 Number of renters on housing benefits in NA	21.8	Step 1.1 * Step 1.2
1.4 Current need (households)	129.9	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	6.8	Step 1.4 divided by plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	78.2	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	17.6%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	13.7	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	1.1	Step 2.3 divided by plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	1.2	Number of shared ownership homes in NA (Census 2011 + LA new build to 2018/19 pro rated to NA)
3.2 Supply - intermediate resales	0.1	Step 3.1 * 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall (or surplus) per annum	7.8	(Step 1.5 + Step 2.4) - Step 3.2
Overall shortfall (or surplus) over the plan period	148.8	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 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.

108. 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 Parish Council 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).
109. 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.

Additional HNSG findings

110. The HNSG compliments the Affordable Housing estimates referenced above, stating that the overall cost of market housing is not a key issue in West Suffolk. Rather, access to capital (for deposits, stamp duty and legal costs etc) and

mortgage restrictions (temporary employment) were more salient impediments for those wishing to access the housing market through this channel.

111. In terms of affordable home ownership, the sub regional study stated that it is unlikely that there would be a requirement beyond the 10% provision recommended through the NPPF. The report recommends that within Cambridgeshire and West Suffolk, Shared Ownership and Discount Market Sales are the most appropriate products to benefit the population.

Affordable Housing policy guidance

112. Policy CS 9 of the Forest Heath Core Strategy (2010) puts forward the former local authority's approach to affordable housing, which remains in force until the West Suffolk Local Plan is adopted, and is relevant to West Row. It requires that on sites capable of delivering more than 10 units, 30% of all new housing should be affordable, and on sites with a capability to deliver 5-9 units the provision should be 20%.
113. 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.
114. 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 left as a matter to be informed by the latest evidence. 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 West Suffolk specifically.
115. 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 West Row requires roughly 76 units of affordable rented housing and 149 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 affordable home ownership should be prioritized with the evidence suggesting a greater identifiable demand. However, 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.

A site has been allocated through both the Forest Heath Local Development Framework and the West Suffolk Preferred Options, making up the full requirement of 152 new units. It is a large greenfield site on the eastern side of the village. A planning application for 46 dwellings on this site was granted in 2019 delivering 14 affordable homes. A further application for 106 dwellings was granted outline planning consent in 2023 and is subject to a 30% Affordable Housing requirement therefore delivering 32 affordable units.

In this instance it is difficult to fully quantify the mix needed in West Row, due to the transient population of those renting on the private market and working at the RAF airbase. As such, an increased provision of affordable rental accommodation may satisfy the most acute need and benefit those who are struggling to meet the high costs of private rental. It is also reasonable to assume that affordable homeownership options would be beneficial to those people who plan on living in West Row long term. As such, an indicative guidance mix of 60% for affordable rented and 40% ownership in the Neighborhood Plan may offer an appropriate benchmark.

C. Government policy (eg NPPF) requirements: current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. The Forest Heath Local Plan enshrines the NPPF requirement for 10% of all homes to be affordable. For 10% of all housing to be affordable in this area, where between 30% and 40% of homes should be affordable, 25-33% of affordable housing should be for ownership, depending on whether the site is green or brownfield land.

D. Local Plan policy: As noted above, the adopted Local Plan seeks a tenure split of 25% First Homes and 75% Affordable Rental.

E. First Homes 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 is not the case in West Suffolk (see D above).

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 West Row:** The evidence suggests that there is relatively little affordable housing on offer in West Row at present. The socially rented sector is 9 percentage points smaller than the local authority and 12 percentage points lower than the national average. Only 0.1% of the tenure mix is shared ownership. Furthermore, given there has not been a significant number of dwellings completed since 2011, it is unlikely many of these would have been offered as affordable homes. This suggests that some provision of Affordable Housing 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 West Row 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.

116. On the basis of the considerations above, Table 4-6 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
117. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here, meaning that those with the most acute needs (who require affordable rented options) should be prioritised. However, West Row represents a distinctly unique local housing market, due to the impact of the RAF Mildenhall airbase. There is a high level of competition in the private rented market, so a reasonable proportion of affordable routes to ownership would help provide an avenue to long-term residency to local people who cannot afford full ownership and are struggling with rental costs.
118. As such the indicative mix set out in Table 4-6 recommends 50% be given to affordable home ownership options. First homes represent an affordable and helpful option for those on mean incomes, assuming they can be offered at the appropriate discount level, the national policy that First Homes should represent

25% of the affordable mix would be suitable here. This is due to the target of 25% which may be set in the Local Plan (if adopted), and because they offer the greatest level of discount to those who may wish to live in West Row long term. However, given the relatively high cost of housing in the area shared ownership may also benefit those wishing to purchase, given that discount at which First Homes become affordable is quite high. As such, shared ownership is allocated 10% of the mix as they may provide better opportunities to those on lower incomes to access home ownership. In the interests of diversifying the housing split, a further 5% is allocated to Rent to buy, rather than more First Homes.

119. 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.

120. 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 West Suffolk to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.

121. 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 4-6: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	40%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	10%	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	5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	60%	
Social rent	To be set by	Uncertain how much funding available to support this tenure in local area.

	Registered Providers	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

Conclusions- Tenure and Affordability

Current tenure profile

122. West Row's current tenure mix reveals a relative undersupply of Affordable housing in the parish. The 2011 Census tenure profile for West Row shows that a clear majority (69%) of householders own their own homes. This represents a 13-percentage point difference on the average in West Suffolk and was also higher than the national average. There are fairly similar numbers of people occupying private rental accommodation as there are across West Suffolk, but more than the national average.
123. Between 2001 and 2011, the private rental sector in West row grew by 68.4%, which is slower than the growth of 105.4% seen in West Suffolk over the same time period, and the 82.4% growth rate nationally.

