



Hemswell Cliff Housing Needs Assessment (HNA)

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Quality information

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List of acronyms used in the text:

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

1. Executive Summary

Tenure and Affordability

1. The vast majority of households in Hemswell Cliff are owner-occupiers (64.3%). This is followed by the private rented sector (31.8%). There are very few homes in the social rented sector and in shared ownership. The proportion of private rented homes is more than double that of the wider district, whereas the proportion of social rented homes is almost non-existent in the Neighbourhood Plan Area (NA), compared to 11.1% in the wider District and 17.7% nationally. The dominance of the owner-occupied sector is common to other rural areas across the country and is also a feature of places with relatively older populations. However, the tenure of the housing stock will impact on the ability of different households to live in Hemswell Cliff, and the dominance of ownership combined with the absence of social rented housing may limit the ability of those on lower incomes to live in the NA.
2. Between 2001 and 2011, the number of those renting privately has increased substantially, by 266.7%. This is mirrored by a substantial but lesser increase of 92.4% in private rented homes across the District. This trend typically points to the declining affordability of home ownership, however market housing for sale is found not to be out of reach for those on average incomes in Hemswell Cliff, so it may be that households are also renting by choice or for lifestyle reasons. Meanwhile, there has been a decline of -66.7% in shared ownership homes, and -77.8% in social rented homes in the NA (presumably due to occupiers being able to purchase their homes outright, for example through the Right to Buy Scheme). Both declines are from a low base.
3. House prices have grown by a notable 17.6% overall in Hemswell Cliff over the 10 years to 2019. However, there is a degree of volatility in pricing over time. If we calculate house price growth from 2011 rather than 2009, there has been an overall decline of -9.4%.
4. The approximate median and lower quartile incomes in Hemswell Cliff are £37,800 and £21,175 respectively. Comparing these affordability thresholds with the costs of each tenure, it is clear that the most affordable forms of tenure are shared ownership, Discounted Market Sale (-20%), social rent and affordable rent, all of which are affordable to those within the lower quartile household.
5. Taking into consideration the affordability thresholds investigated here, it is apparent that those on median household incomes and dual-earning lower quartile (LQ) households are able to afford all of the tenures under consideration. For single-earning households, the majority of tenures are also within reach. Given that these households can afford to buy their own (entry-level) homes, there would appear to be little need for affordable home ownership products to bridge the gap between the cost of renting and buying. That said, such products may be able to meet the needs of those whose incomes are below LQ levels, and should not be neglected altogether.
6. The total estimated Affordable Housing need in Hemswell Cliff over the Plan period 2018-2040 is at least 6 (rounded) affordable rented homes and approximately 59 (rounded) affordable home ownership dwellings. It is worth noting that when the needs of households who cannot afford ownership (but can afford rent) are assessed they appear higher in scale than the need for rented homes. This is because the population of this group is larger, though it is important to keep in mind that their needs are less urgent and the majority are accommodated in the private rented sector. They do not lack housing but would prefer to be accommodated in a different tenure. This figure can therefore be considered as potential demand for affordable home ownership products in Hemswell Cliff.
7. In terms of the most appropriate mix of tenures within Affordable Housing, the calculations above would suggest that a ratio of 6 affordable rent to 59 affordable sale, or 10% to 90% would be appropriate. This would be the case if sufficient Affordable Housing is expected to be provided in Hemswell Cliff over the Plan period to meet the combined total need of 66 affordable units. However, this is unlikely if Hemswell Cliff receives a housing requirement figure of 180 dwellings (as stated in the current Local Plan, and which is subject to change in the emerging Local Plan). If the housing requirement figure is 180 dwellings, or close to this figure, then approximately 36 dwellings will be affordable in accordance with the current Local Plan Policy LP11 which states that 20% of new housing development should be made affordable.
8. Within the Affordable Housing to be delivered in Hemswell Cliff during the plan period, it is recommended that a balance of 20% affordable rented and 80% affordable ownership tenures be sought. However, this 20% should be treated as a minimum level of provision for affordable rented housing. Given that expected delivery falls short of identified potential need, the neighborhood planners may decide to prioritise the most urgent needs of those requiring affordable rented tenures. There is other evidence to justify this position: chiefly, that the estimated need for 6 units may be understated due to the absence of this tenure in the current dwelling mix, and that the cost of home ownership

appears to be affordable for the majority of households (thereby rendering affordable routes to home ownership less vital).

Type and Size

9. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the characteristics of the existing stock of housing, the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
10. Hemswell Cliff's stock of existing housing is made up of a different dwelling type breakdown to that of West Lindsey, with more semi-detached and terraced homes, and fewer detached houses. The parish has double the proportion of terraced houses and less than half the proportion of detached homes as compared with the District.
11. The housing stock of Hemswell Cliff is generally characterised by generally large dwellings, with high percentages of homes over four rooms, although the District has more larger homes than the NA. There has been a significant rise in the number of very large homes of eight or more rooms in Hemswell Cliff, and a no growth in dwellings of three rooms or less.
12. The 2011 Census data reveals that Hemswell Cliff has a much younger population than West Lindsey. The majority of the population are under the age of 44, with 33% being under the age of 24. In this context, it may be beneficial for the recent delivery trends by size (predominantly larger homes) to shift toward the provision of smaller dwellings suited to young couples and single persons who wish to buy a new home.
13. In terms of household composition, Hemswell Cliff differs from West Lindsey in its far lower proportion of one person households, although this group grew considerably between 2001 and 2011, as did multi-family household types (such as houses in multiple occupation (HMOs)). There are many more families with children in the NA than the wider District.
14. Seen in the context of recent supply patterns and Hemswell Cliff's comparatively large stock of dwellings overall, the trend towards single occupancy and large number of young people may warrant a Neighbourhood Plan policy to prioritise the provision of modest sized homes with 3 bedrooms. In terms of the types of dwellings required, likely demand for generally more affordable dwelling types, such as terraced homes and flats, should be addressed.
15. Applying District-level population projections to Hemswell Cliff, it is notable that all age groups between the age of 25 and 64 are expected to stay largely the same or decline in size, while future population growth is expected to be driven by younger and older people. Because the youngest and oldest age groups are currently relatively small, they will still remain far less populous than the 35 to 54 age group in terms of total numbers.
16. The result of a life-stage modelling exercise that combines population projections and occupation preferences is that, in terms of demographic change, new development in Hemswell Cliff might involve the following share of dwelling sizes: 23.2% as 1 bedroom, 0% as two bedrooms, 42.5% as three bedrooms, 17.3% as four bedrooms and 17% as 5 or more bedrooms. However, this guideline mix should be applied with a high degree of flexibility to account for changing demand and so as not to restrict the viability and diversity of new development.

Specialist Housing for Older People

17. The result of the tenure-led projection and the Housing LIN recommendation is the same: 7 new specialist homes for older people over the Plan period.
18. Given that specialist housing for older people costs more to build, the finding that between 1 and 3 of these 7 units should comprise Affordable Housing tenures is considered reasonable and realistic. This should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate and having regard to demand as expressed on the housing waiting list.
19. 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.
20. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
21. It is considered that Hemswell Cliff's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Hemswell Cliff entirely within the Neighbourhood Plan area boundaries, it is recommended it could be provided in a 'hub and spoke' model.
22. In the case of Hemswell Cliff, Gainsborough or Lincoln are considered to have potential to accommodate some of the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.
23. 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.

Newly-forming households/first-time buyers

24. It can be estimated, on the basis of ONS Census 2011 data, that about 12 individuals below 35 had not formed their own household by that year. This represents around 4.4% new households with the potential to form.
25. Based on the average of the numbers in Table 7-2 and Figure 7-1, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasizes the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.
26. It is recommended that neighbourhood planners seek to promote these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.

Table 1-1: Tenures recommended in Hemswell Cliff to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	31%
Entry-level market sales/intermediate ownership product	22%
Social rent	16%
Private rent	31%

Source: AECOM calculations

2. Context

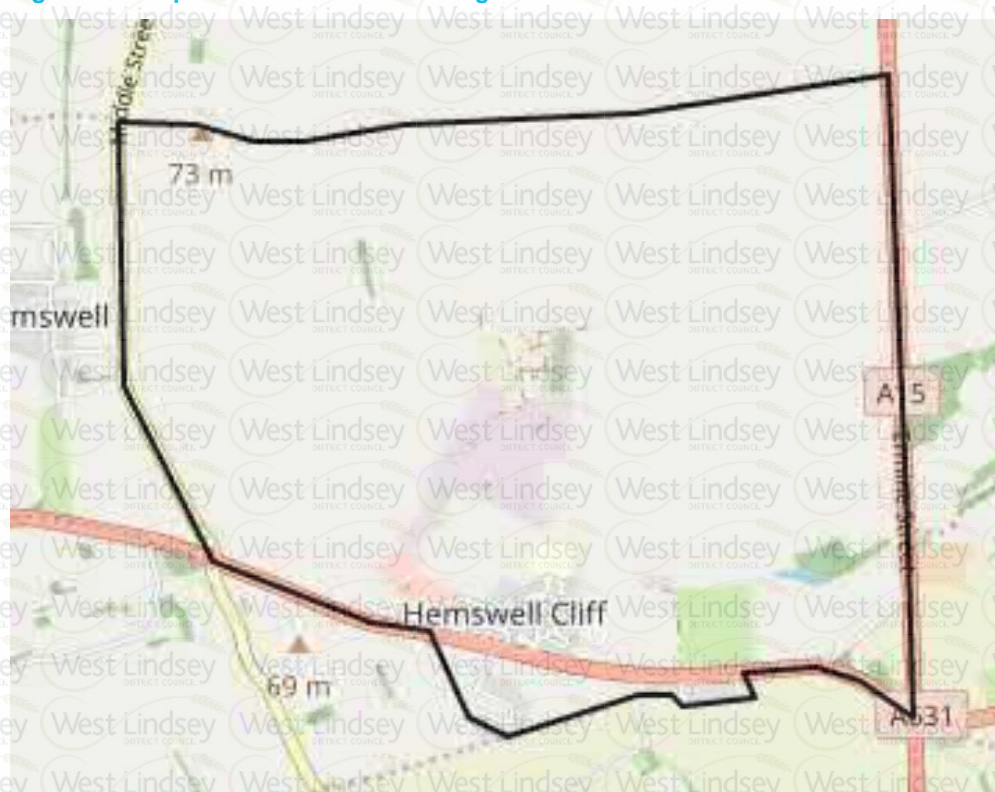
2.1 Introduction

27. The purpose of this HNA is to inform the preparation of the Neighbourhood Plan in terms of housing need. It will provide the necessary evidence to assist in generating policy options for housing. It explores the demand for different types and sizes of dwellings, investigates the need for affordable housing and addresses the needs of certain demographics such as older residents and newly formed households.

2.2 Local context

28. Hemswell Cliff is a Neighbourhood Plan area located in West Lindsey, Lincolnshire. The Neighbourhood Area (NA) boundary comprises the Parish of Hemswell Cliff, which is not to be confused with the neighbouring parish of Hemswell. The NA also includes the settlement of Spital.
29. The proposed Neighbourhood Plan period starts in 2018 and extends to 2040, therefore comprising a planning period of 22 years.
30. The Parish is situated on the A15 road which links the NA to Lincoln, Scunthorpe and surrounding villages. The A631 road also connects the Parish to Gainsborough. There is a limited bus service to nearby destinations, including Lincoln and Kirton in Lindsey.
31. Before 1936, Hemswell Cliff was an agricultural area split between the three parishes of Hemswell, Harpswell and Glentworth.
32. On 31 December 1936, RAF Hemswell was opened as one of the first airfields within the newly formed Bomber Command. The development of the two runways, hangars and ancillary buildings was followed shortly after by houses, a school, Post Office and Officers' Mess, creating the structure of the village as it exists today. Running as a fully operational base by RAF Bomber Command for 20 years between 1937 and 1957, it was later used as a nuclear ballistic missile base during the Cold War until it closed to military use in 1967.
33. Whilst the housing continued to be used to serve the Army based in Kirton upon Lindsey, in 1972 the station became the temporary Hemswell Resettlement Camp for Ugandan-Asian refugees expelled from Uganda by President Idi Amin.
34. In 1985, the ex-military buildings and some of the housing were sold and redeveloped as a trading estate and residential area.
35. In 1990, the Parish of Hemswell Cliff was created reflecting the move from military to civilian ownership in the village.
36. Today, Hemswell Cliff's residents are mainly housed in properties built for the RAF. Most of the houses are to the north of the A631. That side of the road, the houses are predominantly terraced and semi-detached and the character is quite dense, notwithstanding the presence of extensive areas of grassed open space. The statistics show that in the 2011 Census the Neighbourhood Plan area had a total of 794 residents.
37. A map of the Plan area appears below in Figure 2.1.

Figure 2-1: Map of the Hemswell Cliff Neighbourhood Plan area



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Source: *Nomis* 100018701.

38. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

2.3 Planning policy context

39. In line with the Basic Conditions¹ of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.² Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
40. In the case of Hemswell Cliff, the relevant local planning context is as follows:
41. The Central Lincolnshire adopted local plan (CLLP) covers 2012-2036, and was adopted in April 2017. It was prepared and adopted by the Central Lincolnshire Joint Strategic Planning Committee (CLJSPC).³
42. The National Planning Policy Framework (NPPF) was issued by Government in March 2012, followed by the 'live' National Planning Practice Guidance (NPPG) from March 2014. The Central Lincolnshire Local Plan has been written to be compliant with the NPPF and to follow the more detailed guidance in the NPPG; as such, it builds on national planning policies and ensures local issues are dealt with within that framework.
43. This Local Plan replaces all the existing or 'saved' policies in the following Local Plans:
- City of Lincoln Local Plan (adopted 1998)
 - North Kesteven Local Plan (adopted 2007)
 - West Lindsey Local Plan (adopted 2006)
44. The emerging Local Plan was recently out for public consultation between June – July 2019. Comments are being gathered and a revised plan is due to be drafted and published for full consultation in early 2020.⁴

2.3.1 Policies in the adopted local plan⁵

45. A list of CLLP policies deemed relevant for the purpose of this HNA are identified in Table 2-2 below

Table 2-2: Summary of Lincoln adopted policies having relevance to Hemswell Cliff Neighbourhood Plan Housing Needs Assessment

Policy	Provisions
LP10: Meeting Accommodation Needs	Provide housing solutions appropriate to the needs of the housing market area, based on local evidence.
LP11: Affordable Housing	Aims to help deliver 17,400 affordable dwellings to meet the needs of residents unable to compete on the open market. Where a site qualifies for affordable housing, the percentage sought will be 20% of all housing delivered.
LP3: Level and Distribution of Growth	Aims to facilitate the delivery of 36,960 new dwellings over the plan period.
LP4: Growth in Villages	Hemswell Cliff will be permitted to grow by the amount of dwellings specified in site allocation in Policy LP53 of 180 dwellings.
LP53: Residential Allocations - Medium Villages	A site at Hemswell Cliff has been identified to deliver an indicative dwelling number of 180 as of 1 April 2016.

Source: <https://www.n-kesteven.gov.uk/central-lincolnshire/local-plan/>

¹ Available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

² However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

³ Available at <https://www.n-kesteven.gov.uk/central-lincolnshire/local-plan/>

⁴ Available at <https://www.n-kesteven.gov.uk/central-lincolnshire/local-plan/>

⁵ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

2.3.2 Policies in the emerging local plan

46. Although the current Local Plan was adopted recently in April 2017, in response to significant changes to national policy, a review is required to ensure it remains up to date. The first stage of the Local Plan review is the Issues and Options consultation which ran for six weeks from Thursday 6 June 2019 until Thursday 18 July 2019. All comments received will help inform the drafting of the revised plan, which will be published for public consultation in early 2020.
47. The emerging Local Plan is expected to be adopted in 2021 (although this may be delayed until 2022). Below is the proposed policies which have been consulted on in the CLLPR (Central Lincolnshire Local Plan Review) Issues and Options Consultation Document. It is important to note that this Local Plan is yet to be adopted and therefore as a draft document, all policies are subject to change.

2.3.3 Proposed Policies in the emerging local plan⁶

Table 2-3: Summary of West Lindsey adopted policies having relevance to Hemswell Cliff Neighbourhood Plan Housing Needs Assessment

Policy	Provisions
Proposal 4 – Plan Period	The plan period for the new Local Plan is proposed to be 2018-2040.
Proposal 5 – Settlement Hierarchy	The current 2017 Local Plan contained a settlement hierarchy in Policy LP2 which sought to support the spatial strategy by focusing development at locations with good levels of services and facilities and to provide clarity for investment throughout Central Lincolnshire. However, this Settlement Hierarchy is subject to review.
Proposal 6 – Housing Need and Requirement	It is proposed that a range of 1,083-1,300 dwellings is used in the new Local Plan. That range might be adjusted during the preparation of the Plan, if new evidence or national policy indicates it is necessary to do so.
Proposal 10 – Housing Allocations from the 2017 Local Plan	<p>It is proposed that sites allocated in the 2017 Local Plan be reviewed. Allocations that are still considered to be suitable for development will be retained in the new Local Plan and account taken of their deliverability in a new housing trajectory. Allocated sites with planning permission, or a resolution to grant planning permission, will be reallocated unless there are exceptional reasons indicating that such a permission will not be implemented.</p> <p>It is proposed that where evidence suggests that site allocations are no longer suitable or available, or where they have now been built-out, they will not be taken forward in the new Local Plan. Allocated sites without permission, and with no clear and demonstrable evidence that progress is likely on such sites within the next five years, will also be minded to be deallocated.</p>
Proposal 11 – Growth in Villages	<p>The principle of allowing a set amount of growth in smaller settlements is proposed to be retained.</p> <p>It is proposed that the approach of using a growth level for smaller settlements be retained and that, as with the 2017 Local Plan, this should have a baseline of 10% with the potential to be increased to 15% where certain criteria are achieved.</p> <p>The 2017 Local Plan used the presence of key facilities (primary school, convenience store and some employment), proximity to main urban centres and Strategic Employment Areas as the criteria to define where the growth level should be boosted to 15%.</p>
Proposal 12 – Preferred Approach for Growth Levels in Villages	The preferred approach is to take account of cases where a substantial amount of growth has occurred in recent years, namely where 100% of the growth level in the 2017 Local Plan was built out by 1 April 2018. For those locations, the percentage growth level would be halved in the new Local Plan. This approach allows for sites with permission but not built by 1 April 2018 to be counted towards the new growth levels.
Proposal 13 – Affordable Housing	It is intended that the evidence of need for affordable housing will be refreshed and the new Local Plan will account for any necessary policy changes arising from this evidence.

⁶ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Source: CLLPR Issues and Options Consultation Document

2.3.4 Quantity of housing to provide

48. The NPPF 2018 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
49. West Lindsey will fulfill that requirement by providing Hemswell Cliff with housing requirement figure, which outlines the minimum amount dwellings to be accommodated within the Neighbourhood Plan area by the end of the Plan period.
50. Given that the NPPF requirement will be fulfilled, the question of how many houses to plan for has been answered. It is therefore outside the scope of this Housing Needs Assessment. The issue of quantity has been excluded from the Research Questions (see Chapter 3 below).

3. Approach

3.1 Research Questions

51. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct the research and provide the structure for the HNA.
52. The RQs relevant to this study, as discussed and agreed with Hemswell Cliff, are set out below.

3.1.1 Tenure and Affordability

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

RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

3.1.2 Type and Size

55. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. There is currently a mix of large and small homes in the NA but the neighbourhood group want to identify if there is currently an imbalance in the current dwelling mix
56. 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.

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

3.1.3 Specialist Housing for Older People

57. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – including mainstream housing which meets the needs of households at all life stages and specialist accommodation which promotes independent living and access to care and support. . There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for older people through the Plan period.

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

3.1.4 Housing for Newly-Forming Households/First-Time Buyers

58. The neighbourhood planning group is keen to ensure that there is an adequate supply of affordable and suitable dwellings for first-time buyers in the Neighbourhood Plan area, given the well-known difficulties that younger people face, compared with previous generations, in accessing home ownership. As such it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains its younger population.

RQ 4: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

59. It is appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Hemswell Cliff Neighbourhood Area is located within West Lindsey's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), which is known Central Lincolnshire Strategic Housing Market Assessment 2015.
60. For the purpose of this HNA, data from West Lindsey's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area, and has been referenced as appropriate.

3.2.2 Other relevant data

61. In addition to the West Lindsey evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:
 - Land Registry data on prices paid for housing within the local market;
 - Population and household projections produced by the Office of National Statistics (ONS);
 - Information on current property asking prices, for housing for sale or rent, from home.co.uk; and
 - The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for estimating the need for differing types of specialist dwellings for older people.

4. RQ 1: Tenure and Affordability

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

4.1 Introduction

62. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
63. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, make an assessment on whether continuation of these trends would meet future needs. This section also investigates whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.⁷

4.2 Definitions

64. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.⁸
65. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership (broadening the definition of AH which had previously referred only to social and intermediate housing to include a range of low-cost housing opportunities for those aspiring to own a home, including Discounted Market Sale (-20%). However, it still recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.
66. In paragraph 64 of the NPPF, the Government introduces a recommendation that "*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership*". In line with PPG,⁹ the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes shared ownership homes, and homes available for discount market sale.
67. The Government has proposed to introduce First Homes to provide at least a 30% discount on new market housing for sale. However, the NPPF and Homes England funding for Affordable Housing recognises the important role of affordable rented tenures for those unable to afford home ownership.

4.3 Current tenure profile

68. In order to set a baseline for the examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Hemswell Cliff, compared to the rest of West Lindsey and England.
69. The vast majority of households in Hemswell Cliff are owner-occupiers (64.3%). This is followed by the private rented sector (31.8%). There are very few homes in the social rented sector and in shared ownership. The proportion of private rented homes is more than double that of the wider district, whereas the proportion of social rented homes is almost non-existent in the NA, compared to 11.1% in the wider District and 17.7% nationally. The dominance of the owner-occupied sector is common to other rural areas across the country and is also a feature of places with relatively older

⁷ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁸ NPPF 2019.

⁹ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

populations. However, the tenure of the housing stock will impact on the ability of different households to live in Hemswell Cliff, and the dominance of ownership and absence of social rented accommodation may severely limit the ability of those on lower incomes to live in the NA.

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

Tenure	Hemswell Cliff	West Lindsey	England
Owned; total	64.3%	72.6%	63.3%
Shared ownership	0.4%	1.0%	0.8%
Social rented; total	0.7%	11.1%	17.7%
Private rented; total	31.8%	13.7%	16.8%

Sources: Census 2011, AECOM Calculations

70. In Table 4-2 below, we note the changes in tenure between 2001 and 2011. The largest change in the NA was seen in private rented accommodation, a substantial increase of 266.7%. This is mirrored by a substantial but lesser increase of 92.4% in private rented homes across the District. Home ownership also increased by 61.8%, again greater than 13.7% increase in the district. Meanwhile, there has been a decline of -66.7% in shared ownership homes, and -77.8% in social rented homes in the NA (though both declines are from a very low starting base).
71. The strong growth in private renting is likely connected to the increasing cost of home ownership driving households into more affordable alternative tenures. Given Hemswell Cliff's extremely low incidence of social renting, the rise in private renting may also be a result of households who would otherwise qualify for social rented homes instead entering private rented housing using housing benefits to cover the cost.

Table 4-2: Rates of tenure change in Hemswell Cliff, 2001-2011

Tenure	Hemswell Cliff	West Lindsey	England
Owned; total	61.8%	13.7%	-0.6%
Shared ownership	-66.7%	138.6%	30.0%
Social rented; total	-77.8%	6.3%	-0.9%
Private rented; total	266.7%	92.4%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

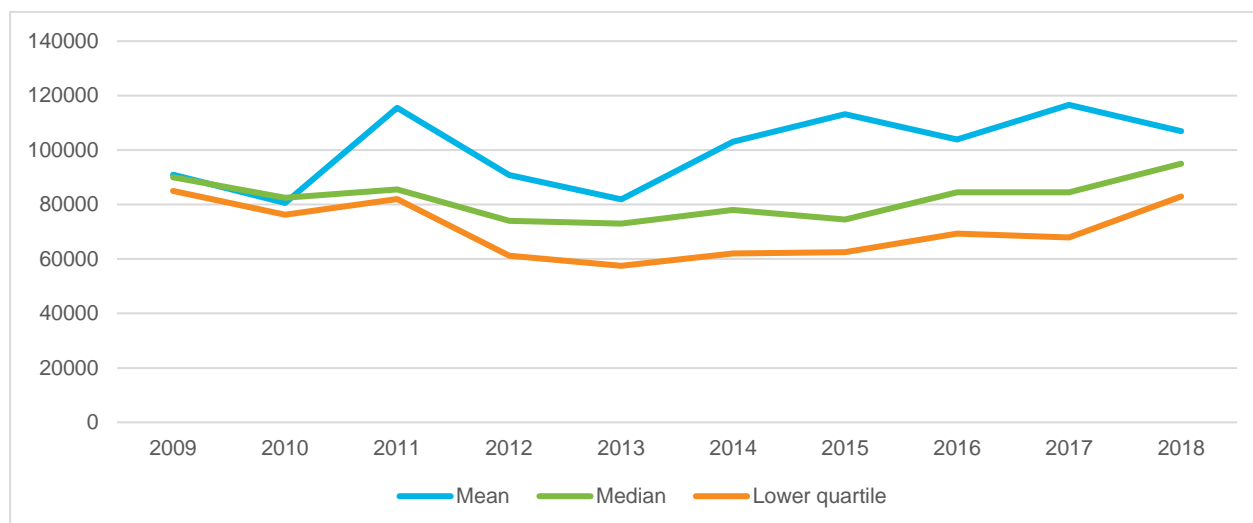
4.4 Affordability by tenure

72. Having reviewed the tenure of the existing housing stock in Hemswell Cliff, this report turns to assessing future provision over the Neighbourhood Plan period.
73. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, the starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

4.4.1 House prices

74. In line with PPG, lower-quartile house prices may be used as a benchmark for entry-level home prices.¹⁰ An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.
75. Figure 4-1 looks at selected measures of house prices in Hemswell Cliff. It shows that there has been fluctuation in prices over the last decade, but an overall trend of growing prices.

¹⁰ See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Figure 4-1: House prices by quartile in Hemswell Cliff between 2009 and 2018

Source: Land Registry PPD

76. Table 4-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It confirms that house prices have grown by 17.6% overall. However, there is a degree of volatility in pricing over time. If we calculate house price growth from 2011 rather than 2009, there has been an overall decline of -9.4%. There is also a high degree of variation among different house types. Detached homes have declined by -30% since 2011, whilst there has been smaller declines in semi-detached homes (-10.7%) and terraced homes (-8%) since 2009. There were no sales of flats in this period.

