

# Partial SHMA Update

## 2018

---

### Northumberland County Council

#### Final Report

June 2018

---

**Main Contact:** Michael Bullock  
**Email:** [michael.bullock@arc4.co.uk](mailto:michael.bullock@arc4.co.uk)  
**Telephone:** 0800 612 9133  
**Website:** [www.arc4.co.uk](http://www.arc4.co.uk)



## Table of Contents

1.	Introduction .....	7
	Background and objectives .....	7
	National Planning Policy Framework (NPPF), Planning Practice Guidance (PPG) and other requirements.....	7
	Definitions .....	8
	Research methodology .....	9
	Report structure.....	9
2.	Review of the Northumberland housing market and identification of local housing markets within the county .....	10
	Introduction .....	10
	Method .....	10
	The extent and characteristics of any local sub-markets that can be identified .....	11
	The Central Delivery Area .....	14
	The South East Delivery Area .....	17
	The North Delivery Area .....	19
	The West Delivery area .....	23
	Overall conclusions .....	24
	The extent to which sub-markets cross Northumberland's administrative boundaries.	26
3.	Housing need in Northumberland .....	27
	Introduction .....	27
	Step 1: Setting the baseline .....	27
	Step 2: An adjustment to take account of market signals.....	27
	Step 3: Capping the level of any increase .....	27
	Housing need using the standard methodology.....	27
	Housing need uplift.....	28
	Use Class C2 .....	28
	Affordable housing need and mix.....	29
	The affordability of tenure options.....	30
4.	Dwelling type/size analysis .....	34
	Introduction .....	34
	Starting points.....	34
	Applying the data at County level.....	36
	Applying the data at sub-county level .....	40
	Household aspirations/expectations .....	43
	Concluding comments .....	44
5.	Older persons housing and accessible housing .....	45
	Older person's housing in Northumberland .....	45

Evidence of need to support the inclusion of optional accessibility and wheelchair housing standards in the Local Plan .....	55
Benefit claimants - disability living allowance (DLA) by disabling condition .....	60
Further information on adaptations .....	64
Prevalence rates .....	65
Other 'big picture' evidence .....	66
Conclusions and recommendations for optional adaptation, accessibility and wheelchair housing standards .....	68
6. Self-build and custom-build housing .....	71
7. Conclusion: policy and strategic issues .....	75
Introduction .....	75
Housing Market Areas within Northumberland .....	75
Overall housing need and dwelling type and mix .....	76
Meeting the needs of older people and those with disabilities .....	76
Final comments .....	77
Technical Appendix A - a worked example of how age cohorts are applied to the future dwelling mix .....	78
Technical Appendix B: Affordable Housing Need Calculation .....	81

## List Charts and Figures

Figure 3.1 Household income needed to fund 25% shared ownership and help to buy options by parish .....	31
Figure 3.2 Benchmarking income required for tenure options against income levels .....	33
Figure 4.1 Imbalances between current stock profile and future dwelling mix requirements by housing market sub-area .....	42
Figure 4.2 Summary of dwelling types under baseline demographic and alternative aspiration/expectation analysis .....	44
Figure 5.1 Explanation of optional accessibility standard M4(2) .....	55
Figure 5.2 Explanation of optional accessibility standard M4(3) .....	56
Figure 5.3 People whose day to day activities were limited or not .....	57
Figure 5.4 Distribution of people with activities limited a lot within each tenure .....	57
Figure 5.5 Distribution of people with activities limited a lot across the tenures .....	58
Figure 5.6 Distribution of people by household type with 1 person with a long-term health problem or disability .....	59
Figure 5.7 Distribution of people by household type with two-or-more persons with a long-term health problem or disability .....	59
Figure 5.8 Comparison of household types within Northumberland, expressed as a proportion of all people with a long-term health problem or disability .....	60

Figure 5.9	Estimated increase in disability by type in order of degree of growth .....	66
------------	---	----

## List of Tables

Table 3.1	Net affordable need 2017/18 to 2021/22 .....	29
Table 3.2	Dwellings occupied by households living in affordable housing.....	29
Table 4.1	Age groups, household type and dwelling types used .....	35
Table 4.2	Illustration of the relationship between dwelling type/size and household type by age group (15 to 24-year age group used) .....	36
Table 4.3	Change in number of households by age group 2010-2030 .....	37
Table 4.4	Impact of change in households by age group on dwellings occupied.....	38
Table 4.5	Overall dwelling mix based on range of housing need .....	39
Table 4.6	Summary of dwelling mix by broad tenure group based on range of need from 717 to 885 each year .....	40
Table 4.7	Dwelling mix by housing market sub-area .....	41
Table 4.8	Summary of demographic, aspirations and expectations (and combination of aspirations and expectations) on future dwelling requirements.....	43
Table 5.1	Dwelling type occupancy of households headed by someone aged 65 or over .....	46
Table 5.2	Reasons for moving .....	47
Table 5.3	Type of housing moved to .....	48
Table 5.4	Reason for moving by tenure moved to.....	49
Table 5.5	Dwellings moved into by current area of residence .....	50
Table 5.6	Dwelling type and size preferences of households planning to move.....	51
Table 5.7	Future housing preferences of older people.....	53
Table 5.8	Settlement preferences by current area of residence .....	54
Table 5.9	DLA claimants by disabling condition .....	61
Table 5.10	Disability prevalence rates applied to Northumberland .....	65
Table 5.11	Demand for services by client group .....	66
Table 5.12	Type of service demand from people aged 65 and over.....	67
Table 5.13	Analysis of households living in adapted housing .....	69
Table 6.1	Analysis of Northumberland's Self Build Register June 2018.....	72
Table B1	CLG Needs Assessment Summary for Northumberland .....	82
Table B2	Affordable Housing need in Northumberland.....	84
Table B3	Breakdown of needs factors.....	84
Table B4	Homeless decisions and acceptances 2010/11 to 2016/17 .....	85

Table B5	Net annual affordable housing imbalance by property size and designation 2014/15 to 2018/19.....	90
----------	---	----

### List of Maps

Map 2.1	Median house price distribution by delivery area and parish.....	12
Map 2.2	Median rental price distribution by delivery area and parish.....	13
Map 2.3	Local plan delivery areas and local housing market areas .....	25

Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

*This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.*

*arc<sup>4</sup> Limited accepts no responsibility or liability for, and makes no representation or warranty with respect to, the accuracy or completeness of any third party information (including data) that is contained in this document.*

# 1. Introduction

## Background and objectives

- 1.1 This Partial Update of the Strategic Housing Market Assessment (SHMA) for Northumberland County Council (the Council) has been commissioned to provide an up-to-date evidence base to help shape the future planning and housing policies and strategies for the area.
- 1.2 The Update is framed around the requirements of the draft revised National Planning Policy Framework (NPPF, March 2018) and associated draft Planning Practice Guidance (PPG).
- 1.3 The specific objectives of the SHMA update are to:
  - consider local housing markets within Northumberland;
  - provide a breakdown of housing tenures, sizes and types across Northumberland and any variations between identified local housing market areas;
  - consider how best to meet the diverse housing needs of older people and those with disabilities; and
  - consider whether there is evidence of need to support the inclusion of optional accessibility and wheelchair housing standards in the Local Plan.
- 1.4 The SHMA update also considers the latest housing growth options for Northumberland produced by Peter Brett Associates (PBA), and any uplifts that may be required to support C2 (Residential Care Home) development.

## National Planning Policy Framework (NPPF), Planning Practice Guidance (PPG) and other requirements

- 1.5 This study will be carried out in accordance with the Government's latest advice on the preparation of evidence bases to support Local Plan development. The key outputs for the study are framed by the requirements of the draft 2018 National Planning Policy Framework and associated Planning Practice Guidance. Paragraph 61 of the NPPF states:

*"In determining the minimum number of homes needed, strategic plans should be based upon a local housing need assessment, conducted using the standard method in national planning guidance – unless there are exceptional circumstances that justify an alternative approach which also reflects current and future demographic trends and market signals. In establishing this figure, any needs that cannot be met within neighbouring areas should also be taken into account."*
- 1.6 Paragraph 62 of the revised NPPF states:

Within this context, policies should identify the size, type and tenure of homes required for different groups in the community (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers<sup>1</sup> people who rent their homes and people wishing to commission or build their own homes).

## Definitions

- 1.7 Draft NPPF provides an updated definition of affordable housing which is considered in the SHMA Update:

*"...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, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is 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 the context, is known as Affordable Private Rent).*
- b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute at the time of plan-preparation or decision-making. Income restrictions should be used to limit a household's eligibility to purchase a starter home to those who have maximum household incomes of £80,000 a year or less (or £90,000 a year or less in Greater London)*
- c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.*
- d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale and rent to buy (which includes a period of intermediate rent).*

---

<sup>1</sup> Travellers who do not fall under the definition of 'traveller' in Annex 1 of the Planning Policy for Traveller Sites. The latter sets out how travellers' accommodation needs should be assessed for those covered by the definition in Annex 1 of that document.



*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.”*

## Research methodology

- 1.8 To deliver the SHMA Update, a multi-method approach has been adopted, comprising:
- a review of relevant secondary data including the 2011 Census, house price data, private rental data, Housing Association CORE lettings data, CLG Statistics and Housing Register information;
  - estate, letting agent and house builder interviews;
  - a consideration of housing need drawing upon work carried out by Peter Brett Associates; and
  - analysis of housing need and affordable housing requirements.

## Report structure

- 1.9 The SHMA Update report is structured as follows:
- Chapter 2 reviews the Northumberland housing market and identification of local housing markets within the county;
  - Chapter 3 considers housing need in Northumberland and draws on the national standard methodology for assessing need as set out in PPG2018 and work carried out by Peter Brett Associates including affordable housing;
  - Chapter 4 considers dwelling type and size analysis;
  - Chapter 5 considers the needs of older people and people with additional housing needs;
  - Chapter 7 concludes the report with a summary of findings and a consideration of strategic and policy issues linked back to the objectives of the study,
- 1.10 Note that this document is a partial update to the SHMA and should be read in conjunction with the Northumberland 2015 SHMA.

## 2. Review of the Northumberland housing market and identification of local housing markets within the county

### Introduction

2.1 The brief for the SHMA sought information on:

- the extent and characteristics of any local sub-markets that can be identified; and
- the extent to which sub markets crossed Northumberland's administrative boundaries.

### Method

2.2 The method for this part of the study was to conduct detailed face-to-face interviews with a sample of local estate agents, letting agents and housebuilders present in the major settlements and service centres. This information is collated and key findings are supplemented with:

- quantitative information to describe the level of local market self-containment; and
- quantitative information about house prices and rents.

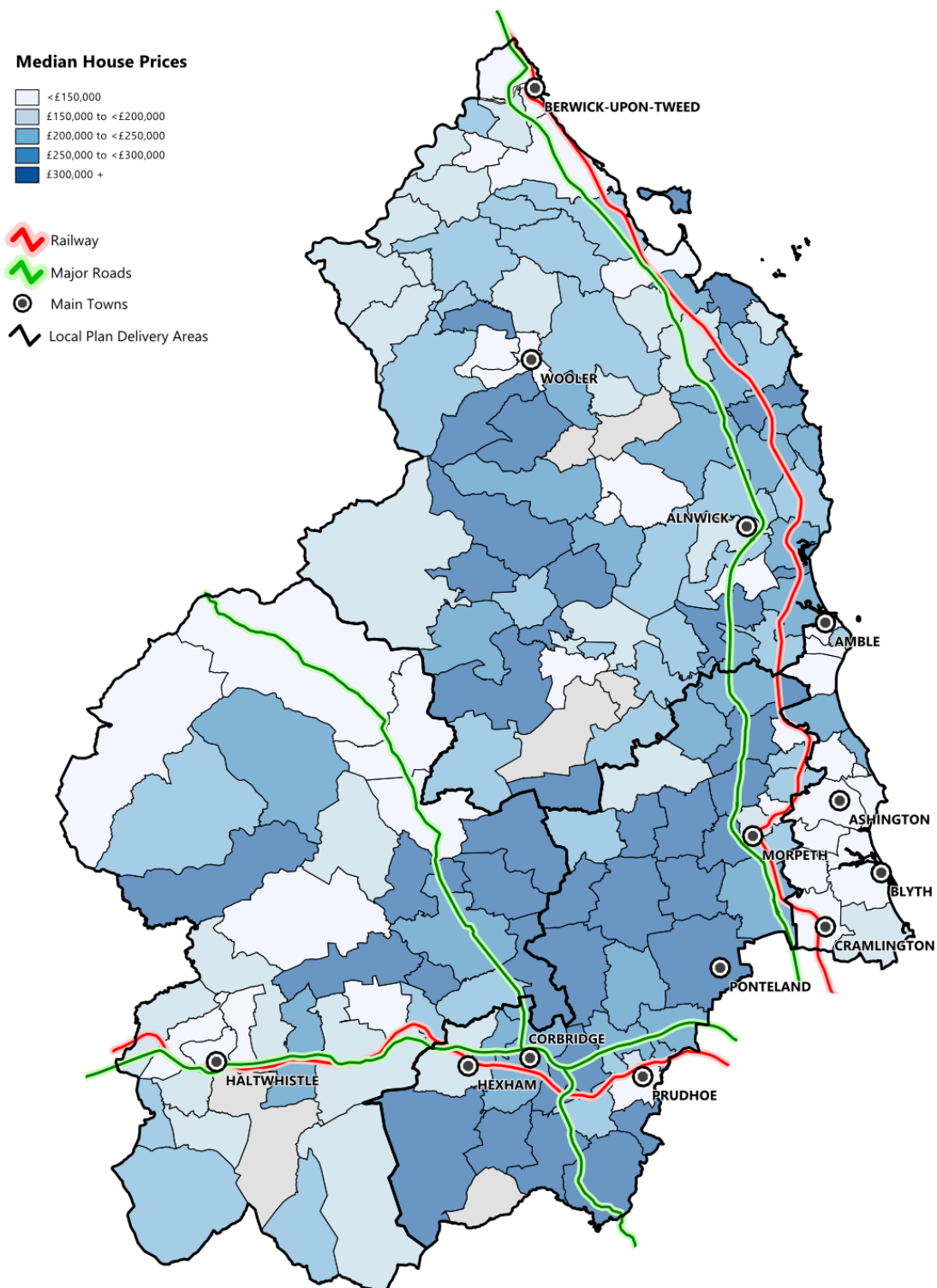
2.3 In total, 22 interviews were achieved with estate and letting agents and 9 housebuilders. Interviews were conducted in:

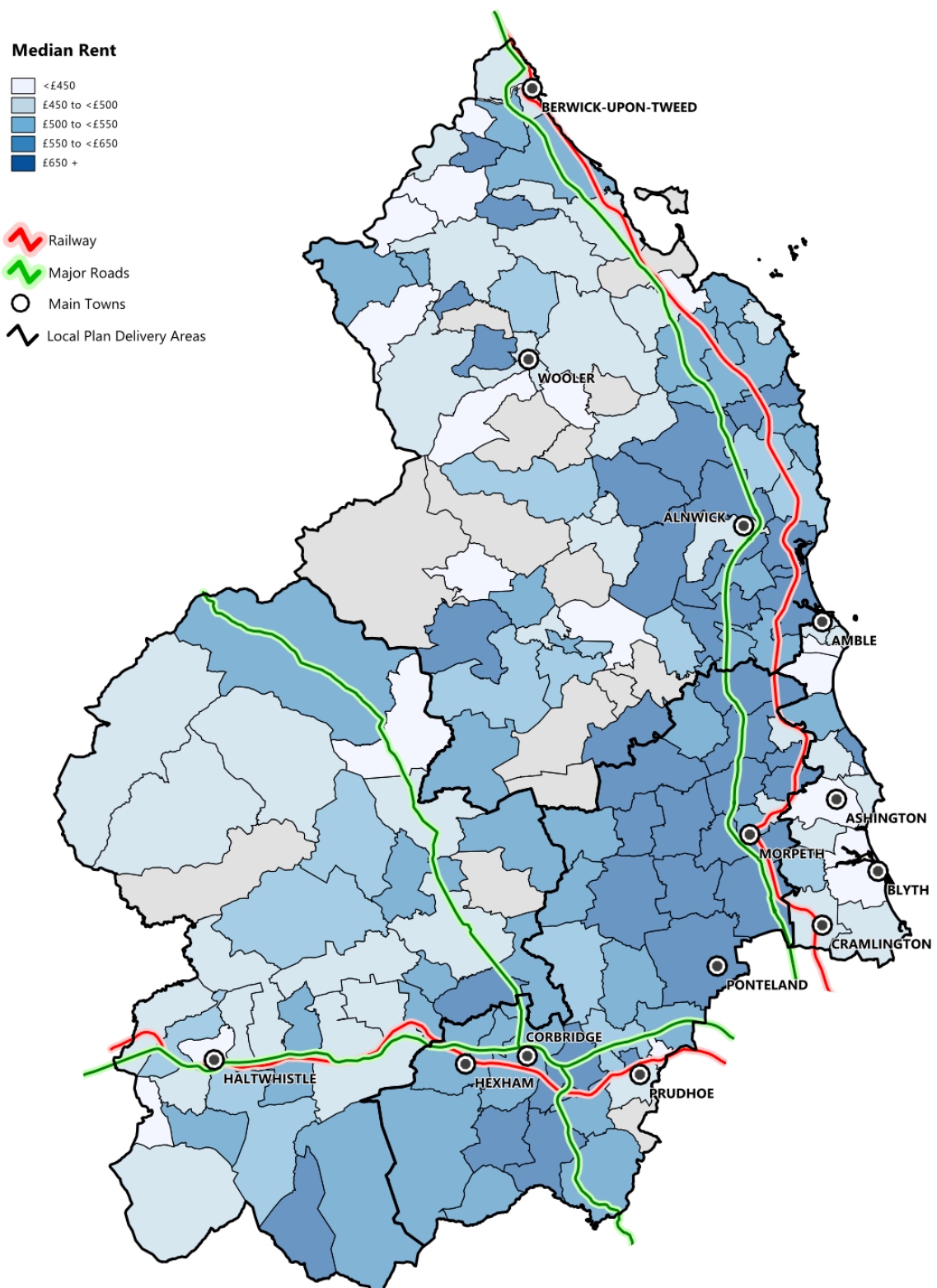
- Alnwick;
- Amble;
- Ashington;
- Berwick;
- Blyth;
- Cramlington;
- Haltwhistle;
- Hexham;
- Morpeth;
- Ponteland;
- Prudhoe; and
- Wooler.

2.4 Interviews yielded a considerable amount of information incidental to the above questions that will inform the SHMA and this is also reported in this section.

## The extent and characteristics of any local sub-markets that can be identified

- 2.5 This information should be read alongside data produced elsewhere in the report about prices, affordability, migration and travel to work.
- 2.6 We asked agents questions about their view of the extent of their local market and the areas serviced from the estate and letting agency branch. By visiting the area, we also understood the communications and links between towns and the services provided in each. We believe this is important evidence, mirroring the area of search of people seeking to relocate to an area or move within it. We state our findings and the evidence to support this.
- 2.7 The evidence has led to the identification of a number of self-contained sub-areas within the Council's 4 Local Plan Delivery Areas.
- 2.8 The following price maps need to be referenced alongside the qualitative evidence from agents.

**Map 2.1** Median house price distribution by delivery area and parish

**Map 2.2** Median rental price distribution by delivery area and parish

## The Central Delivery Area

- 2.9 Two local housing markets have been identified within the Central delivery area.

### 1. The Tyneside Commuter Belt (West): Hexham, Corbridge and Prudhoe

#### *Role and key features:*

- residential and historic, attracting visitors. The key visitor attraction is Hadrian's Wall;
- variable house prices within a linked area of search;
- there is a gap in supply for the middle market (both resale and re-let) typically for first time movers seeking larger homes for their growing families;
- partially attractive to incomers;
- strong commuting pattern;
- little new build overall - moderate volumes at Hexham.

#### *Estate and letting agents*

- 2.10 Hexham agents told us that overall around 75% of all transactions were in the area, that being the town and surrounding villages. However, town transactions tended to be younger local people and village transactions would have a higher proportion of incomers who were older people. Demand and spending power from this group is putting pressure on rural prices. Town entry level prices were around £125,000 which agents assured us were affordable to local first time buyers. However, they advised that competition from investors is increasing and this is putting upward pressure on prices, some bidding takes prices above asking price.
- 2.11 The rental market in Hexham suffers from shortage of supply with most vacancies being snapped up before they can be properly marketed. More expensive and rural vacancies would be slower to let and around 40% of these would be 'try before you buy' renters. These will relocate from the south of England and rent so they can act quickly when a suitable re-sale home becomes available.
- 2.12 All agents expressed the view that there was no middle market. This was affecting supply overall because households wishing to move home locally often failed to find a suitable home. Agents said the gaps were good quality 3-bedroom family homes for sale and rent. The re-sale price point is around £200,000, and bungalows which were so rare, every one coming onto the market sold at a premium price.
- 2.13 We were unable to interview an agent based in Corbridge. Agents we spoke to in Hexham told us that Corbridge attracted higher prices than Hexham due to it being an attractive market village. Its small size meant that there was strong demand for every vacancy.
- 2.14 Agents at Prudhoe described a local housing market that was a product of its industrial past, with terraced housing in abundance, many with on street parking. Agents told us that there was a shortage of semi-detached homes needed for move on

accommodation from the terraced housing priced at around £150,000. This would be for local need as the town attracted few incomers. We were told that a similar gap arose in the rental market.