Affordability Issues

124. House prices have risen steadily over the last decade, with median house increasing by 81.0% and mean prices showing a growth of 134.5%. Lower quartile (entry-level) prices have also grown at a rate similar to the overall average, with an increase of 86.2% since 2012.
125. Generally, home ownership on the open market is unaffordable to households on mean and lower quartile incomes. The average household income in West Row is £43,800, and the point at which median house prices become affordable is £67,500. Furthermore, entry level housing becomes affordable for incomes of £59,800 and new build for incomes of £80,537. As such, West Row exhibits particularly acute levels of unaffordability for a significant segment of the population.
126. In terms of renting on the open market in West Row, this option shows similar levels of unaffordability as homeownership: AECOM's estimates suggest that average market rents only becomes affordable for household's with incomes of £61,240 and entry level market rents at incomes of £45,120.
127. The figures presented in this report suggest issues of affordability will impact a large proportion of the West Row Population. One of the unique drivers of this level of unaffordability in West Row is its proximity to the RAF Mildenhall Airbase, and its lack of on-site accommodation. As such, it is likely there is a large number of medium to long term renters in West Row, which in turn will increase competition in the local rental market, and may be a driver of the high rents noted above. Whilst it is difficult to fully quantify this impact, one indication of this trend

is the number of rental properties on offer within a 2-mile radius of the village, with 69 being identified. This is relatively high when considering the total number of dwellings in the parish. Although the figure above is set at a spatial scale that extends beyond the parish boundary, it speaks to the high availability and turnover of rental properties, indicative of a highly active market with the ability to sustain high rental prices. It can be assumed that those service personal deployed to the airbase will be unlikely to buy property in the village and this demand is being met in the private rental market.

128. This dynamic presents the West Row housing market with several challenges. Firstly, the private rented sector is likely to be more competitive, and with commitments to keep the airbase operational for a number of years, it is unlikely there will be any reduced demand. Secondly, the sustained demand for rental accommodation and rising rents may incentivise owners to offer more homes for rent, translating into less housing available for sale. This could in turn drive up the price of those houses that do come forward for sale.
129. Generally, the more households who cannot access market housing, the more need there is for subsidised affordable and socially rented homes. Given, the lack of affordable options currently available in the parish, this may be an area of focus for the neighbourhood plan.

Quantity of Affordable Housing to plan for

130. The Cambridgeshire and West Suffolk HNSG (2021), which considered the housing needs of the wider region, and has been used to determine the scale of affordable housing need in West Row. The study identified the need for 409 units of affordable rental housing per year in West Suffolk. When prorated according to population statistics a figure of 4 units per annum for West Row is arrived at. In turn this would mean an overall need for 76 units over the entire Neighbourhood Plan Period (2040).
131. The same study provides an equivalent estimate for the scale of need for affordable home ownership products across West Row, but identifies a surplus of 45 units per annum rather than an unmet need. This result was heavily influenced by a particular assumption that diverges from AECOM's approach and may not apply to the parish specifically (because it relies on people being able to access the cheapest market homes across the whole district. Consequently, AECOM has separately estimated West Row's potential demand for affordable home ownership products. The result is potential demand for around 8 units per year or 149 over the entire Neighbourhood Plan period.

Delivery Expectations and recommended tenure split

132. On the basis of West Row's indicative site allocation of 152 additional homes, and the planning consents granted on this site, West Row has the capacity to deliver 46 Affordable Homes, based on 30% of all units being delivered as affordable. This figure would not be sufficient to meet the full potential of need within the parish.

133. Table 4-7 summarises West Row 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 neighbourhood 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 4-7: Estimated delivery of Affordable Housing in West Row

	Step in Estimation	Expected delivery
A	Housing requirement through allocations	152
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	46
D	Rented % (e.g. social/ affordable rented)	60%
E	Rented number (C x D)	28
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	40%
G	Affordable home ownership number (C x F)	18

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

134. Given issues of affordability in the parish, the site allocation of 152 new homes, would significantly improve the housing provision in West Row. Table 4-7 begins by using those allocated figures, and if the 30% affordable housing target was fulfilled on that site, it would significantly improve the provision of Affordable Housing in the parish, but not fully meet all of the need identified in this HNA.

135. Finally, 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, further larger sites would be contrary to the spatial strategy of the emerging Local Plan and West Suffolk Council has not indicated a need or intention to make further allocations in the village. 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.

5. RQ2: Type and Size

RQ2: 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?

Introduction

136. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in West Row 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.
137. 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.

Existing types and sizes

Background and definitions

138. 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.
139. 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.
140. 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.

141. 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.
142. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. Ideally it would be possible to add together Census figures and completions data for the intervening period to produce a current total. However, though West Suffolk have provided a tally of the new homes built since 2011 in West Row (totalling 62), this cannot be broken down by the type and size of homes. Therefore, to understand the current picture Valuation Office Agency (VOA) is used.
143. Furthermore, it should be noted that the size mix of properties can also change through housing extensions and conversions, as such some further change may have occurred in the parish without the delivery of any significant housing projects. This is represented in VOA data, but this source is less accurate in other respects – for example because it includes additional categories and rounds to the nearest 10.