Table 4-3: House prices by type in Hemswell Cliff, 2008-2017,000's

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached			£250K	£154K	£164K	£164K	£250K	£219K	£299K	£175K	-30.0%
Semi-detached	£111K	£93K	£91K	£75K	£82K	£58K	£77K	£81K	£107K	£99K	-10.7%
Terraced	£84K	£74K	£54K	£57K	£54K	£66K	£59K	£70K	£64K	£78K	-8.0%
Flats											0.0%
All Types	£90K	£80K	£115K	£90K	£81K	£103K	£113K	£103K	£116K	£106K	17.6%

Source: Land Registry PPD

4.4.2 Income

77. 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.
78. The first source is locally specific but limited to the average total household income. This is the average household income estimates published by ONS¹¹ at the level of the Middle-layer Super Output Area (MSOA)¹². In the case of Hemswell Cliff the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is E02005496. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.

¹¹Available at

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

¹² An MSOA is a statistical area defined for Census purposes. For further information on MSOAs, see <https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

79. The total annual household income across E02005496 in 2014/16 was £37,800. This is the figure commonly used by mortgage lenders to assess how much a household can borrow in order to buy a home.
80. The second source of data is Lower Quartile (LQ) average earnings. This is helpful for understanding affordability challenges among those with lower than average earnings. However, this data is only available at the District level. It is derived from ONS Ratio of house price to residence-based earnings (lower quartile and median), 2002 to 2018 dataset. It relates to individual earnings and whilst this is an accurate representation of household incomes where households have one earner, it does not represent household income where there are two people earning. We therefore take the approach of doubling this figure to understand the income available to a household that contains two LQ earners.
81. West Lindsey's gross LQ gross annual residence-based earnings is £21,175 per year. This is doubled to £42,350 for dual-earning LQ households.

4.4.3 Affordability Thresholds

82. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase thresholds denote the standard household income needed to access mortgage products, and income thresholds denote the maximum share of a family's income that should be spent on accommodation costs.
83. AECOM has determined thresholds for entry-level market purchase and private rent and the full range of Affordable Housing tenures as set out in NPPF across Hemswell Cliff. There are: social rent; affordable rent set at 80%, shared ownership at 25%, 50%, and 75%; discounted market sale and rent to buy and estimated social rent levels. These calculations are detailed in Appendix A. 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 25% and that mortgage financing will be offered at a maximum of 3.5 times household income. Table 4-4 shows the cost of different tenures and the annual income required to support these costs within Hemswell Cliff. The income required column is the annual income needed to support ongoing housing costs, but does not reflect the cost of a deposit (which we have assumed to be 10% of the value to be purchased) or the possibility that households able to access market housing for purchase may already hold equity from an existing property.
84. It is worth noting that the low cost of shared ownership, which appears to be more affordable even than social renting, is likely not realistic in practice. In order to make delivering such homes economically viable for developers, it is likely that they will be priced more in line with new build prices than entry-level existing homes. It should be expected that social renting is the most affordable tenure in Hemswell Cliff, but shared ownership may still be among the most affordable tenure options available.

Table 4-4: Affordability thresholds in Hemswell Cliff (income required, £)

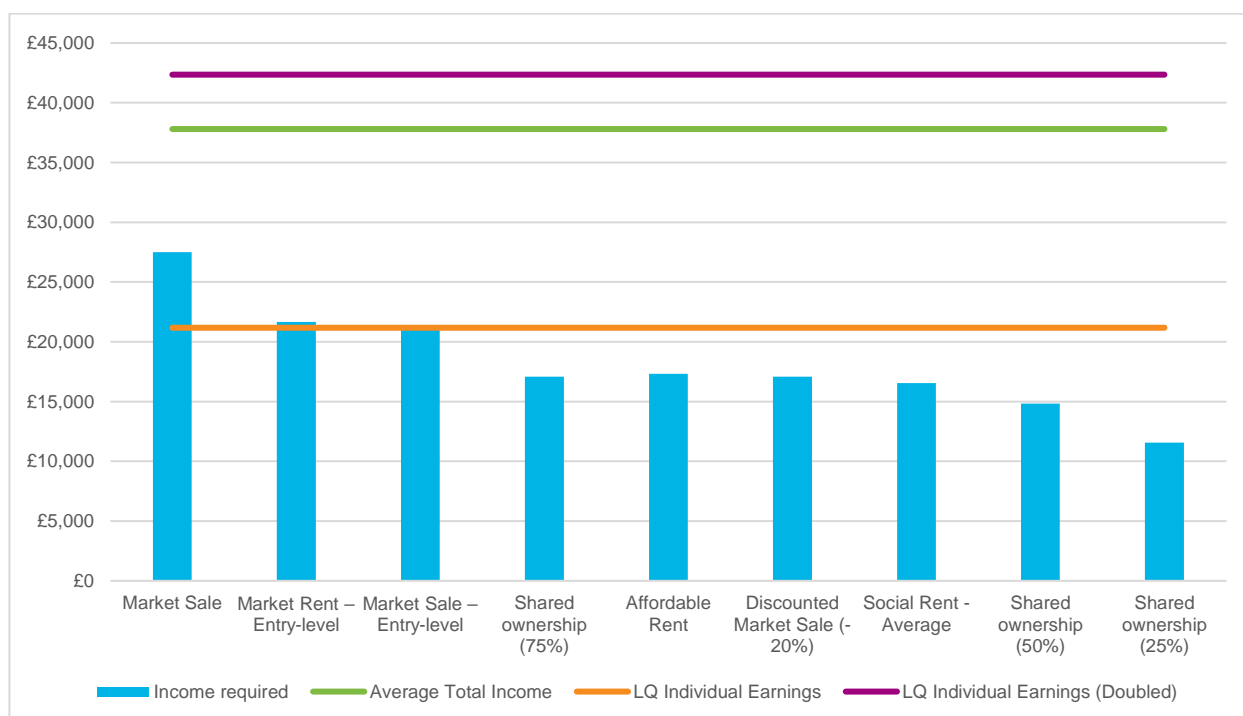
Tenure	Cost of purchase	Annual rent	Annual Income required ¹³
Entry-level Market Sale	£74,700	N/A	£21,343
Entry-level Market Rent	N/A	£5,412	£21,648
Shared ownership (75%)	£56,025	£2,075	£18,082
Social Rent - 3 Bed Dwelling	N/A	£4,456	£17,826
Affordable Rent	N/A	£4,330	£17,318
Discounted market sale (-20%)	£59,760	N/A	£17,074
Social Rent - 2 Bed Dwelling	N/A	£4,137	£16,548
Shared ownership (50%)	£37,350	£4,150	£14,821
Shared ownership (25%)	£18,675	£6,225	£11,561

Source: AECOM Calculations

¹³ On top of deposit assumed at 10% (see Appendix A).

- 85. The income required to afford the different tenures is then benchmarked, in Figure 4-2 against the three measurements of household income set out above. These are the total household income for MSOA E02005496 at £37,800 and the lower quartile gross household income for West Lindsey for single-earners at £21,175 and dual-earners at £42,350.
- 86. Taking into consideration the affordability thresholds set out above, it is apparent that those on median household incomes and dual-earning LQ households are able to afford all of the tenures under consideration. For single-earning households, the majority of tenures are also within reach. Given that these households can afford to buy their own (entry-level) homes, there would appear to be little need for affordable home ownership products to bridge the gap between the cost of renting and buying. That said, such products may be able to meet the needs of those whose incomes are below LQ levels, and should not be neglected altogether.
- 87. The Government recently published a consultation document on the introduction of First Homes which are intended to provide at least a 30% discount on the price of new homes.¹⁴ Furthermore, the consultation indicates that there may be a requirement to provide a proportion of Affordable Housing as First Homes (ranging from 40-80%). In the case of Hemswell Cliff, analysis of prices, rents and incomes suggest that there is scope to provide Affordable Housing in the NA to support households on lower incomes, where viable.

Figure 4-2: Affordability thresholds in Hemswell Cliff (income required, £)



Source: AECOM Calculations

14 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/864265/First_Homes_consultation_document.pdf

4.5 Affordable housing- quantity needed

88. In the table below we have calculated, using PPG as a starting point,¹⁵ an estimate of the total need for affordable housing in Hemswell Cliff over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out in **Error! Reference source not found.** are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
89. The table suggests that, over the Plan period, 6 additional households in the Neighbourhood Plan area will fall into need for affordable rented housing over the Plan period. These households cannot afford to rent on the open market, and the vast majority will require social and affordable rented housing. This includes households who are in need currently and those expected to fall into need by 2040.
90. It is worth caveating that one input into this model is the current occupation of social rented housing, and that this tenure is currently non-existent in Hemswell Cliff. It may therefore be that the need for affordable rented housing is underestimated.

Table 4-5 : Quantity of need for Affordable Housing for rent in Hemswell Cliff over the Plan period

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	4.1	Latest waiting list data available from MHCLG Local authority housing statistics data return (households in priority need). Pro rata for the NA. Neighbourhood level data not available from LA.
1.2 Per annum	0.2	(1.1 – additional overcrowded homes) divided by the plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	41.4	MHCLG 2014-based household projections for the LA between start and end of plan period. % increase applied to NA
2.2 Proportion of new households unable to rent in the market	11.4%	(1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters in NA	2	2011 Census + LA-level % increase (MHCLG, Live Table 100)
2.2.2 Number of private renters on housing benefits	27	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	5	2.1 * 2.2
2.4 Per annum	0.2	2.3 divided by plan period 2020-2030
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	5%	Assumed proportion of stock re-let each year
3.2 Supply of social/affordable re-lets (including transfers)	0.1	3.1 x NA social rented stock (2.2.1)
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall (or surplus) per annum	0.3	1.2 + 2.4 - 3.2
Shortfall	6	Shortfall multiplied by the amount of years in the plan period

Source: Braintree District Council data, Census 2011, AECOM calculations

91. The second part of the assessment provides a figure for the number of households who need Affordable Housing because they cannot afford to buy in the market. They can afford to rent however and so this estimate is different in nature to the first group. If they are to be accommodated in Affordable Housing these households will need some form

¹⁵ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

of affordable home ownership, such as shared ownership, Discounted Market Sale (-20%) (or other forms of discounted market sale), or rent to buy.

92. Table 4-6 estimates the number of households who might need affordable home ownership. This is a simplified assessment of the needs of these households but considered reasonable and proportionate for the purposes of neighbourhood planning. These households are additional to the 6 households (0.3 household per annum) that require affordable housing for rent (although there may be some overlap at the margins). This estimate suggests there may be potential demand for around 59 affordable home ownership dwellings (2.7 per annum) over the plan period.

Table 4-6 : Estimate of the need for affordable home ownership housing, Hemswell Cliff

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	107.3	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	38.9%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	41.7	1.1 x 1.2
1.4 Current need (households)	49.2	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	2.2	1.4/ plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	41.4	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	17.2%	Current % of households in PRS
2.3 Total newly arising need	7.1	2.1 x 2.2
2.4 Total newly arising need per annum	0.5	2.3/ plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	1.7	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply - intermediate resales	0.1	3.1 x 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Shortfall (per annum)	2.7	Shortfall = (Step 1.5 + Step 2.4) – 3.2
Shortfall	59	Shortfall multiplied by the amount of years in the plan period

Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

93. The total estimated Affordable Housing need over the Plan period 2018-2040 is therefore at least 6 (rounded) affordable rented homes and approximately 59 (rounded) affordable home ownership dwellings. It is worth noting that when the needs of households who cannot afford ownership (but can afford rent) are assessed they appear higher in scale than the need for rented homes. This is because the population of this group is larger, though it is important to keep in mind that their needs are less urgent and the majority are accommodated in the private rented sector. They do not lack housing but would prefer to be accommodated in a different tenure. This figure can therefore be considered as potential demand for affordable home ownership products in Hemswell Cliff.
94. It is important to recognise that this figure does not overlap entirely with, or supersede, the overall Housing Requirement Figure for the Neighbourhood Plan area. Rather, it has an unspecified degree of overlap with it. There is no policy or legal obligation on the part either of the Local Authority or neighbourhood planners for it to be met in full, either within or outside the Neighbourhood Plan area, though there are tools available to neighbourhood planners that can help ensure that it is met to a greater extent if resources permit.
95. It is also important to remember that even after the Hemswell Cliff, or indeed any other, Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, its allocation to those in need and the management of the housing waiting list all remain the responsibility of the local authority rather than neighbourhood planners.
96. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).