### *New build sales agents*

- 2.15 We came across one development with an on-site sales agent at Hexham. The agent told us that a high proportion of sales were help-to-buy assisted and most transactions were by local households. However, a small proportion were from incomers from the Midlands and the south of England. Prices range from £275,000 to £500,000. The agent told us that these were 3,4 and 5-bedroom types and there had been many enquiries about 2-bedroom homes - some from older people.
- 2.16 At Prudhoe we visited a large new-build development on a former hospital site where market prices ranged from £300,000 to £500,000. The sales agent told us that early phases had sold well to local households. The site had also attracted incomers.

### *Other remarks*

- 2.17 Hexham is the larger of the two towns and is the major service centre in the A69 Tyne valley corridor. We noted several sites in or near the town centre that had potential for re-development.
- 2.18 Agents we visited were all advertising building plots. We were told that these would sell quickly if priced correctly. There was strong interest from local builders.

### *Commuting research – Census*

- 2.19 Hexham, Corbridge and Prudhoe all show a link in terms of commuting patterns.
- 2.20 Hexham and Corbridge record a self-containment of around 60% in relation to residence and place of work data, with a further 15% working within the areas of Stocksfield and Broomhaugh, Corbridge and South Tynedale.

## **2. The Tyneside Commuter Belt (Central): Morpeth, Ponteland**

### *Role and key features:*

- Morpeth is the main administrative centre for Northumberland;
- significant volumes of new-build at Morpeth, lesser amounts elsewhere; and
- high property values within a linked area of search.

### *Estate and letting agents*

- 2.21 Morpeth estate agents told us that the considerable volume of new-build homes was having an impact on the re-sale market. Their perception was that a high proportion were purchased by incomers, both of working age and approaching retirement. One

agent told us that Morpeth was a sought-after place to live for older people and once they come to the area they stay. This means that the market is under-supplied. We were told that there were two gaps in supply, housing for older people seeking to downsize and families seeking to upsize. Local families seeking to upsize would wish to purchase in the £150,000-£200,000 range. This is well below the asking price of most new-build 3-bedroom homes currently on sale, with the exception of the Meadows development to the north of the town. Regarding older people, agents regretted that a higher proportion of new and recently built apartments did not have lift access to upper floors. Morpeth agents told us that some younger households were priced out of the local market and they would seek housing they could afford in surrounding villages such as Pegswood.

- 2.22 Ponteland agents described a more affluent market of strong interest to executives working in Newcastle and professionals and flight crew based at Newcastle International Airport. Aside from its location, Ponteland has highly regarded primary and secondary schools. New-build apartments are under construction and would be on sale at around £300,000. Agents considered that these would be affordable to local first time buyers, which was likely a reflection of the parental support that was available. Agents told us that re-sale supply was very limited as people tended to remain once they came to the area. Many resales were as a consequence of residents moving into care or passing away. As a consequence, large homes could be purchased for £300,000 to £400,000 but needed a considerable amount of investment to bring them up to a contemporary standard of design and equipment. Our 'drive through' confirmed that a noticeable quantity of dwellings were undergoing major renovation and re-configuration. Letting agents told us that there was a strong rental market for premium housing to enable households to wait for suitable resales or await renovation work to be completed. A further feature of the market was a high proportion of ex-local authority resales which could sell for as much as £200,000.

#### *New build sales agents*

- 2.23 At Morpeth we interviewed members of the sales team for the new McCarthy and Stone development near the town centre. We were told that most customers were local. Many were moving into the town from the outlying villages in order to access services without relying on their cars. Agents drew our attention to their 'smooth move' service and part exchange scheme.
- 2.24 Also at Morpeth, we noted that shared ownership offers were being promoted on some sites. There was a great deal of new development on sale at Morpeth and we obtained interviews from a site near to the town centre and one that was out of town. Both re-sale agents reported a high proportion of sales using help to buy although these were not always first time buyers. The near town centre Linden homes site featured homes priced over £300,000 and these had sold mostly to local downsizers. A quantity of low cost homes had sold quickly. The agent told us that the apartments on site had been sold off-plan to a single investor. The Taylor Wimpey sales agent at the out-of-town St Andrews site said that the larger homes had attracted a great deal of interest from long distance re-locators who found the location and proximity to the



airport an advantage. A phase of discounted sale homes had sold to first time buyers from Ashington.

### *Price maps*

- 2.25 Maps 2.1 and 2.2 show that this local market area has similar prices across the board and these are at the upper end of the range, differentiating it from the South East Delivery area and the Tyneside Commuter Belt (West).

### *Commuting research – Census*

- 2.26 Morpeth has a self-containment level of around 56%, with residents also working in Cramlington (5%) and Ashington Central (6%). There is also a link to Ponteland (in the Central delivery area) in that some residents in Morpeth commute to Ponteland for work.

## The South East Delivery Area

### The Tyneside Commuter Belt South East: Amble, Ashington, Blyth, Cramlington.

#### *Role and key features:*

- Ashington, Blyth and Cramlington are the key employment areas in the county;
- residential role apart from Amble and Blyth, each of which has a harbour;
- few visitors and second homes;
- variable property values within a linked area of search;
- partially attractive to incomers;
- significant commuting to Newcastle;
- the delivery area forms a distinct local housing market area.

#### *Estate and letting agents*

- 2.27 Ashington agents told us that the aspiration to attract incomers from Newcastle was not being realised although a high proportion of residents worked in Newcastle. Here we saw the lowest prices in Northumberland with many terraced houses on offer for £40,000. The supply of terraced houses (ex-miners homes) was on such a scale that there was little upward pressure on prices and little diversification or choice in the town. Agents felt that new-build housing was necessary if aspirational younger households were to be retained. Agents also told us that many older households were seeking bungalows but acknowledged that many of the terraced homes had ground floor bathrooms. Letting agents told us that there was demand for rental

- homes (family homes) but rents were low, and landlords would accept households in receipt of benefits.
- 2.28 On the other hand, the housing market in Blyth is more diverse and attracts higher selling prices. Agents identified gaps in the resale and rental market of 3-bedroom homes for up-sizers. The price point for these in the re-sale market is £120,000 to £150,000. Agents told us that the market serviced local households, with a small amount of interest from Newcastle-based households (mainly on new developments to the south side of the town). Incomers were mostly attracted to new-build housing rather than re-sale housing, especially if new-build help-to-buy was available. Agents said that there was need for more new-build which would sell very quickly to local people.
- 2.29 Amble, midway between Ashington and Alnwick is included in the Tyneside commuter area although it borders the Alnwick tourist area. Whilst it is not a major commuter town or a major visitor destination it has some similar characteristics to Blyth and slightly higher house prices. However, It has an attractive marina area and is less of a working port than Blyth It has a high proportion of terraced cottages built to house people that worked in the fishing trade. There is a harbour and marina. We were told that the stone-built cottages are relatively inexpensive and are of great interest to people seeking second homes that cannot afford prices in the Alnwick tourist area. Agents told us that in-spite of modest prices the area is not sought after by first time buyers. We have some concerns about the quality and long-term future of a small area to the west of the town centre. Persimmon are offering leasehold new homes from £114,000 (leasehold) to the south of the town, but no sales agent was present to interview.
- 2.30 At Cramlington, agents told us that the area had no market gaps. They felt that the housing stock catered adequately for local needs. The resale market was very slow in terms of supply due to confidence, but vacancies sold very quickly and asking prices were being achieved. Sales were mostly to local people. Many commuted to work in Newcastle, but agents were keen to point out that migration from Newcastle was low.
- 2.31 At Cramlington, no interviews were achieved as sites were at an early stage of development. We noted that the St Nicholas site was selling 'off plan'.
- 2.32 We interviewed a Gleeson Homes agent who had experience of sites at Ashington and Blyth. We were told that the customers are almost entirely local with a mix of first time buyers and elderly downsizers.
- 2.33 Whilst we saw other new build sites at Ashington we were unable to achieve interviews.

### *Price maps*

- 2.34 Maps 1 and 2 show that this local market area has similar prices across the board and these are at the lower end of the range, differentiating it from the Tyneside Commuter Belt (Central).

### *Other remarks*

- 2.35 Blyth is a significant port that services the offshore industry. Ashington has very low prices due to large amounts of terraced housing. Town centre improvements and new-build are having an impact.

### *Commuting research – Census*

- 2.36 Ashington Central, College and Hirst show a self-containment level of around 27%, with residents also commuting to Seaton with Newbiggin West (12%), Bothal and Haydon (14%), Morpeth (5%) and Cramlington (6%).
- 2.37 Blyth has a self-containment level of around 37% (this includes the areas of Croft, Isabella, South Blyth and Wensleydale). Residents also worked in Kitty Brewster and Cowpen (13%) and Cramlington (11%).
- 2.38 Cramlington has a self-containment level of around 57%. Other areas of work include Croft, Isabella, South Blyth and Wensleydale (5%) and Morpeth (9%).
- 2.39 These areas are within the South East delivery area as well as Bedlington. Residents living in Ashington, Blyth, Cramlington and Morpeth have no real link to Bedlington as a place of work. However, residents in Bedlington commute to Cramlington (10%), Hexham (6%), Morpeth (12%) and Blyth (5%).

## **The North Delivery Area**

- 2.40 Three distinct local housing market areas have been identified within the North delivery area.

### **1. Alnwick and the tourist coast**

#### *Role and key features:*

- significant holiday destination, visitor destination, and second homes;
- rural and coastal;
- residential;
- highly attractive to incomers;
- new build at Alnwick, lesser amounts in the larger villages.

#### *Estate and letting agents*

- 2.41 Agents told us that the proportion of re-sales that were bought by incomers varied between 50% and 80% on a year-by-year basis. This applied to Alnwick and the area east of the A1. We were told that the coastal villages were becoming saturated with second homes and holiday lets. Investors were continuing to prefer to invest in this market rather than the residential sector as the returns were higher.

- 2.42 We were told that the local gaps in the market were the absence of housing suitable for up-sizers and first time moving families in the price range £150,000 to £200,000, as well as housing suited to the needs of older people.
- 2.43 Agents highlighted that older people would re-locate from the villages to the town in order to have easier access to financial, retail and health care services. This meant that housing suited to older people, bungalows in particular, were at a premium and asking prices reflected this. Part of the demand from incomers was due to older people seeking to return to the area after spending their working lives elsewhere.
- 2.44 We asked if there was demand from potential self and custom builders. We were told that there was demand but all of the redundant farm buildings had been converted for holiday use, so the focus was on the town and villages.
- 2.45 Letting agents confirmed that some residential landlords had chosen to disinvest or diversify away from residential into the holiday market. They described strong demand for family homes and homes suited to elderly people. They saw little prospect of local landlords investing on the scale needed to keep up with growing demand for good quality rented housing in the area. They described ex-local authority housing as the cornerstone of the supply of the residential rental market.
- 2.46 We asked agents to 'place' the area in relation to Morpeth which is experiencing considerably greater volumes of new-build housing. We were told that the town of Alnwick was more family oriented with lower prices than Morpeth. They thought that Morpeth had higher proportions of older people.
- 2.47 Agents said that further new housebuilding would stimulate the local market, especially if it closed the gaps in the market highlighted above.

#### *New build sales agents*

- 2.48 We interviewed a sales agent who told us that on sale were currently 3-bedroom semi-detached homes priced at £185,995 and 4-bedroom homes priced at £280,000. These were aimed at local families. There were many enquiries from first time buyers seeking smaller 2-bedroom homes, but these were envisaged for later phases of development. 31 affordable homes were being constructed for the Riverside group to own and manage. Incomers accounted for a relatively small proportion of sales to date and those that did were mostly long distance movers.
- 2.49 We interviewed a local housebuilder at length. This company specialises in high specification homes mostly on sites of up to 50 homes. Asking prices depend on the location and mix but are generally in the region of £300,000 to £500,000. We were told that the company acquired many sites from the Duke of Northumberland. They told us that they met their affordable obligations mostly through discounted sales. Early sales tended to be local, aspirational buyers who are aware that dwellings are under construction well before marketing takes place. The company had worked with only one self-builder, who was judged to be able to complete the project in a timely manner being employed in the construction industry. We were told that the balance of sales would be made by incomers and there were known to be a small proportion of dwellings purchased as second homes.

- 2.50 We were unable to contact the company undertaking a small development at Longhoughton.

### *Price maps*

- 2.51 Maps 2.1 and 2.2 show that this local market area has similar prices across the board and these are at the medium and high end of the range. The high price pockets reflect popular coastal holiday destinations. It is differentiated from the inland area and the northern area by low population rural parishes with lower prices that have not attracted high levels of incomers.

### *Commuting research – Census*

- 2.52 Alnwick (also including Longhoughton) has a self-containment level of around 70%. There is also a link with residents commuting to Bamburgh, Wooler, Norham and Islandshires, Shibottle, Rothbury and Amble (13%). There was also some commuting to the Morpeth area (6%).
- 2.53 All these areas fall within the North delivery area. However, there is also a link with Morpeth in the Central delivery area and Amble which falls in the South East delivery area.

## **2. Berwick-upon-Tweed and the Borders**

### *Role and key features:*

- visitor destination, few second homes;
- residential;
- isolated market town serving rural hinterland;
- variable property values within a linked area of search;
- partially attractive to incomers;
- moderate scale of new-build.

### *Estate and letting agents*

- 2.54 Agents told us that enough apartments had been built, although a higher proportion with lift access would have benefitted older people. Bungalows are always in high demand but are rarely on the market. Agents considered that the elderly downsizer is not well catered for and most just 'sit it out'. The other local gap was upsizing and 'move up' homes for first time movers who would pay up to £200,000. Local first time buyers could and do access their first home at around the £120,000 price point and ex local authority housing was popular due to the space standards employed.
- 2.55 Regarding market conditions, agents told us that the volume of housing coming onto the market was very low and vacancies would sell quickly. Most (75%) of sales were to local people, however 50% of outsiders previously lived in Scotland. In 2017, interest

from Scottish buyers stopped due to uncertainty caused by Brexit. Agents explained that the house-buying process was different in Scotland.

- 2.56 Agents were keen to see more new-build in the area provided it filled local gaps and helped to get the market to flow. Our attention was drawn to a local housebuilder who had developed successive phases at Tweedmouth. The latest phase was a build-to-rent development.

#### *New build sales agents*

- 2.57 None were present.

#### *Price maps*

- 2.58 Maps 1 and 2 show that this local market area has similar prices across the board and these are at the low end of the range. It is differentiated from the Wooler and North Cheviot local area by its lower prices. Although Berwick-upon-Tweed is a popular visitor centre, the area has not attracted high levels of incomers north of the Holy Island area.

#### *Commuting research – Census*

- 2.59 Berwick has a self-containment of around 88%, well above the 70% self-containment level in the SHMA guidance. There is also a link with the areas of Bamburgh, Wooler, Longhoughton and Norham and Islandshires (5%).
- 2.60 All these areas fall within the North delivery area, and Berwick can almost certainly be classed as a self-contained market area.

### **3. Wooler and the North Cheviots**

#### *Role and key features:*

- visitor destination and many second homes, camping and caravan parks;
- residential and isolated small market town serving its rural hinterland;
- gateway to the North Cheviots and Northumberland National Park;
- highly attractive to incomers;
- little new build - some planned.

#### *Estate and letting agents*

- 2.61 Letting agents told us that the private rented sector is very small and vacancies are rare. There is strong local demand for 3-bedroom homes to rent with little prospect of supply. Estate agents told us that there was no suitable housing for young single people. Prices are generally low in the town but much higher in the countryside. Town housing consists mostly of small cottages and ex-local authority housing. 80% of

re-sale vacancies are bought by incomers who are attracted by the countryside and local house prices which they use as second homes, sometimes holiday lets. These are older people and therefore the proportion of older people in the area is growing more than would be the case than if due entirely to the local population. This presents a gap of local up-sizers who either have growing families or aspire to take the next step up the property ladder. A particular gap is 3-bedroom homes at the £150,000 price point. We were told that a recent development of executive homes was slow to sell and was not needed in Wooler. It was re-configured by the developer during construction.

- 2.62 Agents and other people we spoke to explained that an important factor locally was the high proportion of people that worked away and returned to families at weekends. There was a local tradition of people working offshore or in civil engineering construction projects.

#### *New build sales agents*

- 2.63 None were present.

#### *Price maps*

- 2.64 Maps 1 and 2 show that this local market area around the main settlement, Wooler, has similar prices across the board and these are at the medium and high end of the range. The high price pockets reflect popular holiday destinations adjacent to the National Park. It is differentiated from the rural area to the west and the northern area by low population rural parishes with lower prices that have not attracted high levels of incomers.

#### *Commuting research – Census*

- 2.65 Wooler is categorised in this dataset with the areas of Bamburgh, Longhoughton and Norham and Islandshires and the self-containment level of these areas is (56%).
- 2.66 There is also a commuting flow to Berwick (20%) and Alnwick (11%).
- 2.67 All these areas fall within the North delivery area.

## The West Delivery area

### A68 and A69 Tyne Corridor Outer West: Haltwhistle

#### *Role and key features:*

- 2.68 This is a large rural area consisting of villages and hamlets. It is distinct from the other delivery areas in that it has no major centres of population.
- 2.69 The only agent in Haltwhistle was closed when we called. Hexham agents told us that the industrial past of the town and its remoteness affected values. We noted several terraced properties for sale at 50% of Hexham prices. We were told that there was interest from investors but little interest from incomers.

### *Price maps*

- 2.70 Maps 2.1 and 2.2 show that this local market area has lower prices across the board than its neighbouring local market areas.

### *Census information*

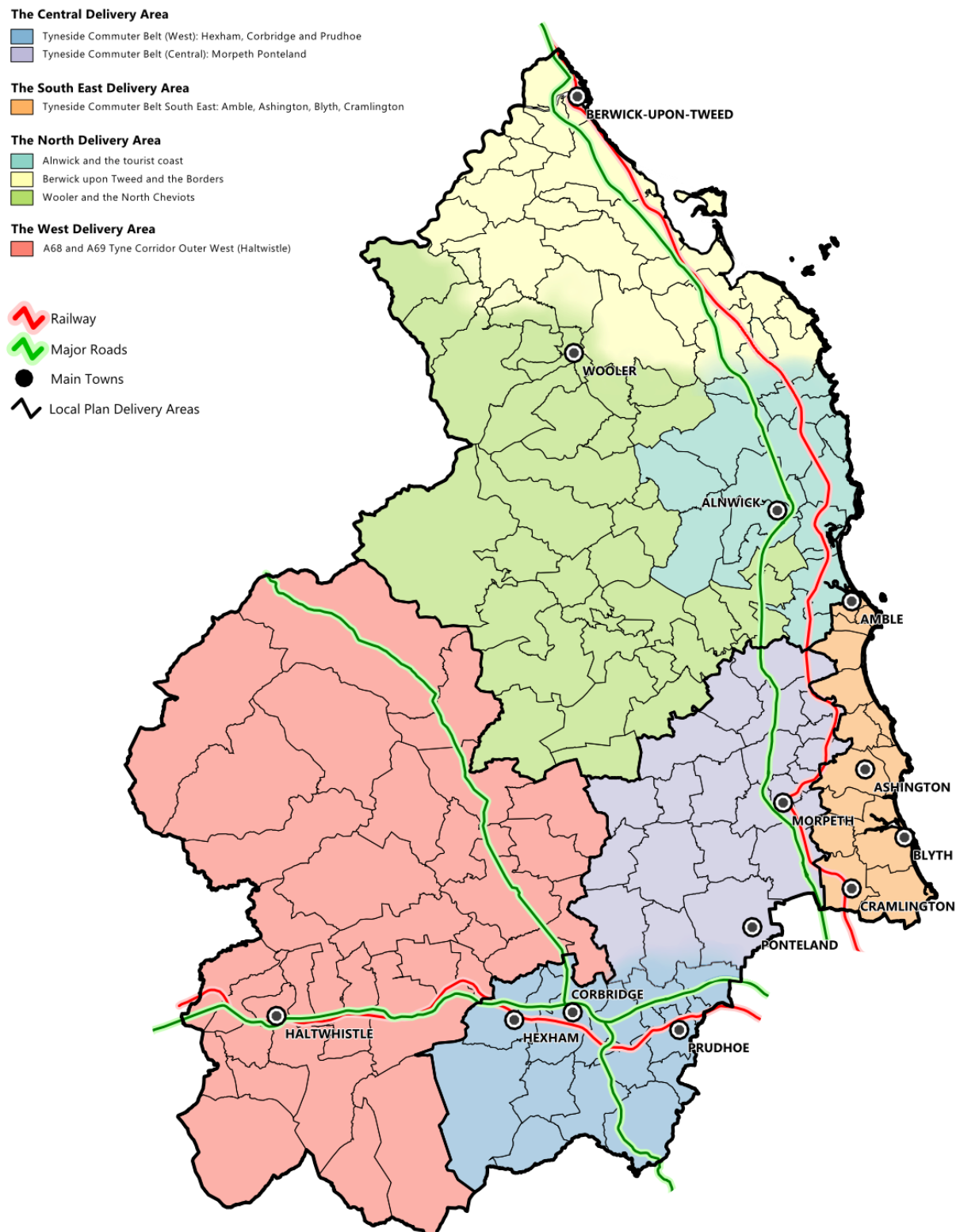
- 2.71 Haydon and Hadrian and Haltwhistle record a self-containment of around 50%, with a further 25% working within the wards of Hexham and Corbridge.