Dwelling type

144. There were 761 dwellings within West Row following the 2011 Census, with 62 new dwellings completed since, taking the housing stock to 823 (estimated). As noted above, the breakdown of newly completed homes by type was not available. Table 5-1 below shows the largest proportion of homes in 2011 were detached (60.6%), followed by semi-detached (33.5%). There was a strikingly small proportion of terraces (4.3%) and flats (1.6%).
145. VOA 2021 data for the NA suggests that by 2021 24.7% of dwellings are detached and 25.9% are semi-detached. However, VOA data provides information on Bungalows as a separate category, which the Census (2011) does not. The VOA data suggests there was a 40% coverage of bungalows, and it is likely that this would account for the disparity between this dataset and the 2011 Census for detached and semi-detached dwellings. Furthermore, the figures for terraced dwellings and flats are broadly similar to the 2011 Census. As such, the figures can be considered as an accurate reflection of the current housing profile in the parish.

Table 5-1: Accommodation type, West Row, 2011 and 2021

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	40.0%
Flat	1.6%	1.2%
Terrace	4.3%	4.7%
Semi-detached	33.5%	25.9%
Detached	60.6%	24.7%
Unknown/other	-	3.5%
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

146. The VOA data for the NA can however be compared to the mix in the wider district and country, which is shown in Table 5-2 below. The data suggests that West Row has a significant number of bungalows, which is 22 percentage points higher than that of the LA and 31 percentage points higher than the national average. There is also a higher than average proportion of the population living in detached and semi-detached dwellings. When taken cumulatively, the table below suggests that approximately 91% of the population are living in these dwelling types. As such, it can be concluded that West Row has a relatively imbalanced mix of house types.

Table 5-2: Accommodation type, various geographies, 2021

Dwelling type	West Row	West Suffolk	England
Bungalow	40.0%	17.7%	9.2%
Flat	1.2%	12.3%	23.7%
Terrace	4.7%	27.7%	26.1%
Semi-detached	25.9%	18.0%	23.7%
Detached	24.7%	22.5%	15.8%
Unknown/other	3.5%	1.7%	1.4%

Source: VOA 2021, AECOM Calculations

Dwelling size

147. Similar to the analysis above, Table 5-3 below presents data on the size mix in terms of bedrooms in West Row. In this instance Census 2011 data can be supplemented by VOA data for comparison. Variation between 2011 and 2021 is most notable between 1 bedroom and 3 bedroom homes. This variation points toward the possibility of a number of extensions or room subdivisions within the parish, or that demolitions took place to accommodate the new development. Due to the relatively small overall housing stock, large variations would not be uncommon.

148. Nonetheless, both datasets do show a high proportion 3-bedroom homes, with 38.9% in the 2011 Census and 51.8% in 2021 VOA datasets. Furthermore, there is also a significant proportion of 2-bedroom dwellings, with 26.7% in the 2011 Census and 27.7% in the VOA data.

Table 5-3: Dwelling size (bedrooms), West Row, 2011 and 2021

Number of bedrooms	2011 (Census)	2021 (VOA)
Studio	0.4%	-
1	10.3%	2.4%
2	26.7%	27.7%
3	38.9%	51.8%
4	19.0%	16.9%
5+	4.7%	1.2%
Unknown	-	-
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

149. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. The figures broadly reflect the trends referenced above, and reiterate the point that there appears to be a larger proportion of 3 bedroom dwellings compared to the average in the LA and country. There also appears to be an undersupply of 1 bedroom dwellings.

150. This data would suggest a residential profile in favour of families, with a more limited offer of dwellings for single persons or couples. Furthermore, these trends are both worthy of note in the context of affordability, with larger dwellings tending to be more expensive. The generally higher presence of mid and larger sized dwellings could be associated with higher prices, when compared to national averages.

Table 5-4: Dwelling size (bedrooms), various geographies, 2021

Number of bedrooms	West Row	West Suffolk	England
1	2.4%	8.6%	12.6%
2	27.7%	28.4%	28.4%
3	51.8%	43.7%	43.0%
4	16.9%	15.7%	12.1%
5+	1.2%	2.4%	2.4%

Source: VOA 2021, AECOM Calculations

Age and household composition

151. Having established the current stock profile of West Row 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.

Age structure

152. Table 5-5 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. According to ONS estimates the largest cohort

of the population 25-44 (25.4%), following by those aged 45-64 (24.1%), with both groups cumulatively accounting for 49.5% of the population.

153. Comparing the two datasets suggests small shifts in both the older and younger population segments. It shows the youngest group (0-15) growing by approximately 4 percentage points, but then declining to 8.8% for the population segment aged 16-24. Moreover, the ONS dataset shows growth in the older population when comparing the two datasets.
154. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data. It should also be noted that parish level population projections were not available for West Row. As such, the figures in the table below reflect population changes across the wider geography, which have been applied to West Row to act as a best fit proxy in the absence of parish level data, using the 2011 Census as a baseline.
155. One other trend worth noting is that airbase population does not appear to be impacting the changes across the two datasets. It may account for some of the change between the 45-64 cohorts, but this slight decrease appears to be borne out in an increase to the 65-84 cohort in the ONS dataset. There are two points worthy of note here, the first is that if there is any movement of people away from the area following completion of their posts at the airbase, they are being replaced by people of a similar age profile. Secondly, the ONS data are projections, and may not be capable of accounting for these kinds of local trends.
156. 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 2011-2020 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 West Row population, 2011 and 2020