4.5.1 Tenure Split within Affordable Housing

97. In terms of the most appropriate mix of tenures within Affordable Housing, the calculations above would suggest that a ratio of 6 affordable rent to 59 affordable sale, or 10% to 90% would be appropriate. This would be the case if sufficient Affordable Housing is expected to be provided in Hemswell Cliff over the Plan period to meet the combined total need of 66 affordable units. However, this is unlikely if Hemswell Cliff receives a housing requirement figure of 180 dwellings (as stated in the current Local Plan, and which is subject to change in the emerging Local Plan). If the housing requirement figure is 180 dwellings, or close to this figure, then approximately 36 dwellings will be affordable in accordance with the current Local Plan Policy LP11 which states that 20% of new housing development should be made affordable.
98. Given that expected delivery falls short of identified potential need, the neighbourhood planners may decide to prioritise the most urgent needs of those requiring affordable rented tenures. There is other evidence to justify this position: chiefly, that the estimated need for 6 units may be understated, and that the cost of home ownership appears to be affordable for the majority of households (thereby rendering affordable routes to home ownership less vital).
99. When deciding upon what blend of tenures to target (or whether to specify a target range altogether) it is important to acknowledge the current Local Plan Policy LP11, which refers to the affordable housing mix found in the Central Lincolnshire Strategic Housing Market Assessment 2015, which in turn recommends a balance of 79% affordable rented and 21% affordable ownership tenures. Our findings suggest that this affordable housing tenure split would not be suitable in Hemswell Cliff as a lower proportion of just 20% affordable housing for rent would be sufficient to deliver the 6 affordable homes for rent needed in Hemswell Cliff over the plan period (on the basis that approximately 36 affordable homes will be delivered in total, only 16% would in theory need to be affordable homes for rent to deliver 6 such units).
100. However, the neighbourhood planners may decide to fall back on this default target tenure split in order to boost provision of social rented homes, which are clearly lacking in the NA. It is also important to monitor evolving needs over the plan period as the demand for affordable homes for rent may change, especially as a result of the adjacent Hemswell Cliff business park, which will see significant job creation and subsequent demand on local housing.
101. Here it is recommended that a balance of 20% affordable rented and 80% affordable ownership tenures be sought. However, this 20% should be treated as a minimum level of provision for affordable rented housing, and there is additional evidence to justify seeking a much higher proportion.
102. In Table 4-7 below, we take forward this estimate and further break down the tenure split into its component parts based on the analysis of affordability thresholds above. With regard to affordable homes for sale, shared ownership and discounted market sale (-20%) are also affordable to those on the lowest incomes and both require a similar amount of household incomes. Therefore, an even split in the affordable housing for sale tenure mix has been applied.
103. In regard to affordable and social rent, AECOM cannot provide guidance on the appropriate share of these tenures as this will depend on the level of funding available to housing associations which will determine at what level rents can be set. Registered providers (eg housing associations) may be reluctant to deliver small numbers of homes where there are ongoing management costs involved. For this reason, the proportion of rented homes which can be secured may depend on the willingness of local housing association to maintain and manage small numbers of homes
104. This tenure split should be considered a guideline for the ideal mix of tenures to be delivered within the NA. However, it is based foremost upon district-level guidance that benefits from detailed local income data and studies of development viability, with the more detailed breakdown based on the conclusions of our affordability analysis. As such, it will be a useful point of reference when planning applications are considered, but may not represent sufficient justification for the tenure split to be enforced precisely through a Neighbourhood Plan policy.
105. Where the neighbourhood planners wish to develop policy that requires a specific mix, it is important that they liaise with the LPA to gather more detailed income and viability information, and to ensure that departures from the district-level policy context have the LPA's support. Another option is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-size circumstances in addition to this evidence.

Table 4-8: Recommended tenure split (Affordable Housing)

Routes to home ownership, of which	80%
Discounted Market Sale (-20%)	40%
Shared ownership	40%
Affordable Housing for rent, of which	20%
Social rent	To be confirmed by Registered Providers
Affordable rent	To be confirmed by Registered Providers

Source: AECOM calculations

106. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development¹⁶ should be available for affordable home ownership. If 20% of all new housing is required to be affordable, 50% of it would need to be composed of affordable home ownership products in order to meet this guidance. The proposed tenure split above meets that requirement, though it is acknowledged that the Local Plan policy does not (because it was drafted before this guidance was published, but possibly also because evidence justifies it).
107. Note that the Government is also consulting on First Homes and may require that a substantial proportion of affordable homes are provided as First Homes. The consultation document is consulting on a range of 40, 60 or 80%. The neighbourhood group will need to take account of this emerging policy and how it could impact on affordable housing policies (particularly the tenure mix) in the Neighbourhood Plan. The indicative tenure split above suggests that in order to appropriately meet local need, 40% of new affordable homes could be discounted market sale (including First Homes, when this is implemented), making Hemswell Cliff potentially a good candidate for implementing First Homes.
108. If Government requires more than 40% of all affordable housing delivered through new market led developments as First Homes this would impact on the ability of Hemswell Cliff to meet the needs of those with acute needs within the area (including those in need of affordable housing for rent). Therefore, it is recommended that consideration is also given to alternative mechanisms capable of helping to meet local need, where appropriate (i.e. rural/entry-level exception sites or community led housing etc.). However, the group should note that the First Homes product has not been formally implemented and should monitor the outcomes of the Government consultation closely.
109. While AECOM has made suggestions for the split of different products within the tenure split, though this should be considered indicative as it will be subject to wider considerations of costs, viability and the availability of funding for particular products.
110. Indeed, the precise mix of affordable homes at the site specific level will be influenced by factors other than the scale of need. The mix will be influenced by viability considerations, the views of Registered Providers including whether they wish to manage small numbers of affordable homes in a rural location, the existing stock mix and other policy objectives. It is important to state that the estimates of need in this HNA or elsewhere do not directly determine affordable housing policies because of these wider policy considerations

4.6 Conclusions- Tenure and Affordability

111. The vast majority of households in Hemswell Cliff are owner-occupiers (64.3%). This is followed by the private rented sector (31.8%). There are very few homes in the social rented sector and in shared ownership. The proportion of private rented homes is more than double that of the wider district, whereas the proportion of social rented homes is almost non-existent in the NA, compared to 11.1% in the wider District and 17.7% nationally. The dominance of the owner-occupied sector is common to other rural areas across the country and is also a feature of places with relatively older populations. However, the tenure of the housing stock will impact on the ability of different households to live in Hemswell Cliff, and the dominance of ownership combined with the absence of social rented housing may limit the ability of those on lower incomes to live in the NA.
112. Between 2001 and 2011, the number of those renting privately has increased substantially, by 266.7%. This is mirrored by a substantial but lesser increase of 92.4% in private rented homes across the District. This trend typically points to the declining affordability of home ownership, however market housing for sale is found not to be out of reach for those on average incomes in Hemswell Cliff, so it may be that households are also renting by choice or for lifestyle reasons.

¹⁶ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

Meanwhile, there has been a decline of -66.7% in shared ownership homes, and -77.8% in social rented homes in the NA (presumably due to occupiers being able to purchase their homes outright, for example through the Right to Buy Scheme). Both declines are from a low base.

113. House prices have grown by a notable 17.6% overall in Hemswell Cliff over the 10 years to 2019. However, there is a degree of volatility in pricing over time. If we calculate house price growth from 2011 rather than 2009, there has been an overall decline of -9.4%.
114. The approximate median and lower quartile incomes in Hemswell Cliff are £37,800 and £21,175 respectively. Comparing these affordability thresholds with the costs of each tenure, it is clear that the most affordable forms of tenure are shared ownership, Discounted Market Sale (-20%), social rent and affordable rent, all of which are affordable to those within the lower quartile household.
115. Taking into consideration the affordability thresholds investigated here, it is apparent that those on median household incomes and dual-earning LQ households are able to afford all of the tenures under consideration. For single-earning households, the majority of tenures are also within reach. Given that these households can afford to buy their own (entry-level) homes, there would appear to be little need for affordable home ownership products to bridge the gap between the cost of renting and buying. That said, such products may be able to meet the needs of those whose incomes are below LQ levels, and should not be neglected altogether.
116. The total estimated Affordable Housing need in Hemswell Cliff over the Plan period 2018-2040 is at least 6 (rounded) affordable rented homes and approximately 59 (rounded) affordable home ownership dwellings. It is worth noting that when the needs of households who cannot afford ownership (but can afford rent) are assessed they appear higher in scale than the need for rented homes. This is because the population of this group is larger, though it is important to keep in mind that their needs are less urgent and the majority are accommodated in the private rented sector. They do not lack housing but would prefer to be accommodated in a different tenure. This figure can therefore be considered as potential demand for affordable home ownership products in Hemswell Cliff.
117. In terms of the most appropriate mix of tenures within Affordable Housing, the calculations above would suggest that a ratio of 6 affordable rent to 59 affordable sale, or 10% to 90% would be appropriate. This would be the case if sufficient Affordable Housing is expected to be provided in Hemswell Cliff over the Plan period to meet the combined total need of 66 affordable units. However, this is unlikely if Hemswell Cliff receives a housing requirement figure of 180 dwellings (as stated in the current Local Plan, and which is subject to change in the emerging Local Plan). If the housing requirement figure is 180 dwellings, or close to this figure, then approximately 36 dwellings will be affordable in accordance with the current Local Plan Policy LP11 which states that 20% of new housing development should be made affordable.
118. Within the Affordable Housing to be delivered in Hemswell Cliff during the plan period, it is recommended that a balance of 20% affordable rented and 80% affordable ownership tenures be sought. However, this 20% should be treated as a minimum level of provision for affordable rented housing. Given that expected delivery falls short of identified potential need, the neighbourhood planners may decide to prioritise the most urgent needs of those requiring affordable rented tenures. There is other evidence to justify this position: chiefly, that the estimated need for 6 units may be understated due to the absence of this tenure in the current dwelling mix, and that the cost of home ownership appears to be affordable for the majority of households (thereby rendering affordable routes to home ownership less vital).
119. In the context of a significant need for affordable housing in the NA and Hemswell Cliff's identification as an area for strategic growth in the CLPP, it is important that HCPC liaise with the LPA to gather more detailed income and viability information, whilst ensuring to adhere to district-level policy and obtaining the LPA's support in any housing policies made.
120. Table 4-7 below summarises Hemswell Cliff's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the precise quantities of affordable housing for rent and sale that would be delivered if the tenure split proposed in this HNA were rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighborhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways, or as a result of site-specific constraints).

Table 4-7: Estimated delivery of Affordable Housing in Hemswell Cliff

A	Housing requirement figure (assumed)	180
B	Affordable housing quota (%) in LPA's Local Plan	20%
C	Potential total Affordable Housing in NA (A x B)	36
D	Rented % (eg social/ affordable rented)	20%
E	Rented number (C x D)	7
F	Discounted market homes % (eg First Homes)	80%
G	Discounted market homes number (C x F)	29

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

5. RQ 2: Type and Size

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

5.1 Introduction

121. The Hemswell Cliff Neighbourhood Plan will need to include policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people options within the housing market at all stages of life.
122. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Hemswell Cliff. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type is determined by the way different household types currently occupy their dwellings in the LPA, and then applying demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

123. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household ‘consumption’ of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
124. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture to demographics, household type and size.
125. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, ‘dwelling sizes’ can be translated as follows¹⁷:
- 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 4 or more bedrooms
126. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained.¹⁸ As such, all dwellings are classified into either “shared” or “unshared” dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
127. The key measure of whether a dwelling is shared or unshared relates to the Census’ definition of a household. A household is defined as “One person living alone or a group of people (not necessarily related) living at the same

¹⁷ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

¹⁸ At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

address who share cooking facilities and share a living room or sitting room or dining area.”¹⁹ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

128. The 2011 Census shows that there were 279 households in Hemswell Cliff, living in 65 detached houses, 107 semi-detached, 95 terraced houses, and 12 flats. Compared with the LPA, Hemswell Cliff is characterised by large proportion of semi-detached and terraced homes (38.4% and 34.1% respectively). This is in contrast to the large amount of detached homes in the wider West Lindsey area (50.1%), which is more than double the proportion in Hemswell Cliff (23.3%). Meanwhile, both Hemswell Cliff and West Lindsey have low proportions of flats (1.1% and 3.6% respectively) (see Table 5-1 below).

Table 5-1: Accommodation type (households), Hemswell Cliff 2011

Dwelling type		Hemswell Cliff	West Lindsey	England
Whole house or bungalow	Detached	23.3%	50.1%	22.4%
	Semi-detached	38.4%	26.8%	31.2%
	Terraced	34.1%	16.9%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	1.1%	3.6%	16.4%
	Parts of a converted or shared house	0.7%	0.6%	3.8%
	In commercial building	2.5%	0.7%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

129. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Hemswell Cliff is composed primarily of medium to large dwellings, with almost all properties consisting of 4 or more rooms. This theme is broadly reflected at the LA level, though West Lindsey has a higher proportion of the largest homes.

Table 5-2: Number of rooms per household in Hemswell Cliff, 2011

Number of Rooms	2011	2011
	Hemswell Cliff	West Lindsey
1 Room	0.4%	0.0%
2 Rooms	0.4%	0.6%
3 Rooms	2.5%	4.1%
4 Rooms	21.7%	15.0%
5 Rooms	26.0%	23.6%
6 Rooms	19.5%	21.5%
7 Rooms	11.9%	13.1%
8 Rooms or more	10.1%	9.8%
9 Rooms or more	7.6%	12.2%

Source: ONS 2011, AECOM Calculations

¹⁹ Ibid.

130. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. The main change from the 2001 Census findings is that there has been a notable increase in homes of all sizes above 5 rooms in the NA, with very little growth in homes of 3 rooms and under. The most significant increase has been in dwellings of 7 rooms or more, which is also the case in West Lindsey though to a lesser extent.

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

Number of Rooms	Hemswell Cliff	West Lindsey	England
1 Room	0.0%	-60.0%	-5.2%
2 Rooms	0.0%	4.9%	24.2%
3 Rooms	0.0%	25.5%	20.4%
4 Rooms	7.1%	8.6%	3.5%
5 Rooms	30.9%	0.5%	-1.8%
6 Rooms	12.5%	10.4%	2.1%
7 Rooms	73.7%	25.9%	17.9%
8 Rooms or more	53.1%	52.2%	29.8%

Source: ONS 2001-2011, AECOM Calculations

131. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that that the most common size of dwelling in the NA is 3 bedroom properties, followed by 2 bedroom properties. This is broadly similar to the wider District, though West Lindsey has far fewer 2 bedroom homes, nearly four times as many 1 bedroom homes, and slightly more 5 or more bedroom homes.