## Overall conclusions

- new-build housing is not meeting the mid-market gap identified by agents in most towns and villages. Although price points defining the gaps vary from area to area;
  - neither is it meeting the needs of elderly downsizers;
  - the net effect is that markets are unable to function efficiently. Demand exists but supply is constrained;
  - the lack of appropriate new-build is not the only factor constraining market supply, with many agents citing economic uncertainty due to the Brexit process;
  - we have identified seven sub-market areas in the county that each have different characteristics and roles;
  - two areas have been identified where markets are weak and quality is poor - Ashington and to a lesser extent a small part of Amble.
- 2.72 The evidence reported here suggests that migration from the city of Newcastle is not the main market driver, although there is significant travel to work from Northumberland to the city. This has resulted in weak markets in parts of the south of Northumberland. The impact of households migrating from the south of England is arguably stronger in the residential markets of rural and coastal areas of Northumberland in terms of driving up prices, as well as a loss of residential housing to second homes and holiday lets.
- 2.73 The key findings are summarised in the following Map 2.3. However, note that while parishes have been 'allocated' to the most appropriate 'best fit' housing market sub-area and delivery area, in reality there will be an element of overlapping between housing market sub-areas such that their boundaries will be somewhat blurred.



**Map 2.3** Local plan delivery areas and local housing market sub-areas



## The extent to which sub-markets cross Northumberland's administrative boundaries.

- 2.74 We tested this by asking estate agents about the extent of the market they serviced and their estimate of the degree of self-containment i.e. the proportion of incomers to the market. This is qualitative information and should be considered alongside migration data.
- 2.75 In the north, Berwick on Tweed and Wooler are close to the Scottish border and agents reported a 20-mile radius of operation. Although the market area covers part of Scotland it is not highly populated. Scottish law on conveyancing differs to the English system and this may contribute to demand for homes based in England being higher than otherwise would be the case.
- 2.76 In the west, agents based in Hexham report a 20-mile radius and take in parts of County Durham.
- 2.77 In the south-east of the county, agents tend to be more local to the towns they serve as the southern part is more densely populated than other parts of the county. None reported a high proportion of in-migration from the city of Newcastle.
- 2.78 We conclude that there is nothing in the qualitative evidence to suggest that the Northumberland housing market area should not be contained within its administrative boundary.

### 3. Housing need in Northumberland

#### Introduction

- 3.1 Peter Brett Associates (PBA) considered future housing need across Northumberland based on the new method of assessment proposed in the draft PPG which supports the 2018 draft revised NPPF. The report sets out housing growth options aligned with the official household projections, the new standard approach set out in the revised PPG, and presents alternative options based upon economic growth scenarios.
- 3.2 Evidence setting out future housing need in Northumberland is set out below.

#### Step 1: Setting the baseline

- 3.3 The draft PPG states that national household projections for the local authority area provide the starting point. The most recent projections need to be used to calculate the average annual household growth over a 10-year period.
- 3.4 For Northumberland, over the period 2016-2026, the total number of households under the 2014-based household projections is set to increase from 141,528 to 147,774, a total change of 6,246 households or 625 each year.

#### Step 2: An adjustment to take account of market signals

- 3.5 The draft PPG notes that a consideration in assessing an appropriate level of housing is the affordability of homes, which means that projected household growth needs to be adjusted to take account of market signals.

For Northumberland, the market signals adjustment for affordability under the standard methodology calculation is 15% (based on the latest affordability ratios)<sup>2</sup>

#### Step 3: Capping the level of any increase

- 3.6 A cap on the uplift is applied if the market signals adjustment leads to a significant increase in local housing need. In the case of Northumberland, no cap is necessary under the parameters set out in the draft PPG.

#### Housing need using the standard methodology

- 3.7 Based on the standard methodology, and taking into account the latest ONS affordability ratios (April 2018), the minimum local housing need for Northumberland is 717 dwellings per annum (dpa) over the 10-year period 2016-2026.

---

<sup>2</sup> 717/625 = 1.1472

## Housing need uplift

### 3.8 The draft PPG states:

*“There may be circumstances where it is justifiable to identify need above the need figure identified by the standard method. The need figure generated by the standard method should be considered as the minimum starting point in establishing a need figure for the purposes of plan production. The method relies on past growth trends and therefore does not include specific uplift to account for factors that could affect those trends in the future. Where it is likely that additional growth (above historic trends identified by household projections) will occur over the plan period, an appropriate uplift may be applied to produce a higher need figure that reflects that anticipated growth.*

*Circumstances where an uplift will be appropriate include, but are not limited to; where growth strategies are in place, strategic level infrastructure improvements are planned, funding is in place to promote and facilitate growth (i.e. Housing Deals, Housing Infrastructure Fund). In these circumstances, the local housing need figure can be reflected as a range, with the lower end of the range being as a minimum the figure calculated using the standard method. Where an alternative approach identifies a need above the local housing need assessment method, the approach will be considered sound, unless there are compelling reasons to indicate otherwise.”*

### 3.9 PBA note that this uplift can be based on a wide range of factors, of which future jobs is one. If the Council were to base housing requirements on future job requirements, PBA advise that the housing requirement should therefore be presented as a range, from the minimum 717 dpa up to an ‘Ambitious’ growth scenario requirement of 885 dpa.

## Use Class C2

### 3.10 Use Class C2 relates to residential institutions such as registered care homes, hospitals, nursing homes, boarding schools, residential colleges and training centres. A particular consideration for the Local Plan is the potential need for additional C2 registered care homes and nursing homes to address increased need due to the ageing population.

### 3.11 The 2011 census identified 5,432 people living in 483 communal establishments. Of this number, 2,906 lived in residential care homes and represented 10% of the population aged 75 and over.

### 3.12 Over the period 2016 to 2036, the number of residents aged 75 and over is expected to increase from 32,400 to 59,000, an increase of 26,600 people. If the same 10% figure derived from the 2011 census was applied, this would suggest an overall estimated need for 2,670 additional bed-spaces in C2 residential care homes and nursing homes over the plan period – i.e. 134 each year.

### 3.13 However, it is likely that this level of C2 need will be lessened by the increasing desire for enabling older people to live independently in their own homes with appropriate support instead, or in other C3 supported living and ‘extra care’ accommodation.

## Affordable housing need and mix

- 3.14 Affordable housing need has been modelled based on the parameters set out in the current PPG 2012 and draft PPG 2018. The analysis indicates **a shortfall of around 151 affordable dwellings each year.**
- 3.15 Detailed calculations leading to this estimate are contained in the technical appendix (Appendix B).
- 3.16 Table 3.1 sets out the estimated mix of housing based upon household size.

Table 3.1 Net affordable need 2017/18 to 2021/22		
Number of bedrooms	Net need	%
1	100	66.2
2	38	25.2
3	4	2.6
4 or more	9	6.0
Total	151	100.0

- 3.17 It is clear from the data that nearly all of the need is for 1 and 2-bedroom homes, however the housing register does not report the dwelling types households are considering. A detailed analysis of the profile of affordable dwelling stock was provided by the 2012 household survey (Table 3.2). Applying this to the profile of affordable need results in the following dwelling type split: 51% houses, 18.7% flats and 30.3% bungalows. This is taken as a reasonable expression of the range of dwelling types required and reflects the needs from an increasingly ageing population.

Table 3.2 Dwellings occupied by households living in affordable housing	
Dwelling Type	% of households
House 1-2 Bed	23.2
House 3+	27.8
Flat 1-2 Bed	18.5
Flat 3+	0.2
Bungalow 1-2 Bed	29.6
Bungalow 3+ Bed	0.7
<b>Total</b>	<b>100.0</b>
<b>Base</b>	<b>25,876</b>

Source: County Housing Survey 2012

- 3.18 No tenure preference data is available from the housing register. However, the household survey carried out in 2012 suggested a 67% social/affordable rented and 33% intermediate tenure split based on household preferences. A final tenure split

also needs to consider the current planning policy context as set out in the draft revised NPPF. This states in para 65: ‘

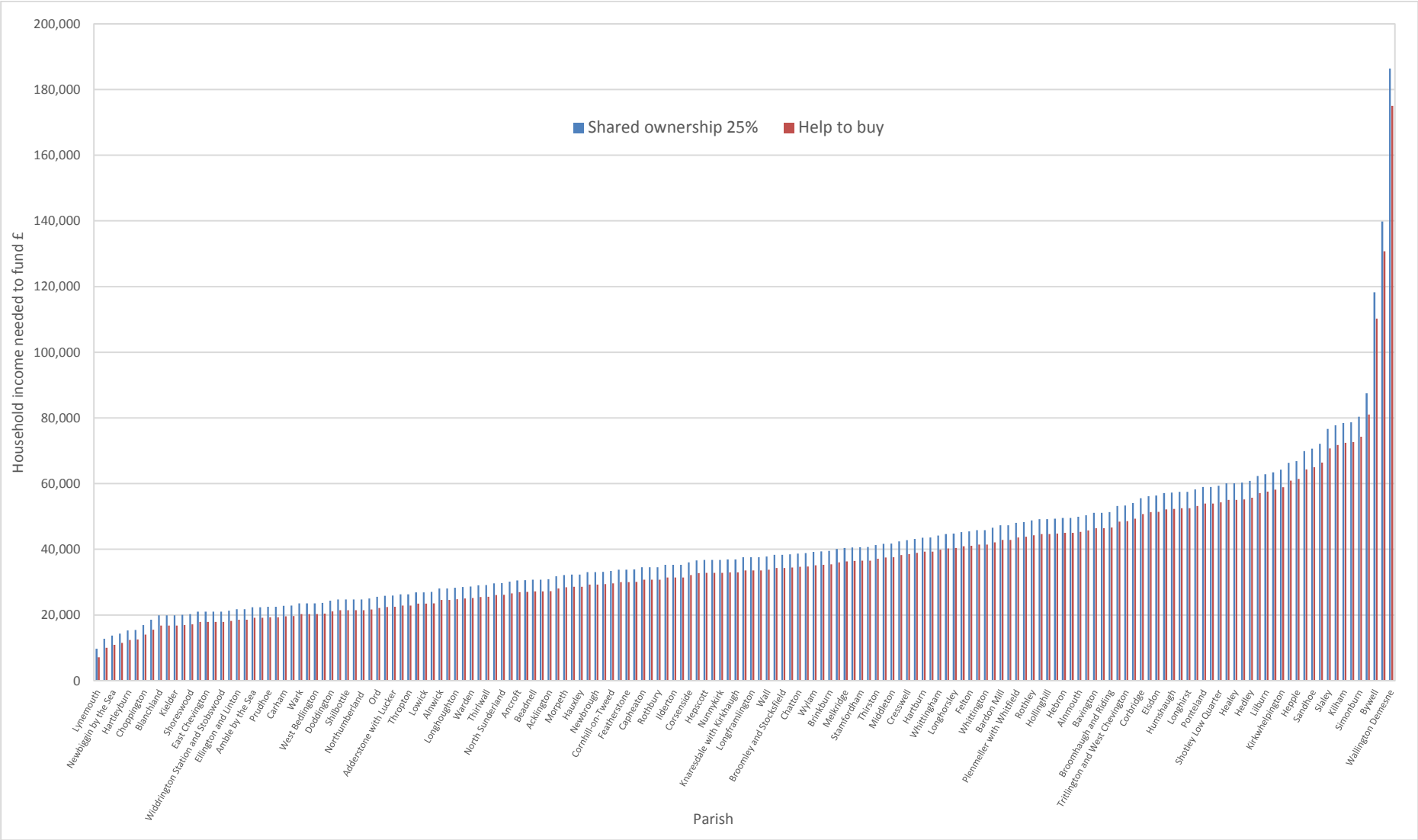
*“where a major housing development is proposed, planning policies and decisions should expect at least 10% of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups”.*

- 3.19 The Government is particularly focusing here on the need for affordable home ownership units and therefore it is recommended that the Council consider a 50% affordable rented and 50% affordable ownership tenure split across Northumberland.

### The affordability of tenure options

- 3.20 We have undertaken further analysis of affordability. However, this analysis is constrained because:
- referring to price maps 1 and 2, there is considerable variation in house prices between parishes in the delivery areas;
  - fine-grained information does not exist for household income at the parish level;
  - there are many parishes within the county making the information difficult to present.
- 3.21 Picking up on the final remark in the previous section (paragraph 3.20) we thought it most informative to illustrate the household income needed to purchase two types of low cost home ownership options:
- Shared ownership 25% - an example of intermediate affordable housing and perceived to be the lowest cost entry point to home ownership requiring the lowest deposit;
  - Help to Buy - according to our market survey this is the most frequently adopted route to home ownership and is on a significant scale for the foreseeable future in Northumberland. It is a low cost rather than an affordable housing option.
- 3.22 Figure 3.1 shows how the income required to fund finance for the tenure type varies by parish. This is on the basis of varying parish average 25<sup>th</sup> percentile house prices according to Land Registry data 2018.
- 3.23 If the very lowest and highest values are ignored, it is noteworthy that the income required more than triples from £20,000 per annum to around £60,000. It is also noteworthy that the income requirement for Help to Buy is lower than shared ownership. However, this is only for the first 5 years, after which the equity loan becomes interest bearing. The deposit for 25% shared ownership will be lower than Help to Buy.
- 3.24 It should be noted that the horizontal axis of Figure 3.1 does not name all parishes due to font size limitations, however data for all parishes is present.

Figure 3.1 Household income needed to fund 25% shared ownership and help to buy options by parish



Source: Land Registry and arc4

## County-wide affordability analysis

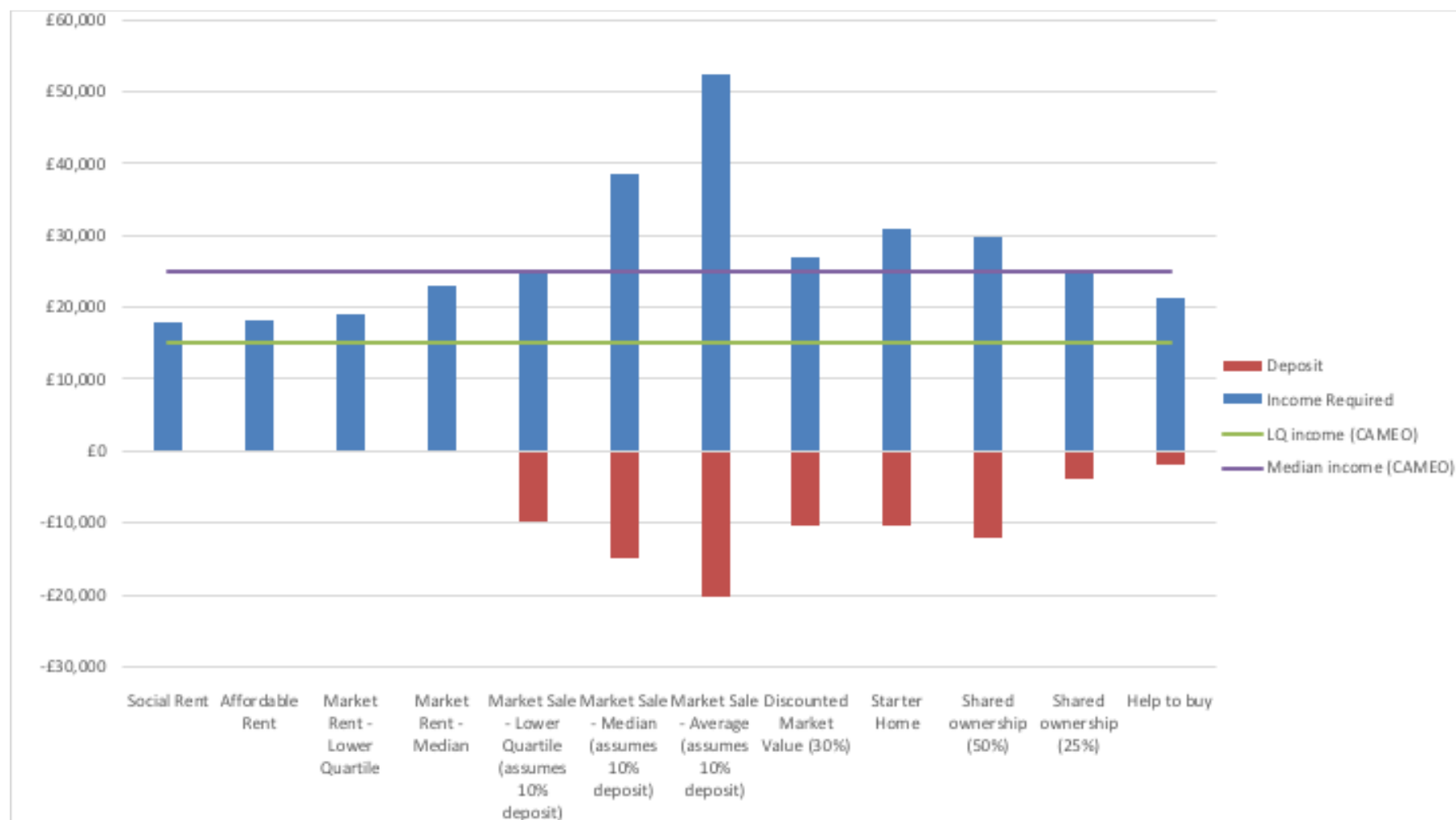
- 3.25 With the caveat, illustrated above, that house prices and therefore affordability vary considerable across the county, we have undertaken a nominal analysis based upon county-wide averages of house prices and household income.

Table 3.3 Income required for tenure options using county wide data		
Tenure option	Income Required	Deposit
Social Rent	£17,936	0
Affordable Rent	£18,317	0
Market Rent - Lower Quartile	£19,152	0
Market Rent - Median	£22,896	0
Market Sale - Lower Quartile (assumes 10% deposit)	£25,071	£9,750.0
Market Sale - Median (assumes 10% deposit)	£38,571	£15,000.0
Market Sale - Average (assumes 10% deposit)	£52,335	£20,352.4
Discounted Market Value (30%)	£27,000	£10,500.0
Starter Home	£30,857	£12,000.0
Shared ownership (50%)	£29,744	£7,500.0
Shared ownership (25%)	£24,762	£1,875.0
Help to buy	£21,429	£7,500.0

Source: Land registry and Zoopla

- 3.26 The above table (Table 3.3) shows the income for a wider range of tenure options than the parish analysis (Figure 3.1). Affordability ratios used are 3.5 times joint income for house purchase and 25% of gross household income for rent. Both income required and deposit required levels are noteworthy in relation to each product.
- 3.27 Figure 3.2, below applies county average 25<sup>th</sup> and 50<sup>th</sup> percentile household income levels to illustrate the affordability of the various options. Income levels are derived from the Call Credit Cameo database.
- 3.28 For example, on the basis of income alone, county average 25<sup>th</sup> percentile (lower quartile) open market prices would be affordable to households with county-wide 50<sup>th</sup> percentile (median) income. To achieve this, households would need a £9,750 deposit and meet the criteria for mortgage lending.



**Figure 3.2** Benchmarking income required for tenure options against income levels

## 4. Dwelling type/size analysis

### Introduction

- 4.1 The purpose of this section is to set out the methodology to establish future dwelling type and size mix across Northumberland. It presents the baseline data used as a starting point for the analysis and how data are interpreted to establish a reasonable view on dwelling type and mix at county and sub-county level.

### Starting points

- 4.2 There are three main data sources which provide the starting point for the analysis: household projections, dwelling stock information and national estimates of the relationships between households and dwellings derived from arc4 household surveys.

#### *CLG Household projections*

- 4.3 These are used to establish the number of households by HRP and household type using the latest (currently 2014-based) data and how this is expected to change over a specified period. The analysis focuses specifically on Local Plan periods and therefore analysis has been run using household projection data for 2016 and 2036.
- 4.4 The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly over the plan period, the potential impact on type/size of dwellings can be determined.

#### *Dwelling stock*

- 4.5 The latest Valuation Office Agency (VOA) data provides a summary of dwelling type (house, flat, bungalow) and size (number of bedrooms) as at September 2017. This is available at Lower Super Output Area and can be amalgamated up to reflect different geographies including wards and settlements. Given that the analysis is over a 2016-2036 plan period, the 2017 VOA data will take account of development over the early part of the plan period.

#### *Relationship between households and dwellings*

- 4.6 arc4 has prepared data on the relationship between the age of household reference person, household type and dwellings occupied by type and size. This is a unique secondary data source and has been derived from amalgamating household survey data from around 40,000 households. The data available is summarised in Table 4.1.

Table 4.1 Age groups, household type and dwelling types used			
Age group of Household Reference Person	Household (HH) type	Dwelling type	Dwelling size
15_24	One Person	1 Bed House	1 Bedroom
25_34	Couple only	2 Bed House	2 Bedrooms
35_44	HH with 1/2 Child(ren)	3 Bed House	3 Bedrooms
45_59	HH with 3 Children	4 or more bed House	4+ Bedrooms
60_84	Other Multi-person	1 Bed Flat	All
85+	All	2 Bed Flat	
All		3+ Bed flat	
		1 Bed Bungalow	
		2 Bed Bungalow	
		3+ Bed Bungalow	
		All	

Source: arc4 household surveys

- 4.7 For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been calculated. Table 4.2 provides an example of the data for the 15-24 age group. Further analysis considers the relationship between age and household type with what moving households within those groups would like/aspire to move to and expect to move to.