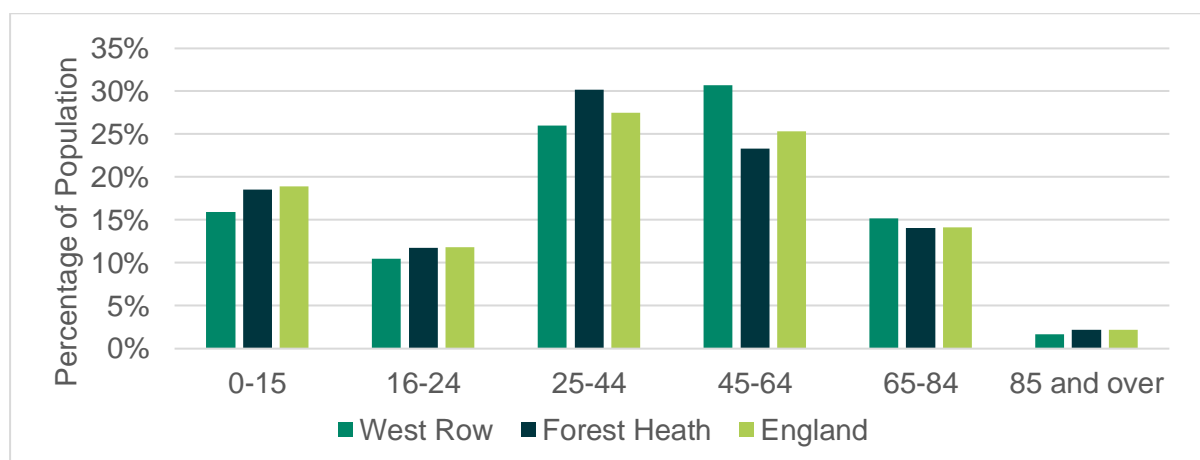
Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	259	15.9%	267	19.4%
16-24	171	10.5%	176	8.8%
25-44	423	26.0%	436	25.4%
45-64	500	30.7%	515	24.1
65-84	247	15.2%	254	19.4%
85 and over	27	1.7%	28	3.1%
Total	1,627	100%	1,676	100%

Source: ONS 2011, ONS mid-2020 population estimates, AECOM Calculations

157. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that there is a significantly higher number of those aged 45-64 living in West Row than there is in Forest Heath and across England. It shows a lower number of those aged 25-44 than there are in the LA and nationally, however not by much. The other

population segments show some minor variations. Generally, the pattern is for a larger proportion of middle aged and early retirees in West Row.

Figure 5-1: Age structure in West Row, 2011



Source: ONS 2011, AECOM Calculations

Household composition

158. 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 generally West Row follows the national average and the trend within the LA in terms of Household composition, with the exception of a higher percentage of one family households. Another point worth noting is that West Row appears unique in comparison to the other areas, having a larger proportion of households with no children than with dependent children.

Table 5-6: Household composition, West Row, 2011

Household composition		West Row	Forest Heath	England
One person household	Total	25.7%	28.5%	30.2%
	Aged 65 and over	8.3%	11.5%	12.4%
	Other	17.4%	17.1%	17.9%
One family only	Total	69.0%	64.6%	61.8%
	All aged 65 and over	9.4%	8.6%	8.1%
	With no children	24.7%	21.7%	17.6%
	With dependent children	24.1%	26.2%	26.5%
	With non-dependent children ⁸	10.8%	8.1%	9.6%
Other household types	Total	5.3%	6.8%	8.0%

Source: ONS 2011, AECOM Calculations

159. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be

⁸ Refers to households containing children who are older than 18 e.g students or young working people living at home.

taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. While the data is quite old at this point, it is interesting to observe that this category grew by 15.2% between 2001 and 2011 in the parish, this is in line with 14.6% growth in Forest Heath and 10.6% nationally across the same time period.

Occupancy ratings

160. 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.
161. In terms of household occupancy, the table below indicates that in West Row there are generally enough rooms to adequately house a majority of the population, with just 2% of households living in a state of over-occupancy. However, the figures do suggest that there are a lot of dwellings with surplus bedrooms, particularly among the older population. A combined 77% of households have at least one more bedroom than they would be expected to need. The other point worth noting is that the only population segment showing a negative rating is 'Family under 65 – adult children' with 10.5% showing a -1 rating. When considered alongside affordability, this suggests that younger people in West Row are struggling to find their own home.

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

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	42.4%	47.0%	10.6%	0.0%
Single person 65+	44.8%	36.2%	19.0%	0.0%
Family under 65 - no children	58.4%	27.2%	14.5%	0.0%
Family under 65 - dependent children	27.8%	43.2%	28.4%	0.6%
Family under 65 - adult children	25.0%	40.8%	23.7%	10.5%
Single person under 65	38.5%	40.2%	21.3%	0.0%
All households	39%	38%	21%	2%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