Table 5-4: Number of bedrooms in household spaces in Hemswell Cliff, 2011

Bedrooms	Hemswell Cliff		West Lindsey		England	
All categories: no. of bedrooms	277	100.0%	38,385	100.0%	22,063,368	100.0%
No. bedrooms	0	0.0%	33	0.1%	54,938	0.2%
1 bedroom	3	1.1%	1,597	4.2%	2,593,893	11.8%
2 bedrooms	93	33.6%	9,618	25.1%	6,145,083	27.9%
3 bedrooms	118	42.6%	17,256	45.0%	9,088,213	41.2%
4 bedrooms	52	18.8%	7,569	19.7%	3,166,531	14.4%
5 or more bedrooms	11	4.0%	2,312	6.0%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

5.3 Household composition and age structure

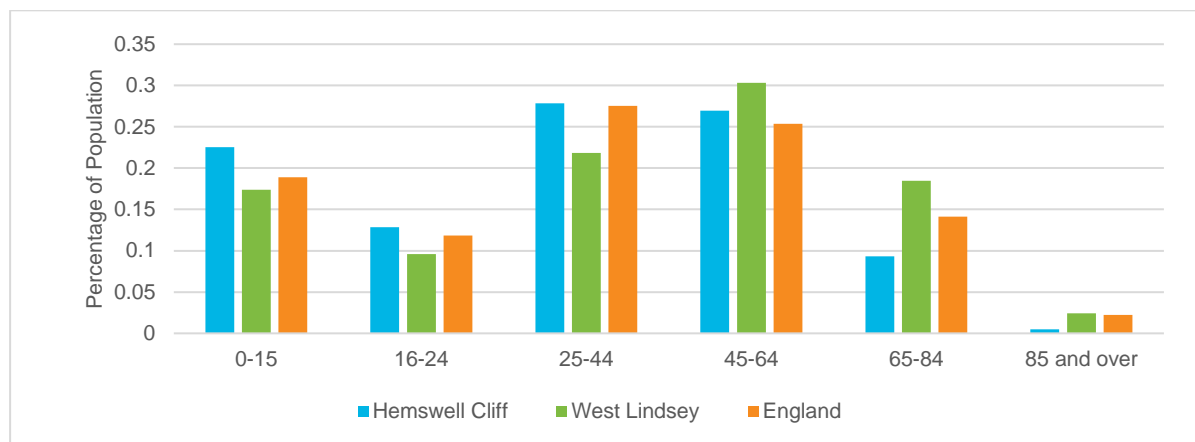
132. Having established the current stock profile of Hemswell Cliff and identified recent changes in its composition, the evidence assembled below examines the composition and age structure of households in the 2011 Census and in future years. Through a consideration of the types of households projected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

5.3.1 Age structure

133. The 2011 Census data reveals that Hemswell Cliff has a low percentage of people over 65, when compared with district and national figures. The vast majority of the population are under the age of 44, with 33% being under the age of 24. Hemswell Cliff has a generally much younger population than the wider District. In this context, it may be beneficial for

the recent delivery trends by size (predominantly larger homes) to shift toward the provision of smaller dwellings suited to young couples and single persons who wish to buy a new home (see Figure 5-1 below).

Figure 5-1: Age structure in Hemswell Cliff, 2011



Source: ONS 2011, AECOM Calculations

134. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that between 2001 and 2011, the NA population has grown markedly, especially for the 45- 64 and the 65-84 age groups (albeit from a low base). The 16-24 age group has also grown by 17.2%. Meanwhile, despite the still large proportions of young people in the NA, the 0-15 and 25-44 year groups have declined slightly. This growth is mirrored in the wider District (see Table 5-5 below).

Table 5-5: Rate of change in the age structure of Hemswell Cliff population, 2001-2011

Age group	Hemswell Cliff	West Lindsey	England
0-15	-9.6%	-1.2%	1.2%
16-24	17.2%	23.3%	17.2%
25-44	-4.7%	-3.4%	1.4%
45-64	60.9%	21.9%	15.2%
65-84	174.1%	27.6%	9.1%
85 and over	-63.6%	36.0%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.3.2 Household composition

135. Household composition (i.e. the mix of adults and children in a dwelling) is another important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
136. In assessing Census data on household composition, we see that Hemswell Cliff differs from West Lindsey in that there are far lower proportions of one person households, with the proportion of one person households over 65 showing the greatest contrast with the District (Table 5-6). Meanwhile, Hemswell Cliff has a significantly higher amount of one family households with dependent children.
137. Note that non-dependent children refer to households in which adult children are living at home, or students still call their primary residence despite living for most of the year near to university. Though this category can often indicate the relative unaffordability of entry-level homes in an area as many such young people may wish to move out and form their own households if they were financially able.

Table 5-6: Household composition (by household), Hemswell Cliff, 2011

Household composition		Hemswell Cliff	West Lindsey	England
One person household	Total	19.1%	27.3%	30.2%
	Aged 65 and over	4.3%	13.3%	12.4%
	Other	14.8%	14.0%	17.9%
One family only	Total	74.7%	68.5%	61.8%
	All aged 65 and over	5.4%	11.5%	8.1%
	With no children	22.4%	22.7%	17.6%
	With dependent children	40.1%	25.3%	26.5%
	All children Non-Dependent ²⁰	6.9%	9.0%	9.6%
Other household types	Total	6.1%	4.2%	8.0%

Source: ONS 2011, AECOM Calculations

138. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the main changes in household composition were one person households under age 64 (growing by 141.2%) and aged 65 and over (growing by 100%, albeit from a low base). There has also been substantial growth in family households with non dependent children (58.3%). These households grew at a greater rate than the District and England as a whole (see Table 5-7).
139. 'Other' households are typically groups of single people sharing a dwelling, such as students or houses in multiple occupation (HMOs). This category has experienced significant growth between 2001-2011 from a very low base. This is aligned with the strong trend towards single-occupancy, and is typical of an area composed largely of young households.

Table 5-7: Rates of change in household composition, Hemswell Cliff, 2001-2011

Household type		Percentage change, 2001-2011		
		Hemswell Cliff	West Lindsey	England
One person household	Total	130.4%	26.5%	8.4%
	Aged 65 and over	100.0%	7.9%	-7.3%
	Other	141.2%	51.1%	22.7%
One family only	Total	14.4%	13.0%	5.4%
	All aged 65 and over	0.0%	13.4%	-2.0%
	With no children	3.3%	20.5%	7.1%
	With dependent children	1.8%	6.2%	5.0%
	All children non-dependent	58.3%	15.0%	10.6%
Other household types	Total	466.7%	22.6%	28.9%

Source: ONS 2001-2011, AECOM Calculations

5.4 Dwelling mix determined by life-stage modelling

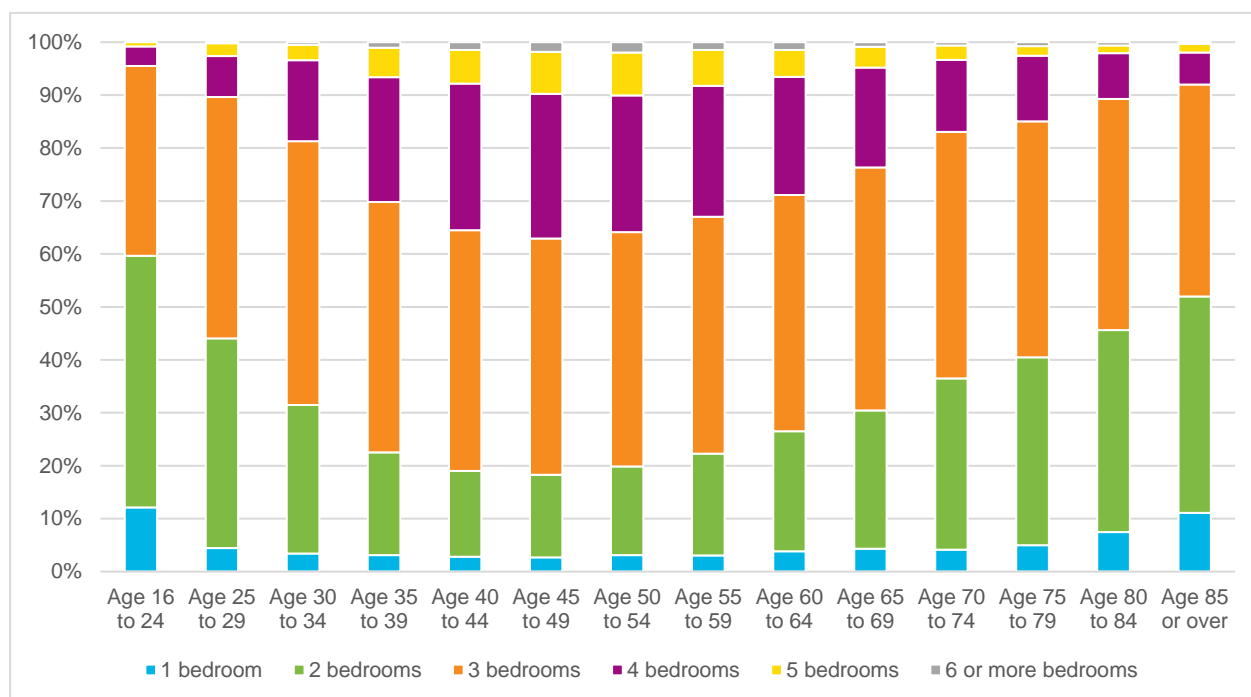
140. Recognising the fact that households of different ages may have different housing needs, the housing mix needed to meet demographic change by the end of the Plan period is estimated by an approach based on current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will

²⁰ Refers to households containing children who are older than 18 e.g students or young working people living at home.

persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age. It is important to keep in mind that 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 propensity of households to occupy more or less space than they 'need'. This approach also embeds existing patterns of occupancy which may or may not be desirable. This is particularly important to keep in mind in areas where housing affordability has worsened because it means that many households are forced to occupy less space than they need or want.

- 141. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data needs to be used as the closest proxy.
- 142. Figure 5-2 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that 2 bedroom properties are the most common dwelling size for those ages 24 and under. 3 bedroom properties remain the most common dwelling size for all other demographic groups, with the exception of those aged 85 and over. 4 bedroom homes are also common for households headed by those aged 40-60, although still not as common as 3 bedroom homes for these age groups.

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



Source: ONS 2011, AECOM Calculations

- 143. Household projections provided by MHCLG are then used to understand the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, the distribution of households by the age of the HRP would be in 2040 is estimated, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-8 below.

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

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	975	3,536	14,221	7,679	11,974
2014	1,037	3,748	13,671	7,346	13,892
2039	1,336	3,728	14,039	6,781	20,640
2040	1,348	3,727	14,053	6,759	20,910

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

144. It is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Hemswell Cliff. To do so, the percentage increase expected for each group across West Lindsey, derived from the data presented above was mapped to the population of Hemswell Cliff. The results of this calculation are detailed in Table 5-9 below. It is notable that all age groups between the age of 25 and 64 are expected to stay largely the same or decline in size, while population growth is driven by younger and older people. Because the youngest and oldest age groups are currently relatively small, they will still remain far less populous than the 35 to 54 age group in terms of total numbers.

Table 5-9: Projected distribution of households by age of HRP, Hemswell Cliff

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	15	45	142	40	35
2014	16	48	137	38	41
2040	21	47	140	35	61
% change 2011-2033	38%	5%	-1%	-12%	75%

Source: AECOM Calculations

145. To complement the two stages in Table 5-10 below sets out the distribution of dwellings of different sizes according to the age of the HRP as they appeared in Census 2011. This provides the basis for a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across West Lindsey by the end of the plan period.

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

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	12.1%	3.9%	2.9%	3.5%	5.8%
2 bedrooms	47.5%	33.2%	16.8%	21.0%	33.3%
3 bedrooms	35.8%	47.9%	45.2%	44.7%	44.7%
4 bedrooms	3.7%	11.9%	26.3%	23.5%	13.1%
5+ bedrooms	0.8%	3.1%	8.8%	7.4%	3.2%

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

146. Finally, having established the likelihood shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in West Lindsey and Hemswell Cliff falling into each of these stages by the end of the Plan period in 2040, it is possible to estimate how the housing stock might evolve in terms of size over the Neighbourhood Plan period in response to demographic change (see Table 5-11 below).

147. The table takes in turn each projected age group in 2040, estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. This is repeated for each age bracket and added together to arrive at an estimation of what proportion of each size of dwelling will be required overall. It is evident that all of the largest projected age groups favour 3 bedroom dwellings, though the second choice among 65 and overs and 16-24 year olds is 2 bedroom homes, while it is 4 bedroom homes for the 35 to 54 age group. Because the former age groups are expanding the fastest while the latter is expected to stagnate, it is likely that future housing delivery should provide more 2 bedroom homes than 4 bedroom homes. However, as discussed below, the current stock of 2 bedroom homes is already very high and they should not necessarily be promoted.

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

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Households 2040	21	47	140	35	61	-
1 bedroom	3	2	4	1	4	13
2 bedrooms	10	16	24	7	20	77
3 bedrooms	7	23	63	16	27	137
4 bedrooms	1	6	37	8	8	60
5+ bedrooms	0	1	12	3	2	18

Source: Census 2011, AECOM Calculations. Figures may not sum due to rounding

148. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-11 above modelling the change in the age structure of the population in Hemswell Cliff.
149. Table 5-12 below indicates that, by 2040, the size distribution of dwellings should not differ greatly from the current size distribution. In 2040, 4.3% of dwellings should be 1 bedroom properties, 25.2% 2 bedroom properties, 44.8% 3 bedroom properties, 19.6% 4 bedroom dwellings and 6.1% 5 bedroom properties. The key differences are a lower proportion of 2 bedroom homes, due to their preponderance in the current stock, and slightly more of all other types.