**Table 4.2** Illustration of the relationship between dwelling type/size and household type by age group (15 to 24-year age group used)

HRP Age group	Dwelling type/size	Household type		HH with 1/2 Children	HH with 3 Children	Other Multi-person	Total
		One Person	Couple only				
15-24	1 Bed House	0.4	3.0	0.0	0.0	0.0	1.0
	2 Bed House	13.4	22.1	58.1	18.9	14.6	25.7
	3 Bed House	14.1	17.0	27.3	72.6	11.0	18.5
	4/4+ Bed House	0.0	1.2	0.9	6.9	46.9	12.7
	1 Bed Flat	63.5	27.5	0.2	0.0	0.0	22.0
	2 Bed Flat	6.1	26.3	13.0	0.0	24.1	17.8
	3+ Bed Flat	0.2	0.1	0.3	1.6	3.5	1.1
	1-2 Bed Bungalow	2.4	0.3	0.0	0.0	0.0	0.6
	3+ Bed Bungalow	0.0	0.0	0.1	0.0	0.0	0.0
	1 Bed Other	0.0	0.0	0.0	0.0	0.0	0.0
	2 Bed Other	0.0	2.4	0.0	0.0	0.0	0.7
	3+ Bed Other	0.0	0.0	0.0	0.0	0.0	0.0
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HRP Age group	Dwelling size	Household type		HH with 1/2 Children	HH with 3 Children	Other Multi-person	Total
		One Person	Couple only				
15-24	1	64.3	30.6	0.2	0.0	0.0	23.1
	2	21.4	51.0	71.1	18.9	38.6	44.6
	3	14.3	17.2	27.7	74.2	14.5	19.6
	4/4+	0.0	1.2	0.9	6.9	46.9	12.7
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: arc4 surveys

## Applying the data at County level

- 4.8 Applying the data at County level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections. Assuming that the dwelling needs of these households do not change over the plan period, the overall impact on type/size of dwellings can be determined. Table 4.3 presents the baseline demographic data for Northumberland. This illustrates that the total number of households is expected to increase by around 10,520 over the plan period using 2014-based DCLG household projections. Analysis however indicates an absolute decline in households where the Household Reference Person (HRP) is aged under 45. The most substantial growth are households where the HRP is aged 60 or over.

Table 4.3 Change in number of households by age group 2010-2030

Age group	Household Type	Year		Change in households 2016-2036
		2016	2036	
<b>15_24</b>	One Person	978	721	-257
	Couple only	842	1,031	189
	HH with 1/2 children	1,723	2,025	302
	HH with 3 children	86	70	-16
	Other Multi-person	298	305	7
	<b>Total</b>	<b>3,927</b>	<b>4,152</b>	<b>225</b>
<b>25_34</b>	One Person	3,326	3,079	-247
	Couple only	2,889	2,284	-605
	HH with 1/2 children	6,067	4,645	-1,422
	HH with 3 children	1,317	1,124	-193
	Other Multi-person	627	851	224
	<b>Total</b>	<b>14,226</b>	<b>11,983</b>	<b>-2,243</b>
<b>35_44</b>	One Person	3,794	4,795	1,001
	Couple only	2,022	1,773	-249
	HH with 1/2 children	10,399	10,167	-232
	HH with 3 children	2,111	1,784	-327
	Other Multi-person	853	741	-112
	<b>Total</b>	<b>19,179</b>	<b>19,260</b>	<b>81</b>
<b>45_59</b>	One Person	9,438	9,000	-438
	Couple only	10,739	5,840	-4,899
	HH with 1/2 children	11,846	11,984	138
	HH with 3 children	1,149	1,118	-31
	Other Multi-person	8,558	6,456	-2,102
	<b>Total</b>	<b>41,730</b>	<b>34,398</b>	<b>-7,332</b>
<b>60_84</b>	One Person	20,899	20,192	-707
	Couple only	28,146	38,907	10,761
	HH with 1/2 children	765	864	99
	HH with 3 children	82	158	76
	Other Multi-person	6,142	6,169	27
	<b>Total</b>	<b>56,034</b>	<b>66,290</b>	<b>10,256</b>
<b>85+</b>	One Person	4,381	9,883	5,502
	Couple only	1,308	3,848	2,540
	HH with 1/2 children	12	9	-3
	HH with 3 children	0	0	0
	Other Multi-person	731	2,224	1,493
	<b>Total</b>	<b>6,432</b>	<b>15,964</b>	<b>9,532</b>
<b>ALL</b>	One Person	42,817	47,670	4,853
	Couple only	45,946	53,682	7,736
	HH with 1/2 children	30,813	29,697	-1,116
	HH with 3 children	4,745	4,254	-491
	Other Multi-person	17,207	16,745	-462
	<b>Total</b>	<b>141,528</b>	<b>152,048</b>	<b>10,520</b>

Source: DCLG 2014-based household projections (subject to rounding)

- 4.9 Table 4.4 applies the national data on dwelling occupancy to the demographic trends in Northumberland. The two right hand columns indicate the likely change in demand for dwelling types and sizes and how this translates to an overall percentage change in dwelling requirement. Analysis indicates that the majority of need will be for 2-bedroom (39.7%) and 3-bedroom (36.6%) followed by one bedroom (20.1%) and a small need for 4-or-more-bedroom dwellings (3.5%). Regarding dwelling type, analysis suggests a broad split of 38.2% houses, 38.1% bungalows (or level-access accommodation), 22.4% flats and 1.3% other (for instance self/custom build and specialist accommodation). A worked example of how the data are derived for each age cohort can be found at Appendix A.

**Table 4.4** Impact of change in households by age group on dwellings occupied

Dwelling type/size	Age group of Household Reference Person							% change
	15-24	25-34	35-44	45-59	60-84	85+	Total	
1 Bed House	2	-36	1	-90	103	40	21	0.2
2 Bed House	58	-581	14	-1,200	1,366	1,169	826	7.9
3 Bed House	42	-872	33	-2,870	3,792	2,673	2,798	26.6
4 or more Bed House	29	-214	20	-1,778	1,681	636	373	3.5
1 Bed Flat	49	-213	5	-497	730	1,125	1,201	11.4
2 Bed Flat	40	-245	5	-423	676	1,029	1,081	10.3
3+ Bed Flat	2	-23	1	-47	53	89	75	0.7
1-2 Bed Bungalow	1	-32	1	-241	1,189	2,133	3,052	29.0
3+ Bed Bungalow	0	-11	1	-164	592	534	953	9.1
1 Bed Other	0	-10	0	-5	9	40	34	0.3
2 Bed Other	2	0	0	-14	37	52	76	0.7
3+ Bed Other	0	-5	0	-5	27	12	28	0.3
<b>Total</b>	<b>225</b>	<b>-2,243</b>	<b>81</b>	<b>-7,332</b>	<b>10,256</b>	<b>9,532</b>	<b>10,518</b>	<b>100.0</b>
Dwelling size	Age group of Household Reference Person							% change
	15-24	25-34	35-44	45-59	60-84	85+	Total	
1	51	-268	6	-659	1,175	1,802	2,111	20.1
2	101	-849	20	-1,811	2,935	3,786	4,180	39.7
3	44	-911	35	-3,086	4,464	3,308	3,854	36.6
4 or more	29	-214	20	-1,778	1,681	636	373	3.5
<b>Total</b>	<b>225</b>	<b>-2,242</b>	<b>81</b>	<b>-7,334</b>	<b>10,255</b>	<b>9,532</b>	<b>10,518</b>	<b>100.0</b>

Note totals by age group may vary slightly due to rounding errors

Source: DCLG 2014-based household projections and arc4 survey data

- 4.10 This analysis can be applied to the housing need range established for Northumberland as set out in Table 4.5.

Table 4.5 Overall dwelling mix based on range of housing need			
		Minimum	Maximum
<b>Annual dwelling need</b>		<b>717</b>	<b>885</b>
<b>Plan period need</b>		<b>14,340</b>	<b>17,700</b>
<b>Dwelling type and size</b>	<b>% Dwelling stock</b>	<b>No. of dwellings</b>	<b>No. of dwellings</b>
1 Bed House	0.2	29	35
2 Bed House	7.9	1,133	1,398
3 Bed House	26.6	3,814	4,708
4 or more Bed House	3.5	502	620
1 Bed Flat	11.4	1,635	2,018
2 Bed Flat	10.3	1,477	1,823
3+ Bed Flat	0.7	100	124
1-2 Bed Bungalow	29.0	4,159	5,133
3+ Bed Bungalow	9.1	1,305	1,611
1 Bed Other	0.3	43	53
2 Bed Other	0.7	100	124
3+ Bed Other	0.3	43	53
<b>Total</b>	<b>100.0</b>	<b>14,340</b>	<b>17,700</b>
1-bedroom	20.1	2,882	3,558
2-bedroom	39.7	5,693	7,027
3-bedroom	36.6	5,248	6,478
4 or more	3.5	502	620
<b>Total</b>	<b>100.0</b>	<b>14,340</b>	<b>17,700</b>

Source: arc4

- 4.11 Table 4.6 then summarises dwelling type/size mix by market and affordable housing based on the annual ranges set out in Table 4.5.

**Table 4.6 Summary of dwelling mix by broad tenure group based on range of need from 717 to 885 each year**

Summary dwelling type/size	% new dwelling stock	Total	Market	Affordable
		717	566	151
House 1-2 Bed	8.1	58	13	45
House 3	26.6	191	178	13
House 4+	3.5	25	25	
Flat 1-2 Bed	21.7	156	120	36
Flat 3+	0.7	5	5	
Bungalow 1-2 Bed	29	208	151	57
Bungalow 3+ Bed	9.1	65	65	
Other	1.3	9	9	
<b>Base</b>	<b>100</b>	<b>717</b>	<b>566</b>	<b>151</b>

Summary dwelling type/size	% new dwelling stock	Total	Market	Affordable
		885	734	151
House 1-2 Bed	8.1	72	27	45
House 3	26.6	235	222	13
House 4+	3.5	31	31	
Flat 1-2 Bed	21.7	192	156	36
Flat 3+	0.7	6	6	
Bungalow 1-2 Bed	29	257	200	57
Bungalow 3+ Bed	9.1	81	81	
Other	1.3	12	12	
<b>Base</b>	<b>100</b>	<b>885</b>	<b>734</b>	<b>151</b>

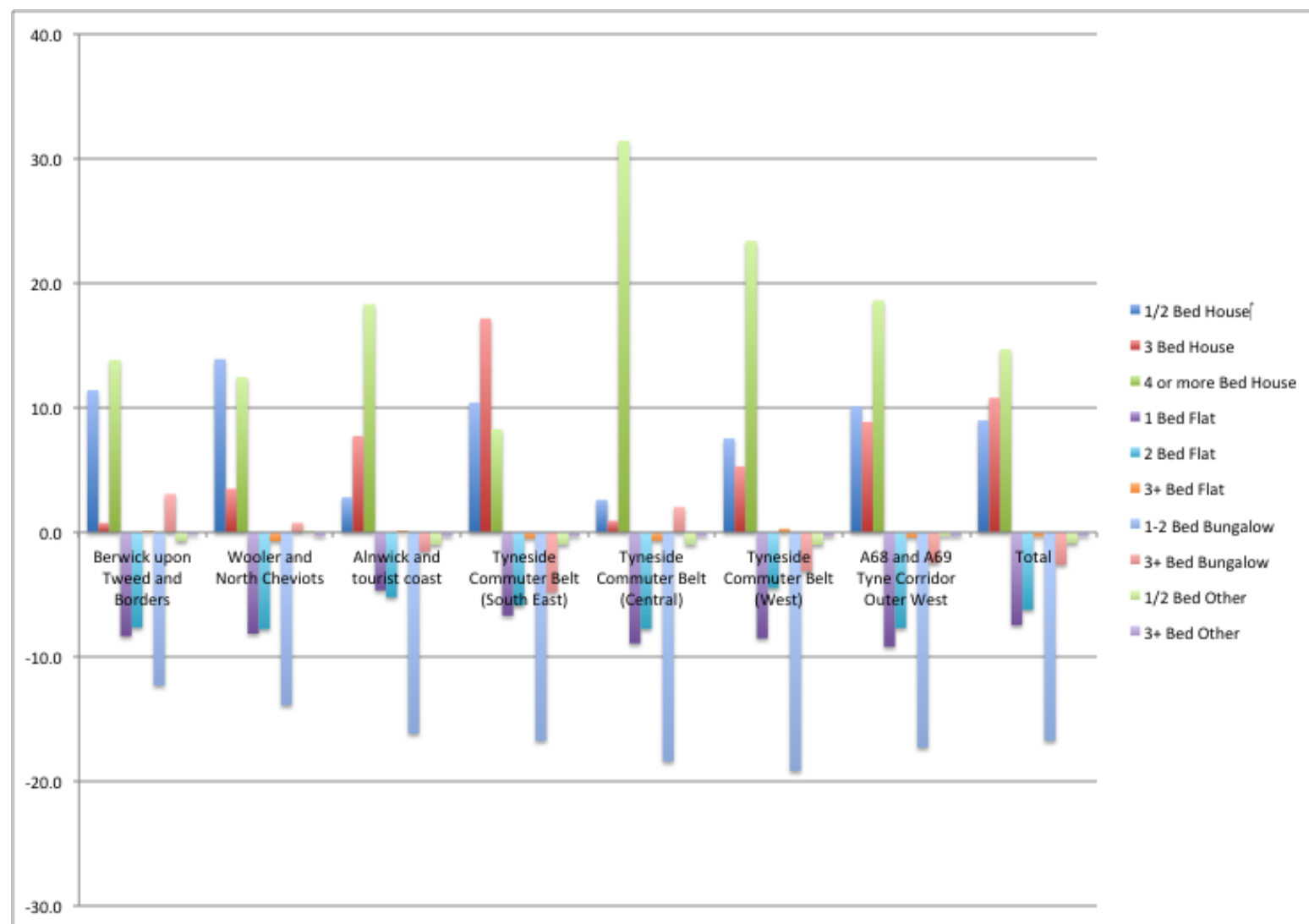
## Applying the data at sub-county level

- 4.12 Having established a future profile of dwelling stock at county level, it is possible to apply trends to sub-areas within the Local Authority area. Data on dwelling aspirations and demographic trends is not available at sub-area level, so this analysis assumes county level trends apply at sub-area level.
- 4.13 For Northumberland, the seven housing market areas will be used to consider the impact of dwelling type and mix proposals for smaller geographies.
- 4.14 Table 4.7 considers the variation in dwelling mix by housing market sub-area based on the 2012 household survey which provides a reasonable starting point for sub-area analysis. This table shows there is a degree of variation in the underlying stock profile by development area. The modelling of dwelling mix has been prepared at county level and Figure 4.1 indicates the degree to which current stock profile reflects the anticipated change in dwelling mix, which will help the authority to ensure that a more appropriate mix of dwellings is forthcoming over the plan period.
- 4.15 Figure 4.1 illustrates where there are more dwellings relative to future dwelling mix requirements (which are above the horizontal line) and where there are currently fewer dwellings relative to future dwelling mix requirements (below the horizontal line). Analysis indicates that the shift in emphasis towards the delivery of flats and bungalows is required across all areas.



Table 4.7 Dwelling mix by housing market sub-area								
Dwelling type	Housing Market Area (%)							
	Berwick upon Tweed and Borders	Wooler and North Cheviots	Alnwick and tourist coast	Tyneside Commuter Belt (South East)	Tyneside Commuter Belt (Central)	Tyneside Commuter Belt (West)	A68 and A69 Tyne Corridor Outer West	Total
1/2 Bed House	19.5	22.0	10.9	18.5	10.7	15.6	18.2	17.1
3 Bed House	27.4	30.1	34.3	43.8	27.5	31.9	35.5	37.4
4 or more Bed House	17.3	16.0	21.8	11.8	34.9	26.9	22.1	18.2
1 Bed Flat	3.1	3.3	6.7	4.7	2.5	2.9	2.2	4.0
2 Bed Flat	2.7	2.5	5.1	4.4	2.5	5.8	2.6	4.1
3+ Bed Flat	0.8	0.0	0.7	0.2	0.1	1.0	0.3	0.4
1-2 Bed Bungalow	16.7	15.1	12.8	12.3	10.6	9.8	11.7	12.3
3+ Bed Bungalow	12.2	9.9	7.6	4.3	11.1	6.0	6.6	6.5
1/2 Bed Other	0.3	1.1	0.0	0.0	0.0	0.0	0.7	0.1
3+ Bed Other	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Dwelling size (no. bedrooms)</b>								
1/2 Bed	42.2	44.1	35.6	39.9	26.3	34.2	35.5	37.5
3	40.4	40.0	42.6	48.3	38.7	38.9	42.4	44.3
4 or more	17.3	16.0	21.8	11.8	34.9	26.9	22.1	18.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	12391	5249	6562	71205	15733	17893	8905	137938

Source: Northumberland Housing Survey 2012

**Figure 4.1** Imbalances between current stock profile and future dwelling mix requirements by housing market sub-area

## Household aspirations/expectations

- 4.16 Analysis has also considered the aspirations (likes) and expectations of households planning to move, by age group and household type (Table 4.8). The result of this analysis is a dramatic skewing of need (summarised in paragraph 4.9 above) towards smaller dwellings instead, and a particular focus on bungalow/level access provision which is further illustrated in Figure 4.2. This is driven by the aspirations/expectations of an ageing population. This analysis points to the potential and dramatic impact of the housing requirements of an ageing population on delivery.

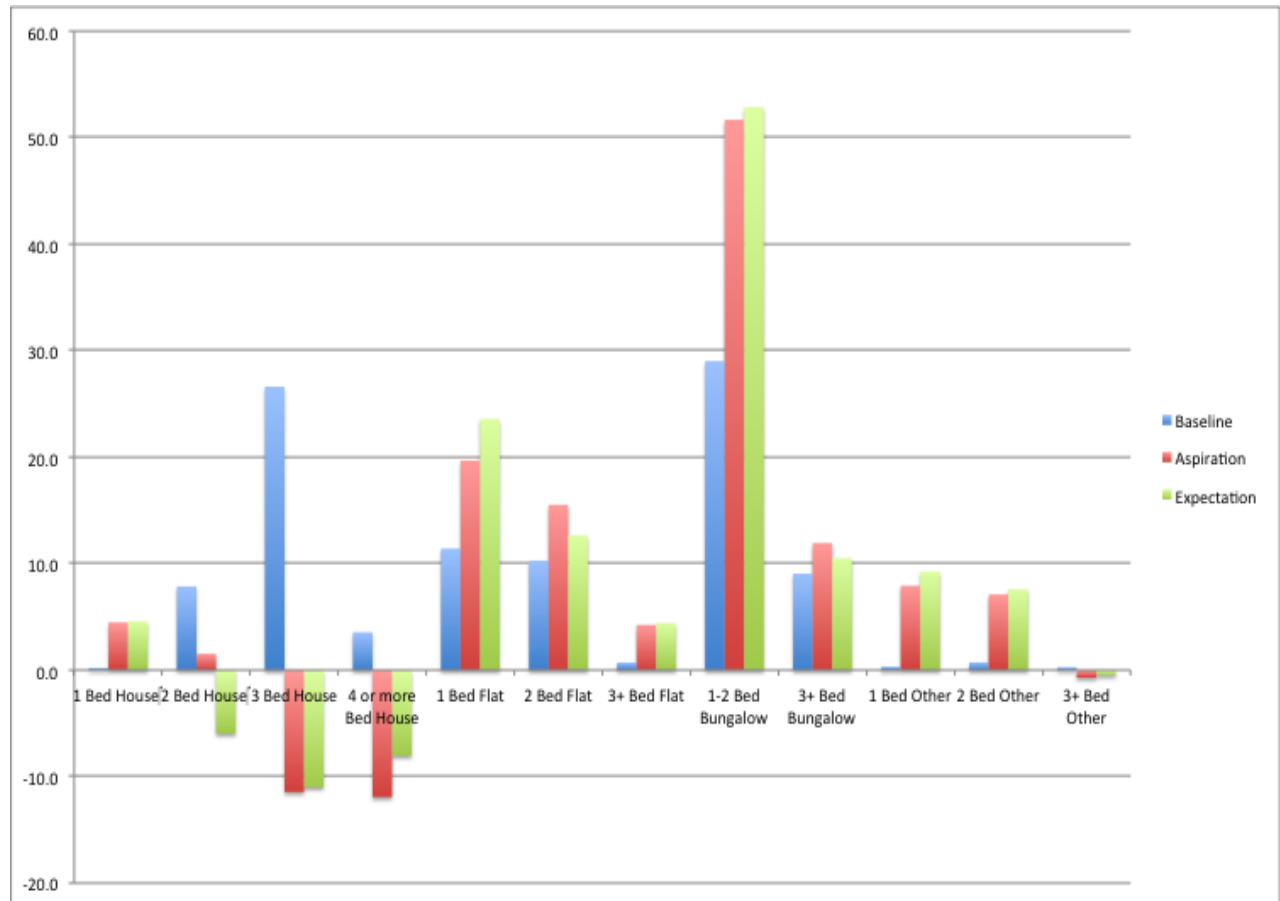
**Table 4.8** Summary of demographic, aspirations and expectations (and combination of aspirations and expectations) on future dwelling requirements.