Suggested future dwelling size mix

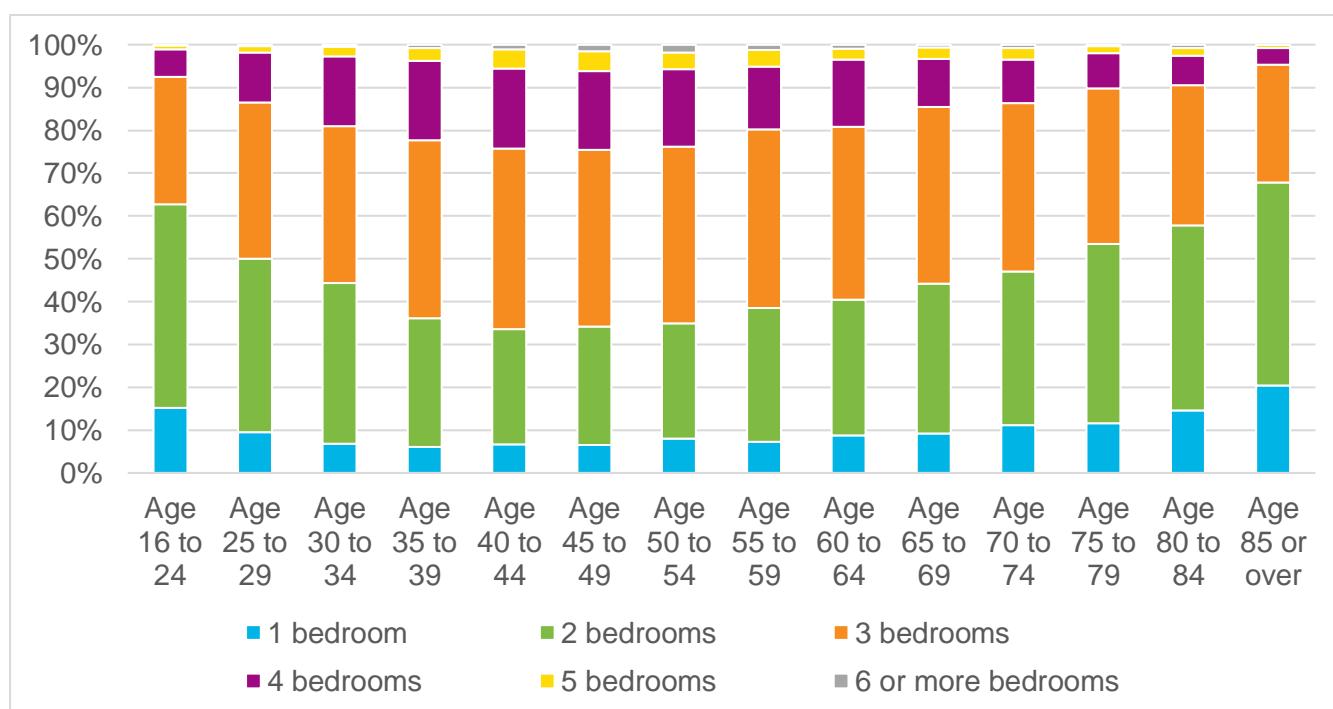
162. As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the parish at the end of the Neighbourhood 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 West Row households in 2011.
 - 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.

163. 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.

164. 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.
165. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
166. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for Forest Heath 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 Forest Heath, 2011



Source: ONS 2011, AECOM Calculations

167. The second dataset of note is the result of applying Local Authority level household projections to the age profile of West Row households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 makes clear that population growth can be expected to be driven by the oldest households, with 67% growth in older (65+) households between 2021-2040. Another point worth noting is the expectation that each of the three population segments for ages under 54 (24 and under; 25 to 34; and 35 to 54) are showing a population decline. These findings will have differing impacts on the housing market. Of particular concern is how equipped the West Row housing profile is to deal with significant growth in the older population. In turn,

the population cohorts that are displaying a decline are typically of family age, which has the potential to lead to an oversupply of larger homes (although some of them may be occupied by older households whose children have moved out). It would be worthwhile considering both these factors in combination when considering any future housing mix, and it may be recommended to introduce a slight bias to smaller 1/2 bed homes through any new development that comes forward.

168. It is relevant here that there is a transient segment of this population associated with the RAF Mildenhall airbase, so it is likely that a portion of population will not stay in West Row long enough to significantly impact the future housing stock. However, it may be possible that this population is being replaced by new service personnel of a similar age profile. As such, the churn of staff from the airbase may have a cyclical impact on the population, without having any distorting impact on the full age profile of West Row.

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

Year	Age of HRP and under 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	23	104	269	133	172
2040	22	111	253	147	287
% change 2011-2040	-4%	7%	-6%	10%	67%

Source: AECOM Calculations

169. The final result of this exercise is presented in Table 5-9. The model suggests that a more diversified housing offer is needed to meet housing need in light of projected demographic changes. Table 5-9 below suggests that West Row could benefit from a strong increase in smaller 2/3 bedroom dwellings. It should be noted that these are crude figures based on demographic trends, and people often desire to live in larger homes. How far to balance diversifying the existing housing offer and providing for plenty of choice in the mix of new housing is a policy decision for the Steering Group to consider.

Table 5-9: Suggested dwelling size mix to 2040, West Row

Number of bedrooms	Current mix (2011)	Target mix (end of Plan period)	Balance of new housing to reach target mix
1 bedroom	10.3%	9.5%	4.1%
2 bedrooms	26.7%	34.8%	66.4%
3 bedrooms	38.9%	38.6%	29.5%
4 bedrooms	19.0%	13.4%	0.0%
5 or more bedrooms	4.7%	3.6%	0.0%

Source: AECOM Calculations

170. It is never advisable to restrict future housing delivery to selected size categories only, as is suggested by the model above. 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 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. Some additional considerations are provided below.

171. 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.
172. Furthermore, the young starter families and downsizing older households mentioned above 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.
173. 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 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.
174. 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.

Conclusions- Type and Size

Current housing stock and demographic change

175. Currently, there are approximately 823 dwellings in West Row. There is a limited diversity in the West Row housing mix, with a majority of homes being detached and semi-detached (cumulatively 94.1%), with very few terraced dwellings and flats on offer in the parish (cumulatively 5.9%). This is significantly different than the patterns observed across West Suffolk and England.

176. In terms of dwelling size, a majority of the housing offer in West Row is 2-3 bed dwellings, at a higher proportion than is seen across the LA and nationally. There is also a notable lack of smaller 1 bed dwellings on offer in the parish. Generally, the data suggests a housing profile that is in favour of families, with the age composition in the parish complementing this feature of the housing stock.
177. West Row does have a relatively high proportion of its population over the age of 65, and modelling suggests the parish will see a significant rise of 67% over the plan period. However, this high growth will no doubt be impacted by the transient population associated with the RAF Mildenhall airbase. It is likely a continuous replacement of working age people associated with the airbase is impacting the population profile of West Row. In turn, the projected ageing of the population in the airbase may not be as severe in practice.