Table 5-12: 2011 housing sizes compared to likely distribution at end of Plan period, Hemswell Cliff

Number of bedrooms	2011		2040		
1 bedroom		3	1.1%	13	4.3%
2 bedrooms		93	33.6%	77	25.2%
3 bedrooms		118	42.6%	137	44.8%
4 bedrooms		52	18.8%	60	19.6%
5 or more bedrooms		11	4.0%	18	6.1%
Total households		277	100.0%	305	100.0%

Source: Census 2011, AECOM Calculations

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

Table 5-13: Future potential misalignments of supply and demand for housing, Hemswell Cliff

Number of bedrooms	2011	2040	Change to housing mix	Recommended split
1 bedroom	3	13	10	23.2%
2 bedrooms	93	77	-16	0.0%
3 bedrooms	118	137	19	42.5%
4 bedrooms	52	60	8	17.3%
5 or more bedrooms	11	18	7	17.0%

Source: AECOM Calculations

151. The result of the life-stage modelling exercise is that, in terms of demographic change, new development might involve the following share of dwelling sizes: 23.2% as 1 bedroom, 0% as two bedrooms, 42.5% as three bedrooms, 17.3% as four bedrooms and 17% as 5 or more bedrooms.

152. Note that the changes to the housing mix given above for 2 bedroom dwellings are negative numbers. Because in light of the national and local housing shortage, it is rarely advisable or practicable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with three or more bedrooms, we have instead set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total.
153. In other words, the results of the life-stage modelling suggest that there will be no need for further 2 bedroom dwellings over the Neighbourhood Plan period. It is important to stress that there may be other good reasons to provide a particular size or type of dwelling in the NA, for example the need to improve the mix of homes in a particular location, improving choice or meeting needs in the wider housing market area. Therefore, the future supply of 2 bedroom homes should not be restricted altogether. But to the extent that the neighbourhood planners may wish to influence the size of new housing to come forward, the emphasis should be on 3 and 1 bedroom homes.

5.5 Conclusions- Type and Size

154. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the characteristics of the existing stock of housing, the role of the NA or site within the wider housing market area (linked to any LA strategies or plans) and site-specific factors which may justify a particular dwelling mix.
155. Hemswell Cliff's stock of existing housing is made up of a different dwelling type breakdown to that of West Lindsey, with more semi-detached and terraced homes, and fewer detached houses. The parish has double the proportion of terraced houses and less than half the proportion of detached homes as compared with the District.
156. The housing stock of Hemswell Cliff is generally characterised by generally large dwellings, with high percentages of homes over four rooms, although the District has more larger homes than the NA. There has been a significant rise in the number of very large homes of eight or more rooms in Hemswell Cliff, and a no growth in dwellings of three rooms or less.
157. The 2011 Census data reveals that Hemswell Cliff has a much younger population than West Lindsey. The majority of the population are under the age of 44, with 33% being under the age of 24. In this context, it may be beneficial for the recent delivery trends by size (predominantly larger homes) to shift toward the provision of smaller dwellings suited to young couples and single persons who wish to buy a new home.
158. In terms of household composition, Hemswell Cliff differs from West Lindsey in its far lower proportion of one person households, although this group grew considerably between 2001 and 2011, as did multi-family household types (such as HMOs). There are many more families with children in the NA than the wider District.
159. Seen in the context of recent supply patterns and Hemswell Cliff's comparatively large stock of dwellings overall, the trend towards single occupancy and large number of young people may warrant a Neighbourhood Plan policy to prioritise the provision of modest sized homes with 3 bedrooms. In terms of the types of dwellings required, likely demand for generally more affordable dwelling types, such as terraced homes and flats, should be addressed.
160. Applying District-level population projections to Hemswell Cliff, it is notable that all age groups between the age of 25 and 64 are expected to stay largely the same or decline in size, while future population growth is expected to be driven by younger and older people. Because the youngest and oldest age groups are currently relatively small, they will still remain far less populous than the 35 to 54 age group in terms of total numbers.
161. The result of a life-stage modelling exercise that combines population projections and occupation preferences is that, in terms of demographic change, new development in Hemswell Cliff might involve the following share of dwelling sizes: 23.2% as 1 bedroom, 0% as two bedrooms, 42.5% as three bedrooms, 17.3% as four bedrooms and 17% as 5 or more bedrooms. However, this guideline mix should be applied with a high degree of flexibility to account for changing demand and so as not to restrict the viability and diversity of new development. Moreover, whilst a precise guideline mix is displayed in this HNA, it may not be practical to apply such a prescriptive mix in actual policy. The mix presented can be simplified (e.g 17.2% to 17% or even 15%) to make it more practical in policy terms.

6. RQ 3: Specialist housing for older people

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

Introduction

162. This chapter considers in detail the specialist housing needs for older and disabled people in Hemswell Cliff. It considers the quantity, tenure and size of dwellings that might be required. It is important to keep in mind that there is no formal definition of 'old age'. People experience ageing differently and much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age whilst others may need support and care much earlier in their lives. It is useful to think of two main stages in later life: the '3rd age' – where people are healthy and active and may or may not continue to work and the '4th age' – where older people need care and support to meet their health needs.²¹ These two stages are not necessarily related to age though most people in advanced old age (85+) will need care or support at some point in their lives. The housing needs of these two groups can be markedly different.
163. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.²²
164. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method.²³
165. In considering the need or demand for specialist housing for older people it is appropriate to consider the population aged 75+ since this group is more likely to access this type of housing. The needs of this sector of the population have been assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool²⁴, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
166. Housing needs assessment covers the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)²⁵. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, extra care schemes, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
167. As such, existing and future specialist housing for older people may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

²¹ University of Sheffield & DWELL (2016) Designing with Downsizers

²² See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

²³ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

²⁴ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

²⁵ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Housing for older people - context

168. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million.
169. Almost a third of UK homes are occupied by the 55+ age group, yet only 7% of UK stock is currently recognised as meeting minimum accessibility standards, which means few older people can find options that will improve their quality of life. This is reflected in evidence that just 3.4% of 50+ households move home each year, which is half as many moves as rest of population. Perhaps surprisingly, just under half of moves result in fewer habitable rooms because many older people need or want to retain space for activities, to retain a life time of possessions, accommodating visitors or caring for grandchildren. For some, social status can be an important factor in deciding to move to a home with significantly fewer rooms.²⁶
170. The concept of 'rightsizing' (formally referred to as downsizing) recognizes that the situations, desires and needs of the older population are no less diverse than their family circumstances. The actual choices available to older people, however, are limited to the housing provisions that are both available and accessible to them. Not surprisingly the vast majority of older people currently tend to age in place until circumstances mean their home environment becomes a decisive barrier to their well-being. Research indicates that very few properties are designed to support ageing in place (see below). Thus whilst many people do not wish to move home, there is also evidence that there is large scale unmet demand to move²⁷ with many older people stuck in a 'rightsizing gap'.²⁸
171. A Demos survey of over 60s conducted in 2013 found a "considerable appetite" amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.²⁹
172. Indeed, 76% of those in homes of three or more bedrooms wished to rightsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.³⁰ However, in spite of evidence of high demand, currently only 5% of older people's housing is made up of specialist homes,³¹ with Demos suggesting that, "the chronic under-supply of appropriate housing for older people is the UK's next housing crisis",³² and local authorities are often, "accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs".³³ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately do is likely to be relatively low, and many who downsize may move into mainstream housing.
173. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an understanding of how the ageing population in Hemswell Cliff affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.³⁴
174. The need to access housing with support or care is often driven by health considerations, particularly disabilities. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable housing or housing which is not capable of adaptation can have a negative impact on occupants and their carers. Disability is strongly linked to age and an ageing population will see the numbers of disabled people continuing to increase. It is important to plan early to meet their needs throughout their lifetime.

²⁶ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

²⁷ Pannell et al., 2012

²⁸ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

²⁹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁰ Ibid.

³¹ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³² <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³³ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁴ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

175. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. The latest PPG³⁵ adopts the following planning approach:
- a. Where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:
 - i. M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)
 - ii. M4(2) Category 2: Accessible and adaptable dwellings
 - iii. M4(3) Category 3: Wheelchair user dwellings
 - b. Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site specific factors.
176. In the case of Hemswell Cliff, this HNA, together with any local housing survey conducted will form the evidence required to justify policies proposing the Category 2 or 3 standards above for both market and affordable housing and the two main types of specialist housing for older people - sheltered housing and extra care (see Appendix B for definitions).
177. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.³⁶ This situation reflects historic patterns of development, significant constraints on the delivery of such housing in the market sector as well as changing aspirations and expectations amongst older people today in comparison with previous generations.
178. Local planning authorities can plan for older co-housing communities through their implementation of the Self-build and custom-build legislation 2015³⁷, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for older co-housing communities as part of their overall assessment of land available for housing over the plan period.³⁸
179. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a 'tenure-led' approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

Approach

180. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health.³⁹ These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across West Lindsey.
181. Clearly, this calculation represents an assumption, with the actual decision for an older or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of older people currently choose to continue to live in their homes for their entire lives.

³⁵ Housing for Older and disabled people, Guidance June 2019, MHCLG

³⁶ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

³⁷ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

³⁸ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

³⁹ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

182. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”⁴⁰ By understanding the tenure breakdown of specialist housing need, it is possible to better understand the extent to which demand will be a factor in this market segment.

i) Current supply of specialist housing for older people

183. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within West Lindsey’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Counsel’s Website: <http://www.housingcare.org>.

184. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the discussion below.⁴¹ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)⁴². However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Hemswell Cliff.

185. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hemswell Cliff, it identified 55 residents living in care homes with nursing and 0 in care homes without nursing.⁴³ However, HCPC have identified that a former care home in the NA is proposed to re-open. Nevertheless, Care Homes are not within the use class C3 and therefore do fall within the scope of this assessment.

186. There are no specialist housing developments specifically for older people in Hemswell Cliff.

ii) Tenure-led projections

187. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across West Lindsey, as this is the smallest geography for which tenure by age bracket data is available. The age cohort-based approach is taken because it is these households which, over the next 20 years, will be reaching the age of 75+, where the need for specialist housing provision is more likely. The existing tenure split within this cohort is used to project forward the need for specialist housing according to different tenure.

188. The projection is based on the premise that those currently occupying their own home will also wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented accommodation of some kind.

189. According to Table 6-1 below, 59.9% of 55-75 households in Hemswell Cliff are owned outright and 21.8% are owned with a mortgage or loan or shared ownership. 18.3% of dwellings are rented in Hemswell Cliff - the majority of these (9.1% of all dwellings) being socially rented.

Table 6-1: Tenure of households aged 55-75 in West Lindsey, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
81.7%	59.9%	21.8%	18.3%	9.1%	7.7%	1.5%

Source: Census 2011

⁴⁰ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁴¹ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

⁴² See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

⁴³ ONS, 2011 (KS405EW)

190. The next step is to project how the overall number of older people in Hemswell Cliff is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for West Lindsey at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 6-2 below.

191. This calculation indicates that the proportion of elderly people in the population of the parish is expected to grow to a total of 4.8% by 2040, from 2.5% in 2011. This is a significantly lower proportion than the district as a whole, which is expected to have 17.6% of residents aged 75 and over by 2040. This trend indicates a future increase in demand for homes that meet the needs of older people in the area, but still a relatively low overall need.

Table 6-2: Modelled projection of elderly population in Hemswell Cliff by end of Plan period

Age group	2011		2040	
	Hemswell Cliff (Census)	West Lindsey (Census)	Hemswell Cliff (AECOM Calculations)	West Lindsey (ONS SNPP 2014)
All ages	794	89,250	938	105,437
75+	20	8,222	45	18,552
%	2.5%	9.2%	4.8%	17.6%

Source: ONS SNPP 2016, AECOM Calculations

192. The results of this exercise provide us with a projection of the number of people in Hemswell Cliff living in each tenure in the 55-75 cohort by 2011, as shown in the table below. This projection is calculated by subtracting the current number of people aged 75 and over (20) from the projected number expected to be present at the end of the Plan period (45) and then multiplying the result (25) by the tenure percentages for the 55-75 age group in Hemswell Cliff presented in Table 6-2 above. The result is set out in Table 6-3 below.

193. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2040, and consequently the number of specialist units they might need, the growth in the overall population of those aged 75 is used and the current 75+ households are already adequately housed.

Table 6-3: Projected tenure of households aged 75+ in Hemswell Cliff 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
20	15	5	5	2	2	0

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

194. The population figures in Table 7-4 above are then translated into households, as set out in Table 6-4 below. The translation factor used was 1.4 persons per household, which was the rate in West Lindsey for people aged over 75 in the Census 2011.

Table 6-4: Projected tenure by household aged 75+ in the NA by 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
15	11	4	3	2	1	0

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

195. Next the incidence of mobility limitations is considered, as defined by the Census, within each tenure group for those aged 65+ in Hemswell Cliff. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).

196. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Hemswell Cliff, 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	14.5%	25.8%	59.7%
Owned or shared ownership: Total	9.1%	34.1%	56.8%
Owned: Owned outright	8.3%	36.1%	55.6%
Owned: Owned with a mortgage or loan or shared ownership	12.5%	25.0%	62.5%
Rented or living rent free: Total	27.8%	5.6%	66.7%
Rented: Social rented	100.0%	0.0%	0.0%
Rented: Private rented or living rent free	23.5%	5.9%	70.6%

Source: DC3408EW Health status

197. Focusing on those whose activities are limited a lot, the calculations suggest that of the 3 renters and 15 owners in Hemswell Cliff in this age group, there could be a need for 1 specialist homes for owner occupiers (9.1% x 15) and 1 for renters of all kinds (27.8% x 3), or 2 new specialist homes in total.

198. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

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

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.	2
	1	1	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.	5
	0	5	
Total	1	6	7

Source: Census 2011, AECOM Calculations

199. The number of households falling into potential need for specialist accommodation is therefore 7, which is 39% of the 18 new households aged 75 and above projected to live in Hemswell Cliff by the end of the Plan period.

iii) 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 respected models for planning for the housing needs of older people. In Table 6-7 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

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

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

Source: Housing LIN SHOP Toolkit

201. As Table 6-2 shows, Hemswell Cliff is forecast to have an additional over-75 population of 25 by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times (25/1000) = 2$
- Leasehold sheltered housing = $120 \times (25/1000) = 3$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times (25/1000) = 1$

- Extra care housing for rent = $15 \times (25/1000) = 0$
- Extra care housing for sale = $30 \times (25/1000) = 1$
- Housing based provision for dementia = $6 \times (25/1000) = 0$

202. This produces an overall total of 7 specialist dwellings which might be required by the end of the plan period. This can be compared to the current stock of specialist housing in Table 7-1 to indicate the likely shortfall of different types of accommodation (see conclusions below).

203. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 above. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates. This means that the requirements expressed by the SHOP toolkit are higher than those implied by a straightforward projection based on the growth of the over 75 population.

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

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	2
	1	1	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	5
	2	3	
Total	3	4	7

Source: Housing LIN, AECOM calculations

Conclusions- Specialist Housing for Older People

204. The result of the tenure-led projection and the Housing LIN recommendation is the same: 7 new specialist homes for older people over the Plan period.
205. Given that specialist housing for older people costs more to build, the finding that between 1 and 3 of these 7 units should comprise Affordable Housing tenures is considered reasonable and realistic. This should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate and having regard to demand as expressed on the housing waiting list.
206. 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.
207. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
208. It is considered that Hemswell Cliff's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising

from Hemswell Cliff entirely within the Neighbourhood Plan area boundaries, it is recommended it could be provided in a 'hub and spoke' model.

209. In the case of Hemswell Cliff, Gainsborough or Lincoln are considered to have potential to accommodate some of the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.
210. 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.
211. AECOM would also suggest a key consideration for the neighbourhood planners is whether new mainstream homes (both market and affordable) could be provided to improved accessibility and adaptability standards. It may be possible to apply optional building regulation standards M4(2) and M4(3) to some or all new homes so that they better meet the needs of occupants as they age and need care and support. This could help to ensure that some stock of accessible dwellings is built up over time. The group may wish to discuss this policy option with the LPA as it is likely that West Lindsey Council may wish to adopt these standards across the District.

7. RQ 4: Newly forming households/first-time buyers

RQ 4: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

7.1 Introduction

212. The neighbourhood group have asked AECOM to consider the housing needs of newly forming households in Hemswell Cliff. For the purpose of this HNA, we define newly forming households as those where the Household Reference Person (HRP- a more modern term for 'head of household') is aged between 18 and 35 and is looking to form their own independent household.

7.2 Assessment

213. In order to understand the needs of newly-forming households, we start by interrogating the ONS 'Age by Single Year' dataset.⁴⁴ This reveals that there were 177 individuals aged between 18 and 35 in the Neighbourhood Plan area in 2011. This represents 22.3% of the population. These individuals may or may not have formed their own households.

214. Table 7-1 below shows that there is a total of 60 households with an HRP aged under 35, or around 21.7% of all 277 households in Hemswell Cliff. To estimate the number of individual residents aged between 18 and 35 this represents, we use the following approach:

- i. Multiply the number of households under 35 by the average household size in the Neighbourhood Plan area (2.87 individuals per household), which results in 172 individuals. ($60 * 2.87 = 172$)
- ii. We then discount all children (i.e. individuals under the age of 18). As 30 households live with at least one dependent child, we estimated there were about 142 children among these households. ($172 - 30 = 142$)
- iii. Therefore, among the 177 individuals who are between 18 and 35, 35 have not formed their own household. ($177 - 142 = 35$)
- iv. This represents 12 households that could potentially be formed (35 divided by 2.87).

215. We make the reasonable assumption that those individuals with the potential to form new households who have not yet done so are, in most cases, either living with their parents or in shared houses with other young people. They will not yet have formed their own household for many potential reasons, but most likely the absence of suitable affordable tenures.

216. Census data about household composition shows that 12 households include non-dependent children. The figure of 12 above can therefore be considered a broadly reasonable estimate.

217. Therefore, around 12 households in Hemswell Cliff had the potential to form their own household, but had not yet done so, at the time of the last Census in 2011 (4.4% of the total number of households).

Table 7-1: Households in Hemswell Cliff with HRP under the age of 35, 2011

Household composition	Number
Age of HRP under 35: One person household	14
Age of HRP under 35: Two or more person household: No dependent children	16
Age of HRP under 35: Two or more person household: With dependent children	30
Age of HRP under 35: Total	60

Source: ONS, 2011

218. Now that we have identified the number of households with potential to form but who have not yet done so, we need to determine the type of tenures they are most likely to occupy. To do so, we assess the tenures of households in the Neighbourhood Plan area where the HRP is aged 24 or younger, as well as those with HRPs aged 25 to 49. The results are set out in Table 7-2 below.

⁴⁴ ONS, Census 2011: QS103EW.

219. The table shows that the most common form of tenure for those aged 24 and under is rented or living rent free, representing 73.3% of the demographic. Meanwhile, almost two thirds of those aged 25-49, (59.1%) own their own property, either through mortgage, outright, or shared ownership.

220. Within rented and ownership tenures however, there are some similarities. Both age groups are more likely to own with a mortgage or shared ownership rather than own outright. Moreover, within the rental sector both age groups are more likely to be living in private rented or living rent free accommodation rather than social rented accommodation.

Table 7-2: Tenures occupied by HRP under the age of 50, Hemswell Cliff, 2011

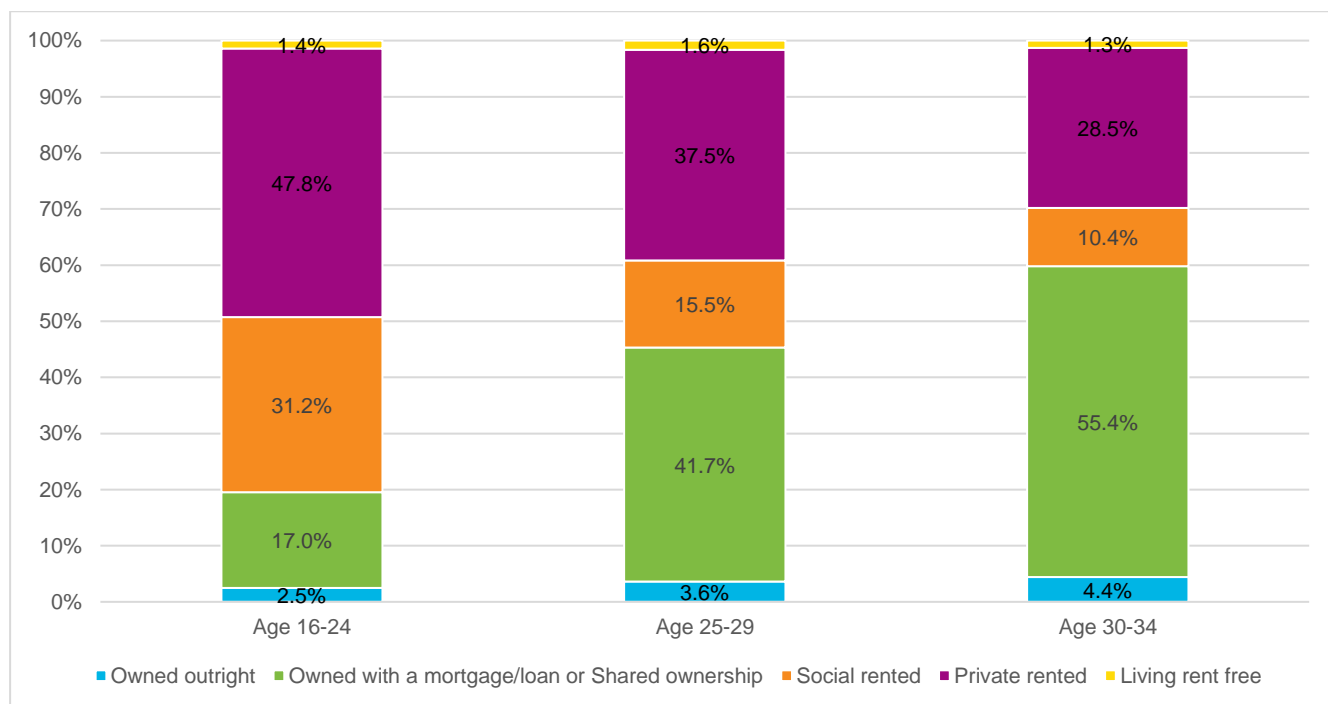
Tenure	Age 24 and under		Age 25 to 49	
	Number	Percent	Number	Percent
All categories: Tenure	15	100%	159	100%
Owned or shared ownership: Total	4	26.7%	94	59.1%
Owned: Owned outright	0	0.0%	10	6.3%
Owned: Owned with a mortgage or loan or shared ownership	4	26.7%	84	52.8%
Rented or living rent free: Total	11	73.3%	65	40.9%
Rented: Social rented	0	0.0%	1	0.6%
Rented: Private rented or living rent free	11	73.3%	64	40.3%

Source: ONS, 2011

221. The data we have just examined considers the tenure of households with HRPs aged 49 and under as a single group. However, the tenures occupied by different households can vary significantly between these ages.

222. Such data is only available at the level of West Lindsey. This data, presented in Figure 7-1 below, reveals that there is marked decrease in the occupancy for all rented accommodation in the district, as residents get older. Meanwhile, ownership with a mortgage or shared ownership is over three times more common amongst those aged 30-34 as it is with those aged 16-24.

Figure 7-1: Tenure by age of HRP, West Lindsey, 2011



Source: ONS, 2011

7.3 Conclusions- Newly-forming households/first-time buyers

223. It can be estimated, on the basis of ONS Census 2011 data, that about 12 individuals below 35 had not formed their own household by that year. This represents around 4.4% new households with the potential to form.
224. Based on the average of the numbers in Table 7-2 and Figure 7-1, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasizes the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.
225. Table 4-4 in the Tenure and Affordability chapter indicates that the annual income required to afford entry-level market purchase is slightly below that for entry-level market rent in Hemswell Cliff. Given this fact, the proposed tenure split for newly-forming households has been adjusted to make roughly equal the need for home ownership and private renting.
226. It is recommended that neighbourhood planners seek to promote these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area. As with all policy recommendations in this report, it is important that HCPC acknowledge wider District policies and evidence.

Table 7-3: Tenures recommended in Hemswell Cliff to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	31%
Entry-level market sales/intermediate ownership product	22%
Social rent	16%
Private rent	31%