Dwelling size summary	Demographic		Aspiration		Expectation		Blend of Aspiration /Expectation	
	Number	%	Number	%	Number	%	Number	%
1	2,111	20.1	3,964	37.7	4,675	44.4	4,319	41.1
2	4,180	39.7	7,385	70.2	6,321	60.1	6,853	65.2
3	3,854	36.6	423	4.0	365	3.5	394	3.7
4 or more	373	3.5	-1,254	-11.9	-844	-8.0	-1,049	-10.0
<b>Total</b>	<b>10,518</b>	<b>100</b>	<b>10,518</b>	<b>100</b>	<b>10,518</b>	<b>100.0</b>	<b>10,518</b>	<b>100</b>
Dwelling type/size summary	Demographic		Aspiration		Expectation		Blend of Aspiration/Expectation	
	Number	%	Number	%	Number	%	Number	%
1/2 Bed House	847	8.1	632	6.0	-143	-1.4	245	2.3
3 Bed house	2,798	26.6	-1,204	-11.4	-1,156	-11.0	-1,180	-11.2
4+ Bed House	373	3.5	-1,254	-11.9	-844	-8.0	-1,049	-10.0
1 Bed Flat	1,201	11.4	2,069	19.7	2,480	23.6	2,275	21.6
2 or more Bed Flat	1,156	11.0	2,079	19.8	1,793	17.0	1,936	18.4
1 Bed Bungalow	861	8.2	590	5.6	740	7.0	665	6.3
2 Bed Bungalow	2,191	20.8	4,846	46.1	4,819	45.8	4,832	45.9
3 or more bed bungalow	953	9.1	1,255	11.9	1,107	10.5	1,181	11.2
Other property type	137	1.3	1,506	14.3	1,722	16.4	1,614	15.3
<b>Total</b>	<b>10,518</b>	<b>100</b>	<b>10,518</b>	<b>100</b>	<b>10,518</b>	<b>100</b>	<b>10,518</b>	<b>100.0</b>

Source: CLG 2014-based household projections and arc4 household survey data applied to household projections

4.17 Figure 4.2 presents the percentage data in table 4.6 as a chart.

**Figure 4.2 Summary of dwelling types under baseline demographic and alternative aspiration/expectation analysis**



Source: CLG 2014-based household projections and arc4 household survey data applied to household projections

## Concluding comments

- 4.18 This analysis draws upon unique data drawn from household surveys carried out by arc4 which establishes the link between household type, age group and the range of dwellings occupied. It also considers the impact of future aspirations/expectations on dwelling need and the particular impact of an ageing demographic on the range of dwellings appropriate for that population in particular.
- 4.19 We would commend this analysis for further consideration by the Council and the significance it may play in determining appropriate ranges of housing development at the housing market sub-area and corresponding amalgamated Local Plan delivery area levels over the plan period.

## 5. Older persons housing and accessible housing

- 5.1 In this chapter there is particular focus on the housing requirements of older people. This is necessary because the official population projections anticipate growth in both the absolute number of older people living in the county in the next 25 years and the rising proportion of older people in the population.
- 5.2 A further implication of this growth is that the number of people with health and mobility problems will rise as a consequence.
- 5.3 The county council needs to consider the evidence to ensure that planning and other policies reflect this change and to consider the extent to which optional building regulations might be adopted to mitigate the impact and improve the quality of life for older people.
- 5.4 Accordingly, a wide range of data sources including the census, the county household survey 2012, county management information and other literature are used.

### Older person's housing in Northumberland

- 5.5 One of the key strategic challenges facing Northumberland is providing appropriate accommodation for an increasing number and proportion of older residents. Over the period 2016-36, the number of households with a Household Reference Person (HRP) aged 60 and over is projected to increase by 19,800 (or 32%). A range of data are available to explore this in more detail, including the 2012 Northumberland-wide housing needs survey, future population and household projections. A range of data has been assembled which considers older people's housing in Northumberland.

### Tenure and dwelling type

- 5.6 Table 5.1 summarises the tenure and dwelling type profile of 49,182 households across Northumberland who are headed by someone aged 65 and over.

Table 5.1 Dwelling type occupancy of households headed by someone aged 65 or over				
Dwelling type	Tenure (Table %)			
	Owner occupied	Private rented	Social/Affordable rented and intermediate	Total (%)
House 1-2 Beds	8.4	2.8	3.8	15.1
House 3 Beds	25.2	3.4	3.3	31.8
House 4+ Beds	12.0	0.8	0.1	12.9
Bungalow 1-2 Beds	9.1	2.1	10.7	21.9
Bungalow 3 Beds	7.2	0.7	0.2	8.1
Bungalow 4+ Beds	1.5	0.0	0.0	1.5
Flat 1 Bed	0.4	0.8	3.3	4.6
Flat 2+ Beds	1.7	0.9	1.2	3.7
Other 1-2 Bed	0.3	0.0	0.0	0.3
Other 3+ Beds	0.0	0.0	0.0	0.0
<b>Total</b>	<b>65.8</b>	<b>11.7</b>	<b>22.5</b>	<b>100.0</b>
<b>Base</b>				<b>49,182</b>

Source: County Housing Survey 2012

- 5.7 The 2012 household survey revealed that overall 65.8% are owner occupiers, 22.5% live in affordable housing (social/affordable rented and intermediate tenure) and 11.7% rent privately. 31.8% live in 3-bedroom houses, 12.9% in 4+ bedroom houses, 31.6% live in bungalows and 8.4% in flats.

### Reasons for moving

- 5.8 The household survey identified 7,114 moving households with a HRP aged 65 and over. The main reasons for moving were retirement (mentioned by 50.2%) and family reasons (mentioned by 45.4%). The full range of reasons is summarised in table 5.2.

Table 5.2 Reasons for moving	
Reason for moving	% of respondents mentioning reason
Retirement	52.5%
Family Reasons	45.5%
Quality of neighbourhood	26.7%
Financial reasons	24.2%
Not suitable accommodation for disability/health needs	22.4%
Lack of public transport	9.2%
Unable to buy locally	4.7%
Unable to access care/support	4.4%
Lack of affordable rented housing	3.8%
Employment/access to work	1.5%
<b>Base</b>	<b>7,114</b>

Source: County Housing Survey 2012

- 5.9 The range of dwellings moved into by older person households is summarised in Table 5.3. Overall, 41.2% moved into affordable housing, 37.2% into owner occupation and 21.7% into private renting.

Table 5.3 Type of housing moved to				
Dwelling type	Tenure (Table %)			Total
	Owner occupied	Private rented	Social/Affordable rented and intermediate	
House 1-2 Beds	4.9	6.1	1.4	12.4
House 3 Beds	8.0	4.9	0.0	12.9
House 4+ Beds	6.6	0.7	0.1	7.5
Bungalow 1-2 Beds	6.8	4.9	25.1	36.7
Bungalow 3 Beds	5.0	1.6	0.0	6.6
Bungalow 4+ Beds	1.4	0.0	0.0	1.4
Flat 1 Bed	0.8	1.5	11.4	13.7
Flat 2+ Beds	3.3	2.0	3.2	8.5
Other 1-2 Bed	0.3	0.0	0.0	0.3
Other 3+ Beds	0.0	0.0	0.0	0.0
<b>Total</b>	<b>37.2</b>	<b>21.7</b>	<b>41.2</b>	<b>100.0</b>
<b>Base</b>				<b>7,085</b>

Source: County Housing Survey 2012

- 5.10 Table 5.4 further explores reasons for moving, this time broken down by tenure moved to. This shows that social/affordable rented stock was considerably more likely to provide accommodation for people with disability/health needs and indicates a particular gap for this type of accommodation in the private sector. Those moving into owner occupation were particularly likely to cite quality of neighbourhood as a reason for moving. Financial reasons were mentioned by a third of households moving into private renting (compared with 21.7% moving into affordable housing). Proportions moving for family reasons were highest in owner occupied and private rented tenures, and almost two-thirds of those moving into owner occupation mentioned retirement as a reason for moving.



Table 5.4 Reason for moving by tenure moved to

Reason for moving	Tenure (%)			Total
	Owner occupied	Private rented	Social/Affordable rented and intermediate	
Family Reasons	49.0	46.5	41.9	45.5
Employment/access to work	1.7	3.0	0.7	1.5
Financial reasons	17.5	33.2	21.7	22.4
Unable to access care/support	0.5	1.8	9.9	4.7
No suitable accommodation for disability/health needs	8.8	10.0	44.7	24.2
Lack of public transport	5.5	15.2	9.7	9.2
Unable to buy locally	2.6	6.6	5.0	4.4
Lack of affordable rented housing	1.8	5.4	5.0	3.8
Quality of neighbourhood	44.0	25.5	11.7	26.7
Retirement	61.5	36.3	52.1	52.5
<b>Base (valid responses)</b>	<b>2412</b>	<b>1248</b>	<b>2682</b>	<b>6343</b>

Source: County Housing Survey 2012

- 5.11 Table 5.5 considers the range of dwellings moved to by older person households by housing market sub-area. Overall, 32.7% moved into houses, 44.7% into bungalows and 22.6% into flats. In the Tyneside Commuter (South East) sub-area, 56.5% moved into bungalows.

Table 5.5 Dwellings moved into by current area of residence								
Dwelling type	Current area of residence							
	Berwick upon Tweed and Borders	Wooler and North Cheviots	Alnwick and tourist coast	Tyneside Commuter Belt (South East)	Tyneside Commuter Belt (Central)	Hexham, Corbridge and Prudhoe	A68 and A69 Tyne Corridor Outer West	Total
House 1-2 Beds	18.5	5.3	2.5	14.8	4.4	10.4	15.2	12.4
House 3 Beds	17.0	28.8	7.4	7.4	11.1	15.8	30.2	12.9
House 4+ Beds	7.1	6.4	8.8	2.7	10.8	18.2	12.5	7.5
Bungalow 1-2 Beds	26.5	25.1	29.7	50.7	33.6	15.6	24.7	36.7
Bungalow 3 Beds	13.5	0.0	7.4	4.9	11.6	5.6	6.0	6.6
Bungalow 4+ Beds	1.5	0.0	7.6	0.9	0.0	1.4	1.6	1.4
Flat 1 Bed	9.0	10.3	19.1	15.0	23.5	10.4	5.1	13.7
Flat 2+ Beds	6.9	17.3	17.6	3.6	5.0	22.6	4.8	8.5
Other 1-2 Bed	0.0	6.7	0.0	0.0	0.0	0.0	0.0	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	793	358	488	3254	639	989	567	7088

Source: County Housing Survey 2012

## Future moving intentions

- 5.12 The 2012 household survey identified 2,902 older person households who intended moving in the next 5 years and a further 1,262 who wanted to move but could not.
- 5.13 The dwelling type and size preferences of households planning to move are shown in Table 5.6. This shows that 56.5% wanted to move to a bungalow (45.7% wanted to move to a 1 or 2-bedroom bungalow and 10.9% to a 3-bedroom bungalow); and 13.3% wanted to move to 1 or 2-bedroom supported/sheltered accommodation. 26.4% wanted to move to a house and 2% to a flat. A small proportion (0.8%) wanted to move to housing (2 bedrooms) adapted for disability needs.
- 5.14 In terms of tenure, 49.3% wanted to move to owner occupation, 45.9% into affordable housing and 4.9% into the private rented sector.

**Table 5.6 Dwelling type and size preferences of households planning to move**

Dwelling type	No. bedrooms (Table %)				
	One	Two	Three	Four	Total
Detached house	0.0	0.5	6.1	4.0	10.5
Semi-detached house	0.0	3.2	8.2	0.0	11.4
Bungalow	10.5	35.2	10.9	0.0	56.5
Terraced house	0.5	0.0	3.9	0.0	4.4
Flat/Maisonette	0.0	2.0	0.0	0.0	2.0
Housing adapted for disability needs	0.0	0.8	0.0	0.0	0.8
Supported/sheltered accommodation	7.4	6.0	0.0	0.0	13.3
Caravan/mobile home/houseboat	0.0	1.0	0.0	0.0	1.0
<b>Total</b>	<b>18.4</b>	<b>48.6</b>	<b>29.0</b>	<b>4.0</b>	<b>100.0</b>
<b>Base (valid responses)</b>					<b>1,859</b>

Source: County Housing Survey 2012

- 5.15 Analysis of dwelling size preferences (Table 5.7) indicated that 59.6% are planning to move to a smaller dwelling, 37% moving to a dwelling with the same number of bedrooms and 3.3% wanting to move to a larger dwelling. Table 7 shows that the majority of older movers wanted a one or two-bedroom dwelling and the majority in all areas wanted to downsize, in particular households in the Alnwick and tourist coast, and Tyneside Commuter belt areas (Central, West) and the A68/69 Tyne Corridor Outer West housing market areas.

Table 5.7 Future housing preferences of older people								
Future no. beds	Housing market area							
	Berwick upon Tweed and Borders	Wooler and North Cheviots	Alnwick and tourist coast	Tyneside Commuter Belt (South East)	Tyneside Commuter Belt (Central)	Tyneside Commuter Belt (West)	A68 and A69 Tyne Corridor Outer West	Northumberland
Downsizing	55.2	48.8	100.0	54.8	73.4	65.3	78.9	61.1
Stay same	44.8	51.2	0.0	40.1	21.2	34.7	21.1	36.0
Upsizing	0.0	0.0	0.0	5.1	5.4	0.0	0.0	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	239	170	55	981	259	314	161	2175
No. Bedroom preference	Housing market area							
	Berwick upon Tweed and Borders	Wooler and North Cheviots	Alnwick and tourist coast	Tyneside Commuter Belt (South East)	Tyneside Commuter Belt (Central)	Tyneside Commuter Belt (West)	A68 and A69 Tyne Corridor Outer West	Northumberland
1 Bed	0.0	29.4	0.0	22.3	5.4	8.7	18.8	15.6
2 Beds	72.0	43.5	56.4	54.1	34.7	42.6	60.0	51.8
3 Beds	28.0	27.1	43.6	18.5	54.4	42.3	15.3	28.2
4 Beds	0.0	0.0	0.0	5.1	5.4	6.4	5.9	4.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Base	239	170	55	981	259	314	161	2175

Source: County Housing Survey 2012

## Area preferences

- 5.16 Table 5.8 summarises the settlement preferences of older movers. It is sorted by the overall proportion who would consider moving to a particular settlement: Morpeth and Hexham were most frequently mentioned overall. There were variations in the relative popularity of settlements by sub-area (for instance 34% of older movers in the West sub-area were considering Haltwhistle compared with 3.9% overall).

Table 5.8 Settlement preferences by current area of residence

Settlement Choice	Berwick upon Tweed and Borders	Wooler and North Cheviots	Alnwick and tourist coast	Tyneside Commuter Belt (South East)	Tyneside Commuter Belt (Central)	Tyneside Commuter Belt (West)	A68 and A69 Tyne Corridor Outer West	Northumberland
Morpeth	0.0	29.0	0.0	26.9	41.6	0.0	0.0	18.7
Newbiggin by the Sea, Woodhorn	0.0	0.0	0.0	30.4	0.0	0.0	0.0	11.7
Corbridge	0.0	0.0	0.0	0.0	11.7	50.2	12.5	11.3
Hexham	6.9	0.0	0.0	0.0	14.3	32.5	28.8	11.0
Ashington, Bothal	0.0	0.0	0.0	25.9	0.0	0.0	0.0	10.0
Wooler	31.4	24.6	0.0	8.0	0.0	0.0	0.0	8.6
Amble, High Hauxley	0.0	13.8	0.0	16.3	0.0	0.0	0.0	7.4
East Thirston, Long Horsley, Belsay area	6.9	0.0	50.0	8.0	11.7	0.0	10.6	7.3
Ponteland, Darras Hall	0.0	8.7	0.0	0.0	38.1	0.0	0.0	6.2
Rothbury area	6.3	8.7	0.0	8.0	8.7	0.0	0.0	5.7
Alnwick	6.3	13.8	100.0	4.6	0.0	0.0	0.0	5.1
Acomb, Slaley area	0.0	0.0	0.0	0.0	14.3	14.4	6.3	5.1
Berwick upon Tweed, Spittal, Tweedmouth, East Ord	37.1	0.0	0.0	0.0	0.0	0.0	0.0	4.0
Haltwhistle	0.0	0.0	0.0	0.0	0.0	5.2	30.0	3.8
Guidepost, Choppington area	0.0	0.0	0.0	9.4	0.0	0.0	0.0	3.6
Stamfordham, Matfen	0.0	0.0	0.0	0.0	15.2	0.0	13.1	3.4
Horncliffe, Norham, Cornhill, Scremerston, Ancroft, Holy Island	24.6	8.7	0.0	0.0	0.0	0.0	0.0	3.4
Heddon, Wylam area	0.0	0.0	0.0	0.0	0.0	20.3	0.0	3.4
Widdrington Station area	0.0	0.0	0.0	8.0	0.0	0.0	0.0	3.1
Blyth	0.0	0.0	0.0	8.0	0.0	0.0	0.0	3.1
Seaton Deleval, Seghill area	0.0	0.0	0.0	8.0	0.0	0.0	0.0	3.1
Haydon Bridge	0.0	0.0	0.0	0.0	0.0	5.2	13.1	2.2
Christon Bank, Warkworth area	12.6	0.0	50.0	0.0	0.0	0.0	0.0	2.1
Belford	18.3	0.0	0.0	0.0	0.0	0.0	0.0	2.0
Adderstone, Bamburgh, Beadnell, Ellingham, Luker, Seahouses/North Sunderland, Spindleston	18.3	0.0	0.0	0.0	0.0	0.0	0.0	2.0
Fourstones, Wark area	0.0	0.0	0.0	0.0	0.0	0.0	16.3	1.6
Lowick, Crookham, Ford, Etal, Chatton, Branton, Milfield, Bowsden	12.6	0.0	0.0	0.0	0.0	0.0	0.0	1.4
Pegswood, Mitford area	0.0	15.9	0.0	0.0	0.0	0.0	0.0	1.4
Cramlington, East Hartford	0.0	15.9	0.0	0.0	0.0	0.0	0.0	1.4
Broomhill, Hadston, Togston, Red Row	0.0	13.8	0.0	0.0	0.0	0.0	0.0	1.2
Allendale, Allenheads area	0.0	0.0	0.0	0.0	0.0	0.0	11.3	1.1
Prudhoe	0.0	0.0	0.0	0.0	0.0	5.2	0.0	0.9
Bedlington, Nedderton	0.0	0.0	0.0	0.0	0.0	0.0	6.3	0.6
BASE	193	157	36	735	244	285	160	1810

Source: County Household Survey 2012

## Evidence of need to support the inclusion of optional accessibility and wheelchair housing standards in the Local Plan

- 5.17 This section examines the readily available evidence to enable the council to decide if there is a need to adopt optional accessibility standards M4(2) and M4(3) of the building regulations.
- 5.18 Figures 5.1 and 5.2 below define these optional accessibility standards. They are taken directly from the Government's practice guidance.

**Figure 5.1 Explanation of optional accessibility standard M4(2)**

In the Secretary of State's view, optional requirement M4(2) will be met where a new dwelling makes reasonable provision for most people to access the dwelling and incorporates features that make it potentially suitable for a wide range of occupants, including older people, those with reduced mobility and some wheelchair users. Reasonable provision is made if the dwelling complies with all of the following.

- a. Within the curtilage of the dwelling, or of the building containing the dwelling, it is possible to approach and gain step-free access to the dwelling and to any associated parking space and communal facilities intended for the occupants to use.
- b. There is step-free access to the WC and other accommodation within the entrance storey, and to any associated private outdoor space directly connected to the entrance storey.
- c. A wide range of people, including older and disabled people and some wheelchair users, are able to use the accommodation and its sanitary facilities.
- d. Features are provided to enable common adaptations to be carried out in future to increase the accessibility and functionality of the dwelling.
- e. Wall-mounted switches, socket outlets and other controls are reasonably accessible to people who have reduced reach.

**Figure 5.2 Explanation of optional accessibility standard M4(3)**

In the Secretary of State's view, optional requirement M4(3) will be met where a new dwelling makes reasonable provision, either at completion or at a point following completion, for a wheelchair user to live in the dwelling and use any associated private outdoor space, parking and communal facilities that may be provided for the use of the occupants. Reasonable provision is made if the dwelling complies with all of the following.

- a. Within the curtilage of the dwelling or of the building containing the dwelling, a wheelchair user can approach and gain step-free access to every private entrance to the dwelling and to every associated private outdoor space, parking space and communal facility for occupants' use.
- b. Access to the WC and other accommodation within the entrance storey is step-free and the dwelling is designed to have the potential for step-free access to all other parts.
- c. There is sufficient internal space to make accommodation within the dwelling suitable for a wheelchair user.
- d. The dwelling is wheelchair adaptable such that key parts of the accommodation, including sanitary facilities and kitchens, could be easily altered to meet the needs of a wheelchair user or, where required by a local planning authority, the dwelling is wheelchair accessible.
- e. Wall-mounted switches, controls and socket outlets are accessible to people who have reduced reach.

- 5.19 There is no single source of published data that quantifies the need. Further, much of the data that exists quantifies people with disabilities rather than households. We present data from a number of sources that when considered as a whole, leads to conclusions about the desirability of adopting these standards.

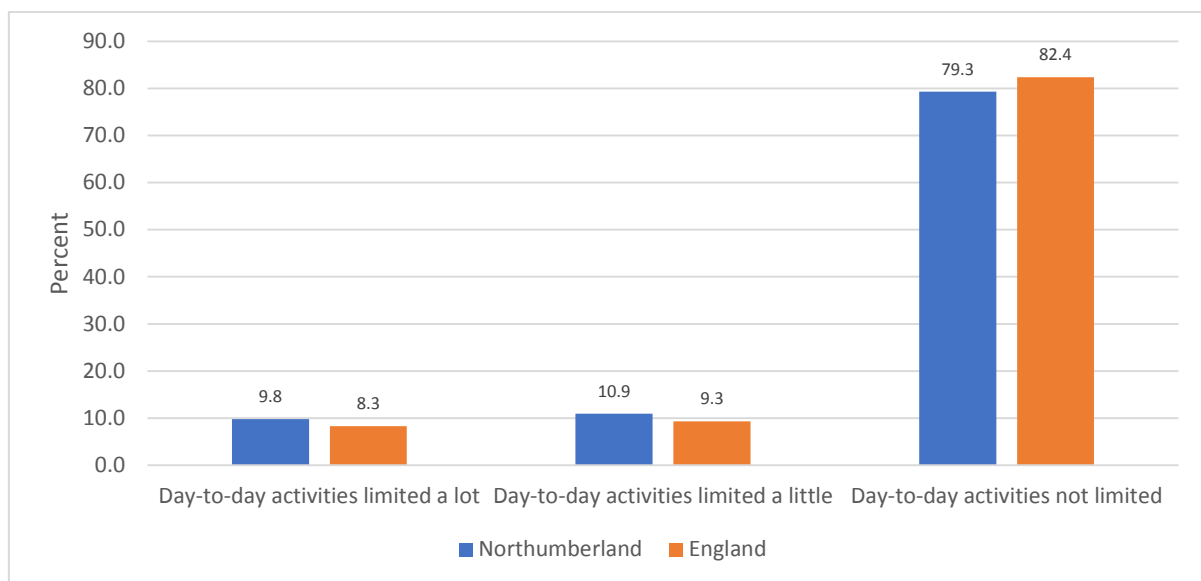
### The census 2011

- 5.20 The census records a baseline of broad measures of disability across the population. Summary data only is presented here. Supporting data tables are to be found in Technical Appendix B.