The future housing mix

178. The analysis suggests that West Row would benefit from increasing the offer of 2-3 bedroom dwellings to meet the needs of the changing population. It may also be beneficial for the parish to diversify the range of housing on offer, with a focus on more terraced dwellings and flats. These types of dwellings would typically accommodate the size requirements suggested above.
179. It should be noted this recommendation is a relatively blunt expression of future needs based solely on demographic change and imbalances in the existing stock. It does not account for the desire of the population to live in larger dwellings than they 'need'. However, the Neighbourhood Plan and strategies at a district level may wish to account for this dynamic or reflect any survey or consultation evidence. The future mix of homes in West Row could also reflect how the community wishes to change the settlement pattern and support particular segments of the population.
180. It is also important to remember that other factors should be considered in determining the overall 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 parish 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.

6. RQ3: Specialist housing for older people

RQ3: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

Introduction

181. This chapter considers in detail the specialist housing needs of older and disabled people in West Row. 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.

182. 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.

183. 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.

184. 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,⁹ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

185. 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

⁹ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁰

186. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹¹ 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.

Current supply of specialist housing for older people

187. 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>.
188. There are currently no units of specialist accommodation in the NA at present. There are however 20 facilities within 10km of West Row, with a majority located in Mildenhall. There is a range of tenure options available, including age exclusive housing, retirement housing and specialist care facilities.
189. ONS 2020 population estimates suggest that there are currently around 176 individuals aged 75 or over in West Row. It is common practice to measure provision in terms units per 1,000 of the 75+ population. However, in this instance this is not possible due to the lack of provision currently available within the parish.

Tenure-led projections

190. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Forest Heath, as this is the most recent and smallest geography for which tenure by age bracket data is available.
191. 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 2040. 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.

¹⁰ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹¹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

192. According to Table 6-1, the vast majority of older households in Forest Heath did own their own homes (74%), with the other 26% living in rented accommodation. Interestingly, there are 10.1% of the older population living in private rented accommodation. This is a high percentage of this population segment to be living in the private rented sector and may speak to the relative unaffordability and difficulty for people to access owner occupation in the parish. This high figure may also partially be due to a proportion of the older airbase population (55+) still occupying private rental accommodation. Nonetheless, the proportion of 55-75 people living in rented accommodation may indicate a need to increase the provision of specialist facilities in the parish for those unable to adapt their rented homes or to afford independent care arrangements.

Table 6-1: Tenure of households aged 55-75 in Forest Heath, 2011

All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
74.0%	51.4%	22.6%	26.0%	13.6%	10.1%	2.2%

Source: Census 2011

193. The next step is to project how the overall number of older people in West Row is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Forest Heath 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 6-2 suggest that 10.2% of the population will be over 75 at the end of the plan period, which is 2 percentage points less than Forest Heath. This represents an absolute growth of 100 persons over this period.

Table 6-2: Modelled projection of elderly population in West Row by end of Plan period

Age group	2011		2040	
	West Row	Forest Heath	West Row	Forest Heath (or Pro-rated area of West Suffolk)
All ages	1,627	59,748	2,024	74,332
75+	106	4,631	206	9,004
%	6.5%	7.8%	10.2%	12.1%

Source: ONS SNPP 2020, AECOM Calculations

194. 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).

195. The people whose needs are the focus of the subsequent analysis are therefore the additional 100 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 Forest Heath in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 4,631 individuals aged 75+ and 3,395 households headed by a person in that age group. The average household size is therefore 1.35, and the projected growth of 100 people in West Row can be estimated to be formed into around 74 households.
196. 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 6-3. This provides a breakdown of which tenures those households are likely to need.

Table 6-3: Projected tenure of households aged 75+ in West Row to the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
55	38	17	19	10	8	2

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

197. 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 6-4 presents this data for West Row from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-4: Tenure and mobility limitations of those aged 65+ in West Row, 2011

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	56	20.4%	65	23.7%	153	55.8%
<i>Owned or shared ownership: Total</i>	40	17.2%	54	23.3%	138	59.5%
Owned: Owned outright	33	16.7%	48	24.2%	117	59.1%
Owned: Owned with a mortgage or loan or shared ownership	7	20.6%	6	17.6%	21	61.8%
<i>Rented or living rent free: Total</i>	16	38.1%	11	26.2%	15	35.7%
Rented: Social rented	5	29.4%	5	29.4%	7	41.2%
Rented: Private rented or living rent free	11	44.0%	6	24.0%	8	32.0%

Source: DC3408EW Health status

198. 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 34.

199. These findings are set out in the table, 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 6-4: AECOM estimate of specialist housing need in West Row by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	<i>Multiply the number of people across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	<i>Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	16
	7	9	
Adaptations, sheltered, or retirement living	<i>Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little.</i>	<i>Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.</i>	18
	5	13	
Total	12	22	34

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

200. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. Table 6- 5 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.

201. It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+.

Table 6-5: 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

202. As Table 6-5 shows, West Row is forecast to see an increase of 100 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 = $60 \times 0.1 = 6$
- Leasehold sheltered housing = $120 \times 0.1 = 12$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.1 = 2$
- Extra care housing for rent = $15 \times 0.1 = 2$
- Extra care housing for sale = $30 \times 0.1 = 2$
- Housing based provision for dementia = $6 \times 0.1 = 1$

203. This produces an overall total of 25 specialist dwellings which might be required by the end of the plan period.

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

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

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	<i>Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia</i>	<i>Includes: enhanced sheltered housing for sale + extra care housing for sale</i>	7
	3	4	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	18
	6	12	
Total	9	16	25

Source: Housing LIN, AECOM calculations

SHMA findings

205. When considering the recommendations of the Cambridgeshire and West Suffolk HNSG, the study suggests an increase of 55% in the number of people over the age of 65 by 2040. It also suggests that the HMA displays lower levels of long-term health issues and disability compared to the levels across England. However, in terms of provision, it does point to an undersupply of wheelchair user dwellings in the HMA, suggesting that in West Suffolk this type of accommodation should represent 11.7% of total need.