Source: AECOM calculations

8. Conclusions

8.1 Overview

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

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

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>The vast majority of households in Hemswell Cliff are owner-occupiers (64.3%). This is followed by the private rented sector (31.8%). There are very few homes in the social rented sector and in shared ownership. The proportion of private rented homes is more than double that of the wider district, whereas the proportion of social rented homes is almost non-existent in the NA, compared to 11.1% in the wider District and 17.7% nationally. The dominance of ownership combined with the absence of social rented housing may limit the ability of those on lower incomes to live in the NA.</p> <p>Between 2001 and 2011, the number of those renting privately has increased substantially, by 266.7%. This is mirrored by a substantial but lesser increase of 92.4% in private rented homes across the District. This trend typically points to the declining affordability of home ownership, however market housing for sale is found not to be out of reach for those on average incomes in Hemswell Cliff, so it may be that households are also renting by choice or for lifestyle reasons. Meanwhile, there has been a decline of -66.7% in shared ownership homes, and -77.8% in social rented homes in the NA (presumably due to occupiers being able to purchase their homes outright, for example through the Right to Buy Scheme). Both declines are from a low base.</p> <p>House prices have grown by a notable 17.6% overall in Hemswell Cliff over the 10 years to 2019. However, there is a degree of volatility in pricing over time. If we calculate house price growth from 2011 rather than 2009, there has been an overall decline of -9.4%.</p> <p>The approximate median and lower quartile incomes in Hemswell Cliff are £37,800 and £21,175 respectively. Comparing these affordability thresholds with the costs of each tenure, it is clear that the most affordable forms of tenure are shared ownership, Discounted Market Sale (-20%), social rent and affordable rent, all of which are affordable to those within the lower quartile household.</p>	<p>It is apparent that those on median household incomes and dual-earning LQ households are able to afford all of the tenures under consideration. For single-earning households, the majority of tenures are also within reach. Given that these households can afford to buy their own (entry-level) homes, there would appear to be little need for affordable home ownership products to bridge the gap between the cost of renting and buying. That said, such products may be able to meet the needs of those whose incomes are below LQ levels, and should not be neglected altogether.</p> <p>The total estimated Affordable Housing need in Hemswell Cliff over the Plan period 2018-2040 is at least 6 (rounded) affordable rented homes and approximately 59 (rounded) affordable home ownership dwellings. It is important to keep in mind that the needs of the latter group are less urgent and the majority are accommodated in the private rented sector. This figure can therefore be considered as potential demand for affordable home ownership products in Hemswell Cliff.</p> <p>If Hemswell Cliff's housing requirement figure is 180 dwellings, or close to this figure, then approximately 36 dwellings will be affordable in accordance with the current Local Plan Policy LP11 which states that 20% of new housing development should be made affordable.</p> <p>Within the Affordable Housing to be delivered in Hemswell Cliff during the plan period, it is recommended that a balance of 20% affordable rented and 80% affordable ownership tenures be sought. However, this 20% should be treated as a minimum level of provision for affordable rented housing.</p> <p>Given that expected delivery falls short of identified potential need, the neighbourhood planners may decide to prioritise the most urgent needs of those requiring affordable rented tenures. There is other evidence to justify this position: chiefly, that the estimated need for 6 units may be understated due to the absence of this tenure in the current dwelling mix, and that the cost of home ownership appears to be affordable for the majority of households (thereby rendering affordable routes to home ownership less vital).</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Housing type and size</p>	<p>Hemswell Cliff's stock of existing housing is made up of a different dwelling type breakdown to that of West Lindsey, with more semi-detached and terraced homes, and fewer detached houses. The parish has double the proportion of terraced houses and less than half the proportion of detached homes as compared with the District.</p> <p>The housing stock of Hemswell Cliff is generally characterised by generally large dwellings, with high percentages of homes over four rooms, although the District has more larger homes than the NA. There has been a significant rise in the number of very large homes of eight or more rooms in Hemswell Cliff, and a no growth in dwellings of three rooms or less.</p> <p>The 2011 Census data reveals that Hemswell Cliff has a much younger population than West Lindsey. The majority of the population are under the age of 44, with 33% being under the age of 24.</p> <p>In terms of household composition, Hemswell Cliff differs from West Lindsey in its far lower proportion of one person households, although this group grew considerably between 2001 and 2011, as did multi-family household types (such as HMOs). There are many more families with children in the NA than the wider District.</p> <p>Applying District-level population projections to Hemswell Cliff, it is notable that all age groups between the age of 25 and 64 are expected to stay largely the same or decline in size, while future population growth is expected to be driven by younger and older people. Because the youngest and oldest age groups are currently relatively small, they will still remain far less populous than the 35 to 54 age group in terms of total numbers.</p>	<p>Seen in the context of recent supply patterns and Hemswell Cliff's comparatively large stock of dwellings overall, the trend towards single occupancy and large number of young people may warrant a Neighbourhood Plan policy to prioritise the provision of modest sized homes with 3 bedrooms. In terms of the types of dwellings required, likely demand for generally more affordable dwelling types, such as terraced homes and flats, should be addressed.</p> <p>The result of a life-stage modelling exercise that combines population projections and occupation preferences is that, in terms of demographic change, new development in Hemswell Cliff might involve the following share of dwelling sizes: 23.2% as 1 bedroom, 0% as two bedrooms, 42.5% as three bedrooms, 17.3% as four bedrooms and 17% as 5 or more bedrooms. However, this guideline mix should be applied with a high degree of flexibility to account for changing demand and so as not to restrict the viability and diversity of new development.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Specialist housing for older people	<p>In Hemswell Cliff, there are 55 residents living in care homes with nursing and none in care homes without nursing. There are no specialist dwellings (or bed spaces), for a 2011 population aged 75+ of 20.</p> <p>The older population of the parish is expected to grow to a total of 4.8% by 2040, from 2.5% in 2011. This is a significantly lower proportion than the district as a whole, which is expected to have 17.6% of residents aged 75 and over by 2040.</p> <p>There are projected to be an additional 18 households in Hemswell Cliff over the age of 75 by the end of the Plan period in 2040.</p>	<p>Estimates in this HNA suggest the need for approximately 7 specialist dwellings to service the needs of older people over the Plan period.</p> <p>In practice, much of this need may be met within the mainstream housing stock through adaptations and care and support provided in the home.</p> <p>AECOM would suggest a key consideration for the neighbourhood planners is whether new mainstream homes (both market and affordable) could be provided to improved accessibility and adaptability standards. It may be possible to apply optional building regulation standards M4(2) and M4(3) to some or all new homes so that they better meet the needs of occupants as they age and need care and support. This could help to ensure that some stock of accessible dwellings is built up over time. The group may wish to discuss this policy option with the LPA as it is likely that West Lindsey Council may wish to adopt these standards across the District.</p>
Newly-forming households/first-time buyers	<p>It can be estimated, on the basis of ONS Census 2011 data, that about 12 individuals below 35 had not formed their own household by that year. This represents around 4.4% new households with the potential to form.</p>	<p>A recommended tenure split of new-build housing for newly-forming households is as follows:</p> <ul style="list-style-type: none"> • Home ownership – 31% • Entry-level market sale / affordable routes to home ownership – 22% • Social rent – 16% • Private rent – 31%.

8.2 Recommendations for next steps

228. This Neighbourhood Plan housing needs assessment aims to provide Hemswell Cliff 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 Lindsey with a view to agreeing and formulating draft housing policies, bearing the following in mind:

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

229. 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.
230. 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 Lindsey or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
231. 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.

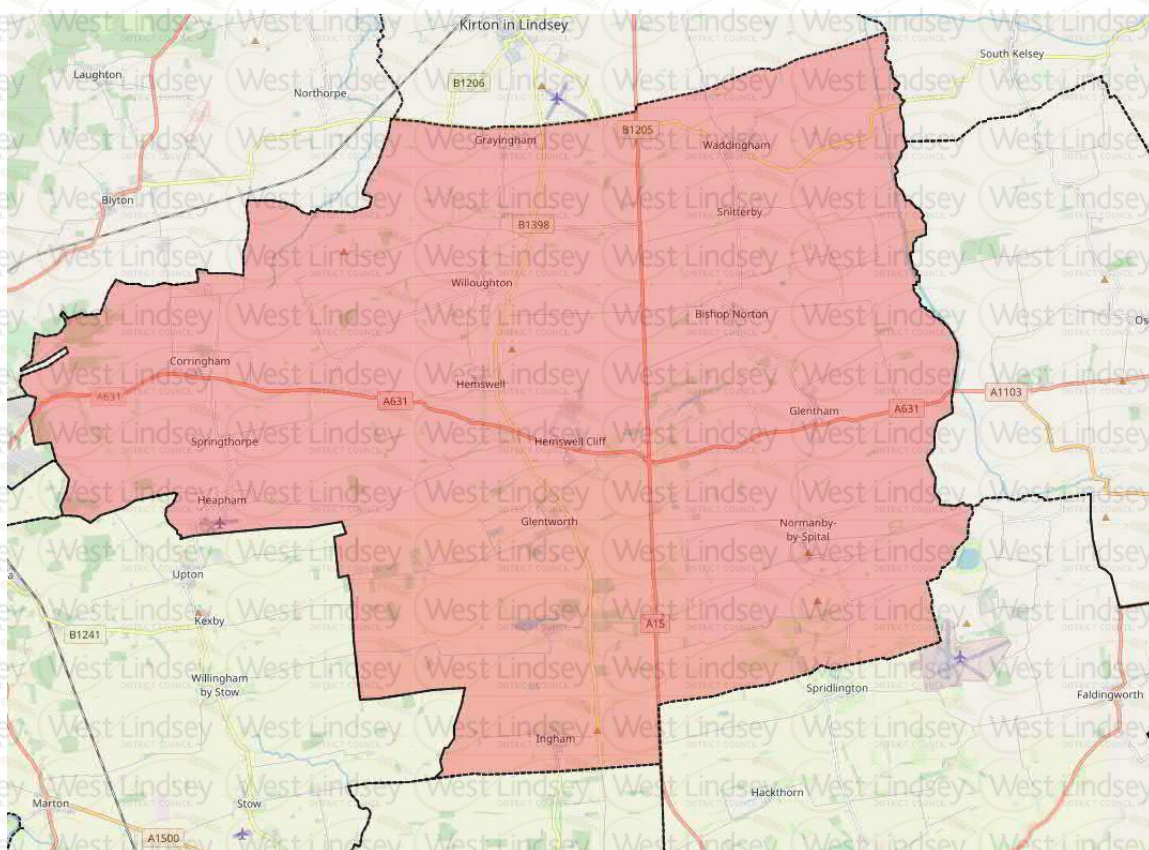
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

233. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Hemswell Cliff, it is considered that MSOA E02005496 is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of E02005496 appears below in Figure 8-1.

Figure 8-1: MSOA E02005496 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS Contains OS data © Crown copyright and database rights 2020. OS Licence No. 100018701.

A.2 Market housing

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

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

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

237. To determine affordability in market housing, the 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

238. 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.

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

240. The value of an entry-level dwelling is considered the best representation of the segment of market housing most likely to be accessible to those on lower incomes.⁴⁵ The value of an entry level dwelling used here is the lower quartile average house price from sales data from Land Registry over the year 2018.

241. The calculation is therefore:

- Value of an 'entry level dwelling' = £83,000;
- Purchase deposit = £8,300 @10% of value;
- Value of dwelling for mortgage purposes = £74,700;
- Loan to income ratio = value of dwelling for mortgage purposes divided by 3.5;
- **Purchase threshold = £21,343.**

ii) Private Rented Sector (PRS)

242. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rented property if the lower quartile private rent does not exceed 25% of gross household income.

243. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁴⁶ such a home would require three habitable rooms (a flat or house with two bedrooms).

244. The property website Home.co.uk shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the DN21 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.

245. According to home.co.uk, there are 37 two-bed properties currently listed for rent across DN21 postcode area, with an average price of £451 per calendar month.

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

- Annual rent = £451 x 12 = £5,412;
- Multiplied by 4 (so that no more than 25% of income is spent on rent) = £21,648;
- **Income threshold (private rental sector) = £21,648.**

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

⁴⁵ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁴⁶ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

A.3 Affordable Housing

248. There are a range of tenures that constitute the definition of Affordable Housing within the 2019 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership.
249. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more households, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.
250. We consider each of the affordable housing tenures in turn.

i) Social rent

251. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on low incomes and is subject to strict eligibility criteria.
252. 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 Hemswell Cliff. 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 Lindsey in the table below.
253. To determine the income needed, it is assumed that no more than 25% of income should be spent on rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£65	£80	£86	£93	£80
Annual average	£3,372	£4,137	£4,456	£4,850	£4,153
Income needed	£13,489	£16,548	£17,826	£19,398	£16,611

Source: Homes England, AECOM Calculations

ii) Affordable rent

254. Affordable rent is controlled at no more than 80% of the local market rent. As demonstrated in this report, the annual entry-level rent in Hemswell Cliff is £5,412. In the event of a 20% reduction in rent to £4,330, the income threshold would reduce to an estimated £17,318. 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). Even an 80% discount on the market rent may not be sufficient to ensure that households can afford it, particularly when they are dependent on benefits. RPs 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%.

iii) Intermediate tenures

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

Discounted Market Sale (-20%)

256. Whether to treat discounted market sale homes as affordable housing or not depends on whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% (or other level of discount) would bring them within reach of people currently unable to access market housing for purchase.
257. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £83,000.
258. Applying a discount of 20% provides an approximate selling price of £66,400. Allowing for a 10% deposit further reduces the value of the property to £59,760. The income threshold at a loan to income ratio of 3.5 is **£17,074**.

259. In practice, developers are likely to price Discounted Market Sale (-20%) in relation to new build prices. When these are discounted by 20% they may not offer any discount on entry level prices in the existing dwelling stock.

Shared ownership

260. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned over time.
261. 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.
262. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £83,000.⁴⁷ 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 income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).
263. A 25% equity share of £83,000 is £20,750, from which a 10% deposit of £2,075 is deducted. The mortgage value of £18,675 (£20,750 - £2,075) is then divided by 3.5. To secure a mortgage of £18,675, an annual income of £5,336 (£18,675/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £62,250. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £1,556 and requires an income of £6,225 (multiplied by 4 so that no more than 25% of income is spent on rent). Therefore, an income of around **£11,561** (£5,336 + £6,225) is required to afford a 25% shared equity purchase of an entry-level home.
264. A 50% equity share of £83,000 is £41,500, from which a 10% deposit of £4,150 may be deducted. The mortgage cost of £37,350 (£41,500 - £4,150) is then divided by 3.5. To secure a mortgage of £37,350, an annual income of £10,671 (£37,350 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £41,500. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,038, requiring an income of £4,150 (multiplied by 4 so that no more than 25% of income is spent on rent). Therefore, an annual income of around **£14,821** (£10,671 + £4,150) is required to afford a 50% shared equity purchase of an entry-level home.
265. A 75% equity share of £83,000 is £62,250, from which a 10% deposit of £6,225 can be deducted. The mortgage cost of £56,025 (£62,250 - £6,225) is then divided by 3.5. To secure a mortgage of £56,025, an annual income of £16,007 (£56,025 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £20,750. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £519, requiring an income of £2,075 (multiplied by 4 so that no more than 25% of income is spent on rent). Therefore, an annual income of around £18,082 (£16,007 + £2,075) is required to afford a 75% shared equity purchase of an entry-level home.

⁴⁷ It is important to note that this is based on new build sales only. The current shared ownership models are only available for new build homes, with the assumed cost therefore differing from the cost of open market housing, which also includes property re-sale.

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

- a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- c) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods⁴⁸.

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.

⁴⁸ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard⁴⁹

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order⁵⁰

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)⁵¹

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

⁴⁹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁵⁰ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁵¹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

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 years⁵², i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

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.

⁵² See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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%, 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 Housing⁵³

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bed roomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate

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

wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.⁵⁴

⁵⁴ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