### *People with a long-term health problem or disability*

- 5.21 The census recorded that 30,940 Northumberland residents reported that their daily activities were limited 'a lot'. Figure 5.3 shows that a larger proportion of Northumberland residents than England as a whole reported that their day to day activities were limited to some extent.

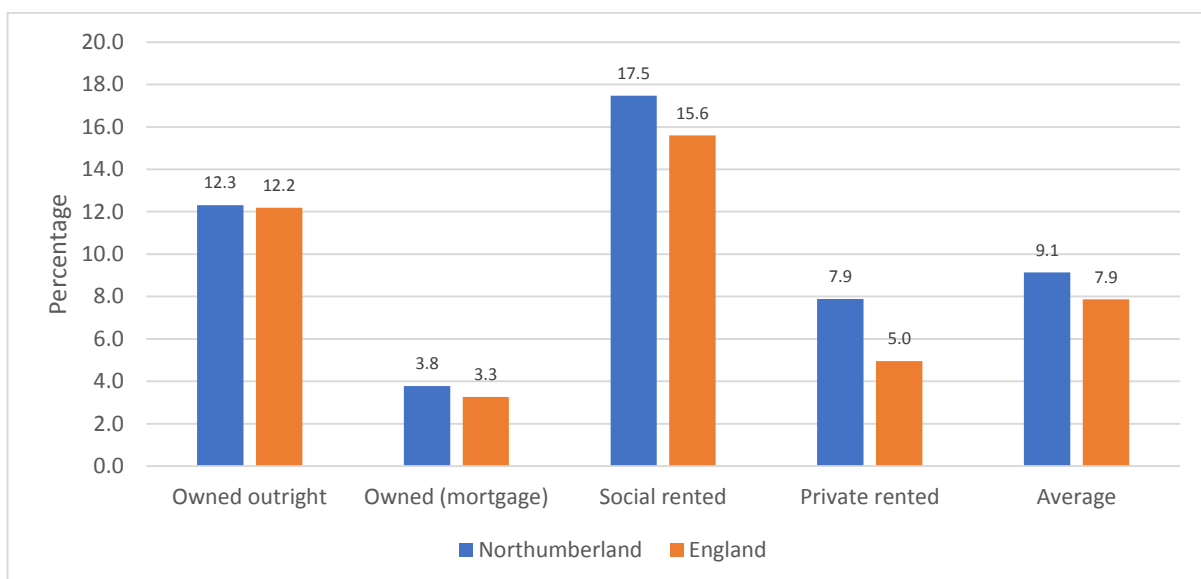


**Figure 5.3** People whose day to day activities were limited or not

Source census 2011 table QS303EW

5.22 Figure 5.4 provided further evidence of those living in residential C3 housing (ie. not institutional) according to the tenure of the dwelling they occupy. The figure shows the proportion **within** each tenure that have their activities limited a lot.

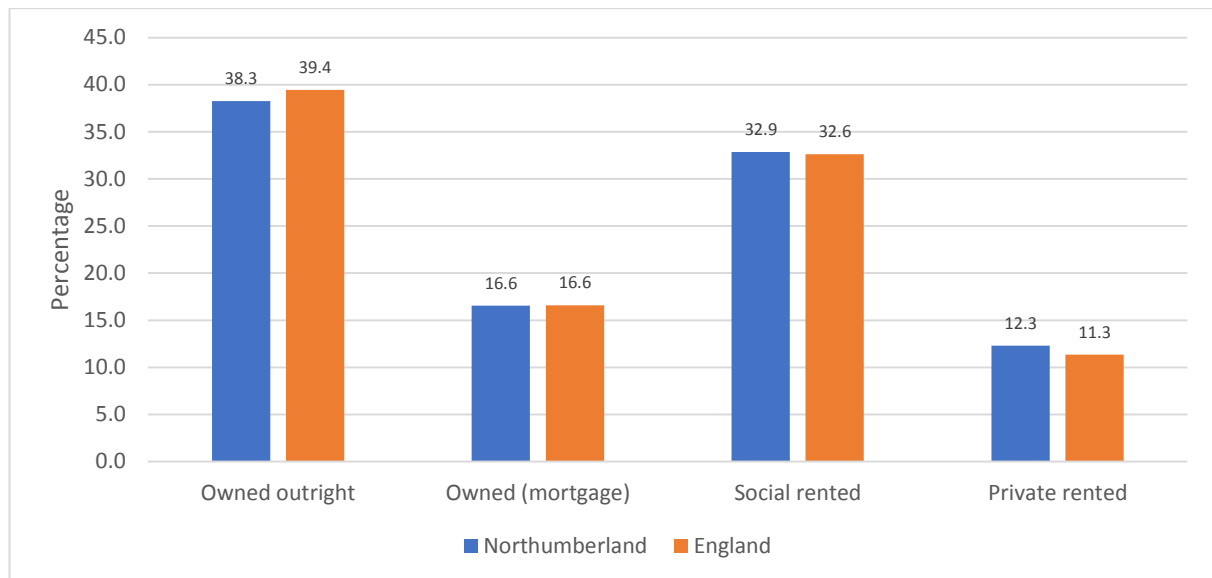
5.23 The figure shows that the tenure with the highest proportion of people with activities limited a lot are social renters and the lowest proportion are owners with a mortgage. This social renters group generally houses younger and economically active people than outright owners. Northumberland has a larger proportion of people with activities limited a lot than England as a whole.

**Figure 5.4** Distribution of people with activities limited a lot within each tenure

Source census 2011 table LC3408EW

- 5.24 Figure 5.5 shows the proportion of people whose activities are limited a lot are distributed **across** the tenures. So, in Northumberland, 38.3% of all people with activities limited a lot live in a dwelling that is owned outright. A relatively small proportion live in the private rented sector.

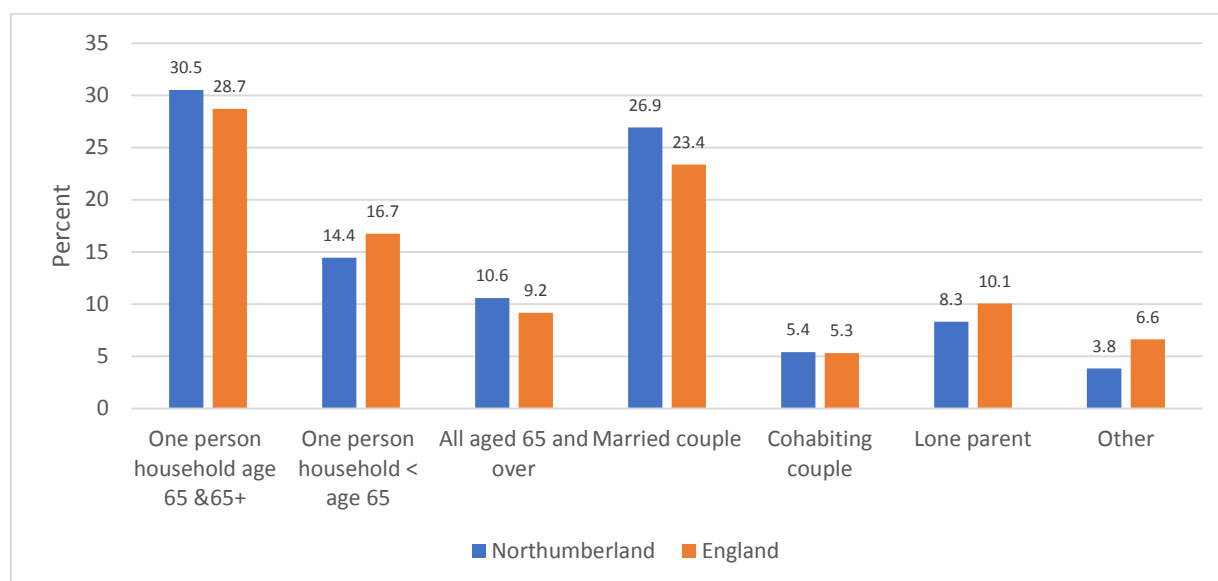
**Figure 5.5** Distribution of people with activities limited a lot across the tenures



Source census 2011 table LC3408EW

- 5.25 49,908 people in Northumberland had a long-term health problem or disability.
- 5.26 Figure 5.6 shows the household structure in which they lived at the time of the census 2011 where at least one member of the household had a long term health problems or disability.
- 5.27 It is clear that the largest household group is one person aged over 65, followed by families that are a married couple. Proportions are greater than for England as a whole. Note that these groups have been condensed from more detailed household groups and the term married couple can include same sex couples. Married and cohabitating couples may or may not have dependents or non-dependents living with them.

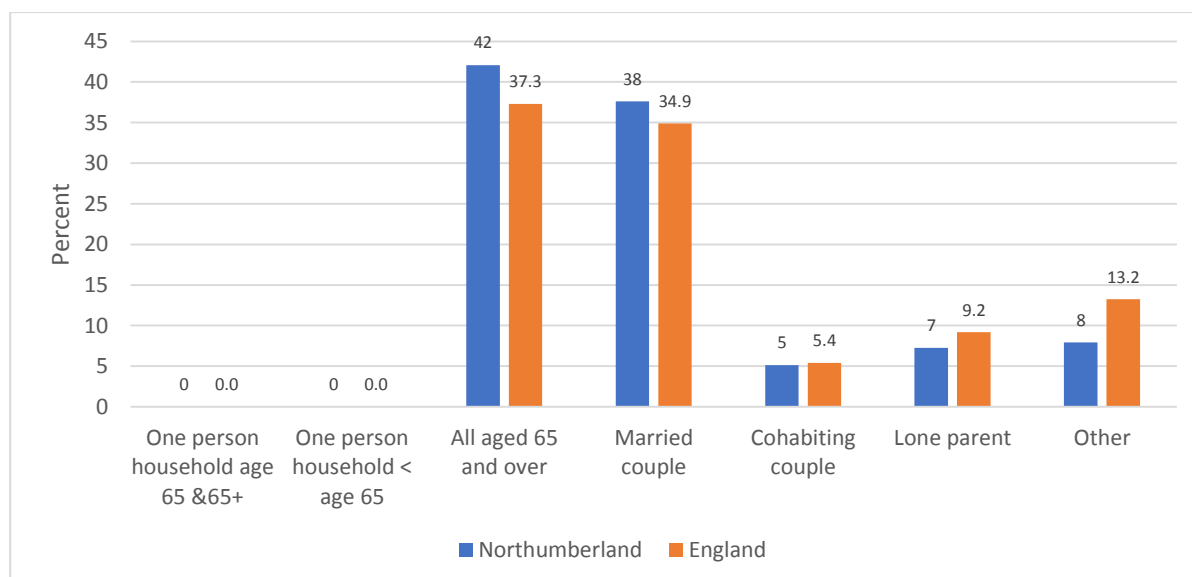
**Figure 5.6** Distribution of people by household type with 1 person with a long-term health problem or disability



Source census 2011 table DC1301EW

5.28 Figure 5.7 shows the same analysis as above but for households with two-or-more people with a long term limiting illness. 70% of people living in households with two-or-more people with a long-term illness or disability live as households with all members aged 65 or over or as married couples.

**Figure 5.7** Distribution of people by household type with two-or-more persons with a long-term health problem or disability

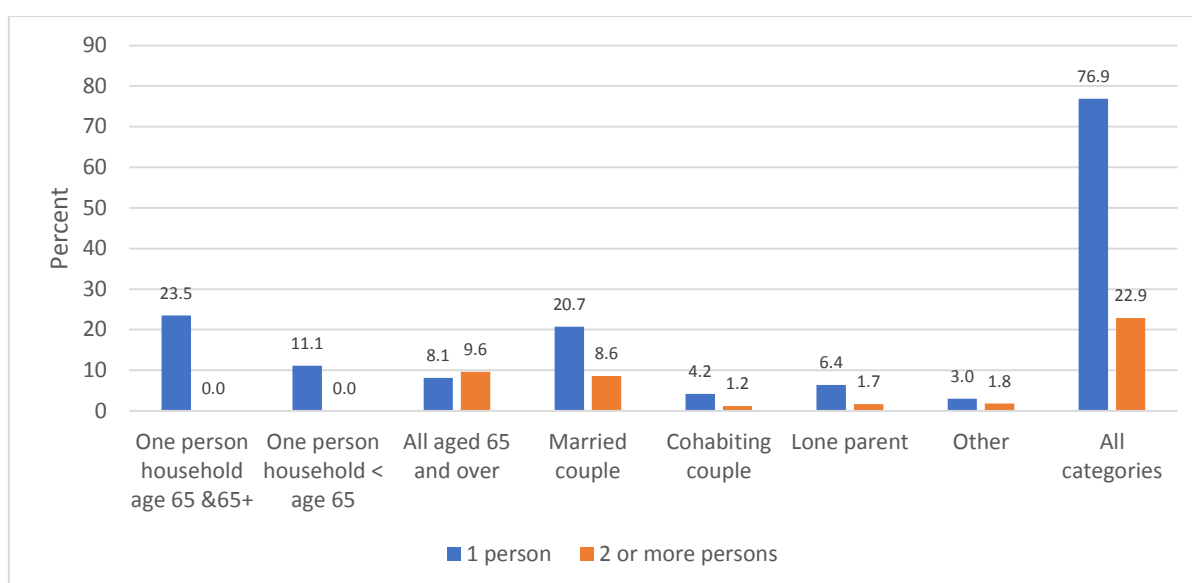


Source census 2011 table DC1301EW

5.29 Figure 5.8 compares the household types of all 49,908 people with a long-term health problem or disability according to whether there is one person or two-or-more persons with a long term illness or disability. It is clear that around 23% of people live

in households with two-or-more people with long term illness or disability. These mostly live in households with all members aged 65 or over or as married couples. The majority of people live in households with one person having a long-term illness or disability, mostly living as older single person households or married couples (with or without children).

**Figure 5.8 Comparison of household types within Northumberland, expressed as a proportion of all people with a long-term health problem or disability.**



Source census 2011 table DC1301EW

### Summary of findings from the census

- 5.30 A greater proportion of Northumberland's population had limiting long-term illness or disability or had day-to-day activities limited a lot than England as a whole.
- 5.31 The tenures housing the highest proportions of people with activities limited a lot are outright home owners and social tenants.
- 5.32 The majority of people with a long-term limiting illness live in households with one person having long-term illness or disability, mostly living as older single person households or married couples (with or without children).

### Benefit claimants - disability living allowance (DLA) by disabling condition

- 5.33 The Department of Work and Pensions (DWP) publishes information about disabling condition amongst claimants. In Table 5.9 we present the most frequent conditions, most frequent first. The list of conditions is significantly longer than presented here. We have listed those conditions that apply to more than 1% of claimants in Northumberland.

Table 5.9 DLA claimants by disabling condition				
	Northumberland		England	
	No.	%	No.	%
Arthritis	2,190	19.4	286,410	16.6
Learning Difficulties	1,850	16.4	328,170	19.1
Disease of the Muscles, Bones or Joints	610	5.4	89,630	5.2
Psychosis	520	4.6	104,500	6.1
Back pain - other / Precise diagnosis not Specified	510	4.5	69,190	4.0
Spondylosis	500	4.4	45,050	2.6
Hyperkinetic Syndromes	460	4.1	50,540	2.9
Neurological Diseases	450	4.0	73,320	4.3
Psychoneurosis	430	3.8	62,930	3.7
Heart Disease	400	3.5	53,160	3.1
Behavioural Disorder	350	3.1	55,210	3.2
Cerebrovascular Disease	330	2.9	48,790	2.8
Chest Disease	260	2.3	39,170	2.3
Multiple Sclerosis	260	2.3	32,440	1.9
Epilepsy	210	1.9	31,330	1.8
Blindness	190	1.7	39,640	2.3
Diabetes Mellitus	180	1.6	29,180	1.7
Malignant Disease	130	1.2	20,330	1.2
Trauma to Limbs	120	1.1	23,380	1.4

Source: Nomis and DWP 2017

- 5.34 The implications of Table 5.9 needs to be interpreted in depth by health professionals. However:
- the two leading conditions, arthritis and learning difficulties. are by far more prevalent than the others;
  - of the 19 conditions, all but two, which appear to be mental health issues, would appear to have an implication for physical mobility and in severe cases would lead to the need for high levels of accessibility in the home.

### Information from the 2012 housing needs survey

- 5.35 Here we summarise information from the household survey. **All figure references in this section are that of the updated SHMA report 2015.** Significantly the SHMA is able to consider the spatial distribution of disability adding greatly to the above analysis.
- 5.36 The 2012 Household Survey found that 25.7% of all households across Northumberland included someone with a disability or a limiting long-term illness. Of these, 80.1% said that one person within the household had a disability or illness and 19.9% said two people.

- 5.37 Using this information alongside population (household size) data, the household survey indicates that 14.4% of people in Northumberland have a disability or limiting long-term illness.
- 5.38 There is variation between areas of the county, ranging between 19.5% of households in Wooler and North Cheviots to 29.2% of households in the Tyneside Commuter Belt (South East). This represents 13.1% of residents in Wooler and North Cheviots and 16.8% in the Tyneside Commuter Belt (South East). In other areas the proportion of households containing a person with a disability or limiting long-term illness was 19.9% in Tyneside Commuter Belt (Central) (10.6% of residents); 21.5% Alnwick and tourist coast (10.7% of residents); 21.9% A68 and A69 Tyne Corridor Outer West (12.2% of residents); 23.6% Berwick upon Tweed and Borders (13.1% of residents); and 23.9% Tyneside Commuter Belt (West) (12.5% of residents).
- 5.39 The Tyneside Commuter Belt (South East) area finding is significant and equates to the former industrial part of Northumberland where the major industry was coal mining.
- 5.40 Table 6.23 provides an indication of the range of disabilities and illnesses experienced. Of those who indicated the presence of a disability or illness within their household, 64.4% mentioned walking difficulties (but not in a wheelchair), 26.3% mentioned asthma or respiratory problems, 26.2% mentioned diabetes and 23.5% said that there were other problems.

**Table 6.23 Nature of disability or illness experienced within identified households**

Disability/illness	% of cases
Indoor wheelchair use	3.8%
Outdoor wheelchair use	13.7%
Mental health problems	12.7%
Walking difficulty (not in wheelchair)	64.4%
Learning disability	4.9%
Obesity	4.7%
Diabetes	26.2%
Drug and/or alcohol problems	1.5%
Visual/hearing impairment	16.8%
Asthmatic/respiratory problem	26.3%
Dementia/memory loss	5.3%
Other	23.5%

Note: more than one disability/illness could be identified, so percentages do not total 100%

Source: 2012 Household Survey

- 5.41 Regarding **adaptations**, 12% of all properties across Northumberland had been adapted or purpose-built for a person with a disability or long-term illness (Table 6.25). This varied between tenures, including 8.8% of owner occupied properties, 10.7% of privately rented properties and 24.5% of affordable homes. There was a small amount of variation across the county: ranging between 9.1% in Tyneside Commuter Belt (Central) and 13.4% in Berwick upon Tweed and Borders, with 10% in Wooler and North Cheviots, 11.1% in A68 and A69 Tyne Corridor Outer West, 11.9% in Tyneside

Commuter Belt (West), abd 12.5% in Alnwick and Tourist Coast. had been adapted or purpose built.

<b>Table 6.25 Adaptations by tenure</b>				
<b>Existing Adaptations</b>	<b>Tenure (%)</b>			<b>Total</b>
	<b>Owner occupied</b>	<b>Private rented</b>	<b>Affordable</b>	
Ramp/steplift	2.2	2.0	5.5	2.8
Level access shower	2.8	1.9	13.2	4.7
Vertical lift	0.3	0.6	1.2	0.5
Ground floor toilet	7.1	7.6	13.8	8.4
Bath/shower room and bedroom downstairs	2.9	4.2	8.5	4.2
Adaptation to use a wheelchair indoors	1.5	0.9	3.4	1.8
Battery operated bath lift	1.3	2.6	4.0	2.0
<b>Base</b>	<b>90975</b>	<b>20740</b>	<b>26041</b>	<b>137756</b>

Note: more than one existing adaptation could be identified, so percentages do not total 100%

Source: 2012 Household Survey

- 5.42 13.7% of households said they required further adaptations or facilities to enable them to stay in their current home. As set out in Table 6.26, 3.4% of households stated that they required a low-level shower, 2.6% mentioned a stair lift, 2.4% a ground floor toilet and 2.1% a ramp or step lift.

<b>Table 6.26 Facilities required to ensure household members can remain in their current property</b>	
<b>Facilities required</b>	<b>% of cases</b>
None	89.3%
Ramp/step lift	2.1%
Stair lift	2.6%
Vertical lift	0.1%
Ground floor toilet	2.4%
Bath/shower room and bedroom downstairs	1.3%
Adaptations to use a wheelchair indoors	0.6%
Battery operated bath lift	1.0%
Stepped access shower	1.3%
Level access shower	3.4%
Other	1.0%
<b>Base</b>	<b>125,586</b>

Note: more than one facility could be identified, so percentages do not total 100%

Source: 2012 Household Survey

- 5.43 Overall, 16,801 households were identified by the household survey where one or more occupants required **care or support**. Of these, 86.5% said that the individuals

involved were receiving sufficient care/support. While 3,911 received help from a registered care agency or voluntary body, 13,889 were receiving help from family members, friends or neighbours.