Conclusions- Specialist Housing for Older People

206. ONS estimates suggest that there are currently around 176 people aged 75+ living in West Row. This has grown from 106 in 2011 and is projected to increase to 206 by the end of the Neighbourhood Plan period in 2040. This would represent 10.2% of the total population of West Row by 2040, suggesting that the older population will almost double between the 2011 Census and the end of Neighbourhood Plan period.
207. West Row currently does not have any form of specialist care housing facilities on offer in the parish. There are a number of units on offer in Mildenhall. However, if the neighbourhood plan is seeking to make accommodations for an aging population within the parish, specialist accommodation could usefully fill a gap in the market.
208. 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.
209. These two methods of estimating the future need in West Row produce a range of 25 to 34 specialist accommodation units that might be required during the Plan period.

210. These estimates are based on the projected growth of the older population from the 2011 Census Figures – with the additional 100 people equating to approximately 74 households. In turn, it is assumed that a majority of the older population accounted for in the 2011 Census are already well accommodated in the existing housing stock. If this is not the case, it would justify an intention to exceed the provision in the parish, particularly in the absence of any specialist accommodation on offer currently.
211. Given that the parish has been allocated a site that can accommodate 152 new units, it may be possible to accommodate this need. Given that part of this site is currently under construction, when fully delivered and when Affordable Housing targets are accounted for, it would leave between 106 units on offer in the mainstream housing market. Note that there is no requirement to meet the full extent of the needs identified here. How far to balance the needs of specific groups with the wider population is a potential question for the Neighbourhood Plan as well as something that will be considered by West Suffolk when the planning permission is negotiated.
212. It may also be possible to meet some of the potential need in the parish through alternative means, rather than the delivery of new units. Chief among these options is the adaptation of existing homes, and requirements to make any new mainstream housing as accessible and adaptable as possible. Through Policy SP7, The West Suffolk Preferred Options stage of the local plan does not provide any detailed policy requirement for this. However, it does insist the needs of the older population (among other specific segments of the population) will be accounted for in any forthcoming policy(ies) on housing need. It may therefore be beneficial for the Parish Council to discuss with West Suffolk what these requirements might look like in future, and support provision in the parish in line with emerging policy.
213. It is relatively common for Local 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 in the district/borough falling into this category.
214. 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.

215. 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 Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model). Again, considering the high proportion of specialist accommodation on offer in Mildenhall, and the number of other smaller Neighbourhood areas similar to West Row in the vicinity, this may also be something worth discussing with West Suffolk Council.
216. Considering West Row's position within the settlement hierarchy as a local service centre, it might make it a relatively less suitable location for specialist accommodation in terms of accessibility criteria and the considerations of cost effectiveness above. When considering that there is no specific requirement or obligation to provide specialist accommodation need arising from West Row, it may be possible that the NA can provide for some need within the parish, and benefiting from the 'hub and spoke' model to facilitate any surplus.
217. 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. Next Steps

Recommendations for next steps

218. This Neighbourhood Plan housing needs assessment aims to provide West Row 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 West Suffolk 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 West Suffolk;
- 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 West Suffolk.

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

220. Bearing this in mind, 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, West Suffolk or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

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

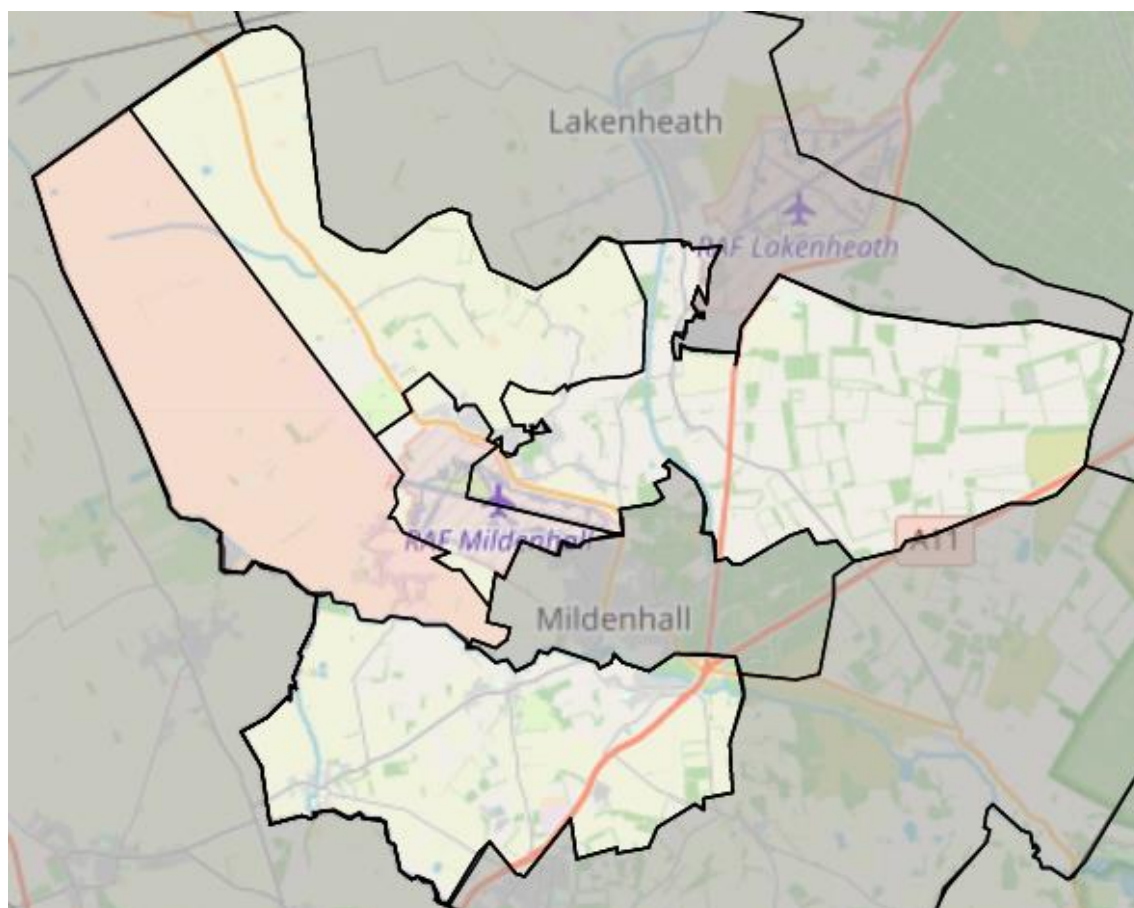
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

223. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of West Row, it is considered that LSOA E01032526 is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of E01032526 appears in Figure A-1. It should be that there is an LSOA (E01032523) within the parish boundary that straddles this parish boundary alongside Beck Row. After consultation with the steering group, it was agreed this area would be discounted from the study because the majority of its residential population falls outside of the NA boundary.

Figure A-1: MSOA E01032526 used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

224. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
225. 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

226. 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.
227. 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 West Row, 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.
228. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2021) = £262,500;
 - Purchase deposit at 10% of value = £26,250;
 - Value of dwelling for mortgage purposes = £236,250;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £67,500.
229. 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 2021 was £232,750 and the purchase threshold is therefore £59,850.
230. It is also 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 there were no sales of new build properties in the NA in 2021. As such, it is not possible to determine an accurate average for new build housing in West Row, and AECOM has therefor calculated an estimate. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the Appendix). The estimated NA

new build entry-level house price is calculated by determining the uplift between all house prices in 2021 across West Suffolk and new build house prices in 2021 in the same area. This percentage uplift is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £271,904 and purchase threshold of £69,918.

ii) Private Rented Sector (PRS)

231. 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.
232. 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.
233. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the IP28 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
234. According to [home.co.uk](https://www.home.co.uk), there were 69 properties for rent at the time of search in July 2022. When accounting for all rental properties available in the search area, the average monthly rent was £1,541. There were 16 two-bed properties listed, with an average price of £1,128 per calendar month.
235. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
 - Annual rent = £1,128 x 12 = £13,534.
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £45,120.
236. The calculation is repeated for the overall average to give an income threshold of £61,240.

A.3 Affordable Housing

237. There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2021: 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

238. 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.
239. 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 West Row. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for West Suffolk in the Table A-1.
240. 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	£80.91	£90.36	£101.04	£111.67	£92.09
Annual average	£4,207	£4,699	£5,254	£5,807	£4,789
Income needed	£14,010	£15,647	£17,496	£19,337	£15,946

Source: Homes England, AECOM Calculations

ii) Affordable rent

241. 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).
242. 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%.
243. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for West Row. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

244. Comparing this result with the average 2 bedroom annual private rent above, generally it can be concluded that affordable rents are within the 80%. This is based on the £6,623 figure in table A-2 below, which represents 48% of the market average for a two-bedroom house. In turn, discounts are actually closer to 52% than 20%.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£110.08	£127.38	£152.28	£199.23	£130.83
Annual average	£5,724	£6,624	£7,919	£10,360	£6,803
Income needed	£19,061	£22,057	£26,369	£34,499	£22,655

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

245. 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.

246. In paragraph 65 of the NPPF 2021, 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

247. 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.

248. The starting point for these calculations is therefore the estimated cost of new build housing in West Suffolk which is £271,904

249. For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (West Suffolk average) = £271,904;
- Discounted by 30% = £190,333;
- Purchase deposit at 10% of value = £19,033;
- Value of dwelling for mortgage purposes = £171,300;
- Divided by loan to income ratio of 3.5 = purchase threshold of £48,943.

250. 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 £41,951 and £34,959 respectively.
251. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
252. 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 £1,750 per sq. m) would be around £122,500. This cost excludes any land value or developer profit. As such, the discounted price sale price for First Homes in theory should not present any issues in West Row, though at a 50% discount it is relatively close to the build cost and could raise some viability concerns in practice.

Shared ownership

253. 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'.
254. 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.
255. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. 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).
256. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £271,904 is £61,178;
 - A 10% deposit of £6,119 is deducted, leaving a mortgage value of £55,059;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £15,731;

- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £210,726;
 - The estimated annual rent at 2.5% of the unsold value is £5,098;
 - This requires an income of £17,559 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £32,722 (£15,731 plus £16,991).
257. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £27,385 and £46,288 respectively.
258. From the above calculations it can be concluded that shared ownership arrangements at all discounts analysed would be within the income thresholds of £80,000, after which individuals would be ineligible.

Rent to Buy

259. Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used 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 savings with a portion of the rent.

Help to Buy (Equity Loan)

260. 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.
261. 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 = $\frac{£200,000}{£25,000} = 8$, (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 methods¹².

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.

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

Bedroom Standard¹³

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.

¹² The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

¹³ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-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 principal 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 Order¹⁴

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)¹⁵

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

Equity Loans/Shared Equity

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

¹⁴ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

¹⁵ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. 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 years¹⁶, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

¹⁶ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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 25% and 75% (though this was lowered in 2021 to a minimum of 10%), 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 Housing¹⁷

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

¹⁷ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.¹⁸

¹⁸ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