## Further information on adaptations

- 5.44 Adaptations and specialised equipment are important in helping people with disabilities to remain living independently. We have obtained the following information about the scale and cost of adaptations within the county. The source of this information is a freedom of information (FOI) request and was obtained from the council's website. (FOI reference number: 2884, Request Date: 01/08/2017).
- 5.45 The council's response distinguishes between adaptations for social tenants from the housing revenue account and disabled facilities grants (DFGs) to private residents, whether home owners or private tenants. The council's notes on each table are reported verbatim.
- 5.46 The full document can be viewed from the Council's website. Here are the key points:
- the spend on adaptations for social housing tenants is rising (£300,000 in 2009/10 to £486,090 in 2016/7);
  - the spend on private housing disabled facilities grants (DFG) is rising (£1,413,558 in 2009/10 to £1,708,990 in 2016/7);
  - the number of applications for DFG is rising (618 in 2014/15 to 706 in 2016/17);
  - the number of applications and completions for adaptations for public sector tenants is rising (265 in 2009/10 to 878 in 2016/17).

## Summary of findings in relation to adaptations

- 5.47 The combined spend on adaptations for social tenants and private residents was in 2016/7 approaching £2.3m.
- 5.48 In this period:
- 1,584 requests were received; and
  - 1,385 adaptations were completed.
- 5.49 A further factor not reported above is the assessment of people with disabilities who can self-fund their adaptations without the need for financial assistance.
- 5.50 It is clear that demand and the resources needed over a 20-year plan period are significant if demand is maintained and resources are available. This could be mitigated to some extent by the introduction of accessibility standards in new construction.



## Prevalence rates

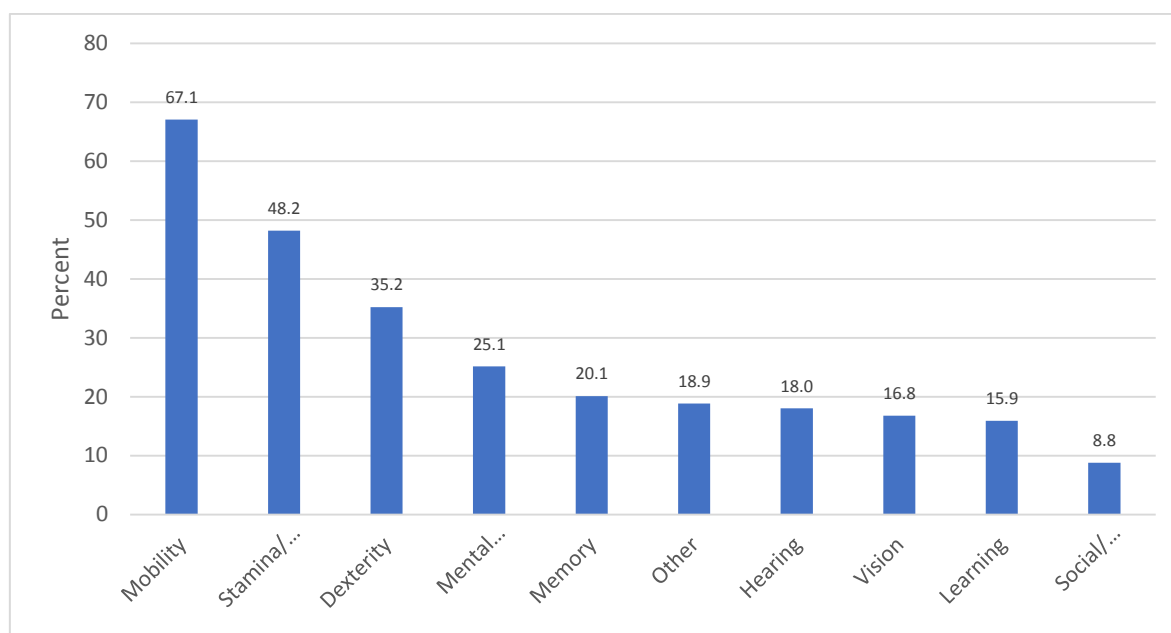
- 5.51 Finally, an assessment of prevalence rates demonstrates that the call on housing health and adaptation services is likely to increase significantly over the plan period. These rates do not necessarily convert into housing need or need for other services. However, that data will assist the Council to gauge how numbers are likely to change over the relevant plan period 2016-36.

**Table 5.10** Disability prevalence rates applied to Northumberland

	<b>2016</b>	<b>2036</b>	<b>2036 minus 2016</b>	<b>% increase</b>
Vision	9,652	11,271	1,618	16.8
Hearing	10,376	12,116	1,739	18.0
Mobility	38,610	45,082	6,472	67.1
Dexterity	20,270	23,668	3,398	35.2
Learning	9,170	10,707	1,537	15.9
Memory	11,583	13,525	1,942	20.1
Mental health	14,479	16,906	2,427	25.1
Stamina/ breathing/ fatigue	27,751	32,403	4,652	48.2
Social/ behavioural	5,068	5,917	850	8.8
Other	10,859	12,679	1,820	18.9
<b>Base (total in households with disability)</b>	<b>72,393</b>	<b>84,529</b>	<b>12,136</b>	

Source: national prevalence rates applied to Northumberland

- 5.52 Figure 5.9 ranks this percentage increase. Mobility is by far the largest factor and has the largest growth rate. Stamina breathing/fatigue are also likely to be significant factors requiring attention in the home environment.

**Figure 5.9** Estimated increase in disability by type in order of degree of growth

### Other 'big picture' evidence

- 5.53 Our literature review has produced wider evidence and context and is briefly reported below.

### Market Position Statement for Care and Support in Northumberland

- 5.54 This document was produced in 2018 by the County Council to stimulate interest in the potential market for care and support providers. There are some important findings regarding physical disability or illness.
- 5.55 The document describes Northumberland as a mix of areas - relatively prosperous commuting towns extending along the Tyne Valley and market towns, relatively deprived ex-coalfield areas with the characteristics of a past based on heavy industry and manufacturing; and an extensive area of scattered smaller settlements to the north and further west. This corresponds with the finding we reached in paragraph 5.38 which demonstrates a greater incidence of disability in the former mining areas.
- 5.56 Table 5.11 shows the total number of service users for 2016/17, indicating that the highest number of service users 65+ have a physical disability or illness but that 60% are supported in community settings.

**Table 5.11** Demand for services by client group

<b>65+ Demand on Services By Client Group 2016/17</b>	<b>Learning Disability</b>	<b>Mental Health</b>	<b>Physical Disability or Illness</b>	<b>Total</b>
Residential Care	91	349	553	<b>993</b>
Residential Dementia Care	2	738	125	<b>865</b>
Nursing Care	11	421	649	<b>1,081</b>
Nursing Dementia Care	2	312	82	<b>396</b>
Homecare	70	759	2,297	<b>3,126</b>
Day Services	36	265	185	<b>486</b>
Adult Placement Scheme	10	0	0	<b>10</b>
Short Break	6	256	378	<b>640</b>
Direct Payment	10	156	308	<b>474</b>
Miscellaneous	7	30	67	<b>104</b>
<b>Total</b>	<b>245</b>	<b>3,286</b>	<b>4,644</b>	<b>8,175</b>

- 5.57 The report considers that the majority of people aged 65+ will continue to live healthy active lives in their own homes. However, the need for care and support generally increases with age. Housing solutions that are suitable to support continued community living for people aged 85+ are limited, which is reflected in Table 5.12 below that shows the highest percentage of people in care homes are people 85+.

**Table 5.12 Type of service demand form people aged 65 and over**

<b>65+ Service Demand 2016/17</b>	<b>65 - 74</b>	<b>75 - 84</b>	<b>85+</b>	<b>Total</b>
Residential Care	177	225	591	<b>993</b>
Residential Dementia Care	55	291	519	<b>865</b>
Nursing Care	125	337	619	<b>1,081</b>
Nursing Dememtia Care	41	148	207	<b>396</b>
Homecare	602	1,066	1,458	<b>3,126</b>
Day Services	129	184	173	<b>486</b>
Adult Placement Scheme	8	2	0	<b>10</b>
Short Break	99	220	321	<b>640</b>
Direct Payment	102	163	209	<b>474</b>
Miscellaneous	24	45	35	<b>104</b>
<b>Total</b>	<b>1,362</b>	<b>2,681</b>	<b>4,132</b>	<b>8,175</b>

- 5.58 There are currently 115 care homes in Northumberland, 70 of which specifically accommodate older people. Of these, 32 are registered to provide nursing care and 56 are registered to provide specialist care for people with dementia. There are 29 care homes specifically for younger adults. 95 of the care homes are private, some of which are owned by national care groups, but the majority are owned by individuals. 16 of the care homes are owned by voluntary not-for-profit organisations such as Methodist Homes or Royal Air Force Association.

- 5.59 With the projected changes to the population in Northumberland, and the changing demographic of the available labour force, care providers could face additional significant challenges in recruiting and retaining social care staff. The population 65+ is projected to increase significantly, both from ageing and inward migration, however the number of younger people 18+ joining the workforce is set to reduce. People now retire later, working longer and this trend is predicted to continue to grow, resulting in the average age of the workforce in Northumberland increasing.

## Conclusions and recommendations for optional adaptation, accessibility and wheelchair housing standards

- 5.60 Evidence in this chapter suggests that there is a need for housing which has been adapted to support those with additional needs:
- disability rates in Northumberland are generally higher than for England as a whole;
  - high proportions of households with daily activities limited a lot are outright home owners and social tenants;
  - household types are mostly older single person households and married couples under the age of 65;
  - the most common condition amongst DLA claimants is arthritis (therefore potential clients for DFGs and adaptations);
  - from the nature of adaptations delivered and required according to the household survey, the accessibility standards would make a contribution to meeting these requirements;
  - current levels of demand and spend for adaptations when combined with prevalence rates suggests that the accessibility standards would help to mitigate demand and spend over time which over the life of the plan might prove unsustainable.
- 5.61 Taking these factors into account, the evidence as a whole would support a proportionate policy of adopting the optional accessibility standards.
- 5.62 However, the household survey and literature review also present other factors to take into account:
- the main driver of the need is age;
  - need is not uniform across the county with the greatest proportion being in the South East;
  - an additional driver in the South East is likely to be a temporary occupational health issue arising from the former mining industry.
- 5.63 In terms of quantifying the scale of this need, the 2012 household survey evidenced that 11.6% of households lived in a property that had been built or adapted for someone with additional needs. A further 9.2% of households (12,700) stated that

they needed adaptations to ensure current members of their household could remain in their home.

- 5.64 Table 5.13 sets out the number of households by the age of Household Reference Person currently living in adapted properties. This can be applied to household projections to establish how the likely number of households needing adapted properties is expected to increase over the plan period. Analysis indicates that the total number of adapted properties needs to increase by around 3,600 over the plan period. If this is added to those who have stated they need adaptations (12,700) this results in an overall plan period need for 16,300 dwellings to be adapted.

Table 5.13 Analysis of households living in adapted housing			
Age Group	% living in adapted dwellings	Total adapted properties	
		2016	2036
15-24	8.1	316	335
25-34	4.6	654	551
35-44	6.2	1,184	1,189
45-59	9.7	4,033	3,325
60-84	14.8	8,291	9,808
85+	30.0	1,930	4,791
<b>Total</b>	<b>11.7</b>	<b>16,408</b>	<b>19,998</b>
<b>All households</b>		<b>141,528</b>	<b>152,048</b>
<b>% adapted</b>		<b>11.7</b>	<b>13.2</b>

Source: County Housing Survey 2012

- 5.65 It is important to consider that some dwellings will not be capable of adaptation or they are situated in an area that is unsuitable for people with disabilities. For example, dwellings that are built on a hill, have poor vehicular access, or are located some distance from health care, support and retail facilities. It will be recalled that the greatest incidence of disability is in the former coalfield area of the county. Here the dominant dwelling type is the 2-story terraced house that would be difficult to adapt to the equivalent accessibility standard.

- 5.66 New-build housing will play a role in providing additional adapted dwellings and from the evidence presented in this chapter there is a compelling case for the Council to introduce accessibility standards for both M4(2) and M4(3) dwellings and that M4(2) standards are likely to meet the needs of most current and future residents.

## 6. Self-build and custom-build housing

### Introduction

- 6.1 This section assembles and considers the available evidence to assess demand for self and custom housebuilding in Northumberland and consider the feasibility of self-build within larger developments.

### *Information from the council's register*

- 6.2 Selected anonymous data from the council's self and custom-build register has been analysed. Many of those registered provided multiple locations for their intended project. Some sought a plot outside the area and others specified no location at all. Some indicated that they were not seeking a specific location but went on to indicate areas of choice. Several indicated that they had also registered an interest in self or custom-building in other local planning authority areas as well.
- 6.3 Accordingly, we have presented the information in two ways. Firstly, we have a column that counts all applicants. Where they have indicated no specific area in mind but have named an area we have taken their first-choice area. Where no area is stated we have assigned the nearest place to their current location. Applicants have not been counted if they currently live outside Northumberland and have not stated a preference as they have not provided any tangible evidence of need that can inform planning policy.
- 6.4 The second column states the first-choice preference where an applicant has a specific area in mind.
- 6.5 Many applicants have expressed vague preferences or identified specific villages. On this basis we have rationalised the area of choice to the nearest main town or service centre to provide a more generalised indication of the distribution of demand. This is because the council is considering policy provision within larger schemes and these are most likely to be in the larger towns and service centres within the settlement hierarchy. Further remarks below qualify this assumption. Note that the area stated in Table 6.1 below is the nearest main town to the requested area.

Table 6.1 Analysis of Northumberland's Self Build Register June 2018		
	Applicants for an assigned area (main town or service centre)	Applicants seeking a specific area
Any	2	0
Alnwick	23	14
Ashington	13	3
Berwick upon Tweed	9	7
Blyth	23	5
Cramlington	46	6
Haltwhistle	8	0
Hexham	18	12
Morpeth	22	11
Ponteland	24	5
Prudhoe	24	7
Rothbury	5	3
Wooler	6	4
<b>Totals</b>	<b>223</b>	<b>77</b>

Source: NCC self and custom build register.

- 6.6 In total, as at mid-2018, 223 applicants with identifiable requirements had registered, including four groups interested in community self/custom-build opportunities. There were 77 applicants with specific requirements.
- 6.7 It is noteworthy that the majority of applicants that were seeking plots were within the Tyneside Commuter Belt areas and in particular the Tyneside Commuter Belt (South East) housing market area. However, those with specific requirements were seeking opportunities in Alnwick and the tourist coast and the Tyneside Commuter Belt (South East, Central and West areas).

#### *Information from the weekly planning list*

- 6.8 We looked at weekly planning lists for the 13 weeks up to the 4<sup>th</sup> June 2018. We noted the number and location of applications for single dwellings. We accept that these may not all be self or custom-build projects, but are considered most likely to be. The information does however reveal some information about the scale of building on individual plots and the most frequent locations. Most were in villages so again we have analysed the information in terms of the general proximity of the nearest main town or service centre.
- 6.9 In the 13-week period there were 44 planning applications for single dwellings - suggesting an approximate annual rate of around 176 applications. Applications were unevenly distributed between the following general areas in order of frequency:
- Coastal and tourist area 10;



- Ponteland 9;
  - Hexham 5;
  - Morpeth 5; and
  - Other eight areas 15.
- 6.10 Again, these locations were allocated to the nearest main town or service centre as most applications were for village locations.
- 6.11 However, planning applications for single dwellings were more evenly distributed across the housing market sub-areas and Local Plan delivery areas.

#### *Information from BuildStore*

- 6.12 As at June 2018, 74 plots were advertised, some were sites with multiple plots. The main locations were Morpeth (14 Plots), Berwick-upon-Tweed (13 Plots), Wooler (10 plots) and Alnwick (8 plots).
- 6.13 Plot prices were lowest in Wooler (circa £85,000) and highest in Ponteland (£795,000). Further analysis has not been undertaken as key variables such as plot size are not always stated. Some plots had been listed for over a year indicating that the site may be problematic or having an unrealistic asking price.

#### *Information from estate agents, land agents and housebuilders.*

- 6.14 We asked all estate agents in our survey about demand for self and custom housebuilding. They all said the same thing, that demand was great, but supply was very limited. Some agents also describe themselves as land agents and they appeared to be more experienced in the sector. That said, agents were keen to point out that not all plots are advertised or marketed by professional agents.
- 6.15 We came across one housebuilder with limited experience of working with a self or custom housebuilder. The sale of a plot was agreed, and the construction proceeded smoothly. The customer was himself a housebuilder seeking a custom built home for his own use.
- 6.16 Over the last 3 years we have gained considerable insights into this sector from our SHMA projects.
- 6.17 Agents told us that, in general:
- there is significant demand for plots and very limited supply;
  - some plots are traded without using agents; and
  - purchasers are mostly longstanding residents of villages. Agreement in principle is achieved between the parties before professionals are involved. Some are connected with the building trade or are self-employed, often seeking bespoke homes that meet both household and business requirements.
- 6.18 Housebuilders told us that they would be reluctant to develop sites with an element of self-build as in their experience self-builders are slow to complete and some projects

fail. They tend to be more positive about custom-build as these tend to be more successful due to the involvement of professionals.

### *Key findings*

- 6.19 Information from the council's register is no basis for policy or negotiation with developers. This is because, of the information supplied to us:
- locations are disparate, and it is difficult to reconcile mostly rural areas of choice with the main settlements;
  - there is no indication of size of plot required, so it is difficult to justify the number of plots that might be achieved on any given site;
- 6.20 Evidence from the planning list suggests that a land supply is being identified by individuals in a location of their choice, although it is not clear if these are self or custom housebuilders or investors.
- 6.21 Evidence of demand from BuildStore should be given little weight, as unsold plots are likely to be overpriced or problematic in some way.

### *Conclusion*

- 6.22 Clearly the Government is seeking local authorities to assist self and custom housebuilders. However, the prescribed information for registers does not easily provide an indication of requirements that gives the certainty that suitable plots can be planned for without presenting risk to the site owner.
- 6.23 Evidence from the weekly planning lists suggest that only a proportion of potential applicants might be attracted by a serviced plot as part of a development close to a major settlement.

## 7. Conclusion: policy and strategic issues

### Introduction

- 7.1 This document has been prepared to equip the Council and their partners with robust, defensible and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of the draft revised National Planning Policy Framework (NPPF, March 2018) and associated Planning Practice Guidance (PPG).
- 7.2 The SHMA update will help the Council plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Specifically, the SHMA update identifies the size and type of housing needed across all tenures for the changing population over the plan period.
- 7.3 This concluding chapter summarises key messages from the research findings, structured around the key objectives of the study.

### Housing Market Areas within Northumberland

- 7.4 The study has established there are several housing market sub-areas within Northumberland. This has been validated through a quantitative analysis of house prices and rents; discussions with estate agents, lettings agents and developers; and travel-to-work and migration patterns.
- 7.5 The SHMA update maintains the position that overall Northumberland is a largely self-contained housing market area, but with the emerging Local Plan delivery areas also containing further functional areas. Analysis concluded that there are seven areas which function as fairly self-contained housing market sub-areas servicing wider rural and coastal areas:

#### *The Central Delivery Area*

- 1. The Tyneside Commuter Belt (West): Hexham, Corbridge and Prudhoe
- 2. The Tyneside Commuter Belt (Central): Morpeth Ponteland

#### *The South East Delivery Area*

- 3. The Tyneside Commuter Belt (South East): Amble, Ashington, Blyth, Cramlington.

#### *The North Delivery Area*

- 4. Alnwick and the Tourist Coast.

- 5. Berwick-upon-Tweed and the Borders.
- 6. Wooler and the North Cheviots.

### *The West Delivery area*

- 7. The A68 and A69 Tyne Corridor (Outer West): Haltwhistle.

## Overall housing need and dwelling type and mix

- 7.6 In line with draft revised NPPF and PPG, a need for 885 dwellings each year over the plan period has been established to match the Council's economic ambitions. This is based on the Government's new standard methodology for assessing local housing need, coupled with robust evidence for a voluntary uplift to support jobs growth.
- 7.7 The study has established an indicative need for C2 residential accommodation (i.e. registered care homes and nursing homes), with an estimated 134 units each year potentially required. However, this scale of need is likely to be tempered by the drive towards enabling older and vulnerable people to live in their own homes with appropriate support, as well as in C3 supported living and extra care accommodation.
- 7.8 Using national data on the relationship between dwelling type/size and age group of the Household Reference Person, analysis has considered how the need for different types and sizes of dwellings is expected to change over the plan period. The outcome of this analysis reflects the rapidly ageing population of Northumberland, and over the plan period the number of households with a Household Reference Person aged under 60 is expected to fall by 9,270 while households headed by someone aged 60 and over is expected to increase by 19,790.
- 7.9 Analysis concludes there is expected to be a sharp increase in the need for smaller dwellings, with 59.8% of need for housing with 1 or 2 bedrooms; a further 36.6% having 3 bedrooms and only 3.5% having 4 or more bedrooms. There is a particular need to provide level access housing (including flats with lift access) as expressed in a high need for bungalow accommodation.
- 7.10 Analysis of affordable housing need indicates an ongoing need for a range of affordable housing, with a focus on 1 and 2-bedroom dwellings and a 50% affordable rented and 50% intermediate tenure split.

## Meeting the needs of older people and those with disabilities

- 7.11 There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities. Over the plan period, it is suggested that around 2,670 additional bed-spaces of C2 residential care home and nursing home provision may be required. The SHMA update also presents a compelling case for the Council to introduce accessibility standards for both M4(2) and M4(3) dwellings and that M4(2) standards are likely to meet the needs of most current and future residents

## Final comments

- 7.12 The evidence presented in this SHMA update suggests that there are three main policy areas that require particular attention from both a planning policy and social policy perspective:
- the challenge of enabling the quantity and mix of housing that needs to be delivered;
  - the challenge of ensuring that the housing and support needs of older people are met going forward; and
  - ensuring that new development takes account of the particular needs across housing market sub-areas within Northumberland.

## Technical Appendix A - a worked example of how age cohorts are applied to the future dwelling mix

This Appendix provides a worked example of how data for each age cohort is used in demographic analysis to demonstrate the likely change in dwelling requirements based on arc4 national survey data applied to demographic projections for Northumberland.

**Table A1: Baseline data**

Age group	Dwelling Type	Household type					
		One Person	Couple only	HH with 1/2 Children	HH with 3 Children	Other Multi-person	Total
15-24	1 Bed House	0.4	3.0	0.0	0.0	0.0	1.0
	2 Bed House	13.4	22.1	58.1	18.9	14.6	25.7
	3 Bed House	14.1	17.0	27.3	72.6	11.0	18.5
	4 or more Bed House	0.0	1.2	0.9	6.9	46.9	12.7
	1 Bed Flat	63.5	27.5	0.2	0.0	0.0	22.0
	2 Bed Flat	6.1	26.3	13.0	0.0	24.1	17.8
	3+ Bed Flat	0.2	0.1	0.3	1.6	3.5	1.1
	1-2 Bed Bungalow	2.4	0.3	0.0	0.0	0.0	0.6
	3+ Bed Bungalow	0.0	0.0	0.1	0.0	0.0	0.0
	1 Bed Other	0.0	0.0	0.0	0.0	0.0	0.0
	2 Bed Other	0.0	2.4	0.0	0.0	0.0	0.7
	3+ Bed Other	0.0	0.0	0.0	0.0	0.0	0.0
	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: arc4 household surveys

The baseline data is derived from the arc4 household survey dataset which establishes the relationships between age group, household type and dwelling type lived in.

The baseline data is applied to households to establish the number of households by dwelling type and size for 2016 and 2036.

Table A2: 2016 households

Age group	Dwelling Type	Household type					
		One Person	Couple only	HH with 1/2 Children	HH with 3 Children	Other Multi-person	Total
15-24	1 Bed House	4	26	0	0	0	38
	2 Bed House	131	186	1,001	16	43	1,009
	3 Bed House	138	143	470	62	33	725
	4 or more Bed House	0	10	16	6	140	500
	1 Bed Flat	621	232	3	0	0	864
	2 Bed Flat	60	222	225	0	72	699
	3+ Bed Flat	2	1	5	1	10	42
	1-2 Bed Bungalow	23	2	0	0	0	23
	3+ Bed Bungalow	0	0	2	0	0	1
	1 Bed Other	0	0	0	0	0	0
	2 Bed Other	0	20	0	0	0	27
	3+ Bed Other	0	0	0	0	0	0
	<b>Total</b>	<b>978</b>	<b>842</b>	<b>1,723</b>	<b>86</b>	<b>298</b>	<b>3,927</b>

Source: 2014-based CLG household projections

Table A3: 2036 households

Age group	Dwelling Type	Household type					
		One Person	Couple only	HH with 1/2 Children	HH with 3 Children	Other Multi-person	Total
15-24	1 Bed House	3	31	0	0	0	40
	2 Bed House	97	228	1,176	13	44	1,066
	3 Bed House	102	176	553	51	34	766
	4 or more Bed House	0	13	19	5	143	528
	1 Bed Flat	458	284	3	0	0	913
	2 Bed Flat	44	272	264	0	73	739
	3+ Bed Flat	1	1	6	1	11	45
	1-2 Bed Bungalow	17	3	0	0	0	25
	3+ Bed Bungalow	0	0	3	0	0	1
	1 Bed Other	0	0	0	0	0	0
	2 Bed Other	0	24	0	0	0	28
	3+ Bed Other	0	0	0	0	0	0
	<b>Total</b>	<b>721</b>	<b>1,031</b>	<b>2,025</b>	<b>70</b>	<b>305</b>	<b>4,152</b>

Source: 2014-based CLG household projections

The difference in household numbers for 2016 and 2036 by dwelling type and household type can be calculated.

The calculation is repeated for other age groups in the same way.

**Table A4: Dwelling change 2016-2036 (sample illustration using 15-24 age group)**

Age group	Dwelling Type	Household type					
		One Person	Couple only	HH with 1/2 Cldn	HH with 3 Cldn	Other Multi-person	Total
<b>15-24</b>	1 Bed House	-1	6	0	0	0	2
	2 Bed House	-34	42	175	-3	1	58
	3 Bed House	-36	32	82	-12	1	42
	4 or more Bed House	0	2	3	-1	3	29
	1 Bed Flat	-163	52	0	0	0	49
	2 Bed Flat	-16	50	39	0	2	40
	3+ Bed Flat	-1	0	1	0	0	2
	1-2 Bed Bungalow	-6	0	0	0	0	1
	3+ Bed Bungalow	0	0	0	0	0	0
	1 Bed Other	0	0	0	0	0	0
	2 Bed Other	0	4	0	0	0	2
	3+ Bed Other	0	0	0	0	0	0
	<b>Total</b>	<b>-257</b>	<b>189</b>	<b>302</b>	<b>-16</b>	<b>7</b>	<b>225</b>



## Technical Appendix B: Affordable Housing Need Calculation

### Introduction

B.1 The purpose of this section is to set out the affordable housing need calculations for Northumberland. It considers the framework for analysis established in PPG and draws upon both PPG2012 and draft PPG2018.

B.2 Affordable housing need relates to those households who are unable to access suitable housing in the market. Paragraph 022 of PPG2012 considered how affordable housing need should be calculated:

*“Plan makers working with relevant colleagues within their local authority will need to estimate the number of households and projected households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market”.*

PPG2018 simplifies this definition:

*“Plan-making authorities will need to estimate the number of household and projected households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).”*

B.3 Housing Register data and data on affordable housing lettings provides an appropriate source of data from which a robust assessment of need can be calculated.

B.4 Housing needs analysis and affordable housing modelling has been prepared in accordance with PPG guidance at the county level. In summary, the model reviews in a step-wise process:

Stage 1: Current housing need (gross backlog)

Stage 2: Newly-arising need

Stage 3: Likely future affordable housing supply

Stage 4: Total and annual need for affordable housing

B.5 Table B1 provides an overall summary of needs analysis and a description of each stage of the model is then presented.

Table B1 CLG Needs Assessment Summary for Northumberland			
Step	Stage and Step description	Calculation	Northumberland Total
<b>Stage1: CURRENT NEED</b>			
1.1	<b>TOTAL in need and cannot afford open market (buying or renting)</b>	<b>Total</b>	<b>6,401</b>
<b>Stage 2: FUTURE NEED</b>			
2.1	New household formation (Gross per year)	Based on 1.55% national household formation rate	<b>2,204</b>
2.2	Number of new households requiring affordable housing	% based on actual affordability of households forming	<b>30.5%</b>
2.2	Number of new households requiring affordable housing	Number cannot afford	<b>669</b>
2.3	Existing households falling into need	Annual requirement	<b>61</b>
2.4	<b>TOTAL newly-arising housing need (gross each year)</b>	<b>2.2 + 2.3</b>	<b>730</b>
<b>Stage 3: AFFORDABLE HOUSING SUPPLY</b>			
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	<b>3,194</b>
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	<b>0</b>
3.3	Committed supply of new affordable units	Annual	<b>1,116</b>
3.4	Units to be taken out of management	None assumed	<b>0</b>
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	<b>4,310</b>
3.6	Annual supply of social re-lets (net)	Annual Supply (3yr ave)	<b>944</b>
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply (3yr ave)	<b>53</b>
3.8	<b>Annual supply of affordable housing</b>	<b>3.6+3.7</b>	<b>997</b>
<b>Stage 4: ESTIMATE OF ANNUAL HOUSING NEED</b>			
4.1	Total backlog need	1.4A-3.5	<b>2,091</b>
4.2	Quota to reduce over 5 years (20%)		<b>20%</b>
4.3	Annual backlog reduction	Annual requirement	<b>418</b>
4.4	Newly-arising need	2.4	<b>730</b>
4.5	Total annual affordable need	4.3+4.4	<b>1,148</b>
4.6	Annual social rented capacity	3.8	<b>997</b>
4.7	<b>NET ANNUAL SHORTFALL (4.5-4.6)</b>	<b>NET</b>	<b>151</b>

Source 2015 SHMA, Household Survey; RP Core Lettings and Sales data.

Note the net annual shortfall would be 374 each year, excluding committed supply of new affordable dwellings.

## Stage 1: Current households in affordable housing need

- B.6 The types of households to be considered in housing need are presented in PPG2012 Paragraph 023<sup>3</sup>:
- *homeless households or insecure tenure (e.g. housing that is too expensive compared to disposable income) (Need1);*
  - *households where there is a mismatch between the housing needed and the actual dwelling (e.g. overcrowded households) (Need2);*
  - *households containing people with social or physical impairment or other specific needs living in unsuitable dwellings (e.g. accessed via steps) which cannot be made suitable in-situ) (Need3)*
  - *households that lack basic facilities (e.g. a bathroom or kitchen) and those subject to major disrepair or that are unfit for habitation (Need4);*
  - *households containing people with particular social needs (e.g. escaping harassment) which cannot be resolved except through a move (Need5).*
- B.7 PPG2012 Paragraph 024 then identifies how current unmet gross affordable need should be calculated with reference to past trends and recording current estimates of:
- *the number of homeless households;*
  - *the number of those in priority need who are currently housed in temporary accommodation;*
  - *the number of households in over-crowded housing;*
  - *the number of concealed households;*
  - *the number of existing affordable housing tenants in need (ie householders currently housed in unsuitable dwellings);*
  - *the number of households from other tenures in need and those that cannot afford their own homes.*
- B.8 PPG2018 does not specify the types of household to be considered in need. PPG2012 Paragraph 024 is replicated in draft PPG2018 but the final bullet point is extended to say:
- *the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.*
- B.9 Using the latest (April 2018) Homefinder housing register data, an up to date position on the number of households in each of the above categories of need can be established (Tables B2 and B3). Note that Table B3 seeks to identify the scale of need associated with Paragraph 024 and PPG18 estimates.

---

<sup>3</sup> Reference ID: 2a-023-20140306

**Table B2 Affordable Housing need in Northumberland**

Factor	Total
Need 1 - Homeless or insecure tenure	1,433
Need 2 - Mismatch between housing needed and the actual dwelling	1,626
Need 3 - Containing person with a social or physical impairment or other special need	1,971
Need 4 - Lacking basic facilities	462
Need 5 - Social need which cannot be resolved except through a move (includes relationship breakdown)	1,819
Other priority needs but not specified	398
Other households on the housing register for affordable housing	3,931
<b>Total no. households in need (note that a household may have one or more housing needs)</b>	<b>6,401</b>
Total Households	147,239
<b>% households in need</b>	<b>4.3%</b>

**Note:** A household may have more than one housing need.

Source: 2018 Homefinder register

**Table B3 Breakdown of needs factors**

Factor	Northumberland Total
N1 End of my tenancy	349
N1 Eviction/repossession	180
N1 Financial Difficulties	999
N1 Homeless/Threatened with Homelessness	700
N1 Leaving HM forces	21
N1 Loss/leaving tied accommodation	57
N2 Home too large	1,108
N2 Home unsuitable due to overcrowding	908
N3 Discharged from long stay in hospital	31
N3 Home unsuitable due to ill health or disability	860
N3 In supported accommodation	49
N3 Medical/social conditions affected by your housing	1,424
N3 Moving closer to special facility	159
N4 Property unsuitable due to poor condition	480
N5 Experiencing domestic violence	124
N5 Experiencing harassment	506
N5 Experiencing sexual/ racial harassment	34
N5 Problems with neighbours	768
N5 To give/receive support to/from family	1,147
Other reasons	1,928

**Note:** A household may have more than one housing need and so numbers may not sum to the totals in Table B2

Source: 2018 Homefinder register

## Homelessness

- B.10 Table B3 identifies a total of 700 households who are homeless or threatened with homelessness. Table B4 considers longer-term trends in decisions and acceptances of homeless households and indicates that an annual average of 203 households have been accepted as homeless.

**Table B4 Homeless decisions and acceptances 2010/11 to 2016/17**

Year	Decisions made	Accepted as homeless
2010/11	424	189
2011/12	540	229
2012/13	593	227
2013/14	390	184
2014/15	331	194
2015/16	359	188
2016/17	367	207
<b>Total</b>	3,004	1,418
<b>Annual Average</b>	429	203

Source: CLG Homelessness Statistics

## Overcrowding and concealed households

- B.11 The extent to which households are overcrowded is measured using the 'bedroom standard'. This allocates a standard number of bedrooms to each household in accordance with its age/sex/marital status composition. A separate bedroom is allocated to each married couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex and each pair of children under 10. Any unpaired person aged 10-20 is paired if possible with a child under 10 of the same sex, or, if that is not possible, is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms (including bedsits) available for the sole use of the household.
- B.12 According to the Homefinder data, 908 households are currently living in overcrowded accommodation and require affordable housing.

## Total current housing need summary

- B.13 Analysis indicates a total of 6,401 households who are in housing need which represents 4.3% of all households (arc4 would expect between 5 and 10% of households are in need based on our other studies). As accurate household income data is not available from Homefinder data, it is assumed that all households on the register are in need of affordable housing.

## Stage 2: Newly-arising affordable need

- B.14 PPG2012 Paragraph 025 and draft PPG2018 considers how the number of newly-arising households likely to need affordable housing. Projections of need should take account of new household formation, the proportion of newly-forming households unable to buy or rent in the market area and an estimation of the number of existing households falling into need. This process should identify the minimum household income required to access lower quartile (entry level) market housing and the proportion of newly-forming households who are unable to access market housing.

### New household formation (gross per year)

- B.15 The national household formation rate reported in the English Housing Survey is currently 1.55% based on the latest three-year average national rate reported in the English Housing Survey over the period 2013/14 to 2015/16. According to the 2014-based household projections for Northumberland, the total number of households in 2017 is 142,218. Applying the gross national household formation rate establishes an annual household formation of 2,204.
- B.16 Homefinder data reports a total of 669 newly-forming households in priority need for affordable housing. As accurate income data are not available it is not possible to test the extent to which newly-forming households could afford lower quartile open market prices. Modelling assumes that affordable need from newly-forming households is based on the 669 households on the housing register in priority need, which results in 30.6% of newly-forming households requiring affordable housing.

### Existing households expected to fall into need

- B.17 The housing register will contain households who have fallen into need and likely to appear as in priority need however it is difficult to isolate this figure from the data available. The previous 2015 SHMA identified that 61 households fell into need each year and this has been included as an indicator of existing households expected to fall into need.

### Total newly arising housing need (gross per year)

- B.18 Total newly arising need is calculated to be 730 households each year across Northumberland.

## Stage 3: Affordable housing supply

- B.19 PPG2012 Paragraph 026 states there will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply. To identify the total affordable housing supply requires identifying the current housing stock by:
- identifying the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need;

- identifying surplus stock (vacant properties);
- identifying the committed supply of new affordable units (social rented and intermediate housing) at the point of the assessment (number and size);
- identifying units to be taken out of management (demolition or replacement schemes that lead to net losses of stock).

Total affordable housing stock available = Dwellings currently occupied by households in need + surplus stock + committed additional housing stock – units to be taken out of management.

The number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need This is an important consideration in establishing the net levels of housing need as the movement of these households within affordable housing will have a nil effect in terms of housing need<sup>4</sup>.

B.20 PPG2018 simplifies how the current stock of affordable housing supply should be calculated:

- the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need;
- suitable surplus stock (vacant properties); and
- the committed supply of new net affordable homes at the point of the assessment (number and size).

B.21 The CLG model reviews the supply of affordable units, taking into account how many households in need are already in affordable accommodation, stock surpluses, committed supply of new affordable dwellings and dwellings being taken out of management (for instance pending demolition or being used for decanting).

B.22 PPG2012 Paragraph 027 considers the likely level of future housing supply of social re-lets (net) and intermediate affordable housing (excluding transfer). Plan makers should calculate the level of likely future affordable housing supply taking into account future annual supply of social housing re-lets (net), calculated on the basis of past trends (generally the average number of re-lets over the previous 3 years should be taken as the predicted annual levels), and the future annual supply of intermediate affordable housing (the number of units that come up for re-let or re-sale should be available from local operators of intermediate housing schemes). This key step of the process is currently missing from the draft PPG2018<sup>5</sup>. Therefore, this stage of the analysis takes account of elements of the PPG2012 methodology.

---

<sup>4</sup> Strategic Housing Market Assessment Guidance (CLG, August 2007)

<sup>5</sup> This has been brought the attention of MHCLG as part of their consultation on draft-NPPF and PPG

### Step 3.1 Affordable dwellings occupied by households in need

- B.23 This is an important consideration in establishing the net levels of housing need as the movement of these households within affordable housing will have a nil effect in terms of housing need<sup>6</sup>.
- B.24 A total of 3,194 households are current occupiers of affordable housing in need. Although the movement of these households within affordable housing will have a nil effect in terms of housing need (i.e. they already live in affordable housing), the type of property they would 'free up' if they moved is considered in modelling.

### Step 3.2 Surplus stock

- B.25 A proportion of vacant properties are needed to allow households to move within housing stock. Across the social rented sector, this proportion is generally recognised as being 2%. Stock above this proportion is usually assumed to be surplus stock. Modelling assumes no surplus social rented stock across Northumberland.

### Step 3.3 Committed supply of new affordable units

- B.26 Over the period 2017/18 to 2021/22, a total of 1,116 new affordable units are expected to be built across Northumberland<sup>7</sup>.

### Step 3.4 Units to be taken out of management

- B.27 The model assumes there will be no social rented units taken out of management over the next five years.

### Step 3.5 Total affordable housing stock available

- B.28 It is assumed that there are 3,194 social (affordable) rented dwellings available over the five year period arising from households moving within the stock.

### Step 3.6 Annual supply of social re-lets

- B.29 Lettings data provided by the Council indicates a total of 4,722 dwellings were let over the 5 year period 2013/14 to 2017/18.

### Step 3.7 Annual supply of intermediate re-lets/sales

- B.30 Local Authority Housing Statistics report an average of 53 intermediate tenure dwellings have been built over the period 2014/15 to 2016/17

---

<sup>6</sup> Strategic Housing Market Assessment Guidance (CLG, August 2007)

<sup>7</sup> Northumberland Five-Year Supply of Deliverable Sites – 2017/18 to 2021/22 (NCC, November 2017)



### Summary of Stage 3

- B.31 Overall, the model assumes an existing affordable supply of 3,194; anticipated new-build of 1,116; along with an annual supply of 944 social (affordable) lettings and an annual supply of 53 intermediate tenure lettings/sales.

## Stage 4: Estimate of annual housing need

### Overview

- B.32 Analysis has carefully considered how housing need is arising within Northumberland by identifying existing households in need (and who cannot afford market solutions), newly-forming households in need and existing households likely to fall into need.
- B.33 This has been reconciled with the supply of affordable dwellings which considers property size and designation (i.e. for general needs or older person). Based on the CLG modelling process, analysis suggests that **there is an overall annual net imbalance of 151 dwellings each year.**
- B.34 Information is also broken down by property size and area based on data from the housing register and dwellings let. This helps to inform dwelling type and mix calculations that is a requirement of PPG. This analysis can help identify where there are shortfalls and sufficient capacity of affordable housing, and help to shape policy responses.
- B.35 Stage 4 brings together the individual components of the needs assessment to establish the total net annual shortfall.

### Step 4.1 Total backlog need

- B.36 Step 4.1 is the total backlog need which is derived from the number of households in Step 1.1 minus total affordable housing stock available (Step 3.5). The total backlog need is 2,091.

### Steps 4.2 to 4.6

- B.37 Step 4.2 is a quota to reduce the total backlog need which is assumed to be 20% each year (which is a standard modelling assumption suggested by the CLG guidance).
- B.38 Step 4.3 is the annual backlog reduction based on Step 4.2 (418 each year).
- B.39 Step 4.4 is a summary of newly-arising need from both newly forming households and existing households falling into need (730 each year).
- B.40 Step 4.5 is the total annual affordable need based on Steps 4.3 and 4.4 (1,148 each year) (this is also the gross need).
- B.41 Step 4.6 is the annual social rented/intermediate tenure capacity based on Step 3.8 (997 each year).

## Total gross and net imbalance

- B.42 Table B5 summarises the overall annual gross and net affordable housing requirements for Northumberland by designation (general needs and older person) and property size. The gross figure refers to the annual need for affordable housing and the net figure takes into account the likely supply of affordable housing through affordable lettings and intermediate sales.

**Table B5 Net annual affordable housing imbalance by property size and designation 2014/15 to 2018/19**

Shortfall	General Needs				Total
	1 Bed	2 Beds	3 Beds	4+ Bed	
Gross	579	396	133	40	<b>1,148</b>
Net	100	38	4	9	<b>151</b>

Sources: 2018 Housing Register; Council lettings data

- B.43 This analysis assumes the delivery of 1,116 affordable dwellings over the 5 years 2017/18 to 2021/22. Excluding this results in a net imbalance of 374 each year.